

**Reorganization of the soft drinks business and food business  
to strengthen the business foundation in Japan  
Consolidation of the non-refrigerated beverage business into Asahi Soft Drinks and  
the food business into newly established Asahi Group Foods**

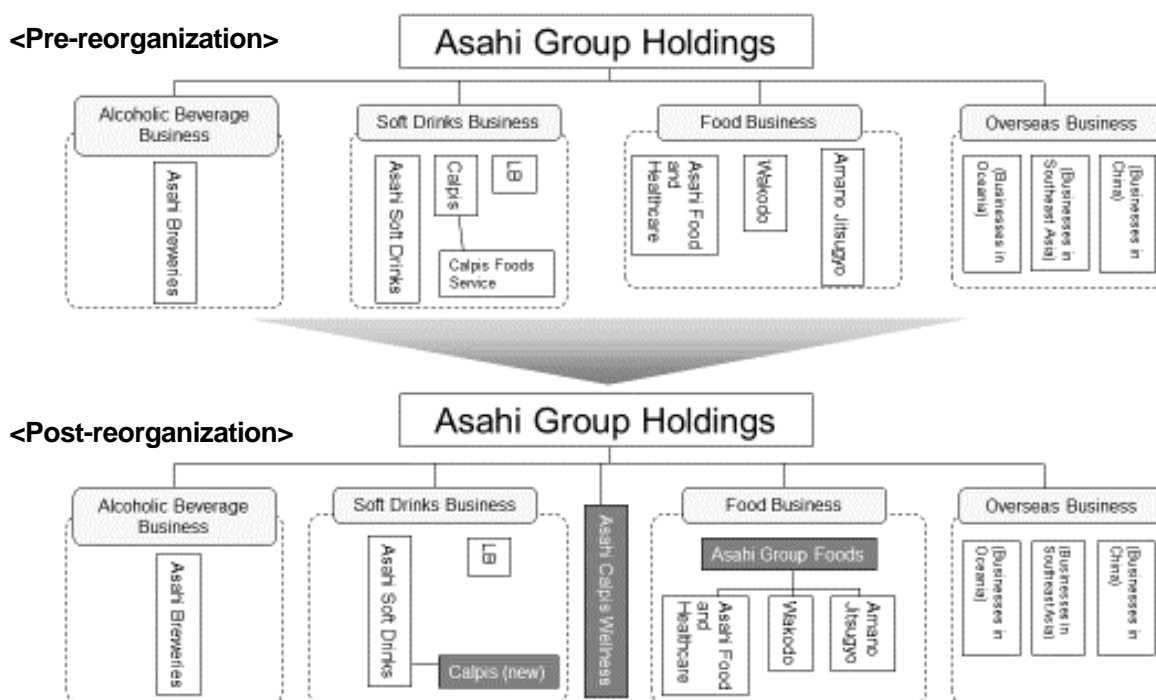
Asahi Group Holdings, Ltd.

Asahi Group Holdings, Ltd. (the “Company”) decided today to reorganize its domestic soft drinks business and food business effective January 1, 2016.

Through implementation of Medium-Term Management Plan 2015, the Company has undertaken to strengthen its core domestic businesses and create new growth drivers overseas. The planned reorganization, to be implemented as part of the effort to strengthen domestic businesses, will result in a management structure that increases the speed of decision-making and more rapidly responds to change by more clearly defining areas of responsibility and an organizational structure capable of maximizing synergies within businesses.

The Company is currently proceeding with formation of a new medium-term management plan to begin in the fiscal year ending December 31, 2016 and intends to further strengthen the core domestic businesses by launching the next medium-term management plan under the new operating structure.

1. Organization Chart Before and After the Reorganization



## 2. Outline of the Reorganization

(1) Consolidate the non-refrigerated beverage business into Asahi Soft Drinks. Establish a new company to operate the functional foods business (mail-order business, functional raw material) and animal feed business.

- 1) Calpis Foods Service Co., Ltd., a wholly owned subsidiary of Calpis Co., Ltd. that engages in the sale of dairy products, will change its name and operate as Calpis Co., Ltd., succeeding the domestic soft drink manufacturing business (concentrate beverages, gift products, ready-to-drink beverages, restaurant channel beverages) and dairy products business, including milk purchasing, of the current Calpis Co., Ltd.
- 2) Asahi Calpis Wellness Co., Ltd. will be established as a wholly owned subsidiary of Asahi Group Holdings, Ltd. to succeed the functional foods business (mail-order business, functional raw material) and animal feed business of the current Calpis Co., Ltd.
- 3) The overseas soft drinks business, the organization relating to applied research on fermentation, and a portion of the back-office functions of the current Calpis Co., Ltd. will be transferred to Asahi Group Holdings, Ltd.
- 4) After the business transfers and successions in 1) to 3) above, the current Calpis Co., Ltd. will be absorbed in a merger with Asahi Soft Drinks Co., Ltd. as the surviving company.

In addition, the domestic soft drinks business and sales division of Calpis Co., Ltd. were transferred and integrated into Asahi Soft Drinks Co., Ltd. in September 2013, and Asahi Soft Drinks Co., Ltd. has already succeeded the marketing and sales function for Calpis brand products and other products of Calpis Co., Ltd.

(2) Consolidate the food business into newly established Asahi Group Foods, Ltd. to create a new food company with sales exceeding 100.0 billion yen.

- 1) The three food business companies, Asahi Food and Healthcare Co., Ltd., Wakodo Co., Ltd., and Amano Jitsugyo Co., Ltd., will establish Asahi Group Foods, Ltd., a wholly owned subsidiary of Asahi Group Holdings, Ltd., as their wholly owning parent company by means of a joint share transfer.
- 2) The three food business companies will transfer their sales divisions, marketing divisions, research and development divisions, supply chain management divisions, administrative divisions, and other functions to Asahi Group Foods, Ltd. in absorption-type splits.
- 3) After the transfer of the abovementioned functions, the three food business companies will continue to operate principally as manufacturing companies.

Noriyuki Karasawa, president of Asahi Food and Healthcare Co., Ltd., is scheduled to assume office as president and representative director of newly established Asahi Group Foods, Ltd.

### 3. Future Schedule

|              | Soft Drinks Business  | Food Business                            |
|--------------|---|--|
| June 2015    | Asahi Group Holdings Board of Directors resolution (June 3) |  |
| July         | Establishment of Asahi Calpis Wellness Co., Ltd.            | Establishment of Asahi Group Foods, Ltd. |
| January 2016 | Start of new organization structure (January 1)             |  |

### 4. Outline of the New Companies

|                                     |   |
|-------------------------------------|---|
| 1) Name                             | Calpis Co., Ltd.  |
| 2) Location                         | 23-1, Azumabashi 1-chome, Sumida-ku, Tokyo  |
| 3) Name and title of representative | Katsuhiko Kishigami, president and representative director  |
| 4) Business description             | <ul style="list-style-type: none"> <li>• Manufacture and sale of drinking water</li> <li>• Manufacture and sale of dairy products</li> <li>• Purchasing of milk raw materials</li> <li>• Other businesses related to the above</li> </ul> |
| 5) Stated capital                   | 90 million yen  |
| 6) Date of establishment            | April 1, 1982   |
| 7) Shareholder composition          | Asahi Soft Drinks 100%  |

|                                     |  |
|-------------------------------------|--|
| 1) Name                             | Asahi Calpis Wellness Co., Ltd.  |
| 2) Location                         | 4-1, Ebisu-minami 2-chome, Shibuya-ku, Tokyo   |
| 3) Name and title of representative | Shunsuke Fuji, president and representative director   |
| 4) Business description             | <ul style="list-style-type: none"> <li>• Manufacture and sale of functional foods</li> <li>• Manufacture and sale of functional materials</li> <li>• Manufacture and sale of animal feed</li> <li>• Other businesses related to the above</li> </ul> |
| 5) Stated capital                   | To be determined   |
| 6) Date of establishment            | July 2015 (planned)  |
| 7) Shareholder composition          | Asahi Group Holdings 100%  |

|                                     |  |
|-------------------------------------|--|
| 1) Name                             | Asahi Group Foods, Ltd.  |
| 2) Location                         | 4-1, Ebisu-minami 2-chome, Shibuya-ku, Tokyo<br>(Registered head office: 23-1, Azumabashi 1-chome, Sumida-ku, Tokyo) |
| 3) Name and title of representative | Noriyuki Karasawa, president and representative director   |
| 4) Business description             | Manufacture and sale of foods, pharmaceuticals, and other products   |
| 5) Stated capital                   | 5,000 million yen  |
| 6) Date of establishment            | July 2015 (planned)  |
| 7) Shareholder composition          | Asahi Group Holdings 100%  |

#### 5. Impact on Business performance

The impact of the reorganization on the Company's consolidated business performance in the fiscal year ending December 31, 2015 will be minor.