



April 8, 2010

To whom it may concern

|                      |  |
|----------------------|--|
| Company name:        | Asahi Breweries, Ltd.  |
| President:           | Naoki Izumiya  |
| Stock Ticker number: | 2502   |
| Stock Exchanges:     | Tokyo and Osaka<br>(Each First Section)  |
| Company Name:        | Asahi Soft Drinks Co., Ltd.  |
| President:           | Shiro Kikuchi  |
| Contact:             | Tsuyoshi Morita<br>General Manager<br>Public Relations Department<br>Asahi Breweries, Ltd.<br>Phone: +81-3-5608-5126 |

### **Acquisition of Mineral Water Business from House Foods**

Asahi Breweries, Ltd. (“Asahi Breweries”) is pleased to announce that Asahi Soft Drinks Co., Ltd. (“Asahi Soft Drinks”), its wholly owned subsidiary, has entered into a business purchase agreement with House Foods Corporation (“House Foods”) to acquire the “*Rokko no Oishii Mizu*” branded mineral water business owned and operated by House Foods.

By this transaction, Asahi Soft Drinks will acquire the business of production and distribution of the “*Rokko no Oishii Mizu*” branded mineral water (including land, buildings and equipments of both the Rokko plant and the Nada water source point). Asahi Soft Drinks expects that closing of the transaction will occur at the end of May 2010 and that it will start producing Asahi Soft Drinks “*Rokko no Oishii Mizu*” from June 2010 and start its sale, marketing and distribution from July 2010.

By acquiring the target business, Asahi Breweries Group aims to strengthen the product portfolio of its domestic soft drinks business with its core company in this sector, Asahi Soft Drinks. In the future, Asahi Breweries Group will aim to realize further growth of its domestic soft drink business by seeking group synergy and improvement of the “*Rokko no Oishii Mizu*” brand image.

#### 1. Purpose of Acquisition

This year, Asahi Breweries Group has formulated a <Long-Term Vision 2015 - Transforming the bounty of nature into the “*Kando*” of food striving to become a trusted company with global quality -> and, as a stepping stone toward the Long-term Vision s realization, a new Medium-term Management Plan through 2012, has been set up, aiming to grow to a size where we are one of the top 10 global food companies.

With soft drinks business being one of the core businesses of the Group, Asahi Breweries Group aims to strengthen its business and product domain in the domestic market with Asahi Soft Drinks at the center.

Along with the Group s Medium-term Management Plan, Asahi Soft Drinks has formulated its 4<sup>th</sup> Medium-term Management Plan through 2012, with the vision of growing into a company having the energy and strength to quickly deal with the accelerated changes in the market, with a further leap aimed at growth strategy and structural reform in order to increase its domestic soft drink market share to 10%.

It is presumed that Japan's domestic soft drink market in 2009 will have decreased by approximately 3% compared to the previous year due to lower consumption during the economic downturn, and also because of the poor summer weather. The condition of the market is still in a difficult situation, and it is predicted to remain unchanged or slightly decrease in 2010.

Mineral water is expected to account for approximately 10% of the domestic soft drink market. In 2009, sales volume of this market decreased 4-5% from the previous year due to a downturn of the imported mineral water market. At the same time, the domestic mineral water market grew slightly and is projected to increase in years to come.

From 2004, Asahi Soft Drinks has produced and sold “Asahi Fujisan-no Vanadium Ten-Nen-Sui”, widely accepted by customers as a high value-added mineral water. In 2009, its sales volume reached 6.34 million cases and claimed approximately a 3% share of the market.

At the same time, the sales volume of “Rokko no Oishii Mizu” reached 11.3 million cases and claimed approximately a 7% share of the market. Mainly sold at supermarkets and mass retailers, it is widely accepted by customers as a product with brand power.

Along with value-added mineral water “Asahi Fujisan-no Vanadium Ten=Nen-Sui”, Asahi Soft Drinks plans to sell “Rokko no Oishii Mizu”, a popular local mineral water, throughout nationwide Japan from July 2010. Asahi Soft Drinks aims to reduce costs by utilizing Asahi Breweries Group s manufacturing, logistics, and sales networks, and improve its brand image by fortifying the sales network and marketing strategy in a bid to further strengthen its mineral water business.

## 2 . Outline of the Target Business

### (1) Description of Target Business

Production and distribution of the “Rokko no Oishii Mizu” branded mineral water business owned and operated by House Foods (including land, building and equipments of both the Rokko plant and the Nada water source point).

### (2) Result of Operations of the Target Business

|               | Year ended March 31, 2008 | Year ended March 31, 2009 |
|---------------|---------------------------|---------------------------|
| Sales Revenue | 15,960 million yen        | 12,199 million yen        |

### (3) Purchase Price of the Target Business

Purchase price for this transaction is 5,300 million yen.

## 3 . Future Prospects

Asahi Soft Drinks is scheduled to complete the contemplated transaction around the end of May 2010 subject to satisfaction of the conditions precedent set forth in the contract. The financial impact of this transaction on Asahi Breweries Group s results on a consolidated basis is not material.

## 4 . Outline of Asahi Breweries (Financial figures as of December 31, 2009)

|     |                                      |   |
|-----|--------------------------------------|---|
| (1) | Company Name                         | Asahi Breweries, Ltd.   |
| (2) | Address of Head Office               | 23-1, Azumabashi, 1-chome, Sumida-ku, Tokyo   |
| (3) | Name and Title of the Representative | Naoki Izumiya, President (As of April 8, 2010)  |
| (4) | Description of Business              | Alcoholic beverages, soft drinks, food and health care. Other business including restaurants, logistics, and sales support operations |
| (5) | Capital                              | 182,531 million yen (as of December 31, 2009)   |
| (6) | Date of Incorporation                | September 1, 1949   |
| (7) | Net Assets                           | 507,569 million yen (as of December 31, 2009)   |
| (8) | Total Assets                         | 1,155,860 million yen (as of December 31, 2009)   |

## 5 . Outline of Asahi Soft Drinks (Financial figures as of December 31, 2009)

|     |                                      |   |
|-----|--------------------------------------|---|
| (1) | Company Name                         | Asahi Soft Drinks Co., Ltd.   |
| (2) | Address of Head Office               | 23-1, Azumabashi, 1-chome, Sumida-ku, Tokyo   |
| (3) | Name and Title of the Representative | Shiro Kikuchi, President (As of April 8, 2010)  |
| (4) | Description of Business              | Manufacture and sale of soft drinks; operations of soft drinks vending machines; other ancillary businesses |
| (5) | Capital                              | 11,081 million yen  |
| (6) | Date of Incorporation                | March 30, 1982  |

|     |              |                     |
|-----|--------------|---------------------|
| (7) | Net Assets   | 41,278million yen   |
| (8) | Total Assets | 124,350 million yen |

6 . Outline of House Foods (Financial figures as of March 31, 2009)

|     |                                      |   |
|-----|--------------------------------------|---|
| (1) | Company Name                         | House Foods Corporation                                     |
| (2) | Address of Head Office               | 1-5-7, Mikuriyasakae-machi, Higashi-osaka-city, Osaka       |
| (3) | Name and Title of the Representative | Hiroshi Urakami, President                                  |
| (4) | Description of Business              | Production, processing and sales of foods; other businesses |
| (5) | Capital                              | 9,948 million yen   |
| (6) | Date of Incorporation                | June 7, 1947  |
| (7) | Net Assets                           | 180,115 million yen   |
| (8) | Total Assets                         | 211,573 million yen   |

End