

Financial Results
Three Months Ended March 31, 2009—Consolidated

April 30, 2009

Company name **Sapporo Holdings Limited**

Security code 2501

Listings Tokyo Stock Exchange (First Section); Sapporo Securities Exchange

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

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Scheduled dates:

Submission of quarterly financial statements May 14, 2009

Commencement of dividend payments —

1. Consolidated Financial Results for the Three Months Ended March 31, 2009
(January 1, 2009 – March 31, 2009)

(1) Operating Results

(amounts rounded down to the nearest million yen;
percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended March 31, 2009	81,622	—	(3,370)	—	(3,839)	—	(3,284)	—
Three months ended March 31, 2008	91,652	1.6	(1,300)	—	(2,541)	—	(3,344)	—

	Net income per share	Diluted net income per share
	yen	yen
Three months ended March 31, 2009	(8.38)	—
Three months ended March 31, 2008	(8.53)	—

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
March 31, 2009	501,185	108,595	21.6	276.51
March 31, 2008	527,286	116,862	22.1	297.60

Note: Shareholders' equity

March 31, 2009:

108,367 million yen

December 31, 2008:

116,636 million yen

2. Dividends

Record date or period	Dividend per share				
	End Q1	End Q2	End Q3	Year-end	Full year
	yen	yen	yen	yen	yen
Year ended December 31, 2008	—	0.00	—	7.00	7.00
Year ended December 31, 2009	—				
Year ended December 31, 2009 (forecast)		0.00	—	7.00	7.00

Note: No changes were made to dividend forecasts in the three months ended March 31, 2009.

3. Forecast of Consolidated Earnings for the Year Ending December 31, 2009 (January 1, 2009 – December 31, 2009)

(amounts rounded down to the nearest million yen; percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Six months ending June 30, 2009	188,800	—	(2,000)	—	(3,200)	—	(3,700)	—	—
Full year	408,300	(1.5)	12,000	(18.3)	8,500	(19.3)	3,000	(60.7)	7.65

Note: No changes were made to earnings forecasts in the three months ended March 31, 2009.

4. Other

(1) Changes affecting the consolidation status of material subsidiaries (scope of consolidation)
None

(2) Use of simplified accounting methods and/or accounting methods specific to quarterly consolidated financial statements: Yes

Note: For details, see page 10 under subsection 4, "Other", of the "Analysis of Operating Results" section below.

(3) Changes in accounting principles, procedures, and methods of presentation used to prepare the quarterly financial statements

1) Changes in accord with amendments to accounting standards: Yes

2) Changes other than the above: Yes

Note: For details, see page 10 under subsection 4, "Other", of the "Analysis of Operating Results" section below.

- (4) Number of shares issued and outstanding (common stock)
- 1) Number of shares issued at end of period (treasury stock included):

March 31, 2009:	393,971,493 shares
December 31, 2008:	393,971,493 shares
 - 2) Number of shares held in treasury at end of period:

March 31, 2009:	2,065,298 shares
December 31, 2008:	2,045,360 shares
 - 3) Average number of shares during the period:

Three months ended March 31, 2009:	391,915,082 shares
Three months ended March 31, 2008:	392,165,517 shares

Appropriate Use of Earnings Forecasts and Other Important Information

1. This document contains projections and other forward-looking statements based on information available to the Company as of the date of this document. Actual results may differ from forecasts depending on various factors. For the Company's earnings forecasts, please refer to page 9 under subsection 3, "Consolidated Outlook for the Fiscal Year Ending December 31, 2009", of the "Analysis of Operating Results" section below.
2. Effective from the fiscal year ending December 31, 2009, the Company has adopted the *Accounting Standard for Quarterly Financial Reporting* (ASBJ Statement No. 12) and its accompanying *Guidance on the Accounting Standard for Quarterly Financial Reporting* (ASBJ Guidance No. 14). We prepare quarterly consolidated financial statements in accord with the Regulations on the Terminology, Format, and Preparation of Quarterly Consolidated Financial Statements.

1. Analysis of Operating Results

a) Consolidated results for the Three Months ended March 31, 2009

In the three months ended March 31, 2009, consolidated net sales fell to ¥81.6 billion, down ¥10 billion or 11% versus the year-earlier quarter (the three months ended March 31, 2008). The decline was attributable to several factors, including growth in new genre beers' share of alcoholic beverage sales in Japan, reviews of unprofitable sales accounts in the Soft Drinks business, and a falloff in domestic unit-sales of beer and beer-type beverages versus the year-earlier quarter, when demand surged ahead of then-pending price increases. The Group's first-quarter operating loss widened to ¥3.3 billion (from ¥1.3 billion in the year-earlier quarter) and its ordinary loss worsened to ¥3.8 billion (from ¥2.5 billion), but its net loss narrowed to ¥3.2 billion (from a ¥3.3 billion loss).

Segment Information

Impact of Seasonal Factors

The Group's operating results are subject to substantial seasonal variability because demand in the Alcoholic Beverages, Soft Drinks, and Restaurants businesses tends to be concentrated disproportionately in the summer months. Sales and income consequently tend to be lower in the first quarter than in the other three quarters.

Alcoholic Beverages

Alcoholic Beverages (Japan)

In Japan's beer and beer-type beverages market, total demand contracted an estimated 4% year over year in the first quarter as consumers drastically tightened their belts in response to the steep global economic downturn since mid-2008. Meanwhile, market shares shifted among the conventional beer, *happoshu* (low-malt beer), and new genre market segments. While beer and *happoshu* sales were down year over year, new genre sales grew 30% year over year. This shift in demand toward lower-price new genre products was the beer market's most prominent trend in the first quarter.

Amid such an environment, sales of beer and beer-type beverages were down 10% year over year in unit terms, partly reflecting that sales in the year-earlier quarter were inflated by a demand surge ahead of price increases effective from April 2008. Our core Sapporo Black Label brand's unit sales fell 21% year over year. The Yebisu brand, however, outperformed the overall beer and beer-type beverages business, with its unit sales down only 8% year over year, largely by virtue of limited edition Silk Yebisu's popularity even amid the adverse market environment. In the new genre category, unit sales grew 36% year over year, outpacing the new genre market's overall growth rate. New genre sales benefited from the launch of a new product, Sapporo Reisei, in March and renewal of the existing Draft One and *Mugi to Hop* brands. Overall, sales of beer and beer-type

