

February 8, 2011

Company Name: ASAHI BREWERIES, LTD.
President and Representative Director: Naoki Izumiya
Securities Code: 2502
Stock Listings: Tokyo Stock Exchange, First Section
and Osaka Securities Exchange, First Section
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**Notice Regarding Corporate Demerger and Proposed Amendments of Articles of Incorporation
(Change of Trade Name and Business Purposes)
in Connection with Transition to a Pure Holding Company Structure**

ASAHI BREWERIES, LTD. (the “Company” or “Asahi”) will transition to a pure holding company structure as of July 1, 2011, as previously announced on August 26, 2010. Today, Asahi’s Board of Directors voted to demerge the Company’s alcoholic beverages business to its wholly owned subsidiary, Asahi Group Holdings, Ltd. (the “Successor Company” whose trade name is scheduled to be changed to “Asahi Breweries, Ltd.”, as of July 1, 2011), through a demerger by absorption type company split under the Companies Act of Japan (the “Demerger”). In accordance with this resolution, the Company today entered into an absorption-type demerger agreement with the Successor Company. The Demerger is scheduled to be effective as of July 1, 2011.

As of July 1, 2011, upon the completion of the Demerger, the Company is scheduled to change its trade name to “Asahi Group Holdings, Ltd.”, and change its business purposes in alignment with the businesses to be assumed upon becoming a pure holding company.

The Demerger and amendments to the Company’s articles of incorporation (change of its trade name and business purposes) are subject to the approval of the Company’s 87th annual general meeting of shareholders, scheduled for March 25, 2011, and approval from relevant authorities as may be required.

As this transaction is an absorption-type demerger with a wholly owned subsidiary, some items are not disclosed and some details are omitted.

I. Demerger for Transition to Pure Holding Company Structure

1. Background and Objectives of Transitioning to Pure Holding Company Structure

With the domestic market reaching maturity, the Company is facing a significant change in its business environment, including the spread of globalization in business competition and the movement toward reorganization of the industry. As the pace of this change is anticipated to accelerate, the Company needs to be more dynamic and conduct its resource allocation more expeditiously to cope with such change in order to achieve sustainable growth.

In 2009, the Company established the “Long-Term Vision 2015” and, as a milestone toward realizing this long-term vision, has embarked on the three-year plan “Medium-Term Management Plan 2012,” to be completed in 2012. In a bid to achieve its long-term vision, the Company believes that it is imperative to strengthen its business fundamentals by clarifying the roles and responsibilities of its respective business units and to further develop each unit’s business expertise, and at the same time to expand its domestic and overseas business networks with a view to enhancing the Company’s corporate value.

Under this direction, the Company will implement the transition to a pure holding company structure to enhance the functions of the governance of its group of companies (the “Group”), and thereby further cultivate its craftsmanship and strengthen the management infrastructure of the whole Group, by integrating its operations across the Group and improving specialty service functions, as well as develop human resources that are capable of properly responding to the diversity of customers and businesses. At the same time, as the new structure will allow the Company to make bold resource allocation to growing areas in both domestic and overseas markets, the Company will speed up its efforts to achieve significant growth of the whole Group.

2. Outline of the Demerger

(1) Schedule

Board of Directors’ resolution of absorption-type demerger (the Company and the Successor Company, respectively): February 8, 2011

Execution of absorption-type demerger agreement: February 8, 2011

Present absorption-type demerger for approval at the general meeting of shareholders (the Company and the Successor Company, respectively): March 25, 2011 (scheduled)

Effective Date of the absorption-type demerger: July 1, 2011 (scheduled)

(2) Method

An absorption-type demerger (“butteki kyushu bunkatsu”) under the Companies Act of Japan, with the Company as the demerged company, and Asahi Group Holdings, Ltd., the Company’s wholly owned subsidiary as the successor company.

(3) Allocation of Shares

The entire 499,980 shares of common stock issued by the Successor Company at the Demerger will be allocated to the Company.

(4) Treatment of Stock Acquisition Rights and Bonds with Subscription Rights to Shares of the Demerged Company

While the Company has issued stock acquisition rights and bonds with subscription rights to shares, the Demerger will not cause any changes in the treatment of them.

(5) Decrease of Capital

No change in capital of the Company will occur due to the Demerger.

(6) Rights and Duties to be Succeeded by the Successor Company

The rights and duties succeeded by the Successor Company shall be those assets, rights, obligations and duties belonging to or attributable to the alcoholic beverages business and related rights and duties thereto (including contractual status) as of the Effective Date, with the exception of those items specified separately pursuant to the absorption-type demerger agreement of February 8, 2011 between the Company and the Successor Company.

The assumption of liabilities by the Successor Company shall take the form of a concomitant assumption of such obligations (“chojoteki-saimu-hikiuke” under the Japanese law) by the Company.

(7) Fulfillment of Obligations

The Company expects that each of the Company and the Successor Company will be able to perform the obligations undertaken, because the amount of assets will exceed that of liabilities for each of the Company and the Successor Company on and after the Demerger, and no events are expected to occur that may cause difficulties in either party’s abilities to meet its obligations on and after the Demerger.

3. Overview of the Parties

	Demerged Company (as of December 31, 2010)	Successor Company (as of February 8, 2011)
(1) Trade Name	ASAHI BREWERIES, LTD. (scheduled to change trade name to “Asahi Group Holdings, Ltd.,” as of July 1, 2011)	Asahi Group Holdings, Ltd. (scheduled to change trade name to “Asahi Breweries, Ltd.,” as of July 1, 2011)
(2) Location of Head Office	23-1, Azumabashi 1-chome, Sumida-ku, Tokyo	23-1, Azumabashi 1-chome, Sumida-ku, Tokyo
(3) Representative	Naoki Izumiya, President and Representative Director	Akiyoshi Koji, President and Representative Director
(4) Main Areas of Business	Manufacture and sale of alcoholic beverages	Not operating any business prior to the Demerger
(5) Capital	182,531,194,085 yen	500,000 yen
(6) Date of Establishment	September 1, 1949	August 10, 2010
(7) Number of Total	483,585,862 shares	20 shares

Shares Issued		
(8) Fiscal Year End	December 31	December 31
(9) Major Shareholders and Percentage of Shares Held	The Master Trust 5.17% Bank of Japan, Ltd. (Trust Account) Japan Trustee 4.64% Services Bank, Ltd. (Trust Account) Asahi Kasei 3.88% Corporation The Dai-ichi Life 3.50% Insurance Company, Limited Fuku Mutual Life 3.49% Insurance Company JP MORGAN 2.22% CHASE BANK 380055 Sumitomo Mitsui 1.87% Banking Corporation The Sumitomo Trust 1.68% & Banking Co., Ltd. STATE STREET 1.47% BANK AND TRUST COMPANY Sumitomo Life 1.47% Insurance Company	ASAHI BREWERIES, LTD. 100%
(10) Results for the Most Recent Fiscal Year (ended December 31, 2010)		
Net Assets	Consolidated: 612,670 million yen	Non-consolidated: 0 million yen
Net Assets Per Share	Consolidated: 1,315.51 yen	Non-consolidated: 29,645.15 yen
Total Assets	Consolidated: 1,405,358 million yen	Non-consolidated: 1 million yen
Net Sales	Consolidated: 1,489,460 million yen	Non-consolidated: -
Operating Income	Consolidated: 95,349 million yen	Non-consolidated: (0) million yen
Recurring Profit	Consolidated: 101,142 million yen	Non-consolidated: (0) million yen

Net Income	Consolidated: 53,080 million yen	Non-consolidated: (0) million yen
Net Income Per Share	Consolidated: 114.10 yen	Non-consolidated: (20,354.85) yen

4. Demerged Business

(1) Business to be Demerged

Alcoholic beverages business

(2) Results of Business to be Demerged

	Results of Business to be Demerged for the fiscal year ended December 31, 2010 (a)	Non-consolidated Company Results for the fiscal year ended December 31, 2010 (b)	Ratio (a/b) (%)
Net Sales	962,622 million yen	963,270 million yen	99.9%
Operating Income	92,073 million yen	84,741 million yen	108.7%
Recurring Profit	92,729 million yen	84,707 million yen	109.5%

(3) Assets and Liabilities to be Demerged

Details concerning assets and liabilities to be demerged and book values of them (as of December 31, 2010) will be announced immediately once they become available (scheduled for late February 2011).

5. Status of Demerged Company after Demerger (as of July 1, 2011 [scheduled])

(1) Trade Name	Asahi Group Holdings, Ltd. (scheduled to be changed from the present trade name of ASAHI BREWERIES, LTD., as of July 1, 2011)
(2) Location of Head Office	23-1, Azumabashi 1-chome, Sumida-ku, Tokyo
(3) Representative	Naoki Izumiya, President and Representative Director
(4) Main Areas of Business	Pure holding company
(5) Capital	182,531,194,085 yen
(6) Fiscal Year End	December 31

6. Status of Successor Company after Demerger (as of July 1, 2011 [scheduled])

(1) Trade Name	Asahi Breweries, Ltd. (scheduled to be changed from the present trade name of Asahi Group Holdings, Ltd., as of July 1, 2011)
(2) Location of Head Office	23-1, Azumabashi 1-chome, Sumida-ku, Tokyo
(3) Representative	Akiyoshi Koji, President and Representative Director

(4) Main Areas of Business	Alcoholic beverages business
(5) Capital	20,000,000,000 yen
(6) Fiscal Year End	December 31

7. Impact of Demerger on Earnings Forecast

The impact of this Demerger on consolidated operating results of the Company is expected to be minor. As a result of the Demerger, income for the Company will mainly come from dividend income from its Group companies, while operating expenses mainly associated with the management of the Company as a holding company will be incurred.

II. Amendments to Articles of Incorporation

1. Purpose

Upon the transition to a pure holding company structure, the Company's trade name will be changed to "Asahi Group Holdings, Ltd.," and the purpose of the Company will be amended in accordance with the management and operations as a holding company and other related matters.

2. Content

The proposed amendments to the articles of incorporation are detailed in the Attachment.

3. Schedule

Annual general meeting of shareholders for approval of the amendments to the articles of incorporation:

March 25, 2011 (scheduled)

Effective date of the amendments to the articles of incorporation: July 1, 2011 (scheduled)

Details of the Amendments to the Articles of Incorporation

The proposed amendments to the articles of incorporation are as follows:

(Amended text is underlined)

Prior to Amendment	Amended (Proposal)
<p style="text-align: center;">CHAPTER I. GENERAL PROVISIONS</p> <p>Article 1. (Trade Name) The name of the Company shall be "<u>Asahi Beer Kabushiki Kaisha,</u>" expressed as "<u>ASAHI BREWERIES, LTD.</u>" (hereinafter referred to as the "<u>Company</u>") in English.</p> <p>Article 2. (Purposes) The purposes of the Company shall be to <u>engage in the following business activities:</u></p> <ol style="list-style-type: none">1) Manufacture and sale of beer and other alcoholic beverages;2) Manufacture and sale of soft drinks and other beverages;3) Manufacture and sale of pharmaceuticals, quasi-drugs, reagent chemicals, medical supplies, drugs for animal use and cosmetics;4) Manufacture and sale of products using microorganisms and biochemical products including enzymes;5) Manufacture and sale of foodstuffs and food additives;6) Production, processing and sale of agricultural products including fruits, vegetables and grains;7) Production and sale of milk and livestock, and	<p style="text-align: center;">CHAPTER I. GENERAL PROVISIONS</p> <p>Article 1. (Trade Name) The name of the Company shall be "<u>Asahi Group Holdings Kabushiki Kaisha,</u>" expressed as "<u>Asahi Group Holdings, Ltd.</u>" (hereinafter referred to as the "<u>Company</u>") in English.</p> <p>Article 2. (Purposes) 1. The purposes of the Company shall be to <u>manage or control companies (including domestic and foreign companies), partnerships (including foreign equivalents), and other entities, which are engaged in one or more of the businesses listed below, through the holding of shares or other equity interests in these entities:</u></p> <ol style="list-style-type: none">1)2)3)4) (unchanged)5)6)7)

<p>manufacture, processing and sale of dairy products;</p> <p>8) Manufacture and sale of fertilizers and feedstuffs;</p> <p>9) Purchase and sale, lease, management and administration, development and utilization of real estate, and management of forestry business;</p> <p>10) Manufacture and sale of glass bottles and other glass products, and related products including stoppers for bottles;</p> <p>11) Operation of restaurants and coffee houses;</p> <p>12) Operation of trucking and warehousing businesses;</p> <p>13) Provision of loans, trading of securities and provision of guaranties;</p> <p>14) Manufacture, sale and maintenance of equipment for manufacturing and selling for alcoholic and non-alcoholic beverages and other products;</p> <p>15) Operation of sports facilities, including tennis courts and athletic clubs, and art museums;</p> <p>16) Non-life insurance and life insurance agency businesses; and</p> <p>17) Any and all business activities incidental or related to any of the preceding items.</p>	<p>8)</p> <p>9)</p> <p>10)</p> <p>11)</p> <p>12)</p> <p>13)</p> <p>14)</p> <p>15)</p> <p>16)</p> <p>17)</p> <p>(unchanged)</p>
<p>(newly established)</p>	<p>2. <u>The Company may also perform any and all business activities incidental or related to any of the preceding items.</u></p>
<p>Articles 3~39 (omitted)</p>	<p>Articles 3 ~ 39 (unchanged)</p>
<p>(newly established)</p>	<p><u>Supplementary Provision</u> <u>The amendments to Articles 1 and 2 shall be effective on and from July 1, 2011. After the effective date thereof, this supplementary provision shall be deleted.</u></p>