



**Year ended December 31, 2015**

**Consolidated Earnings Report - Supplementary Information**

**Consolidated Results (Year ended December 31, 2015)**

1. Consolidated Financial Highlights
2. Major Sales and Sales Volume Data
3. Condensed Consolidated Statements of Income
  - Condensed Consolidated Statements of Cash Flows
  - Sales Breakdown for Japanese Alcoholic Beverages
4. Consolidated Statements of Income : Breakdown of Key Changes
5. Segment information
6. Condensed Consolidated Balance Sheets
7. Overview of Segmentation Changes

**Consolidated Forecasts**

8. Full-Year Consolidated Business Results estimate
  - Full-Year Consolidated Statements of Cash Flows
  - Sales Breakdown for Japanese Alcoholic Beverages
9. Full-Year Consolidated Statement of Income: Breakdown of Key Changes
10. Full-Year Segment information

**February 2016**

**SAPPORO HOLDINGS LTD.**

**Securities Code: 2501**

**URL <http://www.sapporoholdings.jp/english/>**

## Financial Highlights (2007- 2016)

### Consolidated Financial Highlights

(billions of yen, except percentages, ratios, per-share data, and exchange rates)

		2007	2008	2009	2010	2011
Net sales	Including liquor tax	449.0	414.5	387.5	389.2	449.4
	Excluding liquor tax	309.7	284.4	264.6	269.8	336.8
Overseas net sales to total	Excluding liquor tax	9.0%	8.8%	8.5%	9.4%	11.0%
Operating income	Before goodwill amortization	13.2	15.5	13.9	16.5	21.9
	After goodwill amortization	12.3	14.6	12.8	15.4	18.8
Operating margin	Including liquor tax / after goodwill amortization	2.8%	3.5%	3.3%	4.0%	4.2%
	Excluding liquor tax /before goodwill amortization	4.3%	5.5%	5.3%	6.1%	6.5%
	Excluding liquor tax /after goodwill amortization	4.0%	5.2%	4.9%	5.7%	5.6%
Ordinary income		8.1	10.5	10.7	14.3	16.8
Net income		5.5	7.6	4.5	10.7	3.1
Total assets		561.8	527.2	506.8	494.7	550.7
Net assets		125.1	116.8	118.5	126.6	124.7
Balance of debt	Gross	212.4	189.2	196.7	181.3	219.1
	Net	205.9	166.7	190.4	167.9	209.9
Debt-to-equity ratio (times)	Gross	1.7	1.6	1.7	1.4	1.8
	Net	1.6	1.4	1.6	1.3	1.7
Capital expenditure	Cash basis	19.8	27.3	21.9	19.8	13.4
Depreciation and amortization		24.5	21.6	22.5	22.5	24.4
Amortization of goodwill		0.8	0.8	1.0	1.1	3.1
EBITDA	Operating income + Depreciation and amortization	37.7	37.1	36.4	39.0	46.4
ROE (%)	Before goodwill amortization	5.3%	7.0%	4.7%	9.8%	5.1%
	After goodwill amortization	4.6%	6.3%	3.9%	8.9%	2.5%
EPS (yen sen)	Before goodwill amortization	16.32	21.70	14.19	30.50	16.03
	After goodwill amortization	14.10	19.49	11.57	27.50	8.08
Exchange rates (Yen)	US\$	114.15	103.49	93.65	87.79	79.79
	CAN\$	116.34	97.97	82.30	85.18	80.74

		2012	2013	2014	2015	2016 (Forecast)
Net sales	Including liquor tax	492.4	509.8	518.7	533.7	565.4
	Excluding liquor tax	379.7	395.3	401.8	418.3	445.2
Overseas net sales to total	Excluding liquor tax	14.1%	18.3%	19.2%	22.6%	23.5%
Operating income	Before goodwill amortization	18.2	19.3	18.4	18.1	25.0
	After goodwill amortization	14.4	15.3	14.7	13.9	21.1
Operating margin	Including liquor tax / after goodwill amortization	2.9%	3.0%	2.8%	2.6%	3.7%
	Excluding liquor tax /before goodwill amortization	4.8%	4.9%	4.6%	4.3%	5.6%
	Excluding liquor tax /after goodwill amortization	3.8%	3.9%	3.7%	3.3%	4.7%
Ordinary income		13.6	15.1	14.5	13.2	20.2
Net income		5.3	9.4	0.3	6.1	10.5
Total assets		597.6	616.7	625.4	620.3	
Net assets		134.9	155.3	160.0	163.8	
Balance of debt	Gross	257.6	247.8	247.5	234.7	227.1
	Net	247.8	236.2	237.7	224.3	217.5
Debt-to-equity ratio (times)	Gross	1.9	1.6	1.5	1.4	1.3
	Net	1.8	1.5	1.5	1.4	1.3
Capital expenditure	Cash basis	53.8	13.7	19.1	20.3	19.5
Depreciation and amortization		25.8	25.0	24.4	24.2	24.0
Amortization of goodwill		3.8	3.9	3.7	4.1	3.9
EBITDA	Operating income + Depreciation and amortization	44.0	44.3	42.9	42.3	49.0
ROE (%)	Before goodwill amortization	7.3%	9.5%	2.7%	6.5%	8.9%
	After goodwill amortization	4.2%	6.7%	0.2%	3.9%	6.5%
EPS (yen sen)	Before goodwill amortization	23.68	34.40	10.53	26.34	36.96
	After goodwill amortization	13.77	24.20	0.87	15.68	26.95
Exchange rates (Yen)	US\$	79.81	97.73	105.79	121.11	126.00
	CAN\$	79.83	94.81	95.74	94.82	96.00

\*1: The balance of debt includes commercial paper but excludes the balance of lease obligations.

\*2: Effective from the year ended December 31, 2008, revenues and expenses are translated into Japanese yen at the average exchange rate for the fiscal year, not the prevailing exchange rate on the balance sheet date as before.

## Major Sales and Sales Volume

### Alcoholic Beverage (Japan)

(10,000 cases)

	Fiscal 2015	Fiscal 2014	YoY	Full-year estimate for fiscal 2016	YoY
Sapporo Draft Beer Black Label	1,618	1,615	100%	1,670	103%
YEBISU (total)	952	964	99%	1,000	105%
1 Beer (total)	2,919	2,896	101%	3,070	105%
2 Happoshu (total)	479	387	124%	473	99%
3 New genre beer products (total)	1,583	1,956	81%	1,597	101%
Beer, happoshu, and new genre (total 1+2+3)	4,982	5,238	95%	5,140	103%
Non-alcoholic beer taste beverage	93	91	102%	100	108%
RTD(*1)	218	213	103%	240	110%

\*1 : RTD 1Case=250ml\*24

(billions of yen)

	Fiscal 2015	Fiscal 2014	YoY	Full-year estimate for fiscal 2016	YoY
Domestic wines	5.3	5.6	93%	5.9	112%
Imported wines	8.2	8.3	100%	10.9	133%
Wine (total)	13.5	13.9	97%	16.9	125%
Spirits (total)	5.9	5.7	103%	7.9	134%
Shochu (total)	14.6	14.7	100%	15.3	105%

### Beer (International)

(10,000 cases)

	Fiscal 2015	Fiscal 2014	YoY	Full-year estimate for fiscal 2016	YoY
SLEEMAN BREWERIES LTD. (*2)	1,262	1,237	102%	1,310	104%
Sapporo brand	550	488	113%	595	108%

\*2 : Excludes contracted manufacturing for the Sapporo brand and sales of the Sapporo brand in Canada .

### Soft Drinks (POKKA SAPPORO FOOD & BEVERAGE)

(10,000 cases)

	Fiscal 2015	Fiscal 2014	YoY	Full-year estimate for fiscal 2016	YoY
Soft Drinks(*3)	4,535	4,464	102%	4,579	101%

\*3 : Excludes sales other than Japan

**Consolidated Results (Year ended December 31, 2015)**

**Condensed Consolidated Statements of Income**

(billions of yen)

	Year ended December 31, 2014	Year ended December 31, 2015	Change	Change (%)
Japanese Alcoholic Beverages(*1)	281.0	273.6	(7.3)	(2.6)%
International Business	49.6	70.5	20.8	41.9%
Food & Soft Drinks	133.4	135.6	2.2	1.7%
Restaurants(*1)	27.1	27.0	(0.1)	(0.5)%
Real Estate	21.5	20.8	(0.6)	(3.0)%
Other	5.9	6.0	0.1	1.8%
Net sales	518.7	533.7	15.0	2.9%
Japanese Alcoholic Beverages(*1)	10.1	8.6	(1.5)	(15.3)%
International Business	0.1	0.1	( 0.0 )	(10.8)%
Food & Soft Drinks	0.1	0.4	0.3	258.5%
Restaurants(*1)	0.3	0.5	0.2	72.2%
Real Estate	7.6	8.2	0.5	7.6)%
Other	0.1	0.0	(0.1)	(99.3)%
General corporate and intercompany eliminations	(3.9)	(4.0)	(0.1)	-
Operating income	14.7	13.9	(0.7)	(5.3)%
Operating income before goodwill amortization	18.4	18.1	(0.3)	(2.1)%
Non-operating income	2.8	2.9	0.1	3.9%
Non-operating expenses	2.9	3.6	0.6	23.1%
Ordinary income	14.5	13.2	(1.3)	(9.3)%
Extraordinary gains	4.7	7.8	3.1	67.1%
Extraordinary losses	16.5	9.4	(7.1)	(43.3)%
Income before income taxes and minority interests	2.6	11.6	8.9	333.8%
Income taxes	2.5	5.5	2.9	114.6%
Minority interests (loss)	(0.2)	0.0	0.2	-
Net Income	0.3	6.1	5.7	-

\*1 : Effective the fiscal year ended December 31, 2015, New Sanko Inc., previously included under the Japanese Alcoholic Beverages segment, has been reclassified to the Restaurants segment. Accordingly, the consolidated financial statements for the fiscal year ended December 31, 2014 have been retroactively adjusted to reflect these changes.

**Condensed Consolidated Statements of Cash Flows**

(billions of yen)

	Year ended December 31, 2014	Year ended December 31, 2015	Change	Change (%)
Cash flows from operating activities	22.2	35.2	12.9	58.3%
Cash flows from investing activities	(17.2)	(9.7)	7.4	-
Free Cash flows	5.0	25.5	20.4	404.7%
Cash flows from financial activities	(7.3)	(24.8)	(17.4)	-

**Sales Breakdown for Japanese Alcoholic Beverages**

**Sales (including liquor tax)**

(billions of yen)

	Year ended December 31, 2014	Year ended December 31, 2015	Change	Change (%)
Beer	157.6	159.3	1.7	1.1%
Happoshu	14.8	18.3	3.5	23.9%
New genre	64.5	52.2	(12.2)	(19.0)%
Total	236.9	229.9	(7.0)	(3.0)%

**Sales (excluding liquor tax)**

(billions of yen)

	Year ended December 31, 2014	Year ended December 31, 2015	Change	Change (%)
Beer	77.0	78.0	1.0	1.4%
Happoshu	8.2	10.2	1.9	23.8%
New genre	44.7	36.2	(8.4)	(18.9)%
Total	129.9	124.4	(5.4)	(4.2)%

Consolidated Results (Year ended December 31, 2015)

Breakdown of Key Changes

Numbers in parentheses mean decline in earnings.

(billions of yen)

	Change factor	Year ended December 31, 2014	Year ended December 31, 2015	Income change	Details
Beer and related products		7.4	5.6	(1.8)	
	(subtotal)			(3.0)	
Marginal profit	Increase (decrease) in volume/product mix			(3.4)	Beer +0.4 Happoshu+1.1 New genre-5.0 Product mix +0.1
	Other (*1)			0.4	Non-Alcoholic Beer, RTD, Production costs, other factors
Fixed costs and other	(subtotal)			1.2	
	Sales promotion costs			(1.0)	Advertising and promotion expenses
	Facility cost			1.6	Depreciation and amortization, etc.
	Other			0.7	Personnel expenses, General and administrative expenses
Wine and spirits	(*1)	2.2	2.2	(0.0)	
Other		0.7	0.8	0.2	
<b>Japanese Alcoholic Beverages</b>		<b>10.1</b>	<b>8.6</b>	<b>(1.5)</b>	
North America, etc.		2.3	2.4	0.1	
	Increase (decrease) in volume/product mix.			0.5	Increase in volume, Increase in the price of raw ingredients of soft drinks
	Marketing costs			(0.0)	SLEEMAN BREWERIES LTD., SAPORO USA.,INC.
	Other			(0.0)	Personnel expenses, General and administrative expenses, etc.
	Newly consolidated, Change in the accounting period			(0.3)	CPF(Feb. 24 to Dec. 31), SSC(Jan. 1 to Mar. 31)
Vietnam		(2.1)	(2.2)	(0.1)	
	Increase (decrease) in volume/product mix.			(0.1)	Increase in volume, Product mix, etc.
	Marketing costs			0.0	
	Other			0.0	General and administrative expenses, etc.
<b>International</b>		<b>0.1</b>	<b>0.1</b>	<b>(0.0)</b>	
Japanese Food & Soft Drinks		(1.2)	(1.0)	0.2	
	Increase (decrease) in volume / product mix			2.2	Increase in volume, Product mix, etc.
	Production costs			(1.2)	Increase in the price of raw ingredients, Increase in production cost
	Marketing costs			(0.6)	
	Other fixed costs			(0.1)	Personnel expenses, Logistics costs, etc.
	Other			(0.1)	Vending machine operators, and other
Overseas Soft Drinks/Domestic coffee shop chain		1.3	1.4	0.1	
<b>Food &amp; Soft Drinks</b>		<b>0.1</b>	<b>0.4</b>	<b>0.3</b>	
	Existing stores			0.3	
	New stores / Refurbished stores			(0.1)	
<b>Restaurants</b>		<b>0.3</b>	<b>0.5</b>	<b>0.2</b>	
	Rent			0.8	
	Sales/ Other factors			(0.2)	
<b>Real Estate</b>		<b>7.6</b>	<b>8.2</b>	<b>0.5</b>	
	Logistics business			(0.2)	
	Other			0.0	
<b>Other</b>		<b>0.1</b>	<b>0.0</b>	<b>(0.1)</b>	
<b>General corporate and intercompany eliminations</b>		<b>(3.9)</b>	<b>(4.0)</b>	<b>(0.1)</b>	
<b>Operating income</b>		<b>14.7</b>	<b>13.9</b>	<b>(0.7)</b>	
<b>Operating income before goodwill amortization</b>		<b>18.4</b>	<b>18.1</b>	<b>(0.3)</b>	
	Financial income (expense)	(1.4)	(0.9)	0.4	Reduction of Interest payments
	Equity in income (losses) of affiliates	0.2	0.0	(0.2)	
	Other	1.0	0.2	(0.8)	Foreign exchange losses
<b>Non-operating income and expenses</b>		<b>(0.2)</b>	<b>(0.7)</b>	<b>(0.6)</b>	
<b>Ordinary income</b>		<b>14.5</b>	<b>13.2</b>	<b>(1.3)</b>	
	Gain on sales of property, plant and equipment	3.5	7.5	3.9	
	Other extraordinary gains	1.2	0.4	(0.8)	
	Loss on sales/disposal of property, plant and equipment	(2.3)	(1.6)	0.7	
	Loss on impairment of property, plant and equipment	(0.9)	(6.0)	(5.1)	
	Loss on devaluation of investment securities	(0.0)	(1.8)	(1.7)	
	Additional liquor tax paid and other	(11.6)	-	11.6	
	Other extraordinary losses	(1.8)	(0.1)	1.6	
<b>Extraordinary gains and losses</b>		<b>(11.9)</b>	<b>(1.5)</b>	<b>10.4</b>	
<b>Income before income taxes and minority interests</b>		<b>2.6</b>	<b>11.6</b>	<b>8.9</b>	
<b>Corporate tax, etc. / income and loss of minority shareholders</b>		<b>(2.3)</b>	<b>(5.5)</b>	<b>(3.2)</b>	
<b>Net Income</b>		<b>0.3</b>	<b>6.1</b>	<b>5.7</b>	

\*1. Effective the fiscal year ending December 31, 2015, some products for the commercial markets were reclassified from "Beer and related products" to "Wine and spirits". The adjustments were 0.6billion yen for the year ended December 31, 2014.

	Year ended December 31, 2014	Year ended December 31, 2015
Yen/US\$	105.79	121.11
Yen/CAN\$	95.74	94.82
Yen/EUR	140.35	134.31

Consolidated Results (Year ended December 31, 2015)

**Segment Information**

(billions of yen)

Year ended December 31, 2014	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	281.0	49.6	133.4	27.1	21.5	5.9	-	518.7
Operating income	10.1	0.1	0.1	0.3	7.6	0.1	(3.9)	14.7
(Operating income before goodwill amortization)	10.1	1.4	2.6	0.3	7.6	0.1	(3.9)	18.4
Sales promotion costs								
Sales incentives and commissions	20.4	0.1	13.1	0.0	0.0	0.0	(0.1)	33.5
Advertising and promotion expenses	15.3	1.6	4.1	0.9	0.6	0.0	(0.0)	22.6
Promotion items	3.7	3.1	0.0	0.0	0.0	0.0	(0.0)	6.8
Depreciation and amortization	9.9	2.1	6.7	0.6	4.2	0.0	0.6	24.4
Amortization of goodwill	0.0	1.2	2.5	0.0	0.0	0.0	0.0	3.7
EBITDA (*1)	20.1	3.5	9.4	0.9	11.9	0.2	(3.2)	42.9
Capital expenditure ( cash basis)	3.3	2.0	4.4	1.3	6.3	0.0	1.5	19.1
Payment of lease obligations	0.0	0.1	3.1	0.0	0.0	0.0	0.0	3.3

Year ended December 31, 2015	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales (*1)	273.6	70.5	135.6	27.0	20.8	6.0	-	533.7
Operating income	8.6	0.1	0.4	0.5	8.2	0.0	(4.0)	13.9
(Operating income before goodwill amortization)	8.6	1.9	2.7	0.5	8.2	0.0	(4.0)	18.1
Sales promotion costs								
Sales incentives and commissions	21.1	0.2	14.6	0.0	0.0	0.0	(0.1)	35.8
Advertising and promotion expenses	15.2	1.5	3.6	0.9	0.6	0.0	(0.0)	21.9
Promotion items	3.8	3.3	0.0	0.0	0.0	0.0	(0.1)	7.0
Depreciation and amortization	8.1	3.3	6.1	0.6	4.2	0.0	1.6	24.2
Amortization of goodwill	0.0	1.8	2.2	0.0	0.0	0.0	0.0	4.1
EBITDA (*2)	16.8	5.3	8.8	1.1	12.4	0.0	(2.4)	42.3
Capital expenditure ( cash basis)	3.3	2.7	2.8	0.6	9.4	0.0	1.1	20.3
Payment of lease obligations	0.0	0.0	2.9	0.0	0.0	0.0	0.0	3.0

Change	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales (*1)	7.3	20.8	2.2	(0.1)	(0.6)	0.1	-	15.0
Operating income	(1.5)	(0.0)	0.3	0.2	0.5	(0.1)	(0.1)	(0.7)
(Operating income before goodwill amortization)	(1.5)	0.5	0.0	0.2	0.5	(0.1)	(0.1)	(0.3)
Sales promotion costs								
Sales incentives and commissions	0.7	0.0	1.4	0.0	0.0	0.0	0.0	2.2
Advertising and promotion expenses	(0.1)	(0.1)	(0.5)	0.0	(0.0)	0.0	0.0	(0.7)
Promotion items	0.0	0.1	(0.0)	0.0	0.0	0.0	(0.0)	0.1
Depreciation and amortization	(1.8)	1.2	(0.5)	(0.0)	(0.0)	(0.0)	0.9	(0.2)
Amortization of goodwill	0.0	0.5	(0.2)	0.0	0.0	0.0	0.0	0.3
EBITDA (*2)	(3.3)	1.8	(0.5)	0.2	0.5	(0.2)	0.8	(0.6)
Capital expenditure ( cash basis)	(0.0)	0.7	(1.6)	(0.6)	3.1	(0.0)	(0.3)	1.2
Payment of lease obligations	0.0	(0.0)	(0.2)	0.0	(0.0)	0.0	0.0	(0.2)

\*1 : Effective the fiscal year ended December 31, 2015, New Sanko Inc., previously included under the Japanese Alcoholic Beverages segment, has been reclassified to the Restaurants segment. Accordingly, the consolidated financial statements for the fiscal year ended December 31, 2014 have been retroactively adjusted to reflect these changes.

\*2: EBITDA= Operating income + Depreciation and amortization + Amortization of goodwill

Consolidated Results (Year ended December 31, 2015)

**Condensed Consolidated Balance Sheets**

(billions of yen)

	December 31, 2014	December 31, 2015	Change	Primary Reasons
<b>Current assets</b>	156.3	156.3	(0.0)	
Cash and cash equivalents	9.7	10.4	0.6	
Notes and accounts receivable - trade	89.2	92.3	3.0	
Inventories	36.5	38.6	2.0	
Other	20.8	14.9	(5.8)	
<b>Fixed assets</b>	469.0	464.0	(5.0)	
Fixed assets	356.6	347.7	(8.8)	
Goodwill	29.9	30.2	0.2	Acquired the share of Country Pure Foods, Inc.
Investments and other assets	82.4	86.0	3.5	
<b>Total assets</b>	625.4	620.3	(5.0)	
<b>Current liabilities</b>	211.7	233.6	21.8	
Notes and accounts payable - trade	35.5	36.7	1.2	
Short-term debt	73.4	92.8	19.3	
Deposits received	9.6	8.8	(0.8)	
Other	93.1	95.2	2.0	
<b>Long-term liabilities</b>	253.6	222.9	(30.7)	
Long-term debt	174.1	141.9	(32.1)	
Net defined benefit liability	4.5	7.6	3.1	The effect of the change in calculation method for retirement benefit obligations and service costs
Other	75.0	73.3	(1.6)	
<b>Total liabilities</b>	465.4	456.5	(8.8)	
Shareholders' equity	133.1	133.3	0.2	Distribution of dividends -2.7, The effect of the change in calculation method for retirement benefit obligations and service costs -3.1
Accumulated other comprehensive income	23.1	24.5	1.3	
Minority interests	3.7	5.8	2.1	
<b>Total net assets</b>	160.0	163.8	3.8	
<b>Total liabilities and net assets</b>	625.4	620.3	(5.0)	

**Identifiable Assets by segment**

(billions of yen)

	December 31, 2014	December 31, 2015	Change	Primary Reasons
Japanese Alcoholic Beverages (*1)	220.3	220.0	(0.3)	
International	57.6	67.0	9.4	
Food & Soft Drinks	102.7	100.4	(2.2)	
Restaurants (*1)	12.3	12.2	(0.1)	
Real Estate	214.3	206.6	(7.7)	
Other	7.1	6.7	(0.3)	
Corporate and eliminations	10.8	7.1	(3.7)	
<b>Total</b>	625.4	620.3	(5.0)	

\*1 : Effective the fiscal year ended December 31, 2015, New Sanko Inc., previously included under the Japanese Alcoholic Beverages segment, has been reclassified to the Restaurants segment. Accordingly, the consolidated financial statements for the fiscal year ended December 31, 2014 have been retroactively adjusted to reflect these changes.

**Financial Liabilities by segment**

(billions of yen)

	December 31, 2014	December 31, 2015	Change	Primary Reasons
Japanese Alcoholic Beverages	43.6	40.9	(2.6)	
International	18.7	30.9	12.2	
Food & Soft Drinks	11.7	8.6	(3.1)	
Restaurants	0.0	0.0	0.0	
Real Estate	135.5	121.1	(14.3)	
Other	0.3	0.0	(0.3)	
Corporate and eliminations	37.6	33.0	(4.6)	
<b>Total</b>	247.5	234.7	(12.8)	

## Overview of Segmentation Changes 2015

No change has been made to segmentation in the fiscal year ended December 31, 2015.

Reportable segment income refers to operating income. Equity-method affiliates are therefore omitted below

2014 Segmentation		2015 Segmentation	
Segment	Consolidated subsidiaries	Segment	Consolidated subsidiaries
Japanese Alcoholic Beverages	SAPPORO BREWERIES LTD.	Japanese Alcoholic Beverages	SAPPORO BREWERIES LTD.
	SAPPORO WINES LIMITED		SAPPORO WINES LIMITED
	YEBISU WINEMART CO., LTD.		YEBISU WINEMART CO., LTD.
	TANOSHIMARU SHUZO CO., LTD.		TANOSHIMARU SHUZO CO., LTD.
	SAPPORO ENGINEERING LIMITED		SAPPORO ENGINEERING LIMITED
	STARNET CO., LTD.		STARNET CO., LTD.
	NEW SANKO INC. (*1)		SHINSEIEN CO.,LTD.
	SHINSEIEN CO.,LTD.		
International	SAPPORO INTERNATIONAL INC.	International	SAPPORO INTERNATIONAL INC.
	SAPPORO U.S.A., INC.		SAPPORO U.S.A., INC.
	SAPPORO CANADA INC.		SAPPORO CANADA INC.
	SLEEMAN BREWERIES LTD.		SLEEMAN BREWERIES LTD.
	SAPPORO ASIA PRIVATE LIMITED		SAPPORO ASIA PRIVATE LIMITED
	SAPPORO VIETNAM LIMITED		SAPPORO VIETNAM LIMITED
	SILVER SPRINGS CITRUS, INC.		SILVER SPRINGS CITRUS, INC.
			COUNTRY PURE FOODS, INC. (Newly Consolidated)
Food & Soft Drinks	POKKA SAPPORO FOOD & BEVERAGE LTD.	Food & Soft Drinks	POKKA SAPPORO FOOD & BEVERAGE LTD.
	POKKA CREATE CO., LTD.		POKKA CREATE CO., LTD.
	PS BEVERAGE LTD		PS BEVERAGE LTD
	STAR BEVERAGE SERVICE CO., LTD.		STAR BEVERAGE SERVICE CO., LTD.
	POKKA SAPPORO HOKKAIDO LTD. (Newly Consolidated)		POKKA SAPPORO HOKKAIDO LTD.
	POKKA CORPORATION (SINGAPORE) PTE. LTD.		Nihon Beans Co.,LTD. (Newly Consolidated)
	POKKA INTERNATIONAL PTE. LTD.		POKKA CORPORATION (SINGAPORE) PTE. LTD.
	And another 8 companies		POKKA INTERNATIONAL PTE. LTD.
			PT. POKKA DIMA INTERNATIONAL (Newly Consolidated)
			And another 8 companies
Restaurants	SAPPORO LION LIMITED	Restaurants	SAPPORO LION LIMITED
	SAPPORO LION (SINGAPORE) PTE.LTD.		NEW SANKO INC. (*1)
Real Estate	SAPPORO REAL ESTATE CO.,LTD.	Real Estate	SAPPORO REAL ESTATE CO.,LTD.
	YGP REAL ESTATE CO., LTD.		YGP REAL ESTATE CO., LTD.
	TOKYO ENERGY SERVICE CO., LTD.		TOKYO ENERGY SERVICE CO., LTD.
	YOKOHAMA KEIWA BUILDING CO., LTD.		YOKOHAMA KEIWA BUILDING CO., LTD.
Other	SAPPORO FOODS NET CO., LTD.	Other	SAPPORO FOODS NET CO., LTD.
	SAPPORO GROUP MANAGEMENT LTD.		SAPPORO GROUP MANAGEMENT LTD.
	SAPPORO GROUP LOGISTICS CO., LTD.		SAPPORO GROUP LOGISTICS CO., LTD.
	SAPPORO LOGISTICS SYSTEMS CO., LTD.		SAPPORO LOGISTICS SYSTEMS CO., LTD.
Corporate and eliminations	SAPPORO HOLDINGS LTD.	Corporate and eliminations	SAPPORO HOLDINGS LTD.
	SAPPORO GROUP MANAGEMENT LTD.		SAPPORO GROUP MANAGEMENT LTD.

\*1. Effective the fiscal year ended December 31, 2015, New Sanko Inc., previously included under the Japanese Alcoholic Beverages segment, has been reclassified to the Restaurants segment.



**Consolidated Forecasts (Year ending December 31, 2016)**

**Condensed Consolidated Statements of Income**

(billions of yen)

	Year ended December 31, 2015	Year ending December 31, 2016 (Forecast)	Change	Change (%)
Japanese Alcoholic Beverages	273.6	288.0	14.3	5.2%
International	70.5	77.8	7.2	10.4%
Food & Soft Drinks	135.6	143.7	8.0	5.9%
Restaurants	27.0	27.1	0.0	0.4%
Real Estate	20.8	22.8	1.9	9.2%
Other	6.0	6.0	(0.0)	(0.8)%
Net sales	533.7	565.4	31.6	5.9%
Japanese Alcoholic Beverages	8.6	11.1	2.4	28.5%
International	0.1	0.9	0.7	483.6%
Food & Soft Drinks	0.4	1.7	1.2	291.4%
Restaurants	0.5	1.3	0.7	148.8%
Real Estate	8.2	10.0	1.7	20.7%
Other	0.0	0.2	0.1	14777.6%
General corporate and intercompany eliminations	(4.0)	(4.1)	(0.0)	-
Operating income	13.9	21.1	7.1	51.3%
Operating income before goodwill amortization	18.1	25.0	6.8	38.1%
Non-operating income	2.9	2.3	(0.6)	(21.3)%
Non-operating expenses	3.6	3.2	(0.4)	(12.6)%
Ordinary income	13.2	20.2	6.9	52.9%
Extraordinary gains	7.8	0.0	(7.8)	(100.0)%
Extraordinary losses	9.4	2.0	(7.4)	(78.8)%
Income before income taxes and minority interests	11.6	18.2	6.5	55.7%
Income taxes	5.5	7.7	2.1	38.0%
Minority interests (loss)	0.0	0.0	(0.0)	-
Net Income	6.1	10.5	4.3	71.9%

**Condensed Consolidated Statements of Cash Flows**

	Year ended December 31, 2015	Year ending December 31, 2016 (Forecast)	Change	Change (%)
Cash flows from operating activities	35.2	37.1	1.8	5.2%
Cash flows from investing activities	(9.7)	(27.6)	(17.8)	-
Free Cash flows	25.5	9.5	(16.0)	(62.8)%

**Sales Breakdown for Japanese Alcoholic Beverages**

**Sales (including liquor tax)**

(billions of yen)

	Year ended December 31, 2015	Year ending December 31, 2016	Change	Change (%)
Beer	159.3	165.7	6.3	4.0%
Happoshu	18.3	18.8	0.5	2.8%
New genre	52.2	52.6	0.3	0.7%
Total	229.9	237.2	7.2	3.2%

**Sales (excluding liquor tax)**

(billions of yen)

	Year ended December 31, 2015	Year ending December 31, 2016	Change	Change (%)
Beer	78.0	80.7	2.6	3.4%
Happoshu	10.2	10.4	0.2	2.7%
New genre	36.2	36.4	0.2	0.7%
Total	124.4	127.7	3.2	2.6%

Consolidated Forecasts ( Year ending December 31, 2016 )

Breakdown of key income Changes

(billions of yen)

	Change factor	Year ended December 31, 2015	Year ending December 31, 2016 (Forecast)	Change	Details
Beer and related products		5.6	7.7	2.1	
Marginal profit	Subtotal			4.1	
	Increase (decrease) in volume / Product mix			3.3	Beer +2.4 Happoshu +0.2 New genre +0.2 Product mix +0.5
	Other			0.8	Non-Alcoholic Beer, RTD, Production costs, other factors
Fixed and other costs	Subtotal			(2.0)	
	Sales promotion costs			(2.7)	
	Facility cost			0.5	Depreciation and amortization, Cost of repair, other factors
	Other			0.3	
Wine and spirits		2.2	2.7	0.5	
Other		0.8	0.7	(0.1)	
<b>Japanese Alcoholic Beverages</b>		<b>8.6</b>	<b>11.1</b>	<b>2.4</b>	
North America and other		2.4	3.2	0.8	
	Increase (decrease) in volume / Product mix			2.1	Increase in volume (SLEEMAN+4%), Product mix
	Marketing costs			(0.4)	Sapporo International, Sapporo U.S.A.
	Other			(0.9)	General and administrative expenses, CPF( Jan. 1 to Feb. 23)
Vietnam		(2.2)	(2.3)	(0.1)	
	Increase (decrease) in volume / Product mix			0.4	
	Marketing costs			(0.3)	
	Other			(0.2)	Increase in cost of logistics and warehouse
<b>International</b>		<b>0.1</b>	<b>0.9</b>	<b>0.7</b>	
Japanese Food & Soft Drinks		(1.0)	(0.1)	0.9	
	Increase (decrease) in volume / Product mix			2.9	Increase in volume, Product mix
	Production costs			(0.5)	Increase in cost of raw ingredients, Increase in production costs
	Marketing costs			(0.4)	
	Other fixed costs			(1.4)	Personnel expenses, Logistics costs, General and administrative expenses etc.
	Other			0.2	Vending machine operators, and other
Overseas Soft Drinks/ Domestic coffee shop chain		1.4	1.8	0.4	
<b>Food &amp; Soft Drinks</b>		<b>0.4</b>	<b>1.7</b>	<b>1.2</b>	
	Existing stores			0.2	
	New stores / Refurbished stores			0.6	
<b>Restaurants</b>		<b>0.5</b>	<b>1.3</b>	<b>0.7</b>	
	Rent			1.7	
	Sales/ Other factors			0.0	
<b>Real Estate</b>		<b>8.2</b>	<b>10.0</b>	<b>1.7</b>	
	Logistics business			0.1	
	Other			0.0	
<b>Other</b>		<b>0.0</b>	<b>0.2</b>	<b>0.1</b>	
<b>General corporate and intercompany eliminations</b>		<b>(4.0)</b>	<b>(4.1)</b>	<b>(0.0)</b>	
<b>Operating income</b>		<b>13.9</b>	<b>21.1</b>	<b>7.1</b>	
<b>Operating income before goodwill amortization</b>		<b>18.1</b>	<b>25.0</b>	<b>6.8</b>	
	Financial income (expense)	(0.9)	(1.3)	(0.4)	
	Equity in income (losses) of affiliates	0.0	0.1	0.1	
	Other	0.2	0.3	0.1	
<b>Non-operating income and expenses</b>		<b>(0.7)</b>	<b>(0.9)</b>	<b>(0.2)</b>	
<b>Ordinary income</b>		<b>13.2</b>	<b>20.2</b>	<b>6.9</b>	
	Gain on sales of property, plant and equipment	7.5	-	(7.5)	
	Other extraordinary gains	0.4	-	(0.4)	
	Loss on sales/disposal of property, plant and equipment	(1.6)	(1.0)	0.6	
	Loss on impairment of property, plant and equipment	(6.0)	-	(6.0)	
	Other extraordinary losses	(1.9)	(1.0)	0.9	
<b>Extraordinary gains and losses</b>		<b>(1.5)</b>	<b>(2.0)</b>	<b>(0.5)</b>	
<b>Income before income taxes and minority interests</b>		<b>11.6</b>	<b>18.2</b>	<b>6.5</b>	
<b>Change in income taxes and minority interests (loss)</b>		<b>(5.5)</b>	<b>(7.7)</b>	<b>(2.1)</b>	
<b>Net income</b>		<b>6.1</b>	<b>10.5</b>	<b>4.3</b>	

	Year ended December 31,2015	Year ending December 31,2016 (Forecast)
Yen/US\$	121.11	126.00
Yen/CAN\$	94.82	96.00
Yen/EUR	134.31	132.00

**Consolidated Forecasts ( Year ending December 31, 2016 )**

**Segment Information**

(billions of yen)

Year ended December 31, 2015	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	273.6	70.5	135.6	27.0	20.8	6.0	—	533.7
Operating income	8.6	0.1	0.4	0.5	8.2	0.0	(4.0)	13.9
(Operating income before goodwill amortization)	8.6	1.9	2.7	0.5	8.2	0.0	(4.0)	18.1
Sales promotion costs								
Sales incentives and commissions	21.1	0.2	14.6	0.0	0.0	0.0	(0.1)	35.8
Advertising and promotion expenses	15.2	1.5	3.6	0.9	0.6	0.0	(0.0)	21.9
Promotion items	3.8	3.3	0.0	0.0	0.0	0.0	(0.1)	7.0
Depreciation and amortization	8.1	3.3	6.1	0.6	4.2	0.0	1.6	24.2
Amortization of goodwill	0.0	1.8	2.2	0.0	0.0	0.0	0.0	4.1
EBITDA (*1)	16.8	5.3	8.8	1.1	12.4	0.0	(2.4)	42.3
Capital expenditures (cash basis)	3.3	2.7	2.8	0.6	9.4	0.0	1.1	20.3
Payment of lease obligations	0.0	0.0	2.9	0.0	0.0	0.0	0.0	3.0

Year ending December, 31, 2016 (Forecast)	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	288.0	77.8	143.7	27.1	22.8	6.0	-	565.4
Operating income	11.1	0.9	1.7	1.3	10.0	0.2	(4.1)	21.1
(Operating income before goodwill amortization)	11.1	2.6	3.9	1.3	10.0	0.2	(4.1)	25.0
Depreciation and amortization	7.7	3.3	6.1	0.7	4.2	0.1	1.9	24.0
Amortization of goodwill	0.0	1.7	2.2	0.0	0.0	0.0	0.0	3.9
EBITDA (*1)	18.8	5.9	10.0	2.0	14.2	0.3	(2.2)	49.0
Capital expenditures (cash basis)	5.0	2.5	4.8	0.8	4.9	0.0	1.5	19.5
Payment of lease obligations	0.0	0.0	3.0	0.0	0.0	0.0	0.0	3.0

Change	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	14.3	7.2	8.0	0.0	1.9	0.0	0.0	31.6
Operating income	2.4	0.7	1.2	0.7	1.7	0.1	0.0	7.1
(Operating income before goodwill amortization)	2.4	0.6	1.1	0.7	1.7	0.1	0.0	6.8
Depreciation and amortization	(0.4)	(0.0)	(0.0)	0.0	(0.0)	0.0	0.2	(0.2)
Amortization of goodwill	(0.0)	(0.1)	(0.0)	0.0	0.0	0.0	0.0	(0.2)
EBITDA (*1)	1.9	0.5	1.1	0.8	1.7	0.2	0.2	6.0
Capital expenditures (cash basis)	1.6	(0.2)	1.9	0.1	(4.5)	(0.0)	0.3	(0.8)
Payment of lease obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

\*1 : EBITDA= Operating income + Depreciation and amortization + Amortization of goodwill

\*2 : Full year estimate for sales promotion costs is not disclosed.