

【Summary】

FY2004 Interim Results (Consolidated)

<Summary of Statements of income>

(¥billion)

	FY2004 1H	FY2003 1H	YoY	Target announced Feb. 2004	Difference
Asahi Breweries	502.0	500.1	1.9	521.0	(19.0)
Asahi Soft Drinks	97.2	92.5	4.7	96.1	1.1
Asahi Food & Healthcare	10.9	10.7	0.2	11.8	(0.9)
Others	38.0	36.3	1.7	38.1	(0.1)
Sales	648.1	639.6	8.5 1.3%	667.0	(18.9) -2.8%
Asahi Breweries	35.2	21.8	13.4	30.0	5.2
Asahi Soft Drinks	2.8	0.1	2.7	1.0	1.8
Asahi Food & Healthcare	(0.7)	(0.3)	(0.4)	(0.6)	(0.1)
Others	0.4	0.0	0.4	(0.4)	0.8
Operating profit	37.7	21.6	16.1 74.5%	30.0	7.7 25.7%
Non-operating income or expense	(1.6)	(2.9)	1.3	(2.5)	0.9
Income/expense on financing activities	(0.9)	(1.5)	0.6	(1.2)	0.3
Other income/expense, net	(0.7)	(1.4)	0.7	(1.3)	0.6
[Amortization of consolidation difference]	0.8	0.8	0.0	0.8	0.0
[Others]	(1.5)	(2.2)	0.7	(2.1)	0.6
Ordinary profit	36.1	18.7	17.4 93.2%	27.5	8.6 31.3%
Extraordinary items	(1.4)	(6.4)	5.0	(5.0)	3.6
Gain on reverse of allowance for doubtful accounts	1.2	0.5	0.7	-	1.2
Loss on sales and disposal of fixed assets	(2.1)	(0.9)	(1.2)	(2.0)	(0.1)
Loss on devaluation of investment securities, other	(0.2)	(1.2)	1.0	-	(0.2)
Loss on liquidation of business	(0.7)	(4.3)	3.6	-	(0.7)
Prior year's provision for reserve for officer's retirement benefits	-	(0.6)	0.6	-	-
Other extraordinary items	0.4	0.1	0.3	0.0	0.4
Business restructuring	-	-	-	(3.0)	3.0
Income before taxes	34.7	12.3	22.4	22.5	12.2
Income taxes	18.7	5.4	(13.3)	13.5	(5.2)
Minority interests in net loss of unconsolidated subsidiaries	0.5	(1.3)	(1.8)	0.0	(0.5)
Net income	15.4	8.2	7.2 87.4%	9.0	6.4 71.8%

<Summary of Statements of Balance Sheet>

(¥billion)

	FY2004 1H	FY2003 1H	YoY
Total assets	1,254.8	1,270.3	(15.4)
Total shareholders' equity	407.2	386.3	20.9
Interest-bearing debt	358.4	402.2	(43.8)

<Others>

	FY2004 1H	FY2003 1H	YoY
Operating margin	5.8%	3.4%	2.4%

Target announced Feb. 2004	Difference
4.5%	1.3%

(¥billion)

Capital expenditures	18.2	19.3	(1.1)
Depreciation	25.3	26.1	(0.8)

【Summary】

FY2004 Interim Results (Non-consolidated)

<Sales Figures>

(million cases)

	FY2004 1H	FY2003 1H	YoY	Target announced Feb. 2004	Difference
Beer	65.48	67.92	(2.44) -3.6%	64.00	1.48
Happoshu	26.60	24.92	1.68 6.7%	31.00	(4.40)
Total	92.08	92.84	(0.76) -0.8%	95.00	(2.92) -3.1%

<Summary of statements of income>

(¥billion)

	FY2004 1H	FY2003 1H	YoY	Target announced Feb. 2004	Difference
Beer	340.4	353.1	(12.7)	335.4	5.0
Happoshu	98.9	86.4	12.5	115.7	(16.8)
Others	62.7	60.6	2.1	69.9	(7.2)
Sales	502.0	500.1	1.9 0.4%	521.0	(19.0) -3.7%
Beer - decrease in sales volume	-	-	(3.7)	(6.0)	2.3
Happoshu - increase in sales volume	-	-	2.0	7.5	(5.5)
Other alcoholic beverages - increase in sales volume	-	-	0.7	3.0	(2.3)
Cost reduction in manufacturing	-	-	2.6	0.8	1.8
Cost reduction in logistics	-	-	1.5	0.6	0.9
Cost increase in raw materials	-	-	(0.2)	(0.4)	0.2
Change in production composition	-	-	0.3	0.2	0.1
Decrease in sales promotion expense	48.8	55.7	6.9	1.8	5.1
Other expenses	-	-	3.3	0.7	2.6
Operating profit	35.2	21.8	13.4 61.7%	30.0	5.2 17.3%
Income/expense on financing activities	(0.1)	(0.4)	0.3	(0.3)	0.2
Other income/expense, net	(0.9)	(1.4)	0.5	(1.7)	0.8
Ordinary profit	34.2	20.0	14.2 71.0%	28.0	6.2 22.0%
Extraordinary Items	(0.9)	(6.0)	5.1	(4.0)	3.1
Gain on sale of fixed assets	0.0	0.2	(0.2)	-	0.0
Gain on reverse of allowance for doubtful accounts	1.8	0.5	1.3	-	1.8
Loss on sales and disposal of fixed assets	(1.2)	(0.6)	(0.6)	(1.0)	(0.2)
Loss on devaluation of investment securities	(0.2)	(1.2)	1.0	-	(0.2)
Subsidiaries related expense	(1.3)	(4.3)	3.0	-	(1.3)
Prior year's provision for reserve for officer's retirement benefits	-	(0.6)	0.6	-	-
Business restructuring	-	-	-	(3.0)	3.0
Income before taxes	33.3	14.0	19.3	24.0	9.3
Income taxes	17.7	8.2	(9.5)	13.0	(4.7)
Net income	15.6	5.8	9.7 166.1%	11.0	4.6 41.5%

<Summary of Statements of Balance Sheet>

(¥billion)

	FY2004 1H	FY2003 1H	YoY
Total assets	1,058.0	1,093.1	(35.1)
Total shareholders' equity	395.3	378.2	17.1
Interest-bearing debt	288.5	344.9	(56.4)

<Others>

	FY2004 1H	FY2003 1H	YoY	Target announced Feb. 2004	Difference
Operating margin	7.0%	4.3%	2.7%	5.8%	1.2%
(¥billion)					
Capital expenditures	11.5	15.0	(3.5)		
Depreciation	19.2	19.8	(0.6)		

【Summary】

FY2004 Consolidated Forecast

Summary of Statements of income

(¥billion)

	FY2004 Est.	FY2003	YoY	Target announced Feb. 2004	Difference
Asahi Breweries	1,123.0	1,107.0	16.0	1,131.0	(8.0)
Asahi Soft Drinks	204.0	189.4	14.6	196.5	7.5
Asahi Food & Healthcare	23.9	22.0	1.9	25.5	(1.6)
Others	84.1	81.9	2.2	87.0	(2.9)
Sales	1,435.0	1,400.3	34.7	1,440.0	(5.0)
			2.5%		-0.3%
Asahi Breweries	80.0	72.4	7.6	78.0	2.0
Asahi Soft Drinks	7.0	2.8	4.2	5.0	2.0
Asahi Food & Healthcare	(0.4)	0.0	(0.4)	(0.4)	0.0
Others	1.4	3.7	(2.3)	1.4	0.0
Operating profit	88.0	78.9	9.1	84.0	4.0
			11.4%		4.8%
Non-operating income or expense	(4.0)	(8.5)	4.5	(4.0)	0.0
Income/expense on financing activities	(3.0)	(3.2)	0.2	(3.0)	0.0
Other income/expense, net	(1.0)	(5.3)	4.3	(1.0)	0.0
[Amortization of consolidation difference]	1.8	1.6	0.2	1.6	0.2
[Provision for doubtful accounts]	0.0	(1.3)	1.3	0.0	0.0
[Others]	(2.8)	(5.6)	2.8	(2.6)	(0.2)
Ordinary profit	84.0	70.4	13.6	80.0	4.0
			19.2%		5.0%
Extraordinary items	(20.0)	(21.8)	1.8	(19.7)	(0.3)
Gain on sale of fixed assets	0.0	0.9	(0.9)	-	-
Compensation for transfer of brewery	1.2	1.5	(0.3)	1.3	(0.1)
Loss on sale and disposal of fixed assets	(6.6)	(6.2)	(0.4)	(6.5)	(0.1)
Loss on liquidation of real estate	(7.5)	(8.3)	0.8	-	(7.5)
Loss on devaluation of investment securities	(0.5)	(1.3)	0.8	-	(0.5)
Subsidiary related expense	(6.0)	(7.7)	1.7	-	(6.0)
Prior year's provision for reserve for officer's retirement benefits	-	(0.6)	0.6	-	-
Other	(0.6)	(0.1)	(0.5)	(0.5)	(0.1)
Business restructuring	-	-	-	(14.0)	14.0
Income before taxes	64.0	48.6	15.4	60.3	3.7
Income taxes	36.0	25.4	(10.6)	34.3	(1.7)
Net income	28.0	23.2	4.8	26.0	2.0
			20.6%		7.7%

<Summary of Statements of Balance Sheet>

(¥billion)

	FY2004 Est.	FY2003	YoY	Target announced Feb. 2004	Difference
Total assets	1,233.0	1,244.4	(11.4)	1,236.0	(3.0)
Interest-bearing debt	323.0	336.3	(13.3)	323.0	0.0

<Others>

	FY2004 Est.	FY2003	YoY	Target announced Feb. 2004	Difference
Operating margin	6.1%	5.6%	0.5%	5.8%	0.3%
Capital expenditures	40.0	38.1	1.9	40.0	0.0
Depreciation	53.0	53.1	(0.1)	53.0	0.0

【Summary】

FY2004 Non-Consolidated Forecast

<Sales Figures>

(million cases)

	FY2004 Est.	FY2003	YoY	Target announced Feb. 2004	Difference
Beer	148.00	149.86	-1.86	141.50	6.50
Happoshu	57.00	54.25	2.75	63.50	(6.50)
			5.1%		-10.2%
Total	205.00	204.11	0.89	205.00	0.00
			0.4%		0.0%

<Summary of statements of income>

(¥billion)

	FY2004 Est.	FY2003	YoY	Target announced Feb. 2004	Difference
Beer	775.7	784.4	(8.7)	742.4	33.3
Happoshu	212.3	195.6	16.7	236.6	(24.3)
Others	135.0	127.0	8.0	152.0	(17.0)
Sales	1,123.0	1,107.0	16.0	1,131.0	(8.0)
			1.4%		-0.7%
Beer - decrease in sales volume	-	-	(2.9)	(13.0)	10.1
Happoshu - increase in sales volume	-	-	3.3	11.0	(7.7)
Other alcoholic beverages - increase in sales volume	-	-	2.4	7.5	(5.1)
Cost reduction in manufacturing	-	-	3.1	1.8	1.3
Cost reduction in logistics	-	-	2.0	1.2	0.8
Difference in composition ratio of containers	-	-	0.2	0.5	(0.3)
Cost increase in raw materials	-	-	(1.5)	(1.0)	(0.5)
Decrease in sales promotion expenses	105.5	109.1	3.6	3.6	0.0
Other expenses	-	-	(2.6)	(6.0)	3.4
Operating profit	80.0	72.4	7.6	78.0	2.0
			10.6%		2.6%
Income/expense on financing activities	(1.3)	(1.5)	0.2	(1.5)	0.2
Other income/expense, net	(9.7)	(8.1)	(1.6)	(9.5)	(0.2)
[Provision for doubtful accounts]	(7.0)	(3.5)	(3.5)	(7.0)	0.0
[Other]	(2.7)	(4.6)	1.9	(2.5)	(0.2)
Ordinary profit	69.0	62.8	6.2	67.0	2.0
			9.8%		3.0%
Extraordinary Items	(15.0)	(18.8)	3.8	(15.0)	0.0
Gain on sale of fixed assets	0.0	0.5	(0.5)	-	0.0
Gain on sale of investment securities	0.0	0.2	(0.2)	-	0.0
Loss on sales and disposal of fixed assets	(5.0)	(4.0)	(1.0)	(5.0)	0.0
Loss on liquidation of real estate	(2.5)	(3.8)	1.3	-	(2.5)
Loss on devaluation of investment securities	(0.5)	(1.3)	0.8	-	(0.5)
Subsidiary related expense	(7.0)	(9.8)	2.8	-	(7.0)
Prior year's provision for reserve for officer's retirement benefits	-	(0.6)	0.6	-	-
Business restructuring	-	-	-	(10.0)	10.0
Income before taxes	54.0	44.0	10.0	52.0	2.0
Income taxes	30.0	27.6	(2.4)	29.0	(1.0)
Net income	24.0	16.4	7.6	23.0	1.0
			46.5%		4.3%

<Summary of Statements of Balance Sheet>

(¥billion)

	FY2004 Est.	FY2003	YoY	Target announced Feb. 2004	Difference
Total assets	1,047.0	1,077.8	(30.8)	1,075.0	(28.0)
Interest-bearing debt	260.0	291.5	(31.5)	290.0	(30.0)

<Others>

	FY2004 Est.	FY2003	YoY	Target announced Feb. 2004	Difference
Operating margin	7.1%	6.5%	0.6%	6.9%	0.2%

(¥billion)

Capital expenditures	27.0	27.1	(0.1)	27.0	0.0
Depreciation	39.5	39.7	(0.2)	40.0	(0.5)

ASAHI BREWERIES,LTD.
SEMI-ANNUAL CONSOLIDATED BALANCE SHEETS
June 30, 2004 and 2003
(Unaudited)

ASSETS

	Millions of yen				
	As of June 30		As of June 30		Increase
	2004		2003		(Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	
Current assets:					
Cash and time deposits	13,904		11,493		2,411
Notes and accounts receivable	243,046		240,173		2,872
Inventories	96,308		104,606		(8,297)
Deferred income taxes	7,109		3,895		3,214
Other current assets	31,534		35,673		(4,138)
Allowance for doubtful accounts	(9,027)		(7,956)		(1,071)
Total current assets	382,876	30.5%	387,885	30.5%	(5,008)
Property, plant and equipment:					
Buildings and structures	225,526		234,798		(9,272)
Machinery and equipment	194,992		209,290		(14,298)
Tools, furniture and fixtures	51,278		53,954		(2,675)
Land	203,963		214,953		(10,990)
Construction in progress	7,287		3,172		4,115
Total tangible fixed assets	683,047	54.4%	716,169	56.4%	(33,121)
Intangible fixed assets	17,494	1.4%	17,411	1.4%	83
Investments and other assets:					
Investment securities	103,824		74,182		29,642
Deferred income taxes	36,221		46,810		(10,589)
Other investments	45,254		48,434		(3,179)
Allowance for doubtful accounts	(13,845)		(20,544)		6,698
Total investments and other assets	171,455	13.7%	148,883	11.7%	22,571
Total fixed assets	871,997	69.5%	882,464	69.5%	(10,466)
Total assets	¥1,254,874	100.0%	¥1,270,349	100.0%	(15,474)

LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY

	Millions of yen				
	As of June 30		As of June 30		Increase
	2004		2003		(Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	Amount
Current liabilities:					
Notes and accounts payable	73,049		73,399		(349)
Short-term debt	78,812		99,069		(20,257)
Bonds due within one year	59,997		25,451		34,546
Alcohol tax payable	145,866		145,279		586
Deposits received	64,947		72,013		(7,066)
Commercial paper	—		21,500		(21,500)
Other current liabilities	114,932		101,238		13,693
Total current liabilities	537,604	42.8%	537,951	42.4%	(347)
Long-term liabilities:					
Bonds	140,000		197,550		(57,550)
Long-term debt	79,589		58,661		20,927
Employees' severance and retirement benefits	28,898		30,507		(1,608)
Retirement benefits for directors and corporate auditors	618		553		64
Deferred tax liabilities	487		282		205
Other long-term liabilities	39,921		41,997		(2,076)
Total long-term liabilities	289,515	23.1%	329,554	25.9%	(40,038)
Total liabilities	827,119	65.9%	867,505	68.3%	(40,385)
Minority interests	20,486	1.6%	16,467	1.3%	4,018
Shareholders' equity:					
Common stock	182,531	14.6%	182,531	14.4%	—
Capital surplus	181,282	14.5%	181,282	14.3%	0
Retained earnings	62,559	5.0%	38,800	3.0%	23,758
Net unrealized holding loss on available-for-sale securities	5,297	0.4%	799	0.0%	4,498
Foreign currency translation adjustments	461	0.0%	969	0.1%	(507)
Treasury stock	(24,863)	-2.0%	(18,006)	-1.4%	(6,857)
Total shareholders' equity	407,268	32.5%	386,376	30.4%	20,892
Total liabilities, minority interests and shareholders' equity	1,254,874	100.0%	¥1,270,349	100.0%	(¥15,474)

ASAHI BREWERIES,LTD.
SEMIU-ANNUAL CONSOLIDATED INCOME STATEMENTS
Six months ended June 30, 2004 and 2003
(Unaudited)

	June 30,2004		June 30, 2003		Increase (Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	Amount
Net sales	648,105	100.0%	639,650	100.0%	8,454
Cost of sales	438,709	67.7%	436,959	68.3%	1,750
Gross profit	209,395	32.3%	202,691	31.7%	6,704
Selling,general and administrative	171,674	26.5%	181,076	28.3%	(9,402)
Operating income	37,721	5.8%	21,614	3.4%	16,107
Non-operating income:					
Interest income	265		359		(94)
Dividend income	844		760		84
Amortization of consolidation difference	824		825		0
Other	839		854		(14)
Total	2,774	0.4%	2,799	0.4%	(25)
Non-operating expenses:					
Interest expenses	1,998		2,623		(625)
Equity in net loss of unconsolidated subsidiaries	300		47		252
Provision for doubtful accounts	—		18		(18)
Other	2,069		3,020		(951)
Total	4,367	0.6%	5,710	0.9%	(1,343)
Recurring profit	36,128	5.6%	18,703	2.9%	17,425
Extraordinary gain:					
Gain on sale of fixed assets	71		238		(167)
Gain on sale of investment securities	284		37		246
Gain on reverse of allowance for doubtful accounts	1,228		465		762
Compensation for transfer of brewery	362		—		362
Total	1,946	0.3%	741	0.1%	1,204
Extraordinary loss:					
Loss on sales and disposal of fixed assets	2,148		873		1,275
Loss on sale of investment securities	32		10		22
Loss on devaluation of investment securities	162		1,193		(1,030)
Loss on devaluation of securities of affiliated company	446		—		446
Loss on liquidation of subsidiaries	—		4,287		(4,287)
Prior year's provision for reserve for officer's retirement benefits	—		581		-581
Other	573		168		404
Total	3,363	0.5%	7,113	1.1%	(3,750)
Income before income taxes	34,711	5.4%	12,331	1.9%	22,380
Income tax, Inhabitants tax & enterprise tax	18,708	2.9%	5,373	0.8%	13,334
Minority interests in net gain (loss)	539	0.1%	(1,295)	-0.2%	1,835
Net income	¥15,462	2.4%	¥8,252	1.3%	¥7,210

ASAHI BREWERIES,LTD.
SEMI-ANNUAL CONSOLIDATED STATEMENTS OF CASH FLOWS
Six months ended June 30, 2004 and 2003
(Unaudited)

	Millions of yen		
	June 30, 2004	June 30, 2003	Increase (Decrease)
Cash flow from operating activities:			
Income before income taxes	34,711	12,331	22,380
Depreciation	25,316	26,085	(769)
Decrease in provision for employees' severance and retirement benefits	(873)	(1,413)	540
Increase in allowance for doubtful accounts	(1,813)	(992)	(820)
Interest and dividend income	(1,110)	(1,120)	10
Interest expenses	1,998	2,623	(625)
Equity in net income of unconsolidated subsidiaries	300	47	252
Loss on devaluation of investment securities	162	1,193	(1,030)
Loss on liquidation of subsidiaries	—	4,287	(4,287)
Loss on sales and disposal of fixed assets	2,148	873	1,275
Decrease in notes and accounts receivable	19,361	19,028	332
Decrease in inventories	(7,239)	(7,467)	227
Decrease in notes and accounts payable	(8,021)	(10,353)	2,332
Increase in alcohol tax payable	(850)	2,908	(3,758)
Increase in consumption tax payable	(2,580)	(1,072)	(1,507)
Bonuses paid to directors and corporate auditors	(127)	(113)	(13)
Other	(3,608)	1,881	(5,489)
Subtotal	57,775	48,728	9,047
Interest and dividends received	1,195	1,163	31
Interest paid	(2,062)	(2,969)	906
Income taxes paid	(19,973)	(12,029)	(7,944)
Net cash provided by operating activities	36,934	34,892	2,041
Cash flows from investing activities:			
Proceeds from time deposits	33	2,403	(2,370)
Payments for purchases of property,plant and equipment	(19,257)	(23,046)	3,789
Proceeds from sales of property,plant and equipment	310	184	125
Payments for purchases of intangible assets	(2,394)	(1,915)	(478)
Payments for purchases of investment securities	(38,188)	(4,396)	(33,791)
Proceeds from sales of Investment securities	8,030	141	7,889
Payments for collections of advances	(297)	(818)	520
Proceeds from collections of advances	466	7,860	(7,394)
Other	2,372	165	2,207
Net cash used in investing activities	(48,923)	(19,421)	(29,502)
Cash flows from financing activities:			
Increase in short-term borrowings	8,107	(1,246)	9,354
Proceeds from long-term debt	24,304	34,700	(10,395)
Repayments of long-term debt	(2,580)	(38,640)	36,060
Payments for Issue of bond	10,000	10,000	—
Redemption of bonds	(17,696)	(10,000)	(7,696)
Payments for treasury stocks	(6,839)	(8,675)	1,835
Cash dividends paid	(3,193)	(6,535)	3,342
Cash dividends paid to minority in consolidated subsidiaries	(2)	(2)	0
Payment from minority shareholders	2,504	—	2,504
Other	(226)	207	(433)
Net cash used in financing activities	14,378	(20,193)	34,571
Effect of exchange rate change on cash and cash equivalents	(160)	(24)	(135)
Net increase in cash and cash equivalents	2,228	(4,747)	6,975
Cash and cash equivalents at beginning of year	11,561	15,986	(4,424)
Increase in cash and cash equivalents due to increase in consolidated subsidiaries	9	68	77
Increase in cash and cash equivalents due to consolidation of subsidiaries	—	12	(12)
Cash and cash equivalents at end of year	¥13,799	¥11,183	¥2,616

ASAHI BREWERIES, LTD.
SEMI-ANNUAL NON-CONSOLIDATED BALANCE SHEETS
June 30, 2004 and 2003
(Unaudited)

ASSETS

	Millions of yen				
	As of June 30 2004		As of June 30 2003		Increase (Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	Amount
Current assets:					
Cash and time deposits	4,197		3,142		1,055
Notes receivable	6,113		9,485		(3,372)
Accounts receivable	188,934		185,345		3,589
Inventories	41,882		49,227		(7,345)
Short-term loans receivable from subsidiaries and affiliated compar	56,258		43,063		13,195
Other current assets	22,797		20,925		1,872
Allowance for doubtful accounts	(10,409)		(6,531)		(3,878)
Total current assets	309,776	29.3%	304,658	27.9%	5,117
Property, plant and equipment:					
Buildings and structures	151,625		159,386		(7,761)
Machinery and equipment	165,452		175,628		(10,176)
Tools, furniture and fixtures	49,024		51,874		(2,849)
Land	132,521		136,285		(3,764)
Construction in progress	4,002		2,457		1,545
Other tangible fixed assets	23,870		25,134		(1,263)
Total tangible fixed assets	526,496		550,766		(24,269)
Intangible fixed assets:	12,318		12,964		(646)
Investments and other assets:					
Investment securities	55,466		49,897		5,568
Investments in subsidiaries and affiliated companies	75,026		74,762		263
Other investments	93,215		120,360		(27,144)
Allowance for doubtful accounts	(14,333)		(20,345)		6,012
Total investments and other assets	209,374		224,675		(15,300)
Total fixed assets	748,189	70.7%	788,405	72.1%	(40,215)
Total assets	¥1,057,965		¥1,093,064		(¥35,098)

LIABILITIES AND SHAREHOLDERS' EQUITY

	Millions of yen				
	As of June 30 2004		As of June 30 2003		Increase (Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	Amount
Current liabilities:					
Notes payable	234		309		(74)
Accounts payable	42,323		42,314		8
Short-term debt	43,000		65,508		(22,507)
Bonds due within one year	59,997		25,451		34,546
Alcohol tax payable	135,969		134,816		1,153
Deposits received	77,290		81,833		(4,542)
Commercial paper	—		21,500		(21,500)
Reserve for bonus payment	1,223		1,133		89
Other current liabilities	71,810		59,869		11,941
Total current liabilities	431,850	40.8%	432,736	39.6%	(885)
Long-term liabilities:					
Bonds	140,000		160,000		(20,000)
Convertible bonds	—		29,997		(29,997)
Long-term debt	45,500		42,500		3,000
Long-term accounts payable	—		734		(734)
Long-term deposits received	33,028		34,696		(1,668)
Employees' severance and retirement benefits	12,022		13,877		(1,855)
Retirement benefits for directors and corporate auditors	308		366		(58)
Total long-term liabilities	230,858	21.8%	282,171	25.8%	(51,312)
Total liabilities	662,708	62.6%	714,907	65.4%	(52,198)
Shareholders' equity:					
Common stock	182,531	17.3%	182,531	16.7%	—
Capital surplus:		18.0%			
Additional paid-in capital	130,292		130,292		—
Other capital surplus	59,999		59,998		0
Retained earnings:		4.0%		2.1%	
Voluntary reserve	22,606		12,744		9,861
Six-months unappropriated retained earnings	19,716		9,922		9,794
Net unrealized holding losses on available-for-sale securities	4,974	0.5%	673	0.0%	4,301
Treasury stock	(24,863)	-2.4%	(18,006)	-1.6%	(6,857)
Total shareholders' equity	395,257	37.4%	378,156	34.6%	17,100
Total liabilities, minority interests and shareholders' equity	¥1,057,965	100.0%	¥1,093,064	100.0%	(¥35,098)

ASAHI BREWERIES, LTD.
SEMI-ANNUAL NON-CONSOLIDATED INCOME STATEMENTS
Six months ended June 30, 2004 and 2003
(Unaudited)

	June 30, 2004		June 30, 2003		Increase (Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	Amount (Decrease)
Net sales	501,967	100.0%	500,078	100.0%	1,888
Cost of sales	362,653	72.2%	364,333	72.9%	(1,679)
Gross profit	139,313	27.8%	135,745	27.1%	3,568
Selling, general and administrative	104,132	20.8%	113,993	22.8%	(9,860)
Operating income	35,180	7.0%	21,752	4.3%	13,428
Non-operating income:					
Interest and dividend income	1,404		1,559		(154)
Other	373		323		49
Total	1,778	0.4%	1,882	0.4%	(104)
Non-operating expenses:					
Interest expenses	1,455		1,977		(521)
Other	1,351		1,689		(338)
Total	2,806	0.6%	3,666	0.7%	(859)
Recurring profit	34,152	6.8%	19,968	4.0%	14,183
Extraordinary gain:					
Gain on sale of fixed assets	0		227		(226)
Gain on sale of investment securities	1		37		(35)
Gain on sale of subsidiaries' shares	8		—		8
Gain on reverse of allowance for doubtful accounts	1,816		465		1,351
Total	1,828	0.3%	730	0.1%	1,098
Extraordinary loss:					
Loss on sales and disposal of fixed assets	1,202		592		609
Loss on sale of investment securities	0		10		(9)
Loss on devaluation of investment securities	162		1,193		(1,030)
Loss on devaluation of investment in affiliated companies	1,277		—		1,277
Loss on liquidation of business	—		4,287		(4,287)
Prior year's provision for reserve for officer's retirement benefits	—		581		581
Total	2,642	0.5%	6,665	1.3%	(4,022)
Income before income taxes	33,338	6.6%	14,033	2.8%	19,304
Income tax, Inhabitants tax & enterprise tax	17,776	3.5%	8,184	1.6%	9,591
Net income	15,562	3.1%	5,848	1.2%	9,713
Retained earnings at beginning of the term	4,154		4,073		80
Unappropriated retained earnings	¥19,716		¥9,922		¥9,794