

2020 H1 Consolidated Financial Results Highlight

◆ Business Performance Highlight

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Revenue	874.3	983.8	- 109.5	- 11.1%	
Domestic Business	436.9	490.1	- 53.3	- 10.9%	
Overseas Business	245.4	274.4	- 29.0	- 10.6%	
Revenue excluding liquor tax	682.3	764.5	- 82.3	- 10.8%	
Core operating profit *	52.6	89.6	- 37.0	- 41.3%	
Operating profit	45.3	88.5	- 43.1	- 48.8%	
Profit before tax	41.1	87.4	- 46.3	- 52.9%	
Profit for the period	30.1	61.7	- 31.6	- 51.2%	
Profit attributable to owners of parent	30.2	61.5	- 31.3	- 50.9%	

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

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

◆ Performance excluding the impacts of foreign exchange

(The figures in 2020 are converted by the previous year's local currency rate)

Revenue	890.4	983.8	- 93.4	- 9.5%	
Core operating profit	53.4	89.6	- 36.2	- 40.4%	

◆ Reference Index

	FY2020 H1	FY2020 H1	Inc./Dec.
Alcohol Beverages Business (including liquor tax)	9.5%	10.4%	- 0.9%
(excluding liquor tax)	15.5%	17.2%	- 1.7%
Soft Drinks Business	5.9%	9.3%	- 3.4%
Food Business	9.1%	9.5%	- 0.4%
Overseas Business (including liquor tax)	8.6%	13.5%	- 4.9%
(excluding liquor tax)	10.6%	16.2%	- 5.6%
Core operating profit margin (including liquor tax)	6.0%	9.1%	- 3.1%
(excluding liquor tax)	7.7%	11.7%	- 4.0%
EPS (yen)	65.9	134.3	- 68.4

2020 H1 Consolidated Financial Results

◆ Summary of Statement of Profit or Loss

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	345.1	410.9	- 65.9	- 16.0%	Details are on supplement 3
Soft Drinks Business *1	166.6	181.8	- 15.2	- 8.4%	
Food Business*2	59.9	62.4	- 2.5	- 4.1%	
Overseas Business *1	303.6	331.3	- 27.6	- 8.3%	
Other Business*2	44.7	46.9	- 2.1	- 4.6%	
Adjustment (corporate and elimination)	- 45.6	- 49.4	3.8	-	
Revenue	874.3	983.8	- 109.5	- 11.1%	
Alcohol Beverages Business	32.8	42.8	- 10.0	- 23.4%	Details are on supplement 3
Soft Drinks Business *1	9.9	16.9	- 7.0	- 41.5%	
Food Business*2	5.4	6.0	- 0.5	- 8.9%	
Overseas Business *1	26.1	44.6	- 18.5	- 41.5%	
Other Business*2	0.0	0.8	- 0.8	- 95.8%	
Adjustment (corporate and elimination)	- 11.3	- 11.0	- 0.4	-	
Amortization of acquisition-related intangible assets	- 10.3	- 10.5	0.2	-	Details are on supplement 4
Core operating profit	52.6	89.6	- 37.0	- 41.3%	
Adjustment item	- 7.3	- 1.1	- 6.2	-	
Loss (gain) on sales and retirement of non current assets	3.4	- 0.7	4.1	-	
Business integration expenses	- 2.1	- 0.6	- 1.5	-	
Others	- 8.6	0.1	- 8.7	-	
Operating profit	45.3	88.5	- 43.1	- 48.8%	
Financing income or loss	- 1.7	- 1.4	- 0.2	-	
Share of profit (loss) of entities accounted for using equity method	0.2	0.5	- 0.3	- 59.4%	
Profit (loss) from sales of investments accounted for using equity method	- 2.3	-	- 2.3	-	
Others	- 0.4	- 0.1	- 0.3	-	
Profit before tax	41.1	87.4	- 46.3	- 52.9%	
Income tax expense	- 11.0	- 25.7	14.7	-	
Profit for the period	30.1	61.7	- 31.6	- 51.2%	
Profit attributable to owners of parent	30.2	61.5	- 31.3	- 50.9%	
Profit attributable to non-controlling interests	- 0.1	0.1	- 0.2	-	

* The effects of change 1 and 2 below resulting from business reorganization effective January 1, 2020 were reflected in figures from the beginning of 2020 and comparable previous year's results in 2019.

*1 We transferred Calpis Beverages U.S.A which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks Business in Soft Drinks Business.

*2 We transferred a part of businesses of CALPIS WELLNESS CO., LTD. which was previously in Other Business to Other/elimination in Food Business.

◆ Summary of Statement of Financial Position

(Billions of yen)

	FY2020 H1	End of FY2019	Inc./Dec.	YoY	Remarks
Total Assets	4,257.0	3,140.8	1,116.2	35.5%	
Total Equity	1,180.5	1,248.3	- 67.8	- 5.4%	
Total equity attributable to owners of parent	1,178.7	1,246.3	- 67.6	- 5.4%	
Interest-bearing debt	2,163.1	943.2	1,219.9	129.3%	

◆ Others

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Capital expenditures	39.2	32.8	6.3	19.3%	
Depreciation	35.7	34.8	0.9	2.7%	

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

2020 H1 Financial Results (Individual)

◆ Revenue

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Asahi Breweries	339.8	400.1	- 60.3	- 15.1%	
Other / elimination in segment	5.3	10.9	- 5.5	- 50.9%	
Alcohol Beverages Business	345.1	410.9	- 65.9	- 16.0%	
Asahi Soft Drinks *1	166.6	181.8	- 15.2	- 8.4%	
Other / elimination in segment	-	-	-	-	
Soft Drinks Business	166.6	181.8	- 15.2	- 8.4%	
Asahi Group Foods	54.5	56.3	- 1.8	- 3.2%	
Other / elimination in segment *2	5.4	6.1	- 0.7	- 12.0%	
Food Business	59.9	62.4	- 2.5	- 4.1%	
Europe business	162.0	191.8	- 29.8	- 15.5%	Include 4.8bn JPY impact of accounting change related to container deposit legislation
Oceania business	93.6	74.7	18.9	25.3%	
Existing business	74.1	74.7	- 0.6	- 0.8%	
CUB business *4	19.5	-	19.5	-	
Southeast Asia business *3	20.8	23.4	- 2.6	- 11.0%	
Asahi International	35.2	45.1	- 9.8	- 21.8%	
Other / elimination in segment *1,3	- 8.0	- 3.7	- 4.3	-	
Overseas Business	303.6	331.3	- 27.6	- 8.3%	
Other Business *2	44.7	46.9	- 2.1	- 4.6%	
Adjustment (corporate and elimination)	- 45.6	- 49.4	3.8	-	
Total	874.3	983.8	- 109.5	- 11.1%	

◆ Core Operating Profit

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Asahi Breweries	33.6	42.8	- 9.2	- 21.5%	
Other / elimination in segment	- 0.8	0.0	- 0.8	-	
Alcohol Beverages Business	32.8	42.8	- 10.0	- 23.4%	
Asahi Soft Drinks *1	9.9	16.9	- 7.0	- 41.5%	
Other / elimination in segment	-	-	-	-	
Soft Drinks Business	9.9	16.9	- 7.0	- 41.5%	
Asahi Group Foods	5.3	6.4	- 1.1	- 17.6%	
Other / elimination in segment *2	0.1	- 0.5	0.6	-	
Food Business	5.4	6.0	- 0.5	- 8.9%	
Europe business	23.8	35.0	- 11.2	- 32.0%	
Oceania business	2.1	4.1	- 2.0	- 48.1%	
Existing business	1.9	4.1	- 2.2	- 53.7%	
CUB business *4	4.4	-	4.4	-	
Temporary expenses	- 4.2	-	- 4.2	-	
Southeast Asia business *3	0.3	1.3	- 1.0	- 75.3%	
Asahi International	0.2	3.7	- 3.5	- 93.5%	
Other / elimination in segment *1,3	- 0.4	0.4	- 0.8	-	
Overseas Business	26.1	44.6	- 18.5	- 41.5%	
Other Business *2	0.0	0.8	- 0.8	- 95.8%	
Adjustment (corporate and elimination)	- 11.3	- 11.0	- 0.4	-	Include group administration costs for Holdings
Amortization of acquisition-related intangible assets	- 10.3	- 10.5	0.2	-	
Total	52.6	89.6	- 37.0	- 41.3%	

* The effects of change 1, 2 and 3 below resulting from business reorganization effective January 1, 2020 were reflected in figures from the beginning of 2020 and comparable previous year's results in 2019.

*1 We transferred Calpis Beverages U.S.A which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks Business in Soft Drinks Business.

*2 We transferred a part of businesses of CALPIS WELLNESS CO., LTD. which was previously in Other Business to Other/elimination in Food Business.

*3 We transferred Calpis Indonesia which was previously in Other/elimination in Overseas Business to Southeast Asia Business.

*4 The results for CUB Business for June 1 to June 30 are listed.

Segment Results (constant currency basis)

◆Revenue

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	345.1	410.9	- 65.9	- 16.0%	
Soft Drinks Business *1	166.6	181.8	- 15.2	- 8.4%	
Food Business *2	59.9	62.4	- 2.5	- 4.1%	
Europe business	168.8	191.8	- 23.0	- 12.0%	Include 5.3bn JPY impact of accounting change related to container deposit legislation
Oceania business	100.5	74.7	25.8	34.5%	
Existing business	81.0	74.7	6.3	8.4%	
CUB business *4	19.5	-	19.5	-	
Southeast Asia business *3	21.7	23.4	- 1.7	- 7.2%	
Asahi International *2	36.7	45.1	- 8.4	- 18.6%	
Other / elimination in segment *1,3	- 7.9	- 3.7	- 4.2	-	
Overseas Business	319.8	331.3	- 11.5	- 3.5%	
Other Business	44.7	46.9	- 2.1	- 4.6%	
Adjustment (corporate and elimination)	- 45.6	- 49.4	3.8	-	
Total	890.4	983.8	- 93.4	- 9.5%	

◆Core Operating Profit

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	32.8	42.8	- 10.0	- 23.4%	
Soft Drinks Business *1	9.9	16.9	- 7.0	- 41.5%	
Food Business *2	5.4	6.0	- 0.5	- 8.9%	
Europe business	24.8	35.0	- 10.2	- 29.2%	
Oceania business	2.3	4.1	- 1.8	- 43.8%	
Existing business	2.1	4.1	- 2.0	- 49.4%	
CUB business*4	4.4	-	4.4	-	
Temporary expenses	- 4.2	-	- 4.2	-	
Southeast Asia business *3	0.3	1.3	- 1.0	- 75.1%	
Asahi International	0.3	3.7	- 3.5	- 93.2%	
Other / elimination in segment *1,3	- 0.4	0.4	- 0.8	-	
Overseas Business	27.3	44.6	- 17.3	- 38.8%	
Other Business *2	0.0	0.8	- 0.8	- 95.8%	
Adjustment (corporate and elimination)	- 11.3	- 11.0	- 0.4	-	Include group administration costs for Holdings
Amortization of acquisition-related intangible assets	- 10.7	- 10.5	- 0.2	-	
Total	53.4	89.6	- 36.2	- 40.4%	

* The figures in 2020 are converted by the previous year's local currency rate.

* The effects of change 1, 2 and 3 below resulting from business reorganization, refer to supplement 3.

*4 The results for CUB Business for June 1 to June 30 are listed.

Intangible Assets Amortization/Europe Business Breakdown/FX Rate

◆Details of amortization of acquisition-related intangible assets

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	Remarks
Alcohol Beverages Business	- 0.1	- 0.1	-	
Soft Drinks Business	- 0.8	- 0.8	-	
Food Business	-	-	-	
Europe business	- 6.9	- 7.4	0.4	
Oceania business	- 1.0	- 1.0	0.1	
Existing business	- 1.0	- 1.0	0.1	
CUB business *	-	-	-	
Southeast Asia business	-	-	-	
Asahi International	- 1.4	- 1.1	- 0.3	
Overseas Business	- 9.3	- 9.5	0.2	
Other Business	- 0.1	- 0.1	-	
Total	- 10.3	- 10.5	0.2	

* Amortization of intangible assets in the CUB business is currently undergoing Purchase Price Allocation (PPA). Therefore, the figure is provisional values based on the Company's calculations.

◆Exchange Rate

(yen)

	2019 Q1 (Average)	2020 Q1 (Average)
US dollar	108.2	110.1
Euro	119.3	124.3
Australian dollar	71.2	77.7
Malaysia Ringgit	25.5	26.7

Breakdown of Inc./Dec. in Profit (Alcohol Beverages Business & Soft Drinks Business)
< Alcohol Beverages Business >

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Asahi Breweries Revenue	339.8	400.1	- 60.3	- 15.1%	
Other / elimination in segment	5.3	10.9	- 5.5	- 50.9%	
Revenue total	345.1	410.9	- 65.9	- 16.0%	
Change in sales, category and container mix *1	-	-	- 20.0		Sales volume increase in beer-type -18.4, Sales increase in other alcohol beverages -2.7, Change in category and container mix, and others
Cost reduction in manufacturing	-	-	1.2		Raw materials +0.5, Transportation +0.3, and others
Cost increase in manufacturing	-	-	- 1.8		Raw materials -0.2, Other than beer-typed -0.4, Transportation -0.6 and others
Advertisement and Sales promotion expenses *2	-	-	4.7		Advertisement +2.1, Promotion expense +2.6 (Beer-type +1.7, others +3.0)
Other expenses	-	-	6.7		
Change in personal expenses	-	-	0.3		
Change in depreciation	-	-	0.2		
Change in selling equipment expenses	-	-	1.0		
Change in other materials	-	-	5.2		
Asahi Breweries Core operating profit	33.6	42.8	- 9.2	- 21.5%	
Other/elimination in segment	- 0.8	0.0	- 0.8	-	
Core operating profit total	32.8	42.8	- 10.0	- 23.4%	

*1 The figures include the impact of change of sales rebate.

*2 The figures exclude the impact of change of sales rebate (2020 H1: advertisement 15.2, promotion expense 12.8)

< Soft Drinks Business >

(Billions of yen)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY	Remarks
Asahi Soft Drinks Revenue	166.6	181.8	- 15.2	- 8.4%	
Other / elimination in segment	-	-	-	-	
Revenue total	166.6	181.8	- 15.2	- 8.4%	
Change in sales, category and container mix	-	-	- 7.3		Increase in sales volume -6.0, Change in category and container mix, and others
Cost reduction in manufacturing	-	-	1.5		Raw materials +0.1, Packages +0.9, operational efficiency / in-house production +0.5
Cost increase in manufacturing	-	-	- 0.3		Raw materials -0.1, Packages -0.2
Advertisement and Sales promotion expenses	-	-	0.1		Advertisement +0.1
Change in other materials	-	-	- 1.0		Depreciation, etc.
Asahi Soft Drinks Core operating profit	9.9	16.9	- 7.0	- 41.5%	
Other/elimination in segment	-	-	-	-	
Core operating profit total	9.9	16.9	- 7.0	- 41.5%	

* The effects of change below resulting from business reorganization effective January 1, 2020 were reflected in figures from the beginning of 2020 and comparable previous year's results in 2019.

We transferred Calpis Beverages U.S.A which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks Business in Soft Drinks Business.

< Asahi Soft Drinks Sales Volume >

(Million case)

	FY2020 H1	FY2019 H1	Inc./Dec.	YoY
Carbonated drinks	37.57	35.26	2.30	6.5%
Lactic acid drinks	21.21	24.07	- 2.86	- 11.9%
Coffee	16.76	20.37	- 3.61	- 17.7%
Tea	16.67	18.88	- 2.21	- 11.7%
Mineral water	7.86	9.51	- 1.65	- 17.4%
Fruit juice	6.96	9.40	- 2.43	- 25.9%
Other drinks	11.73	10.36	1.37	13.2%
Asahi Soft Drinks total	118.75	127.85	- 9.10	- 7.1%

FY2020H1 Consolidated Statement of Financial Position

(Billions of yen)

	2020H1	2019	Inc./Dec.	Remarks
Current assets	711.3	735.1	- 23.8	
Cash and cash equivalents	101.1	48.5	52.6	
Trade and other receivables	356.9	407.6	- 50.7	
Inventories	203.1	171.7	31.3	
Income tax receivables	3.4	24.9	- 21.5	
Other financial assets	6.2	51.3	- 45.1	
Other current assets	40.6	31.1	9.5	
Non-current assets	3,545.7	2,405.7	1,140.0	
Property, plant and equipment	789.4	735.0	54.4	
Goodwill and intangible assets	2,509.9	1,398.4	1,111.5	
Investments accounted for using equity method	5.0	8.8	- 3.7	
Other financial assets	173.2	198.7	- 25.5	
Deferred tax assets	21.8	15.7	6.0	
Net defined benefit assets	19.8	20.7	- 0.8	
Other non-current assets	26.5	28.4	- 1.9	
Total assets	4,257.0	3,140.8	1,116.2	
Current liabilities	2,317.7	1,075.7	1,242.0	
Trade and other payables	430.6	423.8	6.8	
Bonds and borrowings (current)	1,688.4	408.3	1,280.1	
Income tax payables	26.3	39.6	- 13.2	
Allowance	10.5	14.4	- 3.9	
Other financial liabilities	55.5	56.3	- 0.8	
Other current liabilities	106.5	133.4	- 26.9	
Non-current liabilities	758.8	816.8	- 58.1	
Bonds and borrowings (non-current)	474.8	535.0	- 60.2	
Net defined benefit liabilities	24.9	24.8	0.1	
Deferred tax liabilities	121.4	148.0	- 26.5	
Other financial liabilities	111.7	106.2	5.4	
Other non-current liabilities	26.0	2.9	23.1	
Total liabilities	3,076.5	1,892.5	1,184.0	
Issued capital	182.5	182.5	-	
Share premium	119.2	119.2	0.1	
Retained earnings	925.7	918.5	7.1	
Treasury shares	- 77.0	- 77.0	- 0.0	
Other components of equity	28.3	103.1	- 74.8	
Non-controlling interests	1.8	2.0	- 0.1	
Total equity	1,180.5	1,248.3	- 67.8	
Total liabilities and equity	4,257.0	3,140.8	1,116.2	

Main points of Consolidated Statement of Financial Position

Total assets: Assets increased by 1116.2 billion yen compared to the end of the previous fiscal year due to an increase in assets by the consolidation of CUB business.

Total equity: Retained earnings increased due to earnings attributable to owners of the parent company.

However, total equity decreased by 67.8 billion yen from the end of the previous period due to a decrease in translation differences and cash flow hedges of foreign operations due to exchange rate fluctuations.

Consolidated Statement of Cash Flows

(Billions of yen)

	2020H1	2019H1	Inc./Dec.	Remarks
Cash flows from (used in) operating activities	58.6	89.7	- 31.2	-
(Profit before tax)	41.1	87.4	- 46.3	-
(Depreciation) *1	35.7	34.8	0.9	-
(Amortization of acquisition-related intangible assets)	10.3	10.5	- 0.2	-
(Income tax paid)	- 10.2	- 2.6	- 7.6	-
Cash flows from (used in) investing activities	- 1,198.8	- 56.0	- 1,142.8	-
(Acquisition of stock of subsidiaries)	- 1,165.9	- 22.0	- 1,143.9	-
(Capital expenditure) *1	- 39.2	- 32.8	- 6.3	-
Cash flows from (used in) financing activities	1,192.1	- 38.3	1,230.4	-
(Increase (decrease) of financial obligation) *2	1,219.9	1.0	1,219.0	-
(Acquisition of treasury shares) *3	-	-	-	-
(Dividends paid)	- 22.0	- 24.7	2.7	-
Translation difference	0.7	- 1.0	1.8	-
Increase (decrease) of cash relating to the change of scope of consolidation	52.6	- 5.6	58.2	-
Increase (decrease) of cash and cash equivalents	-	-	-	-

*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.

FY2020 Consolidated Financial Results Forecast Highlight

◆Financial Results Highlight

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Revenue	2,007.0	2,089.0	- 82.0	- 3.9%	
Domestic Business	941.7	1,034.6	- 93.0	- 9.0%	
Overseas Business	603.8	576.3	27.4	4.8%	
Revenue excluding liquor tax	1,545.4	1,610.9	- 65.5	- 4.1%	
Core operating profit *1	147.0	213.0	- 66.0	- 31.0%	
Operating profit	124.0	201.4	- 77.4	- 38.4%	
EBITDA *2	251.7	304.8	- 53.2	- 17.4%	
Profit before tax	112.0	197.4	- 85.4	- 43.3%	
Profit	79.5	141.3	- 61.8	- 43.7%	
Profit attributable to owners of parent	80.0	142.2	- 62.2	- 43.7%	
Adjusted Profit attributable to owners of parent *3	80.0	142.2	- 62.2	- 43.7%	

<Performance on constant currency basis>

Revenue	2,024.1	2,089.0	- 64.9	- 3.1%
Core operating profit *1	148.2	213.0	- 64.8	- 30.4%

*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

	FY2020 forecast	FY2019	Inc./Dec.
Alcohol Beverages Business (including liquor tax)	10.5%	11.9%	- 1.4%
(excluding liquor tax)	17.3%	19.9%	- 2.6%
Soft Drinks Business	7.3%	8.9%	- 1.6%
Food Business	8.8%	10.7%	- 1.9%
Overseas Business (including liquor tax)	10.7%	14.6%	- 3.9%
(excluding liquor tax)	13.6%	17.7%	- 4.1%
Core operating profit margin (including liquor tax)	7.3%	10.2%	- 2.9%
(excluding liquor tax)	9.5%	13.2%	- 3.7%
EBITDA margin (including liquor tax)	12.5%	14.6%	- 2.1%
(excluding liquor tax)	16.3%	18.9%	- 2.6%
EPS (yen)	174.6	310.4	- 135.8
Adjusted EPS (yen) *4	174.6	310.4	- 135.8
ROE	6.5%	11.9%	- 5.4%
Adjusted ROE *5	6.9%	13.0%	- 6.1%
Net Debt Equity Ratio	1.73	0.72	1.01
Net Debt EBITDA Ratio	8.26	2.93	5.33
Dividend payout ratio	60.7%	32.2%	28.5%
Adjusted Dividend payout ratio *6	60.7%	32.2%	28.5%

*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

FY2020 Consolidated Financial Results Forecast
◆Summary of Statement of Profit or Loss

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	765.6	886.9	- 121.2	- 13.7%	Details are on supplement 10
Soft Drinks Business *1	356.0	376.9	- 20.9	- 5.5%	
Food Business *2	124.6	129.0	- 4.4	- 3.4%	
Overseas Business *1	763.9	698.5	65.3	9.4%	
Other Business *2	92.9	97.4	- 4.5	- 4.6%	
Adjustmenet (corporate and elimination)	- 96.0	- 99.6	3.6	-	
Revenue	2,007.0	2,089.0	- 82.0	- 3.9%	
Alcohol Beverages Business	80.4	105.5	- 25.2	- 23.9%	Details are on supplement 10
Soft Drinks Business *1	26.2	33.4	- 7.3	- 21.8%	
Food Business *2	10.9	13.7	- 2.8	- 20.4%	
Overseas Business *1	82.0	102.3	- 20.2	- 19.8%	
Other Business *2	0.2	1.3	- 1.1	- 86.2%	
Adjustmenet (corporate and elimination)	- 24.0	- 22.1	- 1.9	-	
Amortization of acquisition-related intangible assets	- 28.7	- 21.2	- 7.5	-	Details are on supplement 11
Core operating profit	147.0	213.0	- 66.0	- 31.0%	
Adjustment item	- 23.0	- 11.5	- 11.5	-	
Loss (gain) on sales and retirement of non current assets	0.9	- 3.9	4.8	-	
Business integration expenses	- 2.1	- 5.5	3.3	-	
Impairment loss	-	- 0.1	0.1	-	
Others	- 21.8	- 2.1	- 19.7	-	
Operating profit	124.0	201.4	- 77.4	- 38.4%	
Finance income or loss	- 8.2	- 4.3	- 3.9	-	
Share of profit (loss) of entities accounted for using equity method	0.0	0.9	- 0.9	- 98.8%	
Profit (loss) from sales of investments accounted for using equity method	- 2.3	-	- 2.3	-	
Others	- 1.5	- 0.6	- 0.9	-	
Profit before tax	112.0	197.4	- 85.4	- 43.3%	
Income tax expense	- 32.5	- 56.1	23.6	-	
Profit	79.5	141.3	- 61.8	- 43.7%	
Profit attributable to owners of parent	80.0	142.2	- 62.2	- 43.7%	
Profit attributable to non-controlling interests	- 0.5	- 0.9	0.4	-	

* The effects of change 1 and 2 below resulting from business reorganization effective January 1, 2020 were reflected in figures from the beginning of 2020 and comparable previous year's results in 2019.

*1 We transferred Calpis Beverages U.S.A which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks Business in Soft Drinks Business.

*2 We transferred a part of businesses of CALPIS WELLNESS CO., LTD. which was previously in Other Business to Other/elimination in Food Business.

◆Summary of Statement of Financial Position

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Total assets	4,334.0	3,140.8	1,193.2	38.0%	
Total equity	1,204.0	1,248.3	- 44.3	- 3.5%	
Total equity attributable to owners of parent	1,203.0	1,246.3	- 43.3	- 3.5%	
Interest-bearing debt	2,150.0	943.2	1,206.8	127.9%	

◆Others

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Capital expenditures	89.0	86.1	2.9	3.3%	
Depreciation	76.0	70.7	5.3	7.5%	

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

FY2020 Financial Results (Individual) Forecast
◆Revenue

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Asahi Breweries	754.3	863.4	- 109.1	- 12.6%	
Other/elimination in segment	11.3	23.5	- 12.2	- 51.9%	
Alcohol Beverages Business	765.6	886.9	- 121.2	- 13.7%	
Asahi Soft Drinks *1	356.0	376.9	- 20.9	- 5.5%	
Other/elimination in segment	-	-	-	-	
Soft Drinks Business	356.0	376.9	- 20.9	- 5.5%	
Asahi Group Foods	113.3	117.7	- 4.4	- 3.7%	
Other/elimination in segment *2	11.3	11.3	0.0	0.0%	
Food Business	124.6	129.0	- 4.4	- 3.4%	
Europe business	342.7	388.3	- 45.6	- 11.7%	
Oceania business	309.4	178.8	130.5	73.0%	
Existing business	173.2	178.8	- 5.7	- 3.2%	
CUB business *4	136.2	-	136.2	-	
Southeast Asia business *3	41.7	44.9	- 3.1	- 7.0%	
Asahi International	85.9	104.3	- 18.4	- 17.6%	
Other/elimination in segment *1, 3	- 15.8	- 17.8	1.9	-	
Overseas Business	763.9	698.5	65.3	9.4%	
Other Business	92.9	97.4	- 4.5	- 4.6%	
Adjustment (corporate and elimination)	- 96.0	- 99.6	3.6	-	
Total	2,007.0	2,089.0	- 82.0	- 3.9%	

◆Core Operating Profit

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Asahi Breweries	83.1	104.9	- 21.8	- 20.8%	
Other/elimination in segment	- 2.7	0.6	- 3.3	-	
Alcohol Beverages Business	80.4	105.5	- 25.2	- 23.9%	
Asahi Soft Drinks *1	26.2	33.4	- 7.3	- 21.8%	
Other/elimination in segment	-	-	-	-	
Soft Drinks Business	26.2	33.4	- 7.3	- 21.8%	
Asahi Group Foods	9.9	12.5	- 2.6	- 20.7%	
Other/elimination in segment *2	1.0	1.2	- 0.2	- 17.5%	
Food Business	10.9	13.7	- 2.8	- 20.4%	
Europe business	55.7	77.7	- 22.0	- 28.3%	
Oceania business	23.2	15.2	8.0	52.4%	
Existing business	11.2	15.5	- 4.3	- 27.5%	
CUB business *4	23.6	-	23.6	-	
Temporary expenses	- 11.6	- 0.3	- 11.3	-	
Southeast Asia business *3	1.3	2.2	- 0.9	- 41.7%	
Asahi International	2.7	7.1	- 4.4	- 61.7%	
Other/elimination in segment *1, 3	- 0.9	0.0	- 1.0	-	
Overseas Business	82.0	102.3	- 20.2	- 19.8%	
Other Business *2	0.2	1.3	- 1.1	- 86.2%	
Adjustment (corporate and elimination)	- 24.0	- 22.1	- 1.9	-	Include group administration costs for Holdings
Amortization of acquisition-related intangible assets *4	- 28.7	- 21.2	- 7.5	-	
Total	147.0	213.0	- 66.0	- 31.0%	

* The effects of change 1, 2 and 3 below resulting from business reorganization effective January 1, 2020 were reflected in figures from the beginning of 2020 and comparable previous year's results in 2019.

*1 We transferred Calpis Beverages U.S.A which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks Business in Soft Drinks Business.

*2 We transferred a part of businesses of CALPIS WELLNESS CO., LTD. which was previously in Other Business to Other/elimination in Food Business.

*3 We transferred Calpis Indonesia which was previously in Other/elimination in Overseas Business to Southeast Asia Business.

*4 The forecasts for CUB Business for June 1 to December 31 are listed.

FY2020 Financial Results (Individual) Forecast (constant currency basis)
◆Revenue

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	765.6	886.9	- 121.2	- 13.7%	
Soft Drinks Business *1	356.0	376.9	- 20.9	- 5.5%	
Food Business *2	124.6	129.0	- 4.4	- 3.4%	
Europe business	348.5	388.3	- 39.8	- 10.2%	
Oceania business	317.2	178.8	138.3	77.3%	
Existing business	181.0	178.8	2.1	1.2%	
CUB business *4	136.2	-	136.2	-	
Southeast Asia business *3	43.6	44.9	- 1.2	- 2.7%	
Asahi International	87.4	104.3	- 16.9	- 16.2%	
Other/elimination in segment *1, 3	- 15.7	- 17.8	2.0	-	
Overseas Business	781.0	698.5	82.5	11.8%	
Other Business *2	92.9	97.4	- 4.5	- 4.6%	
Adjustment (corporate and elimination)	- 96.0	- 99.6	3.6	-	
Total	2,024.1	2,089.0	- 64.9	- 3.1%	

◆Core Operating Profit

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Alcohol Beverages Business	80.4	105.5	- 25.2	- 23.9%	
Soft Drinks Business *1	26.2	33.4	- 7.3	- 21.8%	
Food Business *2	10.9	13.7	- 2.8	- 20.4%	
Europe business	56.7	77.7	- 21.1	- 27.1%	
Oceania business	23.7	15.2	8.5	55.8%	
Existing business	11.8	15.5	- 3.8	- 24.2%	
CUB business *4	23.6	-	23.6	-	
Temporary expenses	- 11.6	- 0.3	- 11.3	-	
Southeast Asia business *3	1.3	2.2	- 0.8	- 39.1%	
Asahi International	2.8	7.1	- 4.3	- 61.0%	
Other/elimination in segment *1, 3	- 0.9	0.0	- 1.0	-	
Overseas Business	83.6	102.3	- 18.7	- 18.3%	
Other Business *2	0.2	1.3	- 1.1	- 86.2%	
Adjustment (corporate and elimination)	- 24.0	- 22.1	- 1.9	-	Include group administration costs for Holdings
Amortization of acquisition-related intangible assets *4	- 29.0	- 21.2	- 7.8	-	
Total	148.2	213.0	- 64.8	- 30.4%	

* The figures in 2020 are converted by the previous year's local currency rate.

* The effects of change 1,2 and 3 below resulting from business reorganization, refer to supplement 10. comparable previous year's results in 2018.

*4 The forecasts for CUB Business for June 1 to December 31 are listed.

Intangible Assets Amortization/FX Rate
◆Details of amortization of acquisition-related intangible assets

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	Remarks
Alcohol Beverages Business	- 0.2	- 0.2	-	
Soft Drinks Business	- 1.6	- 1.6	-	
Food Business	-	-	-	
Europe business	- 14.0	- 14.5	0.5	
Oceania business	- 10.0	- 2.0	- 7.9	
Existing business	- 2.0	- 2.0	0.1	
CUB business *	- 8.0	-	- 8.0	
Southeast Asia business	-	-	-	
Asahi International	- 2.7	- 2.7	- 0.0	
Overseas Business	- 26.7	- 19.2	- 7.5	
Other Business	- 0.2	- 0.2	-	
Total	- 28.7	- 21.2	- 7.5	

* Amortization of intangible assets in the CUB business is currently undergoing Purchase Price Allocation (PPA).

Therefore, the figure is provisional values based on the Company's calculations.

◆Exchange Rate

(yen)

	FY 2020 forecast (Average)	FY2019 (Average)
US dollar	107.0	109.0
Euro	120.0	122.0
Australian dollar	72.5	75.8
Malaysia Ringgit	25.0	26.3

FY2020 Breakdown of Increase/Decrease in Profit Forecast

<Alcohol Business >

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Asahi Breweries Revenue	754.3	863.4	- 109.1	- 12.6%	
Other/elimination in segment	11.3	23.5	- 12.2	- 51.9%	
Alcohol Beverages Business revenue total	765.6	886.9	- 121.2	- 13.7%	
Change in sales, category and container mix *1	-	-	- 34.5		Sales volume decrease in beer-type - 31.2, Sales decrease in other alcohol beverages -6.2, Change in category and container mix, and others
Cost reduction in manufacturing	-	-	2.2		Raw materials +0.6, Utilities +0.6, Transportation +0.5 and others
Cost increase in manufacturing	-	-	- 2.5		Raw materials -0.4, Categories other than beer-typed -0.8, Transportation - 0.7 and others
Advertisement and Sales promotion expenses *2	-	-	6.5		Advertisement +2.3, Promotion expenses -+4.2 (Beer-type +2.2, Other +4.3)
Other expenses	-	-	6.5		
Change in personal expenses	-	-	0.0		
Change in depreciation	-	-	0.3		
Change in selling equipment expenses	-	-	1.5		
Change in other materials	-	-	4.7		
Asahi Breweries	83.1	104.9	- 21.8	- 20.8%	
Other/elimination in segment	- 2.7	0.6	- 3.3	-	
Alcohol Beverages Business core operating profit total	80.4	105.5	- 25.2	- 23.9%	

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

*2 The figures exclude the impact of change of sales rebate (2020 forecast: advertisement 26.9, promotion expense 30.5)

<Soft Drinks Business >

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Asahi Soft Drinks	356.0	376.9	- 20.9	- 5.5%	
Other/elimination in segment	-	-	-	-	
Soft Drinks Business revenue total	356.0	376.9	- 20.9	- 5.5%	
Change in sales, category and container mix	-	-	- 10.2		Decrease in sales volume -8.3, Change in category and container mix, and others
Cost reduction in manufacturing	-	-	5.1		Raw materials +0.6, Packages +1.8, operational efficiency / in-house production +2.7
Cost increase in manufacturing	-	-	- 0.9		Raw materials -0.7, Packages -0.2
Advertisement and Sales promotion expenses	-	-	0.9		Advertisement +0.8, Promotion expenses +0.1
Other expenses	-	-	- 2.2		Depreciation, etc.
Asahi Soft Drinks	26.2	33.4	- 7.3	- 21.8%	
Other/elimination in segment	-	-	-	-	
Soft Drinks Business core operating profit total	26.2	33.4	- 7.3	- 21.8%	

* We reconstructed the business segment on January 1, 2020. We reflect the impacts related to the issues described as below to the figures in 2019.

We transferred Calpis Beverages U.S.A which was previously in Other/elimination in Overseas Business to Asahi Soft Drinks in Soft Drinks Business.

Reference: Soft Drinks Sales Volume

(Millions of cases)

	FY2020 forecast	FY2019	Inc./Dec.	YoY	Remarks
Carbonated drinks	78.71	72.98	5.73	7.9%	
Lactic acid drinks	45.00	48.87	- 3.88	- 7.9%	
Coffee	36.08	41.15	- 5.06	- 12.3%	
Tea	36.75	39.96	- 3.21	- 8.0%	
Mineral water	17.88	19.92	- 2.04	- 10.3%	
Fruit juice	15.43	19.22	- 3.80	- 19.7%	
Other drinks	25.96	23.05	2.91	12.6%	
Asahi Soft Drinks total	255.80	265.15	- 9.34	- 3.5%	

FY2020 Consolidated Statement of Cash Flows Forecast

(Billions of yen)

	FY2020 forecast	FY2019	Inc./Dec.
Cash flows from (used in) operating activities	178.0	253.5	- 75.5
(Profit before tax)	112.0	197.4	- 85.4
(Depreciation) *1	76.0	70.7	5.3
(Amortization of acquisition-related intangible assets)	28.7	21.2	7.5
(Income tax paid)	- 60.0	- 53.7	- 6.3
Cash flows from (used in) investing activities	- 1,238.5	- 103.7	- 1,134.8
(Acquisition of stock of subsidiaries)	- 1,165.9	- 23.9	- 1,141.9
(Capital expenditure) *1	- 89.0	- 86.1	- 2.9
Cash flows from (used in) financing activities	1,081.5	- 158.8	1,240.3
(Increase (decrease) of financial obligation) *2	1,206.8	- 84.2	1,291.0
(Acquisition of treasury shares) *3	-	-	-
(Dividends paid)	- 46.3	- 48.6	2.3
Translation difference	0.5	0.2	0.3
Increase (decrease) of cash and cash equivalents	21.5	- 8.8	30.3

*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

◆FY2020 forecast

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/ elimination)	Amortization of intangible assets	Total
Revenue	765.6	356.0	124.6	763.9	92.9	- 96.0	-	2,007.0
Core operating profit	80.4	26.2	10.9	82.0	0.2	- 24.0	- 28.7	147.0
Depreciation *1	21.4	11.8	4.0	33.4	0.9	4.4	-	76.0
Amortisation of acquisition-related intangible assets	0.2	1.6	-	26.7	0.2	-	-	28.7
EBITDA *2	101.8	38.0	15.0	115.5	1.1	-	-	251.7
Capital expenditure *1	26.4	13.9	4.8	39.0	0.9	3.9	-	89.0

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

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

◆FY2019

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/ elimination)	Amortization of intangible assets	Total
Revenue	886.9	376.9	129.0	698.5	97.4	- 99.6	-	2,089.0
Core operating profit	105.5	33.4	13.7	102.3	1.3	- 22.1	- 21.2	213.0
Depreciation *1	22.0	10.6	3.8	30.2	0.5	3.7	-	70.7
Amortisation of acquisition-related intangible assets	0.2	1.6	-	19.2	0.2	-	-	21.2
EBITDA *2	127.5	44.0	17.5	132.4	1.8	-	-	304.8
Capital expenditure *1	21.9	17.9	5.5	36.7	0.8	3.2	-	86.1

◆Increase / Decrease

(Billions of yen)

	Alcohol Beverages	Soft Drinks	Food	Overseas	Other	Adjustment (corporate/ elimination)	Amortization of intangible assets	Total
Revenue	- 121.2	- 20.9	- 4.4	65.3	- 4.5	3.6	-	- 82.0
Core operating profit	- 25.2	- 7.3	- 2.8	- 20.2	- 1.1	- 1.9	- 7.5	- 66.0
Depreciation *1	- 0.6	1.2	0.3	3.3	0.4	0.8	-	5.3
Amortisation of acquisition-related intangible assets	-	-	-	7.5	-	-	-	7.5
EBITDA *2	- 25.7	- 6.1	- 2.5	- 17.0	- 0.8	-	-	- 53.2
Capital expenditure *1	4.6	- 4.1	- 0.7	2.3	0.1	0.6	-	2.8