

Asahi Group Holdings, Ltd.



FY2015 3Q Financial Results

NOTE:

All information has been prepared in accordance with generally accepted accounting principles in Japan. Amounts shown in this accounting report and in the attached materials have been rounded down to omit fractions less than one million yen. This document is a partial English translation of the Japanese Financial Statement which was filed at Stock Exchanges in Japan on November 4, 2015.

This translation was made for information only. The Company gives no warranty with respect to its correctness.

**Summary Report of Financial Results
(Fiscal 2015)**

November 4, 2015

Asahi Group Holdings, Ltd.

Code number:	2502
Shares Listed:	First Section of each of Tokyo Stock Exchanges
Head Office:	Tokyo
Contact:	Kazutomo Tamesada, General Manager, Public Relations Section Tel: + 81 3 5608 5126 (http://www.asahigroup-holdings.com/en/)
US GAAP:	Not applicable

1. Consolidated Financial Results for Fiscal 2015 (From January 1, 2015 to September 30, 2015)

(1) Operating Results

(Rounded down to millions of yen, except per share data)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2015 3Q ended September 30, 2015	1,358,509	4.9	93,580	6.2	101,548	11.5
Fiscal 2014 3Q ended September 30, 2014	1,295,046	3.0	88,111	5.2	91,044	7.8

(Note) Comprehensive income at the end of 3Q FY2015: 46,396 million yen (-32.7%)

Comprehensive income at the end of 3Q FY2014: 68,962 million yen (-30.5%)

	Net income	% change	Net income per share (Primary)	Net income per share (Diluted)
	(Millions of yen)	(%)	(yen)	(yen)
Fiscal 2015 3Q ended September 30, 2015	68,975	26.8	149.84	149.77
Fiscal 2014 3Q ended September 30, 2014	54,405	16.4	117.08	117.00

(2) Financial Condition

	Total assets	Net assets	Shareholders' equity ratio
	(Millions of yen)	(Millions of yen)	(%)
Fiscal 2015 3Q ended September 30, 2015	1,859,617	873,079	46.2
Fiscal 2014 ended December 31, 2014	1,936,609	896,510	45.5

(Note) Treasury stock at the end of 3Q FY2015: 858,782 million yen

Treasury stock at the end of FY2014: 881,091 million yen

2. Dividends

	Cash dividend per share				
	end of first	end of second	end of third	Year-end	Dividend per
	(yen)	(yen)	(yen)	(yen)	(yen)
Year ended December 31, 2014	-	22.00	-	23.00	45.00
Year ended December 31, 2015	-	24.00	-		
Year ended December 31, 2015 (Forecast)				24.00	48.00

(Note) Revisions to the forecast of consolidated results in the current quarter: No

3. Projection for Fiscal 2015 (January 1, 2015 to December 31, 2015)

(Rounded down to millions of yen, except per share data)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2015 ending December 31, 2015	1,860,000	4.2	135,000	5.2	139,000	4.4

	Net income	% change	Net income per share
	(Millions of yen)	(%)	(yen)
Fiscal 2015 ending December 31, 2015	75,000	8.5	163.14

(Note) Revisions to the forecast of consolidated results in the current quarter: No

(Note)

(1) Changes in significant subsidiaries during this quarterly period : No

(2) Application of specific accounting methods for preparing the quarterly consolidated financial statements : Yes

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

(1) Changes in accounting policies due to amendment of accounting standards : Yes

(2) Changes in accounting policies other than item (1) above : No

(3) Changes in accounting estimates : No

(4) Retrospective restatements : No

(4) Number of shares issued and outstanding at the end of the term (common stock)

(1) Issued stock including treasury stock:

Year ended September 30, 2015	483,585,862 shares
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Year ended December 31, 2014	483,585,862 shares
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(2) Treasury stock:

Year ended September 30, 2015	25,685,886 shares
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Year ended December 31, 2014	20,984,062 shares
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(3) Average of issued stock:

Year ended September 30, 2015	460,339,380 shares
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Year ended September 30, 2014	464,663,683 shares
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*** Implementation status of quarterly review processes**

This summary of quarterly consolidated financial results is not subject to a quarterly review in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this summary of quarterly consolidated financial results, the quarterly review procedures in accordance with the Financial Instruments and Exchange Act had not been completed.

*** Forward-looking statements and other special instructions**

The forward-looking statements that reflect Asahi's forecasts for consolidated and unconsolidated results in this document are based on information available at the time of the release of these materials and reasonable assumptions made by Asahi.

Certain risks and uncertainties could cause the results of Asahi to differ materially from any projections presented herein.

2. Consolidated Financial Statements (Unaudited)

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2014	As of September 30, 2015
(Assets)		
Current assets		
Cash and deposits	65,064	58,327
Notes and accounts receivable - trade	353,704	295,773
Merchandise and finished goods	82,117	102,454
Raw materials and supplies	42,431	41,570
Deferred tax assets	13,012	13,957
Other	53,042	47,796
Allowance for doubtful accounts	5,529	5,214
Total current assets	603,842	554,666
Non-current assets		
Property, plant and equipment		
Buildings and structures	433,018	431,971
Accumulated depreciation	263,734	266,745
Buildings and structures, net	169,283	165,226
Machinery, equipment and vehicles	558,442	555,372
Accumulated depreciation	423,378	426,462
Machinery, equipment and vehicles, net	135,064	128,910
Other	184,091	184,057
Accumulated depreciation	105,693	105,841
Other, net	78,398	78,216
Land	202,051	199,146
Construction in progress	20,617	11,965
Total property, plant and equipment	605,415	583,465
Intangible assets		
Goodwill	195,859	154,310
Other	99,930	90,031
Total intangible assets	295,790	244,341
Investments and other assets		
Investment securities	375,044	417,901
Net defined benefit asset	19,252	22,870
Deferred tax assets	9,448	8,928
Other	30,942	30,016
Allowance for doubtful accounts	3,124	2,572
Total investments and other assets	431,561	477,143
Total non-current assets	1,332,767	1,304,950
Total assets	1,936,609	1,859,617

(Continued)

<Consolidated Balance Sheets >

(Millions of yen)

	As of December 31, 2014	As of September 30, 2015
(Liabilities)		
Current liabilities		
Notes and accounts payable - trade	130,402	109,488
Short-term loans payable	184,879	132,836
Commercial papers	76,000	119,000
Current portion of bonds	20,000	-
Accrued alcohol tax	110,361	108,627
Income taxes payable	27,396	15,209
Deposits received	18,255	15,332
Provision for bonuses	4,685	10,664
Other	185,393	152,602
Total current liabilities	757,374	663,762
Non-current liabilities		
Bonds payable	113,000	148,000
Long-term loans payable	40,846	47,563
Provision for directors' retirement benefits	302	215
Net defined benefit liability	26,525	24,333
Deferred tax liabilities	48,611	50,609
Asset retirement obligations	430	420
Other	53,008	51,633
Total non-current liabilities	282,724	322,775
Total liabilities	1,040,099	986,537
(Net assets)		
Shareholders' equity		
Capital stock	182,531	182,531
Capital surplus	143,339	120,540
Retained earnings	477,427	517,406
Treasury shares	58,176	77,404
Total shareholders' equity	745,120	743,074
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	28,850	39,747
Deferred gains or losses on hedges	218	56
Foreign currency translation adjustment	107,832	76,270
Remeasurements of defined benefit plans	492	365
Total accumulated other comprehensive income	135,970	115,708
Minority interests	15,419	14,297
Total net assets	896,510	873,079
Total liabilities and net assets	1,936,609	1,859,617

(2) Consolidated Income Statements and Comprehensive Income Statement

<Consolidated Income Statements>

(Millions of yen)

	As of September 30, 2014	As of September 30, 2015
Net sales	1,295,046	1,358,509
Cost of sales	771,467	801,494
Gross profit	523,578	557,015
Selling, general and administrative expenses	435,467	463,434
Operating income	88,111	93,580
Non-operating income		
Interest income	315	475
Dividend income	1,253	1,466
Share of profit of entities accounted for using equity method	4,426	9,962
Other	2,050	2,179
Total non-operating income	8,045	14,083
Non-operating expenses		
Interest expenses	2,679	2,725
Other	2,432	3,390
Total non-operating expenses	5,111	6,115
Ordinary income	91,044	101,548
Extraordinary income		
Gain on sales of non-current assets	14,293	418
Gain on sales of investment securities	549	693
Gain on step acquisitions	-	5,932
Total extraordinary income	14,843	7,044
Extraordinary losses		
Loss on sales and retirement of non-current assets	2,102	2,293
Loss on sales of investment securities	12	122
Loss on valuation of investment securities	24	70
Impairment loss	-	1,743
Business integration expenses	3,045	2,944
Other	1,831	1,973
Total extraordinary losses	7,016	9,148
Income before income taxes and minority interests	98,870	99,444
Income taxes	44,303	31,355
Income before minority interests	54,566	68,088
Minority interests in income (loss)	161	886
Net income	54,405	68,975

(Continued)

<Comprehensive Income Statement>

(Millions of yen)

	As of September 30, 2014	As of September 30, 2015
Income before minority interests	54,566	68,088
Other comprehensive income		
Valuation difference on available-for-sale securities	4,646	10,917
Deferred gains or losses on hedges	147	275
Foreign currency translation adjustment	6,791	46,433
Remeasurements of defined benefit plans, net of tax	-	113
Share of other comprehensive income of entities accounted for using equity method	3,104	13,434
Total other comprehensive income	14,396	21,692
Comprehensive income	68,962	46,396
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	68,423	48,990
Comprehensive income attributable to minority interests	538	2,593

(3) Notes regarding the premise of a going concern

No applicable items

(4) Segment information

Fiscal 2014 (January 1, 2014 to September 30, 2014)

1. Information on net sales and profits or losses for each reporting segment

(Millions of yen)

	Alcohol beverages	Soft drinks	Foods	Overseas	Others *1	Total	Adjustment *2	Consolidated total*3
I. Net sales								
1) To outside customers	675,744	359,173	79,053	159,917	21,156	1,295,046	-	1,295,046
2) Inter-segment sales	17,621	3,614	1,435	1,064	40,783	64,519	(64,519)	-
Total	693,366	362,787	80,489	160,982	61,940	1,359,565	(64,519)	1,295,046
Operating income/loss	81,508	17,185	3,387	(3,233)	(71)	98,775	(10,664)	88,111

(Notes)

*1. "Others" includes the distribution business and others.

*2. An adjustment of -10,664 million yen to the segment income or loss includes corporate expenses of -9,987 million yen not allocated to any one segment, along with inter-segment sales and elimination of -676 million yen. The corporate expenses are mainly Group management expenses generated by the Company in its role as a pure holding company.

*3. The segment income and loss are based on adjusted operating income reported in the consolidated statements of income.

2. Information regarding asset impairment losses and goodwill for each reporting segment

No applicable items.

. Fiscal 2015 (January 1, 2015 to September 30, 2015)

1. Information on net sales and profits or losses for each reporting segment

(Millions of yen)

	Alcohol beverages	Soft drinks	Foods	Overseas	Others *1	Total	Adjustment *2	Consolidated total*3
I. Net sales								
1) To outside customers	701,327	373,007	82,399	180,205	21,568	1,358,509	-	1,358,509
2) Inter-segment sales	20,557	3,431	1,613	1,732	42,678	70,013	(70,013)	-
Total	721,884	376,439	84,013	181,938	64,247	1,428,523	(70,013)	1,358,509
Operating income/loss	83,114	17,126	5,114	333	1,075	106,765	(13,184)	93,580

(Notes)

*1. "Others" includes the distribution business and others.

*2. An adjustment of -13,184 million yen to the segment income or loss includes corporate expenses of -12,384 million yen not allocated to any one segment, along with inter-segment sales and elimination of -800 million yen. The corporate expenses are mainly Group management expenses generated by the Company in its role as a pure holding company.

*3. The segment income and loss are based on adjusted operating income reported in the consolidated statements of income.

2. Matters related to changes in reporting segments, etc.

(Application of Accounting Standard for Retirement Benefits, etc.)

Effective from the first quarter of the current consolidated financial year (ending December 31, 2015), an accounting method has been changed for calculating retirement benefit liabilities and the service cost.

The effect of the said change on the segment income for the third quarter is, however, immaterial.

(Application of Accounting Standard for Business Combinations, etc.)

Effective from the first quarter of the current consolidated financial year, differences caused by change in the Company's equity in the subsidiaries and affiliates with controlling interests have now been adjusted in capital surplus, and acquisition-related expenses have now been reported as expenses incurred during the consolidated financial year in which the said acquisition takes place.

As a result of this change, therefore, and in comparison with the old method, segment income in the third quarter of the consolidated financial year increased by 1 million yen in "Alcoholic beverages" segment, by 1,424 million yen in "Soft drinks" segment, by 49 million yen in "Foods" segment, and by 99 million yen in "Overseas" segment respectively. Furthermore, segment loss in "Adjusted" segment decreased by 300 million yen.

3. Information regarding asset impairment losses and goodwill based for each reporting segment

(Significant Asset Impairment Losses)

In the third quarter of the consolidated financial year, impairment losses are booked by 315 million yen in "Alcoholic beverages" segment and by 1,428 million yen in "Overseas" segment respectively.

(Significant Change in the Amount of Goodwill)

As a result of the application of Accounting Standard for Business Combinations, Accounting Standard for Consolidated Financial Statements, and of Accounting Standard for Business Divestiture, etc., effective from the first quarter of the current consolidated financial year, the amount in Goodwill has been reduced. In accordance with the said application, the amount of goodwill, as at the beginning of the third quarter of the current consolidated financial year, was reduced by 36 million yen in the "Alcoholic beverages" segment, by 24,855 million yen in the "Soft drinks" segment, by 794 million yen in the "Foods" segment, and by 6,235 million yen in the "Overseas" segment respectively.

(5) Notes on Significant Changes in Shareholders' Equity

Effective from the first quarter of the current consolidated financial year (ending December 31, 2015), an accounting method has been applied of Accounting Standard for Business Combinations, Accounting Standard for Consolidated Financial Statements, and of Accounting Standard for Business Divestiture, etc.

(Acquisition of own shares)

Asahi Group Holdings, Ltd. resolved at a meeting of the Board of Directors held on April 30, 2015 to repurchase its own shares under the provisions of Article 165, Paragraph 3 of the Corporate Law of Japan as set out by the provisions of Article 156 of the same law. Accordingly, the Company repurchased 4,982,100 of its own shares for 19,999 million yen between May 7, 2015 and June 23, 2015 in the open market using the trust method.

(6) Other notes

(Impact of Seasonal Factors)

The Asahi Groups business performance fluctuates with the seasons because demand in its main businesses of alcohol beverages and soft drinks is concentrated in the summer season.

<Supplementary Information>

FY2015 3Q Consolidated Financial Results

(Billions of yen)

Summary of Statements of Income	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Alcohol Beverages Business	721.9	693.4	28.5	4.1%	1,001.5	964.6	36.9	3.8%
Soft Drinks Business	376.4	362.8	13.7	3.8%	494.9	476.6	18.3	3.8%
Foods Business	84.0	80.5	3.5	4.4%	114.8	112.0	2.8	2.5%
Overseas Business	181.9	161.0	21.0	13.0%	259.7	234.7	25.0	10.6%
Other business	64.2	61.9	2.3	3.7%	85.9	83.7	2.2	2.6%
Adjustmenet (corporate / elimination)	(70.0)	(64.5)	(5.5)	-	(96.9)	(86.2)	(10.7)	-
Sales	1,358.5	1,295.0	63.5	4.9%	1,860.0	1,785.5	74.5	4.2%
Alcohol Beverages Business	83.6	81.5	2.1	2.6%	119.3	117.0	2.4	2.1%
Soft Drinks Business	19.5	21.0	(1.5)	(7.1%)	26.8	26.4	0.4	1.6%
Foods Business	5.4	3.7	1.7	45.2%	7.0	6.5	0.5	8.4%
Overseas Business	9.1	5.9	3.2	54.4%	15.6	12.7	2.8	22.4%
Other business	1.1	(0.1)	1.1	-	0.8	0.2	0.6	318.6%
Adjustmenet (corporate / elimination)	(13.2)	(10.7)	(2.5)	-	(18.5)	(15.0)	(3.5)	-
Amortization of goodwill and others	(12.0)	(13.3)	1.3	-	(16.1)	(19.5)	3.4	-
Operating income	93.6	88.1	5.5	6.2%	135.0	128.3	6.7	5.2%
Non-operating income or loss	8.0	2.9	5.0		4.0	4.9	(0.9)	
Income/expenses on financing activities	(0.8)	(1.1)	0.3		(1.8)	(1.4)	(0.4)	
Other income/expenses, net	8.8	4.0	4.7		5.8	6.3	(0.4)	
Equity in net income of unconsolidated subsidiaries	10.0	4.4	5.5		16.2	8.0	8.2	
Others	(1.2)	(0.4)	(0.8)		(10.4)	(1.8)	(8.7)	
Ordinary income	101.5	91.0	10.5	11.5%	139.0	133.2	5.8	4.4%
Extraordinary income or loss	(2.1)	7.8	(9.9)		(19.5)	(4.0)	(15.5)	
Gain on valuation of investment securities, net	0.5	0.5	0.0		0.7	0.6	0.1	
Gain related to subsidiaries and affiliates	4.5	-	4.5		4.5	-	4.5	
Loss on sales and retirement of non-current assets	(1.9)	12.2	(14.1)		(5.0)	12.1	(17.1)	
Business integration expenses	(2.9)	(3.0)	0.1		(1.8)	(5.7)	3.9	
Settlement received	-	-	-		0.0	17.0	(17.0)	
Impairment loss	-	-	-		-	(23.7)	23.7	
Other extraordinary items	(2.3)	(1.8)	(0.5)		(17.9)	(4.3)	(13.6)	
Income before taxes	99.4	98.9	0.6	0.6%	119.5	129.1	(9.6)	(7.5%)
Income taxes, etc.	(31.4)	(44.3)	12.9		(44.5)	(60.0)	15.5	
Minority interests in income or loss	0.9	(0.2)	1.0		(0.0)	(0.1)	0.0	
Net income	69.0	54.4	14.6	26.8%	75.0	69.1	5.9	8.5%

Summary of Statements of Balance Sheet · Others	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Total assets	1,859.6	1,936.6	(77.0)	(4.0%)	1,934.0	1,936.6	(2.6)	(0.1%)
Shareholders' equity	873.1	896.5	(23.4)	(2.6%)	912.0	896.5	15.5	1.7%
Equity capital	858.8	881.1	(22.3)	(2.5%)	896.0	881.1	14.9	1.7%
Interest-bearing debt	447.4	434.7	12.7	2.9%	410.0	434.7	(24.7)	(5.7%)
Debt Equity Ratio	0.52	0.49	0.03	5.6%	0.46	0.49	(0.04)	(7.3%)

Others	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Capital expenditures	33.1	40.7	(7.5)	(18.5%)	48.0	59.8	(11.8)	(19.8%)
Depreciation	35.2	32.8	2.4	7.3%	47.0	44.5	2.5	5.6%

*Capital expenditures and depreciation do not include lease assets or trademarks at the time of acquisition of subsidiaries.

FY2015 3Q Financial Results (Individual)

< Sales >

(Billions of yen)

	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Asahi Breweries	686.8	678.2	8.6	1.3%	951.5	941.0	10.5	1.1%
Other / elimination in segment	35.1	15.1	19.9	131.9%	50.0	23.6	26.4	111.9%
Alcohol business	721.9	693.4	28.5	4.1%	1001.5	964.6	36.9	3.8%
Asahi Soft Drinks	339.6	328.8	10.8	3.3%	444.0	431.2	12.8	3.0%
Calpis	21.3	18.8	2.5	13.4%	29.8	25.8	4.0	15.5%
LB	17.4	17.3	0.2	1.1%	23.2	22.6	0.6	2.6%
Other / elimination in segment	(1.9)	(2.0)	0.1	-	(2.1)	(3.0)	0.9	-
Soft drinks business	376.4	362.8	13.7	3.8%	494.9	476.6	18.3	3.8%
Asahi Food & Healthcare	44.4	42.4	2.0	4.8%	57.7	57.5	0.2	0.3%
Wakodo	26.6	26.1	0.5	2.0%	37.5	37.1	0.4	1.0%
Amano Jitsugyo	15.8	15.6	0.2	1.3%	23.0	22.1	0.9	4.0%
Other / elimination in segment	(2.8)	(3.6)	0.8	-	(3.4)	(4.8)	1.4	-
Foods Business	84.0	80.5	3.5	4.4%	114.8	112.0	2.8	2.5%
Oceania business	113.0	111.7	1.4	1.2%	162.6	163.5	(0.9)	(0.6%)
Southeast Asia business	47.5	32.8	14.7	44.6%	68.7	50.8	17.9	35.2%
Chinese business	16.6	15.1	1.6	10.5%	21.3	18.5	2.7	14.8%
Other / elimination in segment	4.8	1.4	3.4	239.0%	7.2	1.9	5.3	274.0%
Overseas business	181.9	161.0	21.0	13.0%	259.7	234.7	25.0	10.6%
Other business	64.2	61.9	2.3	3.7%	85.9	83.7	2.2	2.6%
Adjustment (corporate / elimination)	(70.0)	(64.5)	(5.5)	-	(96.9)	(86.2)	(10.7)	-
Total	1358.5	1295.0	63.5	4.9%	1860.0	1785.5	74.5	4.2%

< Operating Income >

(Billions of yen)

	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Asahi Breweries	81.6	80.0	1.7	2.1%	116.9	114.4	2.5	2.2%
Other / elimination in segment	2.0	1.5	0.4	28.8%	2.5	2.6	(0.1)	(3.0%)
Alcohol business	83.6	81.5	2.1	2.6%	119.3	117.0	2.4	2.1%
Asahi Soft Drinks	15.4	18.0	(2.5)	(14.0%)	24.2	23.5	0.7	2.9%
Calpis	3.3	2.5	0.7	29.7%	2.1	2.2	(0.0)	(1.5%)
LB	0.6	0.4	0.2	43.9%	0.7	0.5	0.3	61.5%
Other / elimination in segment	0.2	0.1	0.1	81.7%	(0.2)	0.3	(0.5)	-
Soft drinks business	19.5	21.0	(1.5)	(7.1%)	26.8	26.4	0.4	1.6%
Asahi Food & Healthcare	4.1	2.5	1.6	62.2%	4.0	3.7	0.3	8.5%
Wakodo	1.4	0.8	0.6	71.7%	2.0	1.9	0.0	1.5%
Amano Jitsugyo	(0.2)	0.4	(0.6)	-	1.0	1.0	(0.0)	(3.3%)
Other / elimination in segment	0.1	(0.1)	0.1	-	0.1	(0.1)	0.2	-
Foods Business	5.4	3.7	1.7	45.2%	7.0	6.5	0.5	8.4%
Oceania business	5.4	3.9	1.5	38.4%	11.3	10.3	0.9	9.0%
Southeast Asia business	2.4	1.0	1.4	150.1%	2.7	1.6	1.1	67.7%
Chinese business	0.8	1.1	(0.3)	(24.9%)	0.9	1.0	(0.1)	(10.4%)
Other / elimination in segment	0.5	(0.0)	0.6	-	0.7	(0.2)	0.9	-
Overseas business	9.1	5.9	3.2	54.4%	15.6	12.7	2.8	22.4%
Other business	1.1	(0.1)	1.1	-	0.8	0.2	0.6	318.6%
Adjustment (corporate / elimination) *1	(13.2)	(10.7)	(2.5)	-	(18.5)	(15.0)	(3.5)	-
Amortization of goodwill and other	(12.0)	(13.3)	1.3	-	(16.1)	(19.5)	3.4	-
Total	93.6	88.1	5.5	6.2%	135.0	128.3	6.7	5.2%

*1: Adjustment to operating income includes all corporate expenses incurred by Asahi Group Holdings.

In addition, Asahi Group Holdings records income from major subsidiaries such as management fees and corporate brand royalties on a non-consolidated basis. Operating income for each business segment has been arrived at without taking into account major subsidiaries' expenditures for these management fees and corporate brand royalties.

Break-Down Forecast of Increase/Decrease in Profit (Alcohol Beverages)

Asahi Breweries Co., Ltd.

< Sales Figures* >

(Millions of cases)

	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Beer	-	-	-	(2%)	107.90	108.26	(0.36)	(0.3%)
Happoshu	-	-	-	0%	15.50	16.10	(0.60)	(3.7%)
New Genre	-	-	-	(1%)	40.00	38.85	1.15	3.0%
Beer-type beverages total	-	-	-	(2%)	163.40	163.21	0.19	0.1%

* Effective from July, 2014, the Company has changed the reporting method of its sales volume, following the agreement of the Brewers Association of Japan, and therefore no disclosure of the sales volume is made for the third quarter of the current financial year ending December 31, 2015.

The sales volume for the first six months ended June 30, 2015 and for the full financial year ending December 31, 2015 shall be disclosed as in the past.

< Sales >

(Billions of yen)

	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Beer	412.2	419.7	(7.5)	(1.8%)	583.8	584.9	(1.1)	(0.2%)
Happoshu	45.1	45.4	(0.3)	(0.6%)	59.9	62.4	(2.5)	(4.0%)
New Genre	95.0	96.0	(1.0)	(1.0%)	132.4	128.7	3.8	2.9%
Beer-type beverages total	552.3	561.1	(8.8)	(1.6%)	776.1	776.0	0.1	0.0%
Shochu	20.5	22.1	(1.5)	(7.0%)	29.5	30.7	(1.2)	(4.0%)
Low-alcohol beverages (RTD)	20.4	20.6	(0.1)	(0.7%)	28.0	27.7	0.3	1.3%
Whiskey, Brandy, Sprits	42.9	29.3	13.6	46.3%	53.5	44.7	8.7	19.5%
Wine	11.3	9.2	2.1	23.0%	16.5	14.4	2.1	14.4%
Other alcohol etc.	0.0	0.1	(0.0)	(15.0%)	0.1	0.1	0.0	26.6%
Other alcohol beverages total	95.2	81.2	14.0	17.2%	127.6	117.7	9.9	8.4%
Non-alcohol taste beverages	21.7	18.8	2.9	15.2%	28.5	25.3	3.2	12.5%
Other, contracted manufacture, etc.	17.6	17.1	0.5	2.9%	19.3	22.0	(2.7)	(12.3%)
Total sales	686.8	678.2	8.6	1.3%	951.5	941.0	10.5	1.1%

< Summary of Statements of Income >

(Billions of yen)

	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Beer-type - Decrease in sales volume *1	-	-	(3.3)		-	-	0.3	
Change in Beer-type *2	-	-	(0.1)		-	-	0.0	
Other alcoholic beverages - increase in sales volume	-	-	6.1		-	-	4.8	
Cost reduction in manufacturing *3	-	-	3.7		-	-	2.7	
Cost increase in manufacturing *4	-	-	(1.7)		-	-	(3.1)	
Increase in sales promotion expense *5	75.8	72.3	(3.5)		101.3	98.3	(3.0)	
Decrease in other expenses	-	-	0.5		-	-	0.8	
(Decrease in labor expenses)	-	-	1.0		-	-	1.0	
(Decrease in depreciation)	-	-	1.0		-	-	0.8	
(Increase in sales equipment related expenses)	-	-	(0.7)		-	-	(0.5)	
(Increase in factory related expenses)	-	-	(0.1)		-	-	0.4	
(Increase in research and development expenses)	-	-	(0.1)		-	-	0.0	
(Others)	-	-	(0.6)		-	-	(0.9)	
Asahi Breweries	81.6	80.0	1.7	2.1%	116.9	114.4	2.5	2.2%
Other/emulation in segment	2.0	1.5	0.4	28.8%	2.5	2.6	(0.1)	(3.0%)
Alcohol business	83.6	81.5	2.1	2.6%	119.3	117.0	2.4	2.1%

*1: Beer -2.9, New genre -0.4

*2: Category mix -0.4, Container mix 0.3

*3: Other alcoholic beverages 2.0, Raw materials 0.9, Utilities 0.6 etc.

*4: Raw materials -1.1, transportation expenses -0.3 etc.

*5: Promotion expenses -3.6, Advertisement 0.1

Break-Down Forecast of Increase/Decrease in Profit (Soft Drinks)

Asahi Soft Drinks Co., Ltd.

< Sales Figures >

(Millions of cases)

	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Carbonated drinks	42.67	43.82	(1.14)	(2.6%)	55.35	55.02	0.33	0.6%
Fruit juice	12.17	12.29	(0.12)	(1.0%)	16.26	16.12	0.14	0.9%
Coffee	30.29	28.78	1.51	5.3%	40.00	39.49	0.51	1.3%
Tea	30.87	29.08	1.79	6.2%	39.68	38.03	1.64	4.3%
Functional	7.87	7.53	0.34	4.5%	9.51	9.17	0.33	3.6%
Mineral water	20.76	18.21	2.55	14.0%	25.10	23.66	1.44	6.1%
Other drinks	1.33	1.29	0.04	2.8%	2.73	2.65	0.09	3.2%
Calpis	38.27	36.34	1.93	5.3%	49.41	47.57	1.84	3.9%
Sales of other company's products	4.25	2.84	1.41	49.7%	4.97	3.98	0.99	24.9%
Asahi Soft Drinks Sales Total	188.47	180.17	8.31	4.6%	243.00	235.69	7.31	3.1%

< Sales >

(Billions of yen)

	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Carbonated drinks	68.7	72.5	(3.8)	(5.2%)	90.3	91.0	(0.7)	(0.8%)
Fruit juice	17.5	17.5	(0.0)	(0.0%)	23.5	23.0	0.5	2.2%
Coffee	64.1	60.9	3.2	5.3%	85.0	83.5	1.5	1.8%
Tea	46.9	45.3	1.6	3.5%	61.9	59.6	2.3	3.8%
Functional	14.4	14.2	0.2	1.2%	17.8	17.3	0.5	2.9%
Mineral water	23.0	21.3	1.8	8.4%	28.5	27.6	1.0	3.6%
Other drinks	4.5	4.5	(0.0)	(0.5%)	8.2	7.9	0.3	3.5%
Calpis	85.5	81.8	3.7	4.5%	110.8	106.3	4.5	4.2%
Sales of other company's products	15.0	10.8	4.2	38.8%	18.0	15.0	3.0	19.8%
Asahi Soft Drinks Sales Total	339.6	328.8	10.8	3.3%	444.0	431.2	12.8	3.0%

< Summary of Statements of Income >

(Billions of yen)

	9 months ended September 30				Full year target (announced on Aug.5)			
		2014	Inc./Dec.			2014	Inc./Dec.	
Increase in sales volume	-	-	3.1		-	-	3.3	
Change in production composition, etc.	-	-	(1.8)		-	-	(0.6)	
Cost increase *1	-	-	(1.5)		-	-	(2.0)	
Cost reduction *2	-	-	1.6		-	-	2.5	
Increase in sales promotion expense *3	-	-	(3.8)		-	-	(2.9)	
Other expenses *4	-	-	(0.1)		-	-	0.3	
Asahi Soft Drinks	15.4	18.0	(2.5)	(14.0%)	24.2	23.5	0.7	2.9%
Calpis	3.3	2.5	0.7	29.7%	2.1	2.2	(0.0)	(1.5%)
LB	0.6	0.4	0.2	43.9%	0.7	0.5	0.3	61.5%
Other/emilination in segment	0.2	0.1	0.1	81.7%	(0.2)	0.3	(0.5)	-
Soft Drinks Business	19.5	21.0	(1.5)	(7.1%)	26.8	26.4	0.4	1.6%

*1: Raw materials -1.5 etc.

*2: Raw materials 1.0, packages 0.3, rate of operation/in-house production 0.3 etc.

*3: Promotion expenses -4.3, Advertisement 0.5

*4 : Expenses of vending machine, fixed cost of production etc.

Reference Data

Goodwill etc. by segment

(Billions of yen)

	9 months ended September 30	Inc./Dec.	FY2015 Est. Target	Inc./Dec.	Remarks
Alcohol Beverages Business	(0.5)	(0.5)	(0.7)	(0.7)	
Asahi Soft Drinks	(0.0)	1.4	(0.0)	1.9	Consolidated Asahi Soft Drinks
Goodwill	(1.0)	0.0	(1.3)	0.0	
Intangible assets	(1.4)	0.0	(1.8)	0.0	
Calpis	(2.4)	0.0	(3.1)	0.0	
Soft Drinks Business	(2.4)	1.4	(3.2)	1.9	
Wakodo	(0.3)	0.0	(0.4)	0.1	
Foods Business	(0.3)	0.0	(0.4)	0.1	
Goodwill	(4.2)	1.1	(5.5)	1.6	Rate in foreign currency(Australian dollar) The price changes according to the exchange rate.
Intangible assets	(1.3)	0.0	(1.8)	0.0	
Trademark right	(0.7)	0.0	(1.0)	0.0	
Oceania business	(6.2)	1.2	(8.2)	1.6	
Goodwill	(1.8)	(0.7)	(2.4)	0.6	Rate in foreign currency(Ringgit Malaysia) The price changes according to the exchange rate.
Intangible assets	(0.8)	(0.0)	(1.0)	(0.0)	
Southeast Asia business	(2.5)	(0.7)	(3.4)	0.6	
Oher business	(0.1)	(0.1)	(0.2)	(0.2)	
Overseas Business	(8.8)	0.3	(11.8)	2.1	
Total	(12.0)	1.3	(16.1)	3.4	

< Equity in net income of unconsolidated subsidiaries >

Tsingtao Brewery	(1.9)	(0.0)	(2.6)	(0.0)	
Tingyi-Asahi Beverages	(0.7)	0.0	(0.9)	0.0	

Exchange Rate

(Yen)

	FY2014 3Q (Average)	FY2015 3Q (Average)	FY2014 (Average)	FY2015 Est. Target
US dollar	102.9	121.0	105.8	121.5
(Equity in net income of unconsolidated subsidia	101.8	118.3	102.3	118.0
Australian dollar	94.6	92.3	95.4	92.0
Chinese Yuan	16.7	19.3	17.2	19.5
(Equity in net income of unconsolidated subsidia	16.6	19.1	16.7	19.0
Ringgit Malaysia	31.8	32.1	32.3	32.5
Indonesian Rupiah	0.0088	0.0092	0.0090	0.0093

Tingyi-Asahi Beverages Holding

Tsingtao Brewery