



November 2, 2016

## **For Immediate Release**

Company name: Asahi Group Holdings, Ltd.

Representative: Akiyoshi Koji

President and Representative Director

Stock Ticker: 2502

Stock Listing: Tokyo Stock Exchange, First Section

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### Notice of Acceptance of the Tender Offer by Kagome Co., Ltd for its own Shares

Asahi Group Holdings, Ltd (“Asahi” or “we”) has resolved at its board of directors’ meeting held today to accept the tender offer announced by Kagome Co., Ltd. (“Kagome”) for its own common shares (the “Tender Offer”) that was resolved at the board of directors’ meeting of Kagome held today. We will accept for all the shares of Kagome that we hold. The details are as follows:

#### 1. Rationale of Acceptance of the Tender Offer

Asahi and Kagome, both engaging in the business area of “food and health”, entered into a certain capital and business alliance agreement in February 2007 to pursue a wide range of cooperative relationship in all aspects of the supply chain in the mutual group’s business. Since then, each of Asahi and Kagome has been successful in enhancing the respective corporate value by promotion of collaborative initiatives throughout business activities in research and development, procurement, production, sales and service. One of the remarkable fruits was the launch on the market by Asahi a product jointly-developed by the two company groups.

On the other hand, Asahi is striving to further deepen the enhancement of its corporate value under its present “Medium-Term Management Policy” focusing on strengthening of the “Power of Earnings” and enhancing the “Asset and Capital Efficiency” As part of those strategies, we have repeatedly consulted with Kagome on the present capital and business alliance relationship and as a result, both companies concluded that a good cooperative relationship will be able to be kept in the future even without capital alliance, and therefore, Asahi and Kagome have mutually agreed to dissolve the capital alliance. Asahi and Kagome are intention of focusing

mutual efforts to enhance corporate value of each company group by continuing the business alliance.

2. Profile of Kagome (as of September 30, 2016)

(1) Trade name	Kagome Co., Ltd.		
(2) Major business	- Manufacture and sale of condiments, foods and beverages - Purchase, manufacture and sale of seeds, seedlings, fruits and vegetables		
(3) Date of establishment	August 1, 1949		
(4) Location of Head Office	3-14-15, Nishiki, Naka-ku, Nagoya, Aichi 460-0003, Japan		
(5) Representative	Naoyuki Terada, President		
(6) Capital	19,985 million yen		
(7) Number of employees	2,569 (on a consolidated basis)		
(8) Major shareholders and shareholding ratio	Asahi Group Holdings, Ltd.	10.03%	
	Japan Trustee Services Bank, Ltd.	7.86%	
	Dynapac Co., Ltd.	5.90%	
	The Master Trust Bank of Japan, Ltd.	3.88%	
(9) Relationship with the Company	Capital relationship	The Company holds 10.03% of the total number of issued shares of Kagome while Kagome holds 0.20% of the total number of issued shares of Asahi.	
	Business relationship	Asahi and Kagome are engaging in joint development of products and joint delivery arrangements in relation to products.	
	Personnel relationship	N/A	
(10) Consolidated results of operations and consolidated financial position of Kagome for the recent three fiscal years (note. the figures are in million yen save otherwise stated in this paragraph (10))			
Fiscal year	Fiscal year ended March 2014	Fiscal year ended December 2014	Fiscal year ended December 2015
Consolidated net assets	113,023	124,566	126,344
Consolidated total assets	183,621	203,413	208,885
Consolidated net assets per share (in yen)	1,094.07	1,204.77	1,201.96
Consolidated sales	193,004	159,360	195,619
Consolidated operating income	6,775	4,328	6,723

Consolidated ordinary income	7,529	4,969	7,015
Profit attributable to owners of parent	5,105	4,366	3,441
Consolidated net income per share (in yen)	51.39	44.01	34.64
Dividend per share (in yen)	22.00	16.50	22.00

### 3. Asahi Shareholding Ratio over Kagome Shares Before and After Acceptance of the Tender Offer

(1) Number of shares held before the acceptance of the Tender Offer	10,000,000 shares (Number of voting rights: 100,000) (Ratio to total number of issued shares: 10.03%)
(2) Number of shares Asahi will accept against the Tender Offer	10,000,000 shares (Number of voting rights: 100,000) (Ratio to total number of issued shares: 10.03%)
(3) Number of shares held after the Tender Offer (Note))	0 (zero) shares (Number of voting rights: 0 (zero)) (Ratio to total number of issued shares: 0 (zero)%)

Note: The number of the shares held by Asahi after the Tender Offer (shown in (3) above) is on the assumption that the Tender Offer will be validly formed and all the shares held by Asahi will be purchased by Kagome through the Tender Offer. It is also noted that as the upper limit of number of shares to be purchased by Kagome is set out as 12,000,000 shares, part of the shares that Asahi will accept may not be purchased by Kagome depending on the share volume accepted by other shareholders of Kagome.

### 4. Schedule for the Tender Offer

(1) The date on which the board of directors makes resolution	November 2, 2016
(2) Date of the Public Announcement on the Commencement of the Tender Offer	November 4, 2016
(3) Tender Offer period	November 4, 2016 to December 2, 2016
(4) Date on which settlement is commenced	December 27, 2016

### 5. Sale Price and Expected Number of Kagome Shares

- (1) Sale price per share: 2,461 yen
- (2) Expected number of sale shares: 10,000,000 shares
- (3) Expected sale proceeds: 24,610,000,000 yen

## 6. Future outlook

Even if the Tender Offer will be validly formed and all the shares held by Asahi will be purchased by Kagome through the Tender Offer, Asahi and Kagome intend to continue the relationship of the business alliance.

Lastly, please be advised that the forecast of Asahi's consolidated financial results ending December 2016 which we separately announce today is on the assumption that Asahi successfully sells through the Tender Offer all the shares of Kagome we hold.

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