
Press Statement

Asahi Europe to add Fuller, Smith & Turner's beverage brands and operations to international beer portfolio

London, January 25, 2019: Asahi Europe Ltd has agreed to acquire the entire beer, cider, soft drinks and distribution business of Fuller, Smith & Turner PLC for an enterprise value of £250 million on a debt free, cash free basis, subject to certain conditions to completion. The deal enables Asahi Europe to enter new categories, adding cask ale and cider to its already leading position in world beers and craft brewing.

The acquisition will create a portfolio of drinks to suit a diverse range of modern consumer tastes. Brands including cask beers London Pride and Dark Star Hophead, craft lager brand Frontier, as well as Cornish Orchards cider and soft drinks will join Asahi Super Dry, Peroni Nastro Azzurro and Meantime under Asahi Europe ownership.

The two businesses have also agreed to arrangements that will see beers from across the Asahi portfolio sold in Fuller's-owned pubs and tenanted outlets. Fuller's will carry its former brands, alongside the existing Asahi Europe portfolio across its pubs and hotels.

As well as growing a comprehensive premium offering of beers and ciders in the UK, Asahi Europe will use its established global footprint to build the newly-acquired brands across the world.

Under the terms of the deal, Asahi Europe will acquire the operations at the Chiswick-based Griffin Brewery where it will continue to brew. Ownership of Dark Star and Cornish Orchards brands, brewing and cider-making operations, as well as wholesale operation Nectar Imports will also transfer to Asahi Europe. The agreement remains subject to the conditions of the deal, including approvals by Fuller, Smith & Turner's shareholders and the UK Competitions and Markets Authority. Assuming that the conditions are met, the transaction is expected to close in the first half of 2019.

Hector Gorosabel, CEO at Asahi Europe said:

"Asahi Europe has already established a leading presence in the premium beer category. Welcoming these brands and operations to our business will further consolidate that position, enabling us to even better serve our customers and consumers."

"At the same time, our global footprint will enable us to unlock the potential in these brands internationally to significantly enhance their scale and value. It is another step towards realising Asahi Europe's vision of becoming a global brewing powerhouse built on our commitment to brewing excellence and quality."

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For further information

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About Asahi Europe

Asahi Europe Ltd is a wholly owned subsidiary of Asahi Group Holdings, Ltd a global beverage and food company listed on the Tokyo Stock Exchange in Japan with FY2017 sales and EBITDA of £14.6 billion and £2.0 billion respectively. *

Asahi Europe has an unrivalled portfolio of iconic premium beers including Peroni Nastro Azzurro, Grolsch, Meantime and Asahi Super Dry. The company has a significant international presence servicing customers in over 80 countries through its operations in the Netherlands, Italy, the United Kingdom, France, Canada and a global partner network that serves Europe, Africa, Asia and Latin America. Bringing together state-of-the-art facilities, the best brewers in the world, quality ingredients, and a culture that fosters innovation and encourages collaboration, Asahi Europe aims to offer the best quality of beer to their customers worldwide. Our people bring a challenger mind-set and approach to their roles, enjoying the backing of a business founded on the values of pride, ambition and positivity.

* based on the exchange rate of £:¥ of 1:142.86 as at 24 January 2019 (being the latest practicable date prior to this release)