

[Translation]

March 14, 2008

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Stock Code 2501
Listed on Tokyo Stock Exchange
Sapporo Securities Exchange
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Future Course of Action Regarding the Purchase Proposal for Shares of the Company

As disclosed in the press release of the Company dated March 10, 2008, we have recently received a letter from Steel Partners Japan Strategic Fund (Offshore) L.P. (“**SPJSF**”) titled, “Re: Negotiated Transaction” of even date (“**Letter**”).

On review of the proposal described in the Letter, the basic conditions of the purchase proposal (the “**Purchase Proposal**”) for the shares of Sapporo Holdings Limited (the “**Company**”) that we received from SPJSF on February 15, 2007 have changed. Therefore, at the meeting of the Board of Directors of the Company (the “**Board**”) held today, the Board resolved the future course of action regarding the proposal in the Letter and notified SPJSF of the same.

More specifically, we intend to hold discussions with SPJSF and obtain a detailed explanation of the proposal in the Letter as well as the necessary information that we have not yet received, etc.

As disclosed in the press release of the Company dated February 26, 2008, the Purchase Proposal is conditioned on obtaining the approval of the Board and, at present, no specific large-scale purchase activities have commenced. Therefore, the Board is not particularly planning to take any exceptional action or any countermeasure as set out in the “Policy toward the Large Scale Purchase of Share Certificates, etc. of the

Company”¹, nor has the Board sought advice from the Special Committee in relation to such action.

In addition, the Letter refers to countermeasures that were implemented by Bull-Dog Sauce Co, Ltd. However, in the event that we were to issue stock acquisition rights as a countermeasure, we have no plan to acquire the stock acquisition rights in exchange for cash from the specific shareholder group that is the target of the countermeasures. We would like to inform you of such intention.

The Board continues to take appropriate action from the perspective of protecting the common interests of the shareholders and maximizing the corporate value of the Company. We will also continue to make timely and appropriate announcements to the shareholders in relation to the progress of this matter.

As you are aware, on October 30 last year, the Company announced the “Sapporo Group’s New Management Framework” which is targeted towards 2016, the 140th anniversary year of the foundation of the group. On February 15 this year, we subsequently announced the “2008 – 2009 Sapporo Group Management Plan” as a strategic group roadmap based on this New Management Framework.

We shall vigorously execute this management plan and continue our efforts towards improving the corporate value of the Group.

[End of Letter]

¹ We have continued to apply the old Policy (the old “Policy toward Large-Scale Purchase of Share Certificates, etc. of the Company” which was adopted on February 17, 2006 and was abolished at the end of the 83rd ordinary general meeting of shareholders held on March 29, 2007 (the “**General Meeting**”)) which continued under the supplementary provision of the “Policy toward Large-Scale Purchase of Share Certificates, etc. of the Company” which were approved and came into effect at the General Meeting.