

FACTBOOK

2018

(Updated on August 3, 2018)



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Long-Term Vision

- ◆ **Striving to be a corporate group trusted around the world through the Kando of food (deliciousness, happiness and innovation)**

As a comprehensive beverage and food business group whose core business is alcohol beverages, aim to be an industry leader in Japan with high added value as a key area of focus and establish a unique position as a global player that leverages strengths originating in Japan.

- ◆ **Seek “sustained corporate value enhancement” by pursuing satisfaction for all stakeholders.**

Vision for Stakeholders	
Customers	Continue to create new value based on strengths nurtured in Japan and achieve the No. 1 ranking for customer satisfaction in Japan and each region of the world.
Business partners	Develop relationships with our business connections and alliance partners that enable mutual growth through new value creation.
Society	Contribute to the resolution of social problems through the Group’s businesses in areas such as development of a wholesome food culture.
Employees	Develop an environment in which employees experience both personal and corporate growth and can work vigorously.
Shareholders	Enhance corporate value (equity value) through sustained profit creation and shareholder returns.

Medium-Term Management Policy

Aiming at Further Development of Management for Corporate Value Enhancement

- ◆ **Strengthening of earning power by positioning the domestic profit base as the cornerstone of earnings and the overseas business as a growth engine**
 - Promote innovation and demonstrate leadership in the industry with high added value and differentiation as key areas of focus
 - Reform the earning structure and evolve business model through business integration and value chain sophistication
 - Acquire foundations for growth, mainly in overseas markets, leveraging strengths originating in Japan
- ◆ **Asset and capital efficiency improvement that takes into consideration capital cost**
 - Improve capital efficiency with an emphasis on equity spread (ROE - cost of shareholders' equity)
 - Restructure business administration and business portfolio utilizing ROIC (rate of return on invested capital) as a performance indicator
- ◆ **Reinforcement of ESG (environment, social, and governance) initiatives to increase sustainability**
 - Upgrade intangible assets such as nature, social and relationship capital and personnel and develop them toward a CSV (creating shared value) strategy
 - Implement “growth-oriented corporate governance” that contributes to the practice of management to enhance corporate value

Key Performance Indicator (KPI) Concept and Guidelines

	2017 Result	Guidelines for next 3 years out
Revenue	JPY 2,084.9 billion	Stable growth from existing businesses – Business restructuring + New M&As
Core Operating Profit	JPY 196.4 billion	CAGR : mid to high single digit
EPS (adjusted*)	262.2 yen	CAGR : mid to high single digit
ROE (adjusted*)	13.7%	Maintain 13% or above

*Core operating profit is the reference index for normalized business performance.

Core operating profit = Revenue - (COGS + general administrative cost)

*Adjusted figures are calculated after the deduction of one off special factors including business portfolio restructuring and foreign exchange impact

Financial and Cash Flow Strategy

	Guidelines for next 3 years out
Cash Flow	FCF : above 140 JPY billion (annual average) Impact of business restructuring : approx. 100 JPY billion (FY2018 forecast)
Debt Reduction	Net debt / EBITDA : around 3 times by the end of FY2019 Net D/E ratio : below 1 time by the end of FY2018
Investment for Growth	Prioritize strengthening financial structure and consider M&A for expansion of foundations for growth
Shareholder Returns	Stable dividend increases with the aim of a dividend payout ratio of 30% *

*Adjusted profit attributable to owners of parent is used for calculation

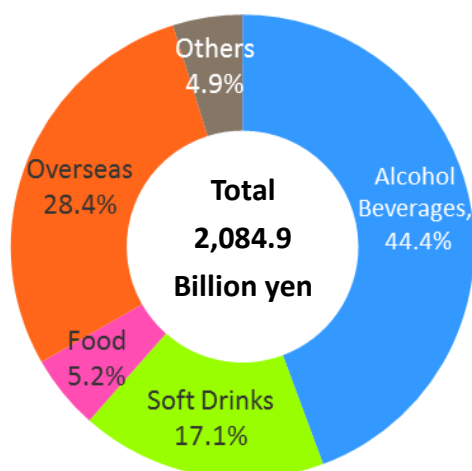
Medium-Term Key Priorities by Business

Alcohol Beverages	<p>◆ Maintain high profitability and improve profitability as the Group's largest cash cow business.</p> <p>1) Demonstrate leadership in the industry in high added value and increase the profit pool of the industry as the No. 1 comprehensive alcohol beverages company</p> <p>2) Strengthen new value creation proposals through innovation and develop strong core brands in each category</p> <p>3) Reform earnings structure through value chain upgrading and collaboration, and evolve business model including e-commerce</p>
	<p>◆ Realize growth with profit by establishing a differentiated position as the Group's second mainstay business.</p> <p>1) Establish a distinctive, prominent position centered on reinforcement of the brand power of core products</p> <p>2) Add high value in response to consumer health consciousness and propose new value through innovation, including in the chilled beverages business</p> <p>3) Reform earnings structure such as maximization of integration synergies, sales channel and container mix improvement, and SKU reduction</p>
	<p>◆ Develop the Group's next-generation foundations for growth by focusing on strengths and leveraging business integration.</p> <p>1) Enhance brand value and strengthen high-added value product proposals through focus on existing categories where our strength lies</p> <p>2) Create new value and demand through innovation that leverages business integration in areas such as foods with function claims</p> <p>3) Reform earnings structure through focus on core competence creation of integration synergies, and value chain optimization</p>
Overseas	<p>◆ Expand the global foundation for growth leveraging strengths and drive the Group's sustained growth.</p> <p>1) Implement strategies for growth centered on brand reinforcement and development in existing businesses in Oceania, Southeast Asia, and other regions</p> <p>2) Reform earnings structure through means including expansion of integration synergies and restructure business portfolio by region</p> <p>3) Acquire new foundations for growth by leveraging strengths originating in Japan, such as brand power and cost competitiveness</p>

Corporate Profile (As of December 31, 2017)

Trade Name	: ASAHI GROUP HOLDINGS, LTD.
Head Office	: 1-23-1, Azumabashi Sumida-ku, Tokyo 130-8602, Japan
Date of Establishment	: September 1, 1949
President and Representative Director, COO	: Akiyoshi Koji
Number of group companies	: A number of consolidated subsidiaries: 146 A number of companies subject to application of the equity method: 19
Issued Capital	: 182,531million yen
Revenue	: 2,084,877 million yen (Consolidated / FY2017)
Number of Employees	: 274 (Consolidated 30,864)
Security code	: 2502
Stock Exchange Listings	: Tokyo Stock Exchange
Number of Shares of Common Stock Issued	: 483,585,862
Unit amount of stocks	: 100 shares
Number of Shareholders	: 98,099
Transfer Agent and Registrar	: Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agent	
Fiscal Year-End Date	: December 31, on an annual basis
Annual General Meeting of Stockholders	: March

FY2017 Revenue by Business



Bond Issues

As of December 31, 2017

JPY denominated bond	Issued	Amount (Millions of yen)	Coupon rate	Date of maturity
2nd Corporate deventure	Oct. 21, 2011	20,000	0.760%	Oct. 19, 2018
4th Corporate deventure	Jul. 13, 2012	10,000	0.547%	Jul. 12, 2019
5th Corporate deventure	Jul. 15, 2014	25,000	0.229%	Jul. 12, 2019
6th Corporate deventure	Jul. 15, 2014	10,000	0.366%	Jul. 15, 2021
7th Corporate deventure	May 28, 2015	25,000	0.237%	May 28, 2020
8th Corporate deventure	May 28, 2015	10,000	0.348%	May 27, 2022
9th Corporate deventure	Jun. 13, 2017	100,000	0.080%	Jun. 12, 2020
10th Corporate deventure	Jun. 13, 2017	130,000	0.170%	Jun. 13, 2022
11th Corporate deventure	Jun. 13, 2017	20,000	0.230%	Jun. 13, 2024
12th Corporate deventure	Jun. 13, 2017	30,000	0.330%	Jun. 11, 2027

As of December 31, 2017

Euro denominated bond	Issued	Amount (Millions of Euro)	Coupon rate	Date of maturity
senior unsecured bonds due 2021	Sep. 19, 2017	600	0.321%	Sep. 19, 2021
senior unsecured bonds due 2025	Sep. 19, 2017	600	1.151%	Sep. 19, 2025

Bond Ratings

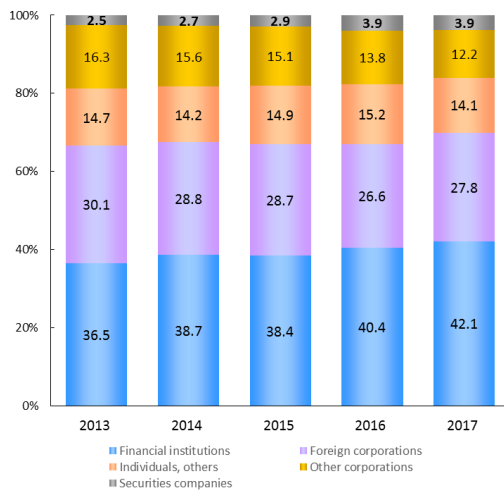
As of December 31, 2017

Rating Agency	Rating
Rating and Investment Information, Inc	A +
Japan Credit Rating Agency, Ltd.	AA -
Moody's	Baa2

Share Price Range

	2013	2014	2015	2016	2017
Share price (yen)					
Year High	2,967	3,871	4,380.5	3,912	5,810
Year Low	1,833	2,547	3,524	3,164	3,677
Number of issued stock (100 shares)	4,835,858	4,835,858	4,835,858	4,835,858	4,835,858
Treasury shares (100 shares)	213,525	209,840	256,762	254,535	254,617
EPS (yen)	135.7	148.9	166.3	194.8	307.8
Dividends per share (yen)	43.0	45.0	50.0	54.0	75.0
Number of shareholders	109,543	108,522	106,712	115,017	98,099

Shareholder Composition



Note: Treasury shares is included in "Individuals, others."

Major Shareholders

(As of December 31, 2017)

Shareholder Name	Number of Shares (in thousands)	Percentage of voting Rights(%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	37,956.6	8.3%
Japan Trustee Services Bank, Ltd. (Trust Account)	24,788.1	5.4%
The Dai-ichi Life Insurance Company, Limited	16,383.3	3.6%
Fukoku Mutual Life Insurance Company	15,500.0	3.4%
Asahi Kasei Corporation	11,785.3	2.6%
Sumitomo Mitsui Banking Corporation	9,028.0	2.0%
Sumitomo Mitsui Trust Bank, Limited	8,126.0	1.8%
JAPAN TRUSTEE SERVICES BANK LTD. (Trust Account 5)	8,015.6	1.7%
STATE STREET BANK WEST CLIENT - TREATY 505234	7,366.7	1.6%
JPMorgan Securities Japan Co., Ltd.	6,991.7	1.5%
Total	145,941.3	31.9%

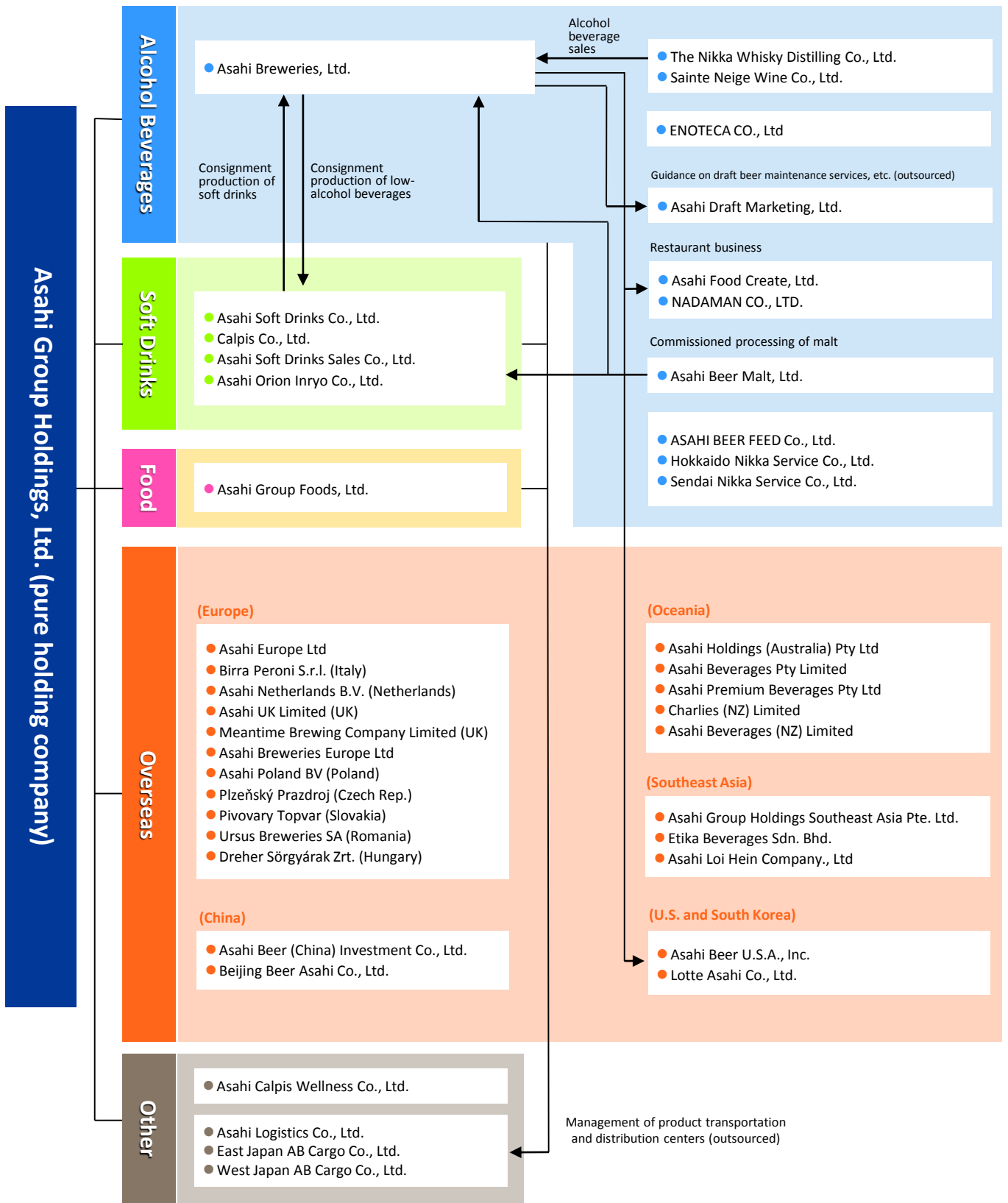
*Treasury shares of 25.46 million shares is excluded in preparing the list of major

Share Price Chart



Source : Euroland

Schematic Diagram of the Asahi Group's Main Companies and Businesses (As of June 30, 2018)

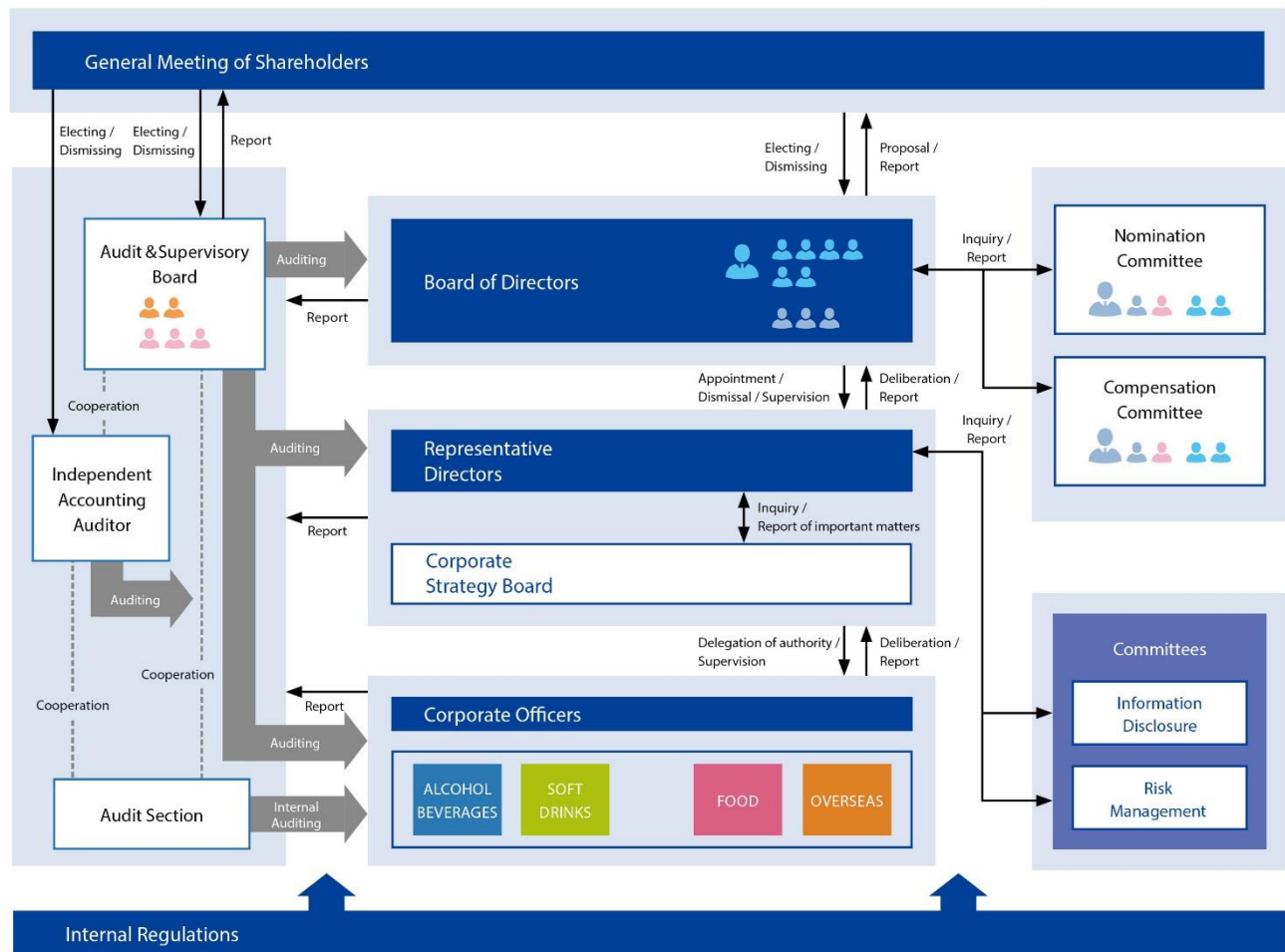


Note: In addition to the above, Asahi Professional Management Co., Ltd. (a consolidated subsidiary) manages some of the key head office functions of Asahi Group companies in areas such as finance and IT as a holdings function company. It also handles indirect business services that are common to Group companies such as payroll, benefits and accounting, concentrating these services in one place and raising efficiency. Asahi Business Solutions Co., Ltd. (an equity method affiliate) undertakes IT related business on consignment for the entire Asahi Group. Asahi Beer Communications, Ltd. (an equity method affiliate) undertakes mainly the operations of factory tours in Asahi Breweries and Asahi Soft Drinks. Asahi Group Engineering Co., Ltd. (a consolidated subsidiary) designs and produces manufacturing equipment.

Corporate Governance Structure (As of June 30, 2018)

Corporate Governance System Chart

Chairperson
 Internal Director
 Standing Audit & Supervisory Board Member
 Outside Director
 Outside Audit & Supervisory Board Member



Directors	10	Outside Directors: 3	Nomination Committee	5	Outside officers: 3
Audit & Supervisory Board Members	5	Outside Audit & Supervisory Board Members: 3	Compensation Committee	5	Outside officers: 3
Corporate Officers	14	Five double as directors			

Compensation for Directors and Audit & Supervisory Board Members (FY2017)

	Basic Remuneration		Bonuses		Total
	Number of People	Total	Number of People	Total	
Directors	11	379	8	234	613
(of whom, Outside Directors)	(3)	(46)	(-)	(-)	(46)
Audit & Supervisory Board Members	6	106	-	-	106
(of whom, Outside Audit & Supervisory Board Members)	(4)	(36)	(-)	(-)	(36)

Note: Based on the Integrated Report 2017

(Millions of yen)

Number of Production Bases in Domestic Subsidiaries (As of June 30, 2018)

Factory name	Main Products and Operations	Location	Start of Operations
Asahi Breweries, Ltd. (8 breweries)			
1 Hokkaido Brewery	Beer, happoshu, liqueurs	Sapporo, Hokkaido Pref.	1966
2 Fukushima Brewery	Beer, happoshu, liqueurs, beer-taste non-alcohol beverages	Motomiya, Fukushima Pref.	1972
3 Ibaraki Brewery	Beer, happoshu, liqueurs, soft drinks	Moriya, Ibaraki Pref.	1991
4 Kanagawa Brewery	Beer, happoshu, liqueurs	Minami Asnigara, Kanagawa Pref.	2002
5 Nagoya Brewery	Beer, happoshu, liqueurs	Nagoya, Aichi Pref.	1973
6 Suita Brewery	Beer, happoshu, liqueurs, beer-taste non-alcohol beverages	Suita, Osaka Pref.	1891
7 Shikoku Brewery	Beer, happoshu, liqueurs	Saijo, Ehime Pref.	1998
8 Hakata Brewery	Beer, happoshu, liqueurs	Fukuoka, Fukuoka Pref.	1921
The Nikka Whisky Distilling Co., Ltd. (4 Distilleries and 4 Plants)			
9 Yoichi Distillery	Malt whiskey	Yoichi, Hokkaido Pref.	1934
10 Hirosaki Plant	Cider, Brandy, Apple wine, syrup	Hirosaki, Aomori Pref.	1960
11 Miyagikyo Distillery	Malt whiskey, Coffey grain whiskey	Sendai, Miyagi Pref.	1969
12 Tochigi Plant	Aging and blending of whiskey	Sakura, Tochigi Pref.	1977
13 Kashiwa Plant	Filling of whiskey and shochu bottles, RTD low-alcohol beverages	Kashiwa, Chiba Pref.	1967
14 Nishinomiya Plant	Filling of kegged shochu cacktails products	Nishinomiya, Hyogo Pref.	1959
15 Moji Distillery	Shochu, Filling of undistilled shochu and whisky, 'umeshu' plum liqueur	Kitakyushu, Fukuoka Pref.	1914
16 Satsuma Tsukasa Distillery	Singly distilled shochu	Aira, Kagoshima Pref.	-
Sainte Neige Wine Co., Ltd. (1 winery)			
17 Sainte Neige Winery	Wine, organic wine	Yamanashi, Yamanashi Pref.	-
Asahi Soft Drinks Co., Ltd. (7 factories)			
18 Fujisan Factory	Tea, mineral water	Fujinomiya, Shizuoka Pref.	2001
19 Hokuriku Factory	WONDA canned coffee, etc.	Shimoniikawa, Toyama Pref.	1994
20 Akashi Factory	Mitsuya Cider carbonated, WONDA, tea, RTD low-alcohol beverages, etc.	Akashi, Hyogo Pref.	1990
21 Rokko Factory	Mineral water	Kobe, Hyogo Pref.	2004
22 Fujiyoshida Factory	Mineral water	Fujiyoshida, Yamanashi Pref.	1990
23 Okayama Factory	Calpis, Calpis Water, Mitsuya Cider, etc.	Soja, Okayama Pref.	1968
24 Gunma Factory	Calpis, Calpis Water, butter, etc.	Tatebayashi, Gunma Pref.	1972
Asahi Group Foods, Ltd. (8 factories)			
25 Ibaraki Factory	Dietary supplements, etc.	Hitachiomiya, Ibaraki Pref.	-
26 Osaka Factory	EBIOS, etc.	Suita, Osaka Pref.	-
27 Tochigi Koganei Factory	Yeast extract, etc.	Shimotsuke, Tochigi Pref.	-
28 Nippon Freeze Drying Co., Ltd.	Freeze-dried foods	Azumino, Nagano Pref.	-
29 Tochigi Sakura Factory	Infant formula, baby food, foods for vending machine, etc.	Sakura, Tochigi Pref.	-
30 Wako Food Industry Co., Ltd., Nagano Factory	Industrial-use powdered milk, etc.	Nagano, Nagano Pref.	-
31 Okayama Factory No. 1 Plant	Freeze-dried foods, granulated seasonings, etc.	Asakuchi, Okayama Pref.	-
32 Okayama Factory No. 2 Plant	Same as above	Asakuchi, Okayama Pref.	-
Asahi Beer Malt, Ltd. (2 factories)			
33 Yasu Factory	Malt, powdered malt, barley tea, etc.	Yasu, Shiga Pref.	-
34 Koganei Factory	Same as above	Shimotsuke, Tochigi Pref.	-

Number of Production Bases in Overseas Subsidiaries (As of June 30, 2018)

Area/business	Factories	Number
Europe		
Western Europe beer business	Italy : 3, Netherlands : 1, UK : 1	5
Central & Eastern beer business	Poland : 3, Czech : 3, Slovakia : 1, Romania : 3, Hungary : 1	11
Oceania		
Non-Alcohol Beverages business	Australia : 7, New Zealand : 1	8
Alcohol Beverages business	Australia : 1, New Zealand : 1	2
Southeast Asia		
Etika (Soft Drinks)	Malaysia : 3, Indonesia : 1, Vietnam : 1	5
Asahi Loi Hein (Soft Drinks)	Myanmar : 1	1
China		
Alcohol Beverages business	China : 2	2
Others		
Calpis (Soft Drinks)	Indonesia : 1, Thailand : 1	2

■ M&A, Equity Participation, Business Alliance etc. ■ New product launch

Year	Month	Main Events
1889	Nov.	Osaka Breweries, Ltd., the predecessor of Asahi Breweries, Ltd., is established. Japan Beer Brewery, Ltd. and Sapporo Beer Co. are also established around this time.
1891	Oct.	The Suita-mura Brewery, now Asahi Breweries' Suita Brewery, is completed.
1892	May	<i>Asahi Beer</i> is launched.
1897	July	The first Asahi House beer hall opens for business.
1900		<i>Asahi Beer</i> wins the title of best beer at the Paris Expo.
1906	Mar.	Dai Nippon Breweries, Co., Ltd. is jointly established by Osaka Breweries, Japan Beer Brewery, and Sapporo Beer Co.
1930	May	<i>EBIOS</i> , a pure brewer's yeast tablet, is introduced.
1944		Dai Nippon Breweries spins off its pharmaceutical division to form Dainippon Vitamin Co., Ltd. (now Asahi Food & Healthcare Co., Ltd.).
1949	Sep.	Asahi Breweries, Ltd. is established, and Tamesaburo Yamamoto is appointed the company's first president. Dai Nippon Breweries Co., Ltd. is divided into Asahi Breweries, Ltd. and Nippon Breweries, Ltd. upon enactment of the Economic Decentralization Act.
1954	Aug.	<i>Asahi invests in Nikka Whisky Distilling Co., Ltd.</i>
1972	Mar.	Mitsuya Vending (now Asahi Soft Drinks Co., Ltd.) is established.
1980	Nov.	Asahi acquires the trademark right to the <i>Bireley's</i> brand.
1982	Nov.	<i>Asahi signs a collaborative business agreement with Löwenbräu AG of Germany.</i>
1983	Jan.	Asahi acquires the trademark right to the Wilkinson carbonated drink.
1985	Oct.	Asahi announces the introduction of its corporate identity (CI) program.
1986	Feb.	<i>New Asahi Draft Beer</i> , distinguished by its rich and crisp taste, is launched.
	Mar.	Tsutomu Murai becomes chairman, and Hirotaro Higuchi takes office as president.
1987	Mar.	<i>Asahi Super Dry</i> , Japan's first dry draft beer, is launched. It is a megahit product that revolutionizes the beer industry.
1988	July	<i>Asahi Beer Winery</i> (now Sainte Neige Wine Co., Ltd.) is established.
	Oct.	<i>Asahi Beer Soft Drink Manufacturing Co., Ltd.</i> (now Asahi Soft Drinks Co., Ltd.) is established.
1989	Jan.	The company is renamed Asahi Breweries, Ltd.
1990	Sep.	<i>Asahi Beer Soft Drinks Co., Ltd.</i> (now Asahi Soft Drinks Co., Ltd.) is established.
1992	Mar.	<i>Asahi Beer Food, Ltd.</i> (now Asahi Food & Healthcare Co., Ltd.) is established.
	Sep.	Hirotaro Higuchi becomes chairman, and Yuzo Seto takes office as president.
1993	Mar.	The pioneering blend tea <i>Asahi Ocha Dozo Jurokucha</i> is launched.
1994	Jan.	Asahi acquires stakes in three Chinese beer companies and signs technical and licensing agreements with each of them. This marks its full-scale entry into the Chinese market.
	Mar.	<i>Asahi Beer Pharmaceutical Co., Ltd.</i> (now Asahi Food & Healthcare Co., Ltd.) is established.
1995	Dec.	Asahi and Itochu Corporation jointly acquire the management rights for Beijing Beer Asahi Co., Ltd. and Yantai Beer Asahi Co. Ltd.
1996	Apr.	The Asahi Beer Oyamazaki Villa Museum of Art is opened.
	July	Asahi Soft Drinks Co., Ltd. commences operations as a manufacturer and distributor of soft drinks.
1997	Sep.	<i>WONDA</i> , a new-generation canned coffee, is launched.
	Dec.	Asahi, in cooperation with China's Tsingtao Brewery Co., Ltd. and others, establishes Shenzhen Tsingtao Beer Asahi Co., Ltd. and starts work on brewery construction.
1998	Apr.	<i>Asahi Beer U.S.A., Inc.</i> is established.
	May	The Asahi Breweries, Ltd. Europe Branch is established.
	Dec.	Asahi claims the top market share in domestic beer sales.
1999	Jan.	Yuzo Seto becomes chairman, and Shigeo Fukuchi takes office as president.
	Aug.	Asahi Soft Drinks Co., Ltd. is listed on the Tokyo Stock Exchange, First Section.
	Sep.	<i>The medium-term management plan "Asahi Innovation Program 2000" is announced.</i>
2000	Feb.	Asahi introduces an executive director system.
2001	Feb.	With the launch of <i>Asahi Honnama</i> happoshu, Asahi enters the low-malt beer market.
	Apr.	The sales departments of Asahi and Nikka Whiskey Distilling Co., Ltd. are merged.
	Dec.	Asahi claims the top market share in domestic beer/happoshu sales.
2002	Jan.	Shigeo Fukuchi becomes chairman, and Kouichi Ikeda takes office as president.
	Feb.	In cooperation with Boon Rawd Brewery, Asahi starts local production of <i>Asahi Super Dry</i> in Thailand.
	July	Asahi Beer Food, Ltd. and Asahi Beer Pharmaceutical Co., Ltd. are merged to form Asahi Food & Healthcare Co., Ltd.
	Aug.	Asahi enters a comprehensive business alliance with Orion Beer Co., Ltd.
	Sep.	Asahi acquires the alcoholic beverage businesses of Kyowa Hakkō Kogyo Co., Ltd. and Asahi Kasei Corporation, and concludes a contract for a strategic marketing alliance with Maxxium Japan K.K.
	Oct.	<i>WONDA Morning Shot</i> canned coffee is launched.
	Dec.	Smile Support, Ltd. (now Asahi Field Marketing, Ltd.) is established.
2003	Jan.	Asahi Food & Healthcare Co., Ltd. acquires Pola Foods Inc.
2004	Feb.	<i>Asahi Group's second medium-term management plan is announced.</i>
	Apr.	Asahi establishes a joint venture in the beverage business with China's Tingyi (Cayman Islands) Holding Corp.
	July	Haitai Beverage Co., Ltd. becomes a consolidated subsidiary.
	Nov.	Asahi invests in the alcohol beverage sales company of South Korea's Lotte Group to establish Lotte Asahi Liquor Co., Ltd.

■ M&A, Equity Participation, Business Alliance etc. ■ New product launch

Year	Month	Main Events
2005	Apr.	Asahi enters the new-genre beer market with its launch of <i>Asahi Shin-Nama</i> .
	May, June	Asahi acquires the stock of chilled beverage makers LB Co., Ltd. (Saitama) and LB Co., Ltd. (Nagoya) from Kanebo Cosmetics, Inc.
2006	Sep.	Sainte Neige Wine Co., Ltd. and Asahi Beer Winery are merged.
	Jan.	Nikka Whiskey Distilling Co., Ltd. and Asahi Kyowa Brewery Co., Ltd. are merged. Distribution subsidiaries are reorganized and business regions are merged. Asahi Logistics Co., Ltd. and two large-scale transportation companies are established.
	Mar.	Kouichi Ikeda becomes chairman, and Hitoshi Ogita takes office as president.
	May	Asahi acquires the stock of Wakodo Co., Ltd., Japan's largest baby-food maker.
2007	Feb.	Asahi Group's third medium-term management plan is announced. A business and capital alliance is formed with Kagome Co., Ltd.
	Mar.	<i>Asahi Style Free</i> happoshu is launched.
2008	Apr.	Wakodo Co., Ltd. becomes a wholly owned subsidiary.
	Dec.	Asahi Soft Drinks Co., Ltd. and Calpis Co., Ltd. establish joint venture Asahi Calpis Beverage Co., Ltd. to manage their vending machine operations.
	Mar.	<i>Clear Asahi</i> , a new-genre beer (no-malt beer), is launched.
	Apr.	Asahi Soft Drinks Co., Ltd. becomes a wholly owned subsidiary.
	June	Asahi acquires the stock of Amano Jitsugyo Co., Ltd., Japan's largest maker of freeze-dried foods.
2009	Nov.	Asahi concludes a capital tie-up agreement with Yantai Beer Asahi Co., Ltd. and Tsingtao Brewery Co., Ltd.
	Feb.	<i>Asahi Off</i> , a new-genre beer, is launched.
	Apr.	Asahi acquires a 19.99% stake in Tsingtao Brewery Co., Ltd.
2010	Dec.	Asahi purchases Schweppes Australia Pty Limited from the United Kingdom's Cadbury Group.
	Dec.	Asahi's Long-Term Vision 2015 and Medium-Term Management Plan 2012 are announced.
	Mar.	Hitoshi Ogita becomes chairman, and Naoki Izumiya takes office as president. Asahi drafts its "Environmental Vision 2020" and "Biodiversity Declaration." Asahi begins full-scale development of <i>Asahi Super Dry "Extra cold."</i>
	Apr.	Asahi concludes an agreement to purchase the mineral water business of House Foods Corporation.
	Aug.	Asahi concludes an agreement to purchase shares of P&N Beverages Australia Pty Limited.
	Nov.	Asahi acquires a 6.54% stake in Ting Hsin Group, one of China's largest packaged food and distribution groups.
	Dec.	Asahi concludes an agreement to acquire the Rokujo Mugicha brand from Kagome Co., Ltd.
2011	Jan.	Asahi concludes an agreement to sell its stake in Haitai Beverage Co., Ltd.
	June	Asahi becomes a pure holding company and changes its name from Asahi Breweries, Ltd. to Asahi Group Holdings, Ltd.
	Aug.	Asahi concludes an agreement to sell its stakes in Hangzhou Xihu Beer Asahi Co., Ltd. and Zhejiang Xihu Beer Asahi Co., Ltd.
	Sep.	Asahi acquires all stock in Flavoured Beverages Group Holdings Limited, a major New Zealand alcohol beverage company.
	Sep.	Asahi acquires all stock in Charlie's Group Limited, a New Zealand beverage company.
	Sep.	Asahi acquires the mineral water and fruit juice businesses of P&N Beverages Australia.
2012	Nov.	Asahi acquires all stock in Permanis Sdn. Bhd., a Malaysian beverage company.
	Jan.	Asahi acquires all stock in Mountain H2O Pty Ltd, an Australian beverage company.
	Feb.	<i>Asahi Dry Zero</i> , a new beer-taste non-alcohol beverage, is launched.
	Apr.	<i>Asahi Super Dry—Dry Black</i> , a new black beer, is launched.
	July	Asahi and PT Indofood CBP Sukses Makmur Tbk establish two joint ventures to manufacture and distribute soft drinks in Indonesia.
	Oct.	Asahi acquires all stock in Calpis Co., Ltd., Japan's largest maker of fermented lactic beverages.
	2013	Feb.
2014	June	Asahi concludes a contract with Osotspa Co., Ltd. to establish a joint venture to manufacture and distribute <i>Calpis</i> brand beverages in Thailand.
	Sep.	Asahi acquires all stock in PT Pepsi-Cola Indobeverages, a bottler for the PepsiCo Group in Indonesia.
2015	Feb.	Full-scale development of <i>Asahi Super Dry—Dry Premium</i> begins.
	Apr.	Asahi concludes an agreement to purchase the Southeast Asian dairy product business of Etika International Holdings Limited.
2016	Mar.	Asahi acquires all stock in Enoteca Co., Ltd., retailer and importer of wine in Japan.
	July	Asahi formulates Corporate Governance Guidelines.
2017	Jan.	Asahi consolidates the non-refrigerated beverage business into Asahi Soft Drinks. Asahi Calpis Wellness Co., Ltd. succeeds the functional foods business (mail-order business, functional raw material) and animal feed business of the Calpis Co., Ltd. Asahi consolidates the food businesses (Asahi Food & Healthcare, Wakodo, Amano Jitsugyo) into newly established Asahi Group Foods, Ltd.
	Feb.	Asahi's Long-Term Vision and Medium-Term Management Policy are announced.
	Mar.	Naoki Izumiya becomes chairman, and Akiyoshi Koji takes office as president. Asahi introduces a new Performance-Linked Stock Compensation Plan for the Directors of the Company.
2017	Oct.	Asahi acquires the Peroni, Grolsch, Meantime and related business of SAB Miller from AB InBev.
	Mar.	Asahi acquires the businesses in Central and Eastern Europe and related business of SAB Miller from AB InBev.
	Jun.	Asahi concludes an agreement to sell its all stock in Tingyi-Asahi Beverages Holdings Co., Ltd.
	Nov.	Asahi concludes an agreement to sell its all stock in LB Co., Ltd.
	Dec.	Asahi concludes an agreement to sell its all stock in Tsingtao Brewery Co., Ltd. Asahi concludes an agreement to sell its all stock in PT Asahi Indofood Beverage Makmur and PT Indofood Asahi Sukses Beverage, the Indonesia's joint venture business

J GAAP	2011	2012	2013	2014	2015
Consolidated Statements of Income (Millions of Yen)					
Net sales	1,462,736	1,579,077	1,714,237	1,785,478	1,857,418
Cost of sales	907,243	974,702	1,032,853	1,073,439	1,100,519
(Liquor tax)	(414,327)	(421,953)	(423,332)	(426,453)	(422,941)
Gross profit	555,493	604,375	681,383	712,039	756,899
Selling, general and administrative expenses	448,303	495,937	563,916	583,733	621,779
(Goodwill amortization)	(8,905)	(13,991)	(18,449)	(19,474)	(16,271)
Operating income	107,190	108,437	117,467	128,305	135,119
Financial income	-2,198	-2,304	-1,605	-1,392	-919
Interest income	333	402	387	453	583
Dividend income	1,136	1,335	1,602	1,840	2,112
Interest expenses	-3,668	-4,043	-3,595	-3,686	-3,615
Equity in income of affiliates	5,480	10,617	8,822	8,025	14,167
Ordinary income	110,909	114,822	123,612	133,168	145,946
Profit attributable to owners of the parent	55,094	57,183	61,749	69,118	76,427
EBITDA *1	166,833	170,982	183,696	192,308	197,994

Capital expenditures / Depreciation (Millions of Yen)					
Capital expenditures	30,685	41,197	48,488	59,828	52,099
Depreciation	50,738	48,553	47,780	44,528	46,603

Consolidated Balance Sheets (Millions of Yen)					
Total assets	1,529,908	1,732,188	1,791,556	1,936,610	1,901,554
Current assets	457,146	529,189	534,890	603,842	600,498
Receivables	279,596	317,008	317,106	353,704	362,241
Inventories	-	-	-	-	-
Merchandise and finished goods, Raw materials and supplies	102,631	113,519	118,302	124,549	132,315
Noncurrent assets	1,072,762	1,202,998	1,256,665	1,332,767	1,301,056
Tangible fixed assets	536,236	583,399	584,219	605,415	582,098
Current liabilities	602,166	680,068	666,081	757,374	715,193
Noncurrent liabilities	283,943	325,240	297,993	282,725	294,531
Financial obligation	390,092	456,234	403,723	434,726	414,930
Net assets	643,799	726,879	827,481	896,510	891,829
Equity	641,733	723,819	819,295	881,091	877,672

Consolidated Statements of Cash Flows (Millions of Yen)					
Net cash provided by operating activities	108,513	109,292	157,252	146,783	112,765
Net cash used in investing activities	-171,235	-134,320	-65,705	-92,183	-75,583
Net cash provided by (used in) financing activities	67,090	43,002	-84,938	-35,842	-73,044
Cash and cash equivalents	16,137	34,320	41,117	62,235	43,290
Free cash flow *2	81,919	68,952	108,292	82,747	61,257

*1: EBITDA=Operating income (before goodwill) + Depreciation and amortization *2: Free cash flow = Operating cash flows ± Acquisition of tangible and intangible fixed assets

Management Index					
ROE	8.8%	8.4%	8.0%	8.1%	8.8%
ROA	7.6%	7.0%	7.0%	7.1%	7.6%
EPS (yen)	118.4	122.8	135.7	148.9	166.3
BPS (yen)	1,378.2	1,553.4	1,772.5	1,904.6	1,916.7

Investment Index					
Dividend payout ratio	21.1%	22.8%	31.7%	30.2%	30.1%

Profitability Index					
Gross profit margin	38.0%	38.3%	39.7%	39.9%	40.8%
Operating margin	7.3%	6.9%	6.9%	7.2%	7.3%
(Operating margin excluding liquor tax)	(10.2%)	(9.4%)	(9.1%)	(9.4%)	(9.4%)
Ordinary income margin	7.6%	7.3%	7.2%	7.5%	7.9%
Profit attributable to owners of the parent margin	3.8%	3.6%	3.6%	3.9%	4.1%
EBITDA ratio	11.4%	10.8%	10.7%	10.8%	10.7%

Efficiency Index (Times)					
Total asset turnover	1.00	0.97	0.97	0.96	0.97
Equity turnover	2.3	2.3	2.2	2.1	2.1
Fixed assets turnover	2.7	2.8	2.9	3.0	3.1
Inventory turnover	14.8	14.6	14.8	14.7	14.5
Receivables turnover	5.3	5.3	5.4	5.3	5.2

Safety Index					
Shareholders' equity ratio	41.9%	41.8%	45.7%	45.5%	46.2%
Debt ratio	138.1%	138.9%	117.7%	118.0%	115.0%
Liquidity ratio	75.9%	77.8%	80.3%	79.7%	84.0%
Fixed assets ratio	167.2%	166.2%	153.4%	151.3%	148.2%
Fixed assets/Liability ratio	115.9%	114.7%	112.5%	114.5%	111.0%
Interest coverage ratio	32.4	25.6	40.9	39.9	30.9
Debt-to-equity ratio	0.61	0.63	0.49	0.49	0.47

IFRS	2016	2017
Consolidated Statement of Profit or Loss (Millions of Yen)		
Revenue	1,706,901	2,084,877
Cost of sales	1,098,173	1,295,399
(Liquor tax)	(422,941)	(495,494)
Gross profit	608,728	789,477
Selling, general and administrative expenses	460,241	593,108
Amortization of acquisition-related intangible assets	(6,249)	(19,199)
Core operating profit	148,487	196,369
Operating profit	136,890	183,193
Financial income	3,106	5,206
Finance costs	-4,066	-10,368
Share of profit (loss) of entities accounted for using equity method	1,974	1,055
Profit before tax	150,068	196,984
Profit	87,115	138,848
Profit attributable to owners of parent	89,221	141,003
EBITDA *1	205,803	285,394

Capital expenditures / Depreciation (Millions of Yen)		
Capital expenditures	63,471	89,563
Depreciation	51,067	69,827

Consolidated Statement of Financial Position (Millions of Yen)		
Total assets	2,094,332	3,346,822
Current assets	635,026	812,426
Trade and other receivables	397,340	433,436
Inventories	136,460	155,938
Non-current assets	1,459,305	2,534,396
Goodwill and intangible assets	499,489	1,538,679
Current liabilities	819,556	1,052,157
Bonds and borrowings	281,870	359,722
Non-current liabilities	428,670	1,141,917
Bonds and borrowings	288,490	902,203
Total equity	846,105	1,152,748
Total equity attributable to owners of parent	836,354	1,145,135

Consolidated Statement of Cash Flows (Millions of Yen)		
Cash flows from (used in) operating activities	154,452	231,712
Cash flows from (used in) investing activities	-268,507	-885,823
Cash flows from (used in) financing activities	119,554	661,882
Cash and cash equivalents at the end of period	48,459	58,054
Free cash flow *2	96,304	143,830

Management Index		
ROE	11.0%	13.7%
ROA	7.7%	7.2%
EPS (yen)	194.8	262.2
BPS (yen)	1,825.6	2,499.6

Investment Index		
Dividend payout ratio	27.7%	28.6%

Profitability Index		
Gross profit margin	35.7%	37.9%
Core operating margin	8.7%	9.4%
(Core operating margin excluding liquor tax)	(11.6%)	(12.4%)
Operating margin	8.0%	8.8%
Profit attributable to owners of parent margin	5.2%	6.8%
EBITDA ratio	12.1%	13.7%

Efficiency Index (Times)		
Total asset turnover	0.88	0.77
Equity attributable to owners of parent turnover	2.1	2.1
Fixed assets turnover	3.1	3.2
Inventory turnover	12.8	14.3
Trade receivables turnover	4.5	5.0

Safety Index		
Equity ratio attributable to owners of parent	39.9%	34.2%
Debt ratio	149.2%	191.6%
Liquidity ratio	77.5%	77.2%
Non-current assets ratio	174.5%	221.3%
Non-current assets / liability ratio	115.4%	110.8%
Interest coverage ratio	42.2	41.4
Net Debt-to-equity ratio	0.62	1.05

Results of Main Businesses

◆ Revenue and Core Operating Profit by Business (Before IFRS adjustment) (Billions of yen)

	2017 Results			2018 Targets (announced on Aug. 2)		
	Revenue	Core OP	Amortization of Intangible assets	Revenue	Core OP	Amortization of Intangible assets
Alcohol Beverages Business						
Asahi Breweries	967.2	119.6	-0.2	954.5	120.2	-0.2
Soft Drinks Business						
Asahi Soft Drinks	486.2	37.0	-1.7	510.0	38.7	-1.6
LB	20.2	0.9	-	-	-	-
Food Business						
Asahi Group Foods	126.1	11.1	-	126.3	11.7	-
Overseas Business						
Europe business	373.6	51.1	-14.0	449.5	76.5	-17.5
Oceania business	173.2	14.0	-2.4	177.2	15.2	-2.3
Southeast Asia business	55.4	0.8	-0.7	47.9	2.1	-
China business	17.3	0.9	-	9.5	0.5	-

◆ Foreign Exchange Rate

	2016 Results (Average)	2017 Results (Average)	2018 Targets (announced on Aug. 2)
US Dollar	108.8	112.2	109.0
(equity method affiliate)	111.8	-	-
Euro (Western Europe)	118.1	126.7	128.0
Euro (Central Europe)	-	128.6	128.0
Australian Dollar	80.8	86.0	83.0
Malaysian Ringgit	26.3	26.1	27.0
Indonesian Rupiah	0.0082	0.0084	0.0079
Chinese Yuan	16.4	16.6	17.0
(equity method affiliate)	17.1	16.4	-

◆ CAPEX / Depreciation (2017) (Billions of yen)

Business	CAPEX	Depreciation
Alcohol Beverages	23.4	23.8
Soft Drinks	23.0	10.9
Food	4.7	3.4
Overseas	35.8	27.5
Others	0.5	0.4
Total	89.6	69.8

◆ Goodwill etc. by Business (As of December 31, 2017)

	Capital	% of voting rights	Date of consolidation	Goodwill				Remarks
				Amount at the time of acquisition	Amortization term	Remaining years	Unamortized balance of goodwill	
Soft Drinks Business								
Asahi Soft Drinks	245.3	100.0%	-	Goodwill 25.9 Intangible assets 34.6	- 5-20	- -	23.0 24.9	Calpis Acquisition in Oct. 2012
Food Business								
Asahi Group Foods	76.0	100.0%	-	23.6	-	-	4.5	Wakodo Acquisition : 22.7 billion yen in Apr. 2006 and 0.9 billion yen in Mar. 2007
Overseas Business								
Asahi Europe Ltd (Europe business)	420.5	100.0%	Oct. 2016	Goodwill 123.0 Intangible assets 150.9	- 21-40	- -	143.2 170.5	Amount in local currency Note: The price changes according to the exchange rate.
Asahi Breweries Europe Ltd (Europe business)	1,272.4		Mar. 2017	Goodwill 428.0 Intangible assets 475.5	- 40	- -	479.9 538.6	
Asahi Holdings (Australia) (Oceania business)	242.6 (*1)	100.0%	Apr. 2009 (*2)	Goodwill 123.5 Intangible assets 25.2	- 10-20	- -	73.0 17.2	
Southeast Asia business	173.4 (*3)	100.0%	Nov. 2011	Goodwill 37.4 Intangible assets 7.0	- 0.9	- 0.5	1.2 -	
Overseas Business (Equity Method Affiliates)								
Tsingtao Brewery	-	19.9%	Oct. 2009	51.3	-	-	38.7	

(*1) Total assets of Asahi Holdings (Australia) Pty Ltd (Asahi Holdings Australia)

(*2) Date of consolidation of other companies: Asahi Beverages Australia (Sep. 2011), Charlie's Group (Sep. 2011), Independent Liquor Group (Sep. 2011), Mountain H2O (Jan. 2012)

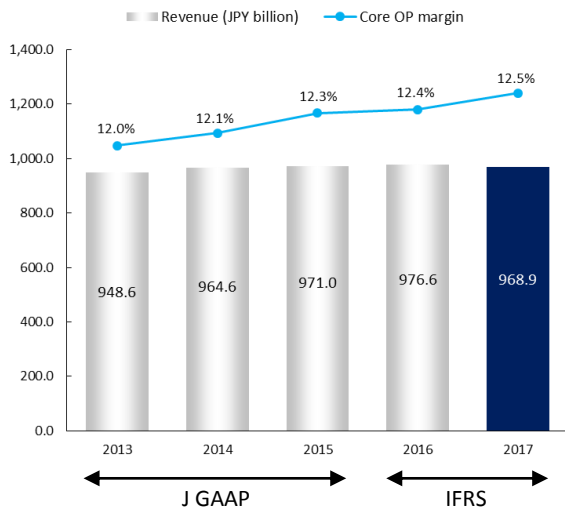
(*3) Total assets of Southeast Asia business.

Asahi Breweries, Ltd.

Corporate Profile, based on 2017 results

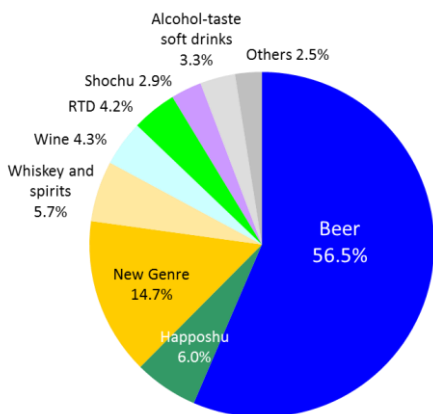
Business field	Manufacture and sales of beer and other alcohol beverages, and related operations
Established	September 1949*
Issued capital	¥20.0 billion
Number of employees	5,897(consolidated) * With the establishment of a pure holding company in July 2011, Asahi Breweries was split off as a separate company.

Alcohol Beverages Business Revenue and Core OP Margin Trend



Sales Breakdown by Product Category (2017)

On a value basis



Main Products

Note: Retail prices are discretionary.

Beer-type



Asahi Super Dry

A dry beer with a refined, clear taste. The texture is light, but it has a distinct edge. The sharp finish is emphasized in this standard-setting dry beer.



Asahi Style Free

A happoshu retains the rich flavor of malt with the concept of a relaxing fragrance and fresh aftertaste. Zero carb and low calories. This is the pioneer of zero carb happoshu, for those who care carb and calories intake.



Clear Asahi

A New Genre retains clear taste and pure sharp finish with malt flavor. Appreciate the fresh aftertaste.



Clear Asahi Prime Rich

A New Genre with 6% alcohol content retains rich malt flavor with the utmost aroma.

Non-alcohol beer-taste beverage



Asahi Dry Zero

This non-alcohol beer-taste beverage has an enjoyably dry finish and creamy foam, aiming at real "beer taste". It contains not only zero alcohol but also zero calories (according to nutrition labeling standards) or zero saccharides.

Other Alcohol Beverages



Whisky and spirits



RTD

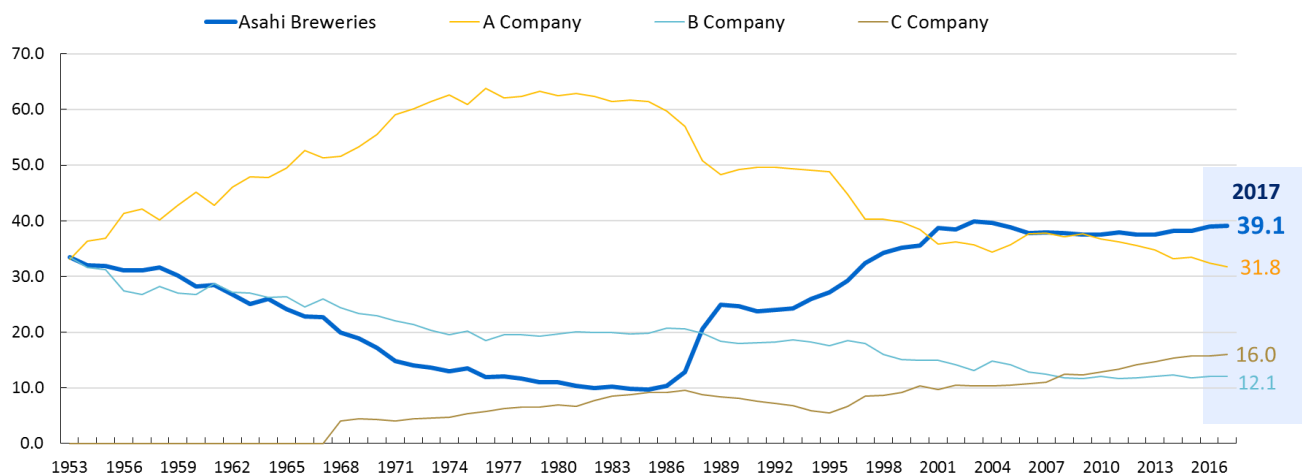


Wine



Shochu

Beer-Type Market Share in Japan based on Taxable Shipment Volume

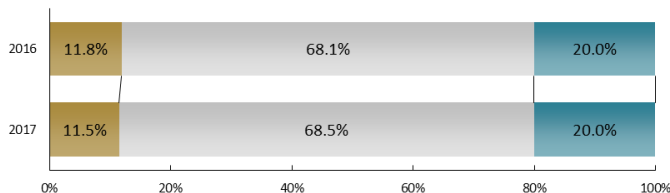


Sales Composition by Container Type

(Jan. – Dec. 2017)

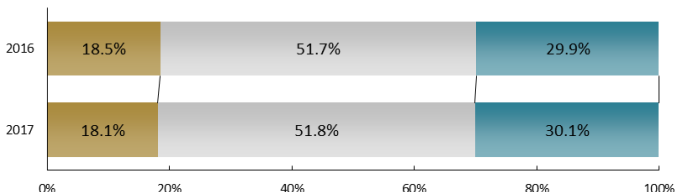
Beer-type Total

■ Bottle ■ Can ■ Keg



Beer

■ Bottle ■ Can ■ Keg



Year-on-year Sales by Container Type

(Jan. – Dec. 2017)

Asahi Breweries

	Bottle	Can	Keg	Total
Total	94.8%	98.5%	98.0%	97.9%
Beer	94.8%	97.3%	97.8%	97.0%

Industry Overall

Sources: Brewers Association of Japan

	Bottle	Can	Keg	Total
Beer	93.5%	97.8%	97.8%	97.1%

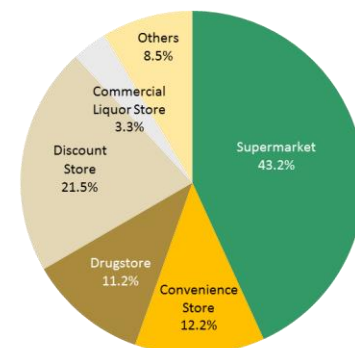
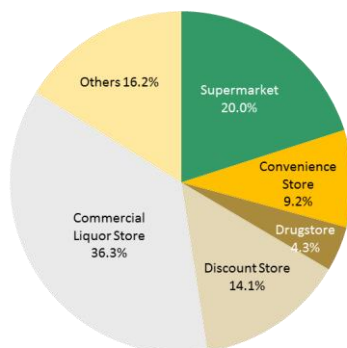
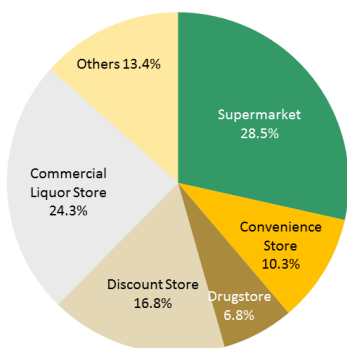
	Commercial-use	Home-use	Total
Beer	97.3%	96.9%	97.1%

Sales Composition by Marketing Channel (Jan. – Dec. 2017, Source: Asahi Breweries, Ltd.)

Beer-type Total

Beer

Happoshu, New genre



Taxable Shipment Volume of Beer-type Beverages by Top Five Companies (2017)

Source: Brewers Association of Japan, Society to Consider the Happoshu Tax System.

(Millions of cases)

	Jan. - Mar.			Apr. - June			Jul. - Sep.			Oct. - Dec.		
	YoY	% of total		YoY	% of total		YoY	% of total		YoY	% of total	
Beer	38.84	-1.3%	48.5%	55.37	-1.5%	50.3%	53.59	-4.3%	50.8%	56.79	-3.9%	52.4%
Happoshu	11.60	-0.8%	14.5%	14.76	-3.5%	13.4%	14.33	-7.4%	13.6%	14.30	-3.6%	13.2%
New Genre	29.71	+0.2%	37.1%	39.97	-1.5%	36.3%	37.59	-2.8%	35.6%	37.22	-1.7%	34.4%
Total	80.15	-0.7%	-	110.11	-1.8%	-	105.51	-4.2%	-	108.31	-3.1%	-

	1H			2H			Total		
	YoY	% of total		YoY	% of total		YoY	% of total	
Beer	94.21	-1.4%	49.5%	110.38	-4.1%	51.6%	204.59	-2.9%	50.6%
Happoshu	26.36	-2.4%	13.9%	28.63	-5.5%	13.4%	54.99	-4.0%	13.6%
New Genre	69.68	-0.7%	36.6%	74.82	-2.3%	35.0%	144.50	-1.5%	35.8%
Total	190.25	-1.3%	-	213.82	-3.7%	-	404.08	-2.6%	-

Sales Volume of Non-Alcohol Beer-Taste Beverages by Top Four Companies (2017)

(Millions of cases)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	1H	2H	Total
No. of cases	0.78	1.01	1.27	1.68	1.70	1.71	2.19	2.03	1.67	1.42	1.31	1.85	8.15	10.47	18.63
YoY	+0.0%	-5.0%	-2.3%	+7.6%	+18.3%	+4.7%	+11.6%	+0.6%	+4.5%	+2.3%	+7.7%	+6.1%	+5.0%	+5.4%	+5.3%

Asahi Breweries Beer-type Beverage sales by Month (2017)

Taxable shipment volume (Millions of cases)

	1H		2H		Total	
	YoY	Market share	YoY	Market share	YoY	Market share
Beer	46.36	-2.6%	49.2%	53.40	-4.0%	48.4%
Happoshu	7.25	-0.9%	27.5%	7.86	-1.4%	27.5%
New Genre	21.55	+4.7%	30.9%	21.74	-3.5%	29.1%
Total	75.17	-0.4%	39.5%	83.00	-3.6%	38.8%

Sales

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Beer	-3.0%	+1.0%	-5.0%	-7.0%	+14.0%	-10.0%	-1.0%	-9.0%	-6.0%	-6.0%	-2.0%	-1.0%
Happoshu	-1.0%	-2.0%	+2.0%	-2.0%	+9.0%	-7.0%	-1.0%	-2.0%	-5.0%	-2.0%	-4.0%	-5.0%
New Genre	+11.0%	+9.0%	+1.0%	+0.0%	+2.0%	-13.0%	+1.0%	-6.0%	+4.0%	-11.0%	-6.0%	-1.0%
Total	+1.0%	+3.0%	-2.0%	-4.0%	+16.0%	-11.0%	+0.0%	-7.0%	-3.0%	-7.0%	-3.0%	-2.0%

(Millions of cases)

	1H		2H		Total	
	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY
Beer	44.71	-2.0%	55.28	-3.8%	99.98	-3.0%
Happoshu	7.14	-0.2%	7.87	-3.1%	15.01	-1.7%
New Genre	20.98	+3.9%	22.00	-3.2%	42.98	+0.1%
Total	72.82	-0.2%	85.15	-3.6%	157.97	-2.1%

Sales volume by brand (Millions of cases)

	Jan.		Feb.		Mar.		Apr.		May		June	
	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY
Super Dry total	4.41	-2.4%	5.75	-1.5%	7.96	+6.1%	7.84	-6.1%	9.06	+14.1%	8.63	-10.2%
Style Free total	0.72	+2.9%	0.96	-1.0%	1.08	+2.9%	1.12	+0.0%	1.28	+10.3%	1.14	-5.0%
Clear Asahi total	1.85	+17.1%	2.77	+8.6%	3.01	+1.0%	3.23	+1.3%	3.73	+21.5%	2.93	-11.5%

	July		Aug.		Sep.		Oct.		Nov.		Dec.	
	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY
Super Dry total	10.26	+0.1%	9.39	-8.0%	7.06	-5.6%	6.89	-5.6%	7.70	-2.2%	13.02	-0.8%
Style Free total	1.23	+1.7%	1.17	-3.3%	1.14	-3.4%	1.10	+0.0%	1.06	+0.0%	1.35	-3.6%
Clear Asahi total	2.99	+1.4%	3.10	-5.8%	3.09	+5.8%	2.71	-12.0%	2.88	-4.3%	3.56	+0.3%

	Jan. - Mar.		Apr. - June		July - Sep.		Oct. - Dec.		1H		2H		Total	
	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY
Super Dry total	18.12	+1.5%	25.53	-1.4%	26.71	-4.4%	27.61	-2.4%	43.65	-0.3%	54.32	-3.4%	97.98	-2.0%
Style Free total	2.76	+1.5%	3.54	+1.7%	3.54	-1.7%	3.51	-1.4%	6.30	+1.6%	7.05	-1.5%	13.35	-0.1%
Clear Asahi total	7.63	+7.3%	9.89	+3.3%	9.18	+0.2%	9.15	-5.1%	17.52	+5.0%	18.33	-2.5%	35.85	+1.0%

Asahi Breweries Non-Alcohol Beer-taste Beverage Sales by Month (2017)

(Millions of cases)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	1H	2H	Total
No. of cases	0.37	0.46	0.57	0.64	0.72	0.73	0.90	0.89	0.72	0.62	0.58	0.80	3.49	4.51	8.00
YoY	+12.1%	-6.1%	+1.8%	-1.5%	+7.5%	+0.0%	+4.7%	-6.3%	+0.0%	-6.1%	+3.6%	+5.3%	+1.7%	+0.0%	+0.8%

Taxable Shipment Volume of Beer-type Beverages by Top Five Companies (2018)

Source: Brewers Association of Japan, Society to Consider the Happoshu Tax System.

(Millions of cases)

	1H		2H		Total	
	YoY	% of total	YoY	% of total	YoY	% of total
Beer	88.23	-6.3%	48.1%			
Happoshu	24.15	-8.4%	13.2%			
New Genre	70.99	+1.9%	38.7%			
Total	183.38	-3.6%	-			

Sales Volume of Non-Alcohol Beer-taste Beverages by Top Four Companies (2018)

(Millions of cases)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	1H	2H	Total
No. of cases	0.75	1.23	1.45	1.63	1.60	1.92							8.58		
YoY	-3.5%	+22.0%	+13.8%	-2.7%	-4.0%	+12.2%							+5.3%		

Asahi Breweries Beer-type Beverage Sales by Month (2018)

Taxable shipment volume (Millions of cases)

	1H		2H		Total	
	YoY	Market share	YoY	Market share	YoY	Market share
Beer	42.96	-7.3%	48.7%			
Happoshu	6.74	-7.0%	27.9%			
New Genre	19.16	-11.1%	27.0%			
Total	68.87	-8.4%	37.6%			

Sales Volume YoY

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
Beer	-3.0%	+9.0%	-22.0%	-1.0%	-20.0%	+2.0%						
Happoshu	-6.0%	-6.0%	+1.0%	-10.0%	-17.0%	+1.0%						
New Genre	-5.0%	-14.0%	-4.0%	-9.0%	-23.0%	+8.0%						
Total	-4.0%	+0.0%	-15.0%	-4.0%	-21.0%	+3.0%						

Sales Volume by category (Millions of cases)

	1H		2H		Total	
	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY
Beer	41.53	-7.1%				
Happoshu	6.67	-6.5%				
New Genre	19.16	-8.7%				
Total	67.36	-7.5%				

Sales volume by brand (Millions of cases)

	Jan.		Feb.		Mar.		Apr.		May		June	
	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY
Super Dry total	4.26	-3.4%	6.40	+12.1%	6.18	-22.4%	7.46	-4.8%	6.94	-23.4%	8.82	+2.2%
Style Free total	0.70	-2.8%	0.91	-5.2%	1.12	+3.7%	1.03	-8.0%	1.09	-14.8%	1.18	+3.5%
Clear Asahi total	1.76	-4.9%	2.36	-14.8%	2.70	-10.3%	2.89	-10.5%	2.82	-24.4%	3.22	+9.9%

	July		Aug.		Sep.		Oct.		Nov.		Dec.	
	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY
Super Dry total												
Style Free total												
Clear Asahi total												

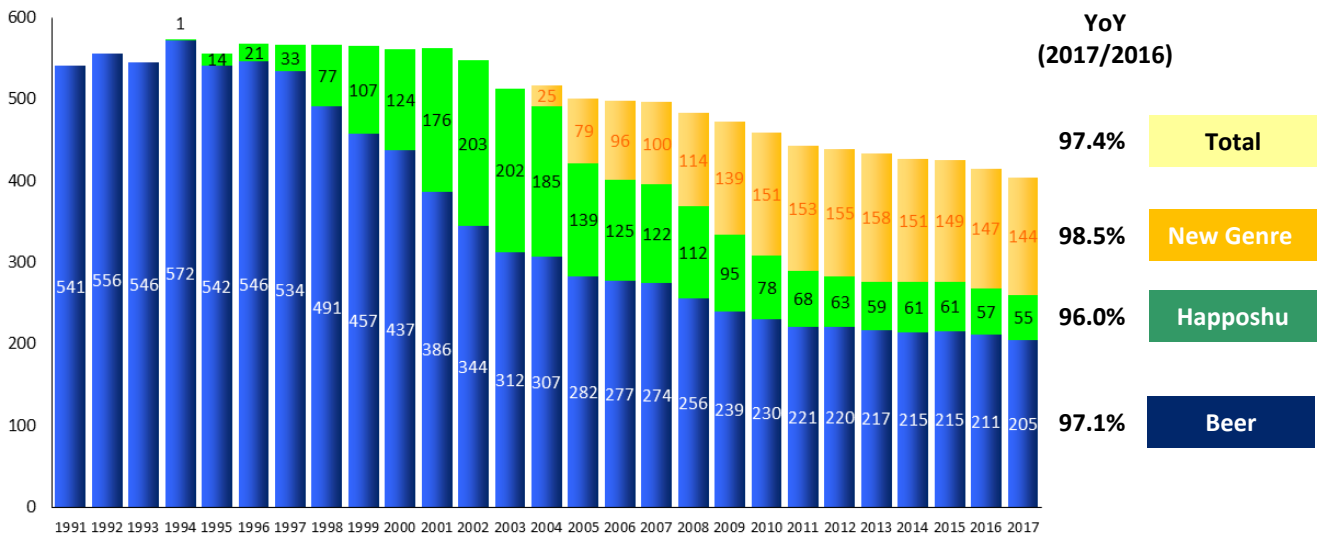
	Jan. - Mar.		Apr. - June		July - Sep.		Oct. - Dec.		1H		2H		Total	
	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY	No. of cases	YoY
Super Dry total	16.84	-6.9%	23.22	-9.0%					40.07	-8.1%				
Style Free total	2.73	-1.1%	3.30	-6.8%					6.03	-4.3%				
Clear Asahi total	6.82	-10.6%	8.93	-9.7%					15.75	-10.1%				

Asahi Breweries Non-Alcohol Beer-taste Beverage Sales by Month (2018)

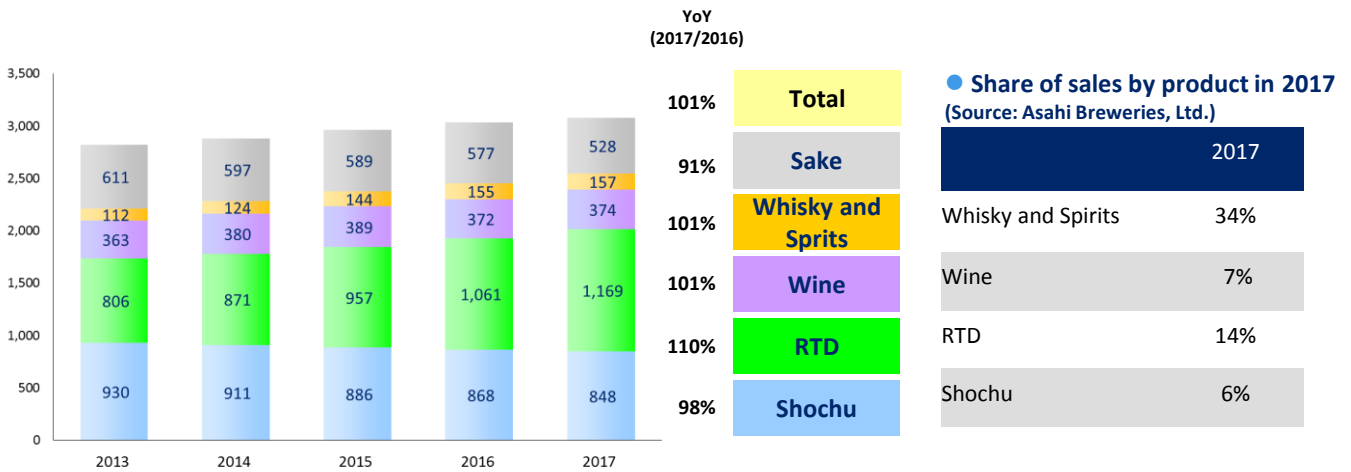
(Millions of cases)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	1H	2H	Total
No. of cases	0.37	0.43	0.60	0.67	0.69	0.87							3.63		
YoY	+0.0%	-6.5%	+5.3%	+4.7%	-4.2%	+19.2%							+4.0%		

Size of Domestic Beer Market (taxable shipment volume; Millions of cases)

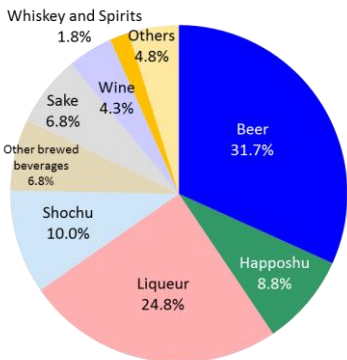


Size of Domestic Market for Other Drinks (taxable shipment volume; 1,000 KL, estimates)

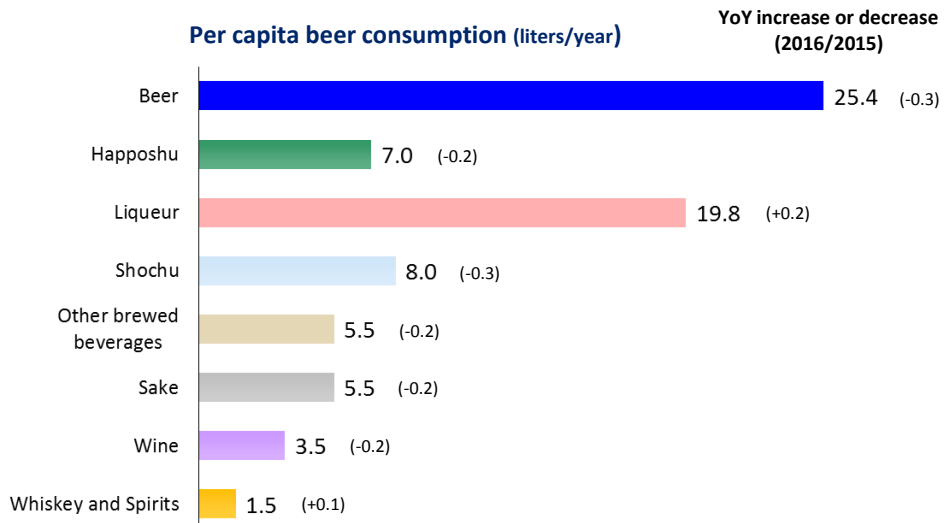


Taxable Shipment Volume in 2016 (Compiled from National Tax Agency reference materials)

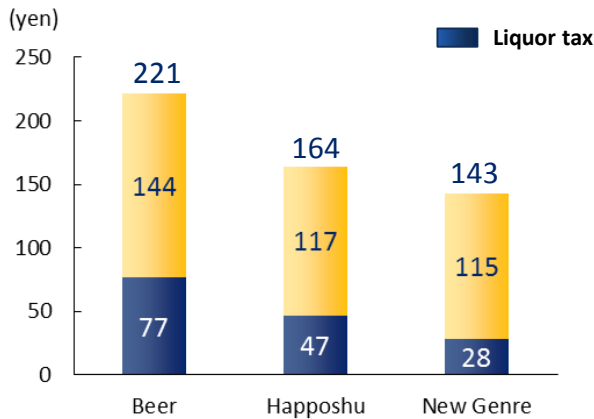
Composition by category



Per capita beer consumption (liters/year)

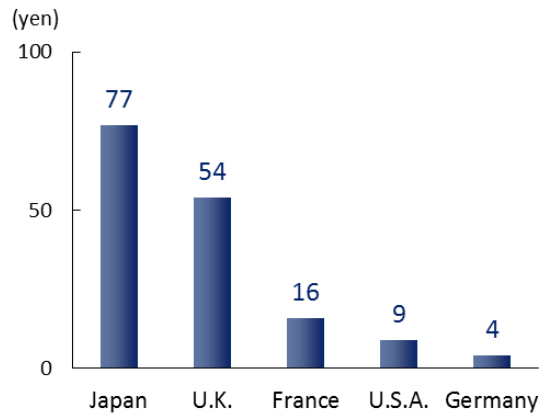


Domestic: Comparison of the Liquor Tax on a 350 ml Serving (yen)



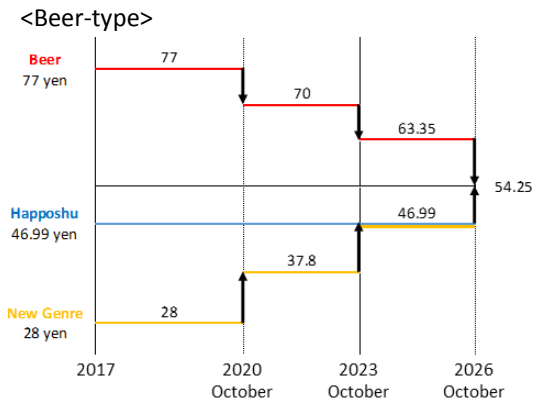
Note: The upper figures are store prices at a major convenience store chain. (Includes consumption tax, at the end of 2016.)

Other Major Countries: Comparison of the Liquor Tax on Beer (yen)

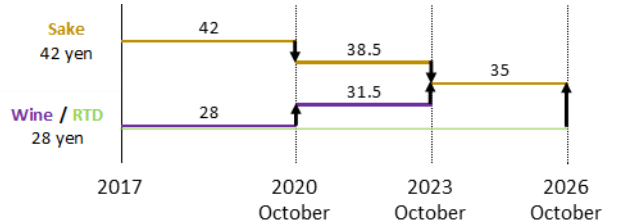


Source: Brewers Association of Japan (January 2016).
 Notes: 1. The monetary amounts (liquor tax, consumption tax, and retail price) are for a 350 ml serving, in yen.
 2. Amounts are converted into yen at ¥125.15/euro, ¥111.94/US\$, and ¥166.70/pound, the rates effective at the end of May 2016.
 3. The U.S. survey was conducted in New York.

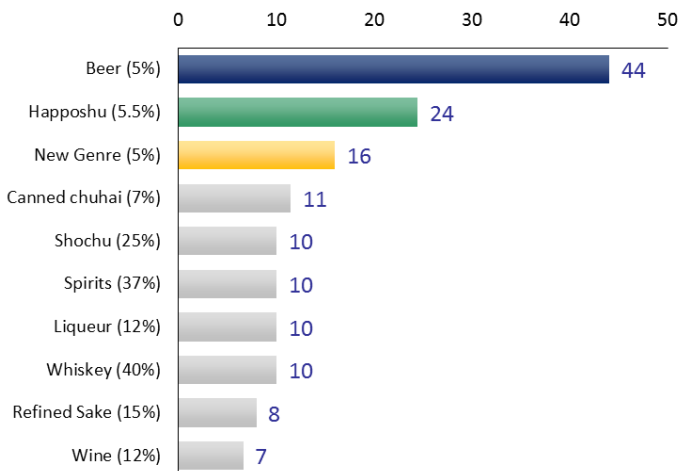
Revision of Liquor Tax (liquor tax on a 350 ml serving (yen))



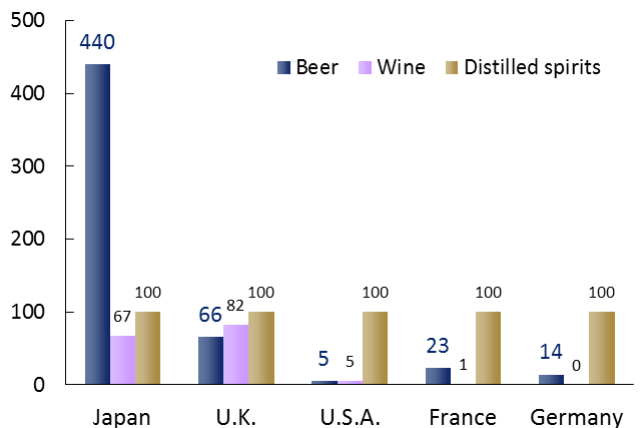
<Sake / Wine / RTD>



Domestic: Liquor Tax Comparison per Percentage of Alcohol per Liter (yen)



Other Major Countries: Liquor Tax Index per Percentage of Alcohol (distilled spirits = 100)



Source: Brewers Association of Japan (January 2016).
 Note: The U.S. survey was conducted in New York.

Source: National Tax Agency, "Sake no Shiori (Statistics on Alcoholic Beverages)" (2017).

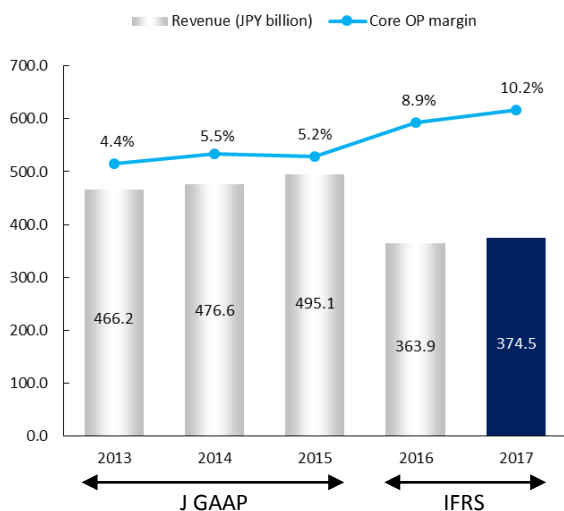
Asahi Soft Drinks Co., Ltd.

Corporate Profile, based on 2017 results

Business Field	Manufacture and sales of a range of soft drinks, operation of vending machines, and related operations. Focusing on core brands (<i>Mitsuya</i> , <i>Wilkinson</i> , <i>WONDA</i> , <i>Jurokucha</i> , <i>Oishii Mizu</i> , <i>Calpis</i>) and facilitating health field
Established	March 1972
Issued Capital	¥11.1 billion
Number of employees	3,381 (consolidated)

Soft Drinks Business

Revenue and Core OP Margin Trend



Facilitation of Health Field

FOSHU

Foods with Function Claims

Lactic Acid



Main Products



Mitsuya Cider (500 ml PET bottle)

The well-known fresh taste of this drink starts with water “polished” through repeated filtration, to which we add fragrances gathered from fruit and other sources. No heat is applied in the production process, and no preservatives are added. Ever since its debut in 1884, *Mitsuya Cider* has been a nationally famous carbonated beverage.

Suggested retail price (tax not included): 500 ml ¥140



Wilkinson Tansan (500 ml PET bottle)

The No. 1 sparkling water brand*. Consisting only of “polished” water that has been carbonated, it packs a refreshing punch. This genuine sparkling water has the kind of clear, clean taste preferred by adults. Enjoy it as either a mixer or straight.

Suggested retail price (tax not included): 500 ml ¥95



WONDA Morning Shot (185 mg can)

Made especially for morning consumption, this canned coffee goes down easily but has a bracing bitterness. It features a just-roasted, just-ground, just-poured taste suitable for starting your day.

Suggested retail price (tax not included): 185 mg ¥115



Asahi Jurokucha (600 ml PET bottle)

Made from 16 carefully selected ingredients. With no caffeine and an aromatic, clean taste, this tea can be gulped down easily. The blend is perfect for healthy hydration.

Suggested retail price (tax not included): 600 ml ¥140



Asahi Oishii Mizu (600 ml PET bottle)

The delicious taste of nature, just as it was meant to be. This natural water from abundant nature is collected from deep underground. We use a sterile packaging method to safely bring you the taste of natural mineral water.

Suggested retail price (tax not included): 600 ml ¥115



Calpis (470 ml “peace bottle”)

This fermented lactic beverage, made from lactic acid bacteria and raw milk, has 95 years of history. We remove the butterfat from fresh, domestically produced milk, then slowly ferment the milk with our unique lactic acid bacteria.

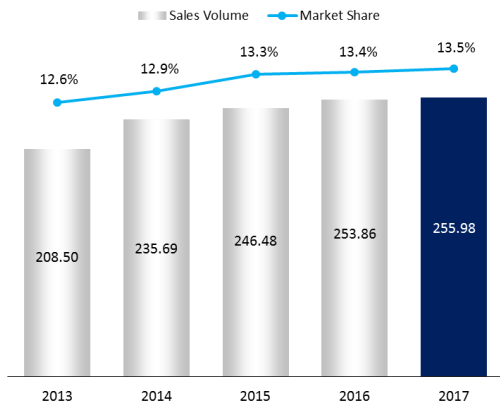
The invigorating taste of nature’s goodness can be enjoyed by everyone from children to the elderly.

Suggested retail price (tax not included): 470 ml ¥460

Note: Prices are current as of December 2017.

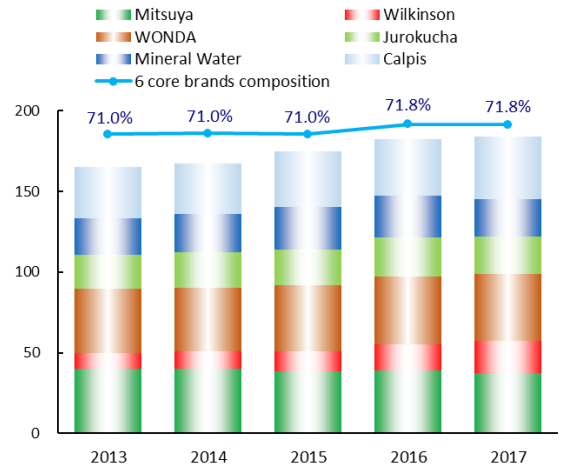
Sales Volume and Market Share Trend

(Millions of cases)



Sales Volume and Composition Trend of 6 Core Brands

(Millions of cases)



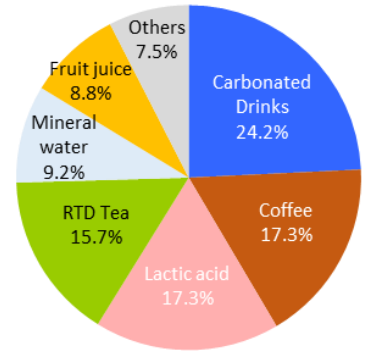
Asahi Soft Drinks Monthly Sales Volume YoY Performance by Category and 6 Core Brands (Jan.-Jun., 2018)

Category / Brand	January	February	March	April	May	June	H1 (Jan-June)	July	August	September	October	November	December	Total
Carbonates	7%	3%	16%	14%	1%	7%	8%							
Mitsuya	-1%	-7%	13%	14%	2%	11%	6%							
Wilkinson	17%	14%	23%	11%	5%	4%	11%							
Lactic Acid Drink	4%	20%	17%	11%	10%	6%	11%							
Calpis	-2%	20%	16%	11%	11%	9%	11%							
Calpis concentrated	7%	9%	-5%	2%	13%	5%	5%							
Coffee	-11%	-6%	-15%	0%	-4%	5%	-5%							
WONDA	-11%	-5%	-14%	2%	-2%	7%	-4%							
Tea	4%	-6%	-2%	-10%	0%	-5%	-4%							
Jurokucha	9%	-10%	-3%	-14%	7%	-5%	-3%							
Mineral Water	14%	4%	6%	-9%	15%	11%	7%							
Oishii Mizu	14%	4%	6%	-9%	15%	11%	7%							
Fruit Juice	3%	-11%	-11%	-10%	-9%	-7%	-8%							
Bireley's	-9%	-10%	-4%	-10%	-13%	-22%	-12%							
Welch's	33%	-36%	-24%	-10%	0%	29%	-3%							
Total	2%	1%	4%	3%	2%	3%	3%							
Health Functional Category	25%	23%	2%	-36%	-5%	-1%	-4%							

Sales by Brand and Category (2017, Millions of cases)

	2017	2016	YoY
Carbonated drinks total	62.06	58.19	6.7%
<i>Mitsuya</i>	37.52	39.03	-3.9%
<i>Wilkinson</i>	19.90	16.30	22.1%
Fruit juice total	22.42	23.60	-5.0%
Coffee total	44.17	44.00	0.4%
<i>WONDA</i>	41.65	41.91	-0.6%
RTD Tea total	40.20	42.10	-4.5%
<i>Jurokucha</i>	22.93	24.05	-4.7%
Mineral water total	23.46	25.94	-9.6%
Lactic acid total	44.37	41.27	7.5%
<i>Calpis</i>	38.34	35.15	9.1%
Other drink total	19.29	18.75	2.9%
Total	255.98	253.86	0.8%

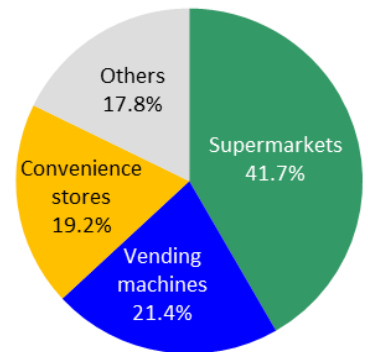
Composition



Sales by Marketing Channel (2017, Millions of cases)

	2017	2016	YoY
Vending machines	54.82	54.26	1.0%
Over-the-counter total	201.16	199.60	0.8%
Convenience stores	49.03	44.05	11.3%
Supermarkets	106.65	109.04	-2.2%
Others	45.47	46.52	-2.2%
Total	255.98	253.86	0.8%

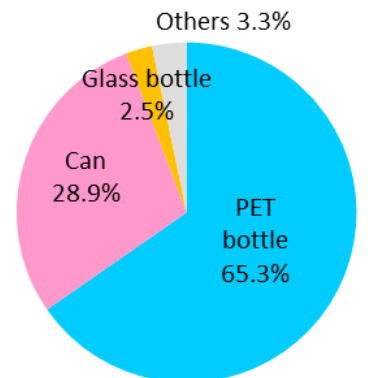
Composition



Sales by Container Type (2017, Millions of cases)

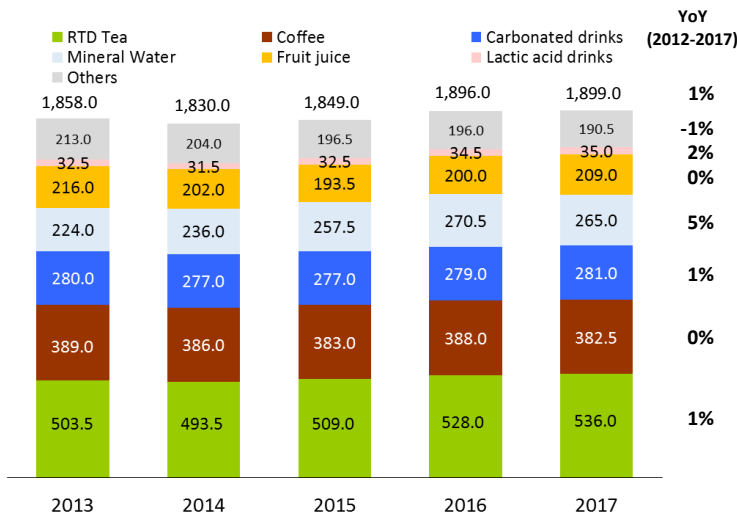
	2017	2016	YoY
Can	74.00	77.93	-5.0%
PET bottle total	167.21	161.16	3.8%
Large size (up to 2L)	67.54	72.41	-6.7%
Small size (up to 660ml)	99.67	88.75	12.3%
Glass bottle	6.39	6.17	3.6%
Paper container and others	8.37	8.61	-2.7%
Total	255.98	253.86	0.8%

Composition

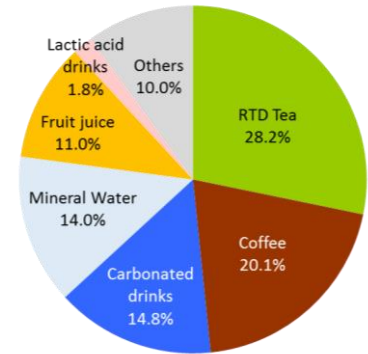


Sales by Category (2017, Millions of cases)

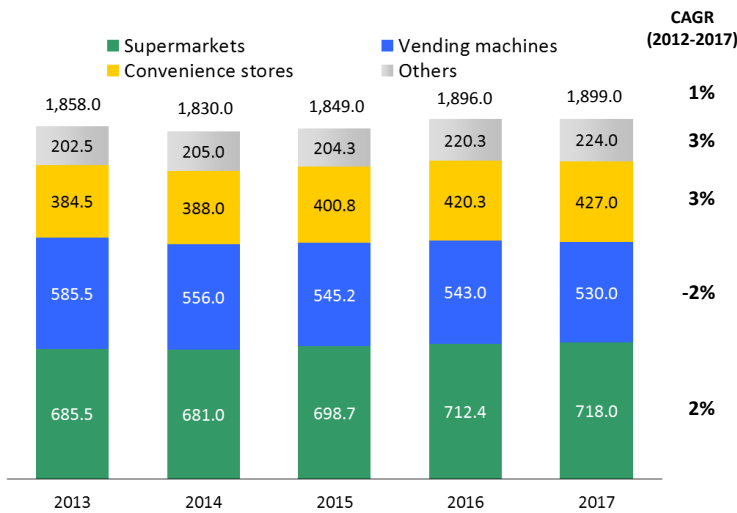
Source : Inryosoken



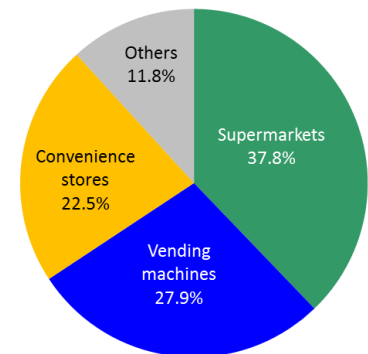
Composition



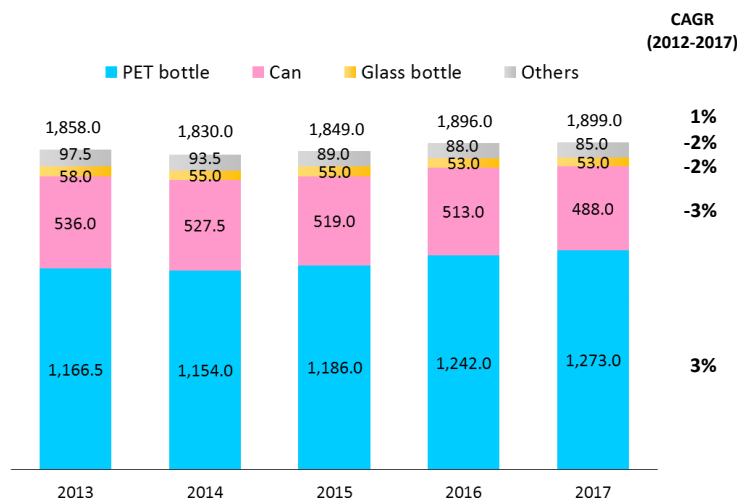
Sales by Marketing Channel (2017, Millions of cases)



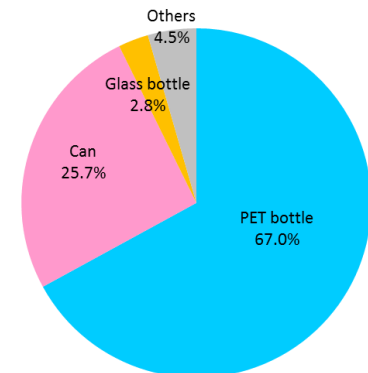
Composition



Sales by Container Type (2017, Millions of cases)



Composition



Asahi Group Foods, Ltd.

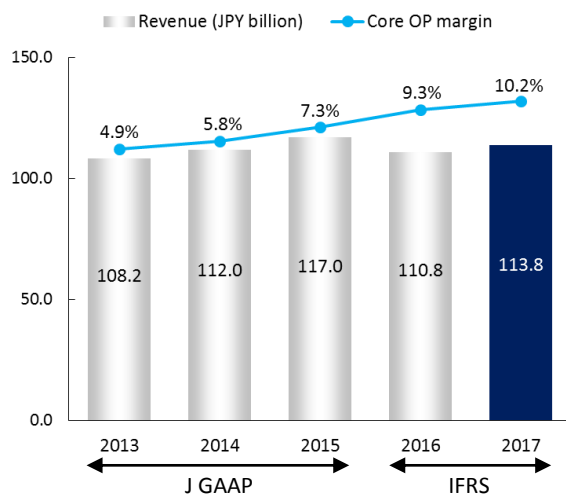
Corporate Profile, based on 2017 results

Business Field	Asahi Group Foods, Ltd. offers lineup of highly original products produced by 3 major subsidiaries. Confectioneries, Supplements, Baby Products, Freeze-Dried Foods and others.
Established	July 2015
Issued capital	¥5.0 billion
Number of employees	1,294(consolidated)

Note: Business results are calculated based on the structure of Asahi Group Foods, Ltd., which has started the business on 1 January 2016.

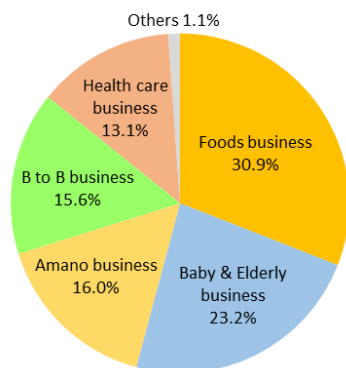
Food Business

Revenue and Core OP Margin Trend



Sales Breakdown by Product Category (2017)

On a value basis



Main Products



MINTIA Wild & Cool

Brisk and refreshing! This standard mint tablet has a unique, exhilarating flavor and create an invigorating cooling sensation in the mouth.

Suggested retail price (tax not included): 50 tablets (7g) ¥100



Dear-Natura Strong 39 Amino Multi-vitamin & Mineral

This product provides 39 types of ingredients in three tablets a day. It contains multi-vitamin & mineral and 18 types of amino acids including 9 essential amino acids. This supplement is good for those who are busy and hope to spend healthy life everyday.

Suggested retail price (tax not included): 300 tablets (for 100 days) ¥3,200



Lebense Milk HiHi

This infant formula was developed based on many years of research into mother's milk and state-of-the-art knowledge of infant nutrition. Since the ingredients and their balance closely approximate breast milk, it can be used with confidence and peace of mind when milk production is insufficient or breastfeeding isn't possible for some other reason.

Suggested retail price (tax not included): 850g price is discretionary



Goo Goo Kitchen

This line of baby food was developed to relieve concerns about refusal to eat or swallowing without chewing, with careful attention paid to the size and firmness of ingredients and easy-to-eat texture depending on the age of months.

Suggested retail price (tax not included): 80g price is discretionary



Itsumono Miso soup Eggplant

This freeze dried miso soup is made from mellow blended miso and bonito flake stock. It has a classic flavor and goes down smoothly, providing full enjoyment of the silky smooth texture of eggplant.

Suggested retail price (tax not included): 1 pack ¥100



The Umami

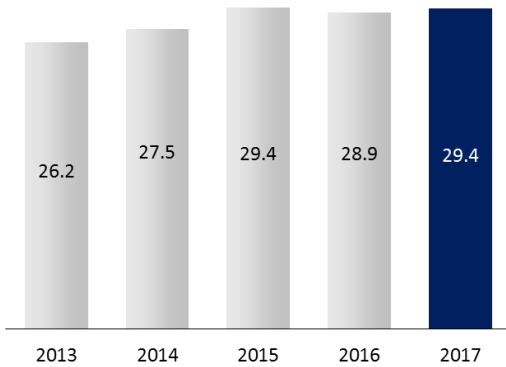
Focused on umami the ingredients originally have, this soup is made by freeze-dried method avoiding the loss of color, flavor and texture of ingredients.

Suggested retail price (tax not included): 1 pack ¥100

Note: Prices are current as of August 2017.

Candy Tablet Market Trend

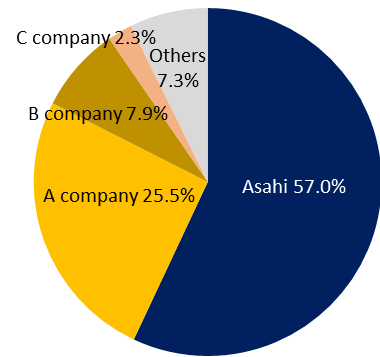
(Billions of yen)



Source: INTAGE Food SRI / candy (candy tablet market) / nationwide (excluding Okinawa) / all-industry, January 2013 to December 2017.

Candy Tablet Market Share (2017)

On a value basis

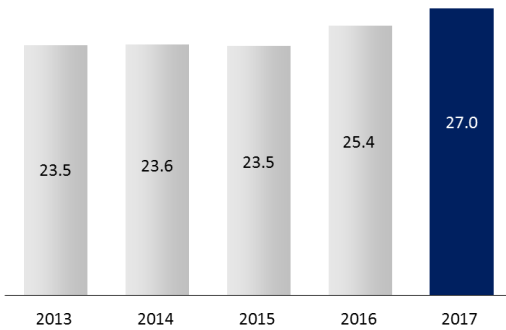


Source: INTAGE Food SRI / candy (candy tablet market) / nationwide (excluding Okinawa) / all-industry, January 2016 to December 2016.

Baby Food Market Trend

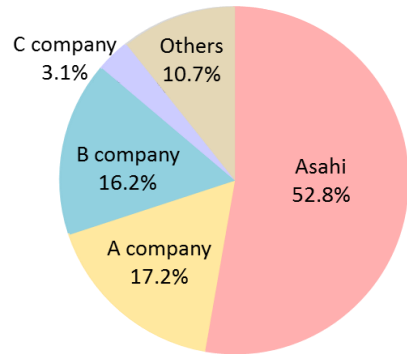
(Billions of yen)

Source: SDI data, all-industry



Baby Food Market Share (2017)

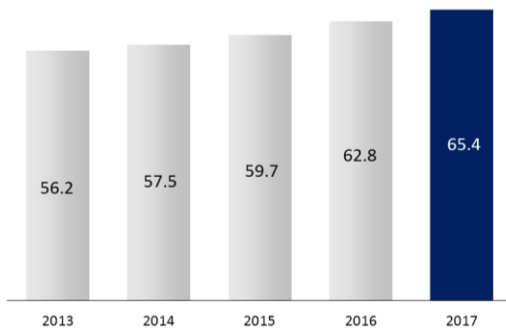
Source: SDI data, all-industry
On a value basis



Instant Miso Soup Market Trend

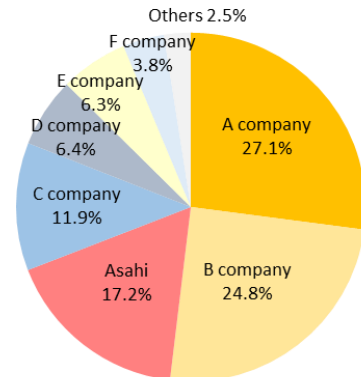
(Billions of yen)

Source: Fuji Keizai



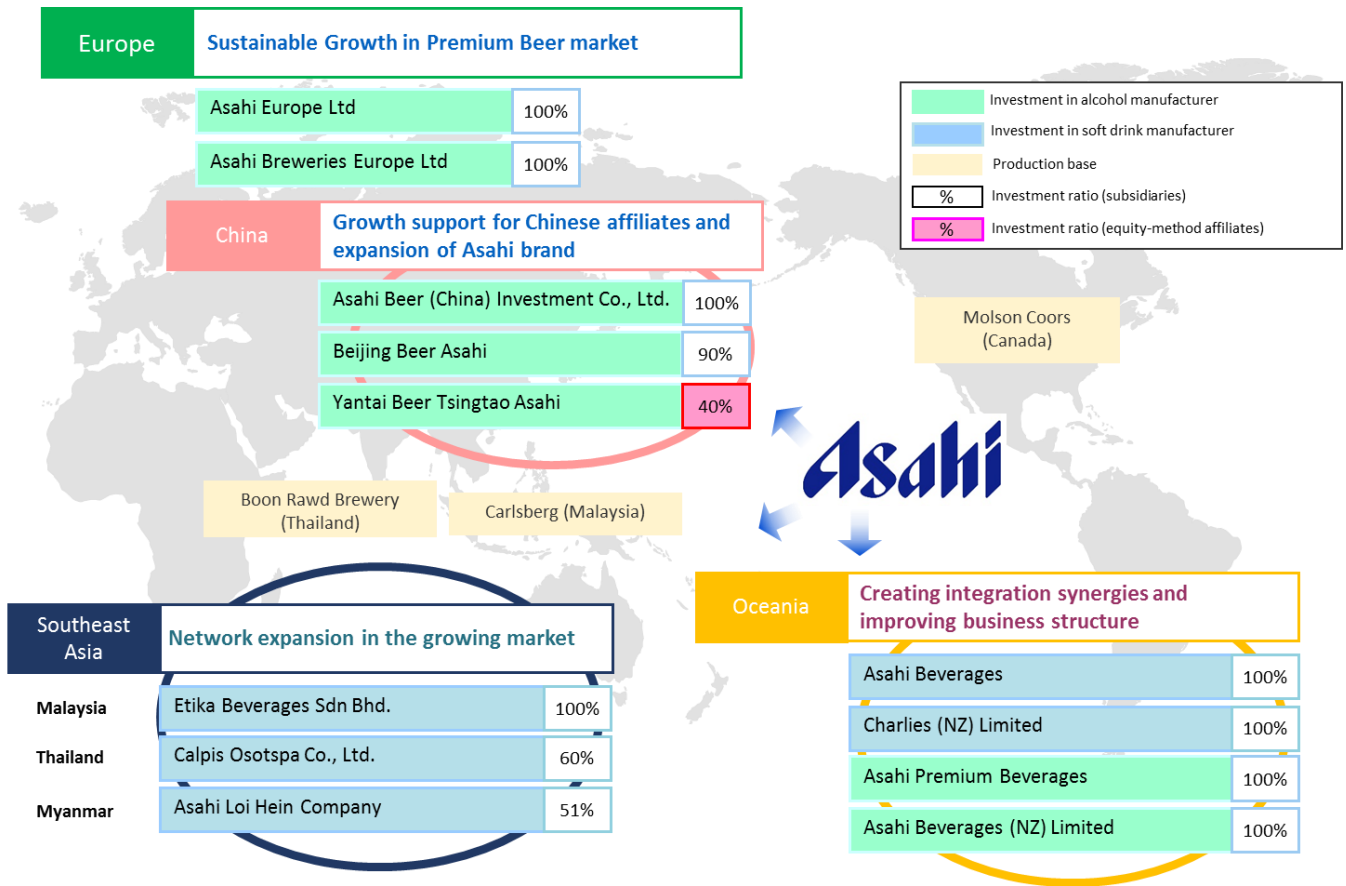
Market Share for Instant Miso Soup (2016)

Source: Fuji Keizai
On a value basis



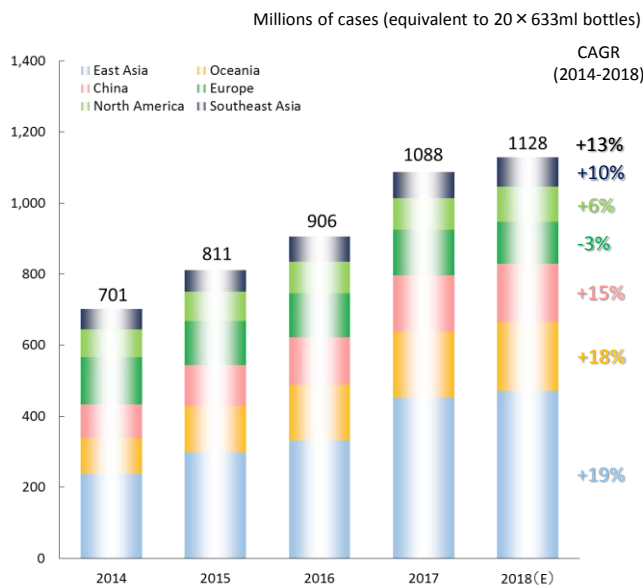
Overseas Business and Capital Alliances

(As of June 30, 2018)

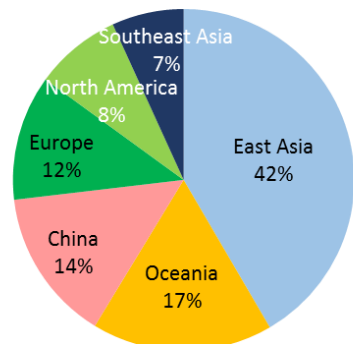


Overseas Sales of Super Dry

Sales Volume Trend



Sales Composition by Area (2017)



Top 15 Beer Producing Countries

Source : Barth Report (Barth Haas Group)

Ranking	Country	Production										CAGR 2007-2016
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
1	China	39.31	41.03	42.36	44.83	48.99	49.02	50.65	49.67	47.16	46.00	1.8%
2	USA	23.28	23.06	23.10	22.90	22.65	23.01	22.53	22.61	22.41	22.14	-0.6%
3	Brazil	9.60	10.63	10.70	12.87	13.30	13.28	13.47	14.14	13.86	13.33	3.7%
4	Mexico	8.10	8.23	8.23	7.99	8.15	8.25	8.20	7.80	9.71	10.50	2.9%
5	Germany	10.40	10.29	9.81	9.57	9.55	9.46	9.44	9.53	9.56	9.50	-1.0%
6	Russia	11.50	11.40	10.85	10.29	9.81	9.76	8.93	8.22	7.82	7.82	-4.2%
7	Japan	6.28	6.11	5.98	5.81	5.60	5.77	5.72	5.65	5.38	5.52	-1.4%
8	United Kingdom	5.13	4.96	4.51	4.50	4.57	4.30	4.20	4.43	4.41	4.40	-1.7%
8	Vietnam	1.80	1.85	2.30	2.65	2.78	2.98	3.57	3.89	3.67	4.08	9.5%
9	Poland	3.55	3.56	3.22	3.60	3.60	3.93	3.96	3.95	4.09	4.07	1.5%
11	Spain	3.44	3.34	3.38	3.34	3.36	3.30	3.27	3.35	3.48	3.62	0.6%
12	South Africa	2.65	2.59	2.88	2.96	3.09	3.15	3.15	3.15	3.21	3.20	2.1%
13	Nigeria	1.35	1.54	1.60	1.76	1.96	2.40	2.65	2.70	2.70	2.60	7.6%
14	France	1.51	1.44	1.43	1.56	1.91	1.97	1.85	2.05	2.40	2.47	5.6%
15	Netherlands	2.73	2.72	2.54	2.39	2.36	2.43	2.36	2.37	2.40	2.46	-1.2%
	15 countries total	130.63	132.76	132.90	137.02	141.68	143.00	143.94	143.51	142.26	141.70	0.9%
	World Beer Production	178.71	181.92	181.76	186.35	192.89	196.20	197.21	196.31	196.10	195.75	1.0%

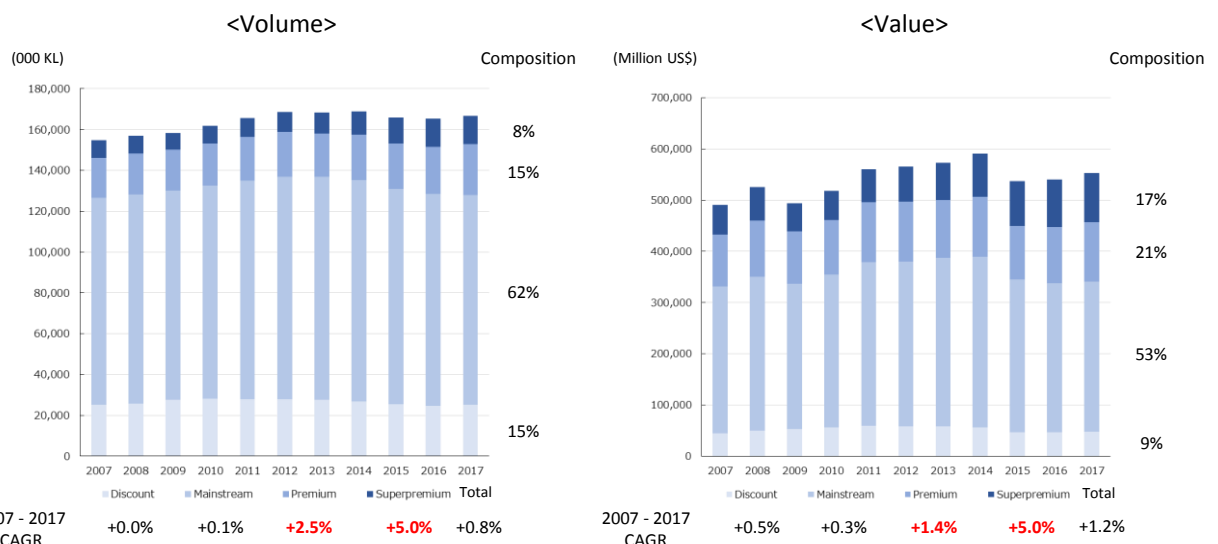
Top 15 Breweries

Source : Barth Report (Barth Haas Group)

Ranking	Company	Country	Output 2016 (million KL)	World Share (%)	Output YoY	Output 2015 (million KL)	World Share (%)
1	Anheuser-Busch InBev	Belgium	43.39	22.2	5.9%	40.99	21.2
2	Heineken	Netherlands	20.01	10.2	6.3%	18.83	9.7
3	China Resources Breweries	China	11.88	6.1	1.2%	11.74	6.1
4	Carlsberg	Denmark	11.69	6.0	-2.8%	12.03	6.2
5	Molson Coors	USA / Canada	9.52	4.9	63.9%	5.81	3.0
6	Tsingtao Brewery Group	China	7.92	4.0	12.3%	7.05	3.6
7	Asahi	Japan	5.90	3.0	187.8%	2.05	1.1
8	Yanjing	China	4.50	2.3	-6.8%	4.83	2.5
9	Kirin	Japan	4.25	2.2	-1.4%	4.31	2.2
10	BGI / Groupe Castel	France	3.29	1.7	10.4%	2.98	1.5
11	Petropolis	Brazil	2.14	1.1	-7.0%	2.30	1.2
12	Constellation Brands	USA	2.10	1.1	27.3%	1.65	0.9
13	Efes Group	Turkey	1.95	1.0	-5.8%	2.07	1.1
14	Gold Star	China	1.80	0.9	0.0%	1.80	0.9
15	San Miguel Corporation	Philippines	1.63	0.8	-2.4%	1.67	0.9
	15 companies total		131.97	67.4	9.9%	120.11	61.2
	World Beer Production		195.75		-0.2%	196.10	

Beer Market Trend by Price Category

Source: Canadian



Europe Business

We acquired the *Peroni*, *Grolsch*, *Meantime* and related businesses of SAB Miller plc in October 2016.

Grolsch and *Peroni* are two of the best-known premium beer brands in the world with over 400 years and 150 years of history, respectively, and both are well recognized inter alia in Europe. *Meantime* is a pioneer brand in craft beer category in UK and is rapidly growing its popularity amongst the younger generation in urban areas such as London.

Through this acquisition, we aim to expand its growth platform in Europe and become a global player with a distinct position. We leverage the distribution network of these business to maximize synergies through increasing the presence of its flagship *Asahi Super Dry* brand.

Main Brands

Italy



Netherlands

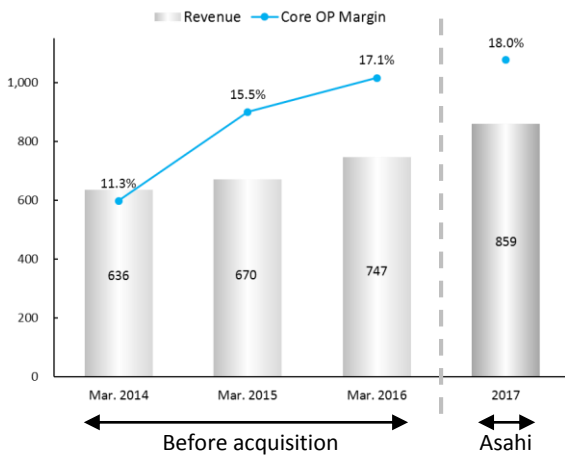


UK

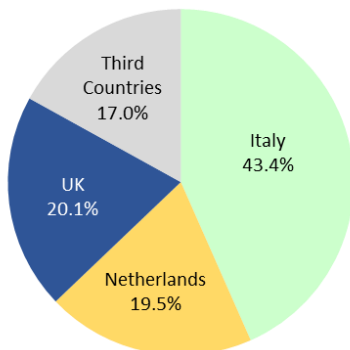


Revenue and Core OP Margin Trend

(Million Euro)

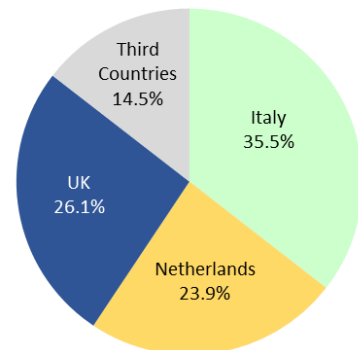


Sales Volume Breakdown by Country (2017)



Revenue Breakdown by Country (2017)

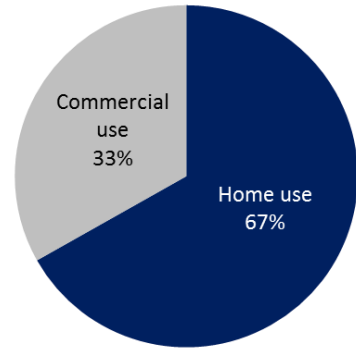
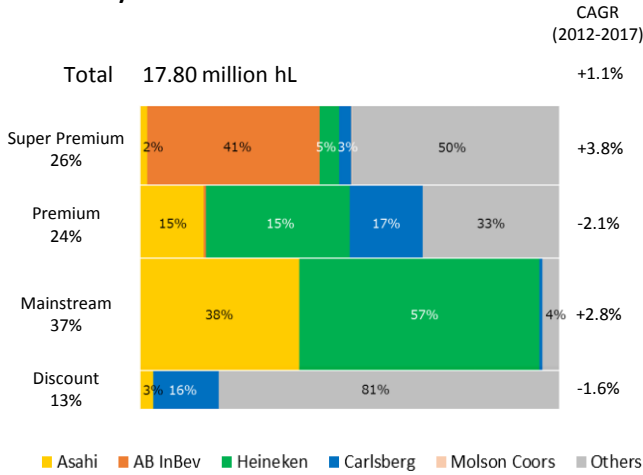
Excluding intercompany / elimination



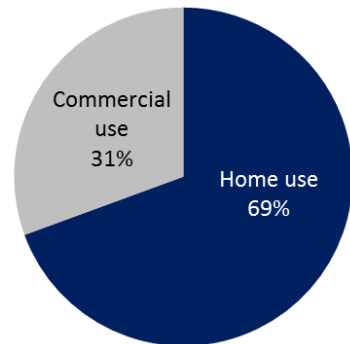
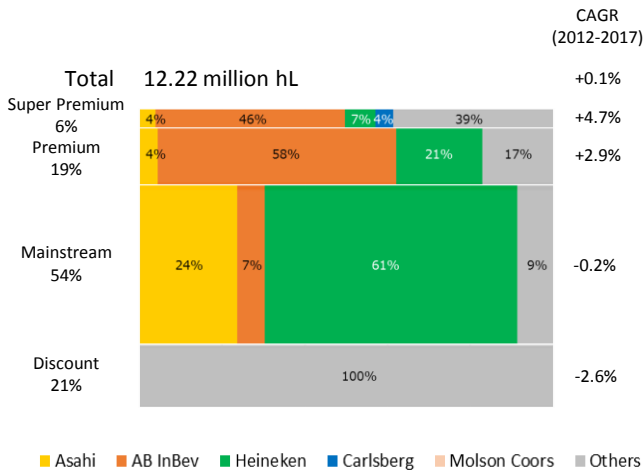
Market Share by Price Segment and Composition by Channel (2017)

Source : Canadean
On a volume basis

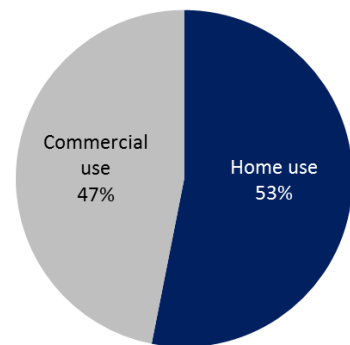
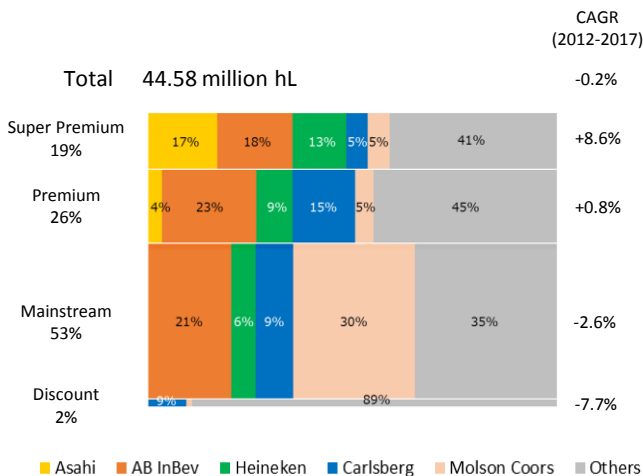
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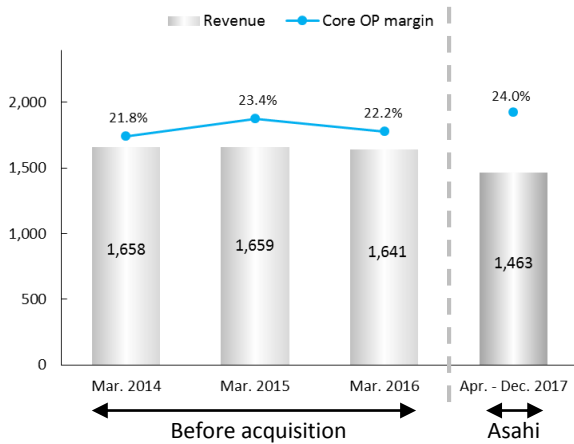


the price of the leading brand in the most popular pack type = 100
 Super Premium > 151
 150 > Premium > 115
 114 > Mainstream > 91
 90 > Discount

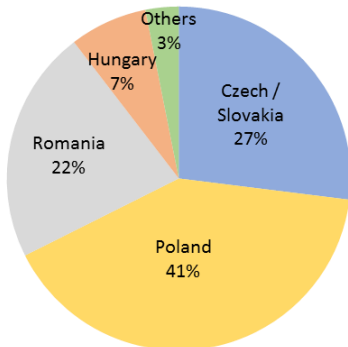
Central & Eastern Europe Business

We acquired the Czech, Slovakia, Poland, Romania, Hungary businesses as well as intellectual property rights relating to the brands, including Pilsner Urquell of SAB Miller plc in March 2017. (excl. USA and Puerto Rico)
 The businesses include global brands such as Pilsner Urquell, the original Pilsner beer, and Kozeľ. It has the top market shares in Czech (the world's highest per capita beer drinking country), Slovakia, Poland, Romania and Hungary, resulting in significant profitability on the background of the strong business platform.
 Through the acquisition of the businesses, together with Super Dry, Peroni and Grolsch, we aim to establish a unique position as a global player, mainly focusing on a leading premium brand portfolio to achieve sustainable growth.

Revenue and Core OP Margin Trend (Million Euro)



Sales Volume Composition by Country (April – December, 2017)

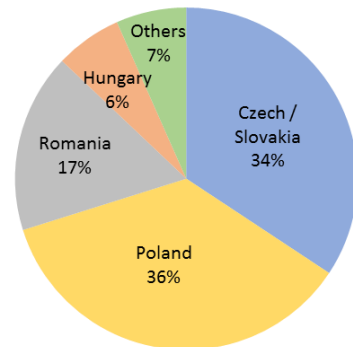


Main Brands

	 	Lech Tyskie
	 	Pilsner Urquell Kozel
	 	Pilsner Urquell Kozel
	 	Ursus Timisoreana
	 	Dreher Arany Aszok

Revenue Composition by Country (April – December, 2017)

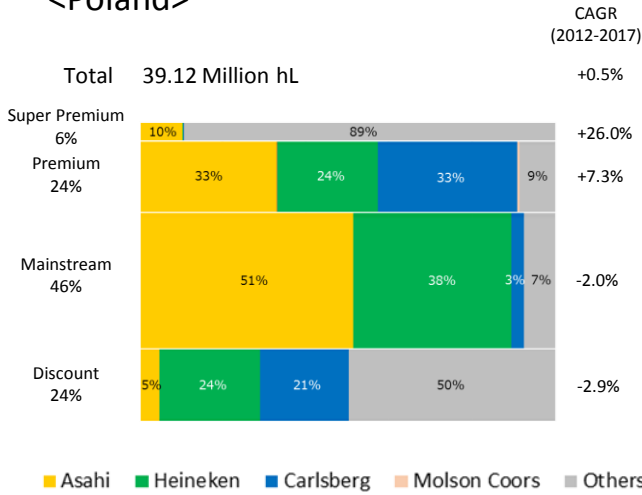
Excluding intercompany / elimination



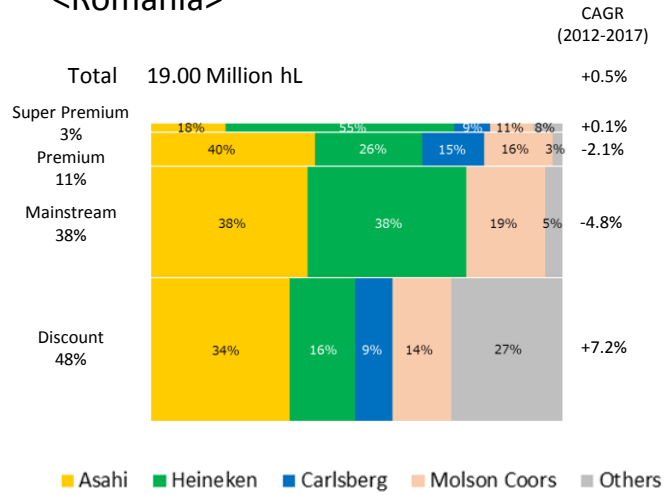
Market Share by Price Segment and Composition by Channel (2017)

Source : Canadean
On a volume basis

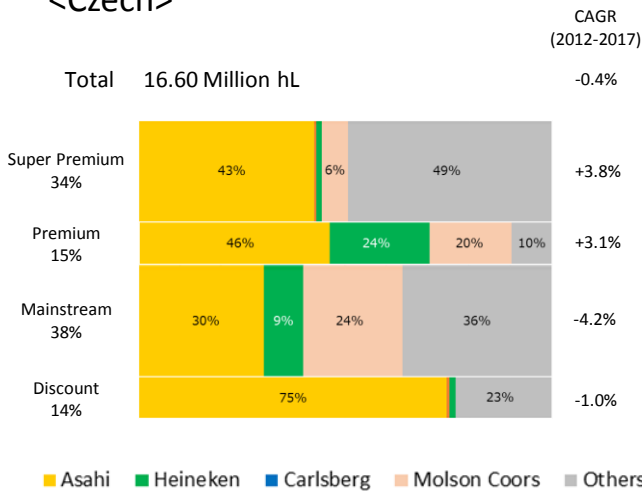
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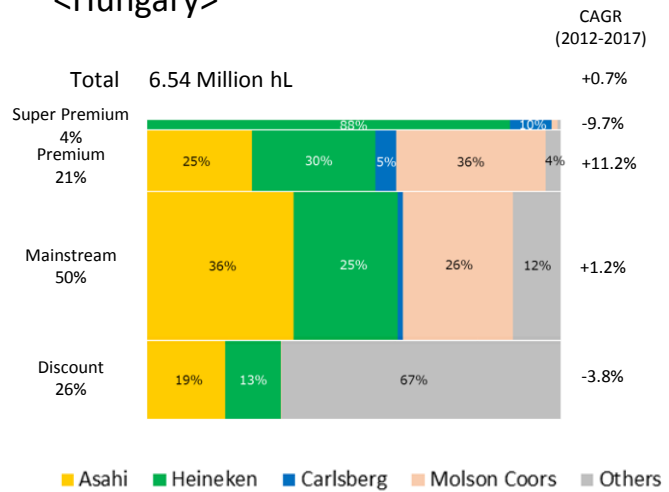
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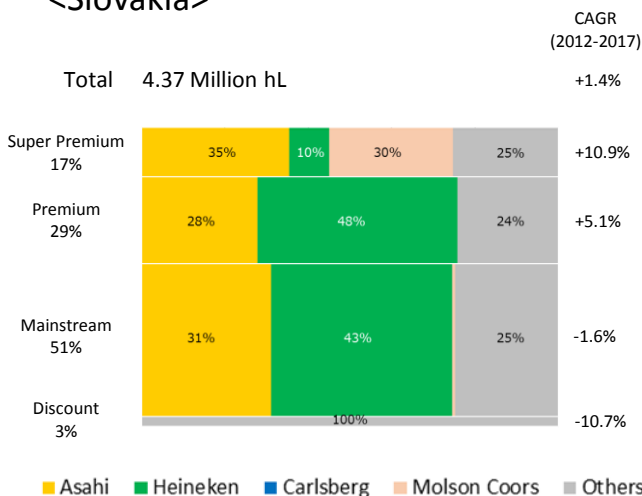
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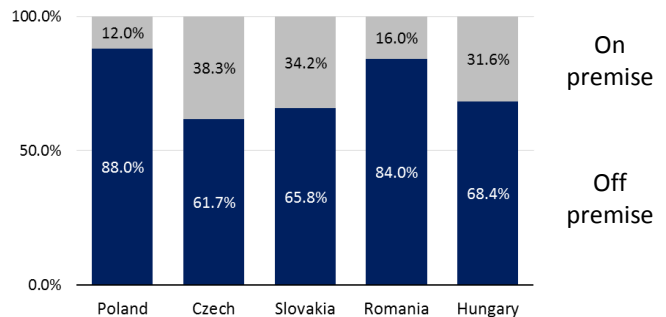
<Hungary>



<Slovakia>



<Composition by Channel>



Oceania Beverages Business

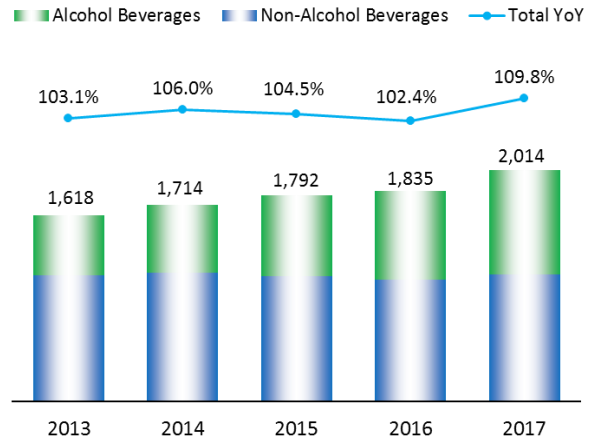
In April 2009, Asahi purchased Schweppes Australia Pty Ltd, the second-largest beverage company in the stably growing Australian soft drink market, from the Cadbury Group.

Schweppes Australia manufactures and markets own-brand and licensed products in its mainstay category of carbonated beverages, as well as sports drinks and fruit juice.

In 2011, Asahi purchased the juice and water businesses of P&N Beverages Pty Ltd, Australia's third-largest beverage company, and Charlie's Group Limited (now The Better Drinks), a New Zealand-based company specializing in premium beverages. In 2012, it continued to strengthen and expand its business base in Oceania by purchasing bottled water specialist Mountain H2O.

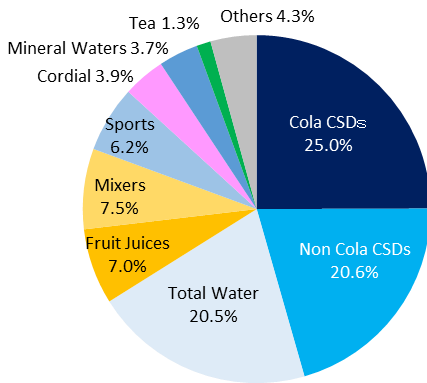
Oceania Business Revenue Trend

(Million AUD)



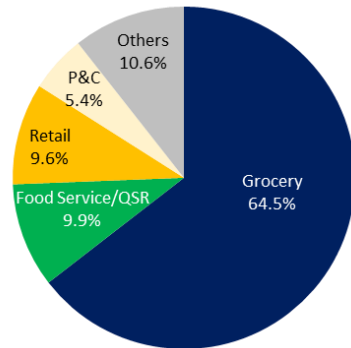
Asahi Beverages Sales Breakdown by Category (2017)

On a value basis



Asahi Beverages Sales Breakdown by Channel (2017)

On a value basis



Oceania Non-Alcohol Beverages Business Product Lineup

Carbonated



Water



Juice



Tea



Sports Drinks

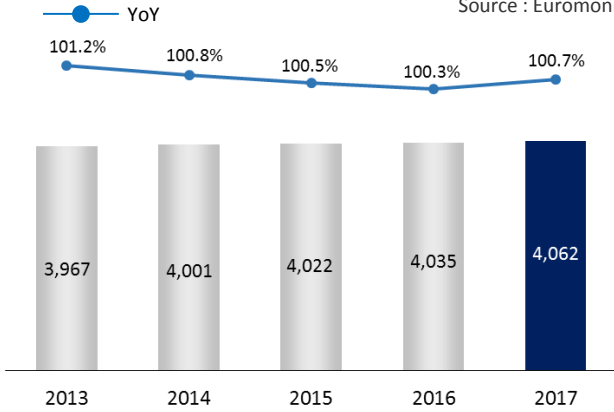


Australian Beverages Market Data

Beverage Market Trend

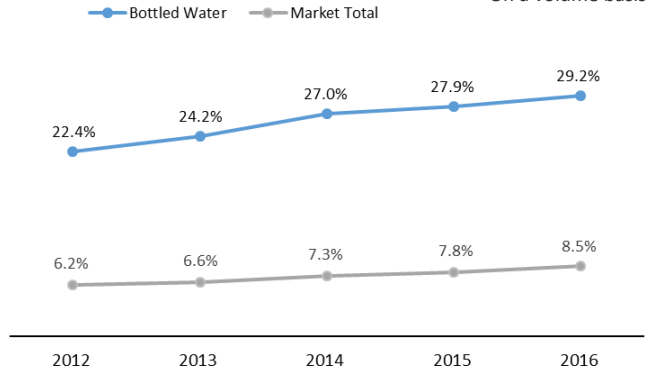
('000KL)

Source : Euromonitor



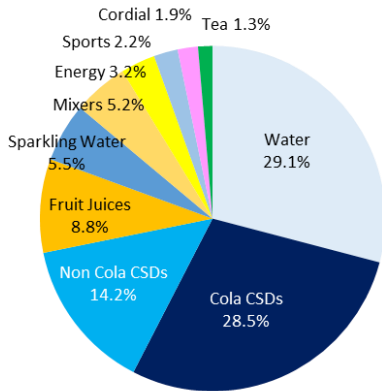
Sales Trend of Private Label

Source : Euromonitor
On a volume basis



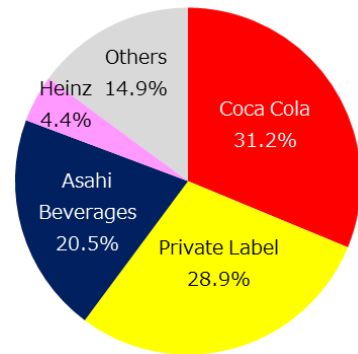
Market Breakdown by Category (2017)

Source : AZTEC
On a volume basis



Market Share by Company (2017)

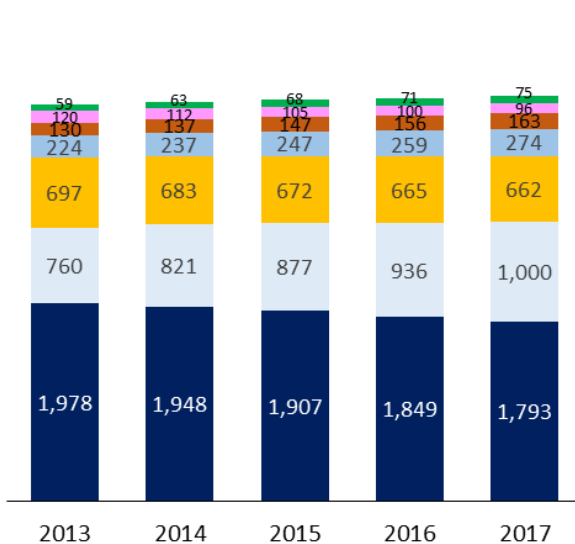
Source : AZTEC
On a volume basis



Market Trend by Category

('000KL)

Source : Euromonitor



CAGR (2013-2017)

Total	+1%
RTD Tea	+6%
Concentrates	-5%
RTD Coffee	+6%
Sports and Energy Drinks	+5%
Juice	-1%
Bottled Water	+7%
Carbonates	-2%

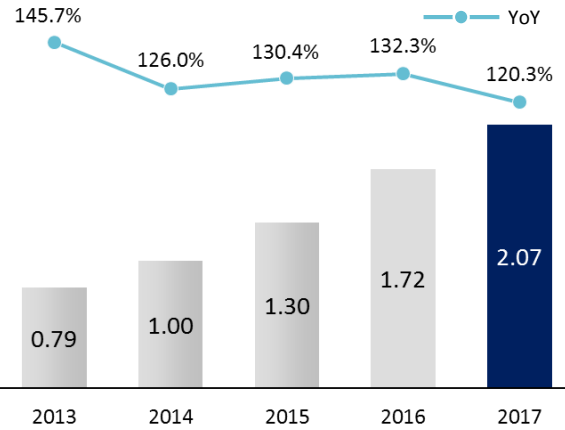
Oceania Alcohol Beverage Business

In September 2011, Asahi's purchase of the Independent Liquor Group (henceforth, the IL Group) marked its full-fledged entry into the Oceania alcohol beverage market. Currently, a corporate group centered on Independent Liquor (NZ) Ltd. and Asahi Premium Beverages Pty Ltd manufactures and markets a multi-category lineup of alcohol drinks consisting mainly of RTD (low-alcohol) beverages, as well as spirits, wine, and beer, in New Zealand and Australia. As a beverage maker, Independent Liquor has built up a solid brand over the years.

In April 2012, marketing responsibility for *Asahi Super Dry* was transferred to Independent Distillers (NZ) Ltd., and in October of that year to Asahi Premium Beverages. In this way, we have strengthened and expanded our alcoholic beverage business in Oceania.

Asahi Brands Sales Volume Trend

(Millions of cases)

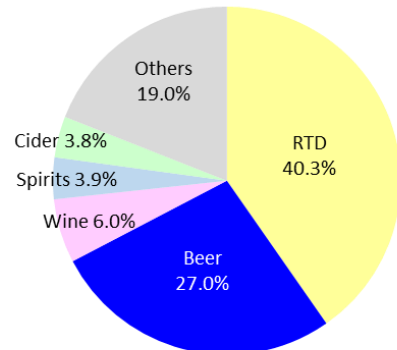
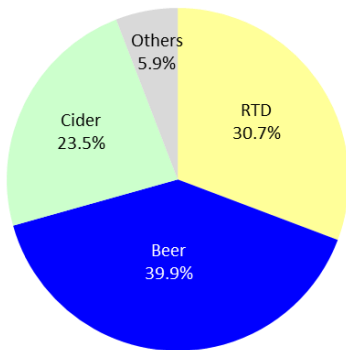


Asahi Beverages (NZ) (New Zealand) Breakdown by Category (2017)

On a value basis

Asahi Premium Beverages (Australia) Breakdown by Category (2017)

On a value basis



Oceania Alcohol Beverage Business Product Lineup

RTD



Woodstock



Vodka Cruiser

Beer



Super Dry

Soukai

Boundry Road

Cider



Somersby



Wild Side



Mountain Goat



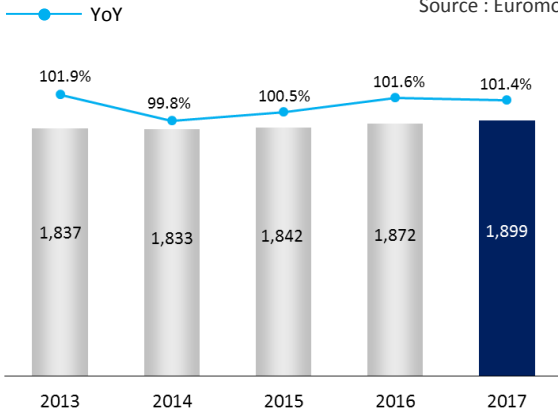
Cricketers Arms

Australian Alcohol Beverages Market Data

Beer Market Trend

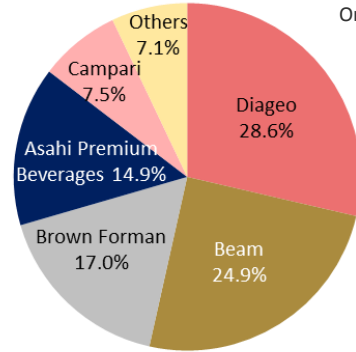
('000 KL)

Source : Euromonitor



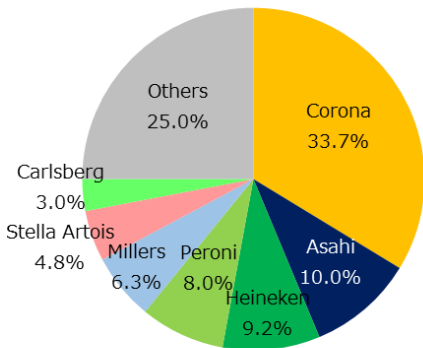
RTD Alcohol Beverages Market Share by Company (2017)

Source : AZTEC
On a volume basis



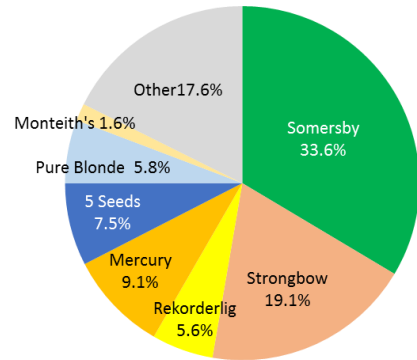
Imported Premium Beer Market Share by Brand (2017)

Source : AZTEC
On a value basis



Cider Market Share by Brand (2017)

Source : AZTEC
On a value basis

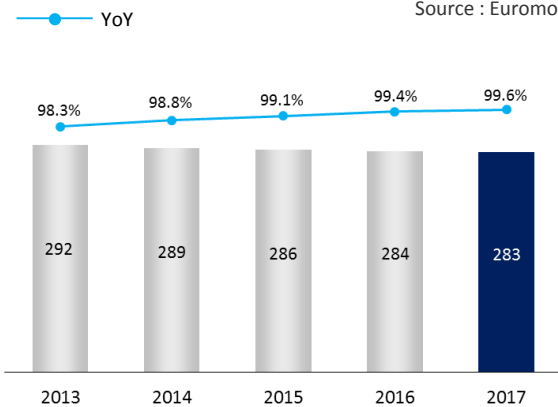


New Zealand Alcohol Beverages Market Data

Beer Market Trend

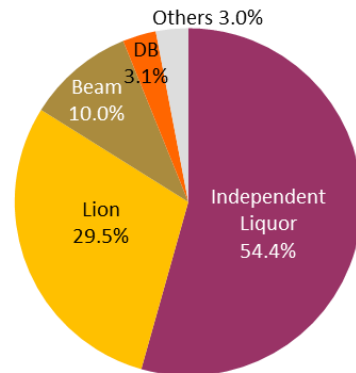
('000 KL)

Source : Euromonitor



RTD Alcohol Beverages Market Share by Company (2017)

Source : AZTEC
On a value basis



Malaysia Business

In November 2011, we entered Malaysian soft drinks market through purchasing Permanis Sdn. Bhd., the second-largest beverage company in Malaysia.

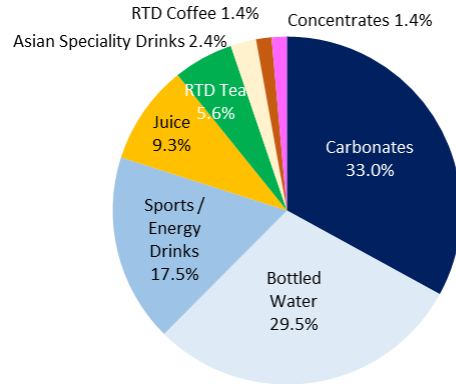
In 2014, we purchased all of the issued shares in the companies engaged in dairy business in Southeast Asia held by Etika International Holdings Limited and entered dairy product business like condensed milk to strengthen the business foundation in Southeast soft drinks market.

Now we launched Asahi brands like *WONDA* and *Calpis* adjusted to the local taste in addition to *Pepsi* and *Tropicana* to enhance the business growth in Malaysian soft drinks market.

In November 2016, we acquired the Pepsi bottling business in Singapore.

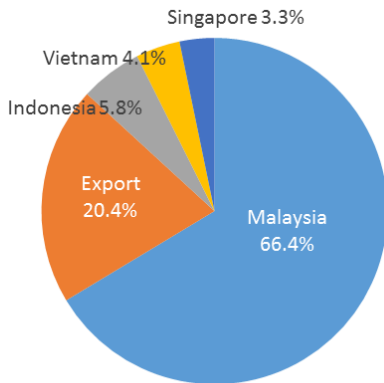
Malaysia Beverages Market Breakdown by Category (2017)

Source : Euromonitor
On a volume basis



Malaysia Sales Breakdown by Business Category (2017)

On a value basis



Main Brands



China Business

Since 1994 when we entered China business, we have sold *Super Dry*, *Beijing Beer*, shochu, whiskey and spirits etc. through Asahi Beer (China) Investment Co., Ltd., our subsidiary in China, in the areas including Beijing, Shanghai, Dalian, Guangzhou, Shenzhen.

We have also manufactured *Super Dry* in Beijing Beer Asahi Co., Ltd. and Shenzhen Tsingtao Beer Asahi Co., Ltd.

From now on, we position the expansion of our presence in premium beer market in China as our strategy for growth.

We aim to grow sustainably driven by facilitating sales of European premium brands, *Peroni Nastro Azzuro* and *Pilsner Urquell* in addition to *Super Dry*.

Asahi Brand Sales Volume Trend

