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Financial Results
for the three months ended March 31, 2025 — Consolidated
(Based on IFRS)

May 13, 2025

Company name **Sapporo Holdings Limited**

Security code 2501

Listed on Tokyo Stock Exchange (Prime Market); Sapporo Securities Exchange

URL <https://www.sapporoholdings.jp/en/>

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Scheduled dates:

Commencement of dividend payments -

Supplementary information to the year-end earnings results Available

Quarterly earnings results briefing held Yes
(mainly targeted at institutional investors and analysts)

1. Consolidated Financial Results for the three months Ended March 31, 2025
(January 1 – March 31, 2025)

(Amounts in million yen rounded to the nearest million yen)

(1) Operating Results

(Percentage figures represent year-over-year changes)

	Revenue		Core Operating profit		Operating profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended March 31, 2025	118,678	5.2	(865)	—	(2,227)	—	(4,215)	—
Three months ended March 31, 2024	112,761	3.7	(3,795)	—	(1,936)	—	(1,970)	—

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	million yen	%	million yen	%	Yen	Yen
Three months ended March 31, 2025	(4,222)	—	(7,839)	—	(54.18)	(54.18)
Three months ended March 31, 2024	(1,977)	—	8,597	—	(25.38)	(25.38)

Note: Profit before tax

Three months ended March 31, 2025 (3,899) million yen

Three months ended March 31, 2024 (1,507) million yen

*Core operating profit is a proprietary profit indicator that measures the performance consistency of our business.

Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

(2) Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	million yen	million yen	million yen	%
Three months ended March 31, 2025	634,247	185,267	184,189	29.0
Year ended December 31, 2024	664,963	197,157	196,030	29.5

2. Dividends

Record date or period	Dividend per share				
	End Q1	End Q2	End Q3	Year-end	Full year
	yen	yen	yen	yen	yen
Year ended December 31, 2024	—	0.00	—	52.00	52.00
Year ended December 31, 2025	—				
Year ending December 31, 2025 (forecast)		0.00	—	60.00	60.00

Note: Changes to the latest dividend forecast announced: None

3. Forecast of Consolidated Earnings for the Year Ending December 31, 2025 (January 1 – December 31, 2025)

(Percentage figures represent year-over-year changes)

	Revenue		Core operating profit		Operating profit		Profit		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending December 31, 2025	532,000	0.2	24,500	11.2	20,000	92.0	11,030	41.9	11,000	42.6	141.16

Note: Changes to the latest consolidated results forecast announced: None

*Earnings forecasts for the six months ending June 30, 2025 are omitted because the company manages performance targets on a yearly basis.

4. Other

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: None
Excluded: 1 (Sapporo Group Management Ltd.)
- (2) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
- 1) Changes in accounting policies required by IFRS: None
 - 2) Changes other than 1) above: None
 - 3) Changes in accounting estimates: None
- (3) Number of shares issued and outstanding (common stock)
- 1) Number of shares issued at end of period (treasury stock included):
March 31, 2025: 78,794,298 shares
December 31, 2024: 78,794,298 shares
 - 2) Number of shares held in treasury at end of period:
March 31, 2025: 871,324 shares
December 31, 2024: 870,978 shares
 - 3) Average number of outstanding shares during the period:
March 31, 2025: 77,923,123 shares
March 31, 2024: 77,898,566 shares

Audit Status

The year-end financial results are outside the scope of audit procedures based on the Financial Instruments and Exchange Act.

Appropriate Use of Earnings Forecasts and Other Important Information

This document contains projections and other forward-looking statements based on information available to the Company as of the date of this document. Actual results may differ from those expressed or implied by forward-looking statements due to various factors. For the assumptions underlying the forecasts herein and other information on the use of earnings forecasts, refer to "1. Analysis of Operating Results and Financial Condition (4) Consolidated Earnings Forecast" on page 8.

Seasonal factors

The Group's operating results are affected by substantial seasonal variations in demand in the Alcoholic Beverages and Food & Soft Drinks businesses. Revenues consequently tend to be lower in the first quarter than in the other three quarters.

1. Analysis of Operating Results and Financial Condition

(1) Operating Results

(a) Review of the fiscal three months Ended March 31, 2025

In this quarterly consolidated accounting period (January 1 - March 31, 2025), the uncertain outlook continues, driven by concerns over the impact of persistent geopolitical risks, inflation from surging prices of raw materials and energy, and the potential effects of U.S. tariff policies on the global economy.

Under these circumstances, the Sapporo Group continued to implement structural reforms and accelerate growth with the aim of strengthening profitability in the third year of our “Medium-Term Management Plan (2023-2026),” and has delivered steady results.

Despite a decline in sales volume of overseas brand beers and Sapporo brand beers in North America, consolidated revenue increased year-on-year thanks to continued strong beer sales in the Japan market and last-minute demand ahead of price revisions.

Consolidated core operating profit increased year-on-year due to the effects of increased revenue in the Alcoholic Beverages segments and a reactionary decline in IT investment compared to the previous year.

Consolidated operating profit decreased from the same period of the previous year, despite an increase in consolidated core operating profit. This was mainly due to the recognition of impairment losses following the conclusion of agreements to transfer shares in Shinsyu-ichi Miso Co., Ltd. and receivables from the company in the Food & Soft Drinks business, as well as the absence of gains recorded in the previous year from the reversal of impairment losses on fixed assets and the sale of land.

Quarterly profit attributable to owners of parent decreased year-on-year due to a decline in consolidated operating profit, as well as a shift from foreign exchange gains in the previous year to foreign exchange losses caused by fluctuations in exchange rates.

Summary in key figures

Millions of yen, except percentages

	Revenue	Core operating profit	Operating profit	Profit attributable to owners of parent
Three months Ended March 31, 2025	118,678	(865)	(2,227)	(4,222)
Three months Ended March 31, 2024	112,761	(3,795)	(1,936)	(1,977)
Change (%)	5.2	—	—	—

*Core operating profit is a proprietary profit indicator that measures the performance consistency of our business. Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

Results by segment are outlined below.

Alcoholic Beverages

Despite a decline in sales volume of overseas brand beers and Sapporo brand beers in North America, revenue increased year-on-year thanks to continued strong beer sales in the Japan market and last-minute demand ahead of price revisions.

Core operating profit increased year-on-year mainly due to the increase in revenue in the Japan Alcoholic Beverages business.

Operating profit increased year-on-year due to an increase in core operating profit, as well as gains from the sale of the Nasu Plant and other assets.

- Revenue: ¥88.0 billion (up ¥7.4 billion, or 9.1% year-on-year)
- Core operating profit: ¥1.4 billion (compared with a loss of ¥0.2 billion a year earlier)
- Operating profit: ¥2.6 billion (compared with a loss of ¥0.3 billion a year earlier)

Details of Alcoholic Beverages (Japan and Overseas) and Restaurants in the Alcoholic Beverages segment were as follows.

Japan

Both the on-trade and off-trade products markets were strong, due in part to last-minute demand before various companies revised their prices. Total domestic demand for beer-type beverages (beer, happoshu (including happoshu (2))) was estimated to have been about 113% year-on-year. Total domestic demand for beer was estimated to be at roughly 115% year-on-year.

In this fiscal year, we are focusing more on strengthening beer and RTD*, taking into account the alcohol tax revision in October 2026.

In this context, the Sapporo Draft Beer Black Label canned products continued to perform strongly with sales volume at 133% year-on-year, and that of Yebisu Beer cans was 129% year-on-year, resulting in a 115% year-on-year increase in the Group's total domestic sales volume of beer-type beverages. In addition, sales of canned RTDs grew 150% year-on-year.

*: RTD, or ready-to-drink beverages, are pre-mixed, low-alcohol cocktail-like beverages that can be consumed as is immediately after opening.

Overseas

In Canada, total demand for beer remains weak and is expected to decrease year-on-year. Likewise, a year-on-year decrease in total demand for beer in the US is also expected. In particular, the craft beer market continues to slow, remaining below previous year's level. As a result, the sales volume of overseas beer brands fell year-on-year.

Sales volume of Sapporo brand beer in North America was 96% year-on-year. While the market slowdown had some impact, the main factor behind the decline was a temporary reactionary drop following strong shipments in the U.S. at the end of last year. Sales at retail stores have continued to show steady growth.

Given the ongoing uncertainty, we will closely monitor changes in consumer sentiment and respond appropriately.

Restaurants

Restaurant demand remained steady as the recovery in foot traffic and consumer spending on in-person services continued gradually with the normalization of socio-economic activities.

Amid this environment, the Sapporo Group's Restaurants business recorded a 103% year-on-year increase in existing store sales thanks to efforts to attract inbound tourists and senior customers, as well as menu and price revisions.

Food & Soft Drinks

Revenue declined year-on-year due to the effects of structural reforms such as business transfers in the Japan market through last year, as well as a temporary suspension of operations at the Malaysia factory, which handles part of the production of overseas soft drink products.

Core operating profit increased compared to the same period of the previous fiscal year despite the impact of rising raw material costs, supported by the positive effects of cost structure reforms.

Operating profit decreased from the same period of the previous year due to the recognition of impairment losses following the conclusion of agreements to transfer shares in Shinsyu-ichi Miso Co., Ltd. and receivables from the company, as well as the absence of gains recorded in the previous year from the reversal of impairment losses on fixed assets and the sale of land.

- Revenue: ¥24.4 billion (down ¥2.2 billion, or 8.4% year-on-year)

- Core operating profit: ¥(0.4) billion (compared with a loss of ¥0.6 billion a year earlier)
- Operating profit: ¥(2.9) billion (compared with a profit of ¥1.5 billion a year earlier)

Details of Food & Soft Drinks (Japan) and Overseas Soft Drinks in the Food & Soft Drinks segment were as follows.

Food & Soft Drinks (Japan)

Total demand for soft drinks in Japan was estimated to be 97% year-on-year. Meanwhile, the sales amount of the Group's domestic soft drinks was 98% year-on-year due to product lineup changes and other factors, despite Kireto Lemon, the main brand in the lemon business, performing strongly at 122% year-on-year.

In addition, three bottled products of Pokka Lemon 100 (120ml, 300ml, and 450ml), our main brand product, were renewed and launched as food products with a functional claim to "lower elevated blood pressure (systolic blood pressure)," and the brand has had strong sales at 114% of the previous year's level.

Overseas Soft Drinks

At the Malaysia factory, which handles the production of some overseas beverage products, operations were temporarily halted from early March due to packaging issues, resulting in shipping disruptions to various regions.

Amid these conditions, sales in Singapore amounted to 79% year-on-year (in local currency terms), affected in part by a market environment where diversifying consumer preferences are driving down demand in existing markets.

In Malaysia, a priority market, efforts were made to expand sales through a new distributor network; however, sales remained at 87% year-on-year (in local currency terms).

Excluding the above, exports to the Middle East resumed in August 2024, bringing sales in the export business to 119% year-on-year (in local currency terms).

Real Estate

In the office leasing market in the Greater Tokyo area, both occupancy rates and average rent levels have been steadily trending upward. Notably, within the five central wards, Shibuya Ward has a relatively low office vacancy rate compared to other wards, which has led to an upward trend in rents.

In this context, revenue increased year-on-year due to improved office occupancy at Yebisu Garden Place, increased demand for outdoor brand products at Sapporo Factory due to continued inbound demand, and an increase in rental income from properties acquired last year.

Core operating profit and operating profit increased year-on-year due to the positive impact of increased revenue, despite the increase in administrative expenses from surging personnel costs.

- Revenue: ¥6.3 billion (up ¥0.8 billion, or 15.2% year-on-year)
- Core operating profit: ¥0.3 billion (compared with a loss of ¥0.2 billion a year earlier)
- Operating profit: ¥0.2 billion (compared with a loss of ¥0.3 billion a year earlier)

(2) Consolidated Financial Condition

As of the end of this Q1 consolidated accounting period, the following were the operative factors in the condition of assets, liabilities and equity.

	(Millions of yen)		
	As of December 31, 2024	As of March 31, 2025	Change
Current assets	193,918	170,410	(23,508)
Non-current assets	471,045	463,837	(7,208)
Total assets	664,963	634,247	(30,716)
Current Liabilities	207,007	201,656	(5,350)
Non-current liabilities	260,799	247,323	(13,475)
Total liabilities	467,805	448,980	(18,826)
Total equity	197,157	185,267	(11,890)
Total liabilities and equity	664,963	634,247	(30,716)

In end-Q1, assets decreased by ¥30.7 billion from the end of the previous consolidated fiscal year, falling to ¥634.2 billion, due to reductions in trade and other receivables from seasonal factors and a decrease in property, plant and equipment from foreign-exchange effects.

Total liabilities came to ¥449.0 billion, which was a decrease of ¥18.8 billion as compared to the end of the previous fiscal year, as increases in current bonds and borrowings were offset by decreases in other current liabilities due to seasonal reasons and non-current bonds and borrowings

On the same comparative basis, total equity decreased by ¥11.9 billion to ¥185.3 billion. primarily due to the recording of a quarterly loss, a decrease in retained earnings from year-end dividends, and a decrease in other components of equity from exchange differences on translation of foreign operations.

(3) Consolidated Cash Flows

At the end-Q1, cash and cash equivalents (collectively “cash”) declined by ¥1.7 billion (7%) to ¥22.4 billion, relative to the previous consolidated fiscal year-end.

The components of Q1’s cash flow categories were as follows.

(Millions of yen)

Category	As of March 31, 2024	As of March 31, 2025	Change
Cash flows from operating activities	1,658	5,273	3,614
Cash flows from investing activities	(10,778)	(3,340)	7,437
Free cash flow	(9,119)	1,932	11,051
Cash flows from financial activities	8,486	(2,359)	(10,845)
Effect of exchange rate change on cash and cash equivalents	724	(1,230)	(1,955)
Net increase (decrease) in cash and cash equivalents	91	(1,657)	(1,748)
Cash and cash equivalents at beginning of period	17,204	24,140	6,936
Cash and cash equivalents included in assets of disposal groups classified as holdings for sale	(114)	(63)	51
Cash and cash equivalents at end of period	17,180	22,420	5,240

(Cash Flows from Operating Activities)

Cash provided by operating activities amounted to ¥5.3 billion (compared to ¥1.7 billion provided in the previous period). This was primarily due to decreases in accrued alcohol tax of ¥11.6 billion, payments of income taxes amounting to ¥7.0 billion, and a loss before tax of ¥3.9 billion, offset by decreases in trade and other receivables of ¥21.0 billion and increases in depreciation and amortization expenses of ¥5.7 billion.

(Cash Flows from Investing Activities)

Cash used in investing activities was ¥3.3 billion (compared to ¥10.8 billion used in the previous period). This was mainly attributable to cash inflows of ¥1.6 billion from the sale of property, plant and equipment and ¥0.8 billion from refund in capital of subsidiaries and associates, which were offset by cash outflows of ¥3.3 billion for the purchase of property, plant and equipment, ¥1.5 billion for the purchase of investment properties, and ¥0.8 billion for the purchase of investment securities.

(Cash Flows from Financing Activities)

Cash used in financing activities was ¥2.4 billion (compared to ¥8.5 billion provided in the previous period). This was mainly due to an increase of ¥4.1 billion in short-term borrowings and an increase of ¥1.0 billion in commercial paper, offset by dividend payments amounting to ¥3.9 billion and cash outflows of ¥3.5 billion for the repayment of long-term borrowings.

(4) Consolidated Earnings Forecast

The consolidated earnings forecast for the full fiscal year to December 31, 2025, is unchanged from the forecast announced by the Company on February 14, 2025.

3. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	24,140	22,420
Trade and other receivables	99,458	77,120
Inventories	58,148	58,737
Other financial assets	6,178	4,834
Other current assets	5,340	5,203
Subtotal	193,265	168,314
Assets held for sale	653	2,096
Total current assets	193,918	170,410
Non-current assets		
Property, plant and equipment	157,799	152,718
Investment property	209,176	209,196
Goodwill	22,362	22,020
Intangible assets	6,279	5,920
Investments accounted for using equity method	1,323	518
Other financial assets	67,528	67,110
Retirement benefit asset	409	—
Other non-current assets	3,403	3,302
Deferred tax assets	2,766	3,053
Total non-current assets	471,045	463,837
Total assets	664,963	634,247

(Millions of yen)

	As of December 31, 2024	As of March 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	38,027	33,941
Bonds and borrowings	56,996	70,844
Lease liabilities	3,741	3,790
Income taxes payable	7,485	895
Other financial liabilities	32,060	35,585
Provisions	8,272	9,819
Other current liabilities	60,426	45,448
Subtotal	207,007	200,321
Liabilities directly associated with assets held for sale	–	1,335
Total current liabilities	207,007	201,656
Non-current liabilities		
Bonds and borrowings	148,117	136,641
Lease liabilities	27,730	27,065
Other financial liabilities	60,987	60,777
Retirement benefit liability	3,297	3,457
Provisions	2,146	2,080
Other non-current liabilities	936	869
Deferred tax liabilities	17,585	16,434
Total non-current liabilities	260,799	247,323
Total liabilities	467,805	448,980
Equity		
Share capital	53,887	53,887
Capital surplus	40,832	40,848
Treasury shares	(1,722)	(1,725)
Retained earnings	65,268	56,592
Other components of equity	37,766	34,587
Total equity attributable to owners of parent	196,030	184,189
Non-controlling interests	1,127	1,079
Total equity	197,157	185,267
Total liabilities and equity	664,963	634,247

(2) Consolidated Statement of Profit or Loss

(Millions of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Revenue	112,761	118,678
Cost of sales	81,193	84,127
Gross profit	31,568	34,552
Selling, general and administrative expenses	35,363	35,417
Other operating income	2,290	1,365
Other operating expenses	432	2,727
Operating profit	(1,936)	(2,227)
Finance income	1,033	126
Finance costs	619	1,814
Share of profit of investments accounted for using equity method	16	16
Profit before tax	(1,507)	(3,899)
Income tax expense	463	315
Profit	(1,970)	(4,215)
Profit attributable to		
Owners of parent	(1,977)	(4,222)
Non-controlling interests	7	8
Profit	(1,970)	(4,215)
Basic earnings per share	(25.38)	(54.18)
Diluted earnings per share	(25.38)	(54.18)

(3) Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Profit (loss)	(1,970)	(4,215)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	5,996	(345)
Remeasurements of defined benefit plans	1,727	(598)
Total of items that will not be reclassified to profit or loss	7,723	(943)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	2,847	(2,677)
Effective portion of cash flow hedges	(3)	(5)
Total of items that may be reclassified to profit or loss	2,844	(2,681)
Total other comprehensive income, net of tax	10,567	(3,624)
Comprehensive income	8,597	(7,839)
Comprehensive income attributable to		
Owners of parent	8,555	(7,790)
Non-controlling interests	42	(48)
Comprehensive income	8,597	(7,839)

(4) Consolidated Statement of Changes in Equity

(Millions of yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity				
					Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total other components of equity
Balance as of January 1, 2024	53,887	40,754	(1,783)	50,828	8,886	3	29,740	-	38,630
Profit (loss)				(1,977)					-
Other comprehensive income					2,812	(3)	5,996	1,727	10,533
Comprehensive income	-	-	-	(1,977)	2,812	(3)	5,996	1,727	10,533
Purchase of treasury shares			(3)						-
Dividends				(3,667)					-
Share-based payment transactions		2							-
Transfer to retained earnings				4,117			(2,390)	(1,727)	(4,117)
Total transactions with owners	-	2	(3)	450	-	-	(2,390)	(1,727)	(4,117)
Balance as of March 31, 2024	53,887	40,756	(1,786)	49,300	11,699	-	33,346	-	45,045

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2024	182,315	933	183,248
Loss	(1,977)	7	(1,970)
Other comprehensive income	10,533	34	10,567
Comprehensive income	8,555	42	8,597
Purchase of treasury shares	(3)	-	(3)
Dividends	(3,667)	-	(3,667)
Share-based payment transactions	2	-	2
Transfer to retained earnings	-	-	-
Total transactions with owners	(3,668)	-	(3,668)
Balance as of March 31, 2024	187,202	975	188,177

(Millions of yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity				
					Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total other components of equity
Balance as of January 1, 2025	53,887	40,832	(1,722)	65,268	12,858	-	24,908	-	37,766
Profit				(4,222)					-
Other comprehensive income					(2,621)	(5)	(345)	(598)	(3,568)
Comprehensive income	-	-	-	(4,222)	(2,621)	(5)	(345)	(598)	(3,568)
Purchase of treasury shares			(3)						-
Dividends				(4,064)					-
Share-based payment transactions		16							-
Transfer to retained earnings				(390)			(208)	598	390
Total transactions with owners	-	16	(3)	(4,454)	-	-	(208)	598	390
Balance as of March 31, 2025	53,887	40,848	(1,725)	56,592	10,237	(5)	24,355	-	34,587

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2025	196,030	1,127	197,157
Profit	(4,222)	8	(4,215)
Other comprehensive income	(3,568)	(56)	(3,624)
Comprehensive income	(7,790)	(48)	(7,839)
Purchase of treasury shares	(3)	-	(3)
Dividends	(4,064)	-	(4,064)
Share-based payment transactions	16	-	16
Transfer to retained earnings	-	-	-
Total transactions with owners	(4,051)	-	(4,051)
Balance as of March 31, 2025	184,189	1,079	185,267

(5) Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before tax	(1,507)	(3,899)
Depreciation and amortization	5,218	5,744
Impairment losses (reversal of impairment losses)	(1,721)	2,500
Interest and dividend income	(85)	(124)
Interest expenses	607	929
Foreign exchange loss (gain)	(814)	878
Share of loss (profit) of investments accounted for using equity method	(16)	(16)
Loss (gain) on sale and retirement of property, plant and equipment, and intangible assets	(132)	(1,132)
Decrease (increase) in trade and other receivables	20,595	20,980
Decrease (increase) in inventories	(905)	(2,583)
Increase (decrease) in trade and other payables	(3,705)	(3,049)
Increase (decrease) in accrued alcohol tax	(6,833)	(11,645)
Increase or decrease in retirement benefit asset or liability	(309)	(494)
Other	(3,162)	4,993
Subtotal	7,234	13,081
Interest and dividends received	152	102
Interest paid	(725)	(914)
Income taxes refund (paid)	(5,002)	(6,996)
Net cash provided by (used in) operating activities	1,658	5,273
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,032)	(3,256)
Proceeds from sale of property, plant and equipment	1,942	1,555
Purchase of investment property	(10,770)	(1,483)
Purchase of intangible assets	(797)	(547)
Purchase of investment securities	(773)	(801)
Proceeds from sale of investment securities	4,146	344
Incomes from refund in capital of subsidiaries and associates	—	810
Proceeds from redemption of investment securities	623	263
Payments for loans receivable	(25)	(42)
Collection of loans receivable	12	1
Other	(105)	(183)
Net cash provided by (used in) investing activities	(10,778)	(3,340)

(Millions of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,500	4,067
Net increase (decrease) in commercial papers	14,000	1,000
Proceeds from long-term borrowings	69	1,000
Repayments of long-term borrowings	(4,501)	(3,501)
Dividends paid	(3,540)	(3,942)
Repayments of lease liabilities	(1,039)	(981)
Other	(3)	(3)
Net cash provided by (used in) financing activities	8,486	(2,359)
Effect of exchange rate changes on cash and cash equivalents	724	(1,230)
Net increase (decrease) in cash and cash equivalents	91	(1,657)
Cash and cash equivalents at beginning of period	17,204	24,140
Cash and cash equivalents included in assets of disposal groups classified as held for sale	(114)	(63)
Cash and cash equivalents at end of period	17,180	22,420

**(6) Notes to the Consolidated Financial Statements
(Segment Information)**

(a) Overview of reportable segment

The Company's reportable segments are components of the Sapporo Group for which separate financial information is available. These segments are periodically reviewed by the Board of Directors to decide on the allocation of resources and assess performance.

As a pure holding company, the Company oversees Group companies that independently formulate and execute business strategies for their products, services, and target market.

The Group's businesses are segmented mainly by the products, services, and sales markets of its companies and their affiliates. The Company's three reportable segments are Alcoholic Beverages, Food & Soft Drinks, and Real Estate.

The Alcoholic Beverages segment produces and sells alcoholic beverages and operates restaurants of various styles.

The Food & Soft Drinks segment produces and sells foods and soft drinks.

The Real Estate segment's activities include leasing and development of real estate.

(b) Revenue, profit (or loss)

Revenue and performance of the Group by reportable segment is as follows.

Three months ended March 31, 2024 (January 1 – March 31, 2024)

(Millions of yen)

	Alcoholic Beverages	Food & Soft Drinks	Real Estate	Other	Total	Adjustment	Consolidated total
Revenue							
External customers	80,649	26,578	5,493	40	112,761	—	112,761
Intersegment revenue	2,762	204	595	—	3,560	(3,560)	—
Total	83,411	26,782	6,088	40	116,321	(3,560)	112,761
Operating profit	(335)	1,534	(337)	8	871	(2,807)	(1,936)

(Note) Intersegment revenue is based on prevailing market prices.

Three months Ended March 31, 2025 (January 1 – March 31, 2025)

(Millions of yen)

	Alcoholic Beverages	Food & Soft Drinks	Real Estate	Other	Total	Adjustment	Consolidated total
Revenue							
External customers	88,000	24,353	6,326	—	118,678	—	118,678
Intersegment revenue	2,026	81	629	—	2,735	(2,735)	—
Total	90,026	24,434	6,954	—	121,413	(2,735)	118,678
Operating profit	2,620	(2,929)	232	—	(77)	(2,151)	(2,227)

(Note) Intersegment revenue is based on prevailing market prices.

The "Other" category comprises business segments that are not included in the reportable segments. Adjustment includes general corporate expenses and intercompany eliminations. General corporate expenses are general administrative expenses that do not belong to any reporting segment.

(Going-concern Assumption)

None



Three months ended March 31, 2025

Consolidated First Quarter Earnings Report - Supplementary Information

Consolidated Results (Three months ended March 31, 2025)

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May 2025

SAPPORO HOLDINGS LTD.

Securities Code: 2501

URL <https://www.sapporoholdings.jp/en/>

1. Financial Highlights

(billions of yen, except percentages, ratios, per-share data, and exchange rates)

		Three months ended March 31, 2024	Three months ended March 31, 2025	Change	Change(%)
Revenue		112.8	118.7	5.9	5.2%
	(ref.) Excluding liquor tax	88.6	91.4	2.8	3.1%
Revenue growth rate		3.7%	5.2%	—	—
	(ref.) Excluding liquor tax	4.0%	3.1%	—	—
Overseas revenue		28.5	26.6	(1.9)	(6.8%)
Overseas revenue growth rate		10.2%	(6.8%)	—	—
Core operating profit (*1)		(3.8)	(0.9)	2.9	—
Core operating margin		(3.4%)	(0.7%)	—	—
Operating profit		(1.9)	(2.2)	(0.3)	—
Profit attributable to owners of parent		(2.0)	(4.2)	(2.2)	—
Total assets		667.5	634.2	(33.3)	(5.0%)
Total equity		188.2	185.3	(2.9)	(1.5%)
Balance of debt : Net (*2)		218.5	185.1	(33.5)	(15.3%)
Debt-to-equity ratio (times) : Net (*3)		1.2	1.0	—	—
Depreciation and amortization		5.1	5.5	0.4	8.0%
EBITDA (*4)		1.3	4.6	3.3	255.9%
Exchange rates (Yen) (*9)	US\$	148.62	152.56	—	—
	CAN\$	110.18	106.27	—	—
	SG\$	110.86	113.18	—	—

		Year ended December 31, 2024	Year ending December 31, 2025 (Forecast)	Change	Change(%)
Revenue		530.8	532.0	1.2	0.2%
	(ref.) Excluding liquor tax	413.0	415.8	2.8	0.7%
Revenue growth rate		2.3%	0.2%	—	—
	(ref.) Excluding liquor tax	3.0%	0.7%	—	—
Overseas revenue		128.5	130.3	1.8	1.4%
Overseas revenue growth rate		7.4%	1.4%	—	—
Core operating profit (*1)		22.0	24.5	2.5	11.2%
Core operating margin		4.2%	4.6%	—	—
Operating profit		10.4	20.0	9.6	92.0%
Profit attributable to owners of parent		7.7	11.0	3.3	42.6%
Total assets		665.0	—	—	—
Total equity		197.2	—	—	—
Balance of debt : Net (*2)		181.0	176.5	(4.5)	(2.5%)
Debt-to-equity ratio (times) : Net (*3)		0.9	0.9	—	—
Depreciation and amortization		22.0	22.2	0.2	0.8%
EBITDA (*4)		44.0	46.7	2.6	6.0%
EBITDA interest-bearing debt ratio (times) (*5)		4.1	3.8	—	—
Capital expenditure	Cash basis	37.0	35.0	(2.0)	(5.3%)
R O E (%) (*6)		4.1%	5.5%	—	—
E P S (yen sen) (*7)		99.00	141.16	—	—
D O E (%) (*8)		2.1%	2.4%	—	—
Payout ratio (%)		52.5%	42.5%	—	—
Exchange rates (Yen) (*9)	US\$	151.69	155.00	—	—
	CAN\$	110.69	110.00	—	—
	SG\$	113.47	110.00	—	—

*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: The balance of debt includes commercial paper but excludes the balance of lease obligations.

*3: Balance of debt:Net(excluding lease liabilities) / Equity attributable to owners of parent

*4: EBITDA (IFRS)=Core operating profit + Depreciation and amortization
(excluding depreciation expense on leased assets which is charged on the rent of restaurants)

*5: Balance of debt:Net (excluding lease liabilities)/EBITDA

*6: Profit attributable to owners of parent/Equity attributable to owners of parent(Average)

*7: Profit attributable to owners of parent/Average number of shares during the period

*8: Dividend/Equity attributable to owners of parent(Average)

*9: Revenues and expenses are translated into Japanese yen at the average exchange rate for the fiscal year.

2. Major Sales and Sales Volume

Sales Volume: Beer (Japan) (*1)

(10,000 cases)

	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	YoY Change	YoY Change(%)	Year ended December 31, 2024	Full-year estimate for fiscal 2025	YoY Change	YoY Change(%)
Sapporo Draft Beer Black Label (total)	—	—	—	20.7%	1,721	1,843	122	7.1%
YEBISU (total)	—	—	—	18.8%	632	642	10	1.5%
Ⓐ Beer (total)	—	—	—	19.4%	3,121	3,244	123	3.9%
Ⓑ Happoshu (include happoshu (2))	—	—	—	0.7%	884	670	(214)	(24.2%)
Beer-type beverages (Ⓐ+Ⓑ)	—	—	—	14.5%	4,005	3,914	(91)	(2.3%)
RTD (*2)	220	330	111	50.3%	1,080	1,166	86	7.9%
Non-alcoholic beer and low alcohol beer taste beverage	11	14	3	29.1%	65	65	0	0.6%

*1: Following the agreement of the Brewers Association of Japan, there is no disclosure of the sales volume for the first quarter.

The sales volume for the first half and end of the fiscal year shall be disclosed.

*2: Only canned products, RTD 1 case = 350ml x 24 bottles

Sales Volume: Beer (Overseas)

(10,000 cases)

	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	YoY Change	YoY Change(%)	Year ended December 31, 2024	Full-year estimate for fiscal 2025	YoY Change	YoY Change(%)
Overseas brand (SLEEMAN, Stone, etc.)	327	297	(30)	(9.1%)	1,493	1,461	(32)	(2.1%)
Sapporo brand	107	103	(4)	(4.0%)	479	524	45	9.4%
North America	434	401	(34)	(7.8%)	1,972	1,985	13	0.7%
Sapporo brand	85	108	23	27.4%	404	433	29	7.2%
Other areas	85	108	23	27.4%	404	433	29	7.2%
Sapporo Brand (total)	192	211	19	9.9%	883	957	74	8.4%
Total	519	509	(11)	(2.0%)	2,375	2,418	44	1.8%

Sales: Beer (Japan) *including liquor tax

(billions of yen)

	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	YoY Change	YoY Change(%)	Year ended December 31, 2024	Full-year estimate for fiscal 2025	YoY Change	YoY Change(%)
Beer	32.7	39.0	6.3	19.2%	170.8	182.0	11.2	6.5%
Happoshu (include happoshu (2))	9.0	9.1	0.1	0.8%	37.8	29.9	(7.9)	(20.8%)
Subtotal	41.7	48.1	6.4	15.2%	208.6	211.9	3.3	1.6%
Rebate subtracted from sales (*3)	(2.4)	(2.7)	(0.4)	—	(11.7)	—	—	—
Total	39.4	45.4	6.0	15.3%	196.9	—	—	—

*3: Full year estimate for rebate subtracted from sales in not disclosed.

Sales: Alcoholic Beverage (Japan)

(billions of yen)

	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	YoY Change	YoY Change(%)	Year ended December 31, 2024	Full-year estimate for fiscal 2025	YoY Change	YoY Change(%)
Domestic wines	0.6	0.2	(0.4)	(62.3%)	1.8	1.1	(0.7)	(40.9%)
Imported wines	1.3	1.3	0.0	2.2%	6.3	5.7	(0.6)	(8.9%)
Wine (total)	1.9	1.6	(0.3)	(18.1%)	8.0	6.7	(1.3)	(16.0%)
Spirits and Shochu (total)	7.1	7.3	0.2	3.2%	31.8	32.9	1.1	3.4%
RTD	5.9	8.4	2.6	43.7%	28.2	31.5	3.2	11.4%
Subtotal	14.8	17.3	2.4	16.5%	68.1	71.1	3.0	4.4%
Rebate subtracted from sales (*4)	(2.3)	(2.6)	(0.3)	—	(10.6)	—	—	—
Total	12.5	14.6	2.1	16.8%	57.5	—	—	—

*4: Full year estimate for rebate subtracted from sales in not disclosed.

Sales: Food & Soft Drinks (Japan) (*5)

(billions of yen)

	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	YoY Change	YoY Change(%)	Year ended December 31, 2024	Full-year estimate for fiscal 2025	YoY Change	YoY Change(%)
Lemon (Lemon Drinks · Lemon Food)	6.5	7.1	0.6	10.0%	33.5	36.6	3.1	9.2%
Drinks (excluding lemon drinks), etc.	11.1	9.2	(2.0)	(17.6%)	49.2	42.9	(6.4)	(12.9%)

*5: Only domestic sales (Before Rebate subtracted from sales)

Sales: Food & Soft Drinks (Overseas) (*6)

(millions of SGD)

	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	YoY Change	YoY Change(%)	Year ended December 31, 2024	Full-year estimate for fiscal 2025	YoY Change	YoY Change(%)
Singapore	40	32	(8)	(20.5%)	146	150	5	3.1%
Malaysia	8	7	(1)	(6.8%)	29	36	8	26.8%
International	8	10	2	18.5%	38	49	12	30.8%

*6: Before sales deduction, exclude OEM sales

3. Consolidated Results (Three months ended March 31, 2025)

Consolidated Statements of Income

(billions of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Change	Change(%)
Alcoholic Beverages	80.6	88.0	7.4	9.1%
Japanese	55.7	64.4	8.7	15.6%
Overseas	20.3	18.7	(1.6)	(7.7%)
Restaurants	4.6	4.8	0.2	4.5%
Food & Soft Drinks	26.6	24.4	(2.2)	(8.4%)
Japanese	19.7	18.3	(1.5)	(7.5%)
Overseas	6.8	6.1	(0.8)	(11.0%)
Real Estate	5.5	6.3	0.8	15.2%
Other	0.0	—	(0.0)	—
Revenue	112.8	118.7	5.9	5.2%
Alcoholic Beverages	(0.2)	1.4	1.6	—
Japanese	0.6	2.9	2.3	414.6%
Overseas	(1.0)	(1.6)	(0.7)	—
Restaurants	0.2	0.2	(0.0)	(13.8%)
Food & Soft Drinks	(0.6)	(0.4)	0.1	—
Japanese	(0.7)	(0.7)	0.0	—
Overseas	0.2	0.2	0.1	53.2%
Real Estate	(0.2)	0.3	0.5	—
Other - General corporate and intercompany eliminations	(2.8)	(2.1)	0.7	—
Core operating profit (*1)	(3.8)	(0.9)	2.9	—
Other operating income	2.3	1.4	(0.9)	(40.4%)
Other operating expense	0.4	2.7	2.3	531.4%
Operating profit	(1.9)	(2.2)	(0.3)	—
Financial income (expense)	0.4	(1.7)	(2.1)	—
Equity in net income of affiliates	0.0	0.0	0.0	2.1%
Profit before tax	(1.5)	(3.9)	(2.4)	—
Income taxes	0.5	0.3	(0.1)	(31.8%)
Profit	(2.0)	(4.2)	(2.2)	—
Profit (loss) attributable to non-controlling interest	0.0	0.0	0.0	2.5%
Profit attributable to owners of parent	(2.0)	(4.2)	(2.2)	—
(ref.)				
EBITDA (*2)	1.3	4.6	3.3	255.9%

*1: Core operating profit is calculated as Revenue - Cost of sales - SG&A expenses.

*2: EBITDA (IFRS)=Core operating profit + Depreciation and amortization
(excluding depreciation expense on leased assets which is charged on the rent of restaurants)

Consolidated Statements of Cash Flows

(billions of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Change	Change(%)
Increase (decrease) in cash and cash equivalents	0.1	(1.7)	(1.7)	—
Cash flows from operating activities	1.7	5.3	3.6	217.9%
Profit (loss) before tax	(1.5)	(3.9)	(2.4)	—
Depreciation and amortization	5.2	5.7	0.5	10.1%
Impairment losses (reversal of impairment losses)	(1.7)	2.5	4.2	—
Income tax payment (refundment)	(5.0)	(7.0)	(2.0)	—
Others	4.7	7.9	3.3	69.7%
Cash flows from investing activities	(10.8)	(3.3)	7.4	—
Purchase(Proceeds from sales) of fixed assets	(3.9)	(2.2)	1.6	—
Purchase(Proceeds from sales) of investment property	(10.8)	(1.5)	9.3	—
Purchase(Proceeds from sales and redemption) of investment securities	4.0	(0.2)	(4.2)	—
Others	(0.1)	0.6	0.7	—
Free Cash flows	(9.1)	1.9	11.1	—
Cash flows from financial activities	8.5	(2.4)	(10.8)	—
Change in financial liabilities	13.1	2.6	(10.5)	(80.4%)
Others	(4.6)	(4.9)	(0.3)	—

4. Consolidated Statements of Income : Breakdown of Key (Three months ended March 31, 2025)

(1) Alcoholic Beverages

(billions of yen)

Change factor	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	Change	Details
Beer-type beverages increase (decrease) in volume			2.4	
Product mix, Price revision, Manufacturing cost			(1.2)	
RTD · Wine · Spirits · Shochu, other			1.0	Including Non-alcoholic
Advertising and promotion expenses (*1)			0.0	
Personnel expenses, Facilities costs ,other			(0.2)	
Domestic subsidiary,consolidation adjusting, other			0.2	
Japan Alcoholic Beverages	0.6	2.9	2.3	
Overseas Alcoholic Beverages	(1.0)	(1.6)	(0.7)	
Restaurants	0.2	0.2	(0.0)	
Segment adjustment	(0.0)	(0.0)	(0.0)	
Alcoholic Beverages(Core operating profit)	(0.2)	1.4	1.6	

(*1) Advertising and promotion expenses(2025) 6.1 billions of yen

(2) Food & Soft Drinks

(billions of yen)

Change factor	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	Change	Details
Increase (decrease) in volume			(0.3)	
Product mix, Price revision, Manufacturing cost			0.1	
Advertising and promotion expenses			0.1	
Personnel expenses, Facilities costs ,other			0.0	
Domestic subsidiary,consolidation adjusting, other			0.0	
Japan Food & Soft Drinks			0.0	
Overseas Soft Drinks			0.1	
Food & Soft Drinks(Core operating profit)	(0.6)	(0.4)	0.1	

(3) Real Estate

(billions of yen)

Change factor	Jan. 1 - Mar.31, 2024	Jan. 1 - Mar.31, 2025	Change	Details
Yebisu Garden Place, etc.			0.1	
Other area & other operations			0.2	
Sapporo			0.2	
Equity investment			0.0	
Management and others			(0.0)	
Real Estate(Core operating profit)	(0.2)	0.3	0.5	

5. Segment Information (Three months ended March 31, 2025)

(billions of yen)

		Alcoholic Beverages	Food & Soft Drinks	Real Estate	Other	Corporate and eliminations	Consolidated total
Revenue	Jan. 1 - Mar.31, 2025	88.0	24.4	6.3	—	—	118.7
	Jan. 1 - Mar.31, 2024	80.6	26.6	5.5	0.0	—	112.8
	Change	7.4	(2.2)	0.8	(0.0)	—	5.9
Core operating profit (*1)	Jan. 1 - Mar.31, 2025	1.4	(0.4)	0.3	—	(2.1)	(0.9)
	Jan. 1 - Mar.31, 2024	(0.2)	(0.6)	(0.2)	0.0	(2.9)	(3.8)
	Change	1.6	0.1	0.5	(0.0)	0.7	2.9
Operating profit	Jan. 1 - Mar.31, 2025	2.6	(2.9)	0.2	—	(2.2)	(2.2)
	Jan. 1 - Mar.31, 2024	(0.3)	1.5	(0.3)	0.0	(2.8)	(1.9)
	Change	3.0	(4.5)	0.6	(0.0)	0.7	(0.3)
Depreciation and amortization	Jan. 1 - Mar.31, 2025	2.9	0.7	1.6	—	0.3	5.5
	Jan. 1 - Mar.31, 2024	2.6	0.7	1.5	—	0.4	5.1
	Change	0.4	(0.0)	0.1	—	(0.1)	0.4
E B I T D A (*2)	Jan. 1 - Mar.31, 2025	4.4	0.3	1.9	—	(1.8)	4.6
	Jan. 1 - Mar.31, 2024	2.4	0.2	1.3	0.0	(2.5)	1.3
	Change	2.0	0.1	0.6	(0.0)	0.7	3.3
Capital expenditures (cash basis)	Jan. 1 - Mar.31, 2025	2.7	0.7	1.5	—	0.4	5.3
	Jan. 1 - Mar.31, 2024	4.5	0.5	11.0	—	0.5	16.6
	Change	(1.8)	0.1	(9.5)	—	(0.1)	(11.3)

*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: EBITDA (IFRS)=Profit from operations before non-recurring items+ Depreciation and amortization
(excluding depreciation expense on leased assets which is charged on the rent of restaurants)

6. Condensed Consolidated Balance Sheets(Three months ended March 31, 2025)

(billions of yen)

	Year ended December 31, 2024	Three months ended March 31, 2025	Change	Details
Current assets	193.9	170.4	(23.5)	
Cash and cash equivalents	24.1	22.4	(1.7)	
Trade and other receivables	99.5	77.1	(22.3)	
Inventories	58.1	58.7	0.6	
Other	12.2	12.1	(0.0)	
Non-current assets	471.0	463.8	(7.2)	
Fixed assets	164.1	158.6	(5.4)	
Investment property	209.2	209.2	0.0	
Goodwill	22.4	22.0	(0.3)	
Other	75.4	74.0	(1.4)	
Total assets	665.0	634.2	(30.7)	
Current liabilities	207.0	201.7	(5.4)	
Trade and other payables	38.0	33.9	(4.1)	
Short-term financial liabilities	57.0	70.8	13.8	
Other	112.0	96.9	(15.1)	
Non-current liabilities	260.8	247.3	(13.5)	
Long-term financial liabilities	148.1	136.6	(11.5)	
Retirement benefit liability	3.3	3.5	0.2	
Other	109.4	107.2	(2.2)	
Total liabilities	467.8	449.0	(18.8)	
Equity attributable to owners of parent	196.0	184.2	(11.8)	
Equity attributable to non-controlling interests	1.1	1.1	(0.0)	
Total equity	197.2	185.3	(11.9)	
Total liabilities and equity	665.0	634.2	(30.7)	

7. Consolidated Business Results estimate (Year ending December 31, 2025)

Consolidated Statements of Income

(billions of yen)

	Year ended December 31, 2024	Year ending December 31, 2025 (Forecast)	Change	Change(%)
Alcoholic Beverages	388.2	393.5	5.3	1.4%
Japanese	273.0	277.0	4.0	1.5%
Overseas	94.3	95.0	0.7	0.7%
Restaurants	20.9	21.5	0.6	3.0%
Food & Soft Drinks	117.9	113.0	(4.9)	(4.2%)
Japanese	90.7	85.0	(5.7)	(6.3%)
Overseas	27.2	28.0	0.8	2.9%
Real Estate	24.6	25.5	0.9	3.6%
Other	0.1	—	(0.1)	—
Revenue	530.8	532.0	1.2	0.2%
Alcoholic Beverages	18.8	21.9	3.1	16.5%
Japanese	16.4	19.5	3.1	18.9%
Overseas	0.4	0.4	0.0	3.9%
Restaurants	1.9	2.0	0.0	0.8%
Food & Soft Drinks	3.4	4.2	0.8	22.5%
Japanese	2.2	2.9	0.6	28.6%
Overseas	1.2	1.3	0.1	11.5%
Real Estate	7.8	7.0	(0.8)	(10.8%)
Other · General corporate and intercompany eliminations	(8.0)	(8.5)	(0.5)	—
Core operating profit (*1)	22.0	24.5	2.5	11.2%
Other operating income (expense)	(11.6)	(4.5)	7.1	—
Operating profit	10.4	20.0	9.6	92.0%
Financial income (expense)	1.1	(2.5)	(3.6)	—
Equity in net income (loss) of affiliates	0.1	0.1	(0.0)	(33.8%)
Profit before tax	11.6	17.4	5.9	50.7%
Income taxes	3.8	(6.6)	(10.4)	—
Profit (loss)	7.8	11.0	3.3	41.9%
Profit (loss) attributable to non-controlling interest	0.1	0.0	(0.0)	(47.2%)
Profit (loss) attributable to owners of parent	7.7	11.0	3.3	42.6%

(ref.)

EBITDA (*2)	44.0	46.7	2.7	6.0%
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*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: EBITDA=Core operating profit + Depreciation and amortization (excluding depreciation expense on leased assets which is charged on the rent of restaurants)

Condensed Consolidated Statements of Cash Flows

(billions of yen)

	Year ended December 31, 2024	Year ending December 31, 2025 (Forecast)	Change	Change(%)
Cash flows from operating activities	36.1	38.9	2.7	7.6%
Cash flows from investing activities	(5.8)	(25.5)	(19.7)	—
Free Cash flows	30.3	13.4	(16.9)	(55.9%)

8.Consolidated Statement of Income: Breakdown of Key Changes Forecast (Year ending December 31, 2025)

(1) Alcoholic Beverages

(billions of yen)

Change factor	Year ended December 31, 2024	Year ending December 31, 2025 (Forecast)	Change	Details
Beer-type beverages increase (decrease) in volume			(1.6)	Including Non-alcoholic
Product mix, Price revision, Manufacturing cost			6.5	
RTD・Wine・Spirits・Shochu, other			3.3	
Advertising and promotion expenses			(4.4)	
Personnel expenses, Facilities costs ,other			(0.5)	
Domestic subsidiary,consolidation adjusting, other			(0.2)	
Alcoholic Beverages in Japan	16.4	19.5	3.1	
Alcoholic Beverages in Overseas	0.4	0.4	0.0	
Restaurants	1.9	2.0	0.0	
Segment adjustment	0.0	0.0	0.0	
Alcoholic Beverages(Core operating profit)	18.8	21.9	3.1	

(2) Food & Soft Drinks

(billions of yen)

Change factor	Year ended December 31, 2024	Year ending December 31, 2025 (Forecast)	Change	Details
Increase (decrease) in volume			(1.3)	
Product mix, Price revision, Manufacturing cost			2.0	
Advertising and promotion expenses			0.6	
Personnel expenses, Facilities costs ,other			(0.5)	
Domestic subsidiary,consolidation adjusting, other			(0.1)	
Japanese Food & Soft Drinks	2.2	2.9	0.6	
Overseas Soft Drinks	1.2	1.3	0.1	
Food & Soft Drinks(Core operating profit)	3.4	4.2	0.8	

(3) Real Estate

(billions of yen)

Change factor	Year ended December 31, 2024	Year ending December 31, 2025 (Forecast)	Change	Details
Yebisu Garden Place, etc.			(1.5)	
Other area & other operations			0.2	
Hokkaido			(0.0)	
Others			0.5	
Real Estate(Core operating profit)	7.8	7.0	(0.8)	

9. Consolidated Segment Information Forecasts (Year ending December 31, 2025)

(billions of yen)

		Alcoholic Beverages	Food & Soft Drinks	Real Estate	Other	Corporate and eliminations	Consolidated total
Revenue	Year ending December 31, 2025 (Forecast)	393.5	113.0	25.5	—	—	532.0
	Year ended December 31, 2024	388.2	117.9	24.6	0.1	—	530.8
	Change	5.3	(4.9)	0.9	(0.1)	—	1.2
Core operating profit (*1)	Year ending December 31, 2025 (Forecast)	21.9	4.2	7.0	—	(8.5)	24.5
	Year ended December 31, 2024	18.8	3.4	7.8	0.0	(8.0)	22.0
	Change	3.1	0.8	(0.8)	(0.0)	(0.5)	2.5
Operating profit	Year ending December 31, 2025 (Forecast)	20.9	3.8	6.2	—	(10.8)	20.0
	Year ended December 31, 2024	4.7	5.2	7.3	1.1	(8.0)	10.4
	Change	16.2	(1.4)	(1.1)	(1.1)	(2.8)	9.6
Depreciation and amortization	Year ending December 31, 2025 (Forecast)	10.6	2.6	6.4	—	2.6	22.2
	Year ended December 31, 2024	11.6	2.9	6.2	—	1.3	22.0
	Change	(1.0)	(0.3)	0.3	—	1.2	0.2
E B I T D A (*2)	Year ending December 31, 2025 (Forecast)	32.4	6.8	13.4	—	(6.0)	46.7
	Year ended December 31, 2024	30.4	6.3	14.0	0.0	(6.7)	44.0
	Change	2.0	0.5	(0.6)	(0.0)	0.8	2.6
Capital expenditures (cash basis)	Year ending December 31, 2025 (Forecast)	17.2	3.2	12.2	—	2.4	35.0
	Year ended December 31, 2024	14.1	2.3	19.2	—	1.4	37.0
	Change	3.1	0.9	(7.0)	—	1.0	(2.0)

*1: Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

*2: EBITDA (IFRS)=Core operating profit + Depreciation and amortization

(excluding depreciation expense on leased assets which is charged on the rent of restaurants)