November 2, 2016

To Whom It May Concern:

Company Name: KIRIN HOLDINGS COMPANY, LIMITED
Name and Title of Representative: Yoshinori Isozaki, President & CEO
Code Number: 2503
Head Office:
4-10-2, Nakano, Nakano-ku, Tokyo 164-0001, Japan
Name and Title of Contact Person:
Tetsuya Fujiwara
Director of Group Corporate Communications
Telephone Number: (03) 6837-7015

Notice Regarding Signing of Stock Purchase Agreement by Subsidiary in Charge of Part of Production in Our Brazil Business as well as Recording Special Income and Revising Full-Year Consolidated Financial Forecast

Kirin Holdings Company, Limited (President & CEO: Yoshinori Isozaki; hereinafter, "the Company") hereby announces that today its subsidiary Brasil Kirin Holding S.A. (based in State of São Paulo, Brazil; CEO: André Salles; hereinafter, "Brasil Kirin") and Ambev S.A. (based in State of São Paulo, Brazil; CEO: Bernardo Pinto Paiva; hereinafter, "Ambev") entered into a Stock Purchase Agreement ("Agreement") whereby the totality of the quotas of Cachoeiras de Macacu Bebidas Ltda. (based in State of Rio de Janeiro, Brazil; hereinafter, "Macacu Bebidas") were sold to Ambev, subject to certain condition precedent as defined in the Agreement. As part of the transaction envisaged by the Agreement, part of beer and beverage capacity of Brasil Kirin Indústria de Bebidas Ltda. (based in State of São Paulo, Brazil; hereinafter, "Bebidas") produced in Macacu, State of Rio de Janeiro, was assigned to Macacu Bebidas, and, as a result, Macacu Bebidas became the lawful owner of Macacu's production plant and related assets.

Consequently, as special income is expected to be recorded in the consolidated financial statements for the fiscal year ending December 2016, the Company hereby announces the revision of its full-year consolidated financial forecast, which was issued on October 31, 2016 along with the third quarter financial results, as follows.

1. Reasons for the Sale

In order to optimize the size of production capacities in response to the market environment in South-eastern region with regard to the Company's Brazil business, and to shift toward an adequate cost structure.

2. Overview of the Sale

(1) Quotas to be sold: totality of the quotas of Macacu Bebidas

(2) Overview of Macacu Bebidas:

Company Name	Cachoeiras de Macacu Bebidas Ltda.
Address	Rodovia RJ 122, Km 35, Galpão C, Bairro Porto de Taboado, CEP 28680-000
Title and Name of Representative	CEO: Mr. André Leonardo Alves Seabra Salles
Business	Production of beer and beverage products in Macacu
Capital Stock	R$ 11,415,000.00

(3) Seller: Brasil Kirin

(4) Overview of the seller:

Company Name	Brasil Kirin Holding S.A.
Address	Avenida Primo Schincariol, nº 2.222, sala 05, Bairro Itaim, zip code 13.312-900, City of Itú, State of São Paulo
Title and Name of Representative	CEO: Mr. André Leonardo Alves Seabra Salles
Business	Production and sales of beer and beverage products
Capital Stock	R$ 5,521,375,087.20

(5) Purchaser: Ambev

(6) Overview of the purchaser

Company Name	Ambev S.A.
Address	Rua Dr. Renato Paes de Barros, 1017, 4º floor, city of São Paulo, State of São Paulo
Title and Name of Representative	CEO: Bernardo Pinto Paiva
Business	Production and sales of beer and beverage products
Capital Stock	R$ 57,614,139,847.33
Date of Establishment	07/19/2005
Net Assets & Total Assets in the latest fiscal year	Net Assets: 50,334 million Real Total Assets: 90,176 million Real
Large Shareholder & Stockholding Ratio	Large shareholder: Anheuser-Busch InBev, Stockholding ratio: 61.9%
Relationship with the Company	There is nothing special to note.

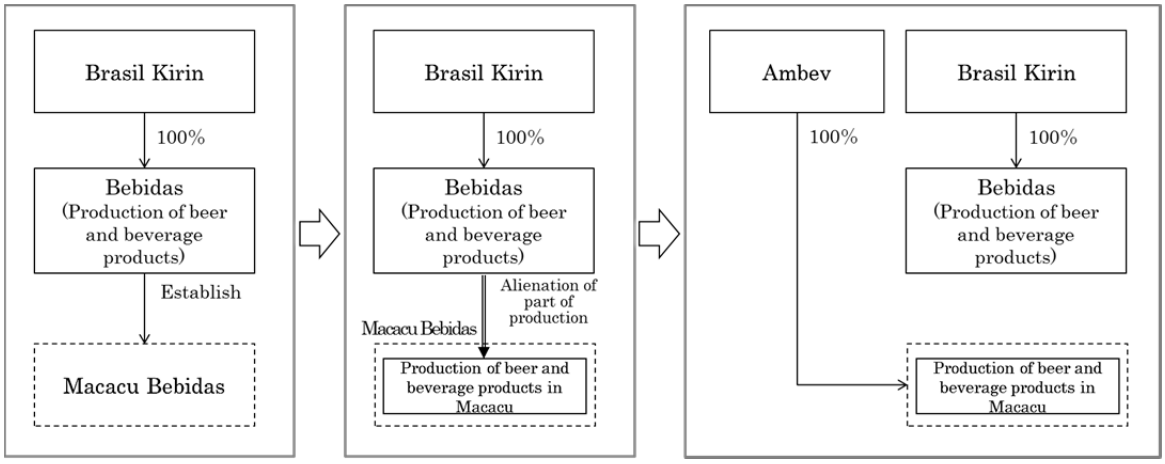
3. Schedule

(1) Date of the Resolution by the Board of Brasil Kirin: December 18, 2015 (December 19, 2015 Japan time)

(2) Date of the Execution of Agreement: November 1, 2016 (November 2, 2016 Japan time)

(3) Expected Date of Closing of Transaction and Transfer of Quotas: November 30, 2016

(December 1, 2016 Japan time)



November 30, 2016 (proposed)

4. Quotas to be sold and Sale Price

(1) Number and Percentage of holding by the Date of Sale: 11,415,000 quotas, 100.0%

(2) Number of Quotas to be sold: 11,415,000 quotas

(3) Number and Percentage of holding after Sale: 0 quotas, 0.0%

(4) Sale Price: c.486 million real (approx. 14.6 billion yen)

(Note) Calculated with the exchange rate of 1 real = 30 yen; the same shall apply hereinafter.

5. Overview of Accounting Treatment

The Company expects that approx. 14.2 billion yen (474.7 million Brazilian Reals) will be recorded as special income (gain on sale of shares of subsidiaries and affiliates) in the consolidated financial statements for the fiscal year ending December 2016. The above amount represents the balance after deducting the book value of Macacu Bebidas's net assets from the sale price.

6. Revision of Consolidated Financial Forecast for the Fiscal Year 2016 (from January 1, 2016 to December 31, 2016)

As special income is expected to be recorded in the consolidated financial statements as mentioned in the above section 5, the Company revised its full-year consolidated financial forecast, which was announced on October 31, 2016 along with the third quarter financial results, as follows:

	Consolidated sales	Consolidated operating income	Consolidated ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecasts (A)	(millions of yen) 2,090,000	(millions of yen) 134,000	(millions of yen) 132,000	(millions of yen) 85,000	(yen) 93.15
Revised (B)	2,090,000	134,000	132,000	99,000	108.49
Change (B-A)	—	—	—	14,000	—
Change (%)	—	—	—	16.5%	—
Reference: Actual results for previous fiscal year	2,196,925	124,751	128,199	(47,329)	(51.87)

The Company also revised its forecast of "ROE before amortization of goodwill, etc.," which is one of the quantitative targets under Kirin Group Medium-Term Business Plan 2016-2018, for the fiscal year ending December 2016. The forecast of normalized EPS, which is the other quantitative target, remains unchanged.

	Previous forecast	Revised	Change	Reference: Actual result for previous fiscal year 2015	Year-on-year change
ROE before amortization of goodwill, etc.	18.4%	20.2%	1.8	(0.3%)	—