

ASAHI BREWERIES, LTD.

Consolidated Balance Sheets (As of December 31, 2004 and 2003)

(Unaudited)

ASSETS

	(in million yen)				
	December 31		December 31		Increase
	2004		2003		(Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	Amount
Current Assets:					
Cash and cash equivalents	14,156		11,699		2,456
Notes and accounts receivable	279,771		262,406		17,365
Securities	2,172		-		2,172
Inventories	85,190		89,067		(3,876)
Deffered tax assets	19,861		6,448		13,413
Other	30,066		35,936		(5,870)
Allowance for doubtful accounts	(10,438)		(12,297)		1,859
Total current assets	420,780	33.6%	393,260	31.6%	27,519
Fixed Assets					
Tangible fixed assets:					
Buildings	222,493		230,264		(7,770)
Machinery and equipment	196,172		201,781		(5,608)
Furniture and fixtures	51,568		52,738		(1,169)
Land	183,045		204,684		(21,638)
Construction in progress	4,228		4,102		125
Total tangible fixed assets	657,509	52.6%	693,570	55.7%	(36,061)
Intangible fixed assets	18,410	1.5%	17,588	1.4%	822
Investments and other assets:					
Investment securities	93,653		68,137		25,516
Long-term loans receivables	5,392		3,886		1,506
Long-term prepaid expenses	9,062		8,893		169
Deferred tax asset	29,815		38,325		(8,509)
Other	28,470		32,861		(4,391)
Allowance for doubtful accounts	(12,275)		(12,112)		(163)
Total investments and other assets	154,118	12.3%	139,990	11.3%	14,127
Total fixed assets	830,038	66.4%	851,149	68.4%	(21,111)
Total Assets	1,250,818	100.0%	1,244,409	100.0%	6,408

LIABILITIES AND SHAREHOLDERS' EQUITY

(in million yen)

	December 31 2004		December 31 2003		Increase (Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	Amount
Current Liabilities:					
Notes and accounts payable	84,585		81,056		3,528
Short-term debt	38,864		51,237		(12,373)
Long-term debt due within one year	9,705		15,983		(6,278)
Bonds due within one year	49,997		47,603		2,393
Alcohol tax payable	148,654		146,716		1,937
Consumption tax payable	10,851		10,723		128
Income tax payable	23,958		20,999		2,958
Accrued liabilities	43,234		39,090		4,144
Accrued expenses	54,524		47,336		7,188
Deposits received	63,718		70,524		(6,805)
Commercial paper	-		5,500		(5,500)
Other	3,594		5,535		(1,941)
Total current liabilities	531,690	42.5%	542,308	43.6%	(10,618)
Non-current Liabilities:					
Bonds	120,000		159,997		(39,997)
Long-term debt	84,521		55,962		28,559
Allowance for retirement benefits	29,183		29,772		(558)
Reserve for officers' retirement benefits	674		649		24
Deferred tax liabilities	448		304		143
Other	39,644		39,768		(123)
Total non-current liabilities	274,472	21.9%	286,453	23.0%	(11,981)
Total liabilities	806,162	64.5%	828,762	66.6%	(22,599)
Minority interests	26,827	2.1%	17,494	1.4%	9,333
Shareholders' Equity:					
Common stock	182,531	14.6%	182,531	14.7%	-
Capital surplus	181,282	14.5%	181,281	14.6%	0
Retained earnings	74,053	5.9%	50,409	4.1%	23,643
Appreciation by revaluation of investment securities	4,769	0.4%	1,793	0.1%	2,975
Foreign currency translation adjustments	76	0.0%	163	0.0%	(86)
Treasury stock	(24,885)	-2.0%	(18,026)	-1.5%	(6,858)
Total shareholders' equity	417,827	33.4%	398,152	32.0%	19,674
Total liabilities, minority interests and shareholders' equity	1,250,818	100.0%	1,244,409	100.0%	6,408

ASAHI BREWERIES, LTD.
 Consolidated Income Statements (Years ended December 31, 2004 and 2003
 (Unaudited)

(in million yen)

	December 31, 2004		December 31, 2003		Increase (Decrease)
	Amount	Ratio(%)	Amount	Ratio(%)	Amount
Sales	1,444,225	100.0%	1,400,301	100.0%	43,924
Cost of sales	978,610	67.8%	959,162	68.5%	19,447
Gross profit	465,615	32.2%	441,138	31.5%	24,476
Selling, General & Administrative expense:					
Sales promotion premium and commission	128,845		124,826		4,019
Advertising expense	46,060		44,968		1,091
Material management cost	34,607		37,274		(2,666)
Allowance for doubtful accounts	571		3,512		(2,941)
Employee salary and bonus	52,853		49,025		3,828
Retirement benefits cost	4,714		4,730		(15)
Depreciation expense	6,547		6,009		538
Other	90,142		91,809		(1,667)
	364,342	25.2%	362,154	25.9%	2,187
Operating income	101,272	7.0%	78,983	5.6%	22,288
Non-operating income:					
Interest income	538		672		(133)
Dividend income	966		882		83
Investment gains under equity method	-		326		(326)
Amortization of consolidation negative goodwill	1,620		1,601		18
Other	2,002		1,276		725
	5,127	0.3%	4,759	0.3%	368
Non-operating expenses:					
Interest expense	4,284		4,799		(515)
Investment losses under equity method	734		-		734
Allowance for doubtful accounts	182		1,347		(1,165)
Other	5,549		7,115		(1,566)
	10,750	0.7%	13,263	0.9%	(2,513)
Ordinary income	95,650	6.6%	70,480	5.0%	25,170
Extraordinary gains:					
Gain on sale of fixed assets	449		956		(507)
Gain on sale of investment securities	580		288		291
Compensation for transfer of brewery	597		1,542		(944)
Other	-		18		(18)
	1,627	0.1%	2,805	0.2%	(1,178)
Extraordinary losses:					
Loss on disposal and sale of fixed assets	31,314		14,476		16,837
Bonus paid to directors and corporate auditors	301		154		146
Prior year's provision for reserve for officer's retirement benefits	-		581		(581)
Loss on sale of investment securities	2,048		78		1,969
Loss on devaluation of investment securities	271		1,198		(926)
Loss on devaluation of fixed assets	-		2,855		(2,855)
Loss on liquidation of business	-		4,287		(4,287)
Loss on liquidation of affiliated companies	665		644		21
Vending machine related expense correspond with the issuance the new note:	1,667		-		1,667
Prior period adjustment of sales promotion expense	1,974		-		1,974
Other	664		328		336
	38,908	2.7%	24,605	1.7%	14,303
Income before income taxes	58,368	4.0%	48,680	3.5%	9,688
Income tax, inhabitants tax & enterprise taxes	33,741	2.3%	22,830	1.6%	10,911
Adjustment to income taxes	(6,910)	-0.5%	2,451	0.2%	(9,362)
Minority interests in net loss of consolidated subsidiaries	941	0.1%	188	0.0%	752
Net Income	30,595	2.1%	23,210	1.7%	7,385

ASAHI BREWERIES, LTD.
Consolidated Statements of Cash Flows (Years ended December 31, 2004 and 2003)
(Unaudited)

	December 31, 2004	December 31, 2003	Increase (Decrease)
			(in million yen)
Cash flows from operating activities:			
Net income before taxes	58,368	48,680	9,688
Depreciation and amortization	51,339	53,100	(1,761)
Increase in reserve for retirement allowances	(1,038)	(2,419)	1,110
Decrease in allowance for doubtful accounts	(1,262)	5,175	(6,437)
Interest and dividend income	(1,504)	(1,554)	49
Interest expenses	4,284	4,799	(515)
Equity in net income of unconsolidated subsidiaries	734	(326)	1,061
Loss on sale of investment securities	1,468	(209)	1,677
Loss on devaluation of investment securities	271	1,198	(926)
Loss on liquidation of affiliated companies	665	644	21
Loss on liquidation of businesses	-	4,287	(4,287)
Gain on sale of property, plant and equipment - net	(449)	(956)	507
Loss on sale and disposal of fixed assets	31,314	14,476	16,837
Loss on devaluation of fixed assets	-	2,855	(2,855)
Increase in accounts receivable trade	(12,808)	(1,067)	(11,741)
Decrease in inventories	4,315	4,881	(565)
Increase in accounts payable trade	2,770	(2,793)	5,563
Increase in accrued alcohol tax payable	1,937	4,345	(2,407)
Increase in accrued consumption tax payable	7	1,662	(1,654)
Bonus paid to officers	(127)	(113)	(13)
Other	5,787	(4,323)	10,110
Sub total	146,075	132,615	13,459
Interest and dividend received	1,621	1,533	87
Interest paid	(4,392)	(4,400)	8
Income taxes paid	(30,374)	(14,390)	(15,984)
Net cash provided by operating activities	112,930	115,358	(2,427)
Cash flows from investing activities:			
Payments for time deposits	(1,046)	(259)	(786)
Proceeds from time deposits	1,278	2,406	(1,127)
Payment for purchase of tangible fixed assets	(36,020)	(35,466)	(554)
Proceeds from sale of tangible fixed assets	3,959	2,564	1,395
Payment for purchase of intangible fixed assets	(5,888)	(4,822)	(1,065)
Payment for purchase of investment securities	(39,113)	(4,442)	(34,671)
Proceeds from sale of investment securities	12,179	2,173	10,006
Payment for purchase of shares of subsidiary accompanied with change in scope of consolidation	(784)	-	(784)
Proceeds from purchase of shares of subsidiary accompanied with change in scope of consolidation	7,780	-	7,780
Payment for lending of loans	(809)	(1,645)	836
Proceeds from collections of loans	978	8,784	(7,805)
Other	2,634	(44)	2,679
Net cash (used in) provided by investing activities	(54,850)	(30,753)	(24,097)
Cash flows from financing activities:			
Increase in short-term debt	(17,359)	(55,459)	38,099
Proceeds from long-term debt	30,765	46,499	(15,735)
Repayments of long-term debt	(17,242)	(46,143)	28,900
Proceeds from issuances of bonds	10,000	10,000	-
Redemption of bonds	(47,396)	(25,451)	(21,945)
Purchase of treasury stock	(6,871)	(8,705)	1,833
Cash dividend paid	(6,832)	(9,728)	2,896
Cash dividend paid to minority shareholders	(2)	(2)	(0)
Payment from minority shareholders	2,504	-	2,504
Other	(3,230)	295	(3,525)
Net cash used in financing activities	(55,666)	(88,694)	33,028
Effect of exchange rate changes on cash and cash equivalents	(231)	(366)	135
Net decrease in cash and cash equivalents	2,181	(4,456)	6,637
Cash and cash equivalents, beginning of period	11,561	15,986	(4,424)
Increase in cash and cash equivalents due to change in scope of consolidation	(86)	18	(104)
Increase in cash and cash equivalents due to increase in consolidated subsidiaries	-	12	(12)
Cash and cash equivalents balance, end of period	13,657	11,561	2,095