

[Translation]

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Company Name	Sapporo Holdings Limited
Representative	Takao Murakami President and Representative Director
Stock Code	2501
Listed on	Tokyo Stock Exchange Sapporo Stock Exchange
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Company Name	Pokka Corporation
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Company Name	Meiji Holdings Co., Ltd.
Representative	Naotada Sato President and Representative Director
Stock Code	2269
Listed on	Tokyo Stock Exchange
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Sapporo Holdings and Pokka Corporation Enter Into Basic Agreement on Capital and Business Alliance

Sapporo Holdings and Pokka Corporation (not publicly listed) today entered into a basic agreement on a capital and business alliance between the two companies and agreed to hold discussions to refine the details going forward. Details follow.

1. Reason for entering into basic agreement on capital and business alliance

The soft drinks industry's operating environment has grown increasingly challenging of late, marked by weakened consumer sentiment, resource price inflation, and rising

competition. All industry participants face an increased need to expand customer-contact points and streamline raw materials procurement, product development, production and distribution, while at the same time differentiating themselves based on their particular strengths.

Amid this environment and under a new management structure, Sapporo Beverage Co., Ltd. (the Sapporo Group's soft drinks company) has been working to strengthen its business foundations through decisive restructuring based on a rigorous select-and-focus approach (selectively focusing resources on key areas). It has also been endeavoring to push operational reforms through ahead of schedule by implementing revisions to its product portfolio centered on its strongly distinctive products, as exemplified by its long-selling Ribbon Citron brand, while at the same time seeking ways to further accelerate these efforts.

Pokka executed a management buyout in 2005 and has been reforming its operations ever since. In January 2008, it entered into a capital and business alliance with Meiji Seika Kaisha, Ltd., through which the companies have worked to exploit synergies between their businesses. While maintaining and developing its existing alliance with Meiji Seika Kaisha, Pokka has also been seeking a strategic partner that will enable it to boost earnings in the aim of further increasing its corporate value.

Sapporo Beverage and Pokka have been engaged in a business alliance with each other for some time. The decision to enter into a basic agreement on a capital and business alliance, and to further refine the details going forward, was based on the recognition that strengthening this existing relationship while also forming an alliance between the broader Sapporo Group and Pokka in their respective business domains and exploiting cooperative synergies would help to further boost corporate value.

Meiji Seika Kaisha (an operating subsidiary of Meiji Holdings) believes that this alliance between its equity-method affiliate Pokka and Sapporo Holdings will be an effective means of boosting Pokka's operating performance and raising corporate value.

2. Details of basic agreement on business alliance

Concrete details of the business alliance will be refined through discussions between both parties going forward. The following items are on the agenda:

- Strengthening of vending machine operations
- Joint product development
- Marketing/sales cooperation
- Optimization of production systems
- Joint procurement
- Creation of a joint distribution system

3. Details of basic agreement on capital alliance

To further tighten the relationship between Sapporo Holdings and Pokka, Sapporo Holdings intends to acquire 2,031,008 shares of Pokka's stock, equivalent to the number currently held by Meiji Seika Kaisha (21.65%* of all Pokka shares issued and outstanding), thereby making Pokka its equity-method affiliate. The shares will be acquired from Pokka's existing shareholders, including CITIC Japan Partners and investment funds to which Advantage Partners, LLP, provides services.

As Pokka shareholders, both Sapporo Holdings and Meiji Seika Kaisha will endeavor to help Pokka boost its corporate value while respecting the independence of Pokka's management.

*The percentage of ownership figure stated above is based on all Pokka shares issued and outstanding as at March 31, 2009.

4. Overview of Sapporo Holdings and Pokka

• Sapporo Holdings

1. Company name: Sapporo Holdings Limited
2. Main lines of business: Holding company (alcoholic beverages, soft drinks, restaurants, and real estate)
3. Date of establishment: September 1949
4. Head office: 4-20-1 Ebisu, Shibuya-ku, Tokyo
5. Representative: Takao Murakami, President and Representative Director, Group CEO
6. Capital: ¥53,886 million (as of December 31, 2008)
7. No. employees: 3,858 (as of December 31, 2008, on a consolidated basis)
8. Relationships with Pokka: Sapporo Holdings currently has no capital or personnel relationships with Pokka. Sapporo Beverage and Pokka reciprocally stock each other's vending machines.
9. Operating performance and financial data for recent fiscal years (consolidated)
(millions of yen)

	Fiscal years ended December 31,		
	2006	2007	2008
Net sales	435,090	449,011	414,558
Operating income	8,612	12,362	14,685
Ordinary income	5,857	8,118	10,526
Net income	2,338	5,508	7,640
Total assets	589,597	561,858	527,286
Net assets	113,495	125,189	116,862

• **Pokka**

1. Company name: Pokka Corporation
2. Main lines of business: Food and beverage products, restaurants, confectionary, distribution, and other businesses
3. Date of establishment: April 1968 (began operating in February 1957)
4. Head office: 4-2-29 Sakae, Naka-ku, Nagoya-shi, Aichi prefecture
5. Representative: Masatoshi Hori, President & CEO
6. Capital: ¥2,350 million (as of March 31, 2009)
7. No. employees: 2,430 (as of March 31, 2009, on a consolidated basis)
8. No. shares issued and outstanding: 9,380,000 (as of March 31, 2009)
9. Major shareholders and percentage of ownership (as of March 31, 2009)
- | | |
|--|--------|
| MBI Fund III, Advantage Partners, LLP | 29.43% |
| Meiji Seika Kaisha, Ltd. | 21.65% |
| AP Cayman Partners I, L.P. | 13.92% |
| CITIC Japan Partners, L.P. | 6.72% |
| Advantage Partners, LLP, Investment Partnership No. 17 | 5.40% |
| AP Cayman Partners I-B, L.P. | 5.34% |
10. Relationships with Pokka currently has no capital or personnel relationships with Sapporo Holdings: Sapporo Holdings. Sapporo Beverage and Pokka reciprocally stock each other's vending machines.
11. Operating performance and financial data for recent fiscal years (consolidated) (millions of yen)

	Fiscal years ended March 31,		
	2007	2008	2009
Net sales	94,892	99,647	96,502
Operating income	3,587	3,903	1,782
Ordinary income	3,429	4,490	1,931
Net income	2,710	2,791	740
Total assets	44,022	48,004	58,800
Net assets	10,086	12,591	11,367

5. Details of Sapporo Holdings intended acquisition of Pokka shares

1. Parties to transaction: MBI Fund III, Advantage Partners, LLP; AP Cayman Partners I, L.P.; CITIC Japan Partners, L.P.; and others
2. Relationships between Sapporo Holdings and parties to transaction: No capital, personnel or transactional relationships currently exist between Sapporo Holdings and the parties to the transaction
3. No. shares to be acquired: 2,031,008 shares of common stock
4. Date of acquisition: September 2009 (subject to change)

*The acquisition price is expected to be less than 10% of the value of Sapporo Holdings' non-consolidated net assets as at the end of the previous fiscal year (December 31, 2008).

6. Sapporo Holdings' ownership of Pokka stock before and after the acquisition

1. No. shares held before acquisition: 0 (percentage of ownership: 0%)
2. No. shares held after acquisition: 2,031,008 (percentage of ownership: 21.65%)*

*The percentage of ownership figures stated above are based on all Pokka shares issued and outstanding as at March 31, 2009. The figure (after acquisition) is 20.00% on a fully diluted basis.

7. Outlook

Based on their basic agreement and detailed deliberation and discussion, Sapporo Holdings and Pokka will work toward entering into a finalized agreement around the end of September 2009.

Sapporo Holdings has not yet determined what impact this matter will have on its consolidated results of operations. If it becomes clear, through the process of working out the concrete details, that this matter will have a material impact on Sapporo Holdings' consolidated results, Sapporo Holdings will immediately disclose the relevant details.

[End of this release]