



January 28, 2019

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 Absorption-Type Merger of a Wholly Owned Subsidiary (Simplified/Short Form Merger)

Kirin Holdings Company, Limited (President and CEO Yoshinori Isozaki; hereinafter “Kirin Holdings”) resolved at the Board of Directors Meeting held today to conduct an absorption-type merger (hereinafter “Merger”) of the wholly owned subsidiary Kirin Company, Limited (hereinafter “Kirin Company”) effective July 1, 2019.

Because the Merger is an absorption-type merger involving a wholly owned subsidiary of Kirin Holdings, some of the disclosure items and details have been omitted.

1 . Objective of the merger

Since Kirin Company was established in 2013 with the aim of realizing integrated management of the Japan Integrated Beverages Business, through the provision of common services and operational management for each business company in the Japan Integrated Beverages Business, the company has worked to strengthen lateral cooperation within the group. Also, since 2015, Kirin Holdings and Kirin Company started integrated management, and by working even closer together, the companies have endeavored to speed up the strategy formulation and decision making.

The Kirin Group 2016-2018 Medium-Term Business Plan has now ended, and the Kirin Group is entering a new stage. As a result of studying the organizational structure appropriate for realizing the future business strategy from a medium to long-term perspective, we have determined that it is optimal to integrate Kirin Holdings and Kirin Company and establish a flexible organizational structure in order to further promote integrated management of the group.

2. Summary of the merger

(1) Merger schedule

Date of resolution at the Board of Directors Meeting (Kirin Holdings, Kirin Company)	January 28, 2019
Conclude an absorption-type merger agreement	January 28, 2019
Effective date of the merger	July 1, 2019

(Note) From April 1, 2019, the functions of Kirin Holdings and Kirin Company will essentially be integrated, and a new business organization will be launched.

(2) Merger method

It will be an absorption-type merger in which Kirin Holdings is the surviving company and Kirin Company is the disappearing company.

Because the Merger corresponds to a simplified merger as set forth in Article 796 Paragraph 2 of the Companies Act in relation to Kirin Holdings and to a short-form merger as set forth in Article 784 Paragraph 1 of the same act in relation to Kirin Company, it will be conducted without convening a general meeting of shareholders to obtain approval for the merger agreement.

(3) Details of allocations related to the merger

Because the Merger is an absorption-type merger involving a wholly-owned subsidiary, there will be no new shares issued or monetary allocation as a result.

(4) Handling of share options and bonds with share options of the disappearing company

Not applicable.

3. Overview of the companies involved in the merger (As of December 31, 2018)

	Surviving company	Disappearing company
(1) Business Name	Kirin Holdings Company, Limited	Kirin Company, Limited
(2) Head Office	4-10-2 Nakano, Nakano-ku, Tokyo	4-10-2 Nakano, Nakano-ku, Tokyo
(3) Title and name of representative	Yoshinori Isozaki, President and CEO	Yoshinori Isozaki, President and CEO
(4) Business	Developing group-wide management strategies and overseeing their implementation	Strategic management and oversight of the domestic beverage business, and provision of specialized services
(5) Paid-in capital	102,046 million yen	500 million yen
(6) Date of Incorporation	February 23, 1907	August 14, 1980
(7) Number of shares issued	914,000,000 shares	250,000 shares
(8) Account closing date	December 31	December 31
(9) Principal shareholders and	· The Master Trust Bank of Japan, Ltd. (Trust account) 7.93% · Japan Trustee Services Bank, Ltd.	Kirin Holdings Company, Limited 100%

shareholding ratio	(Trust account)	4.95%
	· Meiji Yasuda Life Insurance Company	3.61%
	· JP MORGAN CHASE BANK 380055	3.30%
	· Japan Trustee Services Bank, Ltd. (Trust account No. 5)	1.94%

(10) Operating results and financial position at the end of the previous fiscal year

Accounting period	Surviving company (Kirin Holdings Company, Limited) Year ending December 31, 2017 (Consolidated)*
Total equity	1,229,139 million yen
Total assets	2,398,572 million yen
Profit per share attributable to owners of the Company	1,049.55 yen
Revenue	1,863,730 million yen
Normalized operating profit	194,609 million yen
Operating profit	211,000 million yen
Profit before tax	233,711 million yen
Profit attributable to owners of the Company	241,991 million yen
Basic earnings per share	265.17 yen

Accounting period	Disappearing company (Kirin Company, Limited) Year ending December 31, 2017 (Unconsolidated)*
Net assets	180,059 million yen
Total assets	211,435 million yen
Net assets per share	720,236.96 yen
Sales	98,257 million yen
Operating income	54,439 million yen
Ordinary income	54,435 million yen
Net income attributable to owners of the parent	54,140 million yen
Net income per share	220,561.34 yen

* For Kirin Holdings Company, Limited, the figures from the consolidated financial results based on IFRS have been stated, and for Kirin Company, Limited, the figures from the unconsolidated financial results based on the Japanese GAAP have been stated.

4. Status after the merger

After the Merger, there will be no change to the company's name, head office, name and title of representative, details of the business, paid-in capital and account closing date.

5. Future Prospects

The Merger will have no impact on the consolidated financial results.

END