

2019 Q3 Consolidated Financial Results Highlight

◆ Business Performance Highlight

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
		2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY
Revenue	1,550.5	1,578.6	- 28.1	- 1.8%	2,087.0	2,120.3	- 33.3	- 1.6%
Domestic Business	769.0	769.5	- 0.6	- 0.1%	1,035.7	1,040.1	- 4.4	- 0.4%
Overseas Business	429.1	447.0	- 17.9	- 4.0%	574.4	586.4	- 12.0	- 2.0%
Revenue excluding liquor tax	1,198.0	1,216.5	- 18.5	- 1.5%	1,610.1	1,626.5	- 16.4	- 1.0%
Core operating profit ^{*1}	162.8	168.0	- 5.2	- 3.1%	212.0	221.4	- 9.4	- 4.2%
Operating profit	159.8	165.7	- 5.9	- 3.5%	202.0	211.8	- 9.8	- 4.6%
EBITDA ^{*2}	—	—	—	—	305.7	318.5	- 12.8	- 4.0%
Profit before tax	157.6	162.0	- 4.4	- 2.7%	198.6	207.3	- 8.7	- 4.2%
Profit for the period	112.9	116.6	- 3.7	- 3.2%	142.0	150.9	- 8.9	- 5.9%
Profit attributable to owners of parent	112.9	116.5	- 3.6	- 3.1%	142.0	151.1	- 9.1	- 6.0%
Adjusted profit attributable to owners of parent ^{*3}	—	—	—	—	142.0	150.7	- 8.7	- 5.8%

*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

◆ Performance excluding the impacts of foreign exchange (The figures in 2019 are converted by the previous year's local currency rate)

Revenue	1,586.4	1,578.6	7.8	0.5%	2,142.5	2,120.3	22.2	1.0%
Core operating profit	167.4	168.0	- 0.7	- 0.4%	218.7	221.4	- 2.6	- 1.2%

◆ Reference Index

	Q3 (9 months ended September 30)			Full year forecast (announced on November 5)		
		2018	Inc./Dec.		2018	Inc./Dec.
Alcohol Beverages Business (including liquor tax)	11.9%	11.8%	0.1%	11.9%	12.0%	- 0.1%
(excluding liquor tax)	19.7%	19.7%	0.0%	19.8%	20.2%	- 0.4%
Soft Drinks Business	9.0%	11.1%	- 2.1%	8.9%	10.0%	- 1.1%
Food Business	11.8%	11.2%	0.6%	10.8%	10.7%	0.1%
Overseas Business (including liquor tax)	15.3%	14.3%	1.0%	14.5%	14.2%	0.3%
(excluding liquor tax)	18.6%	17.3%	1.3%	17.6%	17.2%	0.4%
Core operating profit margin (including liquor tax)	10.5%	10.6%	- 0.1%	10.2%	10.4%	- 0.2%
(excluding liquor tax)	13.6%	13.8%	- 0.2%	13.2%	13.6%	- 0.4%
EBITDA margin (including liquor tax)	—	—	—	14.6%	15.0%	- 0.4%
(excluding liquor tax)	—	—	—	19.0%	19.6%	- 0.6%
EPS (yen)	246.4	254.3	- 7.9	310.0	329.8	- 19.8
Adjusted EPS (yen) ^{*4}	—	—	—	310.0	329.0	- 19.0
ROE	—	—	—	12.5%	13.2%	- 0.7%
Adjusted ROE ^{*5}	—	—	—	13.0%	15.2%	- 2.2%
Net Debt Equity Ratio	—	—	—	0.80	0.85	- 0.05
Net Debt EBITDA Ratio	—	—	—	2.94	3.05	- 0.11
Dividend payout ratio	—	—	—	32.3%	30.0%	2.3%
Adjusted dividend payout ratio ^{*6}	—	—	—	32.3%	30.1%	2.2%

*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

2019 Q3 Consolidated Financial Results

◆ Summary of Statement of Profit or Loss

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Alcohol Beverages Business ^{*1}	657.0	666.3	- 9.3	- 1.4%	886.6	913.4	- 26.8	- 2.9%
Soft Drinks Business ^{*2}	283.8	282.2	1.5	0.5%	377.0	370.8	6.2	1.7%
Food Business	85.6	83.9	1.7	2.1%	118.0	116.0	2.0	1.7%
Overseas Business ^{*1,2}	519.7	540.5	- 20.9	- 3.9%	696.5	710.4	- 14.0	- 2.0%
Other Business	81.2	81.2	0.1	0.1%	114.3	109.5	4.8	4.4%
Adjustment (corporate and elimination)	- 76.8	- 75.5	- 1.3	-	- 105.3	- 99.7	- 5.5	-
Revenue	1,550.5	1,578.6	- 28.1	- 1.8%	2,087.0	2,120.3	- 33.3	- 1.6%
Alcohol Beverages Business ^{*1}	78.0	78.4	- 0.3	- 0.4%	105.5	109.5	- 4.0	- 3.7%
Soft Drinks Business ^{*2}	25.7	31.4	- 5.8	- 18.3%	33.6	37.3	- 3.7	- 10.0%
Food Business	10.1	9.4	0.7	7.1%	12.7	12.4	0.3	2.7%
Overseas Business ^{*1,2}	79.7	77.4	2.3	2.9%	101.1	100.6	0.5	0.5%
Other Business	0.9	1.6	- 0.7	- 44.3%	2.1	2.5	- 0.4	- 17.6%
Adjustment (corporate and elimination)	- 16.1	- 13.5	- 2.5	-	- 22.2	- 18.9	- 3.4	-
Amortization of acquisition-related intangible assets	- 15.5	- 16.6	1.1	-	- 20.7	- 22.0	1.3	-
Core operating profit	162.8	168.0	- 5.2	- 3.1%	212.0	221.4	- 9.4	- 4.2%
Adjustment item	- 3.0	- 2.3	- 0.6	-	- 10.0	- 9.6	- 0.4	-
Loss (gain) on sales and retirement of non current assets	- 1.3	- 1.4	0.1	-	- 3.0	- 4.1	1.1	-
Gain (loss) on revaluation of subsidiaries and affiliates	-	1.4	- 1.4	-	-	1.4	- 1.4	-
Business integration expenses	- 1.2	- 1.5	0.3	-	- 1.2	- 3.0	1.8	-
Impairment loss	-	-	-	-	-	- 0.3	0.3	-
Others	- 0.5	- 0.9	0.4	-	- 5.8	- 3.6	- 2.2	-
Operating profit	159.8	165.7	- 5.9	- 3.5%	202.0	211.8	- 9.8	- 4.6%
Financing income or loss	- 2.5	- 2.3	- 0.2	-	- 4.1	- 3.6	- 0.5	-
Share of profit (loss) of entities accounted for using equity method	0.7	0.7	0.1	13.8%	0.7	0.9	- 0.2	- 18.1%
Loss (gain) on sales of investments accounted for using equity method	-	- 0.9	0.9	-	-	- 0.9	0.9	-
Others	- 0.5	- 1.1	0.6	-	-	- 0.8	0.8	-
Profit before tax	157.6	162.0	- 4.4	- 2.7%	198.6	207.3	- 8.7	- 4.2%
Income tax expense	- 44.7	- 45.4	0.7	-	- 56.6	- 56.4	- 0.2	-
Profit for the period	112.9	116.6	- 3.7	- 3.2%	142.0	150.9	- 8.9	- 5.9%
Profit attributable to owners of parent	112.9	116.5	- 3.6	- 3.1%	142.0	151.1	- 9.1	- 6.0%
Profit attributable to non-controlling interests	0.0	0.1	- 0.1	- 83.1%	-	- 0.1	0.1	-

* We change the disclosure method to allocate the results of IFRS adjustment into each individual Business's revenue and core operating profit.

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

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

*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

	Q3 (As of September 30)				Full year forecast (announced on November 5)			
	end of 2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Total Assets	2,935.0	3,079.3	- 144.3	- 4.7%	3,019.0	3,079.3	- 60.3	- 2.0%
Total Equity	1,103.9	1,149.6	- 45.8	- 4.0%	1,130.0	1,149.6	- 19.6	- 1.7%
Total equity attributable to owners of parent	1,101.1	1,146.4	- 45.3	- 4.0%	1,127.0	1,146.4	- 19.4	- 1.7%
Interest-bearing debt	970.4	1,027.4	- 57.0	- 5.5%	940.0	1,027.4	- 87.4	- 8.5%

◆ Others

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Capital expenditures	52.3	45.3	7.0	15.3%	93.0	78.2	14.8	18.9%
Depreciation	52.2	56.7	- 4.5	- 8.0%	73.0	75.1	- 2.1	- 2.7%

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

2019 Q3 Financial Results (Individual)

◆ Revenue

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Asahi Breweries ^{*1}	639.8	648.9	- 9.1	- 1.4%	862.9	889.3	- 26.5	- 3.0%
Other / elimination in segment	17.2	17.4	- 0.2	- 1.1%	23.7	24.0	- 0.3	- 1.3%
Alcohol Beverages Business	657.0	666.3	- 9.3	- 1.4%	886.6	913.4	- 26.8	- 2.9%
Asahi Soft Drinks ^{*2}	283.8	282.2	1.5	0.5%	377.0	370.8	6.2	1.7%
Other / elimination in segment	-	-	-	-	-	-	-	-
Soft Drinks Business	283.8	282.2	1.5	0.5%	377.0	370.8	6.2	1.7%
Asahi Group Foods	85.6	83.9	1.7	2.1%	118.0	116.0	2.0	1.7%
Other / elimination in segment	- 0.0	- 0.0	- 0.0	-	-	- 0.0	0.0	-
Food Business	85.6	83.9	1.7	2.1%	118.0	116.0	2.0	1.7%
Europe business ^{*3} (Details on P4)	360.3	365.7	- 5.5	- 1.5%	469.9	467.8	2.1	0.4%
Oceania business	114.0	120.3	- 6.3	- 5.2%	170.5	174.7	- 4.2	- 2.4%
Southeast Asia business	33.5	36.6	- 3.1	- 8.5%	42.5	45.9	- 3.4	- 7.4%
China business ^{*4}	4.3	8.4	- 4.1	- 48.5%	5.3	9.8	- 4.5	- 45.7%
Other / elimination in segment ^{*1, 2, 3}	7.7	9.6	- 1.9	- 20.0%	8.2	12.1	- 3.9	- 32.4%
Overseas Business	519.7	540.5	- 20.9	- 3.9%	696.5	710.4	- 14.0	- 2.0%
Other Business	81.2	81.2	0.1	0.1%	114.3	109.5	4.8	4.4%
Adjustment (corporate and elimination)	- 76.8	- 75.5	- 1.3	-	- 105.3	- 99.7	- 5.5	-
Total	1,550.5	1,578.6	- 28.1	- 1.8%	2,087.0	2,120.3	- 33.3	- 1.6%

◆ Core Operating Profit

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Asahi Breweries ^{*1}	77.9	78.1	- 0.2	- 0.2%	104.8	108.7	- 3.9	- 3.5%
Other / elimination in segment	0.1	0.3	- 0.1	- 51.9%	0.7	0.9	- 0.2	- 21.1%
Alcohol Beverages Business	78.0	78.4	- 0.3	- 0.4%	105.5	109.5	- 4.0	- 3.7%
Asahi Soft Drinks ^{*2}	25.7	31.4	- 5.8	- 18.3%	33.6	37.3	- 3.7	- 10.0%
Other / elimination in segment	-	-	-	-	-	-	-	-
Soft Drinks Business	25.7	31.4	- 5.8	- 18.3%	33.6	37.3	- 3.7	- 10.0%
Asahi Group Foods	9.8	9.2	0.6	6.6%	12.3	12.0	0.3	2.7%
Other / elimination in segment	0.3	0.2	0.1	27.6%	0.4	0.4	0.0	2.3%
Food Business	10.1	9.4	0.7	7.1%	12.7	12.4	0.3	2.7%
Europe business ^{*3} (Details on P4)	70.9	66.8	4.1	6.2%	83.6	81.3	2.3	2.8%
Oceania business	6.2	6.3	- 0.0	- 0.6%	15.3	14.8	0.5	3.1%
Southeast Asia business	1.8	1.6	0.1	8.7%	2.4	2.2	0.2	8.3%
China business ^{*4}	0.1	0.7	- 0.6	- 82.0%	- 0.6	0.5	- 1.1	-
Other / elimination in segment ^{*1, 2, 3}	0.6	2.0	- 1.4	- 68.1%	0.5	1.8	- 1.4	- 75.1%
Overseas Business	79.7	77.4	2.3	2.9%	101.1	100.6	0.5	0.5%
Other Business	0.9	1.6	- 0.7	- 44.3%	2.1	2.5	- 0.4	- 17.6%
Adjustment (corporate and elimination) ^{*5}	- 16.1	- 13.5	- 2.5	-	- 22.2	- 18.9	- 3.4	-
Amortization of acquisition-related intangible assets	- 15.5	- 16.6	1.1	-	- 20.7	- 22.0	1.3	-
Total	162.8	168.0	- 5.2	- 3.1%	212.0	221.4	- 9.4	- 4.2%

* We changed the disclosure method to allocate the results of IFRS adjustment into each individual Business's revenue and core operating profit.

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

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

*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.

* We reconstructed the business segment on April 1, 2019. We reflect the impacts related to the issues described as below *3 to the figures in 2018 and 2019 from the Q1 results.

*3 We transferred Asahi Beer U.S.A., Inc. which was previously in Other/elimination in Overseas Business to Europe business in Overseas Business.

*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.

Europe business, Overseas Business excl. forex impacts and Forex

◆Details of Europe business

< Revenue (including liquor tax) >

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Western Europe business ^{*1}	119.5	114.6	4.9	4.3%	166.9	151.8	15.1	10.0%
Central Europe business	240.7	251.2	- 10.4	- 4.1%	303.0	316.1	- 13.0	- 4.1%
Europe business	360.3	365.7	- 5.5	- 1.5%	469.9	467.8	2.1	0.4%

< Core Operating Profit >

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Gross Core Operating Profit ^{*1}	19.1	17.9	1.2	6.7%	24.4	22.6	1.8	7.8%
One off Cost	- 0.1	- 0.1	0.0	-	- 0.1	- 0.2	0.1	-
Western Europe business	19.0	17.8	1.2	6.7%	24.3	22.4	1.9	8.3%
Gross Core Operating Profit	52.0	49.9	2.1	4.1%	59.3	59.9	- 0.7	- 1.1%
One off Cost	- 0.0	- 0.9	0.9	-	- 0.0	- 1.1	1.1	-
Central Europe business	51.9	49.0	2.9	6.0%	59.3	58.8	0.4	0.7%
Europe business	70.9	66.8	4.1	6.2%	83.6	81.3	2.3	2.8%

◆Overseas Business performance excluding the impacts of foreign exchange

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Europe business ^{*1}	383.9	365.7	18.2	5.0%	505.0	467.8	37.1	7.9%
Oceania business	124.0	120.3	3.8	3.1%	187.7	174.7	12.9	7.4%
Southeast Asia business	34.9	36.6	- 1.6	- 4.5%	44.9	45.9	- 1.1	- 2.3%
China business ^{*2}	4.6	8.4	- 3.8	- 45.4%	5.6	9.8	- 4.2	- 42.6%
Other / elimination in segment ^{*1, 3, 4}	8.1	9.6	- 1.4	- 15.1%	8.9	12.1	- 3.3	- 27.1%
Revenue	555.6	540.5	15.0	2.8%	752.0	710.4	41.5	5.8%
Europe business ^{*1}	75.7	66.8	9.0	13.4%	90.0	81.3	8.8	10.8%
Oceania business	6.8	6.3	0.5	8.1%	16.8	14.8	2.0	13.5%
Southeast Asia business	1.9	1.6	0.2	13.7%	2.6	2.2	0.3	14.3%
China business ^{*2}	0.1	0.7	- 0.6	- 81.0%	- 0.7	0.5	- 1.1	-
Other / elimination in segment ^{*1, 3, 4}	0.6	2.0	- 1.4	- 68.3%	0.4	1.8	- 1.4	- 75.3%
Core operating profit	85.1	77.4	7.7	10.0%	109.2	100.6	8.6	8.6%

* The figures in 2019 are converted by the previous year's local currency rate

* We reconstructed the business segment on April 1, 2019. We reflect the impacts related to the issues described as below ^{*1} to the figures in 2018 and 2019 from the Q1 results.

^{*1} We transferred Asahi Beer U.S.A., Inc. which was previously in Other/elimination in Overseas Business to Europe business in Overseas Business.

^{*2} 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.

* We reconstructed the business segment on January 1, 2019. We reflect the impacts related to the issues described as below ^{*3, 4} to the figures in 2018 and 2019.

^{*3} 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.

^{*4} We transferred Taiwan Calpis which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks in Soft Drinks Business.

◆Exchange Rate

(Yen)

	2018 Q3 (Average)	2019 Q3 (Average)	2019 forecast (announced on November 5)
US dollar	109.6	109.1	108.0
Euro	130.9	122.6	121.0
Australian dollar	83.1	76.3	75.0
Malaysian Ringgit	27.5	26.4	26.0
Chinese Yuan	16.8	15.9	15.8

2019 Q3 Breakdown of Inc./Dec. in Revenue and Profit (Alcohol Beverages Business)
< Sales Volume >

(Millions of cases)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY	2018	Inc./Dec.	YoY		
Beer	-	-	- 4%	88.00	93.51	- 5.9%		
Happoshu	-	-	- 4%	13.00	13.89	- 6.4%		
New Genre	-	-	3%	40.50	39.75	1.9%		
Beer-type beverages total	-	-	- 2%	141.50	147.16	- 3.8%		

< Revenue >

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY	2018	Inc./Dec.	YoY		
Asahi Breweries Revenue ^{*1}	639.8	648.9	- 9.1	862.9	889.3	- 26.5		
Other / elimination in segment	17.2	17.4	- 0.2	23.7	24.0	- 0.3		
Revenue total	657.0	666.3	- 9.3	886.6	913.4	- 2.9%		

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

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY	2018	Inc./Dec.	YoY		
Beer ^{*1}	355.5	370.5	- 15.0	484.0	513.8	- 29.8		
Happoshu	37.5	39.2	- 1.7	49.4	52.9	- 3.5		
New Genre	101.3	98.3	3.1	134.3	131.8	2.5		
Beer-type beverages total	494.4	508.0	- 13.6	667.7	698.5	- 30.8		
Whiskey and spirits	45.0	41.6	3.4	60.5	57.8	2.6		
RTD low-alcohol beverages	34.2	33.0	1.3	45.6	44.4	1.2		
Wine	29.1	28.6	0.5	42.6	42.2	0.4		
Shochu	19.2	19.5	- 0.3	26.3	27.4	- 1.1		
Non-alcohol beverages	24.8	24.8	0.0	33.3	33.2	0.1		

< Core Operating Profit >

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY	2018	Inc./Dec.	YoY		
Change in sales, category and container mix ^{*2 (*1)}	-	-	- 2.6	-	-	- 6.6		
Cost reduction in manufacturing ^(*2)	-	-	1.4	-	-	1.9		
Cost increase in manufacturing ^(*3)	-	-	- 1.1	-	-	- 1.4		
Advertisement and Sales promotion expenses ^{*3 (*4)}	-	-	- 0.4	-	-	0.4		
Other expenses	-	-	2.6	-	-	1.8		
Change in personal expenses	-	-	- 0.1	-	-	0.1		
Change in depreciation	-	-	- 0.1	-	-	- 0.2		
Change in selling equipment expenses	-	-	- 0.1	-	-	- 0.3		
Change in other materials	-	-	2.9	-	-	2.3		
Asahi Breweries Core operating profit ^{*1}	77.9	78.1	- 0.2	104.8	108.7	- 3.9		
Other/elimination in segment	0.1	0.3	- 0.1	0.7	0.9	- 0.2		
Core operating profit total	78.0	78.4	- 0.3	105.5	109.5	- 3.7%		

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

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

<Q3 Details>

(*1) Beer-type sales volume change -3.6, Other alcohol beverages sales change 1.8, Category and container mix, and others

(*2) Raw materials 0.3, Mix improvement of other than beer-type 0.9, and others

(*3) Raw materials -0.4, Utilities -0.2, and others

(*4) Advertisement -0.3, Promotion expense -0.1 (Beer-type 0.0, others -0.4)

(reference: total expense) Advertisement 24.8, Promotion expense 24.3

<Full year Details>

(*1) Beer-type sales volume change -9.3, Other alcohol beverages sales change 1.4, Category and container mix, and others

(*2) Raw materials 0.3, Mix improvement of other than beer-type 1.1, and others

(*3) Raw materials -0.5, Utilities -0.2, and others

(*4) Advertisement -0.7, Promotion expense 1.2 (Beer-type -0.3, others 0.7)

(reference: total expense) Advertisement 29.2, Promotion expense 35.1

2019 Q3 Breakdown of Inc./Dec. in Revenue and Profit (Soft Drinks Business)

< Asahi Soft Drinks Sales Volume >

(Millions of cases)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Carbonated drinks	56.82	52.91	3.90	7.4%	72.15	67.26	4.90	7.3%
Lactic acid drinks	37.82	38.55	- 0.73	- 1.9%	49.30	49.53	- 0.23	- 0.5%
Coffee	29.56	30.54	- 0.99	- 3.2%	41.10	42.11	- 1.01	- 2.4%
Tea	30.52	31.24	- 0.72	- 2.3%	40.60	41.29	- 0.69	- 1.7%
Mineral water	15.18	18.87	- 3.68	- 19.5%	19.85	23.96	- 4.10	- 17.1%
Fruit juice	14.25	15.49	- 1.24	- 8.0%	20.20	21.20	- 1.01	- 4.7%
Other drinks	16.87	15.45	1.43	9.2%	23.10	20.77	2.32	11.2%
Asahi Soft Drinks total	201.02	203.05	- 2.03	- 1.0%	266.30	266.13	0.17	0.1%

< Revenue >

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Asahi Soft Drinks Revenue ^{*1}	283.8	282.2	1.5	0.5%	377.0	370.8	6.2	1.7%
Other / elimination in segment	-	-	-	-	-	-	-	-
Revenue total	283.8	282.2	1.5	0.5%	377.0	370.8	6.2	1.7%

< Core Operating Profit >

(Billions of yen)

	Q3 (9 months ended September 30)				Full year forecast (announced on November 5)			
	2018	Inc./Dec.	YoY		2018	Inc./Dec.	YoY	
Change in sales, category and container mix ^{(*)1}	-	-	- 1.9		-	-	0.2	
Cost reduction in manufacturing ^{(*)2}	-	-	1.2		-	-	1.8	
Cost increase in manufacturing ^{(*)3}	-	-	- 2.4		-	-	- 3.1	
Advertisement and Sales promotion expenses ^{(*)4}	-	-	- 1.2		-	-	- 0.6	
Other expenses ^{(*)5}	-	-	- 1.5		-	-	- 2.0	
Asahi Soft Drinks Core operating profit ^{*1}	25.7	31.4	- 5.8	- 18.3%	33.6	37.3	- 3.7	- 10.0%
Other/elimination in segment	-	-	-	-	-	-	-	-
Core operating profit total	25.7	31.4	- 5.8	- 18.3%	33.6	37.3	- 3.7	- 10.0%

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

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

<Q3 Details>

- (*1) Sales volume change -1.4, Category and container mix change, and others
- (*2) Raw materials 0.6, Package 0.3, Operational efficiency / In-house production 0.3
- (*3) Raw materials -0.2, Package -2.2
- (*4) Advertisement -0.3, Promotion expense -0.9
- (*5) Depreciation, and others

<Full year Details>

- (*1) Sales volume change 0.1, Category and container mix change, and others
- (*2) Raw materials 0.8, Package 0.6, Operational efficiency / In-house production 0.4
- (*3) Raw materials -0.2, Package -2.9
- (*4) Advertisement 0.2, Promotion expense -0.8
- (*5) Depreciation, and others

Details of amortization of acquisition-related intangible assets

◆Details of amortization of acquisition-related intangible assets

(Billions of yen)

	Q3 (9 months ended September 30)		
		2018	Inc./Dec.
Alcohol Beverages Business	- 0.2	- 0.2	-
Soft Drinks Business	- 1.2	- 1.2	-
Food Business	-	-	-
Western Europe business	- 3.2	- 3.4	0.2
Central Europe business	- 9.2	- 9.9	0.7
Europe business	- 12.4	- 13.4	0.9
Oceania business	- 1.5	- 1.8	0.2
Southeast Asia business	-	-	-
Overseas Business	- 14.0	- 15.1	1.1
Other Business	- 0.1	- 0.1	-
Total	- 15.5	- 16.6	1.1

	Full year forecast (announced on November 5)		
		2018	Inc./Dec.
	- 0.2	- 0.2	-
	- 1.6	- 1.6	-
	-	-	-
	- 4.6	- 4.5	- 0.0
	- 12.1	- 13.2	1.1
	- 16.7	- 17.7	1.0
	- 2.0	- 2.3	0.3
	-	-	-
	- 18.7	- 20.0	1.3
	- 0.2	- 0.2	-
	- 20.7	- 22.0	1.3