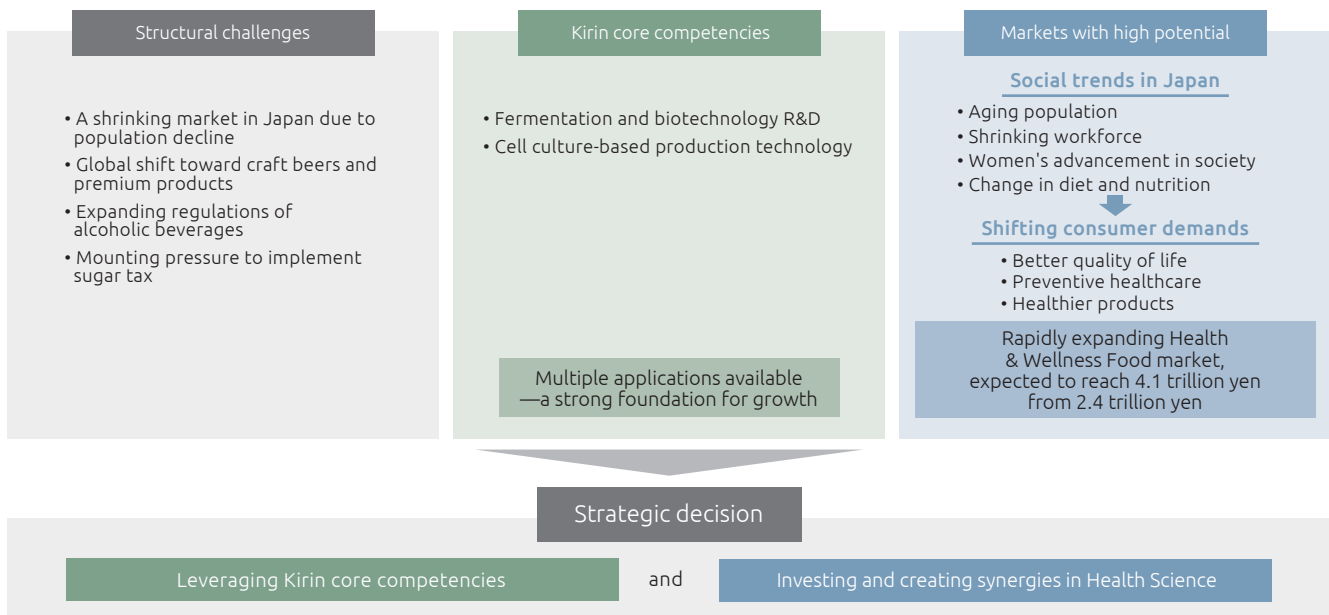




Special Feature
Growth Strategies for the Health Science Domain

Strategic Decisions in 2019

Management deeply evaluated and discussed the issues and the opportunities the Company is currently facing and made important decisions about strategies for realizing sustainable growth.



Message from the Officer in Charge of Health Business Strategy

We are accelerating business development of the Health Science domain

The Kirin Group is developing the Health Science domain with the aim of fulfilling the 2019 Medium-Term Business Plan's objective to establish sustainable growth. Fermentation and biotechnology have been Kirin's core technology since its founding, and we have used these to become a corporate group that is unmatched worldwide for our strengths spanning both the Food & Beverages and the Pharmaceuticals domains. Our focus in developing the Health Science field will be to respond to increasing health needs, and we will grow the business by maximizing our technological strengths to meet those needs.

We will be a corporate group that integrates Food & Beverages, Pharmaceuticals, and Health Science to provide innovative products and services that contribute to improving the quality of life in areas ranging from general consumer needs to medical needs. We will also use the Health Science domain to generate new growth for our existing businesses. This move into the Health Science domain is not a foray into a new area, rather it is an area where we can leverage our core strengths in fermentation and biotechnology and generate synergies to develop business models geared to the changing environment. In this way, we can capture untapped customer potential and accelerate the Group's business growth.

As we develop the Health Science domain, we will actively acquire externally any organizational capabilities that we cannot provide from within the Group. In 2019, we brought in FANCL for its complementary relationships in applied research, brands, and sales channels, and its integration has progressed better than expected.

To further accelerate the process, in 2020 we established a new Health Business Strategy Office in the Corporate Strategy Department of Kirin Holdings. The office will oversee the Health Science domain to provide overall management and strategies and to supervise the activities of companies in specific areas, such as Kirin Beverage in beverages and Kyowa Hakko Bio and FANCL in

supplements. The office will also lead the development of synergies with FANCL and the creation of new businesses.

The Health Business Strategy Office will also be active in rejuvenating the business of Kyowa Hakko Bio. I believe the company's production technologies and materials assets are greatly needed by society. We will revitalize the business and reestablish a sustainable supply structure while using the company's pipeline of high-performance materials to generate new value and create economic value.

My career began in the brewing department and then traversed several departments before bringing me to corporate planning. I know how wonderful the Kirin fermentation and biotechnology is and how much potential it has. I am determined to realize its full potential. My job as a director is to bring a sweeping yet clear understanding of the internal and external conditions for the Group and management. I am determined and committed to succeeding with our plans for the Health Science field.



Toru Yoshimura
Senior Executive Officer
Officer in Charge of
Health Business Strategy