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For immediate release

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Announcement regarding call and put option agreement for equity stake in overseas equity-method affiliate

Asahi Group Holdings, Ltd. ("Asahi" or "the Company") is pleased to announce that the Company concluded a contract today with Tingyi (Cayman Islands) Holding Corp. ("TY") to sell TY the entire equity stake in Tingyi-Asahi Beverages Holdings Co., Ltd. ("TAB") held by 100% subsidiary AI Beverage Holdings Co., Ltd. ("AIB"), through a call and put option agreement format.

1. Reason for Sale

The Company has established a Long-Term Vision that articulates the future of the entire Asahi Group. As part of the Medium-Term Management Policy aimed at implementing this vision, the Company targets further enhancement of corporate value.

The Company's Long-Term Vision is of a comprehensive beverage and food business group with the alcoholic beverages business at its core. The group will be a domestic industry leader focused on high value addition, while establishing a unique position as a global player that leverages strengths originating in Japan.

In addition, as one of the strategic imperatives for the international business segment under the Medium-Term Management Policy, Asahi envisages growth centered on brand reinforcement and development in existing businesses, and the acquisition of new foundations for growth. In line with these goals, in December 2016 the Company agreed to acquire the Central and Eastern European business and related assets of SABMiller plc, and closed the transaction in March 2017.

At the same time, the Company has also sought to continuously enhance corporate value through business portfolio restructuring with a focus on asset efficiency. To this end, the Company has re-examined its investment in equity-method affiliate TAB and decided to sell its entire equity stake.

2. Overview of the transaction

Contract parties:	(Put option holder, proposed seller) AIB (the Company's 100% subsidiary), (Call option holder, proposed buyer) TY (Note) Terms of the options and exercise dates listed below
Number of shares to be transferred:	Total 214,718 shares of TAB (c. 20.4% of total shares outstanding), to be sold to TY in two tranches
Transfer price:	USD 612 million (c. JPY 68.7 billion, calculated at the rate of 112.35 as of June 29, 2017)
Closing date (planned):	First tranche: 17 December, 2018, 107,359 shares (c. 10.2%)

Second tranche: 16 December, 2019, 107,359 shares
(c. 10.2%)

(Note)

(1) TY call option (First tranche)

- ① Exercise period: January 1, 2018~last business day of November 2018
- ② Number of shares: 107,359 shares
- ③ Exercise price: USD2,849.71 per share
- ④ Closing date: December 17, 2018

(2) TY call option (Second tranche)

- ① Exercise period: January 1, 2019~last business day of November 2019
- ② Number of shares: 107,359 shares
- ③ Exercise price: USD2,849.71 per share
- ④ Closing date: December 16, 2019

(3) AIB put option (First tranche)

- ① Exercise period: First business day of December 2018~closing date listed below
- ② Number of shares: 107,359 shares
(However, limited to number of shares not exercised by first tranche call option)
- ③ Exercise price: USD2,849.71 per share
- ④ Closing date: December 17, 2018

(4) AIB put option (Second tranche)

- ① Exercise period: First business day of December 2019~closing date listed below
- ② Number of shares: 107,359 shares
(However, limited to number of shares not exercised by second tranche call option)
- ③ Exercise price: USD2,849.71 per share
- ④ Closing date: December 16, 2019

3. Overview of equity-method affiliate to be transferred

(1) Company name	Tingyi-Asahi Beverages Holding Co., Ltd.
(2) Registered head office	Cayman Islands
(3) Representative	Ing-Chou Wei, Chairman
(4) Business description	Manufacturing and distribution of non-alcoholic beverages
(5) Capital amount	USD 11,000 (c. JPY 1 million)
(6) Established	January 8, 2004
(7) Major shareholders and ownership	Master Kong Beverages (BVI) Co., Ltd.: 52.5% Ting Hsin (Cayman Islands) Holding Corp.: 22.1% AI Beverage Holding Corp.: 20.4% Tingyi (Cayman Islands) Holding Corp.: 5.0%

(Calculated at the rate of 112.35 as of June 29, 2017)

4. Overview of equity acquirers

(1) Company name	Tingyi (Cayman Islands) Holding Corp.
(2) Registered head office	Cayman Islands
(3) Representative	Ing-Chou Wei, Chairman
(4) Business description	Manufacturing and distribution of instant noodles, beverages and confectionary products

5. Overview of stake sold, sale price, and change in ownership

(1) Stake prior to sale	214,718 shares (c. 20.4% of total shares outstanding)
(2) Number of shares to be sold	214,718 shares (c. 20.4% of total shares outstanding)
(3) Sale price	USD 612 million (c. JPY 68.7 billion)
(4) Stake following sale	0 shares (0% of total shares outstanding)

(Calculated at the rate of 112.35 as of June 29, 2017)

6. Expected schedule of this transaction

①	Contract date	Today
②	Completion of share sale (planned)	First tranche: 17 December, 2018 Second tranche: 16 December, 2019

7. Impact on the Company's financial performance

The above transaction will have no impact on the Company's consolidated financial performance for the fiscal year ending December 2017, as the sale will be executed from the next fiscal year ending December 2018 and onwards. The Company will disclose the impact on consolidated financial performance for the year ending December 2018 and beyond once determined.

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