

ASAHI BREWERIES, LTD.



FY2008 1st Half Financial Results

All information has been prepared in accordance with generally accepted accounting principles in Japan. Amounts shown in this accounting report and in the attached material have been rounded down to omit fractions less than one million yen. This document is a partial English translation of the Japanese Financial Statement (Kessan Tanshin) which was filed at stock exchanges in Japan on August 1, 2008.

Summary of 1H Financial Results (Fiscal 2008)

August 1, 2008

ASAHI BREWERIES, LTD.

Code Number: 2502
Shares Listed: First Section of the Tokyo Stock Exchange and Osaka Securities Exchange
(URL: <http://www.asahibeer.co.jp>)
Head Office: Tokyo, Japan
Representative: Hitoshi Ogita, President and COO
Contact: Tsuyoshi Morita, General Manager, Public Relations Department
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Date of Board of Directors' Meeting:	August 1, 2008
Date of Ordinary General Meeting of Shareholders:	March 27, 2008
Interim Dividend Payment Program:	Yes
Unit Stock System:	Yes (One unit equals 100 shares)

1. Consolidated 1H Financial Results for Fiscal 2008 (From January 1, 2008 to June 30, 2008)

(1) Operating Results

(Rounded down to millions of yen, except per share data)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2008 1H ended June 30, 2008	666,149	(1.0)	30,726	33.0	34,127	37.2
Fiscal 2007 1H ended June 30, 2007	672,609	1.2	23,109	(19.3)	26,643	(10.2)
Fiscal 2007 year ended December 31, 2007	1,464,071	-	86,955	-	90,217	-

	Net income	% change	Net income per share (Primary)	Net income per share (Diluted)
	(Millions of yen)	(%)	(yen)	(yen)
Fiscal 2008 1H ended June 30, 2008	18,883	37.2	40.18	40.10
Fiscal 2007 1H ended June 30, 2007	13,760	(5.0)	29.19	29.12
Fiscal 2007 year ended December 31, 2007	44,797	-	94.94	94.74

Notes: Investment gains/losses on equity in net income of unconsolidated subsidiaries and affiliated companies

6 months ended June 30, 2008:	5,899 million yen
6 months ended June 30, 2007:	5,516 million yen
Year ended December 31, 2007:	9,010 million yen

(2) Financial Condition

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(yen)
Fiscal 2008 1H ended June 30, 2008	1,293,532	521,131	39.3	1,093.70
Fiscal 2007 1H ended June 30, 2007	1,312,835	526,253	37.6	1,045.47
Fiscal 2007 year ended December 31, 2007	1,324,391	529,782	38.9	1,089.33

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal 2008 1H ended June 30, 2008	40,293	(26,886)	(9,506)	15,541
Fiscal 2007 1H ended June 30, 2007	24,872	(34,684)	12,846	27,455
Fiscal 2007 year ended December 31, 2007	69,573	(117,828)	36,126	11,741

2. Dividends

	Interim dividends per share	Year-end dividends per share	Dividends per share for the year
	(yen)	(yen)	(yen)
Year ended December 31, 2007	9.50	9.50	19.00
Year ended December 31, 2008	9.50	-	19.00
Year ended December 31, 2008 (Forecast)	-	9.50	

3. Projection for Fiscal 2008 (From January 1, 2007 to December 31, 2008)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2008 ending December 31, 2008	1,465,000	0.1	94,000	8.1	95,000	5.3

	Net income	% change	Net income per share
	(Millions of yen)	(%)	(yen)
Fiscal 2008 ending December 31, 2008	48,000	7.1	103.26

Notes:

- Change in the scope of consolidation and application of the equity method: No
- Change in accounting policy during the term: No
- Number of shares issued and outstanding at the end of the term (consolidated):

(1) Issued stock:

6 months ended June 30, 2008	483,585,862 shares
6 months ended June 30, 2007	483,585,862 shares
Year ended December 31, 2007	483,585,862 shares

(2) Treasury stock:

6 months ended June 30, 2008	18,723,420 shares
6 months ended June 30, 2007	11,402,908 shares
Year ended December 31, 2007	11,124,073 shares

ASAHI BREWERIES, LTD.
Consolidated Balance Sheets (As of June 30, 2008 and 2007)
(Unaudited)

ASSETS

(in million yen)

	At June 30, 2007		At June 30, 2008		Increase (Decrease)	At December 31, 2007	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)
(Assets)							
. Current Assets:							
Cash and time deposits	23,760		15,944		(7,816)	11,627	
Notes and accounts receivable	261,688		236,805		(24,882)	278,238	
Inventories	100,687		102,558		1,870	90,436	
Deferred income tax assets	9,942		7,138		(2,804)	6,930	
Other current assets	34,778		34,669		(108)	30,554	
Allowance for doubtful accounts	(6,117)		(5,512)		604	(6,576)	
Total current assets	424,740	32.3	391,603	30.3	(33,137)	411,211	31.1
. Fixed Assets:							
Property, plant and equipment:							
Buildings and structures	207,305		200,533		(6,771)	205,995	
Machinery and equipment	182,017		179,379		(2,637)	184,888	
Tools, furniture and fixtures	48,387		46,532		(1,855)	47,626	
Land	183,760		179,642		(4,117)	180,760	
Construction in progress	9,958		3,390		(6,567)	3,447	
Total tangible fixed assets	631,428	48.1	609,479	47.1	(21,949)	622,718	47.0
Intangible fixed assets:							
Consolidation goodwill	32,274		65,091		32,817	65,325	
Others	13,460		15,268		1,808	15,696	
Total intangible fixed assets	45,734	3.5	80,360	6.2	34,625	81,022	6.1
Investments and other assets:							
Investment securities	161,040		154,706		(6,334)	158,037	
Deferred income tax assets	17,749		22,818		5,069	18,983	
Others	41,969		41,383		(585)	39,571	
Allowance for doubtful accounts	(9,828)		(6,819)		3,008	(7,154)	
Total investments and other assets	210,930	16.1	212,089	16.4	1,158	209,438	15.8
Total fixed assets	888,094	67.7	901,928	69.7	13,834	913,179	68.9
Total Assets	1,312,835	100.0	1,293,532	100.0	(19,302)	1,324,391	100.0

LIABILITIES AND SHAREHOLDERS' EQUITY

(in million yen)

	At June 30, 2007		At June 30, 2008		Increase (Decrease)	At December 31, 2007	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)
(Liabilities)							
. Current Liabilities:							
Notes and accounts payable	106,232		87,379		(18,853)	100,720	
Bank loans	127,593		133,232		5,639	140,980	
Bonds due within one year	40,000		-		(40,000)	10,000	
Alcohol tax payable	126,954		119,271		(7,683)	134,358	
Deposits received	37,663		24,476		(13,187)	25,662	
Commercial paper	5,000		13,000		8,000	52,000	
Others	137,652		133,849		(3,803)	133,075	
Total current liabilities	581,095	44.3	511,208	39.5	(69,887)	596,796	45.1
. Long-term Liabilities:							
Bonds	70,000		140,173		70,173	70,000	
Long-term debt	64,810		52,613		(12,196)	59,477	
Provision for Employees' severance and retirement benefits	25,237		24,019		(1,217)	23,819	
Allowance for retirement benefits for directors and corporate auditors	360		344		(15)	449	
Deferred income tax liabilities	5,163		4,989		(173)	5,018	
Others	39,915		39,051		(863)	39,048	
Total long-term liabilities	205,485	15.6	261,192	20.2	55,707	197,813	14.9
Total liabilities	786,581	59.9	772,400	59.7	(14,180)	794,609	60.0
(Net assets)							
. Shareholders' equity:							
Common stock	182,531	13.9	182,531	14.1	-	182,531	13.8
Capital surplus	151,208	11.5	151,206	11.7	(2)	151,259	11.4
Retained earnings	151,379	11.5	192,475	14.9	41,095	178,079	13.4
Treasury stock, at cost	(15,020)	(1.1)	(29,472)	(2.3)	(14,451)	(14,674)	(1.1)
Total shareholders' equity	470,098	35.8	496,739	38.4	26,641	497,195	37.5
. Accumulated gains (losses) from revaluation and translation adjustments:							
Unrealized gains on available-for-sale securities, net of taxes	17,694	1.3	7,481	0.6	(10,212)	13,037	1.0
Unrealized losses on hedging derivatives, net of taxes	(9)	(0.0)	5	0.0	15	(43)	(0.0)
Foreign currency translation adjustments	5,869	0.5	4,195	0.3	(1,674)	4,477	0.4
Total accumulated gains (losses) from revaluation and translation adjustments	23,553	1.8	11,682	0.9	(11,871)	17,471	1.4
. Minority interests	32,601	2.5	12,709	0.1	(19,892)	15,115	1.1
Total net assets	526,253	40.1	521,131	40.3	(5,122)	529,782	40.0
Total liabilities and net assets	1,312,835	100.0	1,293,532	100.0	(19,302)	1,324,391	100.0

ASAHI BREWERIES, LTD.
Consolidated Income Statements (6 months ended June 30, 2008 and 2007)
(Unaudited)

	(in million yen)						
	1H ended		1H ended		Increase (Decrease)	Year ended	
	June 30, 2007		June 30, 2008			December 31, 2007	
Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)	
. Net sales	672,609	100.0	666,149	100.0	(6,459)	1,464,071	100.0
. Cost of sales	439,742	65.4	431,550	64.8	(8,191)	961,181	65.7
Gross profit	232,867	34.6	234,598	35.2	1,731	502,890	34.3
. Selling, general and administrative expenses	209,758	31.2	203,872	30.6	(5,885)	415,934	28.4
Operating income	23,109	3.4	30,726	4.6	7,617	86,955	5.9
. Non-operating income:							
Interest income	339		159			678	
Dividend income	967		992			1,369	
Equity in net income of unconsolidated subsidiaries and affiliated companies	5,516		5,899			9,010	
Others	1,355		1,270			2,659	
Total	8,178	1.2	8,322	1.2	143	13,718	1.0
. Non-operating expenses:							
Interest expenses	2,420		2,710			5,020	
Loss on sale and disposal of inventories	1,447		935			3,400	
Others	777		1,274			2,035	
Total	4,644	0.6	4,920	0.7	276	10,457	0.7
Recurring profit	26,643	4.0	34,127	5.1	7,484	90,217	6.2
. Extraordinary gain:							
Gain on sale of fixed assets	222		66			1,248	
Gain on sale of investment securities	67		1			102	
Gain on reverse of allowance for doubtful accounts	1,243		1,492			1,081	
Total	1,534	0.2	1,559	0.2	25	2,432	0.2
. Extraordinary loss:							
Loss on sales and disposal of fixed assets	1,527		868			6,689	
Loss on sale of investment securities	769		35			804	
Loss on devaluation of investment securities	273		1,200			343	
Impairment loss on fixed assets	98		140			1,387	
Loss for adjustment to estimated consumption of gift coupon	1,545		-			1,545	
Others	103		43			137	
Total	4,318	0.6	2,288	0.3	(2,030)	10,908	0.8
Income before income taxes	23,859	3.6	33,398	5.0	9,539	81,741	5.6
Income tax, Inhabitants tax & enterprise tax	9,475		15,377			31,227	
Adjustment to income taxes	-		-			5,543	
Total	9,475	1.4	15,377	2.3	5,902	36,770	2.5
Minority interests in net gain of consolidated subsidiaries	622	0.1	(862)	(0.1)	(1,485)	173	0.0
Net income	<u>13,760</u>	2.1	<u>18,883</u>	2.8	<u>5,123</u>	<u>44,797</u>	3.1

ASAHI BREWERIES, LTD.
Consolidated Statements of Cash Flows (6 months ended June 30, 2008 and 2007)
(Unaudited)

(in million yen)

	1H ended June 30, 2007	1H ended June 30, 2008	Increase (Decrease)	Year ended December 31 2007
. Cash flow from operating activities:				
Net Income before income taxes and minority interest	23,859	33,398	9,539	81,741
Depreciation	22,655	23,536	880	45,250
Impairment loss on fixed assets	98	140	42	1,387
Amortization of goodwill	1,228	2,015	787	2,486
Decrease in provision for employees' severance and retirement benefits	(1,808)	(1,427)	381	(3,908)
Decrease in allowance for doubtful accounts	(1,360)	(1,255)	105	(3,480)
Interest and dividend income	(1,307)	(1,151)	155	(2,048)
Interest expenses	2,420	2,710	290	5,020
Equity in net income of unconsolidated subsidiaries and affiliated companies	(5,516)	(5,899)	(383)	(9,010)
Loss on devaluation of investment securities	273	1,200	926	343
Gain on sale of fixed assets	(222)	(66)	156	(1,248)
Loss on sale and disposal of fixed assets	1,527	868	(658)	6,689
Loss for adjustment to estimated consumption of gift coupon	1,545	-	(1,545)	1,545
Increase (decrease) in notes and accounts receivable	15,348	43,145	27,796	(2,049)
Increase (decrease) in inventories	(8,443)	(12,732)	(4,289)	1,343
Decrease (Increase) in notes and accounts payable	1,151	(16,222)	(17,373)	(2,716)
Increase (decrease) in accrued alcohol tax payable	(5,577)	(15,090)	(9,513)	1,833
Increase (decrease) in accrued consumption taxes payable	(2,123)	(1,975)	148	(132)
Bonuses paid to directors and corporate auditors	(160)	(274)	(113)	(149)
Other	9,636	5,545	(4,090)	(8,083)
Subtotal	53,223	56,466	3,242	114,814
Interest and dividends received	1,582	1,360	(221)	6,478
Interest paid	(2,458)	(2,723)	(264)	(5,200)
Income taxes paid	(27,475)	(14,810)	12,665	(46,519)
Net cash provided by operating activities	24,872	40,293	15,421	69,573
. Cash flows from investing activities:				
Payments for time deposits	248	854	606	34
Proceeds from sales of investment securities	5,213	3	(5,210)	5,120
Payments for purchases of property, plant and equipment	(14,647)	(16,268)	(1,620)	(35,434)
Proceeds from sale of property, plant and equipment	1,255	107	(1,147)	2,909
Payments for purchases of intangible assets	(1,592)	(1,946)	(354)	(5,969)
Proceeds from sales of intangible assets	7	-	(7)	126
Payments for purchases of investment securities	(22,409)	(6,082)	16,327	(28,648)
Proceeds from sales of investment securities	201	7	(194)	333
Payments for purchase of securities of subsidiaries	-	(2,903)	(2,903)	(52,090)
Proceeds for purchases of investment in subsidiaries results in change in scope of consolidation	-	2,154	2,154	-
Payments for sales of investment in subsidiaries results in change in scope of consolidation	(850)	(173)	676	(850)
Payments for loans receivable	(2,061)	(1,280)	781	(3,209)
Proceeds from collections of loans receivable	1,456	2,058	602	2,923
Other	(1,505)	(3,417)	(1,912)	(3,072)
Net cash used in investing activities	(34,684)	(26,886)	7,798	(117,828)
. Cash flows from financing activities:				
Increase (decrease) in bank loans	7,343	(38,215)	(45,559)	66,104
Proceeds from long-term debt	3,538	8,691	5,152	18,209
Repayments of long-term debt	(8,344)	(20,945)	(12,600)	(24,772)
Proceeds from bonds and convertible debentures issued	25,000	70,175	45,175	25,000
Redemption of bonds	(10,000)	(10,000)	-	(40,000)
Payments for purchases of treasury stock	(91)	(15,046)	(14,955)	(230)
Cash dividends paid	(4,942)	(4,488)	453	(9,428)
Cash dividends paid to minority in consolidated subsidiaries	(281)	(97)	183	(435)
Other	624	421	(202)	1,679
Net cash used in financing activities	12,846	(9,506)	(22,352)	36,126
. Effect of exchange rate change on cash and cash equivalents	368	(100)	(469)	(182)
. Net increase in cash and cash equivalents	3,402	3,799	397	(12,311)
. Cash and cash equivalents at beginning of year	23,778	11,741	(12,036)	23,778
. Decrease in cash and cash equivalents due to increase in consolidated subsidiaries	274	-	(274)	274
. Cash and cash equivalents at end of period	27,455	15,541	(11,913)	11,741

ASAHI BREWERIES, LTD.
Consolidated Statements of Changes in Net Assets (From January 1, 2007 to June 30, 2007)

(in million yen)

	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at December 31, 2006	182,531	150,504	142,329	(16,946)	458,418
Changes of items during the period					
Cash Dividends paid			(4,942)		(4,942)
Net income			13,760		13,760
Purchases of treasury stock				(91)	(91)
Disposal of treasury stock		703		2,017	2,720
Increase resulting from increase in consolidated subsidiaries			231		231
Net changes of items other than shareholders' equity					-
Total changes of items during the period	-	703	9,050	1,925	11,679
Balance at June 30, 2007	182,531	151,208	151,379	(15,020)	470,098

	Unrealized gains on available-for-sale securities, net of taxes	Unrealized losses on hedging derivatives, net of taxes	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets
Balance at December 31, 2006	14,563	(28)	3,753	18,289	33,067	509,774
Changes of items during the period						
Cash Dividends paid				-		(4,942)
Net income				-		13,760
Purchases of treasury stock				-		(91)
Disposal of treasury stock				-		2,720
Increase resulting from increase in consolidated subsidiaries				-		231
Net changes of items other than shareholders' equity	3,130	18	2,115	5,264	(465)	4,799
Total changes of items during the period	3,130	18	2,115	5,264	(465)	16,478
Balance at June 30, 2007	17,694	(9)	5,869	23,553	32,601	526,253

ASAHI BREWERIES, LTD.
Consolidated Statements of Changes in Net Assets (From January 1, 2008 to June 30, 2008)

(in million yen)

	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at December 31, 2007	182,531	151,259	178,079	(14,674)	497,195
Changes of items during the period					
Cash Dividends paid			(4,488)		(4,488)
Net income			18,883		18,883
Purchases of treasury stock				(15,046)	(15,046)
Disposal of treasury stock		(53)		248	195
Net changes of items other than shareholders' equity					-
Total changes of items during the period	-	(53)	14,395	(14,797)	(455)
Balance at June 30, 2008	182,531	151,206	192,475	(29,472)	496,739

	Unrealized gains on available-for-sale securities, net of taxes	Unrealized losses on hedging derivatives, net of taxes	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets
Balance at December 31, 2007	13,037	(43)	4,477	17,471	15,115	529,782
Changes of items during the period						
Cash Dividends paid				-		(4,488)
Net income				-		18,883
Purchases of treasury stock				-		(15,046)
Disposal of treasury stock				-		195
Net changes of items other than shareholders' equity	(5,555)	49	(282)	(5,788)	(2,405)	(8,194)
Total changes of items during the period	(5,555)	49	(282)	(5,788)	(2,405)	(8,650)
Balance at June 30, 2008	7,481	5	4,195	11,682	12,709	521,131

(Segment information)**(1) Industrial segment information****Fiscal 2007 (January 1, 2007 to June 30, 2007)**

(Millions of yen)

	Alcoholic beverages	Soft drinks	Food and pharmaceuticals	Other	Total	Elimination or corporate	Consolidated total
I. Net sales							
1) To outside customers	450,950	147,750	32,124	41,784	672,609	-	672,609
2) Inter-segment sales	14,864	1,479	1,138	26,826	44,308	(44,308)	-
Total	465,814	149,230	33,262	68,611	716,918	(44,308)	672,609
Operating expenses	444,966	147,744	33,184	67,784	693,680	(44,179)	649,500
Operating income/loss	20,848	1,485	78	826	23,238	(129)	23,109

Fiscal 2008 (January 1, 2008 to June 30, 2008)

(Millions of yen)

	Alcoholic beverages	Soft drinks	Food and pharmaceuticals	Other	Total	Elimination or corporate	Consolidated total
I. Net sales							
1) To outside customers	443,379	153,907	34,016	34,847	666,149	-	666,149
2) Inter-segment sales	10,771	1,482	753	25,281	38,290	(38,290)	-
Total	454,151	155,390	34,769	60,128	704,440	(38,290)	666,149
Operating expenses	423,255	155,813	34,685	60,117	673,871	(38,448)	635,423
Operating income	30,896	(423)	84	11	30,568	157	30,726

Fiscal 2007 (January 1, 2007 to December 31, 2007)

(Millions of yen)

	Alcoholic beverages	Soft drinks	Food and pharmaceuticals	Other	Total	Elimination or corporate	Consolidated total
I. Net sales							
1) To outside customers	1,012,255	299,663	67,088	85,064	1,464,071	-	1,464,071
2) Inter-segment sales	30,825	3,320	1,877	55,378	91,401	(91,401)	-
Total	1,043,081	302,983	68,966	140,442	1,555,473	(91,401)	1,464,071
Operating expenses	963,796	298,390	67,622	138,718	1,468,526	(91,410)	1,377,116
Operating income	79,284	4,593	1,343	1,724	86,946	9	86,955

(Notes)

- The Group's businesses are classified into segments by type and nature of products handled.
- Major products for each segment
 - Alcoholic beverages ----- beer, happoshu (low-malt beer), new genre ,sho-chu, whisky, etc.
 - Soft drinks ----- refreshing drinks, etc.
 - Food and pharmaceuticals ----- food business, pharmaceuticals business
 - Other ----- real estate, restaurants, wholesale, distribution, etc.
- The Company did not have any operating expenses included in "elimination or corporate" that were not assignable to particular segment(s) during the consolidated fiscal year under review or the previous consolidated fiscal year.

1. Non-Consolidated Financial Results for Fiscal 2008
(From January 1, 2008 to June 30, 2008)

(1) Operating Results

(Rounded down to millions of yen, except per share data)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2008 ended June 30, 2008	454,975	(0.9)	30,679	50.5	30,130	51.2
Fiscal 2007 ended June 30, 2007	459,267	(2.3)	20,381	(21.0)	19,931	(20.7)
Fiscal 2007 year ended December 31, 2007	1,030,736	-	79,933	-	77,372	-

	Net income	% change	Net income per share (Primary)
	(Millions of yen)	(%)	(yen)
Fiscal 2008 ended June 30, 2008	15,130	41.8	32.19
Fiscal 2007 ended June 30, 2007	10,673	(13.5)	22.64
Fiscal 2007 year ended December 31, 2007	40,513	-	85.84

(2) Financial Condition

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(yen)
Fiscal 2008 ended June 30, 2008	1,027,719	472,280	46.0	1,015.96
Fiscal 2007 ended June 30, 2007	1,018,521	461,178	45.3	976.25
Fiscal 2007 year ended December 31, 2007	1,070,506	482,026	45.0	1,020.24

2. Projection for Fiscal 2008

(From January 1, 2008 to December 31, 2008)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2008 ending December 31, 2008	1,027,000	(0.4)	88,000	10.1	84,600	9.3

	Net income	% change	Net income per share
	(Millions of yen)	(%)	(yen)
Fiscal 2008 ending December 31, 2008	41,000	1.2	88.20

ASAHI BREWERIES, LTD.
Non-Consolidated Balance Sheets (As of June 30, 2008 and 2007)
(Unaudited)

ASSETS

	(in million yen)						
	At		At		Increase	At	
	June 30, 2007		June 30, 2008		(Decrease)	December 31, 2007	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)
(Assets)							
. Current Assets:							
Cash and time deposits	4,031		3,792		(238)	2,525	
Notes receivable	3,801		2,988		(812)	3,593	
Accounts receivable	174,056		151,921		(22,135)	200,668	
Inventories	43,773		43,304		(469)	36,066	
Short-term loans receivable from subsidiaries and affiliated companies	12,592		12,733		140	12,091	
Others	22,024		21,982		(41)	17,965	
Allowance for doubtful accounts	(4,537)		(3,634)		903	(4,649)	
Total current assets	255,742	25.1	233,089	22.7	(22,653)	268,262	25.1
. Fixed Assets:							
Property, plant and equipment:							
Buildings and structures	140,587		137,851		(2,735)	140,077	
Machinery and equipment	147,398		145,079		(2,318)	148,251	
Tools, furniture and fixtures	44,977		43,535		(1,442)	44,244	
Land	132,403		130,027		(2,376)	130,025	
Construction in progress	6,241		1,740		(4,500)	2,969	
Others	20,501		19,515		(986)	20,142	
Total tangible fixed assets	492,109	48.3	477,749	46.5	(14,359)	485,711	45.4
Intangible fixed assets	7,842	0.8	8,594	0.8	751	9,080	0.8
Investments and other assets:							
Investment securities	102,199		96,454		(5,745)	100,778	
Investment in subsidiaries and affiliated companies	126,039		171,263		45,224	170,802	
Other investments	44,283		47,991		3,708	43,644	
Allowance for doubtful accounts	(9,696)		(7,423)		2,273	(7,773)	
Total investments and other assets	262,826	25.8	308,286	30.0	45,459	307,451	28.7
Total fixed assets	762,778	74.9	794,629	77.3	31,851	802,244	74.9
Total Assets	1,018,521	100.0	1,027,719	100.0	9,198	1,070,506	100.0

LIABILITIES AND SHAREHOLDERS' EQUITY

(in million yen)

	At June 30, 2007		At June 30, 2008		Increase (Decrease)	At December 31, 2007	
	Amount	Ratio(%)	Amount	Ratio(%)		Amount	Ratio(%)
(Liabilities)							
. Current Liabilities:							
Notes payable	1		-		(1)	105	
Accounts payable	50,312		45,016		(5,295)	52,416	
Bank loans	91,500		80,034		(11,465)	106,000	
Bonds due within one year	40,000		-		(40,000)	10,000	
Alcohol tax payable	118,872		110,659		(8,213)	125,041	
Deposits received	40,206		29,788		(10,418)	34,932	
Commercial paper	5,000		13,000		8,000	52,000	
Allowance for bonus payable	1,290		1,279		(10)	1,726	
Allowance for bonus payable to directors and corporate auditors	53		51		(1)	99	
Other current liabilities	72,366		65,687		(6,678)	72,212	
Total current liabilities	419,602	41.2	345,517	33.6	(74,085)	454,534	42.5
. Long-term Liabilities:							
Bonds	70,000		140,173		70,173	70,000	
Long-term debt	28,625		32,625		4,000	26,625	
Long-term deposits received	34,307		33,494		(812)	33,389	
Provision for Employees' severance and retirement benefits	4,566		3,098		(1,468)	3,259	
Long-term accrued liabilities	214		530		315	563	
Other long-term liabilities	27		-		27	107	
Total long-term liabilities	137,740	13.5	209,922	20.4	72,181	133,945	12.5
Total liabilities	557,343	54.7	555,439	54.0	(1,903)	588,479	55.0
(Net assets)							
. Shareholders' equity:							
Common stock	182,531	17.9	182,531	17.8	-	182,531	17.1
Capital surplus:							
Capital reserve	130,292		130,292		-	130,292	
Other capital surplus	30,032		29,931		(101)	29,984	
Total	160,325	15.8	160,223	15.6	(101)	160,277	15.0
Retained earnings:							
Reserve for advanced depreciation	1,431		1,289		(142)	1,289	
Contingent reserve	95,000		125,000		30,000	95,000	
Unappropriated retained earnings	18,991		25,128		6,136	44,486	
Total	115,423	11.3	151,417	14.7	35,994	140,775	13.1
Treasury stock	(14,729)	(1.4)	(29,472)	(2.9)	(14,743)	(14,674)	(1.4)
Total shareholders' equity	443,550	43.6	464,700	45.2	21,149	468,909	43.8
. Accumulated gains (losses) from revaluation and translation adjustments:							
Unrealized gains on available-for-sale securities, net of taxes	17,643		7,579		(10,064)	13,180	
Unrealized losses on hedging derivatives, net of taxes	(16)		-		16	(64)	
Total accumulated gains (losses) from revaluation and translation adjustments	17,627	1.7	7,579	0.8	(10,047)	13,116	1.2
Total net assets	461,178	45.3	472,280	46	11,102	482,026	45.0
Total liabilities and net assets	1,018,521	100.0	1,027,719	100.0	9,198	1,070,506	100.0

ASAHI BREWERIES, LTD.
Non-Consolidated Income Statements (6 months ended June 30, 2008 and 2007)
(Unaudited)

	(in million yen)						
	1H ended June 30, 2007		1H ended June 30, 2008		Increase (Decrease)	Year ended December 31, 2007	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)
. Net sales	459,267	100.0	454,975	100.0	(4,292)	1,030,736	100.0
. Cost of sales	326,941	71.2	324,446	71.3	(2,495)	729,597	70.8
Gross profit	132,325	28.8	130,529	28.7	(1,796)	301,138	29.2
. Selling, general and administrative Operating income	111,944	24.4	99,849	22.0	(12,094)	221,204	21.4
	20,381	4.4	30,679	6.7	10,297	79,933	7.8
. Non-operating income:							
Interest income	207		225			441	
Dividend income	1,390		1,451			1,920	
Other	352		420			1,097	
Total	1,951	0.4	2,097	0.5	146	3,458	0.3
. Non-operating expenses:							
Interest expenses	1,391		1,591			2,905	
Loss on sale and disposal of inventories	509		331			1,056	
Other	500		722			2,059	
Total	2,401	0.5	2,646	0.6	245	6,020	0.6
Recurring profit	19,931	4.3	30,130	6.6	10,199	77,372	7.5
. Extraordinary gain:							
Gain on sale of fixed assets	-		0			50	
Gain on sale of investment securities	0		-			0	
Gain on liquidation of subsidiary	1,263		-			1,441	
Gain on reverse of allowance for doubtful accounts	1,160		1,462			999	
Gain on disposition of subsidiary's stock due to business succession	-		-			29	
Total	2,424	0.5	1,463	0.3	(960)	2,520	0.2
. Extraordinary loss:							
Loss on sales and disposal of fixed assets	1,296		744			5,446	
Loss on sale of investment securities	-		-			0	
Loss on devaluation of investment securities	162		846			230	
Loss on sale of investment in affiliated companies	618		191			618	
Loss on devaluation of investment in affiliated companies	110		2,400			1,958	
Loss on devaluation of contribution to affiliated company	288		-			314	
Loss for adjustment to estimated consumption of gift coupon	1,545		-			1,545	
Total	4,021	0.8	4,183	0.9	161	10,113	1.0
Income before income taxes	18,333	4.0	27,410	6.0	9,076	69,779	6.7
Income tax, Inhabitants tax & enterprise tax	7,660		12,280			25,243	
Adjustment to income taxes	-		-			4,022	
Total	7,660	1.7	12,280	2.7	4,620	29,265	2.8
Net income	<u>10,673</u>	<u>2.3</u>	<u>15,130</u>	<u>3.3</u>	<u>4,456</u>	<u>40,513</u>	<u>3.9</u>

Sales by Business Segment
(January 1, 2008 to June 30, 2008)

(Millions of yen)

	Fiscal 2007 1H ended June 30, 2007	Fiscal 2008 1H ended June 30, 2008	Increase (decrease) %	Fiscal 2007 ended December 31, 2007
Beer	302,500	295,104	(2.4)	705,462
Happoshu (low-malt beer)	59,793	52,012	(13.0)	124,697
New genre (no-malt beer)	30,666	36,379	18.6	61,729
Sho-chu	26,559	26,895	1.3	54,878
Low-alcohol beverages	17,834	15,541	(12.9)	35,707
Whisky and other spirits	13,131	13,274	1.1	27,326
Wine	6,317	6,452	2.1	15,263
Other alcoholic beverages	1,446	1,443	(0.2)	3,234
Contracted manufacture	86	6,987	7,968.5	609
Real estate	930	883	(5.0)	1827
Total	459,267	454,975	(0.9)	1,030,736