



Year ended December 31, 2011
Consolidated Earnings Report - Supplementary Information

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February 2012

Financial highlights (2003-2012)

Consolidated Financial Highlights

(billions of yen)

		2003	2004	2005	2006	2007
Net sales	Including liquor tax	479.5	494.9	453.6	435.0	449.0
	Excluding liquor tax	320.0	333.6	308.1	294.0	309.7
Overseas net sales to total	Excluding liquor tax	1.2%	1.2%	1.5%	1.8%	9.0%
Operating income	Before goodwill amortization	13.3	23.6	10.3	8.6	13.2
	After goodwill amortization	13.3	23.6	10.3	8.6	12.3
Operating margin	Including liquor tax / after goodwill amortization	2.8%	4.8%	2.3%	2.0%	2.8%
	Excluding liquor tax /before goodwill amortization	4.2%	7.1%	3.3%	2.9%	4.3%
	Excluding liquor tax /after goodwill amortization	4.2%	7.1%	3.3%	2.9%	4.0%
Ordinary income		6.7	18.0	6.6	5.8	8.1
Net income		2.4	4.6	3.6	2.3	5.5
Total assets		630.6	602.1	563.8	589.5	561.8
Net assets		87.3	92.2	111.4	113.5	125.1
Balance of debt (*1)	Gross	323.3	289.8	220.7	236.0	212.4
	Net	317.5	273.7	199.0	210.5	205.9
Debt-to-equity ratio (times)	Gross	3.7	3.1	2.0	2.1	1.7
	Net	3.6	3.0	1.8	1.9	1.6
Capital expenditure	Cash basis	8.8	8.3	12.5	21.8	19.8
Depreciation and amortization		28.4	25.3	22.0	21.9	24.5
Amortization of goodwill		0.0	0.0	0.0	0.0	0.8
EBITDA	Operating income + Depreciation and amortization +Amortization of goodwill	41.7	48.9	32.3	30.5	37.6
ROE (%)	Before goodwill amortization	2.6%	5.2%	3.6%	2.1%	5.3%
	After goodwill amortization	2.6%	5.2%	3.6%	2.1%	4.6%
EPS (yen sen)	Before goodwill amortization	6.95	13.07	10.20	6.38	16.32
	After goodwill amortization	6.95	13.07	10.20	6.38	14.10
Exchange rates (Yen) (*2)	US\$	107.15	104.20	118.07	119.12	114.15
	CAN\$				102.59	116.34

		2008	2009	2010	2011	2012 (forecast)
Net sales	Including liquor tax	414.5	387.5	389.2	454.0	510.0
	Excluding liquor tax	284.4	264.6	269.8	341.4	396.0
Overseas net sales to total	Excluding liquor tax	8.8%	8.5%	9.4%	10.8%	13.7%
Operating income	Before goodwill amortization	15.5	13.9	16.5	21.9	23.9
	After goodwill amortization	14.6	12.8	15.4	18.8	20.0
Operating margin	Including liquor tax / after goodwill amortization	3.5%	3.3%	4.0%	4.2%	3.9%
	Excluding liquor tax /before goodwill amortization	5.5%	5.3%	6.1%	6.4%	6.0%
	Excluding liquor tax /after goodwill amortization	5.2%	4.9%	5.7%	5.5%	5.1%
Ordinary income		10.5	10.7	14.3	16.8	17.0
Net income		7.6	4.5	10.7	3.1	6.3
Total assets		527.2	506.8	494.7	550.7	
Net assets		116.8	118.5	126.6	124.7	
Balance of debt (*1)	Gross	189.2	196.7	181.3	219.1	245.0
	Net	166.7	190.4	167.9	209.9	235.8
Debt-to-equity ratio (times)	Gross	1.6	1.7	1.4	1.8	1.9
	Net	1.4	1.6	1.3	1.7	1.8
Capital expenditure	Cash basis	27.3	21.8	19.8	13.4	58.4
Depreciation and amortization		21.6	22.5	22.5	24.4	25.7
Amortization of goodwill		0.8	1.0	1.1	3.1	3.9
EBITDA	Operating income + Depreciation and amortization +Amortization of goodwill	37.0	36.4	39.0	46.4	49.6
ROE (%)	Before goodwill amortization	7.0%	4.7%	9.8%	5.1%	8.2%
	After goodwill amortization	6.3%	3.9%	8.9%	2.5%	5.0%
EPS (yen sen)	Before goodwill amortization	21.70	14.19	30.49	16.03	26.05
	After goodwill amortization	19.50	11.57	27.50	8.08	16.09
Exchange rates (yen) (*2)	US\$	103.49	93.65	87.79	79.79	81.00
	CAN\$	97.97	82.30	85.18	80.74	80.00

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

*2: Exchange rates for fiscal 2007 and before are year-end rates; for fiscal 2008 and after are annual average rates.

Major Sales and Sales Volume

Beer (Japan)

(10,000 cases)

	Fiscal 2010 Actual	Fiscal 2011 Actual	YoY	Full-year estimate for fiscal 2012	YoY
Sapporo Draft Beer Black Label	1,842	1,769	96%	1,667	94%
Yebisu (total)	1,091	989	91%	1,000	101%
1 Beer (total)	3,144	2,972	95%	2,884	97%
2 Happoshu (total)	234	184	79%	150	82%
3 New genre beverages	2,131	1,985	93%	2,306	116%
Beer, happoshu, and new genre (total 1+2+3)	5,510	5,141	93%	5,340	104%
Sapporo Premium Alcohol Free	—	112	—	200	178%

Beer (International)

(10,000 cases)

	Fiscal 2010 Actual	Fiscal 2011 Actual	YoY	Full-year estimate for fiscal 2012	YoY
SLEEMAN BREWERIES LTD. (*1)	1,099	1,201	109%	1,255	104%
Sapporo brand	237	276	116%	400	145%

*1 : Excludes contracted manufacturing for the Sapporo brand.

Wine and Spirits

(billions of yen)

	Fiscal 2010 Actual	Fiscal 2011 Actual	YoY	Full-year estimate for fiscal 2012	YoY
Domestic wines	4.3	4.8	109%	4.9	102%
Imported wines	6.5	6.4	97%	6.6	103%
Wine (total)	10.8	11.2	102%	11.5	103%
Spirits (total)	1.4	2.4	165%	7.0	292%

Shochu

(billions of yen)

	Fiscal 2010 Actual	Fiscal 2011 Actual	YoY	Full-year estimate for fiscal 2012	YoY
Shochu (total)	8.6	8.9	103%	10.2	114%

Soft Drinks (Sapporo Beverage)

(10,000 cases)

	Fiscal 2010 Actual	Fiscal 2011 Actual	YoY	Full-year estimate for fiscal 2012	YoY
Soft Drinks	2,037	2,109	104%	2,150	102%

Soft (Drinks POKKA Corp.) (*2)

(10,000 cases)

	Fiscal 2010 Actual	Fiscal 2011 Actual	YoY	Full-year estimate for fiscal 2012	YoY
Soft Drinks	—	2,338	—	2,927	—

*2: 「-」 is indicated for fiscal 2010 actual of POKKA Corp. due to consolidated PL from the second quarter of 2011.

(Reference Fiscal 2010 Actual (April 1 - December 31) 23,390,000 cases, Fiscal 2011 Actual (January 1 - December 31) 29,330,000 cases)

Consolidated Results (Year ended December 31, 2011)

Condensed Consolidated Statements of Income

(billions of yen)

	2010	2011	Change	Change (%)
Japanese Alcoholic Beverages	279.3	268.1	(11.1)	(4.0)%
International Alcoholic Beverages	25.3	25.8	0.5	2.0%
Soft Drinks	33.9	36.8	2.9	8.6%
POKKA Group	—	75.8	75.8	—
Restaurants	26.4	24.0	(2.3)	(8.8)%
Real Estate	23.5	22.4	(1.0)	(4.5)%
Other	0.6	0.7	0.1	20.9%
Net sales	389.2	454.0	64.8	16.7%
Japanese Alcoholic Beverages	9.2	9.3	0.0	0.2%
International Alcoholic Beverages	0.4	0.3	(0.1)	(24.0)%
Soft Drinks	1.2	0.7	(0.5)	(40.9)%
POKKA Group	—	2.9	2.9	—
Restaurants	0.1	0.2	0.0	47.2%
Real Estate	7.9	8.5	0.5	7.1%
Other	(0.7)	(0.6)	0.1	—
General corporate and intercompany eliminations	(3.0)	(2.6)	0.4	—
Operating income	15.4	18.8	3.4	22.6%
Non-operating income	2.9	2.2	(0.6)	(23.3)%
Non-operating expenses	4.0	4.3	0.3	7.9%
Ordinary income	14.3	16.8	2.4	17.3%
Extraordinary gains	17.8	0.6	(17.2)	(96.6)%
Extraordinary losses	14.4	11.5	(2.8)	(19.8)%
Income before income taxed and minority interests	17.7	5.8	(11.9)	(67.1)%
Income taxes	6.9	2.7	(4.1)	(60.0)%
Minority interests (loss)	(0.0)	(0.1)	(0.1)	—
Net income	10.7	3.1	(7.6)	(70.6)%

※1: Due to the adoption of the Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information and its associated guidance from the first quarter of fiscal 2011, we switched to segmentation methods based on our management approach.

※2: Results of the POKKA Group were consolidated into the statements of income since the second quarter of fiscal 2011.

Sales Breakdown for Japanese Alcoholic Beverages

Sales (including liquor tax)

(billions of yen)

	Year ended December 31, 2010	Year ended December 31, 2011	Change	Change (%)
Beer	170.9	161.6	(9.3)	(5.5)%
Happoshu	9.2	7.2	(2.0)	(21.7)%
New genre	69.8	65.2	(4.5)	(6.6)%
Total	250.0	234.1	(15.9)	(6.4)%

Sales (excluding liquor tax)

(billions of yen)

	Year ended December 31, 2010	Year ended December 31, 2011	Change	Change (%)
Beer	83.3	78.8	(4.5)	(5.4)%
Happoshu	5.2	4.1	(1.1)	(21.9)%
New genre	48.2	45.1	(3.1)	(6.4)%
Total	136.9	128.1	(8.7)	(6.4)%

Consolidated Results (Year ended December 31, 2011)

**Consolidated Statements of Income
Breakdown of Key Changes**

(billions of yen)

	Details	Year ended December 31, 2010	Year ended December 31, 2011	Change	
Beer, etc.		7.6	5.9	(1.7)	
Marginal profit	(subtotal)			(6.7)	
	Increase (decrease) in volume/product mix.			(5.9)	Beer -3.2 Happoshu -0.7 New genre -2.1 Product mix, etc. +0.1
	Other			(0.9)	Increase of transport cost, etc.
Fixed costs and other	(subtotal)			5.0	
	Advertising and promotional costs			1.5	
	Facility cost			1.4	Decrease in depreciation and amortization +0.9 Decrease in repair cost +0.7
	Transfer to extraordinary losses due to disaster			1.4	Fixed cost during production /marketing suspension due to disaster, etc.
	Other			0.6	
Wine and spirits		0.8	1.3	0.5	
Other		0.8	2.1	1.2	Sapporo Premium Alcohol Free, etc.
Japanese Alcoholic Beverages		9.2	9.3	0.0	
North America, etc.		0.8	1.4	0.5	
	Increase (decrease) in volume/product mix.			0.3	Increase in volume +0.9, product mix, etc. -0.6
	Marketing expense, etc.			0.2	
Vietnam		(0.3)	(1.0)	(0.6)	
International Alcoholic Beverages		0.4	0.3	(0.1)	
	Increase (decrease) in volume/product mix.			(0.3)	Increase in volume +0.3, product mix, etc. -0.6
	Manufacturing cost			0.1	
	Other costs			0.3	Vending machine cost decrease, etc.
	Amortization of goodwill			(0.6)	
Soft Drinks		1.2	0.7	(0.5)	
	Newly consolidated subsidiary			4.2	Consolidated PL since the second quarter of fiscal 2011
	Amortization of goodwill			(1.3)	
POKKA Group		-	2.9	2.9	
	Existing stores			(0.1)	
	New stores / Renovated stores, etc.			0.2	
Restaurants		0.1	0.2	0.0	
	Rent			0.9	
	Sales, etc.			(0.3)	
Real Estate Business		7.9	8.5	0.5	
	Food business			0.0	
	Other			0.0	
Other		(0.7)	(0.6)	0.1	
Corporate and eliminations		(3.0)	(2.6)	0.4	
Change in operating income		15.4	18.8	3.4	
	Financial account balance	(2.6)	(2.6)	(0.0)	
	Equity in income (losses) of affiliates	0.6	0.0	(0.5)	
	Other	0.9	0.5	(0.4)	
Non-operating income and expenditure		(1.1)	(2.1)	(1.0)	
Change in ordinary income		14.3	16.8	2.4	
	Gain on sale of fixed assets	16.6	0.3	(16.2)	
	Gain on sale of investment securities	0.7	0.0	(0.6)	
	Other extraordinary income	0.6	0.3	(0.3)	
	Loss on sales/disposal of fixed assets	(10.1)	(1.0)	9.1	
	Impairment loss	(2.4)	(1.7)	0.7	
	Asset retirement obligation	-	(1.0)	(1.0)	
	Loss on phased acquisition	-	(0.5)	(0.5)	POKKA Corporation
	Loss on changes in equity in affiliated company	-	(0.2)	(0.2)	
	Disaster losses	-	(5.4)	(5.4)	Loss due to the Great East Japan Earthquake
	Other extraordinary loss	(1.9)	(1.8)	0.1	Loss on valuation of investment securities, etc.
Extraordinary income and losses		3.4	(10.9)	(14.4)	
Change in pre-tax income		17.7	5.8	(11.9)	
Corporate tax, etc. / income and loss of minority shareholders		(6.9)	(2.6)	4.3	
Change in net income		10.7	3.1	(7.6)	

	Year ended December 31, 2010	Year ended December 31, 2011
Yen/US\$	87.79	79.79
Yen/CAN\$	85.18	80.74

Consolidated Results (Year ended December 31, 2011)

Segment Information

(billions of yen)

2010 (※1)	Japanese Alcoholic Beverages	International Alcoholic Beverages	Soft Drinks	Pokka Group	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	279.3	25.3	33.9	—	26.4	23.5	0.6	—	389.2
Operating income	9.2	0.4	1.2	—	0.1	7.9	(0.7)	(3.0)	15.4
(Operating income before goodwill amortization)	9.2	1.6	1.3	—	0.1	7.9	(0.7)	(3.0)	16.5
Sales promotion costs									
Sales incentives and commissions	14.8	0.0	5.9	—	0.0	0.0	0.1	(0.0)	20.8
Advertising and promotion expenses	12.8	0.9	0.2	—	1.1	0.3	0.1	(0.0)	15.5
Promotion items	5.3	1.1	0.0	—	0.0	0.0	0.0	0.0	6.5
Depreciation and amortization	14.3	1.0	0.5	—	0.6	5.6	0.1	0.0	22.5
Amortization of goodwill	0.0	1.1	0.0	—	0.0	0.0	0.0	0.0	1.1
EBITDA (*2)	23.5	2.7	1.8	—	0.8	13.6	(0.6)	(3.0)	39.0
Capital expenditures (cash basis)	4.6	2.3	0.3	—	0.6	11.6	0.2	0.0	19.8
Payment of lease obligations	0.0	0.0	0.1	—	0.0	0.0	0.0	0.0	0.2

2011	Japanese Alcoholic Beverages	International Alcoholic Beverages	Soft Drinks	Pokka Group	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	268.1	25.8	36.8	75.8	24.0	22.4	0.7	—	454.0
Operating income	9.3	0.3	0.7	2.9	0.2	8.5	(0.6)	(2.6)	18.8
(Operating income before goodwill amortization)	9.3	1.4	1.5	4.2	0.2	8.5	(0.6)	(2.6)	21.9
Sales promotion costs									
Sales incentives and commissions	15.4	0.1	7.8	7.5	0.0	0.0	0.1	(0.0)	31.0
Advertising and promotion expenses	13.0	0.8	0.0	2.2	0.9	0.3	0.0	(0.0)	17.5
Promotion items	5.0	1.1	0.0	0.0	0.0	0.0	0.0	0.0	6.2
Depreciation and amortization	13.2	1.0	0.8	4.2	0.5	4.4	0.1	0.0	24.4
Amortization of goodwill	0.0	1.0	0.7	1.3	0.0	0.0	0.0	0.0	3.1
EBITDA (*2)	22.5	2.4	2.3	8.4	0.7	12.9	(0.5)	(2.6)	46.4
Capital expenditures (cash basis)	2.9	3.4	0.3	1.7	0.3	4.6	0.0	0.0	13.4
Payment of lease obligations	0.0	0.0	0.1	2.6	0.0	0.0	0.0	0.0	3.0

Change	Japanese Alcoholic Beverages	International Alcoholic Beverages	Soft Drinks	Pokka Group	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	(11.1)	0.5	2.9	75.8	(2.3)	(1.0)	0.1	—	64.8
Operating income	0.0	(0.1)	(0.5)	2.9	0.0	0.5	0.1	0.4	3.4
(Operating income before goodwill amortization)	0.0	(0.1)	0.1	4.2	0.0	0.5	0.1	0.4	5.4
Sales promotion costs									
Sales incentives and commissions	0.6	0.1	1.8	7.5	0.0	0.0	(0.0)	(0.0)	10.1
Advertising and promotion expenses	0.1	(0.0)	(0.1)	2.2	(0.2)	0.0	(0.0)	0.0	1.9
Promotion items	(0.3)	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	(0.2)
Depreciation and amortization	(1.1)	(0.0)	0.2	4.2	(0.1)	(1.2)	0.0	0.0	1.9
Amortization of goodwill	0.0	(0.0)	0.6	1.3	0.0	0.0	0.0	0.0	1.9
EBITDA (*2)	(1.0)	(0.2)	0.4	8.4	(0.0)	(0.7)	0.1	0.4	7.3
Capital expenditures (cash basis)	(1.6)	1.0	(0.0)	1.7	(0.2)	(7.0)	(0.1)	0.0	(6.3)
Payment of lease obligations	0.0	0.0	0.0	2.6	0.0	0.0	0.0	0.0	2.8

*1: Due to the adoption of the Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information and its associated guidance from the first quarter of fiscal 2011, we switched to segmentation methods based on our management approach.

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

*3: Results of the POKKA Group were consolidated into the statements of income since the second quarter of fiscal 2011.

Consolidated Results (Year ended December 31, 2011)

Condensed Consolidated Balance Sheets

(billions of yen)

	2010	2011	Change	Primary Reasons
Current assets	109.7	129.0	19.2	
Cash and cash equivalents	13.3	9.2	(4.1)	
Notes and accounts receivable - trade	61.3	79.3	17.9	
Inventories	22.1	28.0	5.8	
Other	12.8	12.4	(0.4)	
Fixed assets	385.0	421.7	36.7	
Fixed assets	306.9	323.2	16.2	Increase due to consolidation of the POKKA Group
Goodwill	14.1	40.1	26.0	Increase due to consolidation of the POKKA Group +20.0 Goodwill arising at additional acquisition of POKKA shares +20.0 Goodwill held by POKKA Corp. at the time of acquisition of POKKA shares +1.8 Accumulated depreciation for period -1.3 Depreciation due to loss on changes in equity -0.6 Increase due to acquisition of Sapporo Beverages. Co., Ltd. shares from YK, Crescent Partners +7.1 (Accumulated depreciation for period -0.6)
Investments and other assets	63.9	58.3	(5.5)	Decrease due to new addition of POKKA Corp to consolidated accounts.
Total assets	494.7	550.7	55.9	
Current liabilities	167.0	212.5	45.5	
Notes and accounts payable - trade	24.3	32.3	8.0	
Short-term debt	48.0	80.3	32.2	Issuance of Commercial Paper
Deposits received	19.2	15.3	(3.9)	
Other	75.3	84.5	9.1	
Long-term liabilities	201.1	213.4	12.3	
Long-term debt	133.2	138.7	5.5	
Employees' retirement benefits	7.1	7.4	0.2	
Other	60.6	67.1	6.4	
Total liabilities	368.1	426.0	57.8	
Shareholders' equity	127.3	127.7	0.4	
Accumulated other comprehensive income	(2.2)	(4.4)	(2.1)	
Minority interests	1.5	1.4	(0.1)	
Total net assets	126.6	124.7	(1.8)	
Total liabilities and net assets	494.7	550.7	55.9	

Reference: POKKA Group Condensed Balance Sheet

(As of December 31, 2011)

(billions of yen)

Assets		Liabilities/Net Assets	
Account Titles	Amount	Account Titles	Amount
Current assets	29.3	Current liabilities	33.9
Cash and cash equivalents	2.7	Notes and accounts payable	10.5
Notes and accounts receivable	18.9	Short-term debts	10.5
Inventories	5.3	Other	12.9
Other	2.3	Long-term liabilities	9.5
Fixed assets	31.5	Long-term debts	1.4
Property, plant and equipment	23.8	Employees' retirement benefits	0.4
Goodwill	1.6	Other	7.6
Investments and other assets	6.0	Total liabilities	43.5
		Total net assets	17.3
Total assets	60.8	Total liabilities and net assets	60.8

Overview of Segmentation Changes 2011

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

2010 Segmentation			2011 Segmentation	
Segment	Consolidated subsidiaries	Business	Segment	Consolidated subsidiaries
Alcoholic Beverages	SAPPORO BREWERIES LTD.	Beer production and sales	Japanese Alcoholic Beverages	SAPPORO BREWERIES LTD.
	SAPPORO WINES LIMITED	Wine production and sales		SAPPORO WINES LIMITED
	YEBISU WINEMART CO., LTD.	Sales of wine, spirits, etc.		YEBISU WINEMART CO., LTD.
	SAPPORO LOGISTICS SYSTEMS CO., LTD.	Transport and handling of products etc.		SAPPORO LOGISTICS SYSTEMS CO., LTD.
	TANOSHIMARU SHUZO CO., LTD.	Production and sales of shochu		TANOSHIMARU SHUZO CO., LTD.
	SAPPORO ENGINEERING LIMITED	Facilities design and management		SAPPORO ENGINEERING LIMITED
	STARNET CO., LTD.	Sale promotion		STARNET CO., LTD.
	SAPPORO INTERNATIONAL INC.	Supervision of overseas subsidiaries	International Alcoholic Beverages	NEW SANKO INC.
	SAPPORO U.S.A., INC.	Beer sales		SAPPORO INTERNATIONAL INC.
	SAPPORO CANADA INC.	Supervision of Canadian subsidiaries		SAPPORO U.S.A., INC.
	SLEEMAN BREWERIES LTD.	Beer sales		SAPPORO CANADA INC.
	SAPPORO ASIA PRIVATE LIMITED	Supervision of Asian subsidiaries		SLEEMAN BREWERIES LTD.
	SAPPORO VIETNAM LIMITED	Beer production and sales	SAPPORO ASIA PRIVATE LIMITED	
	Soft Drinks	SAPPORO BEVERAGE CO., LTD.	Soft drink production and sales	Soft Drinks
STELLA BEVERAGE SERVICES CO., LTD.		Soft drink sales	STELLA BEVERAGE SERVICES CO., LTD.	
STAR BEVERAGE SERVICE CO., LTD.		Soft drink sales	STAR BEVERAGE SERVICE CO., LTD.	
SAPPORO FOODS NET CO., LTD.		Supervision of food companies		
Restaurants	SAPPORO FINE FOODS CO., LTD.	Production and sales of confectionary etc.	POKKA Group (※2)	POKKA CORPORATION
	SAPPORO LION LIMITED	Management of restaurants		SUNPOKKA CO., LTD.
NEW SANKO INC.	Management of restaurants	POKKA CREATE CO., LTD.		
Real Estate	YEBISU GARDEN PLACE CO., LTD.	Real estate leasing	Pokka Corporation (Singapore) Pte. Ltd.	
	YGP REAL ESTATE CO., LTD.	Real estate leasing	And another 21 companies	
	SAPPORO URBAN DEVELOPMENT CO., LTD.	Real estate leasing	Restaurants	SAPPORO LION LIMITED
	TOKYO ENERGY SERVICE CO., LTD.	Energy supply	Real Estate	YEBISU GARDEN PLACE CO., LTD.
	SAPPORO SPORTS PLAZA CO., LTD.	Management of sports facilities		YGP REAL ESTATE CO., LTD.
YOKOHAMA KEIWA BUILDING CO., LTD.	Real estate leasing	SAPPORO URBAN DEVELOPMENT CO., LTD.		
Corporate and eliminations	SAPPORO HOLDINGS LTD.	Holding company	Other	TOKYO ENERGY SERVICE CO., LTD.
				SAPPORO SPORTS PLAZA CO., LTD.
			Corporate and eliminations	YOKOHAMA KEIWA BUILDING CO., LTD.
				SAPPORO FOODS NET CO., LTD.
				SAPPORO FINE FOODS CO., LTD.
				SAPPORO GROUP MANAGEMENT CO., LTD.
				SAPPORO HOLDINGS LTD.

*1: Sapporo Pro Assist Ltd., a functional services company, served all segments under the old segmentation.

*2: Effective March 29, 2011, POKKA Group companies became subsidiaries of Sapporo Holdings Ltd. through the additional acquisition of shares.

*3: Sapporo Group Management Co.,Ltd. is a functional services company, which changed its name from Sapporo Pro Assist Ltd. as of March 2011. It provides group companies with some holding-company functions transferred from Sapporo Holdings Ltd. as of March 2011 and offers administrative services to affiliated companies.

*4: Sapporo Group Management Co.,Ltd. was categorized into the "Other" segment under the new segmentation because it also conducts insurance businesses.

Consolidated Forecasts (Year ending December 31, 2012)

Condensed Consolidated Statements of Income

(billions of yen)

	Year ended December 31, 2011	Year ending December 31, 2012 (forecast)	Change	Change (%)
Japanese Alcoholic Beverages	268.1	288.0	19.8	7.4%
International Business (note 1)	25.8	37.3	11.4	44.1%
Food & Soft Drinks (note 2)	112.7	134.6	21.8	19.4%
Restaurants	24.0	24.9	0.8	3.4%
Real Estate	22.4	24.4	1.9	8.6%
Other	0.7	0.8	0.0	5.9%
Net sales	454.0	510.0	55.9	12.3%
Japanese Alcoholic Beverages	9.3	10.5	1.1	12.8%
International Business (note 1)	0.3	0.0	(0.3)	(100.0)%
Food & Soft Drinks (note 2)	3.6	3.0	(0.6)	(18.7)%
Restaurants	0.2	0.6	0.3	173.8%
Real Estate	8.5	9.3	0.7	(8.7)%
Other	(0.6)	(0.4)	0.2	—
General corporate and intercompany eliminations	(2.6)	(3.0)	(0.3)	—
Operating income	18.8	20.0	1.1	5.9%
Non-operating income	2.2	2.2	0.0	(2.4)%
Non-operating expenses	4.3	5.2	0.8	20.1%
Ordinary income	16.8	17.0	0.1	1.1%
Extraordinary gains	0.6	0.0	(0.6)	(100.0)%
Extraordinary losses	11.5	4.0	(7.5)	(65.4)%
Income before income taxes and minority interests	5.8	13.0	7.1	122.6%
Income taxes	2.7	6.9	4.1	146.6%
Minority interests (loss)	(0.1)	(0.2)	(0.0)	—
Net income	3.1	6.3	3.1	99.1%

*1: "International Alcoholic Beverages" is to be renamed "International Business" in fiscal 2012.

*2: "Soft Drinks" and "POKKA Group" segments are to be integrated into "Food & Soft Drinks" in 2012.

Sales Breakdown for Japanese Alcoholic Beverages

Sales (including liquor tax)

(billions of yen)

	Year ended December 31, 2011	Year ending December 31, 2012	Change	Change (%)
Beer	161.6	156.2	(5.3)	(3.3)%
Happoshu	7.2	5.7	(1.4)	(20.5)%
New genre	65.2	76.0	10.7	16.4%
Total	234.1	238.0	3.8	1.7%

Sales (excluding liquor tax)

	Year ended December 31, 2011	Year ending December 31, 2012	Change	Change (%)
Beer	78.8	75.9	(2.9)	(3.7)%
Happoshu	4.1	3.2	(0.9)	(22.0)%
New genre	45.1	52.6	7.4	16.6%
Total	128.1	131.8	3.6	2.9%

Consolidated Forecasts (Year ending December 31, 2012)

Breakdown of key income Changes

(billions of yen)

Details		Year ended December 31, 2011	Revised forecasts for Year ending December, 31,	Change	
Beer and related products		5.9	6.0	0.0	
Marginal profit	Subtotal			2.1	
	Increase (decrease) in volume / Product mix			3.0	Beer -1.4 Happoshu -0.4 New genre +4.4 Product mix, etc. +0.4
	Production costs, other			(0.8)	Rise in the price of raw ingredients, other factors
Fixed and other costs	Subtotal			(2.0)	
	Sales promotion costs			(0.6)	
	Transfer to disaster losses under extraordinary losses			(1.4)	Fixed cost during production/marketing suspension due to disaster, etc.
	Other			0.0	
Wine and spirits		1.3	1.3	0.0	
Other		2.1	3.2	1.1	Sapporo Premium Alcohol Free, etc.
Japanese Alcoholic Beverages		9.3	10.5	1.1	
North America and other		1.4	1.8	0.4	
	Increase (decrease) in volume / Product mix			0.7	Increase in volume SLEEMAN 104%, Sapporo 106% SLEEMAN BREWERIES LTD., SAPPORO U.S.A., INC.
	Marketing costs			(0.5)	
	Other			0.3	Silver Springs Citrus, Inc. /Cost reduction
Business in Vietnam		(1.0)	(1.8)	(0.8)	
	Increase (decrease) in volume / Product mix			0.8	Increase in volume (from zero)
	Marketing costs			(1.4)	
	Other			(0.2)	Depreciation and amortization, etc.
International Business		0.3	0.0	(0.3)	
Sapporo Beverage Co., Ltd.		0.7	0.8	0.0	
	Increase (decrease) in volume / Product mix			0.3	Increase in volume +0.2, product mix, etc. +0.1
	Production costs			(0.0)	Increase in cost of raw ingredients -0.3, decrease in production cost +0.2
	Jan-Mar Amortization of goodwill			(0.2)	
POKKA Group		2.9	2.2	(0.7)	
	Japanese Food & Soft Drinks			(0.5)	
	Increase (decrease) in volume / Product mix			0.6	Increase in volume
	Production costs			(0.4)	Increase in cost of raw ingredients, other factors
	Other costs			(0.7)	Increase in advertising and promotion expenses, other factors
	Other			0.1	International business, Restaurant business, other factors
	Jan-Mar Operating income			(0.1)	
	Jan-Mar Amortization of goodwill			(0.3)	
Food & Soft Drinks		3.6	3.0	(0.6)	
	Existing stores			0.2	
	New stores / Refurbished stores			0.1	
Restaurants		0.2	0.6	0.3	
	Rent			1.0	Acquired 15% share of Ybisu Garden Place
	Sales			(0.3)	
Real Estate		8.5	9.3	0.7	
	Food business			0.2	
	Other			0.0	Insurance Business
Other		(0.6)	(0.4)	0.2	
General corporate and intercompany eliminations		(2.6)	(3.0)	(0.3)	
Change in operating income		18.8	20.0	1.1	
	Financial income (expense)	(2.6)	(3.6)	(1.0)	
	Equity in income (losses) of affiliates	0.0	0.2	0.2	
	Other	0.5	0.4	(0.1)	
Non-operating income and expenses		(2.1)	(3.0)	(0.9)	
Change in ordinary income		16.8	17.0	0.1	
	Gain on sales of property, plant and equipment	0.3	—	(0.3)	
	Other extraordinary gains	0.3	—	(0.3)	
	Loss on sales/disposal of property, plant and equipment	(1.0)	(1.5)	(0.5)	
	Impairment losses	(1.7)	—	1.7	
	Effect of asset retirement obligations	(1.0)	—	1.0	
	Loss on phased acquisition	(0.5)	—	0.5	
	Disaster losses	(5.4)	—	5.4	
	Other extraordinary losses	(2.0)	(2.5)	(0.7)	
Extraordinary gains and losses		(10.9)	(4.0)	6.9	
Change in income before income taxes and minority interests		5.8	13.0	7.1	
Change in income taxes and minority interests (loss)		(2.6)	(6.7)	(4.1)	
Change in net income		3.1	6.3	3.1	

	Year ended December 31, 2011	Year ending December 31, 2012 (forecasts)
Yen/US\$	79.79	81.00
Yen/CAN\$	80.74	80.00

Consolidated Forecasts (Year ending December 31, 2012)

Segment Information

(billions of yen)

Year ended December 31, 2011	Japanese Alcoholic Beverages	International Business	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	268.1	25.8	112.7	24.0	22.4	0.7	—	454.0
Operating income	9.3	0.3	3.6	0.2	8.5	(0.6)	(2.6)	18.8
(Operating income before goodwill amortization)	9.3	1.4	5.7	0.2	8.5	(0.6)	(2.6)	21.9
Sales promotion costs								
Sales incentives and commissions	15.4	0.1	15.3	0.0	0.0	0.1	(0.0)	31.0
Advertising and promotion expenses	13.0	0.8	2.3	0.9	0.3	0.0	(0.0)	17.5
Promotion items	5.0	1.1	0.0	0.0	0.0	0.0	0.0	6.2
Depreciation and amortization	13.2	1.0	5.0	0.5	4.4	0.1	0.0	24.4
Amortization of goodwill	0.0	1.0	2.0	0.0	0.0	0.0	0.0	3.1
EBITDA (*1)	22.5	2.4	10.7	0.7	12.9	(0.5)	(2.6)	46.4
Capital expenditures (cash basis)	2.9	3.4	2.0	0.3	4.6	0.0	0.0	13.5
Payment of lease obligations	0.0	0.0	2.8	0.0	0.0	0.0	0.0	3.0

Year ending December 31, 2012	Japanese Alcoholic Beverages	International Business	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	288.0	37.3	134.6	24.9	24.4	0.8	—	510.0
Operating income	10.5	0.0	3.0	0.6	9.3	(0.4)	(3.0)	20.0
(Operating income before goodwill amortization)	10.5	1.2	5.7	0.6	9.3	(0.4)	(3.0)	23.9
Depreciation and amortization	12.8	1.4	6.3	0.6	4.6	0.0	0.0	25.7
Amortization of goodwill	0.0	1.2	2.7	0.0	0.0	0.0	0.0	3.9
EBITDA (*1)	23.3	2.6	12.0	1.2	13.9	(0.4)	(3.0)	49.6
Capital expenditures (cash basis)	6.0	1.2	8.1	0.8	42.1	0.1	0.1	58.4
Payment of lease obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Change	Japanese Alcoholic Beverages	International Business	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	19.8	11.4	21.8	0.8	1.9	0.0	—	55.9
Operating income	1.1	(0.3)	(0.6)	0.3	0.7	0.2	(0.3)	1.1
(Operating income before goodwill amortization)	1.1	(0.2)	(0.0)	0.3	0.7	0.2	(0.3)	1.9
Depreciation and amortization	(0.4)	0.3	1.2	0.0	0.1	(0.1)	(0.0)	1.2
Amortization of goodwill	(0.0)	0.1	0.6	0.0	0.0	0.0	0.0	0.7
EBITDA (*1)	0.7	0.1	1.2	0.4	0.9	0.1	(0.3)	3.1
Capital expenditures (cash basis)	3.0	(2.2)	6.0	0.4	37.4	0.0	0.0	44.9
Payment of lease obligations	0.0	0.0	(2.8)	0.0	0.0	0.0	0.0	(3.0)

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

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

Overview of Segmentation Changes 2012

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

2011 Segmentation			2012 Segmentation	
Segment	Consolidated subsidiaries		Segment	Consolidated subsidiaries
Japanese Alcoholic Beverages	SAPPORO BREWERIES LTD.		Alcoholic Beverages	SAPPORO BREWERIES LTD.
	SAPPORO WINES LIMITED			SAPPORO WINES LIMITED
	YEBISU WINEMART CO., LTD.			YEBISU WINEMART CO., LTD.
	SAPPORO LOGISTICS SYSTEMS CO., LTD.			SAPPORO LOGISTICS SYSTEMS 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.			NEW SANKO INC.
International Alcoholic Beverages	SAPPORO INTERNATIONAL INC.		International Business (note 1)	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. (Newly consolidated)	
Soft Drinks	SAPPORO BEVERAGE CO., LTD.		Food & Soft Drinks (note 2)	SAPPORO BEVERAGE CO., LTD.
	STELLA BEVERAGE SERVICES CO., LTD.			STELLA BEVERAGE SERVICES CO., LTD.
	STAR BEVERAGE SERVICE CO., LTD.			STAR BEVERAGE SERVICE CO., LTD.
POKKA Group	POKKA CORPORATION			POKKA CORPORATION
	SUNPOKKA CO., LTD			SUNPOKKA CO., LTD
	POKKA CREATE CO., LTD.			POKKA CREATE CO., LTD.
	Pokka Corporation (Singapore) Pte. Ltd.			Pokka Corporation (Singapore) Pte. Ltd.
	And another 21 companies			And another 21 companies
Restaurants	SAPPORO LION LIMITED		Restaurants	SAPPORO LION LIMITED
Real Estate	YEBISU GARDEN PLACE CO., LTD.		Real Estate	SAPPORO REAL ESTATE CO., LTD. (*3)
	YGP REAL ESTATE CO., LTD.			YGP REAL ESTATE CO., LTD.
	SAPPORO URBAN DEVELOPMENT CO., LTD.			SAPPORO URBAN DEVELOPMENT CO., LTD.
	TOKYO ENERGY SERVICE CO., LTD.			TOKYO ENERGY SERVICE CO., LTD.
	SAPPORO SPORTS PLAZA CO., LTD.			SAPPORO SPORTS PLAZA 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 FINE FOODS CO., LTD.			SAPPORO FINE FOODS CO., LTD.
	SAPPORO GROUP MANAGEMENT CO.,LTD. (*3, 4)			SAPPORO GROUP MANAGEMENT CO.,LTD. (*4)
Corporate and eliminations	SAPPORO HOLDINGS LTD.		Corporate and eliminations	SAPPORO HOLDINGS LTD.

*1: "International Alcoholic Beverages" is to be renamed "International Business" in fiscal 2012.

*2: "Soft Drinks" and "POKKA Group" segments are to be integrated into "Food & Soft Drinks" in 2012.

*3: Ebisu Garden Place Co., Ltd. was renamed "Sapporo Real Estate Co., Ltd. as of January 1, 2012.

*4: Sapporo Group Management Ltd. was categorized into the "Other" segment under the new segmentation because it also conducts insurance businesses.