

Asahi Group Holdings, Ltd.



FY2019 Consolidated Financial Results (IFRS)

NOTE:

All information has been prepared in accordance with International Financial Reporting Standards (IFRS). Amounts shown in this accounting report and in the attached materials have been rounded down to omit fractions less than one million yen. This document is a partial English translation of the Japanese Financial Statement which was filed at Stock Exchanges in Japan on February 13, 2020. This translation was made for information only. The Company gives no warranty with respect to its correctness.

**Summary Report of Financial Results
(Fiscal 2019)**

February 13, 2020

Asahi Group Holdings, Ltd.

Code number: 2502
Shares Listed: First Section of each of Tokyo Stock Exchanges
Head Office: Tokyo
Contact: Takayuki Tanaka, General Manager, Public Relations Section
Tel: + 81 3 5608 5126 (<https://www.asahigroup-holdings.com/en/>)
US GAAP: Not applicable

1. Overview of performance (From January 1, 2019 to December 31, 2019)

(figures are rounded down to the million)

(1) Business performance

(percentage figures represent the change from the previous year)

	Revenue		Core Operating Profit		Operating Profit		Profit	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2019 ended December 31, 2019	2,089,048	(1.5)	212,971	(3.8)	201,436	(4.9)	141,290	(6.4)
Fiscal 2018 ended December 31, 2018	2,120,291	1.7	221,383	12.7	211,772	15.6	150,938	8.7

	Profit attributable to owners of parent		Total comprehensive income	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2019 ended December 31, 2019	142,207	(5.9)	149,721	249.9
Fiscal 2018 ended December 31, 2018	151,077	7.1	42,795	(86.7)

	Basic earnings per share	Diluted earnings per share	ROE	ROA	Operating Profit margin
	(yen)	(yen)	(%)	(%)	(%)
Fiscal 2019 ended December 31, 2019	310.44	310.42	11.9	6.3	9.6
Fiscal 2018 ended December 31, 2018	329.80	329.79	13.2	6.5	10.0

(Reference)

Share of profit (loss) of entities accounted for using equity method

Fiscal2019 872 Millions of yen

Fiscal2018 887 Millions of yen

Core Operating Profit margin

Fiscal2019 10.2 %

Fiscal2018 10.4 %

Profit before tax

Fiscal2019 197,391 Millions of yen / -4.8%

Fiscal2018 207,308 Millions of yen / +5.2%

*Core operating profit is the reference index for normalized business performance. Core operating profit = Revenue - (COGS + general administrative cost)

*Core operating profit is not the index defined in IFRS. We think this index is useful for financial statements users so that we disclose it spontaneously.

(2) Financial Condition

	Total assets	Total Equity	Equity attributable to owners of parent	Equity ratio attributable to owners of parent	BPS
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)	(%)
Fiscal 2019 ended December 31, 2019	3,140,788	1,248,279	1,246,314	39.7	2,720.76
Fiscal 2018 ended December 31, 2018	3,079,315	1,149,647	1,146,420	37.2	2,502.67

(3) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the end of the period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal 2019 ended December 31, 2019	253,469	(103,666)	(158,841)	48,489
Fiscal 2018 ended December 31, 2018	252,441	22,505	(270,564)	57,317

2. Dividends

	Cash dividend per share					Total dividends (annual)	Payout Ratio (Consolidated)	Dividends on equity attributable to owners of the company ratio (consolidated) (%)
	Q1	Q2	Q3	Year-end	Total annua			
	(yen)	(yen)	(yen)	(yen)	(yen)	(Millions of yen)	(%)	(%)
Fiscal 2018 ended December 31, 2018	-	45.00	-	54.00	99.00	45,353	30.0	4.0
Fiscal 2019 ended December 31, 2019	-	52.00	-	48.00	100.00	45,811	32.2	3.8
Fiscal 2020 ending December 31, 2020 (forecast)	-	53.00	-	53.00	106.00		34.0	

The Company reached an agreement with Anheuser-Busch InBev SA/NV on the beer and cider business (hereinafter, the "CUB") acquisition (hereinafter, the "CUB Acquisition Transaction"), owned by the Anheuser-Busch InBev SA/NV in Australia and concluded a sale and purchase agreement on July 19, 2019. However, the CUB Acquisition Transaction is premised on the fulfillment of the conditions precedent to execute the transaction, including the approval of the relevant Australian government organizations such as the Australian Competition and Consumer Commission. As such, at the time of the writing of this Report, the execution of the closing of the CUB Acquisition Transaction is planned for the first quarter of FY2020. Furthermore, related to the acquisition of the CUB, although the Company evaluates a financing plan including financing, above dividend forecast for next year do not consider the effects of the acquisition of the CUB or financing thereof. After the closing of the CUB Acquisition Transaction is executed, the Company plans to consider these effects and revise dividend forecast.

3. Forecast for Fiscal 2020 (January 1, 2020 to December 31, 2020)

	Revenue		Core Operating Profit		Operating Profit		Profit	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2020 ending June 30, 2020	994,000	1.0	87,000	(2.9)	83,700	(5.4)	59,000	(4.3)
Fiscal 2020 ending December 31, 2020	2,135,000	2.2	218,500	2.6	203,500	1.0	142,000	0.5

	Profit attributable to owners of parent		Basic earnings per share (yen)
	(Millions of yen)	(%)	
Fiscal 2020 ending June 30, 2020	59,000	(4.3)	130.11
Fiscal 2020 ending December 31, 2020	142,000	0.5	312.17

(Note) Profit before tax at the end of FY2020 (forecast): 200,000 million yen (1.3%)

<Constant Currency Basis>

	Revenue		Core Operating Profit	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2019 ending December 31, 2019 *1	2,138,277	0.8	219,060	(1.0)
Fiscal 2020 ending December 31, 2020 (forecast) *2	2,149,730	2.9	220,411	3.3

*1 The figures in FY2019 are converted by the previous year's local currency rates.

*2 The figures in FY2020 are converted by the previous year's local currency rates.

Notes

(1) Changes in status of material subsidiaries during the period (changes in specified subsidiaries due to changes in the scope of consolidation): No

New: - company (-), Excluded: - company (-)

(2) Changes in accounting policies, or changes in accounting estimates

(1) Changes in accounting policies required by IFRS: Yes (Refer to P.10 (5) Notes to the Condensed Consolidated Financial Statement)

(2) Changes in accounting policies other than item (1) above: No

(3) Changes in accounting estimates: No

(3) Number of shares (common stock):

(1) Issued share at period-end (including treasury shares):

Year ended December 31, 2019 483,585,862 shares

Year ended December 31, 2018 483,585,862 shares

(2) Treasury shares at period-end:

Year ended December 31, 2019 25,509,372 shares

Year ended December 31, 2018 25,506,181 shares

(3) Average number of outstanding shares during the period:

Year ended December 31, 2019 458,078,035 shares

Year ended December 31, 2018 458,088,184 shares

(Note) The treasury shares which are excluded from calculations of the number of treasury shares at the end of the fiscal period and the average number of shares during the period under review include the Company's shares held by Japan Trustee Services Bank, Ltd. as trust property of the performance-lined stock compensation system for the Directors.

(Reference)

1. Non-consolidated Financial Results for Fiscal 2019 (From January 1, 2019 to December 31, 2019)

(1) Business performance

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2019 ended December 31, 2019	200,895	(17.7)	166,294	(22.3)	162,562	(23.0)	159,957	(30.5)
Fiscal 2018 ended December 31, 2018	244,201	79.0	213,897	104.3	211,037	110.1	230,230	249.0

	Net income per share (Primary)		Net income per share (Diluted)	
	(yen)		(yen)	
Fiscal 2019 ended December 31, 2019	349.19		349.17	
Fiscal 2018 ended December 31, 2018	502.59		502.57	

(2) Financial Condition

	Total assets		Net assets		Equity ratio		Net assets per share	
	(Millions of yen)		(Millions of yen)		(%)		(yen)	
Fiscal 2019 ended December 31, 2019	1,901,105		896,646		47.2		1,957.42	
Fiscal 2018 ended December 31, 2018	1,894,557		753,180		39.8		1,644.21	

(Reference)

Equity Fiscal2019 896,646 Millions of yen Fiscal2018 753,180 Millions of yen

* This Consolidated Financial Results is not subject to the review procedures

* Forward-looking statements and other special instructions

The forward-looking statements that reflect Asahi's forecasts for consolidated and unconsolidated results in this document are based on the information available at the time of the release of these materials and reasonable assumptions made by Asahi.

Certain risks and uncertainties could cause the results of Asahi to differ materially from any projections presented herein.

4. Consolidated Financial Statements (Unaudited)

(1) Consolidated Statement of Financial Position (As of December 31, 2018 and 2019)

(Millions of yen)

	As of December 31, 2018	As of December 31, 2019
(Assets)		
Current assets		
Cash and cash equivalents	57,317	48,489
Trade and other receivables	427,279	407,621
Inventories	160,319	171,717
Income tax receivables	37,308	24,940
Other financial assets	7,025	51,277
Other current assets	25,324	31,067
Total current assets	714,576	735,113
Non-current assets		
Property, plant and equipment	689,985	735,023
Goodwill and intangible assets	1,428,543	1,398,422
Investments accounted for using equity method	8,668	8,755
Other financial assets	184,533	198,657
Deferred tax assets	16,300	15,734
Net defined benefit assets	19,282	20,655
Other non-current assets	17,424	28,424
Total non-current assets	2,364,738	2,405,674
Total assets	3,079,315	3,140,789
(Liabilities and Equity)		
(Liabilities)		
Current liabilities		
Trade and other payables	416,842	423,810
Bonds and borrowings	262,620	408,259
Income tax payables	39,624	39,555
Allowance	17,655	14,407
Other financial liabilities	62,027	56,265
Other current liabilities	140,821	133,375
Total current liabilities	939,591	1,075,673
Non-current liabilities		
Bonds and borrowings	764,768	534,955
Net defined benefit liabilities	25,517	24,778
Deferred tax liabilities	137,277	147,969
Other financial liabilities	59,776	106,240
Other non-current liabilities	2,736	2,890
Total non-current liabilities	990,076	816,835
Total liabilities	1,929,668	1,892,509
(Equity)		
Issued capital	182,531	182,531
Share premium	119,128	119,163
Retained earnings	821,120	918,524
Treasury shares	(76,997)	(77,012)
Other components of equity	100,637	103,107
Total equity attributable to owners of parent	1,146,420	1,246,314
Non-controlling interests	3,227	1,965
Total equity	1,149,647	1,248,279
Total liabilities and equity	3,079,315	3,140,788

(2) Consolidated Statement of Profit or Loss and Comprehensive Income

(From January 1 to December 31, 2018 and 2019)

<Consolidated Income Statements>

(Millions of yen)

	Previous year (From January 1 to December 31)	Current year (From January 1 to December 31)
Revenue	2,120,291	2,089,048
Cost of sales	(1,303,246)	(1,297,302)
Gross Profit	817,044	791,745
Selling, general and administrative expenses	(595,661)	(578,774)
Other operating income	4,369	6,078
Other operating expense	(13,980)	(17,613)
Operating Profit	211,772	201,436
Finance income	8,282	8,094
Finance costs	(12,731)	(13,012)
Share of profit (loss) of entities accounted for using equity method	887	872
Loss (gain) on sales of investments accounted for using equity method	(901)	-
Profit before tax	207,308	197,391
Income tax expense	(56,370)	(56,100)
Profit	150,938	141,290
Profit attributable to:		
Owners of parent	151,077	142,207
Non-controlling interests	(139)	(916)
Total	150,938	141,290
Basic earnings per share (JPY)	329.80	310.44
Diluted earnings per share (JPY)	329.79	310.42

<Consolidated Statement of Comprehensive Income>

(Millions of yen)

	Previous year (From January 1 to December 31)	Current year (From January 1 to December 31)
Profit	150,938	141,290
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Changes in fair value of financial instruments measured at fair value through other comprehensive income	(15,865)	13,785
Remeasurements of defined benefit plans	(4,401)	2,298
Items that might be reclassified to profit or loss		
Cash flow hedges	(211)	33,806
Hedging cost	(659)	714
Translation difference on foreign operations	(89,386)	(41,963)
Share of other comprehensive income of entities accounted for using equity method	2,383	(211)
Total other comprehensive income	(108,142)	8,430
Total comprehensive income	42,795	149,721
Total comprehensive income attributable to:		
Owners of parent	42,327	150,815
Non-controlling interests	467	(1,094)

(3) Condensed Consolidated Statement of Changes in Equity
Fiscal 2018 (January 1 to December 31, 2018)

(Millions of yen)

	Equity attributable to owners of parent						
	Issued capital	Share premium	Retained earnings	Treasury shares	Other components of equity		
					Changes in fair value of financial instruments measured at fair value through OCI	Remeasurements of defined benefit plans	Cash flow hedges
Balance as of January 1, 2018	182,531	119,051	713,146	(76,747)	71,386	—	(624)
Cumulative effects of changes in accounting policies							
Restated balance as of January 1, 2018	182,531	119,051	713,146	(76,747)	71,386	—	(624)
Comprehensive income							
Profit for the period			151,077				
Other comprehensive income					(15,865)	(4,380)	(377)
Total comprehensive income	—	—	151,077	—	(15,865)	(4,380)	(377)
Transfer to non-financial assets							360
Transactions with owners							
Dividends			(41,229)				
Purchase of treasury shares				(250)			
Disposal of treasury shares		0		0			
Changes through sales of consolidated subsidiaries							
Change of scope of consolidation							
Share-based payment transaction		76					
Transfer from other components of equity to retained earnings			(1,875)		(2,505)	4,380	
Other increase (decrease)							
Total contributions by owners and distribution to owners	—	76	(43,104)	(250)	(2,505)	4,380	—
Total transactions with owners	—	76	(43,104)	(250)	(2,505)	4,380	—
Balance as of December 31, 2018	182,531	119,128	821,120	(76,997)	53,015	—	(641)

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity			Other components of equity related to disposal group held for sale	Total equity attributable to owners of parent		
	Hedging cost	Translation difference on foreign operations	Total other components of equity				
Balance as of January 1, 2018	(1,179)	141,010	210,592	(3,440)	1,145,135	7,612	1,152,748
Cumulative effects of changes in accounting policies			—		—		
Restated balance as of January 1, 2018	(1,179)	141,010	210,592	(3,440)	1,145,135	7,612	1,152,748
Comprehensive income							
Profit for the period			—		151,077	(139)	150,938
Other comprehensive income	(659)	(90,906)	(112,190)	3,440	(108,750)	607	(108,142)
Total comprehensive income	(659)	(90,906)	(112,190)	3,440	42,327	467	42,795
Transfer to non-financial assets			360		360		360
Transactions with owners							
Dividends			—		(41,229)	(463)	(41,692)
Purchase of treasury shares			—		(250)		(250)
Disposal of treasury shares			—		0		0
Changes through sales of consolidated subsidiaries			—		—	(1,711)	300
Change of scope of consolidation			—		—	(2,703)	(2,703)
Share-based payment transaction			—		76		76
Transfer from other components of equity to retained earnings			1,875		—		—
Other increase (decrease)			—		—	242	242
Total contributions by owners and distribution to owners	—	—	1,875	—	(41,403)	(4,853)	(46,256)
Total transactions with owners	—	—	1,875	—	(41,403)	(4,853)	(46,256)
Balance as of December 31, 2018	(1,839)	50,103	100,637	—	1,146,420	3,227	1,149,647

(3) Condensed Consolidated Statement of Changes in Equity
Fiscal 2019 (January 1 to December 31, 2019)

(Millions of yen)

	Equity attributable to owners of parent						
	Issued capital	Share premium	Retained earnings	Treasury shares	Other components of equity		
					Changes in fair value of financial instruments measured at fair value through OCI	Remeasurements of defined benefit plans	Cash flow hedges
Balance as of January 1, 2019	182,531	119,128	821,120	(76,997)	53,015	—	(641)
Cumulative effects of changes in accounting policies			(1,993)				
Restated balance as of January 1, 2019	182,531	119,128	819,126	(76,997)	53,015		(641)
Comprehensive income							
Profit for the period			142,207				
Other comprehensive income					13,785	2,300	33,831
Total comprehensive income	—	—	142,207	—	13,785	2,300	33,831
Transfer to non-financial assets							(392)
Transactions with owners							
Dividends			(48,556)				
Purchase of treasury shares				(31)			
Disposal of treasury shares		0		17			
Changes through sales of consolidated subsidiaries							
Changes in the scope of consolidation							
Share-based payment transaction		34					
Transfer from other components of equity to retained earnings			5,746		(3,446)	(2,300)	
Other increase (decrease)							
Total contributions by owners and distribution to owners	—	34	(42,809)	(14)	(3,446)	(2,300)	—
Total transactions with owners	—	34	(42,809)	(14)	(3,446)	(2,300)	—
Balance as of December 31, 2018	182,531	119,163	918,523	(77,011)	63,354	—	32,797

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity			Other components of equity related to disposal group held for sale	Total equity attributable to owners of parent		
	Hedging cost	Translation difference on foreign operations	Total other components of equity				
Balance as of January 1, 2019	(1,839)	50,103	100,637	—	1,146,420	3,227	1,149,647
Cumulative effects of changes in accounting policies			—		(1,993)		(1,993)
Restated balance as of January 1, 2019	(1,839)	50,103	100,637	—	1,144,426	3,227	1,147,653
Comprehensive income							
Profit for the period			—		142,207	(916)	141,290
Other comprehensive income	714	(42,023)	8,608		8,608	(178)	8,430
Total comprehensive income	714	(42,023)	8,608		150,815	(1,094)	149,721
Transfer to non-financial assets			(392)		(392)		(392)
Transactions with owners							
Dividends			—		(48,556)	(167)	(48,723)
Purchase of treasury shares			—		(31)		(31)
Disposal of treasury shares			—		17		17
Changes through sales of consolidated subsidiaries			—		—		—
Changes in the scope of consolidation			—		—		—
Share-based payment transaction			—		34		34
Transfer from other components of equity to retained earnings			(5,746)		—		—
Other increase (decrease)			—		—		—
Total contributions by owners and distribution to owners	—	—	(5,746)	—	(48,535)	(167)	(48,702)
Total transactions with owners	—	—	(5,746)	—	(48,535)	(167)	(48,702)
Balance as of December 31, 2019	(1,125)	8,080	103,107	—	1,246,314	1,965	1,248,279

(4) Consolidated Statement of Cash Flows

(From January 1 to December 31, 2018 and 2019)

(Millions of yen)

	Previous year (From January 1 to December 31)	Current year (From January 1 to December 31)
Cash flows from operating activities		
Profit before tax	207,308	197,391
Depreciation and amortization	109,206	113,036
Impairment loss	294	57
Interest and dividends income	(3,115)	(3,103)
Interest expenses	6,753	7,390
Share of profit (loss) of entities accounted for using equity method	(887)	(872)
Loss (gain) on sales of investments accounted for using equity method	901	—
Gain (loss) on sales of stocks of subsidiaries and affiliates	—	(298)
Loss (gain) on sales and retirement of non-current assets	4,148	3,926
Increase (decrease) in trade and other receivables	(2,759)	22,881
Increase (decrease) in inventories	(8,966)	(10,722)
Decrease (increase) in trade and other payables	(3,397)	2,955
Decrease (increase) in accrued liquor tax payables	(3,799)	(9,214)
Increase (decrease) in defined benefit assets and liabilities	655	1,338
Other	52,319	(14,572)
Subtotal	358,664	310,192
Interest and dividends received	3,662	3,818
Interest paid	(6,831)	(6,875)
Income tax paid	(103,053)	(53,666)
Cash flows from operating activities	252,441	253,469
Cash flows from investing activities		
Purchase of property, plant and equipment	(78,891)	(74,312)
Proceeds from sales of property, plant and equipment	2,027	4,564
Purchase of intangible assets	(8,997)	(11,009)
Purchase of investment securities	(986)	(5,841)
Proceeds from sales of investment securities	10,591	8,856
Gain from sales of investments accounted for using equity method	101,646	—
Purchase of subsidiaries and others relating to the change of scope of consolidation	—	(23,942)
Proceeds from sales of subsidiaries and others relating to the change of scope of consolidation	989	741
Other	(3,874)	(2,721)
Cash flows from investing activities	22,505	(103,666)
Cash flows from financing activities		
Decrease (increase) in short-term borrowings	(105,281)	38,736
Repayments of lease obligations	(9,087)	(22,113)
Proceeds from long-term loans payables	2,566	1,579
Repayment of long-term loans payables	(96,821)	(94,569)
Redemption of bonds	(20,000)	(35,000)
Purchase of treasury shares	(250)	(31)
Dividends paid	(41,229)	(48,556)
Proceeds from share issuance to non-controlling interests	48	—
Other	(508)	1,113
Cash flows from financing activities	(270,564)	(158,841)

(Continued)

(Millions of yen)

	Previous year (From January 1 to December 31)	Current year (From January 1 to December 31)
Effect of exchange rate changes on cash and cash equivalents	(4,416)	209
Decrease (increase) in cash and cash equivalents	(33)	(8,828)
Cash and cash equivalents at the beginning of period	58,054	57,317
Decrease (increase) in cash and cash equivalents relating to the change of scope of consolidation	(703)	—
Cash and cash equivalents at the end of period	57,317	48,489

(5) Notes to the Condensed Consolidated Financial Statements

(Notes Regarding Going Concern Assumptions)

None

(Changes in Accounting Policies)

The Group has adopted IFRS 16 "Leases" (hereinafter referred to as the "Standard") effective from this fiscal year.

(i) Leases as Lessee

Under the Standard, in principle, a single accounting model is used to treat lessee's leases on balance, and the lessee recognizes a right-of-use asset representing the right to use the underlying asset and a lease liability representing the obligation to make a lease payment. The Group recognizes the right-of-use asset and the lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost. The cost of the right-of-use asset is measured using the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date; plus any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or the site on which it is located; less any lease incentives received. In its consolidated statement of financial position, the Group presents right-of-use assets in "Property, plant and equipment" and lease liabilities in "Other financial liabilities."

Subsequent to initial recognition, the right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of the equivalent property, plant and equipment. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Lease liabilities are initially measured at the present value of unpaid lease fees at the start of the lease, discounted using the lease calculation interest rate, or in cases where the lease calculation interest rate is difficult to calculate, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group applies an exemption provision on recognition of short-term leases and leases on low-value assets.

(ii) Leases as Lessor

Leases where the Group is the lessor are classified as either finance leases or operating leases when the lease agreement is made. When classifying each lease, the Group comprehensively evaluates whether or not substantially all the risks and rewards of ownership of the underlying asset are transferred. The lease is classified as a finance lease in cases where the risks and rewards are transferred and as an operating lease in cases where they are not transferred. As part of this evaluation, the Group examines indicators for designation, such as whether the lease period covers the majority of the economic useful life of the underlying asset. In cases where the Group is an intermediate lessor, the head lease and sublease are accounted for separately. Sublease classification is determined by referring to the right of use asset arising not from the underlying asset but from the head lease. In cases where the head lease is a short-term lease subject to application of the abovementioned exemption provision, the sublease is classified as an operating lease. In its consolidated statement of financial position, the Group presents finance leases of the lessor pertaining to the sublease under "trade and other receivables" and "other non-current assets."

(iii) The impact for the condensed consolidated financial statements.

By adopting this standard, asset total as the end of current fiscal year is increased by 49,424 million yen and liabilities is increased by 51,811 million yen. The impact compared with the previous accounting standard is minor for profit and cash flow.

(Segment Information)

Fiscal 2018 (January 1 to December 31, 2018)

(Millions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Total	Adjustments	Consolidated total
Revenue								
To outside customers	884,804	362,382	114,652	710,227	48,223	2,120,291	—	2,120,291
Inter-segment revenue	28,583	8,393	1,321	176	61,243	99,718	(99,718)	—
Total	913,387	370,775	115,973	710,403	109,466	2,220,009	(99,718)	2,120,291
Segment profit (loss)	106,154	34,707	11,762	77,365	2,315	232,305	(20,532)	211,772
Segment assets	710,535	292,642	91,270	1,917,908	25,930	3,038,287	41,028	3,079,315
Others								
Depreciation and amortization	25,807	20,716	3,512	54,778	624	105,439	3,766	109,206
Impairment loss	22	—	272	—	—	294	—	294
Equity in net income (loss) of affiliates	38	—	0	772	—	812	74	887
Investments accounted for using equity method	692	—	417	6,758	—	7,868	799	8,668
Payments added to non-current assets (excluding financial instruments and deferred tax assets)	32,079	19,201	3,727	41,903	657	97,570	2,757	100,327

Adjustment of segment profit (loss) of (20,532) million yen includes corporate expenses of (20,668) million yen which is not allocated to reporting segment and the elimination of inter-segment transactions, etc. of (135) million yen. The corporate expenses are mainly Group management expenses generated by the Company in its role as a pure holding company. The prices applied to the internal transactions among the segments are equivalent to those for the outside customers.

Adjustment of segment assets of 41,028 million yen includes corporate assets of 71,185 million yen which is not allocated to reporting segment and the elimination of inter-segment transactions (receivables and payables), etc. of (30,157) million yen. The corporate assets are mainly the Company assets in its role as a pure holding company.

Fiscal 2019 (January 1 to December 31, 2019)

(Millions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Total	Adjustments	Consolidated total
Revenue								
To outside customers	859,221	367,315	116,562	699,363	46,585	2,089,048	—	2,089,048
Inter-segment revenue	27,638	8,925	1,082	233	62,605	100,485	(100,485)	—
Total	886,860	376,240	117,645	699,596	109,191	2,189,533	(100,485)	2,089,048
Segment profit (loss)	102,957	30,576	12,622	76,118	1,910	224,186	(22,750)	201,436
Segment assets	674,236	313,169	96,077	1,933,709	34,860	3,052,053	88,735	3,140,788
Others								
Depreciation and amortization	24,352	20,799	3,921	55,258	4,105	108,437	4,598	113,036
Impairment loss	—	37	19	—	—	57	—	57
Equity in net income (loss) of affiliates	43	—	(19)	769	—	793	79	872
Investments accounted for using equity method	719	—	389	6,816	—	7,926	829	8,755
Payments added to non-current assets (excluding financial instruments and deferred tax assets)	30,705	25,267	5,685	54,002	4,534	120,194	4,188	124,383

Adjustment of segment profit (loss) of (20,533) million yen includes corporate expenses of (20,688) million yen which is not allocated to reporting segment and the elimination of inter-segment transactions, etc. of 134 million yen. The corporate expenses are mainly Group management expenses generated by the Company in its role as a pure holding company. The prices applied to the internal transactions among the segments are equivalent to those for the outside customers.

Adjustment of segment assets of 41,028 million yen includes corporate assets of 71,185 million yen which is not allocated to reporting segment and the elimination of inter-segment transactions (receivables and payables), etc. of (30,157) million yen. The corporate assets are mainly the Company assets in its role as a pure holding company.