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FOR IMMEDIATE RELEASE

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Announcement regarding execution of share purchase agreement  
to acquire a Malaysian dairy company

Asahi Group Holdings, Ltd. (“Asahi”) is pleased to announce that Asahi’s Singapore subsidiary, Asahi Group Holdings Southeast Asia Pte. Ltd. (“AGHSEA”) has reached an agreement with Etika International Holdings Limited (headquartered in Singapore, listed on the Singapore Exchange, CEO: Kamal Y P Tan, “Etika”) to purchase all\* of the issued shares in the companies engaged in Etika’s dairy business in Southeast Asia (“Etika’s Dairy Business”).

\* Minority shares to be acquired separately

1. Objectives of the Transaction

The Asahi Group has started its Long-Term Vision 2020 last year, stating the vision of “Striving to be a corporate group trusted around the world through the Kando of food (deliciousness, happiness and innovation).” Under its Medium-Term Management Plan 2015, with an action plan for realizing the corporate vision, the Asahi Group has been working on achieving long-term stable growth through the practice of “Value and Network Management,” which is based on leveraging the strengths, such as the brands, technologies, and cost competitiveness developed and acquired by the Asahi Group companies in Japan and abroad.

The Asahi Group has been looking to expand its international network mainly in Southeast Asia even before the Medium-Term Management Plan 2015. Since the acquisition of Permanis Sdn. Bhd. (“Permanis”) in November 2011 which aimed to establish a base in the beverage market in Malaysia and secure a toehold to enter the entire Southeast Asian market, the Asahi Group has been expanding its business platform in Southeast Asia including a joint venture in Indonesia for manufacturing, marketing and distribution of non-alcoholic beverages, a joint venture in Thailand for beverage products of the “Calpis” brand, an acquisition and a joint venture of bottled water business in Indonesia, and a joint venture in Myanmar for manufacturing, marketing and distribution of carbonated soft drinks.

Asahi intends to further enhance the Asahi Group’s beverage business platform in Southeast Asia through the acquisition of Etika’s Dairy Business. In Malaysia and other Southeast Asian countries, dairy products including condensed milk, has been deeply ingrained in the food and beverage culture for a long time and stable growth of the dairy market is expected into the future. Etika’s Dairy Business, with their main brands including “Dairy Champ” (condensed milk) and “Goodday” (UHT milk, etc.), had the second largest share in Malaysia’s condensed and evaporated milk market in 2013. Dairy Champ brand has wide penetration in the Malaysian consumer market. In terms of UHT milk, etc., Goodday brand is well-recognized as a premium brand in Malaysia and is steadily increasing its market share. Etika’s Dairy Business also operates dairy businesses in Vietnam and Indonesia.

Together with China where Asahi has a solid business platform, and Oceania where Asahi entered ahead of its expansion into Southeast Asia, Asahi will seek to grow its beverage business across Asia/Oceania through

realizing synergy from cooperation between the Asahi Group companies, particularly Permanis, which Asahi previously acquired.

## 2. Summary of Transaction

The following is an overview of the share purchase agreement entered into between AGHSEA and Etika today for all\* of the issued shares in the companies engaged in Etika's Dairy Business:

\* Minority shares to be acquired separately

- (1) Contract date: April 10, 2014
- (2) Contract parties: Etika (seller), AGHSEA (buyer) (AGHSEA may nominate another subsidiary of Asahi as the buyer)
- (3) Shares and assets to be purchased: All\* issued shares (no warrants and options) in the 12 companies engaged in Etika's Dairy Business and relevant intellectual property including trade marks  
\* Minority shares to be acquired separately
- (4) Purchase price: approximately 329 million US dollars ("USD") on a cash and debt free enterprise value basis (approximately 33.6 billion Japanese yen ("JPY")\*)  
\* Converted with 1 USD = 101.99 JPY as of April 9, 2014
- (5) Major conditions to closing of the acquisition: (i) approval of Etika's shareholders at a general meeting; and (ii) consents and authorizations from relevant governmental bodies

## 3. Overview of Etika's Dairy Business

With the second largest share in the Malaysia's condensed and evaporated milk market, Etika's Dairy Business' "Dairy Champ" brand has wide penetration in the Malaysian consumer market. "Goodday", which is another major brand for UHT milk, etc., is also well-recognized as a premium brand in Malaysia and is steadily increasing its market share. Outside Malaysia, Etika's Dairy Business also has operations in Vietnam and Indonesia with its own manufacturing facilities and exports products to other countries in Southeast Asia, the Middle East and Africa.

Etika's Dairy Business consists of 12 companies.

(1) Company name	Etika Dairies Sdn Bhd. and 11 other companies		
(2) Registered head office	Kuala Lumpur, Malaysia <sup>(1)</sup>		
(3) Representative	CEO: Kamal Y P Tan <sup>(1)</sup>		
(4) Business description	Manufacturing, marketing and distribution of dairies and packaging products		
(5) Fiscal year-end	September		
(6) Paid-up capital	68.6 million Malaysian Ringgit ("RM") (approx. 2.2 bn JPY <sup>(2)</sup> ) (as of September 30, 2013)		
(7) Established	March 22, 1996 <sup>(1)</sup>		
(8) Current ownership	Etika International Holdings Limited 100%* (Etika is a holding company listed on the Singapore Exchange and in addition to the companies in Etika's Dairy Business, it has subsidiaries engaged in frozen foods, nutrition foods, non-alcoholic beverage and restaurant chain businesses.) * Minority shares in one of the 12 companies (1%) to be acquired separately.		
(9) Number of employees	437 (as of June 30, 2013) <sup>(1)</sup>		
(10) Relationship with Asahi	There are no capital, personal or trade relationships between these companies and Asahi.		
(11) Key financials for the recent three fiscal years			
Financial period	Year ended Sep. 2011	Year ended Sep. 2012	Year ended Sep. 2013
Net assets	109.6 mn RM (approx. 3.5 bn JPY <sup>(2)</sup> )	143.4 mn RM (approx. 4.5 bn JPY <sup>(2)</sup> )	140.0 mn RM (approx. 4.4 bn JPY <sup>(2)</sup> )
Total assets	759.5 mn RM (approx. 24.0bn JPY <sup>(2)</sup> )	836.2 mn RM (approx. 26.4bn JPY <sup>(2)</sup> )	698.1 mn RM (approx. 22.1bn JPY <sup>(2)</sup> )
Net sales	676.2 mn RM (approx. 21.4bn)	779.8 mn RM (approx. 24.6bn)	685.7 mn RM (approx. 21.7bn)

	JPY <sup>(2)</sup>	JPY <sup>(2)</sup>	JPY <sup>(2)</sup>
Operating profit (EBIT)	52.5 mn RM (approx. 1.7 bn JPY <sup>(2)</sup> )	64.5 mn RM (approx. 2.0 bn JPY <sup>(2)</sup> )	63.0 mn RM (approx. 2.0 bn JPY <sup>(2)</sup> )

<sup>(1)</sup> Information of Etika Dairies Sdn Bhd. which is the main company engaged in Etika's Dairy Business

<sup>(2)</sup> Converted with 1 RM = 31.59 JPY as of April 9, 2014

#### 4. Overview of the seller

The following is an overview of the seller, Etika.

(1) Company name	Etika International Holdings Limited
(2) Registered head office	Singapore
(3) Representative	CEO: Kamal Y P Tan
(4) Business description	Manufacturing, marketing and distribution of dairies, frozen foods, nutrition foods and non-alcoholic beverages, as well as management of restaurant chains
(5) Fiscal year-end	September
(6) Paid-up capital	98.5 mn RM (approx. 3.1 bn JPY*) (as of September 30, 2013)
(7) Established	December 23, 2003
(8) Current ownership	Dato' Jaya J B Tan 30.60% Dato' Kamal Y P Tan 30.60% Tee Yih Jia Food Manufacturing Pte. Ltd. 12.42% Goi Seng Hui 12.42% Cheng Chih Kwong @ Thie Tji Koang 10.89% (as of December 9, 2013)
(9) Number of employees	Approx. 2,000 (as of June 30, 2013)
(10) Relationship with Asahi	There are no capital, personal or trade relationships between Etika's Dairy Businesses and Asahi.

\* Converted with 1 RM = 31.59 JPY as of April 9, 2014

#### 5. Indicative Timetable

Below is an indicative timetable for the acquisition of Etika's Dairy Business.

April 9, 2014	Resolution of Asahi's board of directors
April 10, 2014	Execution of share purchase agreement with Etika
June 30, 2014 (expected)	Closing (upon fulfilment of condition precedents)

#### 6. Impact on Asahi's financial performance

The transaction is not expected to materially impact Asahi's non-consolidated or consolidated financials for the fiscal year ending December 2014.

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