

# Japan's Kirin selling Brazilian unit to Heineken

Japanese brewer Kirin said Monday it would sell its Brazilian unit to Dutch beer giant Heineken for \$706 million, citing a "stagnant and competitive" market.



lawrence2014ben via [Pxabay](#)

The company said it will transfer all shares of Brasil Kirin Holdings to Heineken subsidiary Bavaria SA for 2.2 billion reais.

"Considering various risks associated with (the) Brazilian economy and (the) stagnant and competitive situation in (the) Brazilian beer and soft drink markets, Kirin has come to the conclusion that there are certain limitations in transforming Brasil Kirin into a sustainable and high-profitable business on its own," it said in a statement.

Separately Kirin, which is looking to strengthen its presence in the Asia-Oceania region, confirmed plans to buy a majority stake in Myanmar's Mandalay Brewery for \$4.33 million from military-backed Myanmar Economic Holdings.

The deal will give it control of the country's oldest brewery, and 90 percent of Myanmar's beer market, a company spokeswoman said. Kirin bought local market leader Myanmar Brewery in 2015.

"The Kirin Group will work to strengthen the foundation of the business in the growing South-East Asian beer market and make this business a driver of growth within the group," it said in the statement.

Both the Brazil and Myanmar deals are subject to regulatory approval. Kirin is seeking an edge against foreign rivals in Myanmar amid lacklustre momentum in global consumption, the Nikkei business daily reported Saturday.

It is also considering buying the state-owned Saigon Beer Alcohol Beverage from the Vietnamese government, the Nikkei said.

The brewer made Lion of Australia into a wholly-owned subsidiary in 2009, and now has a 48 percent stake in the beer unit of the Philippines' San Miguel.

*Source: AFP*

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