



[Translation]

January 27, 2012

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Securities code	2501
Listed on	Tokyo Stock Exchange Sapporo Securities Exchange
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Sapporo Holdings Announces the Acquisition of Trust Beneficiary Rights (Noncurrent Assets) by a Consolidated Subsidiary and the Dissolution of the Strategic Business and Capital Alliance

Sapporo Holdings Limited (the “Company”) hereby announces that SAPPORO REAL ESTATE CO., LTD. (for which the trade name was changed from Yebisu Garden Place Co., Ltd., as of January 1, 2012), a consolidated subsidiary of the Company, which conducted negotiations on the acquisition of the 15% trust beneficiary rights (noncurrent assets) held by its joint holder in the complex called Yebisu Garden Place (located at Ebisu, Shibuya-ku, Tokyo, and others; the “Yebisu Garden Place Complex”) as was previously announced on December 26, 2011, has recently reached an agreement with the joint holder on the terms and conditions of the transfer contract and determined the acquisition of the said trust beneficiary rights (noncurrent assets) at the meeting of its Board of Directors held today.

Furthermore, in association with the acquisition above, the Company announces that it has been agreed to dissolve the strategic business and capital alliance entered into by and between the Company and SAPPORO REAL ESTATE and Morgan Stanley Capital K.K. (including the real estate funds that are operated thereby or to which it issues advice, as well as the *Tokutei Mokuteki Kaisha* (special-purpose company) that incorporates such funds in its business operation; “Morgan Stanley”).

1. Acquisition of the Noncurrent Assets

(1) Reasons for the Determination on the Acquisition

Because the transfer contract has been agreed upon pursuant to the terms and conditions that were announced on December 26, 2011.

(2) Schedule

- The transfer contract was concluded today, January 27, 2012.
- The acquisition is scheduled to be executed as of March 1, 2012.

(3) Future Outlook

- The impact of the acquisition on business performance is currently under review and will be announced in the performance forecast for the fiscal year ending December 31, 2012, to be stated in the *Kessan Tanshin* (financial summary) for the fiscal year ended December 31, 2011.

2. Dissolution of the Strategic Business and Capital Alliance

(1) Reasons for the Dissolution of the Alliance

As was publicly announced on October 30, 2007, the Company and SAPPORO REAL ESTATE had entered into a strategic business and capital alliance with Morgan Stanley (the “Alliance”) with the aim of raising corporate value in the real estate business and others.

However, it has been agreed among the parties to dissolve the Alliance in association with the acquisition of the noncurrent assets above. Morgan Stanley has already sold all the Company shares that it obtained through the Alliance and holds no such shares currently.

(2) Schedule

- A memorandum regarding the dissolution of the Alliance will be concluded by mid-February 2012.
- The Alliance will be dissolved as of March 1, 2012.

(3) Future Outlook

- The impact of the dissolution of the Alliance on business performance is immaterial.

(End of document)