

## FY2017 Consolidated Financial Results Highlight

(Billions of yen)

Summary of Statement of Profit or Loss	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Revenue	2,084.9	1,706.9	378.0	22.1%	
Domestic Business	1,072.2	1,058.2	14.0	1.3%	
Overseas Business	517.2	222.9	294.3	132.0%	
Revenue excluding liquor tax	1,589.4	1,281.1	308.3	24.1%	
Core operating profit *1	196.4	148.5	47.9	32.2%	
Operating profit	183.2	136.9	46.3	33.8%	
EBITDA *2	285.4	205.8	79.6	38.7%	
Profit before tax	197.0	150.1	46.9	31.3%	
Profit	138.8	87.1	51.7	59.4%	
Profit attributable to owners of parent	141.0	89.2	51.8	58.0%	
Adjusted Profit attributable to owners of parent *3	120.1	89.2	30.9	34.6%	

\*1 Core operating profit is the reference index for normalized business performance.

Core operating profit = Revenue - (COGS + general administrative cost)

\*2 EBITDA = Core operating profit + amortization of intangible assets + depreciation.

\*3 Adjusted Profit attributable to owners of parent

= Profit attributable to owners of parent - one off special factors including business portfolio restructuring

Reference data	FY2017	FY2016	Inc./Dec.
Alcohol Beverages Business (including liquor tax)	12.5%	12.4%	0.1%
(excluding liquor tax)	21.0%	20.9%	0.1%
Soft Drinks Business	10.2%	8.9%	1.3%
Food Business	10.2%	9.3%	0.9%
Overseas Business (including liquor tax)	10.6%	4.9%	5.7%
(excluding liquor tax)	12.8%	5.5%	7.3%
Core operating profit margin (including liquor tax)	9.4%	8.7%	0.7%
(excluding liquor tax)	12.4%	11.6%	0.8%
EBITDA margin (including liquor tax)	13.7%	12.1%	1.6%
(excluding liquor tax)	18.0%	16.1%	1.9%
EPS (yen)	307.8	194.8	113.0
Adjusted EPS (yen) *4	262.2	194.8	67.5
ROE	14.2%	11.0%	3.2%
Adjusted ROE *5	13.7%	11.2%	2.5%
Debt Equity Ratio	1.05	0.62	0.43
Net Debt EBITDA Ratio	4.22	2.52	1.70
Dividend payout ratio	24.4%	27.7%	(3.4%)
Adjusted Dividend payout ratio *6	28.6%	27.7%	0.9%

\*4 Calculated based on Adjusted Profit attributable to owners of parent

\*5 Adjusted ROE

= Adjusted Profit attributable to owners of parent / Equity attributable to owners of parent

(after the deduction of translation difference on foreign operations and Changes in fair value of financial instruments measured at fair value through other comprehensive income)

\*6 Calculated based on Adjusted EPS

## FY2017 Consolidated Financial Results

(Billions of yen)

Summary of Statement of Profit or Loss	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	968.9	976.6	(7.8)	(0.8%)	} Details are on supplement 3
Soft Drinks Business	374.5	363.9	10.6	2.9%	
Food Business	113.8	110.8	3.0	2.7%	
Overseas Business	621.1	250.3	370.8	148.1%	
Other Business	106.1	102.3	3.9	3.8%	
Adjustmenet (corporate and elimination)	(99.5)	(97.1)	(2.5)	-	
<b>Revenue</b>	<b>2,084.9</b>	<b>1,706.9</b>	<b>378.0</b>	<b>22.1%</b>	
Alcohol Beverages Business	121.5	120.8	0.7	0.6%	} Details are on supplement 3
Soft Drinks Business	38.3	32.3	6.0	18.5%	
Food Business	11.6	10.3	1.4	13.4%	
Overseas Business	65.9	12.3	53.6	434.0%	
Other Business	2.0	2.0	(0.0)	(0.4%)	
Adjustmenet (corporate and elimination)	(20.2)	(19.9)	(0.3)	-	
Amortization of acquisition-related intangible assets	(19.2)	(6.2)	(12.9)	-	Details are on supplement 4
Corporate adjustment (IFRS adjustment)	(3.6)	(3.1)	(0.5)	-	
<b>Core operating profit</b>	<b>196.4</b>	<b>148.5</b>	<b>47.9</b>	<b>32.2%</b>	
Adjustment item	(13.2)	(11.6)	(1.6)	-	including gain on sales of stocks of LB *1  including impairment loss relating to Indonesia business *1
Loss (gain) on sales and retirement of non current assets	(5.5)	1.3	(6.8)	-	
Gain (loss) on sales of stocks of subsidiaries and affiliates	9.6	-	9.6	-	
Business integration expenses	(4.0)	(4.4)	0.4	-	
Impairment loss	(10.1)	(6.3)	(3.8)	-	
Others	(3.1)	(2.2)	(0.9)	-	
<b>Operating profit</b>	<b>183.2</b>	<b>136.9</b>	<b>46.3</b>	<b>33.8%</b>	
Finance income or loss	(3.8)	(0.9)	(2.8)	-	including gain on sales of investments for Tingyi-Asahi Beverages Holding *1
Share of profit (loss) of entities accounted for using equity method	1.1	2.0	(0.9)	(46.6%)	
Gain on sales of investments accounted for using equity method	17.9	12.2	5.7	47.1%	
Others	(1.4)	(0.0)	(1.4)	-	
<b>Profit before tax</b>	<b>197.0</b>	<b>150.1</b>	<b>46.9</b>	<b>31.3%</b>	
Income tax expense	(58.1)	(63.0)	4.8	-	
<b>Profit</b>	<b>138.8</b>	<b>87.1</b>	<b>51.7</b>	<b>59.4%</b>	
Profit attributable to owners of parent	141.0	89.2	51.8	58.0%	
Profit attributable to non-controlling interests	(2.2)	(2.1)	(0.0)	-	

Summary of Statement of Financial Position	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Total assets	3,346.8	2,094.3	1,252.5	59.8%	FY2016: retrospective adjustment for Western Europe business +8.0
Total equity	1,152.7	846.1	306.6	36.2%	
Total equity attributable to owners of parent	1,145.1	836.4	308.8	36.9%	
Interest-bearing debt	1,261.9	570.4	691.6	121.3%	

Others	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Capital expenditures *2	89.6	63.5	26.1	41.1%	
Depreciation *2	69.8	51.1	18.8	36.7%	

\*1 One off extraordinary profit (loss) regarding business portfolio restructuring include gain on sales of stocks of LB, impairment loss regarding Indonesia business and gain on sales of investments for Tingyi-Asahi Beverages Holding.

\*2 Capital expenditures and depreciation do not include lease assets or trademarks at the time of acquisition of subsidiaries.

**FY2017 Financial Results (Individual)**

&lt;Revenue&gt;

(Billions of yen)

	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Asahi Breweries	967.2	976.3	(9.1)	(0.9%)	
Other / elimination in segment	38.2	39.7	(1.5)	(3.8%)	FY2017: Negative impact of assignment of Masuda inc. (whole saler) -4.4
Corporate adjustment (IFRS adjustment)	(36.5)	(39.4)	2.8	-	
Alcohol Beverages Business	968.9	976.6	(7.8)	(0.8%)	
Asahi Soft Drinks	486.2	476.6	9.6	2.0%	
LB *1	20.2	21.8	(1.6)	(7.4%)	
Other / elimination in segment	(2.0)	(2.1)	0.1	-	
Corporate adjustment (IFRS adjustment)	(129.9)	(132.4)	2.6	-	
Soft Drinks Business	374.5	363.9	10.6	2.9%	
Asahi Group Foods	126.1	122.4	3.8	3.1%	
Other / elimination in segment	(0.0)	0.0	(0.0)	-	
Corporate adjustment (IFRS adjustment)	(12.3)	(11.6)	(0.8)	-	
Food Business	113.8	110.8	3.0	2.7%	
Europe business *2 (Details P4)	373.6	26.4	347.2	-	
Oceania business	173.2	148.3	24.9	16.8%	
Southeast Asia business	55.4	52.2	3.2	6.2%	
China business	17.3	17.0	0.3	2.0%	
Other / elimination in segment	1.5	6.4	(4.9)	(76.7%)	
Corporate adjustment (IFRS adjustment)	-	-	-	-	
Overseas Business	621.1	250.3	370.8	148.1%	
Other Business	106.1	102.3	3.9	3.8%	
Adjustment (corporate and elimination)	(99.5)	(97.1)	(2.5)	-	
Total	2,084.9	1,706.9	378.0	22.1%	

&lt;Core operating profit&gt;

(Billions of yen)

	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Asahi Breweries	119.6	119.5	0.1	0.1%	
Other / elimination in segment	1.9	1.3	0.6	48.7%	
Alcohol Beverages Business	121.5	120.8	0.7	0.6%	
Asahi Soft Drinks	37.0	31.3	5.8	18.5%	
LB *1	0.9	0.8	0.1	7.1%	
Other / elimination in segment	0.4	0.2	0.2	65.0%	
Soft Drinks Business	38.3	32.3	6.0	18.5%	
Asahi Group Foods	11.1	10.1	1.1	10.6%	
Other / elimination in segment	0.5	0.2	0.3	168.6%	
Food Business	11.6	10.3	1.4	13.4%	
Europe business *2 (Details P4)	51.1	(1.8)	52.8	-	
Oceania business	14.0	11.0	3.0	27.6%	
Southeast Asia business	0.8	2.5	(1.6)	(66.7%)	
China business	0.9	1.2	(0.3)	(24.6%)	
Other / elimination in segment	(0.9)	(0.5)	(0.4)	-	
Overseas Business	65.9	12.3	53.6	434.0%	
Other Business	2.0	2.0	(0.0)	(0.4%)	
Adjustment (corporate and elimination) *3	(20.2)	(19.9)	(0.3)	-	including group management expenses of Asahi Group Holdings
Amortization of acquisition-related intangible assets	(19.2)	(6.2)	(12.9)	-	
IFRS adjustment	(3.6)	(3.1)	(0.5)	-	
Total	196.4	148.5	47.9	32.2%	

\*1 The figures in 2017 show accumulative results from January to November as we transferred all the issued shares of LB Co., Ltd. in November 2017

\*2 Europe business's figures in 2017 show combined results of Western Europe from January and Central Europe from April. (Detail is shown on the next page)

\*3 Adjustment to Core operating profit includes all corporate expenses incurred by Asahi Group Holdings.

In addition, Asahi Group Holdings records income from major subsidiaries such as management fees and corporate brand royalties on a non-consolidated basis. Core operating profit for each business segment has been arrived at without taking into account major subsidiaries' expenditures for these management fees and corporate brand royalties.

**Details of amortization of acquisition-related intangible assets and Europe business**

◆Details of amortization of acquisition-related intangible assets

(Billions of yen)

	FY2017	FY2016	Inc./Dec.	Remarks
Alcohol Beverages Business	(0.2)	(0.2)	-	
Soft Drinks Business	(1.7)	(1.7)	0.0	
Food Business	-	-	-	
Europe business	(14.0)	(1.0)	(13.1)	
Oceania business	(2.4)	(2.4)	(0.0)	
Southeast Asia business	(0.7)	(0.8)	0.1	
Overseas Business	(17.2)	(4.2)	(13.0)	
Other Business	(0.2)	(0.2)	-	
Total	(19.2)	(6.2)	(12.9)	

◆Details of Europe business

< Revenue (including liquor tax) >

(Billions of yen)

	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Western Europe business (from October, 2016)	135.0	26.4	108.7	411.9%	
Central Europe business (from April, 2017)	238.5	-	238.5	-	
Europe business	373.6	26.4	347.2	-	

< Core Operating Profit >

(Billions of yen)

	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Gross Core Operating Profit	19.6	4.2	15.4	369.1%	
Once off Cost	(1.8)	(6.0)	4.1	-	
Western Europe business	17.7	(1.8)	19.5	-	
Gross Core Operating Profit	45.2	-	45.2	-	
Once off Cost	(11.8)	-	(11.8)	-	
Central Europe business	33.3	-	33.3	-	
Europe business	51.1	(1.8)	52.8	-	
Western Europe business	(4.4)	(1.0)	(3.4)	-	
Central Europe business	(9.7)	-	(9.7)	-	
Details of amortization of acquisition-related intangible assets	(14.0)	(1.0)	(13.1)	-	

**FY2017 Breakdown of Increase/Decrease in Revenue and Profit**

&lt; Asahi Breweries Sales Volume &gt;

(Millions of cases)

	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Beer	99.98	103.09	(3.11)	(3.0%)	
Happoshu	15.01	15.27	(0.26)	(1.7%)	
New Genre	42.98	42.92	0.06	0.1%	
Beer-type beverages total	157.97	161.29	(3.31)	(2.1%)	

&lt; Summary of Statements of Income &gt;

(Billions of yen)

Beer	546.1	560.3	(14.3)	(2.5%)	
Happoshu	57.9	59.1	(1.2)	(2.0%)	
New Genre	142.4	142.2	0.2	0.1%	
Beer-type beverages total	746.3	761.6	(15.3)	(2.0%)	
Whiskey and spirits	55.0	54.3	0.7	1.2%	
Wine	41.3	40.1	1.1	2.9%	
RTD low-alcohol beverages	40.6	37.2	3.4	9.1%	
Shochu	27.9	27.4	0.5	1.8%	
Other	0.0	0.1	(0.0)	(9.1%)	
Other alcohol beverages total	164.8	159.1	5.7	3.6%	
Non-alcohol beverages	31.9	31.6	0.3	1.0%	Including beer-taste non alcohol beverages
Other, contracted manufacture, etc.	24.1	24.0	0.1	0.5%	
Asahi Breweries Revenue	967.2	976.3	(9.1)	(0.9%)	
Other / elimination in segment	38.2	39.7	(1.5)	(3.8%)	FY2017: Negative impact of assignment of Masuda inc. (whole saler) -4.4
Corporate adjustment (IFRS adjustment)	(36.5)	(39.4)	2.8	-	
Revenue total	968.9	976.6	(7.8)	(0.8%)	

Beer-type - Decrease in sales volume	-	-	(5.7)		Beer -5.5, Happoshu -0.3 New genre 0.1
Change in Beer-type	-	-	0.3		Container mix 0.4, Category mix -0.1
Other alcohol beverages - increase in sales volume	-	-	3.0		
Cost reduction in manufacturing	-	-	3.8		Raw materials 2.8, Other alcohol beverages total 1.0, etc.
Cost increase in manufacturing	-	-	(0.5)		Raw materials -0.1, etc.
Decrease in sales promotion expense	104.9	108.5	3.6		Advertisement 1.2, Promotion expense 2.4 (Beer-type 4.8, Other -1.2)
Increase in other expenses	-	-	(4.5)		
Increase in personal expenses	-	-	(1.4)		
Decrease in depreciation	-	-	0.5		
Increase in selling equipment expenses	-	-	(0.8)		
Increase in other materials	-	-	(2.8)		Including impact of tax revision -0.9, etc.
Asahi Breweries Core operating profit	119.6	119.5	0.1	0.1%	
Other / elimination in segment	1.9	1.3	0.6	48.7%	
Core operating profit total	121.5	120.8	0.7	0.6%	

**FY2017 Breakdown of Increase/Decrease in Revenue and Profit**

&lt; Asahi Soft Drinks Sales Volume &gt;

(Millions of cases)

	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Carbonated drinks	62.06	58.19	3.87	6.7%	
Fruit juice	22.42	23.60	(1.18)	(5.0%)	
Coffee	44.17	44.00	0.17	0.4%	
Tea	40.20	42.10	(1.90)	(4.5%)	
Mineral water	23.46	25.94	(2.49)	(9.6%)	
Lactic acid drinks *1	44.37	41.27	3.10	7.5%	
Other drinks *2	19.29	18.75	0.54	2.9%	
Asahi Soft Drinks total	255.98	253.86	2.12	0.8%	

&lt; Summary of Statements of Profit or Loss &gt;

(Billions of yen)

Carbonated drinks	99.2	93.4	5.8	6.2%	
Fruit juice	36.3	37.9	(1.6)	(4.3%)	
Coffee	93.0	93.2	(0.3)	(0.3%)	
Tea	61.1	65.1	(4.0)	(6.1%)	
Mineral water	28.1	30.7	(2.5)	(8.2%)	
Lactic acid drinks *1	97.4	90.4	7.0	7.7%	
Other drinks *2	59.3	53.3	5.9	11.1%	
Other	11.8	12.5	(0.7)	(5.9%)	Including Calpis dairy business, etc.
Asahi Soft Drinks Revenue	486.2	476.6	9.6	2.0%	
LB Revenue *3	20.2	21.8	(1.6)	(7.4%)	
Other / elimination in segment	(2.0)	(2.1)	0.1	-	
Corporate adjustment (IFRS adjustment)	(129.9)	(132.4)	2.6	-	
Revenue total	374.5	363.9	10.6	2.9%	

\*1 Lactic acid drinks includes Calpis brand and other lactic acid products, which was previously in Other drinks.

\*2 Other drinks compiles the previous Functional, Other drinks and Sales of other company's products

\*3 The figures in 2017 show accumulative results from January to November as we transferred all the issued shares of LB Co., Ltd. in November 2017

Increase in sales volume	-	-	1.8		
Change in product & pack mix	-	-	1.2		
Cost reduction	-	-	3.4		Raw materials 1.5, Package 0.7, operational efficiency·In-house production 1.2
Cost increase	-	-	(0.3)		Raw materials -0.1, Package -0.2
Decrease in sales promotion expenses	-	-	0.9		Advertisement -0.5, Promotion expense 1.4
Increase in other expenses	-	-	(1.2)		Depreciation, etc.
Asahi Soft Drinks Core operating profit	37.0	31.3	5.8	18.5%	Including Calpis dairy business, etc.
LB Core operating profit *3	0.9	0.8	0.1	7.1%	
Other / elimination in segment	0.4	0.2	0.2	65.0%	
Core operating profit total	38.3	32.3	6.0	18.5%	

**FY2017 Consolidated Statement of Financial Position**

(Billions of yen)

	FY2017	FY2016	Inc./Dec.	Remarks
Current assets	812.4	635.0	177.4	
Cash and cash equivalents	58.1	48.5	9.6	
Trade and other receivables	433.4	397.3	36.1	
Inventories	155.9	136.5	19.5	
Income tax receivables	12.4	14.2	(1.8)	
Other financial assets	6.9	3.4	3.5	
Other current assets	27.1	31.9	(4.8)	
Subtotal	693.8	631.8	62.0	
Assets held for sale	118.6	3.2	115.4	
Non-current assets	2,534.4	1,459.3	1,075.1	
Property, plant and equipment	717.9	570.8	147.1	
Goodwill and intangible assets	1,538.7	499.5	1,039.2	FY2016: retrospective adjustment for Western Europe business +8.0
Investments accounted for using equity method	4.8	141.4	(136.6)	FY2017: impact of the stock of Tsintao brewery classified to assets held for sale -98.9
Other financial assets	219.1	198.6	20.6	
Deferred tax assets	11.4	18.8	(7.4)	
Net defined benefit assets	26.1	18.9	7.1	
Other non-current assets	16.4	11.3	5.1	
Total assets	3,346.8	2,094.3	1,252.5	
Current liabilities	1,052.2	819.6	232.6	
Trade and other payables	433.6	332.6	100.9	
Bonds and borrowings	359.7	281.9	77.9	
Income tax payables	51.9	35.0	16.9	
Allowance	15.5	4.9	10.6	
Other financial liabilities	29.2	26.4	2.9	
Other current liabilities	144.4	138.0	6.4	
Subtotal	1,034.2	818.6	215.5	
Liabilities directly related to assets held for sale	18.0	0.9	17.1	
Non-current liabilities	1,141.9	428.7	713.2	
Bonds and borrowings	902.2	288.5	613.7	
Net defined benefit liabilities	25.5	25.8	(0.3)	
Deferred tax liabilities	156.8	57.3	99.5	FY2016: retrospective adjustment for Western Europe business +8.0
Other financial liabilities	53.0	54.1	(1.1)	
Other non-current liabilities	4.4	3.0	1.4	
Total liabilities	2,194.1	1,248.2	945.8	
Issued capital	182.5	182.5	-	
Share premium	119.1	118.7	0.4	
Retained earnings	713.1	589.9	123.2	
Treasury shares	(76.7)	(76.7)	(0.0)	
Other components of equity related to disposal group held for sale	(3.4)	-	(3.4)	
Other components of equity (total attributable to owners of parent)	210.6	21.9	188.7	
Other components of equity (total attributable to non-controlling interests)	7.6	9.8	(2.1)	
Total equity	1,152.7	846.1	306.6	
Total liabilities and equity	3,346.8	2,094.3	1,252.5	

**FY2017 Consolidated Statement of Cash Flows**

(Billions of yen)

	FY2017	FY2016	Inc./Dec.
Cash flows from (used in) operating activities	231.7	154.5	77.3
(Profit before tax)	197.0	150.1	46.9
(Depreciation) *1	69.8	51.1	18.8
(Amortization of acquisition-related intangible assets)	19.2	6.2	12.9
(Income tax paid)	(78.2)	(52.2)	(26.1)
Cash flows from (used in) investing activities	(885.8)	(268.5)	(617.3)
(Acquisition of stock of subsidiaries)	(891.6)	-	(891.6)
(Capital expenditure) *1	89.6	63.5	26.1
Cash flows from (used in) financing activities	661.9	119.6	542.3
(Increase (decrease) of financial obligation) *2	691.6	155.9	535.6
(Acquisition of treasury shares) *3	-	-	-
(Dividends paid)	(26.6)	(23.8)	(2.8)
Translation difference	2.1	0.6	1.5
Increase (decrease) of cash relating to the change of scope of consolidation	-	-	-
Increase (decrease) of cash and cash equivalents	9.9	6.1	3.7
Cash and cash equivalents contained in assets held for sale	(0.3)	(1.0)	0.7

\*1 Capital expenditures and depreciation do not include lease assets or trademarks at the time of acquisition of subsidiaries.

\*2 We describe the figure of Increase (decrease) of financial obligation as the difference of each balance between at the end of this period and at the end of the previous period.

\*3 We only describe the figure of acquisition of treasury shares resolved at board of director's meeting.

**Segment Information**

FY2017

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Corporate adjustment (IFRS adjustment)	Total
Revenue	968.9	374.5	113.8	621.1	106.1	(99.5)	-	-	2,084.9
Core operating profit	121.5	38.3	11.6	65.9	2.0	(20.2)	(19.2)	(3.6)	196.4
Depreciation *1	23.8	10.9	3.4	27.5	0.4	2.9	-	0.8	69.8
Amortisation of acquisition-related intangible assets	0.2	1.7	-	17.2	0.2	-	-	-	19.2
EBITDA *2	145.3	49.3	15.0	93.5	2.4	-	-	-	285.4
Capital expenditure *1	23.4	23.0	4.7	35.8	0.5	2.0	-	-	89.6

\*1 Capital expenditures and depreciation do not include lease assets or trademarks at the time of acquisition of subsidiaries.

\*2 consolidated EBITDA = Core operating profit + amortization of acquisition-related intangible assets + depreciation  
 each business EBITDA = Core operating profit + depreciation (core OP of each business do not include amortisation of acquisition-related intangible assets)

FY2016

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Corporate adjustment (IFRS adjustment)	Total
Revenue	976.6	363.9	110.8	250.3	102.3	(97.1)	-	-	1,706.9
Core operating profit	120.8	32.3	10.3	12.3	2.0	(19.9)	(6.2)	(3.1)	148.5
Depreciation *1	24.1	9.2	3.3	10.5	0.3	2.8	-	0.9	51.1
Amortisation of acquisition-related intangible assets	0.2	1.7	-	4.2	0.2	-	-	-	6.2
EBITDA *2	144.9	41.6	13.5	22.9	2.3	-	-	-	205.8
Capital expenditure *1	24.4	13.0	3.6	17.9	0.4	4.2	-	-	63.5

Increase / Decrease

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Corporate adjustment (IFRS adjustment)	Total
Revenue	(7.8)	10.6	3.0	370.8	3.9	(2.5)	-	-	378.0
Core operating profit	0.7	6.0	1.4	53.6	(0.0)	(0.3)	(12.9)	(0.5)	47.9
Depreciation *1	(0.3)	1.7	0.1	17.0	0.2	0.2	-	(0.1)	18.8
Amortisation of acquisition-related intangible assets	-	(0.0)	-	13.0	-	-	-	-	12.9
EBITDA *2	0.4	7.7	1.5	70.6	0.2	-	-	-	79.6
Capital expenditure *1	(0.9)	10.1	1.2	17.9	0.1	(2.2)	-	-	26.1



**Reference**

◆ Overseas Business excluding the impact of foreign exchange

(Billions of yen)

	FY2017	FY2016	Inc./Dec.	YoY	Remarks
Europe business	364.4	26.4	338.1	-	
Oceania business	162.8	148.3	14.5	9.8%	
Southeast Asia business	55.5	52.2	3.3	6.2%	
China business	17.1	17.0	0.1	0.4%	
Other / elimination in segment	1.2	6.4	(5.3)	(82.0%)	
Corporate adjustment (IFRS adjustment)	-	-	-	-	
Revenue	600.9	250.3	350.6	140.1%	
Europe business	49.9	(1.8)	51.6	-	
Oceania business	13.2	11.0	2.2	19.9%	
Southeast Asia business	0.8	2.5	(1.6)	(65.4%)	
China business	0.9	1.2	(0.3)	(25.8%)	
Other / elimination in segment	(0.9)	(0.5)	(0.4)	-	
Core operating profit	63.9	12.3	51.6	417.5%	

\* The figures in yen are converted by the previous year's local currency rate

◆ Exchange Rate

(Yen)

	FY2017 (Average)	FY2016 (Average)	
US dollar	112.2	108.8	
Share of profit (loss) of entities accounted for using equity method	111.3	111.8	* Tingyi-Asahi Beverages Holding
Euro (Western Europe)	126.7	118.1	* From October, 2016
Euro (Central Europe)	128.6	-	* From April, 2017
Australian dollar	86.0	80.8	
Ringgit Malaysia	26.1	26.3	
Indonesian Rupiah	0.0084	0.0082	
Chinese Yuan	16.6	16.4	
Share of profit (loss) of entities accounted for using equity method	16.4	17.1	* Tsingtao Brewery

## FY2018 Consolidated Financial Results Forecast Highlight

(Billions of yen)

Summary of Statement of Profit or Loss	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Revenue	2,140.0	2,084.9	55.1	2.6%	
Domestic Business	1,053.5	1,056.4	(2.9)	(0.3%)	
Overseas Business	575.8	533.0	42.8	8.0%	
Revenue excluding liquor tax	1,629.3	1,589.4	39.9	2.5%	
Core operating profit *1	220.0	196.4	23.6	12.0%	
Operating profit	200.0	183.2	16.8	9.2%	
EBITDA *2	315.7	285.4	30.3	10.6%	
Profit before tax	203.0	197.0	6.0	3.1%	
Profit	142.3	138.8	3.5	2.5%	
Profit attributable to owners of parent	142.0	141.0	1.0	0.7%	
Adjusted Profit attributable to owners of parent *3	136.0	120.1	15.9	13.2%	

\*1 Core operating profit is the reference index for normalized business performance.

Core operating profit = Revenue - (COGS + general administrative cost)

\*2 EBITDA = Core operating profit + amortization of intangible assets + depreciation.

\*3 Adjusted Profit attributable to owners of parent

= Profit attributable to owners of parent - one off special factors including business portfolio restructuring

Reference data	FY2018 forecast	FY2017	Inc./Dec.
Alcohol Beverages Business (including liquor tax)	13.0%	12.6%	0.4%
(excluding liquor tax)	21.8%	21.3%	0.5%
Soft Drinks Business	10.5%	10.2%	0.3%
Food Business	10.6%	10.2%	0.4%
Overseas Business (including liquor tax)	13.2%	10.5%	2.7%
(excluding liquor tax)	16.0%	12.6%	3.4%
Core operating profit margin (including liquor tax)	10.3%	9.4%	0.9%
(excluding liquor tax)	13.5%	12.4%	1.1%
EBITDA margin (including liquor tax)	14.8%	13.7%	1.1%
(excluding liquor tax)	19.4%	18.0%	1.4%
EPS (yen)	310.0	307.8	2.2
Adjusted EPS (yen) *4	296.9	262.2	34.6
ROE	11.9%	14.2%	(2.3%)
Adjusted ROE *5	13.8%	13.7%	0.1%
Debt Equity Ratio	0.82	1.05	(0.23)
Net Debt EBITDA Ratio	3.23	4.22	(0.99)
Dividend payout ratio	29.0%	24.4%	4.6%
Adjusted Dividend payout ratio *6	30.3%	28.6%	1.7%

\*4 Calculated based on Adjusted Profit attributable to owners of parent

\*5 Adjusted ROE

= Adjusted Profit attributable to owners of parent / Equity attributable to owners of parent

(after the deduction of translation difference on foreign operations and Changes in fair value of financial instruments measured at fair value through other comprehensive income)

\*6 Calculated based on Adjusted EPS

**FY2018 Consolidated Financial Results Forecast**

(Billions of yen)

Summary of Statement of Profit or Loss	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	963.0	958.4	4.6	0.5%	Details are on supplement 12
Soft Drinks Business	369.7	374.5	(4.8)	(1.3%)	
Food Business	113.9	113.8	0.1	0.1%	
Overseas Business	697.5	637.0	60.5	9.5%	
Other Business	110.2	106.1	4.1	3.8%	
Adjustment (corporate and elimination)	(114.3)	(104.9)	(9.4)	-	
<b>Revenue</b>	<b>2,140.0</b>	<b>2,084.9</b>	<b>55.1</b>	<b>2.6%</b>	
Alcohol Beverages Business	125.0	120.5	4.5	3.8%	Details are on supplement 12
Soft Drinks Business	38.9	38.3	0.6	1.5%	
Food Business	12.1	11.6	0.5	4.1%	
Overseas Business	92.0	67.0	25.0	37.2%	
Other Business	2.4	2.0	0.4	20.5%	
Adjustment (corporate and elimination)	(21.9)	(20.2)	(1.7)	-	
Amortization of acquisition-related intangible assets	(21.7)	(19.2)	(2.5)	-	Details are on supplement 13
Corporate adjustment (IFRS adjustment)	(6.8)	(3.6)	(3.2)	-	
<b>Core operating profit</b>	<b>220.0</b>	<b>196.4</b>	<b>23.6</b>	<b>12.0%</b>	
Adjustment item	(20.0)	(13.2)	(6.8)	-	
Loss (gain) on sales and retirement of non current assets	(6.0)	(5.5)	(0.5)	-	
Gain (loss) on sales of stocks of subsidiaries and affiliates	-	9.6	(9.6)	-	
Business integration expenses	-	(4.0)	4.0	-	
Impairment loss	-	(10.1)	10.1	-	
Others	(14.0)	(3.1)	(10.9)	-	
<b>Operating profit</b>	<b>200.0</b>	<b>183.2</b>	<b>16.8</b>	<b>9.2%</b>	
Finance income or loss	(3.8)	(3.8)	(0.1)	-	
Share of loss (profit) of entities accounted for using equity method	0.8	1.1	(0.2)	(21.8%)	
Gain on sales of investments accounted for using equity method	-	17.9	(17.9)	-	
Others	6.0	(1.4)	7.4	-	including profit (loss) relating to restructuring business portfolio
<b>Profit before tax</b>	<b>203.0</b>	<b>197.0</b>	<b>6.0</b>	<b>3.1%</b>	
Income tax expense	(60.7)	(58.1)	(2.6)	-	
<b>Profit</b>	<b>142.3</b>	<b>138.8</b>	<b>3.5</b>	<b>2.5%</b>	
Profit attributable to owners of parent	142.0	141.0	1.0	0.7%	
Profit attributable to non-controlling interests	0.3	(2.2)	2.5	-	

\* We reconstructed the business segment on January 1, 2018. We reflects the impact related to the issues described as below to the figures in 2017 and 2018.

Other / elimination in segment of Overseas Business includes Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other / elimination in segment of Alcohol Beverages Business

Summary of Statement of Financial Position	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Total assets	3,231.5	3,346.8	(115.3)	(3.4%)	
Total equity	1,254.5	1,152.7	101.8	8.8%	
Total equity attributable to owners of parent	1,247.0	1,145.1	101.9	8.9%	
Interest-bearing debt	1,070.0	1,261.9	(191.9)	(15.2%)	

Others	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Capital expenditures	89.0	89.6	(0.6)	(0.6%)	
Depreciation	74.0	69.8	4.2	6.0%	

\* Capital expenditures and depreciation do not include lease assets or trademarks at the time of acquisition of subsidiaries.

**FY2018 Financial Results (Individual) Forecast**

&lt;Revenue&gt;

(Billions of yen)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Asahi Breweries	976.5	967.2	9.3	1.0%	
Other / elimination in segment *1	23.5	27.8	(4.2)	(15.3%)	FY2018: Negative impact of assignment of Masuda inc. (whole saler) -3.1
Corporate adjustment (IFRS adjustment)	(37.0)	(36.5)	(0.5)	-	
Alcohol Beverages Business	963.0	958.4	4.6	0.5%	
Asahi Soft Drinks *2	510.0	486.2	23.8	4.9%	
LB	-	20.2	(20.2)	-	
Other / elimination in segment	-	(2.0)	2.0	-	
Corporate adjustment (IFRS adjustment)	(140.3)	(129.9)	(10.4)	-	
Soft Drinks Business	369.7	374.5	(4.8)	(1.3%)	
Asahi Group Foods	126.3	126.1	0.2	0.2%	
Other / elimination in segment	-	(0.0)	0.0	-	
Corporate adjustment (IFRS adjustment)	(12.4)	(12.3)	(0.1)	-	
Food Business	113.9	113.8	0.1	0.1%	
Europe business *3 (Details P13)	438.9	373.6	65.3	17.5%	
Oceania business	183.6	173.2	10.4	6.0%	
Southeast Asia business	46.8	55.4	(8.6)	(15.5%)	
China business *4	6.9	16.4	(9.5)	(58.0%)	
Other / elimination in segment *1	21.3	18.4	2.9	16.0%	
Corporate adjustment (IFRS adjustment)	-	-	-	-	
Overseas Business	697.5	637.0	60.5	9.5%	
Other Business	110.2	106.1	4.1	3.8%	
Adjustment (corporate and elimination)	(114.3)	(104.9)	(9.4)	-	
Total	2,140.0	2,084.9	55.1	2.6%	

&lt;Core operating profit&gt;

(Billions of yen)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Asahi Breweries	124.1	119.6	4.5	3.8%	
Other / elimination in segment *1	0.9	0.9	0.0	2.8%	
Alcohol Beverages Business	125.0	120.5	4.5	3.8%	
Asahi Soft Drinks	38.7	37.0	1.7	4.5%	
LB	-	0.9	(0.9)	-	
Other / elimination in segment	0.2	0.4	(0.2)	(49.9%)	
Soft Drinks Business	38.9	38.3	0.6	1.5%	
Asahi Group Foods	11.7	11.1	0.5	4.7%	
Other / elimination in segment	0.4	0.5	(0.0)	(9.3%)	
Food Business	12.1	11.6	0.5	4.1%	
Europe business *3 (Details P13)	73.2	51.1	22.2	43.5%	
Oceania business	15.7	14.0	1.7	11.8%	
Southeast Asia business	2.1	0.8	1.3	154.3%	
China business *4	0.2	0.9	(0.7)	(74.0%)	
Other / elimination in segment *1	0.7	0.2	0.5	252.6%	
Overseas Business	92.0	67.0	25.0	37.2%	
Other Business	2.4	2.0	0.4	20.5%	
Adjustment (corporate and elimination) *4	(21.9)	(20.2)	(1.7)	-	including group management expenses of Asahi Group Holdings
Amortization of acquisition-related intangible assets	(21.7)	(19.2)	(2.5)	-	
IFRS adjustment	(6.8)	(3.6)	(3.2)	-	
Total	220.0	196.4	23.6	12.0%	

\*1 We reconstructed the business segment on January 1, 2018. We reflects the impact related to the issues described as below to the figures in 2017 and 2018.

Other / elimination in segment of Overseas Business includes Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other / elimination in segment of Alcohol Beverages Business

\*2 Figure in 2018 forecast includes the impact of new trading system introduced on January 1, 2018

\*3 Europe business's figures in 2017 show combined results of Western Europe from January and Central Europe from April. (Detail is shown on the next page)

\*4 Figures in 2018 forecast do not include the forecast of Yantai Beer Tsingtao Asahi Co., Ltd. due to the change of scope of consolidation along with the sale of shares of Tsingtao Brewery.

\*5 Adjustment to Core operating profit includes all corporate expenses incurred by Asahi Group Holdings.

In addition, Asahi Group Holdings records income from major subsidiaries such as management fees and corporate brand royalties on a non-consolidated basis. Core operating profit for each business segment has been arrived at without taking into account major subsidiaries' expenditures for these management fees and corporate brand royalties.

**Details of Amortization of acquisition-related intangible assets and Europe business Forecast**

◆Details of amortization of acquisition-related intangible assets

(Billions of yen)

	FY2018 forecast	FY2017	Inc./Dec.	Remarks
Alcohol Beverages Business	(0.2)	(0.2)	-	
Soft Drinks Business	(1.6)	(1.7)	0.0	
Food Business	-	-	-	
Europe business	(17.3)	(14.0)	(3.2)	
Oceania business	(2.4)	(2.4)	0.1	
Southeast Asia business	0.0	(0.7)	0.7	
Overseas Business	(19.6)	(17.2)	(2.5)	
Other Business	(0.2)	(0.2)	-	
Total	(21.7)	(19.2)	(2.5)	

◆Details of Europe business

< Revenue (including liquor tax) >

(Billions of yen)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Western Europe business	145.3	135.0	10.2	7.6%	
Central Europe business (from April, 2017)	293.6	238.5	55.1	23.1%	
Europe business	438.9	373.6	65.3	17.5%	

< Core Operating Profit >

(Billions of yen)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Gross Core Operating Profit	21.4	19.6	1.8	9.4%	
Once off Cost	(0.1)	(1.8)	1.7	-	
Western Europe business	21.3	17.7	3.6	20.0%	
Gross Core Operating Profit	53.2	45.2	8.0	17.7%	
Once off Cost	(1.2)	(11.8)	10.7	-	
Central Europe business	52.0	33.3	18.6	55.9%	
Europe business	73.2	51.1	22.2	43.5%	

Western Europe business	(4.5)	(4.4)	(0.1)	-	
Central Europe business	(12.7)	(9.7)	(3.1)	-	
Details of amortization of acquisition-related intangible assets	(17.3)	(14.0)	(3.2)	-	

**FY2018 Breakdown of Increase/Decrease in Revenue and Profit Forecast**
**< Asahi Breweries Sales Volume >**

(Millions of cases)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Beer	98.50	99.98	(1.48)	(1.5%)	
Happoshu	14.50	15.01	(0.51)	(3.4%)	
New Genre	43.00	42.98	0.02	0.0%	
Beer-type beverages total	156.00	157.97	(1.97)	(1.2%)	

**< Summary of Statements of Income >**

(Billions of yen)

Beer	547.6	546.1	1.5	0.3%	
Happoshu	55.9	57.9	(2.0)	(3.5%)	
New Genre	142.9	142.4	0.5	0.3%	
Beer-type beverages total	746.3	746.3	0.0	0.0%	
Whiskey and spirits	56.3	55.0	1.3	2.4%	
Wine	42.4	41.3	1.1	2.7%	
RTD low-alcohol beverages	46.5	40.6	5.9	14.6%	
Shochu	27.5	27.9	(0.4)	(1.4%)	
Other	0.1	0.0	0.0	8.5%	
Other alcohol beverages total	172.8	164.8	8.0	4.8%	
Non-alcohol beverages	32.5	31.9	0.6	1.9%	Including beer-taste non alcohol beverages
Other, contracted manufacture, etc.	24.9	24.1	0.7	3.1%	
Asahi Breweries Revenue	976.5	967.2	9.3	1.0%	
Other / elimination in segment *1	23.5	27.8	(4.2)	(15.3%)	FY2018: Negative impact of assignment of Masuda inc. (whole saler) -3.1
Corporate adjustment (IFRS adjustment)	(37.0)	(36.5)	(0.5)	-	
Revenue total	963.0	958.4	4.6	0.5%	
Beer-type - Decrease in sales volume *2	-	-	2.6		
Change in Beer-type	-	-	1.8		Container mix 1.8
Other alcohol beverages - increase in sales volume	-	-	2.6		
Cost reduction in manufacturing	-	-	1.0		Raw materials 0.4, Other alcohol beverages total 0.4, etc.
Cost increase in manufacturing	-	-	(1.0)		Raw materials -0.6, Utilities -0.4
Decrease in sales promotion expense	104.5	104.9	0.4		Advertisement -0.3, Promotion expense 0.7 (Beer-type 1.5, Other -1.1)
Increase in other expenses	-	-	(2.9)		
Increase in personal expenses	-	-	(0.4)		
Decrease in depreciation	-	-	0.0		
Increase in selling equipment expenses	-	-	(0.5)		
Increase in other materials	-	-	(2.0)		
Asahi Breweries Core operating profit	124.1	119.6	4.5	3.8%	
Other / elimination in segment	0.9	0.9	0.0	2.8%	
Core operating profit total	125.0	120.5	4.5	3.8%	

\*1 We reconstructed the business segment on January 1, 2018. We reflects the impact related to the issues described as below to the figures in 2017 and 2018.

Other / elimination in segment of Overseas Business includes Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other / elimination in segment of Alcohol Beverages Business

\*2 The figure includes the impact of price revision.

**FY2018 Breakdown of Increase/Decrease in Revenue and Profit Forecast**

&lt; Asahi Soft Drinks Sales Volume &gt;

(Millions of cases)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Carbonated drinks	65.53	62.06	3.46	5.6%	
Fruit juice	19.55	22.42	(2.88)	(12.8%)	
Coffee	46.00	44.17	1.83	4.1%	
Tea	40.75	40.20	0.55	1.4%	
Mineral water	24.80	23.46	1.34	5.7%	
Lactic acid drinks *1	47.36	44.37	2.99	6.7%	
Other drinks *2	19.52	19.29	0.23	1.2%	
Asahi Soft Drinks total	263.50	255.98	7.52	2.9%	

&lt; Summary of Statements of Profit or Loss &gt;

(Billions of yen)

Carbonated drinks	106.5	99.2	7.3	7.3%	
Fruit juice	32.3	36.3	(4.0)	(10.9%)	
Coffee	99.4	93.0	6.4	6.9%	
Tea	65.1	61.1	4.0	6.5%	
Mineral water	30.6	28.1	2.5	8.9%	
Lactic acid drinks *1	101.8	97.4	4.4	4.5%	
Other drinks *2	62.6	59.3	3.3	5.5%	
Other	11.7	11.8	(0.1)	(0.7%)	Including Calpis dairy business, etc.
Asahi Soft Drinks Revenue	510.0	486.2	23.8	4.9%	
LB Revenue	-	20.2	(20.2)	-	
Other / elimination in segment	-	(2.0)	2.0	-	
Corporate adjustment (IFRS adjustment)	(140.3)	(129.9)	(10.4)	-	
Revenue total	369.7	374.5	(4.8)	(1.3%)	
Increase in sales volume	-	-	3.3		
Change in product & pack mix	-	-	0.2		
Cost reduction	-	-	3.4		Raw materials 1.0, Package 0.8, operational efficiency·In-house production 1.6
Cost increase	-	-	(1.7)		Raw materials -0.8, Package -0.9
Increase in sales promotion expenses	-	-	(1.4)		Advertisement 0.5, Promotion expense -1.9
Increase in other expenses	-	-	(2.1)		Depreciation, etc.
Asahi Soft Drinks Core operating profit	38.7	37.0	1.7	4.5%	Including Calpis dairy business, etc.
LB Core operating profit	-	0.9	(0.9)	-	
Other / elimination in segment	0.2	0.4	(0.2)	(49.9%)	
Core operating profit total	38.9	38.3	0.6	1.5%	

**Y2018 Consolidated Statement of Cash Flows Forecast**

(Billions of yen)

	FY2018 forecast	FY2017	Inc./Dec.
Cash flows from (used in) operating activities	246.8	231.7	15.1
(Profit before tax)	203.0	197.0	6.0
(Depreciation) *1	74.0	69.8	4.2
(Amortization of acquisition-related intangible assets)	21.7	19.2	2.5
(Income tax paid)	(78.2)	(78.2)	0.0
Cash flows from (used in) investing activities	(4.5)	(885.8)	881.4
(Acquisition of stock of subsidiaries)	-	(891.6)	891.6
(Capital expenditure) *1	89.0	89.6	(0.6)
Cash flows from (used in) financing activities	(248.8)	661.9	(910.7)
(Increase (decrease) of financial obligation) *2	(191.9)	691.6	(883.5)
(Acquisition of treasury shares) *3	-	-	-
(Dividends paid)	(41.2)	(26.6)	(14.7)
Translation difference	(1.9)	2.1	(4.0)
Increase (decrease) of cash relating to the change of scope of consolidation	-	-	-
Increase (decrease) of cash and cash equivalents	(8.3)	9.9	(18.2)
Cash and cash equivalents contained in assets held for sale	-	(0.3)	0.3

\*1 Capital expenditures and depreciation do not include lease assets or trademarks at the time of acquisition of subsidiaries.

\*2 We describe the figure of Increase (decrease) of financial obligation as the difference of each balance between at the end of this period and at the end of the previous period.

\*3 We only describe the figure of acquisition of treasury shares resolved at board of director's meeting.

**Segment Information**

FY2018 forecast

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Corporate adjustment (IFRS adjustment)	Total
Revenue	963.0	369.7	113.9	697.5	110.2	(114.3)	-	-	2,140.0
Core operating profit	125.0	38.9	12.1	92.0	2.4	(21.9)	(21.7)	(6.8)	220.0
Depreciation *1	23.1	10.7	3.7	30.9	0.3	3.0	-	2.3	74.0
Amortisation of acquisition-related intangible assets	0.2	1.6	-	19.6	0.2	-	-	-	21.7
EBITDA *2	148.1	49.6	15.8	122.9	2.7	-	-	-	315.7
Capital expenditure *1	29.4	12.9	3.0	40.3	0.8	2.6	-	-	89.0

\*1 Capital expenditures and depreciation do not include lease assets or trademarks at the time of acquisition of subsidiaries.

\*2 consolidated EBITDA = Core operating profit + amortization of acquisition-related intangible assets + depreciation  
each business EBITDA = Core operating profit + depreciation

FY2017

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Corporate adjustment (IFRS adjustment)	Total
Revenue	958.4	374.5	113.8	637.0	106.1	(104.9)	-	-	2,084.9
Core operating profit	120.5	38.3	11.6	67.0	2.0	(20.2)	(19.2)	(3.6)	196.4
Depreciation *1	23.7	10.9	3.4	27.6	0.4	2.9	-	0.8	69.8
Amortisation of acquisition-related intangible assets	0.2	1.7	-	17.2	0.2	-	-	-	19.2
EBITDA *2	144.2	49.3	15.0	94.7	2.4	-	-	-	285.4
Capital expenditure *1	23.3	23.0	4.7	35.9	0.5	2.0	-	-	89.6

Increase / Decrease

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Corporate adjustment (IFRS adjustment)	Total
Revenue	4.6	(4.8)	0.1	60.5	4.1	(9.4)	-	-	55.1
Core operating profit	4.5	0.6	0.5	25.0	0.4	(1.7)	(2.5)	(3.2)	23.6
Depreciation *1	(0.6)	(0.2)	0.3	3.3	(0.1)	0.1	-	1.5	4.2
Amortisation of acquisition-related intangible assets	-	(0.0)	-	2.5	-	-	-	-	2.5
EBITDA *2	3.9	0.3	0.8	28.2	0.3	-	-	-	30.3
Capital expenditure *1	6.1	(10.1)	(1.7)	4.4	0.3	0.6	-	-	(0.6)

\* We reconstructed the business segment on January 1, 2018. We reflects the impact related to the issues described as below to the figures in 2017 and 2018.

Other / elimination in segment of Overseas Business includes Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other / elimination in segment of Alcohol Beverages Business



<b>Reference</b>
------------------

◆ Overseas Business excluding the impact of foreign exchange

(Billions of yen)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Europe business	438.7	373.6	65.1	17.4%	
Oceania business	183.6	173.2	10.4	6.0%	
Southeast Asia business	47.1	55.4	(8.4)	(15.1%)	
China business	7.0	16.4	(9.4)	(57.5%)	
Other / elimination in segment *1	22.0	18.4	3.6	19.7%	
Corporate adjustment (IFRS adjustment)	-	-	-	-	
Revenue total	698.3	637.0	61.4	9.6%	
Europe business	73.3	51.1	22.2	43.5%	
Oceania business	15.7	14.0	1.7	11.8%	
Southeast Asia business	2.1	0.8	1.3	155.5%	
China business	0.2	0.9	(0.7)	(73.7%)	
Other / elimination in segment *1	0.8	0.2	0.6	272.4%	
Core operating profit	92.1	67.0	25.0	37.3%	

\* The figures in yen are converted by the previous year's local currency rate

\*1 We reconstructed the business segment on January 1, 2018. We reflects the impact related to the issues described as below to the figures in 2017 and 2018.

Other / elimination in segment of Overseas Business includes Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other / elimination in segment of Alcohol Beverages Business

◆ Exchange Rate

(Yen)

	FY2018 (Forecast)	FY2017 (Average)	
US dollar	109.0	112.2	
Euro (Western Europe)	128.0	126.7	* From January, 2017
Euro (Central Europe)	128.0	128.6	* From April, 2017
Australian dollar	86.0	86.0	
Ringgit Malaysia	26.0	26.1	
Indonesian Rupiah	0.0084	0.0084	
Chinese Yuan	16.4	16.6	

## FY2018 H1 Forecast

### < Asahi Breweries Sales Volume >

(Millions of cases)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Beer	43.80	44.71	(0.91)	(2.0%)	
Happoshu	6.80	7.14	(0.34)	(4.8%)	
New Genre	20.90	20.98	(0.08)	(0.4%)	
Beer-type beverages total	71.50	72.82	(1.32)	(1.8%)	

### < Asahi Soft Drinks Sales Volume >

(Millions of cases)

	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Carbonated drinks	30.69	29.32	1.37	4.7%	
Fruit juice	9.41	10.57	(1.16)	(11.0%)	
Coffee	22.28	22.28	0.00	0.0%	
Tea	18.55	19.20	(0.65)	(3.4%)	
Mineral water	10.98	10.56	0.42	4.0%	
Lactic acid drinks *1	21.97	20.89	1.09	5.2%	
Other drinks *2	9.66	8.97	0.69	7.6%	
Asahi Soft Drinks total	123.54	121.79	1.75	1.4%	

### ◆ Forecast for H1 2018

(Billions of yen)

Summary of Statements of Income	FY2018 forecast	FY2017	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	440.3	440.2	0.1	0.0%	FY2018: Negative impact of assignment of Masuda inc. (whole saler) -3.1
Soft Drinks Business	172.7	178.3	(5.6)	(3.1%)	
Food Business	55.2	55.2	0.0	0.0%	
Overseas Business	332.2	263.1	69.1	26.3%	
Other Business	52.3	51.2	1.1	2.1%	
Adjustmenet (corporate and elimination)	(54.7)	(50.6)	(4.1)	-	
Revenue	998.0	937.4	60.6	6.5%	
Alcohol Beverages Business	47.9	46.7	1.2	2.6%	
Soft Drinks Business	16.8	16.6	0.2	1.3%	
Food Business	6.1	6.1	0.0	0.8%	
Overseas Business	35.2	21.1	14.1	66.5%	
Other Business	0.1	0.3	(0.2)	(60.6%)	
Adjustmenet (corporate and elimination)	(10.5)	(9.9)	(0.6)	-	
Amortization of intangible assets relating to the acquisition	(10.9)	(4.3)	(6.6)	-	
Corporate adjustment (IFRS adjustment)	(3.0)	(2.0)	(1.0)	-	
Core operating profit	81.7	74.5	7.2	9.6%	
Operating profit	75.6	70.7	4.9	6.9%	
Profit	55.0	43.2	11.8	27.2%	
Profit attributable to owners of parent	55.0	43.3	11.7	27.0%	

\* We reconstructed the business segment on January 1, 2018. We reflects the impact related to the issues described as below to the figures in 2017 and 2018.

Other / elimination in segment of Overseas Business includes Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other / elimination in segment of Alcohol Beverages Business

<b>Reference</b>
------------------

**<Medium-Term Management Policy Guideline (FY2018)>**

◆Core Indicators and Guidelines

	FY2017	Guidelines for next 3 years out
Revenue	2,084.9 JPY billion	• Stable growth from existing businesses – Business restructuring + New M&As
Core Operating Profit	196.4 JPY billion	• CAGR : mid to high single digit
EPS (adjusted) *	262.2 yen	• CAGR : mid to high single digit
ROE (adjusted) *	13.7%	• Maintain 13% or above

\* Adjusted figures are calculated after the deduction of one off special factors including business portfolio restructuring and foreign exchange impact

◆Financial and Cash Flow Guidelines

	Guidelines for next 3 years out
Cash Flow	• FCF : above 140 JPY billion (annual average) • impact of business restructuring : approx. 100 JPY billion (FY2018 forecast)
Debt Reduction	• Net debt / EBITDA : around 3 times by the end of FY2019 • Net D/E ratio : below 1 time by the end of FY2018
Investment for growth	• Prioritize strengthening financial structure and consider M&A for expansion of foundations for growth
Shareholder Returns	• Stable dividend increases with the aim of a dividend payout ratio of 30% *

\* Adjusted profit attributable to owners of parent is used for calculation

Adjusted Profit attributable to owners of parent

= Profit attributable to owners of parent - one off special factors including business portfolio restructuring