

ASAHI BREWERIES, LTD.



FY2007 1st Half Financial Results

All information has been prepared in accordance with generally accepted accounting principles in Japan. Amounts shown in this accounting report and in the attached material have been rounded down to omit fractions less than one million yen. This document is a partial English translation of the Japanese Financial Statement (Kessan Tanshin) which was filed at stock exchanges in Japan on August 2, 2007.

Summary of 1H Financial Results (Fiscal 2007)

August 2, 2007

ASAHI BREWERIES, LTD.

Code Number: 2502
Shares Listed: First Section of the Tokyo Stock Exchange and Osaka Securities Exchange
(URL: <http://www.asahibeer.co.jp>)
Head Office: Tokyo, Japan
Representative: Hitoshi Ogita, President and COO
Contact: Toshio Kodato, General Manager, Public Relations Department
Tel: +81-3-5608-5126

Date of Board of Directors' Meeting:	February 6, 2007
Date of Ordinary General Meeting of Shareholders:	March 27, 2007
Interim Dividend Payment Program:	Yes
Unit Stock System:	Yes (One unit equals 100 shares)

1. Consolidated 1H Financial Results for Fiscal 2007 (From January 1, 2007 to June 30, 2007)

(1) Operating Results

(Rounded down to millions of yen, except per share data)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2007 1H ended June 30, 2007	672,609	1.2	23,109	-19.3	26,643	-10.2
Fiscal 2006 1H ended June 30, 2006	664,419	1.2	28,648	-7.1	29,684	-7.0
Fiscal 2006 year ended December 31, 2006	1,446,385	-	88,713	-	90,109	-

	Net income	% change	Net income per share (Primary)	Net income per share (Diluted)
	(Millions of yen)	(%)	(yen)	(yen)
Fiscal 2007 1H ended June 30, 2007	13,760	-5.0	29.19	29.12
Fiscal 2006 1H ended June 30, 2006	14,485	-23.8	30.29	30.24
Fiscal 2006 year ended December 31, 2006	44,775	-	94.02	93.85

Notes: Investment gains/losses on equity method:

6 months ended June 30, 2007:	5,516 million yen
6 months ended June 30, 2006:	3,484 million yen
Year ended December 31, 2006:	6,367 million yen

(2) Financial Condition

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(yen)
Fiscal 2007 1H as of June 30, 2007	1,312,835	526,253	37.6	1045.47
Fiscal 2006 1H as of June 30, 2006	1,267,241	491,706	36.5	967.21
Fiscal 2006 as of December 31, 2006	1,288,501	509,774	37.0	1012.77

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Fiscal 2007 1H ended June 30, 2007	24,872	(34,684)	12,846	27,455
Fiscal 2006 1H ended June 30, 2006	39,204	(62,829)	19,731	18,244
Fiscal 2006 year ended December 31, 2006	105,842	(82,249)	(22,246)	23,778

2. Dividends

	Interim dividend per share	Year-end dividend per share	Dividend per share for the year
	(yen)	(yen)	(yen)
Year ended December 31, 2006	8.50	10.50	19.00
Year ended December 31, 2007	9.50	-	-
Year ended December 31, 2007 (Forecast)	-	9.50	19.00

**3. Projection for Fiscal 2007
(January 1, 2007 to December 31, 2007)**

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2007 ending December 31, 2007	1,488,000	2.9	88,000	-0.8	90,500	0.4

	Net income	% change	Net income per share
	(Millions of yen)	(%)	(yen)
Fiscal 2007 ending December 31, 2007	45,000	0.5	95.30

Notes:

1. Change in the scope of consolidation and application of the equity method: No
2. Change in accounting policy during the term: Yes
3. Number of shares issued and outstanding at the end of the term (consolidated):

6 months ended June 30, 2007:	483,585,862 shares
6 months ended June 30, 2006:	493,585,862 shares
Year ended December 31, 2006:	483,585,862 shares

ASAHI BREWERIES, LTD.
Consolidated Balance Sheets (As of June 30, 2007 and 2006)
(Unaudited)

ASSETS

	(in million yen)						
	At June 30, 2006		At June 30, 2007		Increase (Decrease)	At December 31, 2006	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)
(Assets)							
. Current Assets:							
Cash and time deposits	18,467		23,760		5,293	15,873	
Notes and accounts receivable	257,245		261,688		4,443	278,139	
Inventories	100,058		100,687		628	92,344	
Deferred income tax assets	7,947		9,942		1,995	9,688	
Other current assets	33,005		34,778		1,773	42,005	
Allowance for doubtful accounts	(9,382)		(6,117)		3,265	(9,099)	
Total current assets	407,341	32.2	424,740	32.3	17,399	428,951	33.3
. Fixed Assets:							
Property, plant and equipment:							
Buildings and structures	213,782		207,305		(6,476)	209,926	
Machinery and equipment	186,239		182,017		(4,222)	182,438	
Tools, furniture and fixtures	49,670		48,387		(1,282)	49,124	
Land	185,378		183,760		(1,617)	185,101	
Construction in progress	3,840		9,958		6,118	8,426	
Total tangible fixed assets	638,910	50.4	631,428	48.1	(7,481)	635,017	49.3
Intangible fixed assets:							
Consolidation goodwill	33,627		32,274		(1,353)	32,635	
Others	13,561		13,460		(100)	13,751	
Total intangible fixed assets	47,188	3.7	45,734	3.5	(1,453)	46,386	3.6
Investments and other assets:							
Investment securities	123,381		161,040		37,659	126,796	
Deferred income tax assets	20,054		17,749		(2,305)	19,857	
Other investments	38,965		41,969		3,004	39,675	
Allowance for doubtful accounts	(8,600)		(9,828)		(1,228)	(8,183)	
Total investments and other assets	173,800	13.7	210,930	16.1	37,130	178,145	13.8
Total fixed assets	859,899	67.8	888,094	67.7	28,194	859,549	66.7
Total Assets	1,267,241	100.0	1,312,835	100.0	45,593	1,288,501	100.0

LIABILITIES AND SHAREHOLDERS' EQUITY

(in million yen)

	At		At		Increase (Decrease)	At	
	June 30, 2006		June 30, 2007			December 31, 2006	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)
(Liabilities)							
. Current Liabilities:							
Notes and accounts payable	91,204		106,232		15,027	106,592	
Bank loans	73,705		127,593		53,888	102,658	
Bonds due within one year	60,000		40,000		(20,000)	40,000	
Alcohol tax payable	134,466		126,954		(7,512)	132,523	
Deposits received	41,375		37,663		(3,712)	37,627	
Commercial paper	2,000		5,000		3,000	3,000	
Other current liabilities	117,823		137,652		19,828	138,516	
Total current liabilities	520,576	41.1	581,095	44.3	60,519	560,918	43.5
. Long-term Liabilities:							
Bonds	85,000		70,000		(15,000)	55,000	
Long-term debt	95,405		64,810		(30,595)	89,443	
Provision for Employees' severance and retirement benefits	28,940		25,237		(3,702)	26,973	
Allowance for retirement benefits for directors and corporate auditors	678		360		(318)	844	
Deferred income tax liabilities	5,206		5,163		(43)	5,166	
Other long-term liabilities	39,728		39,915		186	40,379	
Total long-term liabilities	254,958	20.1	205,485	15.6	(49,473)	217,807	16.9
Total liabilities	775,534	61.2	786,581	59.9	11,046	778,726	60.4
(Net assets)							
. Shareholders' equity:							
Common stock	182,531	14.4	182,531	13.9	-	182,531	14.2
Capital surplus	163,676	12.9	151,208	11.5	(12,468)	150,504	11.7
Retained earnings	116,105	9.2	151,379	11.5	35,274	142,329	11.0
Treasury stock, at cost	(17,141)	(1.4)	(15,020)	(1.1)	2,120	(16,946)	(1.3)
Total shareholders' equity	445,170	35.1	470,098	35.8	24,927	458,418	35.6
. Accumulated gains (losses) from revaluation and translation adjustments:							
Unrealized gains on available-for-sale securities, net of taxes	14,893	1.2	17,694	1.3	2,800	14,563	1.1
Unrealized losses on hedging derivatives, net of taxes	(59)	(0.0)	(9)	(0.0)	49	(28)	(0.0)
Foreign currency translation adjustments	2,565	0.2	5,869	0.5	3,303	3,753	0.3
Total accumulated gains (losses) from revaluation and translation adjustments	17,400	1.4	23,553	1.8	6,153	18,289	1.4
. Minority interests	29,135	2.3	32,601	2.5	3,466	33,067	2.6
Total net assets	491,706	38.8	526,253	40.1	34,547	509,774	39.6
Total liabilities and net assets	1,267,241	100.0	1,312,835	100.0	45,593	1,288,501	100.0

ASAHI BREWERIES, LTD.
Consolidated Income Statements (6 months ended June 30, 2007 and 2006)
(Unaudited)

(in million yen)

	1H ended June 30, 2006		1H ended June 30, 2007		Increase (Decrease) Amount	Year ended December 31, 2006	
	Amount	Ratio(%)	Amount	Ratio(%)		Amount	Ratio(%)
. Net sales	664,419	100.0	672,609	100.0	8,190	1,446,385	100.0
. Cost of sales	436,320	65.7	439,742	65.4	3,422	950,144	65.7
Gross profit	228,099	34.3	232,867	34.6	4,767	496,241	34.3
. Selling, general and administrative expenses	199,450	30.0	209,758	31.2	10,307	407,528	28.2
Operating income	28,648	4.3	23,109	3.4	(5,539)	88,713	6.1
. Non-operating income:							
Interest income	302		339			693	
Dividend income	646		967			839	
Equity in net income of unconsolidated subsidiaries and affiliated companies	3,484		5,516			6,367	
Other	754		1,355			1,664	
Total	5,188	0.8	8,178	1.2	2,990	9,565	0.7
. Non-operating expenses:							
Interest expenses	2,046		2,420			4,407	
Allowance for doubtful accounts	154		-			103	
Loss on sale and disposal of inventories	-		1,447			-	
Other	1,951		777			3,657	
Total	4,152	0.6	4,644	0.6	492	8,168	0.6
Recurring profit	29,684	4.5	26,643	4.0	(3,041)	90,109	6.2
. Extraordinary gain:							
Gain on sale of fixed assets	12		222			2,028	
Gain on sale of investment securities	7		67			79	
Gain on reverse of allowance for doubtful accounts	1,806		1,243			1,496	
Compensation for transfer of plant	273		-			289	
Total	2,100	0.3	1,534	0.2	(566)	3,894	0.3
. Extraordinary loss:							
Loss on sales and disposal of fixed assets	1,230		1,527			6,121	
Loss on sale of investment securities	92		769			190	
Loss on devaluation of investment securities	166		273			506	
Impairment loss on fixed assets	3,905		98			3,905	
Loss for adjustment to estimated consumption of gift coupon	-		1,545			-	
Loss on liquidation of subsidiary	-		-			1,776	
Other	91		103			338	
Total	5,486	0.8	4,318	0.6	(1,168)	12,838	0.9
Income before income taxes	26,298	4.0	23,859	3.6	(2,439)	81,165	5.6
Income tax, Inhabitants tax & enterprise tax	11,149		9,475			36,862	
Adjustment to income taxes	-		-			(1,538)	
Total	11,149	1.7	9,475	1.4	(1,673)	35,324	2.4
Minority interests in net gain of consolidated subsidiaries	663	0.1	622	0.1	(41)	1,065	0.1
Net income	<u>14,485</u>	<u>2.2</u>	<u>13,760</u>	<u>2.1</u>	<u>(724)</u>	<u>44,775</u>	<u>3.1</u>

ASAHI BREWERIES, LTD.
Consolidated Statements of Changes in Net Assets (From January 1, 2007 to June 30, 2007)

(in million yen)

	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at December 31, 2006	182,531	150,504	142,329	(16,946)	458,418
Changes of items during the period					
Cash Dividends paid			(4,942)		(4,942)
Net income			13,760		13,760
Purchases of treasury stock				(91)	(91)
Disposal of treasury stock		703		2,017	2,720
Increase resulting from increase in consolidated subsidiaries			231		231
Net changes of items other than shareholders' equity					-
Total changes of items during the period	-	703	9,050	1,925	11,679
Balance at June 30, 2007	182,531	151,208	151,379	(15,020)	470,098

	Unrealized gains on available-for-sale securities, net of taxes	Unrealized losses on hedging derivatives, net of taxes	Foreign currency translation adjustments	Total valuation and translation adjustments	Minority interests	Total net assets
Balance at December 31, 2006	14,563	(28)	3,753	18,289	33,067	509,774
Changes of items during the period						
Cash Dividends paid				-		(4,942)
Net income				-		13,760
Purchases of treasury stock				-		(91)
Disposal of treasury stock				-		2,720
Increase resulting from increase in consolidated subsidiaries				-		231
Net changes of items other than shareholders' equity	3,130	18	2,115	5,264	(465)	4,799
Total changes of items during the period	3,130	18	2,115	5,264	(465)	16,478
Balance at June 30, 2007	17,694	(9)	5,869	23,553	32,601	526,253

ASAHI BREWERIES, LTD.
Consolidated Statements of Cash Flows (6 months ended June 30, 2007 and 2006)
(Unaudited)

(in million yen)

	1H ended June 30, 2006	1H ended June 30, 2007	Increase (Decrease)	Year ended December 31 2006
. Cash flow from operating activities:				
Interim net Income before income taxes and minority interest	26,298	23,859	(2,438)	81,165
Depreciation	24,813	22,655	(2,157)	48,792
Impairment loss on fixed assets	3,905	98	(3,806)	3,905
Amortization of goodwill	-	1,228	1,228	-
Decrease in provision for employees' severance and retirement benefits	(1,254)	(1,808)	(554)	(3,322)
Decrease in allowance for doubtful accounts	(2,017)	(1,360)	656	(2,800)
Interest and dividend income	(948)	(1,307)	(358)	(1,533)
Interest expenses	2,046	2,420	374	4,407
Equity in net loss (income) of unconsolidated subsidiaries and affiliated companies	(3,484)	(5,516)	(2,031)	(6,367)
Loss on devaluation of investment securities	166	273	106	506
Gain on sales of fixed assets	(12)	(222)	(210)	(2,028)
Loss on sales and disposal of fixed assets	1,230	1,527	297	6,121
Loss for adjustment to estimated consumption of gift coupon	-	1,545	1,545	-
Increase (decrease) in notes and accounts receivable	4,121	15,348	11,227	(16,335)
Decrease in inventories	(10,021)	(8,443)	1,578	(1,910)
Decrease (increase) in notes and accounts payable	(7,426)	1,151	8,577	7,701
Increase (decrease) in accrued alcohol tax payable	1,325	(5,577)	(6,903)	(621)
Increase (decrease) in accrued consumption taxes payable	(348)	(2,123)	(1,774)	1,195
Bonuses paid to directors and corporate auditors	(188)	(160)	28	(188)
Other	5,655	9,636	3,981	1,435
Subtotal	43,859	53,223	9,364	120,122
Interest and dividends received	979	1,582	602	4,284
Interest paid	(2,039)	(2,458)	(418)	(4,439)
Income taxes paid	(3,595)	(27,475)	(23,880)	(14,125)
Net cash provided by operating activities	39,204	24,872	(14,332)	105,842
. Cash flows from investing activities:				
Proceeds from time deposits	138	248	109	589
Proceeds from sales of investment securities	3	5,213	5,209	5
Payments for purchases of property, plant and equipment	(17,591)	(14,647)	2,943	(33,299)
Proceeds from sale of property, plant and equipment	40	1,255	1,215	2,395
Payments for purchases of intangible assets	(1,889)	(1,592)	297	(4,519)
Proceeds from sales of intangible assets	43	7	(35)	64
Payments for purchases of investment securities	(3,518)	(22,409)	(18,891)	(7,258)
Proceeds from sales of investment securities	580	201	(378)	1,403
Payments for purchases of investment in subsidiaries results in change in scope of consolidation	(39,049)	-	39,049	(39,270)
Payments for sales of investment in subsidiaries results in change in scope of consolidation	-	(850)	(850)	-
Payment for loans receivable	(761)	(2,061)	(1,300)	(772)
Proceeds from collections of loans receivable	1,316	1,456	140	1,813
Other	(2,141)	(1,505)	635	(3,399)
Net cash used in investing activities	(62,829)	(34,684)	28,144	(82,249)
. Cash flows from financing activities:				
Increase (decrease) in bank loans	(2,402)	7,343	9,746	21,142
Proceeds from long-term debt	2,920	3,538	618	3,664
Repayments of long-term debt	(1,068)	(8,344)	(7,276)	(2,531)
Proceeds from bonds and convertible debentures issued	25,000	25,000	-	25,000
Redemption of bonds	-	(10,000)	(10,000)	(50,000)
Payments for purchases of treasury stock	(25)	(91)	(65)	(13,067)
Cash dividends paid	(4,541)	(4,942)	(400)	(8,607)
Cash dividends paid to minority in consolidated subsidiaries	(444)	(281)	163	(675)
Other	295	624	328	2,828
Net cash used in financing activities	19,731	12,846	(6,885)	(22,246)
. Effect of exchange rate change on cash and cash equivalents	(69)	368	437	224
. Net increase in cash and cash equivalents	(3,962)	3,402	7,364	1,571
. Cash and cash equivalents at beginning of year	21,308	23,778	2,469	21,308
. Increase in cash and cash equivalents due to increase in consolidated subsidiaries	898	274	(623)	898
. Cash and cash equivalents at end of period	18,244	27,455	9,210	23,778

(Segment information)**(1) Industrial segment information****Fiscal 2006 (January 1, 2006 to June 30, 2006)**

(Millions of yen)

	Alcoholic beverages	Soft drinks	Food and pharmaceuticals	Other	Total	Elimination or corporate	Consolidated total
I. Net sales							
1) To outside customers	457,347	136,354	21,551	49,166	664,419	-	664,419
2) Inter-segment sales	18,953	1,540	1,107	27,552	49,154	(49,154)	-
Total	476,300	137,894	22,659	76,719	713,574	(49,154)	664,419
Operating expenses	450,112	135,445	22,996	76,267	684,822	(49,051)	635,770
Operating income/loss	26,188	2,448	(337)	452	28,751	(102)	28,648

Fiscal 2007 (January 1, 2007 to June 30, 2007)

(Millions of yen)

	Alcoholic beverages	Soft drinks	Food and pharmaceuticals	Other	Total	Elimination or corporate	Consolidated total
I. Net sales							
1) To outside customers	450,950	147,750	32,124	41,784	672,609	-	672,609
2) Inter-segment sales	14,864	1,479	1,138	26,826	44,308	(44,308)	-
Total	465,814	149,230	33,262	68,611	716,918	(44,308)	672,609
Operating expenses	444,966	147,744	33,184	67,784	693,680	(44,179)	649,500
Operating income	20,848	1,485	78	826	23,238	(129)	23,109

Fiscal 2006 (January 1, 2006 to December 31, 2006)

(Millions of yen)

	Alcoholic beverages	Soft drinks	Food and pharmaceuticals	Other	Total	Elimination or corporate	Consolidated total
I. Net sales							
1) To outside customers	1,007,557	283,121	53,791	101,914	1,446,385	-	1,446,385
2) Inter-segment sales	37,950	4,082	1,810	58,235	102,078	(102,078)	-
Total	1,045,508	287,203	55,601	160,149	1,548,463	(102,078)	1,446,385
Operating expenses	967,322	279,458	55,156	157,976	1,459,913	(102,240)	1,357,672
Operating income	78,185	7,745	445	2,173	88,550	162	88,713

(Notes)

- The Group's businesses are classified into segments by type and nature of products handled.
- Major products for each segment
 - Alcoholic beverages ----- beer, happoshu (low-malt beer), new genre ,sho-chu, whisky, etc.
 - Soft drinks ----- refreshing drinks, etc.
 - Food and pharmaceuticals ----- food business, pharmaceuticals business
 - Other ----- real estate, restaurants, wholesale, distribution, etc.
- The Company did not have any operating expenses included in "elimination or corporate" that were not assignable to particular segment(s) during the consolidated fiscal year under review or the previous consolidated fiscal year.

1. Non-Consolidated 1H Financial Results for Fiscal 2007
(From January 1, 2007 to June 30, 2007)

(1) Operating Results

(Rounded down to millions of yen, except per share data)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2007 1H ended June 30, 2007	459,267	-2.3	20,381	-21.0	19,931	-20.7
Fiscal 2006 1H ended June 30, 2006	469,840	-2.0	25,815	-2.7	25,127	-4.2
Fiscal 2006 year ended December 31, 2006	1,031,060	-	78,596	-	76,307	-

	Net income	% change	Net income per share
	(Millions of yen)	(%)	(yen)
Fiscal 2007 1H ended June 30, 2007	10,673	-13.5	22.64
Fiscal 2006 1H ended June 30, 2006	12,337	-13.9	25.80
Fiscal 2006 year ended December 31, 2006	38,902	-	81.69

(2) Financial Condition

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	(%)	(yen)
Fiscal 2007 1H as of June 30, 2007	1,018,521	461,178	45.3	976.25
Fiscal 2006 1H as of June 30, 2006	1,001,252	440,094	44.0	920.21
Fiscal 2006 as of December 31, 2006	1,014,878	449,270	44.3	954.48

2. Projection for Fiscal 2007
(January 1, 2007 to December 31, 2007)

	Net sales	% change	Operating income	% change	Ordinary income	% change
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Fiscal 2007 ending December 31, 2007	1,051,000	1.9	76,000	-3.3	73,600	-3.5

	Net income	% change	Net income per share
	(Millions of yen)	(%)	(yen)
Fiscal 2007 ending December 31, 2007	38,500	-1.0	81.50

ASAHI BREWERIES, LTD.
Non-Consolidated Balance Sheets (As of June 30, 2007 and 2006)
(Unaudited)

ASSETS

(in million yen)							
	At		At		Increase	At	
	June 30, 2006		June 30, 2007		(Decrease)	December 31, 2006	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)
(Assets)							
. Current Assets:							
Cash and time deposits	2,781		4,031		1,250	2,575	
Notes receivable	4,566		3,801		(765)	4,984	
Accounts receivable	181,526		174,056		(7,469)	202,863	
Inventories	41,108		43,773		2,665	37,649	
Short-term loans receivable from subsidiaries and affiliated companies	20,017		12,592		(7,425)	13,972	
Other current assets	18,225		22,024		3,798	22,039	
Allowance for doubtful accounts	(9,347)		(4,537)		4,810	(7,105)	
Total current assets	258,879	25.9	255,742	25.1	(3,136)	276,980	27.3
. Fixed Assets:							
Property, plant and equipment:							
Buildings and structures	146,290		140,587		(5,703)	142,409	
Machinery and equipment	150,476		147,398		(3,078)	147,065	
Tools, furniture and fixtures	46,346		44,977		(1,368)	45,863	
Land	133,763		132,403		(1,359)	133,024	
Construction in progress	3,004		6,241		3,237	6,562	
Other tangible fixed assets	21,275		20,501		(774)	20,803	
Total tangible fixed assets	501,156	50.1	492,109	48.3	(9,047)	495,729	48.9
Intangible fixed assets	8,221	0.8	7,842	0.8	(378)	8,010	0.8
Investments and other assets:							
Investment securities	73,696		102,199		28,503	75,553	
Investment in subsidiaries and affiliated companies	122,825		126,039		3,213	123,181	
Other investments	44,441		44,283		(158)	43,595	
Allowance for doubtful accounts	(7,969)		(9,696)		(1,727)	(8,173)	
Total investments and other assets	232,995	23.2	262,826	25.8	29,831	234,157	23.0
Total fixed assets	742,373	74.1	762,778	74.9	20,405	737,898	72.7
Total Assets	1,001,252	100.0	1,018,521	100.0	17,268	1,014,878	100.0

LIABILITIES AND SHAREHOLDERS' EQUITY

	(in million yen)						
	At June 30, 2006		At June 30, 2007		Increase (Decrease)	At December 31, 2006	
	Amount	Ratio(%)	Amount	Ratio(%)	Amount	Amount	Ratio(%)
(Liabilities)							
. Current Liabilities:							
Notes payable	251		1		(249)	40	
Accounts payable	44,339		50,312		5,972	55,355	
Bank loans	45,000		91,500		46,500	72,500	
Bonds due within one year	60,000		40,000		(20,000)	40,000	
Alcohol tax payable	125,285		118,872		(6,413)	123,276	
Deposits received	41,775		40,206		(1,569)	39,388	
Commercial paper	2,000		5,000		3,000	3,000	
Allowance for bonus payable	1,203		1,290		86	1,265	
Allowance for bonus payable to directors and corporate auditors	35		53		17	49	
Other current liabilities	62,200		72,366		10,165	84,402	
Total current liabilities	382,093	38.2	419,602	41.2	37,509	419,277	41.3
. Long-term Liabilities:							
Bonds	85,000		70,000		(15,000)	55,000	
Long-term debt	50,125		28,625		(21,500)	49,125	
Long-term deposits received	34,842		34,307		(535)	35,163	
Provision for Employees' severance and retirement benefits	8,828		4,566		(4,261)	6,684	
Allowance for retirement benefits for directors and corporate auditors	268		-		(268)	310	
Long-term accrued liabilities	-		214		214	-	
Other long-term liabilities	-		27		27	47	
Total long-term liabilities	179,064	17.8	137,740	13.5	(41,323)	146,330	14.4
Total liabilities	561,157	56.0	557,343	54.7	(3,814)	565,608	55.7
(Net assets)							
. Shareholders' equity:							
Common stock	182,531	18.2	182,531	17.9	-	182,531	18.0
Capital surplus:							
Capital reserve	130,292		130,292		-	130,292	
Other capital surplus	42,393		30,032		(12,360)	29,221	
Total	172,685	17.3	160,325	15.7	(12,360)	159,513	15.7
Retained earnings:							
Reserve for advanced depreciation	2,201		1,431		(770)	1,431	
Contingent reserve	65,000		95,000		30,000	65,000	
Unappropriated retained earnings	19,990		18,991		(998)	43,260	
Total	87,192	8.7	115,423	11.3	28,230	109,691	10.8
Treasury stock	(17,141)	-1.7	(14,729)	-1.4	2,412	(16,946)	-1.6
Total shareholders' equity	425,267	42.5	443,550	43.5	18,283	434,790	42.9
. Accumulated gains (losses) from revaluation and translation adjustments:							
Unrealized gains on available-for-sale securities, net of taxes	14,827		17,643		2,816	14,508	
Unrealized losses on hedging derivatives, net of taxes	0		(16)		(16)	(28)	
Total accumulated gains (losses) from revaluation and translation adjustments	14,827	1.5	17,627	1.7	2,800	14,480	1.4
Total net assets	440,094	44.0	461,178	45.3	21,083	449,270	44.3
Total liabilities and net assets	1,001,252	100.0	1,018,521	100.0	17,268	1,014,878	100

ASAHI BREWERIES, LTD.
Non-Consolidated Income Statements (6 months ended June 30, 2007 and 2006)
(Unaudited)

(in million yen)

	1H ended June 30, 2006		1H ended June 30, 2007		Increase (Decrease) Amount	Year ended December 31, 2006	
	Amount	Ratio(%)	Amount	Ratio(%)		Amount	Ratio(%)
. Net sales	469,840	100.0	459,267	100.0	(10,572)	1,031,060	100.0
. Cost of sales	333,798	71.0	326,941	71.2	(6,856)	729,338	70.7
Gross profit	136,042	29.0	132,325	28.8	(3,716)	301,722	29.3
. Selling, general and administrative Operating income	110,227	23.5	111,944	24.4	1,717	223,125	21.7
	25,815	5.5	20,381	4.4	(5,433)	78,596	7.6
. Non-operating income:							
Interest income	148		207			323	
Dividend income	1,048		1,390			1,519	
Other	276		352			554	
Total	1,473	0.3	1,951	0.4	477	2,397	0.2
. Non-operating expenses:							
Interest expenses	1,133		1,391			2,475	
Loss on sale and disposal of inventories	-		509			-	
Other	1,027		500			2,210	
Total	2,161	0.5	2,401	0.5	239	4,686	0.4
Recurring profit	25,127	5.3	19,931	4.3	(5,196)	76,307	7.4
. Extraordinary gain:							
Gain on sale of fixed assets	1		-			1,991	
Gain on sale of investment securities	5		0			72	
Gain on liquidation of subsidiary	-		1,263			-	
Gain on reverse of allowance for doubtful accounts	1,733		1,160			1,416	
Total	1,740	0.4	2,424	0.5	683	3,480	0.3
. Extraordinary loss:							
Loss on sales and disposal of fixed assets	1,005		1,296			5,454	
Loss on sale of investment securities	8		-			99	
Loss on devaluation of investment securities	68		162			52	
Loss on sale of investment in affiliated companies	91		618			91	
Loss on devaluation of investment in affiliated companies	97		110			445	
Loss on devaluation of contribution to affiliated company	-		288			534	
Loss for adjustment to estimated consumption of gift coupon	-		1,545			-	
Loss on liquidation of subsidiary	401		-			435	
Loss on disposition of subsidiary's stock due to business succession	422		-			422	
Impairment loss on fixed assets	3,238		-			3,238	
Total	5,335	1.1	4,021	0.8	(1,313)	10,774	1.0
Income before income taxes	21,533	4.6	18,333	4.0	(3,199)	69,013	6.7
Income tax, Inhabitants tax & enterprise tax Adjustment to income taxes	9,196		7,660			30,659	
	-		-			(547)	
Total	9,196	2.0	7,660	1.7	(1,536)	30,111	2.9
Net income	<u>12,337</u>	<u>2.6</u>	<u>10,673</u>	<u>2.3</u>	<u>(1,663)</u>	<u>38,902</u>	<u>3.8</u>

Sales by Business Segment
(January 1, 2007 to June 30, 2007)

(Millions of yen)

	Fiscal 2006 1H ended June 30, 2006	Fiscal 2007 1H ended June 30, 2007	Increase (decrease) %	Fiscal 2006 ended December 31, 2006
Beer	323,149	302,500	-6.4	718,169
Happoshu (low-malt beer)	52,000	59,793	15.0	108,561
New genre (no-malt beer)	28,285	30,666	8.4	67,162
Sho-chu	28,630	26,559	-7.2	57,177
Low-alcohol beverages	16,144	17,834	10.5	32,741
Whisky and other spirits	13,413	13,131	-2.1	27,436
Wine	6,028	6,317	4.8	15,064
Other alcoholic beverages	1,270	1,446	13.8	2,896
Real estate	916	1,017	11.0	1,852
Total	469,840	459,267	-2.3	1,031,060