Financial Results
for the Nine Months Ended September 30, 2010 — Consolidated
(Based on Japanese GAAP)

October 29, 2010

Company name	**Sapporo Holdings Limited**
Security code	2501
Listings	Tokyo Stock Exchange (First Section); Sapporo Securities Exchange
URL	http://www.sapporoholdings.jp/english/
Representative	Takao Murakami, President and Representative Director, Group CEO
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Scheduled dates:

Filing of quarterly financial reports	November 11, 2010
Commencement of dividend payments	—
Supplementary information to the quarterly earnings results	Available
Quarterly earnings results briefing	Available (mainly targeted at institutional investors and analysts)

1. Consolidated Financial Results for the Nine Months Ended September 30, 2010 (January 1 – September 30, 2010)

(Amounts in million yen rounded down to the nearest million yen)

(1) Operating Results

(Percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended September 30, 2010	284,085	0.3	9,497	21.1	8,575	36.8	3,352	44.6
Nine months ended September 30, 2009	283,109	-	7,843	-	6,269	-	2,319	-

	Net income per share	Diluted net income per share
	yen	yen
Nine months ended September 30, 2010	8.56	7.51
Nine months ended September 30, 2009	5.92	5.41

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
September 30, 2010	499,102	119,275	23.5	299.83
December 31, 2009	506,874	118,590	23.4	302.16

Note: Shareholders' equity
September 30, 2010: 117,431 million yen
December 31, 2009: 118,371 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, 2009	-	0.00	-	7.00	7.00
Year ending December 31, 2010	-	0.00	-		
Year ending December 31, 2010 (forecast)				7.00	7.00

Note: No changes were made to dividend forecasts in the nine months ended September 30, 2010.

3. Forecast of Consolidated Earnings for the Year Ending December 31, 2010 (January 1 – December 31, 2010)

(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
Full year	391,000	0.9	13,500	4.7	11,000	2.6	4,800	5.8	12.25

Note: No changes were made to earnings forecasts in the nine months ended September 30, 2010.

4. Other

*For details, see “4. Other” on page 9.

(1) Changes to scope of consolidation: None
*Changes affecting the status of significant subsidiaries (scope of consolidation)

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

(3) Changes in accounting principles, procedures, and methods of presentation
1) Changes in accord with amendments to accounting standards: Yes
2) Changes other than the above: None
*Changes in accounting principles, procedures, and methods of presentation used to prepare the quarterly financial statements

(4) Number of shares issued and outstanding (common stock)
1) Number of shares issued at end of period (treasury stock included):
September 30, 2010: 393,971,493 shares
December 31, 2009: 393,971,493 shares

2) Number of shares held in treasury at end of period:
September 30, 2010: 2,308,024 shares
December 31, 2009: 2,218,784 shares

3) Average number of outstanding shares during the period:
Nine months ended September 30, 2010: 391,711,624 shares
Nine months ended September 30, 2009: 391,886,745 shares

*Quarterly review status
The quarterly financial results are not subject to quarterly reviews pursuant to the Financial Instruments and Exchange Act. The quarterly review of the quarterly financial results herein had not been completed as of the date of this document.

Appropriate Use of Earnings Forecasts and Other Important Information

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 those expressed or implied by forward-looking statements due to various factors. For the assumptions underlying the forecasts herein and other information on the use of earnings forecasts, refer to "Earnings Forecasts" on page 9.

1. Analysis of Operating Results

Consolidated financial results for the nine months ended September 30, 2010 (January 1 – September 30, 2010)

Consolidated net sales for the nine months ended September 30, 2010, totaled ¥284.0 billion (up ¥0.9 billion year over year), marking a rebound from a ¥5.2 billion (3%) year-over-year drop in sales in the first half of the year, which was partly due to unseasonal early-spring weather. Our International Alcoholic Beverages Business's sales volume, which has looked good all year, continued to grow, and revenues were also buoyed by our Japanese Alcoholic Beverages Business and Soft Drinks Business achieving above-industry-average sales volume in the third quarter (July–September).

The increase in sales volume, combined with lower manufacturing costs, offset an increase in depreciation charges due to the launch of our new sales and logistics system. As a result, we recorded operating income of ¥9.4 billion (up ¥1.6 billion, or 21%, from the first nine months of 2009), ordinary income of ¥8.5 billion (up ¥2.3 billion, or 37%), and net income of ¥3.3 billion (up ¥1.0 billion, or 45%).

Segment Information

Alcoholic Beverages

Alcoholic Beverages (Japan)

Although the domestic economy has yet to begin a clear-cut recovery, demand for beer improved during the third quarter as summer temperatures soared to record highs. As a result, total domestic demand for beer and beer-type beverages in the first nine months of 2010 appears to have contracted by around 2% from the same period of 2009, an improvement of about two percentage points from the pace seen through the first half of the year.

While demand for conventional beer and *happoshu* (low-malt beer) continues to fall, new-genre beer shipments evidently increased about 11%, highlighting consumers' continued shift into this lower-priced segment of the beer market.

In this operating environment, our Japanese Alcoholic Beverages business adopted the campaign slogan "Bringing more cheer to your 'Cheers!'" (translated from the Japanese). Under this slogan, the business focused marketing activities on its core Yebisu, Sapporo Draft Beer Black Label, and *Mugi to Hop* brands while developing new products to offer beer drinkers new value propositions (i.e., developing differentiated products that embody Sapporo beer's unique qualities).

As a result, total unit sales of all Sapporo beer products through the first nine months of 2010 were up 1.2% year over year, outperforming the industry as a whole. We enjoyed particularly strong sales growth in the third quarter, with shipments increasing 8.1% year over year.

Unit sales of Sapporo Draft Beer Black Label fell 5.9%, reflecting the industry-wide decline in total demand for conventional beer products of around 3.5% due to consumers' shift to new-genre beer products and weak demand from commercial customers. However, total unit sales for our Yebisu brand—now in its 120th year—were up 5.5%, supported by the anniversary-year marketing campaign launched in January and the release in September of a limited quantity of Yebisu Asuka Cruise Maroyaka Jukusei, a beer that normally can be enjoyed only aboard the Asuka Ⅱ cruise ship. The strong Yebisu brand sales helped limit the decline in our conventional beer sales to 3.6%, about equal to the fall in industry-wide demand.

Unit sales of our new-genre beer products were up 14.3% in the first nine months of the year, sharply outperforming industry-wide sales figures for the category. We enjoyed a 26.3% increase in unit sales of *Mugi to Hop*, now marketed under the slogan "So tasty you'll think it's real beer" (translated from the Japanese). New-genre beer sales also were boosted by the September launch of Sapporo Creamy White, a new product brewed with a proprietary process that yields a creamy and long-lasting foam head.

In the low-alcohol category, we followed up our May launch of Sapporo Nectar Sour Sparkling Peach, developed in collaboration with Fujiya, with the September launch of the limited-quantity Sapporo Nectar Cocktail Torotoro Peach. Sales of both products have exceeded targets.

In the wine and liquor business, revenues and earnings were both down year over year, despite efforts to reduce costs.

Overall, our Japanese Alcoholic Beverages business achieved operating income of ¥5.0 billion (up ¥1.1 billion, or 31%) on sales of ¥200.8 billion (down ¥3.5 billion, or 2%, year over year) for January–September 2010, as increased beer and beer-type beverage unit sales and reduced manufacturing costs offset an increase in depreciation charges due to the launch of our new sales and logistics system.

Alcoholic Beverages (International)

North American beer demand remained relatively sluggish despite some indications that consumers might be starting to increase their spending on certain items. Industry-wide demand appears to have contracted by around 2–3% from a year earlier. The Asian beer market, however, is steadily expanding in tandem with the region's strong economic growth.

In this environment, the International Alcoholic Beverages business continued to actively focus on sales to the premium market segment. Canadian subsidiary Sleeman Breweries' unit sales (excluding outsourced production of Sapporo brand products) increased 6% year over year. Sapporo USA's Sapporo brand unit sales to the North American market rose 15% from a year earlier, and its overseas unit sales, concentrated mainly in Asia, expanded 31%.

In December 2009, we reached a decision to enter the Vietnam market. Brewery construction is set to begin in July, and we continue to formulate a marketing strategy and build a distribution network in preparation for locally producing and selling beer in partnership with the state-owned Vietnam National Tobacco Corp.

As a result of these efforts, the International Alcoholic Beverages business achieved operating income of ¥0.5 billion over the first nine months of 2010 (a marginal year-over-year increase of less than ¥0.1 billion) on sales of ¥19.5 billion (up ¥2.5 billion, or 15%, year over year), despite startup costs in Vietnam.

Soft Drinks

Our estimates indicate that the domestic soft drink market expanded by around 3% year over year during January–September 2010, as record high summer temperatures spurred sales despite a still stagnant economy.

Against that backdrop, the Soft Drinks business focused its marketing strategy on cultivating and strengthening existing brands. As such, marketing expenditure and sales efforts were concentrated on the Gabunomi, Ribbon, and Gerolsteiner brands.

The Soft Drinks business increased unit sales by 2% year over year in the January–September period as a result.

Sales of the Gabunomi lineup's milk coffee and melon cream soda offerings were strong, thanks to aggressive interactive sales campaigns based on mobile communications content. Meanwhile, in-store campaigns featuring our Ribbon-chan promotional character enabled us to expand shelf space allotted to our Ribbon soft drinks. Unit sales of Gerolsteiner naturally carbonated water from Germany surged 30% year over year as we increased brand awareness among consumers through television commercials and sample distribution in major cities as well as through in-store trial offers and repeat purchase promotions.

We continued to implement cost-structure reforms throughout the value chain in the aim of laying a stable earnings foundation for the business. Specifically, we continued efforts to reduce costs associated with production, purchasing, and logistics operations, especially by tapping synergies derived from our alliance with Pokka Corporation.

In our food business, we expanded sales areas for Sapporo Potekaru non-fried potato chips to include all of Honshu and the Shikoku region. We are continuing efforts to increase sales of this new product, including expanding its lineup to six flavors.

Overall, the Soft Drinks business achieved sales of ¥25.7 billion (up ¥2.2 billion, or 9% year over year) and operating income of ¥0.6 billion (up ¥0.3 billion, or 96%).

Restaurants

The Japanese restaurant industry has entered a phase of intensifying price competition as increasingly frugal consumers dine out less often.

In response, our Restaurants business has been working to attract customers back to its existing locations through differentiation strategies centering on campaigns featuring various Sapporo beer brands, celebrating the 111th anniversary of the company's founding, and offering seasonal menus. We also stepped up marketing to corporate customers amid signs of a recovery in the corporate events market segment. In addition, we closed 13 unprofitable locations over the first nine months of the year as part of ongoing profit-structure reforms.

During the period, we tapped further into group synergies by opening a second Yebisu Bar location and a Brasserie Ginza Lion beer hall together at the Kasumigaseki Common Gate complex in January. In July, we opened another Brasserie Ginza Lion beer hall in Tokyo Station's Yaesu underground shopping area. We consequently had a total of 202 locations operating as of end-September.

During the January–September period, our Restaurants business recorded sales of ¥20.6 billion (down ¥0.6 billion, or 3%, year over year) and posted operating loss of less than ¥0.1 billion (versus a loss of ¥0.1 billion a year earlier).

Real Estate

In the Greater Tokyo office leasing market, rents remain in a downtrend, although signs of improvement in vacancy rates have begun to emerge.

Rents for some of our existing office buildings have been adversely affected by falling rents in some areas, but we responded by stepping up efforts to maintain occupancy rates and rent levels while making additional cost cuts.

Real estate development activities during the term included completion of the Shinjuku Square office building in June and continued work on an extension to our Pal Urayasu fitness facility in Urayasu, Chiba.

Our property acquisitions remain focused on properties in Central Tokyo. In April, we acquired the recently built Shibuya Sakuragaoka Square office building, which is operating at high occupancy.

Real Estate business earnings during the first nine months of 2010 were boosted by a number of properties acquired in 2009, including the Rose City Higashi Sapporo rental housing complex, the Ebisu Square office building, and the MLB café Tokyo, a commercial property in Ebisu.

In sum, the Real Estate business posted sales of ¥17.2 billion (up ¥0.3 billion, or 2% year over year) and achieved operating income of ¥5.5 billion (up marginally).

2. Review of Consolidated Financial Condition

Consolidated Financial Condition

Consolidated assets totaled ¥499.1 billion at September 30, 2010, a ¥7.7 billion decrease from the end of the previous fiscal year (December 31, 2009). The decrease reflects the net result of several changes over the past nine months, most notably an increase in land holdings due to real estate acquisitions and a decrease in notes and accounts receivable. The launch of a new sales and logistics system resulted in an increase in other intangible assets and an associated decrease in construction in progress.

Consolidated liabilities stood at ¥379.8 billion, an ¥8.4 billion decrease from December 31, 2009. The decrease is primarily due to decrease in liquor taxes payable and deposits received.

Consolidated net assets totaled ¥119.2 billion, a ¥0.6 billion increase from December 31, 2009. The difference primarily reflects the dividend distribution at the end of the previous fiscal year and the booking of net income for first three quarters.

Consolidated Cash Flows

Consolidated cash flows for the nine months ended September 30, 2010 were as follows.

Operating activities provided net cash of ¥24.4 billion. The major sources of cash inflows were income before income taxes and minority interests (¥6.8 billion), depreciation and amortization (¥17.0 billion), a decrease in notes and accounts receivable (¥9.9 billion), and an increase in notes and accounts payable (¥3.9 billion). Major uses included decreases in liquor taxes payable (¥14.2 billion) and in deposits received (¥6.9 billion).

Investing activities used net cash of ¥21.2 billion. Major investment outflows included purchases of property, plant and equipment (¥15.4 billion) and of investment securities (¥2.7 billion).

Financing activities provided net cash of ¥0.6 billion. The major financing inflows were from proceeds from long-term bank loans (¥15.6 billion) and the issuance of corporate bonds (¥11.9 billion). The major outflows were repayments of short-term and long-term bank loans (respectively, ¥12.5 billion and ¥11.4 billion).

As a result of the above cash flows, cash and cash equivalents totaled ¥9.7 billion as of September 30, 2010.

3. Consolidated Earnings Forecast

Our sales and profit forecasts for the fiscal year ending December 31, 2010, are unchanged from the forecasts announced on July 30, 2010.

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

Simplified accounting

Calculation of deferred tax assets and deferred tax liabilities

If there have been no material changes in either the business environment or temporary differences since the end of the previous fiscal year, the Company uses the same earnings forecasts and tax planning strategies that it used in the previous fiscal year to assess the likelihood of deferred tax assets being used at a later date. If there have been material changes in the business environment and/or in temporary differences since the end of the previous fiscal year, the Company uses the earnings forecasts and tax planning strategies that it used in the previous fiscal year but modifies them to allow for the likely impact of these material changes.

Accounting methods specific to quarterly consolidated financial statements

Calculation of tax liabilities

The Company calculates tax liabilities by producing a reasonable estimate of the effective tax rate after applying tax-effect accounting to income before taxes and minority interests for the fiscal year, which encompasses the nine months ended September 30, 2010, and then multiplying income (loss) before taxes and minority interests by this estimated effective tax rate. Note that "deferred income taxes" are included under "income taxes".

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

Changes in accord with amendments to accounting standards

Change in accounting standard for recognizing revenues from and costs of completed construction

Effective the first quarter of the fiscal year ending December 31, 2010, the Company adopted the *Accounting Standard for Construction Contracts* (ASBJ Statement No. 15, December 27, 2007) and its accompanying *Guidance on Accounting Standard for Construction Contracts* (ASBJ Guidance No. 18, December 27, 2007) for recognizing revenues associated with contracted construction. All construction contracts, including those in existence at the beginning of the first quarter, for which certain elements were determinable with certainty at end of the third quarter (September 30, 2010) were accounted for with the percentage-of-completion method.

The impact of this change of profit and loss is minor.

The impact on each business segment is stated in the relevant sections of this document.

(4) Notes on the going-concern assumption

None

3. Consolidated Financial Statement

1. Consolidated Balance Sheets

(millions of yen)

	September 30, 2010	December 31, 2009
	Amount	Amount
Assets		
I Current assets		
1 Cash and cash equivalents	9,908	6,387
2 Notes and accounts receivable - trade	49,767	60,120
3 Marketable securities	6	47
4 Merchandize and finished products	13,976	13,258
5 Raw materials and supplies	9,448	9,689
6 Other	10,321	12,966
7 Allowance for doubtful receivables	(166)	(192)
Total current assets	93,261	102,277
II Fixed assets		
1 Property, plant and equipment		
(1) Buildings and structures	366,451	361,276
Accumulated depreciation	(190,495)	(184,898)
Buildings and structures, net	175,955	176,378
(2) Machinery and vehicles	181,701	182,373
Accumulated depreciation	(142,464)	(138,387)
Machinery and vehicles, net	39,236	43,986
(3) Land	91,334	84,384
(4) Construction in progress	2,573	8,487
(5) Other	20,570	19,784
Accumulated depreciation	(15,406)	(15,182)
Other, net	5,163	4,601
Total property, plant and equipment	314,263	317,838
2 Intangible assets		
(1) Goodwill	15,903	14,926
(2) Other	11,092	6,967
Total intangible assets	26,995	21,894
3 Investments and other assets		
(1) Investment securities	36,553	35,390
(2) Long-term loans receivable	10,434	11,072
(3) Deferred tax assets	4,757	4,824
(4) Other	14,435	15,339
(5) Allowance for doubtful receivables	(1,599)	(1,763)
Total investments and other assets	64,581	64,863
Total fixed assets	405,840	404,596
Total assets	499,102	506,874

(millions of yen)

	September 30, 2010	December 31, 2009
	Amount	Amount
Liabilities		
I Current liabilities		
1 Notes and accounts payable - trade	24,064	20,185
2 Short-term bank loans	33,716	36,735
3 Current portion of long-term debt	30,000	10,000
4 Liquor taxes payable	20,957	35,242
5 Income taxes payable	1,270	843
6 Accrued bonuses	2,395	1,638
7 Deposits received	20,150	27,084
8 Other	43,222	37,523
Total current liabilities	175,777	169,252
II Long-term liabilities		
1 Bonds	35,843	43,843
2 Long-term bank loans	100,437	106,216
3 Deferred tax liabilities	12,079	12,097
4 Employees' retirement benefits	7,253	7,487
5 Directors' and corporate auditors' severance benefits	42	45
6 Dealers' deposits for guarantees	32,422	32,011
7 Other	15,970	17,330
Total long-term liabilities	204,049	219,032
Total liabilities	379,827	388,284
Net Assets		
I Shareholders' equity		
1 Common stock	53,886	53,886
2 Capital surplus	46,316	46,318
3 Retained earnings	20,897	20,286
4 Treasury stock, at cost	(1,169)	(1,131)
Total shareholders' equity	119,930	119,360
II Valuation and translation adjustments		
1 Unrealized holding gain on securities	2,632	2,637
2 Deferred hedge gains (losses)	(3)	0
3 Foreign currency translation adjustments	(5,128)	(3,627)
Total valuation and translation adjustments	(2,499)	(988)
III Minority Interests	1,843	218
Total net assets	119,275	118,590
Total liabilities and net assets	499,102	506,874

2. Consolidated Statements of Income

(millions of yen)

	Nine months ended September 30, 2009	Nine months ended September 30, 2010
	Amount	Amount
I Net sales	283,109	284,085
II Cost of sales	196,117	191,113
Gross profit	86,992	92,972
III Selling, general and administrative expenses		
1 Sales incentives and commissions	13,668	14,965
2 Advertising and promotion expenses	13,085	13,574
3 Salaries	13,348	13,518
4 Provision for bonuses	1,376	1,399
5 Retirement benefit expenses	2,329	2,148
6 Other	35,339	37,867
Total selling, general and administrative expenses	79,148	83,474
Operating income	7,843	9,497
IV Non-operating income		
1 Interest income	299	374
2 Dividend income	386	393
3 Equity in income of affiliates	69	280
4 Foreign exchange gain	21	21
5 Gain (loss) on gift voucher redemptions	375	467
6 Other	358	494
Total non-operating income	1,510	2,031
V Non-operating expenses		
1 Interest expense	2,650	2,735
2 Other	433	218
Total non-operating expenses	3,084	2,953
Ordinary income	6,269	8,575
VI Extraordinary gains		
1 Gain on sales of property, plant and equipment	19	2
2 Gain on sales of investment securities	18	656
3 Reversal of provision for doubtful receivables	−	71
4 Reversal of removal costs	−	569
Total extraordinary gains	38	1,299
VII Extraordinary losses		
1 Loss on disposal of property, plant and equipment	1,001	912
2 Impairment loss	−	112
3 Business structure improvement expenses	−	650
4 Loss on devaluation of investment securities	196	1,348
5 Loss on devaluation of inventories	125	−
Total extraordinary losses	1,323	3,024
Income before income taxes and minority interests	4,984	6,851
Income taxes	2,672	3,468
Minority Interests (losses)	(7)	30
Net income	2,319	3,352

3. Consolidated Statements of Cash Flows

(millions of yen)

	Nine months ended September 30, 2009	Nine months ended September 30, 2010
	Amount	Amount
I Cash flows from operating activities		
1 Income before income taxes and minority interests	4,984	6,851
2 Depreciation and amortization	16,855	17,057
3 Amortization of goodwill	767	872
4 Increase (decrease) in employees' retirement benefits	10	(233)
5 Increase (decrease) in allowance for doubtful receivables	(83)	(187)
6 Interest and dividend income	(685)	(768)
7 Interest expense	2,650	2,735
8 (Gain) loss on sales and disposal of property, plant and equipment	982	909
9 (Gain) loss on sales of investment securities	(18)	(656)
10 (Gain) loss on devaluation of investment securities	196	1,348
11 (Increase) decrease in notes and accounts receivable - trade	17,137	9,996
12 (Increase) decrease in inventories	(2,364)	(812)
13 (Increase) decrease in other current assets	7,328	386
14 Increase (decrease) in notes and accounts payable - trade	(3,324)	3,991
15 Increase (decrease) in liquor taxes payable	(15,376)	(14,235)
16 Increase (decrease) in deposits received	(17,343)	(6,934)
17 Other	3,149	5,822
Sub total	14,864	26,143
18 Interest and dividends received	766	894
19 Interest paid	(2,396)	(2,641)
20 Income taxes paid	(1,754)	(1,148)
21 Income taxes refunded	2,828	1,207
Net cash provided by (used in) operating activities	14,309	24,455
II Cash flows from investing activities		
1 Purchases of investment securities	(2,110)	(2,763)
2 Purchases of newly consolidated subsidiaries	–	(1,608)
3 Purchases of property, plant and equipment	(16,713)	(15,478)
4 Proceeds from sales of property, plant and equipment	372	472
5 Purchases of intangibles	(2,868)	(1,666)
6 Other	(1,974)	(209)
Net cash provided by (used in) investing activities	(23,295)	(21,253)
III Cash flows from financing activities		
1 Net increase (decrease) in short-term bank loans	(12,755)	(12,524)
2 Proceeds from long-term bank loans	39,000	15,600
3 Repayment of long-term bank loans	(15,511)	(11,473)
4 Proceeds from issuance of bonds	–	11,952
5 Cash dividends paid	(2,741)	(2,739)
6 Other	(52)	(168)
Net cash provided by (used in) financing activities	7,940	646
IV Effect of exchange rate changes on cash and cash equivalents	55	(327)
V Net increase (decrease) in cash and cash equivalents	(990)	3,520
VI Cash and cash equivalents at beginning of period	22,217	6,267
VII Cash and cash equivalents at end of period	21,227	9,788

4. Notes on the Going-concern Assumption

Not applicable

5. Segment Information

1. Segment Information by Business

(millions of yen)

	Nine months ended September 30, 2009 (January 1, 2009 – September 30, 2009)						
	Alcoholic Beverages	Soft Drinks	Restaurants	Real Estate	Total	Corporate and eliminations	Consolidated
Net sales							
(1) Operating revenues	221,423	23,536	21,236	16,913	283,109	-	283,109
(2) Intra-group sales and transfers	4,070	203	-	1,690	5,964	(5,964)	-
Total	225,494	23,739	21,236	18,604	289,074	(5,964)	283,109
Operating income (loss)	4,456	354	(181)	5,445	10,075	(2,232)	7,843

	Nine months ended September 30, 2010 (January 1, 2010 – September 30, 2010)						
	Alcoholic Beverages	Soft Drinks	Restaurants	Real Estate	Total	Corporate and eliminations	Consolidated
Net sales							
(1) Operating revenues	220,399	25,761	20,634	17,289	284,085	-	284,085
(2) Intra-group sales and transfers	4,240	210	-	1,690	6,141	(6,141)	-
Total	224,640	25,972	20,634	18,979	290,226	(6,141)	284,085
Operating income (loss)	5,647	694	(14)	5,529	11,856	(2,358)	9,497

Notes:

(1) Segment classifications reflect the similarity of constituent businesses and take into account standard industry classifications in Japan.

(2) Main products in each segment

Business segment	Main products
Alcoholic Beverages	Beer, happoshu and new-genre beverages, wine, whiskey, shochu and other products, distribution, brewing equipment, etc.
Soft Drinks	Soft drinks, other non-alcoholic beverages, and snack foods
Restaurants	Operation of beer halls and restaurants
Real Estate	Real estate leasing, real estate sales, operation of commercial facilities, utility supplies, and operation of fitness clubs

(3) Changes in Accounting Policies

Nine months ended September 30, 2009 (January 1, 2009 – September 30, 2009)

1) Measurement of Inventories

Effective the first quarter of the fiscal year ending December 31, 2009, the Company adopted the *Accounting Standard for the Measurement of Inventories* (ASBJ Statement No. 9) and switched from the conventional cost method of measurement to a cost method that involves reducing book values to reflect diminished profit potential.

Due to this change, in the nine months ended September 30, 2009, operating income in the Alcoholic Beverages business was ¥577 million lower, and in the Soft Drinks business, ¥169 million lower, than the amounts that would have resulted with the previous method.

2) Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements

Effective the first quarter of the fiscal year ending December 31, 2009, the Company adopted the *Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements* (ASBJ Practical Issues Task Force Report No. 18).

Due to this change, operating income in the Alcoholic Beverages business was ¥279 million lower in the nine months ended September 30, 2009, than it would have been under the previous method.

Additional information

Change in Useful Life of Property, Plant and Equipment

The Company and its subsidiaries in Japan have reviewed the useful lives of property, plant and equipment following the 2008 revision of Japan's Corporation Tax Act, and effective the fiscal year ending December 31, 2009, began using new useful lives for depreciation of machinery assets.
Due to this change, in the nine months ended September 30, 2009, compared with what they would have been under the previous accounting method, operating income in the Alcoholic Beverages business was ¥1,102 million lower; in the Soft Drinks business, higher by approximately ¥ 0 million; and in the Real Estate business, approximately ¥0 million lower. By the same comparison, operating loss in the Restaurants business was ¥10 million higher.

Nine months ended September 30, 2010 (January 1, 2010 – September 30, 2010)

Change in accounting standard for recognizing revenues from and costs of completed construction
Effective the first quarter of the fiscal year ending December 31, 2010, the Company adopted the *Accounting Standard for Construction Contracts* (ASBJ Statement No.15, December 27, 2007) and its accompanying *Guidance on Accounting Standard for Construction Contracts* (ASBJ Guidance No.18, December 27, 2007) for recognizing revenues associated with contracted construction. All construction contracts, including those in existence at the beginning of the first quarter, for which certain elements were determinable with certainty at end of the third quarter were accounted for with the percentage-of-completion method.
The effect of this change on segment information was negligible.

2. Segment Information by Geographic Area

Nine months ended September 30, 2009 (January 1, 2009 – September 30, 2009) and
nine months ended September 30, 2010 (January 1, 2010 – September 30, 2010)

Sales in Japan constituted more than 90% of consolidated sales.
Accordingly, geographical segment information has not been disclosed.

3. Overseas Sales

Nine months ended September 30, 2009 (January 1, 2009 – September 30, 2009) and
nine months ended September 30, 2010 (January 1, 2010 – September 30, 2010)

Overseas sales constituted less than 10% of consolidated sales.
Accordingly, overseas sales have not been disclosed.

6. Notes on Significant Changes in the Amount of Shareholders' Equity

Not applicable

7. Subsequent Events

Not applicable