



November 28, 2017

Notice Regarding Price Revision for Products Sold in Returnable Containers

Kirin Brewery Company, Limited (President & CEO: Takayuki Fuse, hereinafter “Kirin Brewery”) today announces that it will revise the producer prices of some products sold in returnable containers (bottled and keg beer products and liquors) as of April 1, 2018, taking into account the Standards for Fair Trading of Alcohol Beverages enforced this year and changing logistics environment.

While bottles and kegs contributes to decrease in wastes and economical use of resources, sales volume of beer products in those returnable containers has been decreasing due to the diversifying consumption and changing on-premise market environment. In addition, logistics, the key function for collection of empty containers, is facing the issue of shortage of truck drivers and increasing wages.

The Standards for Fair Trading of Alcohol Beverages has been enforced since June 1, 2017. According to the standards, all entities including Kirin Brewery that are engaged in alcoholic beverages business are prohibited from selling the products at prices below the total cost of sales including SG&A.

Against the backdrop, in order to comply with the standards, Kirin Brewery has decided to increase the producer prices:

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| 1. Date of Price Revision | April 1, 2018 |
| 2. Products | Beer, <i>Happo-shu</i> , and New genre (bottle, keg)
Liquor (keg)
* Large bottles, medium bottles, small bottles, kegs (7L, 15L, 20L, 30L) |

(Note) The Standards for Fair Trading of Alcohol Beverages prohibits liquor business operators from following:

- 1) Selling of alcohol beverages at prices below the total cost of sales on a continuous basis without justifiable reason
- 2) Engaging in transactions that may have a substantial impact on one’s own liquor business or those of other liquor operators