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For immediate release

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Announcement regarding the Sale of Equity Stake in an Overseas Equity-method Affiliate

Asahi Group Holdings, Ltd. (“We” or “Asahi”) hereby announces that we have entered into separate agreements with Fosun Group and Tsingtao Brewery Group Company Limited (“Tsingtao Brewery Group”) today to collectively sell all of our stake in Tsingtao Brewery Company Limited (Headquarter: Qingdao, China, Chairman: Mingbo Sun, “Tsingtao Brewery”) to these two groups as two independent transactions (the “Transactions”).

1. Reasons for Sale

Through the development of our “Long-Term Vision,” which envisages the future shape of the entire Asahi Group, as well as through the formulation of our “Medium-Term Management Policy” which is designed to realize this future, we have aimed to further enhance our corporate value.

Our vision for the future outlined in the “Long-Term Vision” is “as a comprehensive beverage and food business group whose core business is alcohol beverages, aiming to be a value accretive industry leader in Japan, and to leverage strength in the domestic market to establish a unique position as a global player.”

In line with the “Medium-Term Management Policy,” which describes the focus areas for our overseas business as being “implementing strategies for growth centred on reinforcement and development of existing brands” and “acquiring new foundations for growth by leveraging existing strengths,” we announced the acquisition of SABMiller plc’s operations in Central and Eastern Europe and other related assets in December 2016 and closed this transaction in March 2017.

At the same time, we are engaging in efforts to “restructure our business portfolio with a focus on asset efficiency,” to assess whether each business contributes to sustainable enhancement of corporate value. As a result of our review of the investments in the beer business in China as announced in the press release as of October 12, 2017, “Notice of Commencement of Evaluation of Transfer of Stake in Overseas Equity-method Affiliate,” we decided to sell all of our stake in Tsingtao Brewery, based on an auction process to Fosun Group and Tsingtao Brewery Group as two independent transactions

2. Overview of Transactions

(1) Contract parties:

- Contract with Fosun Group

(Seller) Asahi

(Buyer) Fosun Group (five parties as buyers: Fosun Industrial Holdings Limited, China Momentum Investment (BVI) Limited, Fidelidade - Companhia de Seguros, S.A., Peak Reinsurance Company Limited and Star Insurance Company; and Fosun International Limited to undertake the obligations of the five buyers abovementioned)

- Contract with Tsingtao Brewery Group and Hong Kong Xinhaisheng Investment Limited

(Seller) Asahi
 (Buyer) Hong Kong Xinhaisheng Investment Limited (a wholly-owned subsidiary of Tsingtao Brewery Group)

- (2) Number of shares to be sold: 270,127,836 shares of Tsingtao Brewery (H shares listed in Hong Kong Stock Exchange), representing approximately 19.99% of total shares outstanding
 The respective allocation of stake to be acquired by each buyer and details are specified in (Notes) as below.
- (3) Sale price: Approximately USD847MM (price applied to Fosun Group) and approximately HKD735MM (price applied to Tsingtao Brewery Group) (approx. JPY106bn in aggregate*)
 *USD = JPY112.62, HKD = JPY14.41 (as of December 19)
- (4) Scheduled closing date: Transaction with Fosun Group:
 - March 28, 2018 (subject to satisfaction or waiver of the conditions precedent for execution of the sale)
 Transaction with Tsingtao Brewery Group:
 - March 30, 2018 (subject to satisfaction or waiver of the conditions precedent for execution of the sale)
 - If completion has not taken place by the aforesaid date, the completion date shall be extended to the 10th business date following satisfaction of the relevant conditions precedent but no later than 28 September 2018

(Notes)

- (1) Sale of shares to Fosun Group (which comprise of the five buyers as above)
- ① Number of shares to be sold: 243,108,236 shares
 - ② Sale price: HKD27.22 per share
 - ③ Out of 243,108,236 shares, 153,255,626 shares are to be sold to Fosun Industrial Holdings Limited, 43,939,899 shares to China Momentum Investment (BVI) Limited, 34,434,533 shares to Fidelidade - Companhia de Seguros, S.A., 7,173,861 shares to Peak Reinsurance Company Limited and 4,304,317 shares to Star Insurance Company, respectively.
- (2) Sale of shares to Tsingtao Brewery Group
- ① Number of shares to be sold: 27,019,600 shares
 - ② Sale price: HKD27.22 per share
 - ③ 27,019,600 shares are to be sold to Hong Kong Xinhaisheng Investment Limited.

3. Overview of Tsingtao Brewery

(1) Name	Tsingtao Brewery Company Limited
(2) Location	Qingdao, People's Republic of China
(3) Title and Name of Representative	Mingbo Sun, Chairman
(4) Business Description	Production and distribution of beers
(5) Paid-in Capital	RMB1,351MM (approx. JPY23.0bn)*
(6) Establishment	June 1993
(7) Major Shareholders and Their Shareholding Ratio	Tsingtao Brewery Group Company Limited: 30.83 % Asahi Group Holdings, Ltd.: 19.99%

*Conversion rate: RMB = JPY17.03 (as of December 19)

4. Overview of Fosun Group (6 Companies)

(1) Name	Fosun Industrial Holdings Limited
(2) Location	Hong Kong

(3) Title and Name of Representative	Guangchang Guo, Director
(4) Business Description	Investment holding company

(1) Name	China Momentum Investment (BVI) Limited
(2) Location	British Virgin Islands
(3) Title and Name of Representative	Yanxiang Lu, Director
(4) Business Description	Investment holding company

(1) Name	Fidelidade - Companhia de Seguros, S.A.
(2) Location	Portugal
(3) Title and Name of Representative	Jorge Magalhães Correia, Chairman and Chief Executive Officer
(4) Business Description	Insurance company

(1) Name	Peak Reinsurance Company Limited
(2) Location	Hong Kong
(3) Title and Name of Representative	Qunbin Wang, Chairman
(4) Business Description	Reinsurance company

(1) Name	Star Insurance Company
(2) Location	United States of America
(3) Title and Name of Representative	Kenn Allen, President and Chief Executive Officer
(4) Business Description	Insurance company

(1) Name	Fosun International Limited
(2) Location	Hong Kong
(3) Title and Name of Representative	Guangchang Guo, Chairman
(4) Business Description	Family focused multinational company which focuses on creating customer-to-maker (C2M) ecosystems in health, happiness and wealth

5. Overview of Tsingtao Brewery Group (2 companies)

(1) Name	Tsingtao Brewery Group Company Limited
(2) Location	People's Republic of China
(3) Title and Name of Representative	Mingbo Sun , Chairman
(4) Business Description	Management and investment in national assets

(1) Name	Hong Kong Xinhaisheng Investment Limited
(2) Location	Hong Kong
(3) Title and Name of Representative	Kexing Huang , Chairman
(4) Business Description	Investment holding company

6. Number of Shares To Be Sold, Sale Price and Number of Shares Held Before and After the Sale

(1) Number of shares held before sale	270,127,836 shares (shareholding ratio: approx. 19.99%)
(2) Number of shares to be sold	270,127,836 shares (approx. 19.99%)
(3) Sale price	Approximately USD847MM and approximately HKD735MM (approx. JPY106bn)*
(4) Number of shares held after sale	0 shares (shareholding ratio: 0%)

*Conversion rate: USD = JPY112.62, HKD = JPY14.41 (as of December 19)

7. Schedule

①	Date of execution of the agreement	Today (December 20, 2017)
②	Date of closing (scheduled)	Please refer to 2.(4) Scheduled closing date for details

8. Impact from the Transactions on the Performance of Asahi Group

The closing of the Transactions is scheduled in the next year (2018) and there is no impact on the consolidated performance of Asahi for the fiscal year ending in December 2017. We envisage posting a gain of approximately JPY6.3bn from the Transactions. Earnings forecast for the year 2018 onwards reflecting the impact from the Transactions will be announced as soon as it can be determined.