

FY2018 Consolidated Financial Results Highlight

(Billions of yen)

Summary of Statement of Profit or Loss	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Revenue	2,120.3	2,084.9	35.4	1.7%	
Domestic Business	1,037.2	1,056.4	(19.1)	(1.8%)	
Overseas Business	589.3	533.0	56.3	10.6%	
Revenue excluding liquor tax	1,626.5	1,589.4	37.1	2.3%	
Core operating profit *1	221.4	196.4	25.0	12.7%	
Operating profit	211.8	183.2	28.6	15.6%	
EBITDA *2	318.5	285.4	33.1	11.6%	
Profit before tax	207.3	197.0	10.3	5.2%	
Profit	150.9	138.8	12.1	8.7%	
Profit attributable to owners of parent	151.1	141.0	10.1	7.1%	
Adjusted Profit attributable to owners of parent *3	150.7	120.1	30.6	25.4%	

*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	FY2017	Inc./Dec.
Alcohol Beverages Business (including liquor tax)	12.7%	12.6%	0.1%
(excluding liquor tax)	21.3%	21.3%	0.0%
Soft Drinks Business	10.3%	10.2%	0.1%
Food Business	10.5%	10.2%	0.3%
Overseas Business (including liquor tax)	14.0%	10.5%	3.5%
(excluding liquor tax)	16.9%	12.6%	4.3%
Core operating profit margin (including liquor tax)	10.4%	9.4%	1.0%
(excluding liquor tax)	13.6%	12.4%	1.2%
EBITDA margin (including liquor tax)	15.0%	13.7%	1.3%
(excluding liquor tax)	19.6%	18.0%	1.6%
EPS (yen)	329.8	307.8	22.0
Adjusted EPS (yen) *4	329.0	262.2	66.7
ROE	13.2%	14.2%	(1.0%)
Adjusted ROE *5	15.2%	13.7%	1.5%
Debt Equity Ratio	0.85	1.05	(0.21)
Net Debt EBITDA Ratio	3.05	4.22	(1.17)
Dividend payout ratio	30.0%	24.4%	5.6%
Adjusted Dividend payout ratio *6	30.1%	28.6%	1.5%

*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

(Billions of yen)

Summary of Statement of Profit or Loss	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business *1	919.4	958.4	(39.0)	(4.1%)	} Details are on supplement 3
Soft Drinks Business	368.8	374.5	(5.8)	(1.5%)	
Food Business	116.0	113.8	2.2	1.9%	
Overseas Business *1	713.3	637.0	76.3	12.0%	
Other Business	109.5	106.1	3.3	3.1%	
Adjustmenet (corporate and elimination)	(106.6)	(104.9)	(1.6)	-	
Revenue	2,120.3	2,084.9	35.4	1.7%	
Alcohol Beverages Business *1	117.1	120.5	(3.4)	(2.8%)	} Details are on supplement 3
Soft Drinks Business	38.1	38.3	(0.2)	(0.6%)	
Food Business	12.2	11.6	0.6	4.9%	
Overseas Business *1	99.6	67.0	32.5	48.5%	
Other Business	2.4	2.0	0.4	19.7%	
Adjustmenet (corporate and elimination)	(19.0)	(20.2)	1.3	-	
Amortization of acquisition-related intangible assets	(22.0)	(19.2)	(2.8)	-	} Details are on supplement 4
Corporate adjustment (IFRS adjustment)	(7.0)	(3.6)	(3.3)	-	
Core operating profit	221.4	196.4	25.0	12.7%	
Adjustment item	(9.6)	(13.2)	3.6	-	
Loss (gain) on sales and retirement of non current assets	(4.1)	(5.5)	1.3	-	
Gain (loss) on sales of stocks of subsidiaries and affiliates	-	9.6	(9.6)	-	
Gain (loss) on revaluation of subsidiaries and affiliates	1.4	-	1.4	-	
Business integration expenses	(3.0)	(4.0)	1.1	-	
Impairment loss	(0.3)	(10.1)	9.8	-	
Others	(3.6)	(3.1)	(0.5)	-	
Operating profit	211.8	183.2	28.6	15.6%	
Finance income or loss	(3.6)	(3.8)	0.1	-	
Share of profit (loss) of entities accounted for using equity method	0.9	1.1	(0.2)	(15.9%)	
Loss (gain) on sales of investments accounted for using equity method	(0.9)	17.9	(18.8)	-	
Others	(0.8)	(1.4)	0.6	-	
Profit before tax	207.3	197.0	10.3	5.2%	
Income tax expense	(56.4)	(58.1)	1.8	-	
Profit	150.9	138.8	12.1	8.7%	
Profit attributable to owners of parent	151.1	141.0	10.1	7.1%	
Profit attributable to non-controlling interests	(0.1)	(2.2)	2.0	-	

*1 We reconstructed the business category on January 1, 2018. We reflect the impact related to the issues described as below to the figures in 2017. Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other/elimination in segment in Alcohol Beverages Business were transferred to Other/elimination in segment in Overseas Business.

Summary of Statement of Financial Position	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Total assets	3,079.3	3,346.8	(267.5)	(8.0%)	
Total equity	1,149.6	1,152.7	(3.1)	(0.3%)	
Total equity attributable to owners of parent	1,146.4	1,145.1	1.3	0.1%	
Interest-bearing debt	1,027.4	1,261.9	(234.5)	(18.6%)	

Others	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Capital expenditures	78.2	89.6	(11.3)	(12.6%)	
Depreciation	75.1	69.8	5.2	7.5%	

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

FY2018 Financial Results (Individual)

<Revenue>

(Billions of yen)

	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Asahi Breweries	933.4	967.2	(33.8)	(3.5%)	
Other/elimination in segment *1	24.0	27.8	(3.7)	(13.4%)	FY2018: Negative impact of assignment of Masuda inc. (whole saler) -3.1
Corporate adjustment (IFRS adjustment)	(38.0)	(36.5)	(1.5)	-	
Alcohol Beverages Business	919.4	958.4	(39.0)	(4.1%)	
Asahi Soft Drinks *2	513.4	486.2	27.3	5.6%	
LB	-	20.2	(20.2)	-	The business was transferred in November 2017
Other/elimination in segment	-	(2.0)	2.0	-	
Corporate adjustment (IFRS adjustment)	(144.7)	(129.9)	(14.8)	-	
Soft Drinks Business	368.8	374.5	(5.8)	(1.5%)	
Asahi Group Foods	128.6	126.1	2.5	2.0%	
Other/elimination in segment	(0.0)	(0.0)	0.0	-	
Corporate adjustment (IFRS adjustment)	(12.7)	(12.3)	(0.3)	-	
Food Business	116.0	113.8	2.2	1.9%	
Europe business *3 (Details P4)	465.5	373.6	91.9	24.6%	
Oceania business	174.7	173.2	1.5	0.9%	
Southeast Asia business	45.9	55.4	(9.5)	(17.1%)	
China business *4	9.8	16.4	(6.6)	(40.3%)	
Other/elimination in segment *1	17.3	18.4	(1.1)	(5.7%)	
Corporate adjustment (IFRS adjustment)	-	-	-	-	
Overseas Business	713.3	637.0	76.3	12.0%	
Other Business	109.5	106.1	3.3	3.1%	
Adjustment (corporate and elimination)	(106.6)	(104.9)	(1.6)	-	
Total	2,120.3	2,084.9	35.4	1.7%	

<Core operating profit>

(Billions of yen)

	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Asahi Breweries	116.2	119.6	(3.4)	(2.8%)	
Other/elimination in segment *1	0.9	0.9	0.0	1.0%	
Alcohol Beverages Business	117.1	120.5	(3.4)	(2.8%)	
Asahi Soft Drinks	37.9	37.0	0.8	2.3%	
LB	-	0.9	(0.9)	-	The business was transferred in November 2017
Other/elimination in segment	0.2	0.4	(0.2)	(42.5%)	
Soft Drinks Business	38.1	38.3	(0.2)	(0.6%)	
Asahi Group Foods	11.8	11.1	0.7	6.3%	
Other/elimination in segment	0.4	0.5	(0.1)	(25.2%)	
Food Business	12.2	11.6	0.6	4.9%	
Europe business *3 (Details P4)	81.1	51.1	30.1	58.9%	
Oceania business	14.8	14.0	0.8	5.5%	
Southeast Asia business	2.2	0.8	1.4	174.5%	
China business *4	0.5	0.9	(0.5)	(50.0%)	
Other/elimination in segment *1	1.0	0.2	0.7	354.1%	
Overseas Business	99.6	67.0	32.5	48.5%	
Other Business	2.4	2.0	0.4	19.7%	
Adjustment (corporate and elimination) *5	(19.0)	(20.2)	1.3	-	including group management expenses of Asahi Group Holdings
Amortization of acquisition-related intangible assets	(22.0)	(19.2)	(2.8)	-	
IFRS adjustment	(7.0)	(3.6)	(3.3)	-	
Total	221.4	196.4	25.0	12.7%	

*1 We reconstructed the business category on January 1, 2018. We reflect the impact related to the issues described as below to the figures in 2017. Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other/elimination in segment in Alcohol Beverages Business were transferred to Other/elimination in segment in Overseas Business.

*2 The figures in 2018 include 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. (Details are shown on the next page)

*4 As for the results of Yantai Beer Tsingtao Asahi Co., Ltd., the figures in 2018 include only 3 months results (January - March) 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

◆Details of amortization of acquisition-related intangible assets

(Billions of yen)

	FY2018	FY2017	Inc./Dec.	Remarks
Alcohol Beverages Business	(0.2)	(0.2)	-	
Soft Drinks Business	(1.6)	(1.7)	0.0	
Food Business	-	-	-	
Europe business	(17.7)	(14.0)	(3.7)	
Oceania business	(2.3)	(2.4)	0.1	
Southeast Asia business	-	(0.7)	0.7	
Overseas Business	(20.0)	(17.2)	(2.9)	
Other Business	(0.2)	(0.2)	-	
Total	(22.0)	(19.2)	(2.8)	

◆Details of Europe business

< Revenue (including liquor tax) >

(Billions of yen)

	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Western Europe business	149.5	135.0	14.4	10.7%	
Central Europe business (from April, 2017)	316.1	238.5	77.5	32.5%	
Europe business	465.5	373.6	91.9	24.6%	

< Core Operating Profit >

(Billions of yen)

	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Gross Core Operating Profit	22.5	19.6	2.9	14.9%	
Once off Cost	(0.2)	(1.8)	1.6	-	
Western Europe business	22.3	17.7	4.6	25.7%	
Gross Core Operating Profit	59.9	45.2	14.8	32.7%	
Once off Cost	(1.1)	(11.8)	10.7	-	
Central Europe business	58.8	33.3	25.5	76.5%	
Europe business	81.1	51.1	30.1	58.9%	
Western Europe business	(4.5)	(4.4)	(0.2)	-	
Central Europe business	(13.2)	(9.7)	(3.5)	-	
Details of amortization of acquisition-related intangible assets	(17.7)	(14.0)	(3.7)	-	

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

(Millions of cases)

	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Beer	93.51	99.98	(6.47)	(6.5%)	
Happoshu	13.89	15.01	(1.12)	(7.4%)	
New Genre	39.75	42.98	(3.23)	(7.5%)	
Beer-type beverages total	147.16	157.97	(10.82)	(6.8%)	

< Summary of Statements of Income >

(Billions of yen)

Beer	519.8	546.1	(26.2)	(4.8%)	
Happoshu	52.9	57.9	(5.0)	(8.6%)	
New Genre	131.8	142.4	(10.6)	(7.5%)	
Beer-type beverages total	704.5	746.3	(41.8)	(5.6%)	
Whiskey and spirits	57.8	55.0	2.8	5.1%	
RTD low-alcohol beverages	44.4	40.6	3.8	9.5%	
Wine	42.2	41.3	0.9	2.2%	
Shochu	27.4	27.9	(0.5)	(1.8%)	
Other	0.0	0.0	(0.0)	(10.2%)	
Other alcohol beverages total	171.9	164.8	7.1	4.3%	
Non-alcohol beverages	33.2	31.9	1.3	4.2%	Including beer-taste non alcohol beverages
Other, contracted manufacture, etc.	23.8	24.1	(0.3)	(1.3%)	
Asahi Breweries Revenue	933.4	967.2	(33.8)	(3.5%)	
Other/elimination in segment *1	24.0	27.8	(3.7)	(13.4%)	Negative impact of assignment of Masuda inc. (whole saler) -3.1
Corporate adjustment (IFRS adjustment)	(38.0)	(36.5)	(1.5)	-	
Revenue total	919.4	958.4	(39.0)	(4.1%)	

< Core operating profit >

(Billions of yen)

Beer-type - Change in sales volume *2	-	-	(10.7)		
Change in Beer-type	-	-	0.6		Container mix +0.6
Other alcohol beverages - change in sales volume	-	-	3.2		
Cost reduction in manufacturing	-	-	1.3		Raw materials +0.4, Other alcohol beverages total +0.7, etc.
Cost increase in manufacturing	-	-	(1.6)		Raw materials -0.4, Utilities -0.7, etc.
Advertisement and Sales promotion expenses	104.3	104.9	0.6		Advertisement -1.3, Promotion expense +1.9 (Beer-type +1.5, Other -0.9)
Change in other expenses	-	-	3.1		
Change in personal expenses	-	-	0.4		
Change in depreciation	-	-	0.6		
Change in selling equipment expenses	-	-	0.2		
Change in other materials	-	-	2.0		
Asahi Breweries Core operating profit	116.2	119.6	(3.4)	(2.8%)	
Other/elimination in segment *1	0.9	0.9	0.0	1.0%	
Core operating profit total	117.1	120.5	(3.4)	(2.8%)	

*1 We reconstructed the business category on January 1, 2018. We reflect the impact related to the issues described as below to the figures in 2017. Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other/elimination in segment in Alcohol Beverages Business were transferred to Other/elimination in segment in Overseas Business.

*2 The figure includes the impact of price revision.

FY2018 Breakdown of Increase/Decrease in Revenue and Profit

< Asahi Soft Drinks Sales Volume >

(Millions of cases)

	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Carbonated drinks	67.26	62.06	5.19	8.4%	
Fruit juice	21.20	22.42	(1.22)	(5.4%)	
Coffee	42.11	44.17	(2.06)	(4.7%)	
Tea	41.29	40.20	1.09	2.7%	
Mineral water	23.96	23.46	0.50	2.1%	
Lactic acid drinks	49.53	44.37	5.16	11.6%	
Other drinks	20.77	19.29	1.49	7.7%	
Asahi Soft Drinks total	266.13	255.98	10.15	4.0%	

< Revenue >

(Billions of yen)

Carbonated drinks	109.8	99.2	10.6	10.7%	
Fruit juice	35.1	36.3	(1.2)	(3.3%)	
Coffee	91.2	93.0	(1.8)	(1.9%)	
Tea	64.7	61.1	3.6	5.9%	
Mineral water	28.4	28.1	0.2	0.9%	
Lactic acid drinks	106.4	97.4	9.0	9.2%	
Other drinks	65.9	59.3	6.6	11.2%	
Other	11.9	11.8	0.2	1.5%	Including Calpis dairy business, etc.
Asahi Soft Drinks Revenue	513.4	486.2	27.3	5.6%	
LB Revenue *1	-	20.2	(20.2)	-	
Other / elimination in segment	-	(2.0)	2.0	-	
Corporate adjustment (IFRS adjustment)	(144.7)	(129.9)	(14.8)	-	
Revenue total	368.8	374.5	(5.8)	(1.5%)	

< Core operating profit >

(Billions of yen)

Change in sales volume	-	-	4.3		
Change in product & pack mix, etc.	-	-	0.3		
Cost Reduction	-	-	3.7		Raw materials 1.2, Package 0.8, operational efficiency·In-house production 1.7
Cost Increase	-	-	(2.0)		Raw materials -0.9, Package -1.1
Advertisement and Sales promotion expenses	-	-	(2.9)		Advertisement 1.0, Promotion expense -3.9
Other expenses	-	-	(2.6)		Depreciation, etc.
Asahi Soft Drinks Core operating profit	37.9	37.0	0.8	2.3%	Including Calpis dairy business, etc.
LB Core operating profit *1	-	0.9	(0.9)	-	
Other / elimination in segment	0.2	0.4	(0.2)	(42.5%)	
Core operating profit total	38.1	38.3	(0.2)	(0.6%)	

*1 The business was transferred in November 2017

FY2018 Consolidated Statement of Financial Position

(Billions of yen)

	FY2018	FY2017	Inc./Dec.	Remarks
Current assets	714.6	812.4	(97.9)	
Cash and cash equivalents	57.3	58.1	(0.7)	
Trade and other receivables	427.3	433.4	(6.2)	
Inventories	160.3	155.9	4.4	
Income tax receivables	37.3	12.4	25.0	
Other financial assets	7.0	6.9	0.1	
Other current assets	25.3	27.1	(1.8)	
Subtotal	714.6	693.8	20.8	
Assets held for sale	-	118.6	(118.6)	
Non-current assets	2,364.7	2,534.4	(169.7)	
Property, plant and equipment	690.0	717.9	(27.9)	
Goodwill and intangible assets	1,428.5	1,538.7	(110.1)	
Investments accounted for using equity method	8.7	4.8	3.8	
Other financial assets	184.5	219.1	(34.6)	
Deferred tax assets	16.3	11.4	4.9	
Net defined benefit assets	19.3	26.1	(6.8)	
Other non-current assets	17.4	16.4	1.1	
Total assets	3,079.3	3,346.8	(267.5)	
Current liabilities	939.6	1,052.2	(112.6)	
Trade and other payables	416.8	433.6	(16.7)	
Bonds and borrowings	262.6	359.7	(97.1)	
Income tax payables	39.6	51.9	(12.2)	
Allowance	17.7	15.5	2.2	
Other financial liabilities	62.0	29.2	32.8	
Other current liabilities	140.8	144.4	(3.5)	
Subtotal	939.6	1,034.2	(94.6)	
Liabilities directly related to assets held for sale	-	18.0	(18.0)	
Non-current liabilities	990.1	1,141.9	(151.8)	
Bonds and borrowings	764.8	902.2	(137.4)	
Net defined benefit liabilities	25.5	25.5	0.0	
Deferred tax liabilities	137.3	156.8	(19.5)	
Other financial liabilities	59.8	53.0	6.8	
Other non-current liabilities	2.7	4.4	(1.7)	
Total liabilities	1,929.7	2,194.1	(264.4)	
Issued capital	182.5	182.5	-	
Share premium	119.1	119.1	0.1	
Retained earnings	821.1	713.1	108.0	
Treasury shares	(77.0)	(76.7)	(0.3)	
Other components of equity	100.6	210.6	(110.0)	
Other componentsof equity related to disposal group held for sale	-	(3.4)	3.4	
Non-controlling interests	3.2	7.6	(4.4)	
Total equity	1,149.6	1,152.7	(3.1)	
Total liabilities and equity	3,079.3	3,346.8	(267.5)	

FY2018 Consolidated Statement of Cash Flows

(Billions of yen)

	FY2018	FY2017	Inc./Dec.
Cash flows from (used in) operating activities	252.4	231.7	20.7
(Profit before tax)	207.3	197.0	10.3
(Depreciation) *1	75.1	69.8	5.2
(Amortization of acquisition-related intangible assets)	22.0	19.2	2.8
(Income tax paid)	(103.1)	(78.2)	(24.8)
Cash flows from (used in) investing activities	22.5	(885.8)	908.3
(Proceeds from sales of business investment)	102.6	84.3	18.3
(Acquisition of stock of subsidiaries)	-	(891.6)	891.6
(Capital expenditure) *1	(78.2)	(89.6)	11.3
Cash flows from (used in) financing activities	(270.6)	661.9	(932.4)
(Increase (decrease) of financial obligation) *2	(234.5)	691.6	(926.1)
(Acquisition of treasury shares) *3	-	-	-
(Dividends paid)	(41.2)	(26.6)	(14.7)
Translation difference	(4.4)	2.1	(6.5)
Increase (decrease) of cash relating to the change of scope of consolidation	(0.0)	9.9	(9.9)
Increase (decrease) of cash and cash equivalents	(0.7)	-	(0.7)
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

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Corporate adjustment (IFRS adjustment)	Total
Revenue	919.4	368.8	116.0	713.3	109.5	(106.6)	-	-	2,120.3
Core operating profit	117.1	38.1	12.2	99.6	2.4	(19.0)	(22.0)	(7.0)	221.4
Depreciation *1	21.0	10.3	3.5	34.6	0.5	3.3	-	1.9	75.1
Amortisation of acquisition-related intangible assets	0.2	1.6	-	20.0	0.2	-	-	-	22.0
EBITDA *2	138.1	48.4	15.7	134.2	2.8	-	-	-	318.5
Capital expenditure *1	23.1	12.0	3.1	36.9	0.6	2.4	-	-	78.2

*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)

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	(39.0)	(5.8)	2.2	76.3	3.3	(1.6)	-	-	35.4
Core operating profit	(3.4)	(0.2)	0.6	32.5	0.4	1.3	(2.8)	(3.3)	25.0
Depreciation *1	(2.7)	(0.7)	0.1	7.0	0.0	0.4	-	1.1	5.2
Amortisation of acquisition-related intangible assets	-	(0.0)	-	2.9	-	-	-	-	2.8
EBITDA *2	(6.1)	(0.9)	0.7	39.5	0.4	-	-	-	33.1
Capital expenditure *1	(0.2)	(11.0)	(1.6)	1.0	0.1	0.4	-	-	(11.3)

Reference

◆ Overseas Business excluding the impact of foreign exchange

(Billions of yen)

	FY2018	FY2017	Inc./Dec.	YoY	Remarks
Europe business	457.0	373.6	83.4	22.3%	
Oceania business	182.0	173.2	8.8	5.1%	
Southeast Asia business	44.3	55.4	(11.2)	(20.1%)	
China business *1	9.7	16.4	(6.7)	(41.0%)	
Other/elimination in segment *2	17.3	18.4	(1.0)	(5.7%)	
Corporate adjustment (IFRS adjustment)	-	-	-	-	
Revenue	710.2	637.0	73.3	11.5%	
Europe business	79.7	51.1	28.6	56.1%	
Oceania business	15.4	14.0	1.4	9.9%	
Southeast Asia business	2.1	0.8	1.3	159.5%	
China business *1	0.5	0.9	(0.5)	(50.7%)	
Other/elimination in segment *2	1.0	0.2	0.7	353.7%	
Core operating profit	98.6	67.0	31.6	47.1%	

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

*1 As for the results of Yantai Beer Tsingtao Asahi Co., Ltd., the figures in 2018 include only 3 months results (January - March) due to the change of scope of consolidation along with the sale of shares of Tsingtao Brewery.

*2 We reconstructed the business category on January 1, 2018. We reflect the impact related to the issues described as below to the figures in 2017. Lotte Asahi and Asahi Beer U.S.A, both of which were previously in Other/elimination in segment in Alcohol Beverages Business were transferred to Other/elimination in segment in Overseas Business.

◆ Exchange Rate

(Yen)

	FY2018 (Average)	FY2017 (Average)
US dollar	110.4	112.2
Euro (Western Europe)	130.4	126.7
Euro (Central Europe)	130.4	128.6
Australian dollar	82.6	86.0
Ringgit Malaysia	27.4	26.1
Indonesian Rupiah	0.0078	0.0084
Chinese Yuan	16.7	16.6

* From January, 2017

* From April, 2017

FY2019 Consolidated Financial Results Forecast Highlight

(Billions of yen)

Summary of Statement of Profit or Loss	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Revenue	2,153.0	2,120.3	32.7	1.5%	
Domestic Business	1,063.9	1,040.1	23.8	2.3%	
Overseas Business	587.4	586.4	1.0	0.2%	
Revenue excluding liquor tax	1,651.3	1,626.5	24.8	1.5%	
Core operating profit *1	230.0	221.4	8.6	3.9%	
Operating profit	217.0	211.8	5.2	2.5%	
EBITDA *2	325.0	318.5	6.6	2.1%	
Profit before tax	214.0	207.3	6.7	3.2%	
Profit	152.0	150.9	1.1	0.7%	
Profit attributable to owners of parent	152.0	151.1	0.9	0.6%	
Adjusted Profit attributable to owners of parent *3	152.0	150.7	1.3	0.9%	

*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	FY2019 forecast	FY2018	Inc./Dec.
Alcohol Beverages Business (including liquor tax)	12.1%	12.0%	0.1%
(excluding liquor tax)	20.2%	20.2%	0.0%
Soft Drinks Business	10.5%	10.0%	0.5%
Food Business	10.8%	10.7%	0.1%
Overseas Business (including liquor tax)	14.9%	14.2%	0.7%
(excluding liquor tax)	18.0%	17.2%	0.8%
Core operating profit margin (including liquor tax)	10.7%	10.4%	0.3%
(excluding liquor tax)	13.9%	13.6%	0.3%
EBITDA margin (including liquor tax)	15.1%	15.0%	0.1%
(excluding liquor tax)	19.7%	19.6%	0.1%
EPS (yen)	331.8	329.8	2.0
Adjusted EPS (yen) *4	331.8	329.0	2.9
ROE	12.8%	13.2%	(0.4%)
Adjusted ROE *5	13.9%	15.2%	(1.3%)
Debt Equity Ratio	0.70	0.85	(0.15)
Net Debt EBITDA Ratio	2.65	3.05	(0.40)
Dividend payout ratio	31.9%	30.0%	1.9%
Adjusted Dividend payout ratio *6	31.9%	30.1%	1.8%

*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

FY2019 Consolidated Financial Results Forecast

(Billions of yen)

Summary of Statement of Profit or Loss	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business *1	941.0	913.4	27.6	3.0%	Details are on supplement 12
Soft Drinks Business *2	379.6	370.8	8.8	2.4%	
Food Business	118.0	116.0	2.0	1.7%	
Overseas Business *1, 2	711.1	710.4	0.7	0.1%	
Other Business	115.2	109.1	6.1	5.6%	
Adjustmenet (corporate and elimination)	(111.8)	(99.4)	(12.5)	-	
Revenue	2,153.0	2,120.3	32.7	1.5%	
Alcohol Beverages Business *1	113.9	109.5	4.4	4.0%	Details are on supplement 12
Soft Drinks Business *2	39.9	37.3	2.7	7.2%	
Food Business	12.7	12.4	0.3	2.7%	
Overseas Business *1, 2	105.8	100.6	5.2	5.2%	
Other Business	2.0	2.5	(0.5)	(19.5%)	
Adjustmenet (corporate and elimination)	(23.3)	(18.8)	(4.5)	-	
Amortization of acquisition-related intangible assets	(21.0)	(22.0)	1.0	-	Details are on supplement 13
Core operating profit	230.0	221.4	8.6	3.9%	
Adjustment item	(13.0)	(9.6)	(3.4)	-	
Loss (gain) on sales and retirement of non current assets	(5.0)	(4.1)	(0.8)	-	
Gain (loss) on revaluation of subsidiaries and affiliates	-	1.4	(1.4)	-	
Business integration expenses	-	(3.0)	3.0	-	
Impairment loss	-	(0.3)	0.3	-	
Others	(8.0)	(3.6)	(4.4)	-	
Operating profit	217.0	211.8	5.2	2.5%	
Finance income or loss	(3.0)	(3.6)	0.6	-	
Share of profit (loss) of entities accounted for using equity method	0.7	0.9	(0.2)	(18.9%)	
Loss (gain) on sales of investments accounted for using equity method	-	(0.9)	0.9	-	
Others	(0.7)	(0.8)	0.1	-	
Profit before tax	214.0	207.3	6.7	3.2%	
Income tax expense	(62.0)	(56.4)	(5.6)	-	
Profit	152.0	150.9	1.1	0.7%	
Profit attributable to owners of parent	152.0	151.1	0.9	0.6%	
Profit attributable to non-controlling interests	-	(0.1)	0.1	-	

* We change the accounting method to disclose the figures allocating the summarized corporate adjustment (IFRS adjustment) in core operating profit pevisously to each individual Business's core operating profit.

In response to this change, the figures in 2018 and 2019 forecast in each Business include the impacts of IFRS adjustment.

* We reconstructed the business segment on January 1, 2019. We reflects the impact related to the issues described as below *1, 2 to the figures in 2018 and 2019 forecast.

*1 We changed the export structure and transferred the export beer sales in Asahi Breweries in Alcohol Beverages Business previously to Other/elimination in Overseas Business.

*2 We transferred Taiwan Calpis which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks in Soft Drinks Business.

Summary of Statement of Financial Position	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Total assets	3,082.0	3,079.3	2.7	0.1%	
Total equity	1,239.0	1,149.6	89.4	7.8%	
Total equity attributable to owners of parent	1,236.0	1,146.4	89.6	7.8%	
Interest-bearing debt	910.0	1,027.4	(117.4)	(11.4%)	

Others	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Capital expenditures	93.0	78.2	14.8	18.9%	
Depreciation	74.0	75.1	(1.1)	(1.4%)	

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

FY2019 Financial Results (Individual) Forecast

<Revenue>

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Asahi Breweries *1	916.0	889.3	26.6	3.0%	
Other/elimination in segment	25.0	24.0	1.0	4.1%	
Alcohol Beverages Business	941.0	913.4	27.6	3.0%	
Asahi Soft Drinks *2	379.6	370.8	8.8	2.4%	
Other/elimination in segment	-	-	-	-	
Soft Drinks Business	379.6	370.8	8.8	2.4%	
Asahi Group Foods	118.0	116.0	2.0	1.7%	
Other/elimination in segment	-	(0.0)	0.0	-	
Food Business	118.0	116.0	2.0	1.7%	
Europe business (Details P13)	464.5	465.5	(1.0)	(0.2%)	
Oceania business	176.4	174.7	1.7	1.0%	
Southeast Asia business	44.7	45.9	(1.3)	(2.8%)	
China business *3	5.4	9.8	(4.3)	(44.4%)	
Other/elimination in segment *1, 2	20.1	14.5	5.6	38.9%	
Overseas Business	711.1	710.4	0.7	0.1%	
Other Business	115.2	109.1	6.1	5.6%	
Adjustment (corporate and elimination)	(111.8)	(99.4)	(12.5)	-	
Total	2,153.0	2,120.3	32.7	1.5%	

<Core operating profit>

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Asahi Breweries *1	112.8	108.7	4.2	3.8%	
Other/elimination in segment	1.1	0.9	0.2	24.2%	
Alcohol Beverages Business	113.9	109.5	4.4	4.0%	
Asahi Soft Drinks *2	39.9	37.3	2.7	7.2%	
Other/elimination in segment	-	-	-	-	
Soft Drinks Business	39.9	37.3	2.7	7.2%	
Asahi Group Foods	12.3	12.0	0.3	2.7%	
Other/elimination in segment	0.4	0.4	0.0	2.3%	
Food Business	12.7	12.4	0.3	2.7%	
Europe business (Details P13)	84.5	81.1	3.4	4.2%	
Oceania business	15.3	14.8	0.5	3.5%	
Southeast Asia business	2.8	2.2	0.6	25.0%	
China business *3	(0.7)	0.5	(1.2)	-	
Other/elimination in segment *1, 2	3.9	2.0	1.9	96.1%	
Overseas Business	105.8	100.6	5.2	5.2%	
Other Business	2.0	2.5	(0.5)	(19.5%)	
Adjustment (corporate and elimination) *4	(23.3)	(18.8)	(4.5)	-	including group management expenses of Asahi Group Holdings
Amortization of acquisition-related intangible assets	(21.0)	(22.0)	1.0	-	
Total	230.0	221.4	8.6	3.9%	

* We change the accounting method to disclose the figures allocating the summarized corporate adjustment (IFRS adjustment) in core operating profit previously to each individual Business's core operating profit.

In response to this change, the figures in 2018 and 2019 forecast in each Business include the impacts of IFRS adjustment.

* We reconstructed the business segment on January 1, 2019. We reflects the impact related to the issues described as below *1, 2 to the figures in 2018 and 2019 forecast.

*1 We changed the export structure and transferred the export beer sales in Asahi Breweries in Alcohol Beverages Business previously to Other/elimination in Overseas Business.

*2 We transferred Taiwan Calpis which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks in Soft Drinks Business.

*3 As for the results of Yantai Beer Tsingtao Asahi Co., Ltd., the figures in 2018 include only 3 months results (January - March) due to the change of scope of consolidation along with the sale of shares of Tsingtao Brewery.

*4 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)

	FY2019 forecast	FY2018	Inc./Dec.	Remarks
Alcohol Beverages Business	(0.2)	(0.2)	-	
Soft Drinks Business	(1.6)	(1.6)	-	
Food Business	-	-	-	
Europe business	(17.0)	(17.7)	0.7	
Oceania business	(2.0)	(2.3)	0.3	
Southeast Asia business	0.0	-	-	
Overseas Business	(19.0)	(20.0)	1.0	
Other Business	(0.2)	(0.2)	-	
Total	(21.0)	(22.0)	1.0	

◆Details of Europe business

< Revenue (including liquor tax) >

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Western Europe business	154.4	149.5	4.9	3.3%	
Central Europe business (from April, 2017)	310.1	316.1	(6.0)	(1.9%)	
Europe business	464.5	465.5	(1.0)	(0.2%)	

< Core Operating Profit >

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Gross Core Operating Profit	24.0	22.5	1.5	6.6%	
Once off Cost	-	(0.2)	0.2	-	
Western Europe business	24.0	22.3	1.7	7.5%	
Gross Core Operating Profit	60.6	59.9	0.6	1.0%	
Once off Cost	(0.0)	(1.1)	1.1	-	
Central Europe business	60.5	58.8	1.7	2.9%	
Europe business	84.5	81.1	3.4	4.2%	

Western Europe business	(4.4)	(4.5)	0.2	-	
Central Europe business	(12.6)	(13.2)	0.6	-	
Details of amortization of acquisition-related intangible assets	(17.0)	(17.7)	0.7	-	

FY2019 Breakdown of Increase/Decrease in Revenue and Profit Forecast
< Asahi Breweries Sales Volume >

(Millions of cases)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Beer	94.80	93.51	1.29	1.4%	
Happoshu	13.60	13.89	(0.29)	(2.1%)	
New Genre	42.10	39.75	2.35	5.9%	
Beer-type beverages total	150.50	147.16	3.34	2.3%	

< Revenue >

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Asahi Breweries Revenue *1	916.0	889.3	26.6	3.0%	
Other/elimination in segment	25.0	24.0	1.0	4.1%	
Revenue total	941.0	913.4	27.6	3.0%	

< Reference: Revenue by Category (before rebate deduction) >

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Beer *1	524.3	513.8	10.5	2.1%	
Happoshu	51.7	52.9	(1.2)	(2.3%)	
New Genre	139.6	131.8	7.8	6.0%	
Beer-type beverages total	715.7	698.5	17.2	2.5%	
Whiskey and spirits	59.3	57.8	1.4	2.5%	
RTD low-alcohol beverages	50.0	44.4	5.6	12.6%	
Wine	43.5	42.2	1.3	3.1%	
Shochu	27.3	27.4	(0.0)	(0.2%)	
Non-alcohol beverages	34.1	33.2	0.9	2.7%	Including beer-taste non alcohol beverages

< Core operating profit >

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Change in sales, category and container mix *2	-	-	11.2		Beer-type sales volume change +6.7, Other alcohol beverages sales change +4.2, Category and container mix and others
Cost reduction in manufacturing	-	-	2.2		Raw materials 0.3, Other alcohol beverages total 1.4, etc.
Cost increase in manufacturing	-	-	(1.4)		Raw materials -0.5, Utilities -0.4, etc.
Advertisement and Sales promotion expenses *3	-	-	(0.5)		Advertisement -1.9, Promotion expense 1.3 (Beer-type ±0, Other -0.5)
Other expenses	-	-	(7.4)		
Change in personal expenses	-	-	(1.2)		
Change in depreciation	-	-	(0.5)		
Change in selling equipment expenses	-	-	(1.0)		
Change in other materials	-	-	(4.6)		
Asahi Breweries Core operating profit *1	112.8	108.7	4.2	3.8%	
Other/elimination in segment	1.1	0.9	0.2	24.2%	
Core operating profit total	113.9	109.5	4.4	4.0%	

*1 We reconstructed the business segment on January 1, 2019. We reflects the impact related to the issue described as below to the figures in 2018 and 2019 forecast.

We changed the export structure and transferred the export beer sales in Asahi Breweries in Alcohol Beverages Business previously to Other/elimination in Overseas Business.

*2 The figures include the impact of change of sales rebate

*3 The figures exclude the impact of change of sales rebate (2019 forecast: advertisement 30.3, promotion expense 34.9)

FY2019 Breakdown of Increase/Decrease in Revenue and Profit Forecast
< Asahi Soft Drinks Sales Volume >

(Millions of cases)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Carbonated drinks	70.58	67.26	3.32	4.9%	
Lactic acid drinks	51.97	49.53	2.44	4.9%	
Coffee	42.34	42.11	0.22	0.5%	
Tea	40.98	41.29	(0.31)	(0.7%)	
Mineral water	23.00	23.96	(0.96)	(4.0%)	
Fruit juice	19.42	21.20	(1.78)	(8.4%)	
Other drinks	20.91	20.77	0.14	0.7%	
Asahi Soft Drinks total	269.20	266.13	3.07	1.2%	

< Revenue >

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Asahi Soft Drinks Revenue *1	379.6	370.8	8.8	2.4%	
Other/elimination in segment	-	-	-	-	
Revenue total	379.6	370.8	8.8	2.4%	

< Core operating profit >

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Change in sales, category and container mix *2	-	-	3.3		Sales volume change 2.6, Category and container mix change 0.7
Cost reduction in manufacturing	-	-	2.1		Raw materials 0.8, Package 0.6, operational efficiency·In-house production 0.7
Cost increase in manufacturing	-	-	(2.6)		Raw materials -0.2, Package -2.4
Advertisement and Sales promotion expenses	-	-	1.3		Advertisement 0.5, Promotion expense 0.8
Other expenses	-	-	(1.4)		Depreciation, etc.
Asahi Soft Drinks Core operating profit *1	39.9	37.3	2.7	7.2%	Including Calpis dairy business, etc.
Other/elimination in segment	-	-	-	-	
Core operating profit total	39.9	37.3	2.7	7.2%	

*1 We reconstructed the business segment on January 1, 2019. We reflects the impact related to the issue described as below to the figures in 2018 and 2019 forecast.

We transferred Taiwan Calpis which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks in Soft Drinks Business.

*2 The figure includes the impact of price revision.

FY2019 Consolidated Statement of Cash Flows Forecast

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.
Cash flows from (used in) operating activities	279.0	252.4	26.6
(Profit before tax)	214.2	207.3	6.9
(Depreciation) *1	74.0	75.1	(1.1)
(Amortization of acquisition-related intangible assets)	21.0	22.0	(1.0)
(Income tax paid)	(60.0)	(103.1)	43.1
Cash flows from (used in) investing activities	(103.0)	22.5	(125.6)
(Proceeds from sales of business investment)	-	102.6	(102.6)
(Capital expenditure) *1	(93.0)	(78.2)	(14.8)
Cash flows from (used in) financing activities	(183.0)	(270.6)	87.6
(Increase (decrease) of financial obligation) *2	(117.4)	(234.5)	117.1
(Acquisition of treasury shares) *3	-	-	-
(Dividends paid)	(48.6)	(41.2)	(7.3)
Translation difference	(0.3)	(4.4)	4.1
Increase (decrease) of cash relating to the change of scope of consolidation	(7.3)	(0.0)	(7.3)
Increase (decrease) of cash and cash equivalents	-	(0.7)	0.7
Cash and cash equivalents contained in assets held for sale	-	-	-

*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

FY2019 forecast

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Total
Revenue	941.0	379.6	118.0	711.1	115.2	(111.8)	-	2,153.0
Core operating profit	113.9	39.9	12.7	105.8	2.0	(23.3)	(21.0)	230.0
Depreciation *1	22.1	11.2	3.7	31.5	0.7	4.8	-	74.0
Amortisation of acquisition-related intangible assets	0.2	1.6	-	19.0	0.2	-	-	21.0
EBITDA *2	136.0	51.1	16.4	137.3	2.7	-	-	325.0
Capital expenditure *1	22.5	17.8	6.5	39.3	0.9	6.0	-	93.0

*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

FY2018

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Total
Revenue	913.4	370.8	116.0	710.4	109.1	(99.4)	-	2,120.3
Core operating profit	109.5	37.3	12.4	100.6	2.5	(18.8)	(22.0)	221.4
Depreciation *1	22.2	10.8	3.5	34.6	0.5	3.5	-	75.1
Amortisation of acquisition-related intangible assets	0.2	1.6	-	20.0	0.2	-	-	22.0
EBITDA *2	131.8	48.1	15.9	135.2	2.9	-	-	318.5
Capital expenditure *1	23.1	12.0	3.1	36.9	0.6	2.4	-	78.2

Increase / Decrease

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/elimination)	Amortization of intangible assets	Total
Revenue	27.6	8.8	2.0	0.7	6.1	(12.5)	-	32.7
Core operating profit	4.4	2.7	0.3	5.2	(0.5)	(4.5)	1.0	8.6
Depreciation *1	(0.1)	0.4	0.2	(3.1)	0.2	1.3	-	(1.1)
Amortisation of acquisition-related intangible assets	-	-	-	(1.0)	-	-	-	(1.0)
EBITDA *2	4.2	3.1	0.5	2.1	(0.2)	-	-	6.6
Capital expenditure *1	(0.6)	5.8	3.3	2.4	0.3	3.6	-	14.8

* We change the accounting method to disclose the figures allocating the summarized corporate adjustment (IFRS adjustment) in core operating profit previously to each individual Business's core operating profit.

In response to this change, the figures in 2018 and 2019 forecast in each Business include the impacts of IFRS adjustment.

* We reconstructed the business segment on January 1, 2019. We reflects the impact related to the issues described as below to the figures in 2018 and 2019 forecast.

We changed the export structure and transferred the export beer sales in Asahi Breweries in Alcohol Beverages Business previously to Other/elimination in Overseas Business.

We transferred Taiwan Calpis which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks in Soft Drinks Business.

Reference

◆ Overseas Business excluding the impact of foreign exchange

(Billions of yen)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Europe business	480.5	465.5	15.0	3.2%	
Oceania business	186.7	174.7	12.0	6.9%	
Southeast Asia business	45.5	45.9	(0.5)	(1.1%)	
China business *1	5.6	9.8	(4.2)	(42.6%)	
Other/elimination in segment *2, 3	20.4	14.5	6.0	41.4%	
Revenue total	738.7	710.4	28.3	4.0%	
Europe business	87.4	81.1	6.3	7.8%	
Oceania business	16.2	14.8	1.4	9.5%	
Southeast Asia business	2.9	2.2	0.6	27.1%	
China business *1	(0.7)	0.5	(1.2)	-	
Other/elimination in segment *2, 3	3.9	2.0	1.9	97.8%	
Core operating profit	109.7	100.6	9.1	9.0%	

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

*1 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.

* We reconstructed the business segment on January 1, 2019. We reflect the impact related to the issues described as below *2, 3 to the figures in 2018 and 2019 forecast.

*2 We changed the export structure and transferred the export beer sales in Asahi Breweries in Alcohol Beverages Business previously to Other/elimination in Overseas Business.

*3 We transferred Taiwan Calpis which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks in Soft Drinks Business.

◆ Exchange Rate

(Yen)

	FY2019 (Forecast)	FY2018 (Average)
US dollar	111.0	110.4
Euro	126.0	130.4
Australian dollar	78.0	82.6
Ringgit Malaysia	27.0	27.4
Chinese Yuan	16.2	16.7

FY2019 H1 Forecast

< Asahi Breweries Sales Volume >

(Millions of cases)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Beer	42.30	41.53	0.77	1.9%	
Happoshu	6.40	6.67	(0.27)	(4.1%)	
New Genre	21.10	19.16	1.94	10.1%	
Beer-type beverages total	69.80	67.36	2.44	3.6%	

< Asahi Soft Drinks Sales Volume >

(Millions of cases)

	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Carbonated drinks	33.48	31.67	1.80	5.7%	
Lactic acid drinks	24.64	23.14	1.50	6.5%	
Coffee	21.33	21.13	0.20	0.9%	
Tea	18.80	18.52	0.28	1.5%	
Mineral water	10.74	11.28	(0.54)	(4.8%)	
Fruit juice	9.20	9.77	(0.57)	(5.8%)	
Other drinks	9.39	9.46	(0.07)	(0.8%)	
Asahi Soft Drinks total	127.57	124.97	2.60	2.1%	

◆ Forecast for H1 2019

(Billions of yen)

Summary of Statements of Income	FY2019 forecast	FY2018	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business *1	435.1	418.1	17.0	4.1%	
Soft Drinks Business *2	178.7	175.4	3.3	1.9%	
Food Business	57.7	56.4	1.3	2.3%	
Overseas Business *1, 2	334.7	350.2	(15.5)	(4.4%)	
Other Business	54.3	52.7	1.6	3.0%	
Adjustmenet (corporate and elimination)	(50.5)	(47.8)	(2.7)	-	
Revenue	1,010.0	1,005.1	4.9	0.5%	
Alcohol Beverages Business *1	45.8	43.2	2.6	6.1%	
Soft Drinks Business *2	16.6	16.6	0.0	0.1%	
Food Business	6.5	6.4	0.1	2.1%	
Overseas Business *1, 2	42.5	42.1	0.4	0.9%	
Other Business	(0.5)	0.4	(0.9)	-	
Adjustmenet (corporate and elimination)	(11.2)	(9.2)	(1.9)	-	
Amortization of intangible assets relating to the acquisition	(10.5)	(11.2)	0.7	-	
Core operating profit	89.2	88.2	1.0	1.1%	
Operating profit	86.3	87.9	(1.6)	(1.8%)	
Profit	60.4	60.2	0.2	0.3%	
Profit attributable to owners of parent	60.4	60.4	0.0	0.0%	

* We change the accounting method to disclose the figures allocating the summarized corporate adjustment (IFRS adjustment) in core operating profit previously to each individual Business's core operating profit.

In response to this change, the figures in 2018 and 2019 forecast in each Business include the impacts of IFRS adjustment.

* We reconstructed the business segment on January 1, 2019. We reflects the impact related to the issues described as below *1, 2 to the figures in 2018 and 2019 forecast.

*1 We changed the export structure and transferred the export beer sales in Asahi Breweries in Alcohol Beverages Business previously to Other/elimination in Overseas Business.

*2 We transferred Taiwan Calpis which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks in Soft Drinks Business.

Reference

<Medium-Term Management Policy Guideline>

◆Key Performance Indicator (KPI) Concept and Guidelines

	FY2017	Guidelines for next 3 years out
Revenue	JPY2,084.9 billion	• Stable growth from existing businesses – Business restructuring + New M&As
Core Operating Profit	JPY196.4 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 from 2019 onward
Cash Flow	• FCF : above JPY170.0 billion (annual average)
Investment for Growth Debt Reduction	• Prioritize M&As for expansion of foundations for growth and promote debt reduction for enhancing investment capacity (Net debt / EBITDA : below 2 times by the end of FY2021)
Shareholder Returns *	• Stable dividend increases with the aim of a dividend payout ratio of 35% (-2021) (aiming at dividend payout ratio of 40% in the future)

* 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