



Nine Months ended September 30, 2012

Consolidated Earnings Report - Supplementary Information

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November 2012

SAPPORO HOLDINGS LTD.

Securities Code: 2501

Financial Highlights (2008- 2012)

Consolidated Financial Highlights

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

		Nine months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2010	Nine months ended September 30, 2011	Nine months ended September 30, 2012
Net sales(*1)	Including liquor tax	306.5	283.1	284.0	320.7	354.7
	Excluding liquor tax	211.4	194.8	198.3	240.1	274.7
Overseas net sales to total	Excluding liquor tax	9.3%	8.7%	9.8%	11.2%	13.7%
Operating income	Before goodwill amortization	9.7	8.6	10.3	14.4	8.4
	After goodwill amortization	9.0	7.8	9.4	12.2	5.5
Operating margin	Including liquor tax / after goodwill amortization	3.0%	2.8%	3.3%	3.8%	1.6%
	Excluding liquor tax /before goodwill amortization	4.6%	4.4%	5.2%	6.0%	3.1%
	Excluding liquor tax /after goodwill amortization	4.3%	4.0%	4.8%	5.1%	2.0%
Ordinary income		6.5	6.2	8.5	10.5	4.4
Net income		14.2	2.3	3.3	0.5	0.5
Total assets		512.9	511.9	499.1	543.1	585.0
Net assets		129.3	116.2	119.2	122.4	126.1
Balance of debt (*2)	Gross	172.1	200.5	199.9	218.0	255.2
	Net	156.0	178.9	190.0	209.0	245.3
Debt-to-equity ratio (times)	Gross	1.3	1.7	1.7	1.8	2.0
	Net	1.2	1.5	1.6	1.7	1.9
Depreciation and amortization		16.2	16.8	17.0	17.8	19.2
Amortization of goodwill		0.6	0.7	0.8	2.1	2.8
EBITDA	Operating income + Depreciation and amortization +Amortization of goodwill	26.0	25.4	27.4	32.2	27.7
Exchange rates (Yen)	US\$	105.85	94.97	89.49	80.59	79.40
	CAN\$	103.92	81.40	86.38	82.45	79.18

		Year ended December 31, 2008	Years ended December 31, 2009	Year ended December 31, 2010	Year ended December 31, 2011	Year ending December 31, 2012 (forecast)
Net sales(*1)	Including liquor tax	414.5	387.5	389.2	449.4	493.0
	Excluding liquor tax	284.4	264.6	269.8	336.8	387.7
Overseas net sales to total	Excluding liquor tax	8.8%	8.5%	9.4%	11.0%	13.9%
Operating income	Before goodwill amortization	15.5	13.9	16.5	21.9	19.9
	After goodwill amortization	14.6	12.8	15.4	18.8	16.0
Operating margin	Including liquor tax / after goodwill amortization	3.5%	3.3%	4.0%	4.2%	3.2%
	Excluding liquor tax /before goodwill amortization	5.5%	5.3%	6.1%	6.5%	5.1%
	Excluding liquor tax /after goodwill amortization	5.2%	4.9%	5.7%	5.6%	4.1%
Ordinary income		10.5	10.7	14.3	16.8	13.0
Net income		7.6	4.5	10.7	3.1	3.6
Total assets		527.2	506.8	494.7	550.7	
Net assets		116.8	118.5	126.6	124.7	
Balance of debt (*2)	Gross	189.2	196.7	181.3	219.1	249.0
	Net	166.7	190.4	167.9	209.9	239.8
Debt-to-equity ratio (times)	Gross	1.6	1.7	1.4	1.8	2.0
	Net	1.4	1.6	1.3	1.7	1.9
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	37.0	36.4	39.0	46.4	45.6
ROE(%)	Before goodwill amortization	7.0%	4.7%	9.8%	5.1%	6.1%
	After goodwill amortization	6.3%	3.9%	8.9%	2.5%	2.9%
EPS(yen sen)	Before goodwill amortization	21.70	14.19	30.49	16.03	19.15
	After goodwill amortization	19.50	11.57	27.50	8.08	9.19
Exchange rates (Yen)	US\$	103.49	93.65	87.79	79.79	81.00
	CAN\$	97.97	82.30	85.18	80.74	80.00

*1: After application of accounting standard for accounting changes and error corrections.

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

Major Sales and Sales Volume

Beer (Japan)

(10,000 cases)

	Jan. 1 - Sep. 30, 2011	Jan. 1 - Sep. 30, 2012	YoY	Full-year estimate for fiscal 2012	Fiscal 2011 Actual	YoY
Sapporo Draft Beer Black Label	1,292	1,244	96%	1,673	1,769	95%
YEBISU (total)	668	631	94%	977	989	99%
1 Beer (total)	2,092	2,049	98%	2,884	2,972	97%
2 Happoshu (total)	141	107	76%	143	184	78%
3 New genre beverages	1,491	1,577	106%	2,223	1,985	112%
Beer, happoshu, and new genre (total 1+2+3)	3,723	3,732	100%	5,250	5,141	102%
Sapporo Premium Alcohol Free	85	95	112%	130	112	116%

Beer (International)

(10,000 cases)

	Jan. 1 - Sep. 30, 2011	Jan. 1 - Sep. 30, 2012	YoY	Full-year estimate for fiscal 2012	Fiscal 2011 Actual	YoY
SLEEMAN BREWERIES LTD. (* 1)	892	958	107%	1,255	1,201	104%
Sapporo brand	201	236	117%	400	276	145%

* 1 : Excludes contracted manufacturing for the Sapporo brand.

Wine and Spirits

(billions of yen)

	Jan. 1 - Sep. 30, 2011	Jan. 1 - Sep. 30, 2012	YoY	Full-year estimate for fiscal 2012	Fiscal 2011 Actual	YoY
Domestic wines	3.3	3.3	101%	4.9	4.8	102%
Imported wines	4.1	4.5	111%	6.6	6.4	103%
Wine (total)	7.4	7.8	106%	11.5	11.2	103%
Spirits (total)	1.1	3.4	312%	7.0	2.4	292%

Shochu

(billions of yen)

	Jan. 1 - Sep. 30, 2011	Jan. 1 - Sep. 30, 2012	YoY	Full-year estimate for fiscal 2012	Fiscal 2011 Actual	YoY
Shochu (total)	6.3	7.8	123%	10.2	8.9	114%

Soft Drinks (Sapporo Beverage)

(10,000 cases)

	Jan. 1 - Sep. 30, 2011	Jan. 1 - Sep. 30, 2012	YoY	Full-year estimate for fiscal 2012	Fiscal 2011 Actual	YoY
Soft Drinks	1,639	1,501	92%	1,950	2,109	92%

Soft Drinks (POKKA Corp.) (*2)

(10,000 cases)

	Apr. 1 - Sep. 30, 2011	Jan. 1 - Sep. 30, 2012	YoY	Full-year estimate for fiscal 2012	Apr. 1 - Dec. 31, 2011	YoY
Soft Drinks	1,600	2,111	-	2,790	2,338	-

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

(Reference Fiscal 2011 Actual (January 1 - September 30) 21,940,000 cases, Fiscal 2011 Actual (January 1 - December 31) 29,330,000 cases)

Consolidated Results (Nine Months ended September 30, 2012)

Condensed Consolidated Statements of Income

(billions of yen)

	Nine months ended September 30, 2011	Nine months ended September 30, 2012	Change	Change (%)
Japanese Alcoholic Beverages	191.5	195.5	4.0	2.1%
International Business (*1)	19.4	26.3	6.9	35.5%
Food & Soft Drinks (*2)	74.7	95.6	20.8	27.9%
Sapporo Beverage Co., Ltd.	24.8	23.2	(1.5)	(6.4)%
POKKA Group	49.9	72.3	22.4	44.9%
Restaurants	17.8	19.3	1.4	7.9%
Real Estate	16.6	17.3	0.7	4.4%
Other	0.5	0.6	0.0	4.1%
Net sales	320.7	354.7	33.9	10.6%
Japanese Alcoholic Beverages	5.0	0.8	(4.1)	(82.8)%
International Business (*1)	0.5	0.1	(0.4)	(74.9)%
Food & Soft Drinks (*2)	2.8	(0.1)	(2.9)	-
Sapporo Beverage Co., Ltd.	1.0	0.2	(0.7)	(74.4)%
POKKA Group	1.7	(0.4)	(2.1)	-
Restaurants	(0.0)	0.2	0.3	-
Real Estate	6.4	7.1	0.7	11.6%
Other	(0.5)	(0.3)	0.2	-
General corporate and intercompany eliminations	(1.9)	(2.4)	(0.4)	-
Operating income	12.2	5.5	(6.6)	(54.4)%
Operating income before goodwill amortization	14.4	8.4	(5.9)	(41.4)%
Non-operating income	1.5	1.9	0.3	24.7%
Non-operating expenses	3.2	3.0	(0.1)	(5.0)%
Ordinary income	10.5	4.4	(6.1)	(58.1)%
Extraordinary gains	0.6	0.0	(0.6)	(94.5)%
Extraordinary losses	8.5	2.0	(6.4)	(75.6)%
Income before income taxed and minority interests	2.6	2.3	(0.2)	(9.9)%
Income taxes	2.0	2.0	0.0	0.7%
Minority interests (loss)	0.0	(0.2)	(0.2)	-
Net loss	0.5	0.5	0.0	4.1%

*1. Effective the fiscal year ending December 31, 2012, "International Alcoholic Beverages" was renamed to "International Business."

*2. Effective the fiscal year ending December 31, 2012, previous "Soft Drinks" business and "POKKA Group" business were integrated and renamed to "Food & Soft Drinks."

Sales Breakdown for Japanese Alcoholic Beverages

Sales (including liquor tax)

(billions of yen)

	Nine months ended September 30, 2011	Nine months ended September 30, 2012	Change	Change (%)
Beer	113.2	110.7	(2.5)	(2.3)%
Happoshu	5.5	4.1	(1.4)	(26.2)%
New genre	49.0	51.9	2.8	5.9%
Total	167.8	166.7	(1.1)	(0.7)%

Sales (excluding liquor tax)

(billions of yen)

	Nine months ended September 30, 2011	Nine months ended September 30, 2012	Change	Change (%)
Beer	55.0	53.6	(1.3)	(2.5)%
Happoshu	3.1	2.2	(0.8)	(27.8)%
New genre	33.9	35.9	2.0	5.9%
Total	92.1	91.8	(0.2)	(0.3)%

Consolidated Results (Nine Months ended September 30, 2012)

Numbers in parentheses mean decline in earnings.

Breakdown of Key Changes

(billions of yen)

	Change factor	Nine months ended September 30, 2011	Nine months ended September 30, 2012	Income change	Details
Beer, etc.		2.5	(1.3)	(3.8)	
Marginal profit	(subtotal)			(0.3)	
	Increase (decrease) in volume/product mix			(0.2)	Beer -0.8 Happoshu -0.4 New genre +1.2 Product mix, etc.-0.2
	Other			(0.1)	Energy cost, etc.
Fixed costs and other	(subtotal)			(3.6)	
	Advertising and promotional costs			(2.5)	
	Facility cost			0.3	
	Transfer to extraordinary losses due to disaster			(1.4)	Fixed cost during production/marketing suspension due to disaster, etc.
	Other			(0.0)	
Wine and spirits		0.4	0.4	0.0	
Other		2.0	1.6	(0.4)	Sapporo Premium Alcohol Free, etc.
Japanese Alcoholic Beverages		5.0	0.8	(4.1)	
North America, etc.		1.2	1.4	0.2	
	Increase (decrease) in volume/product mix.			0.8	Increase in volume: SLEEMAN: 107%, Sapporo: 117%
	Marketing expense, etc.			(0.2)	SLEEMAN BREWERIES LTD., SAPPORO U.S.A., INC.
	Other			(0.3)	
Vietnam		(0.6)	(1.3)	(0.7)	
International Business		0.5	0.1	(0.4)	
Sapporo Beverage Co., Ltd.		1.0	0.2	(0.7)	
	Increase (decrease) in volume/product mix			(0.8)	Decrease in volume
	Manufacturing cost			0.1	Decrease in production cost
	Other costs			0.1	
	Amortization of goodwill for Jan. to Mar.			(0.2)	
POKKA Group		1.7	(0.4)	(2.1)	
	Japanese Food & Soft Drinks			(1.0)	
	Increase (decrease) in volume/product mix			(0.7)	Decrease in volume
	Manufacturing cost			0.0	Decrease in production cost, etc.
	Other costs			(0.4)	Increase in advertising and promotion expenses / the cost associated with the switch to common Sapporo Group palettes
	Other			(0.2)	International business, Restaurant business, other factors
	Operating income for Jan. to Mar.			(0.5)	Results included in consolidated P/L from April 2011
	Amortization of goodwill for Jan. to Mar.			(0.4)	
Food & Soft Drinks		2.8	(0.1)	(2.9)	
	Existing stores			0.1	
	New stores / Renovated stores, etc.			0.2	
Restaurants		(0.0)	0.2	0.3	
	Rent			1.3	Acquired 15% share of Yebisu Garden Place
	Sales, etc.			(0.5)	
Real Estate Business		6.4	7.1	0.7	
	Food business			0.2	
	Other			0.0	Insurance Business
Other		(0.5)	(0.3)	0.2	
Corporate and eliminations		(1.9)	(2.4)	(0.4)	
Operating income		12.2	5.5	(6.6)	
Operating income before goodwill amortization		14.4	8.4	(5.9)	
	Financial account balance	(2.0)	(2.1)	(0.1)	Increase in Financial liabilities
	Equity in income (losses) of affiliates	(0.0)	0.2	0.2	
	Other	0.3	0.7	0.4	
Non-operating income and expenditure		(1.7)	(1.2)	0.5	
Ordinary income		10.5	4.4	(6.1)	
	Other extraordinary income	0.6	0.0	(0.6)	
	Loss on sales/disposal of fixed assets	(0.3)	(0.6)	(0.3)	
	Impairment loss	(0.4)	(0.0)	0.4	
	Asset retirement obligation	(1.0)	-	1.0	
	Loss on phased acquisition	(0.5)	-	0.5	
	Disaster losses	(4.7)	-	4.7	
	Other extraordinary loss	(1.6)	(1.5)	0.1	
Extraordinary income and losses		(7.9)	(2.1)	5.8	
Income before income taxes and minority interests		2.6	2.3	(0.2)	
Corporate tax, etc. / income and loss of minority shareholders		(2.0)	(1.7)	0.3	
Net income		0.5	0.5	0.0	

	Nine months ended September 30, 2011	Nine months ended September 30, 2012
Yen/US\$	80.59	79.40
Yen/CAN\$	82.45	79.18

Consolidated Results (Nine Months ended September 30, 2012)

Segment Information

(billions of yen)

Nine months ended September 30, 2011	Japanese Alcoholic Beverages	International Business(*2)	Food & Soft Drinks(*3)	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales(*1)	191.5	19.4	74.7	17.8	16.6	0.5	-	320.7
Operating income	5.0	0.5	2.8	(0.0)	6.4	(0.5)	(1.9)	12.2
(Operating income before goodwill amortization)	5.0	1.3	4.1	(0.0)	6.4	(0.5)	(1.9)	14.4
Sales promotion costs								
Sales incentives and commissions	10.6	0.1	7.1	0.0	0.0	0.0	(0.0)	17.9
Advertising and promotion expenses	9.9	0.7	1.6	0.7	0.1	0.0	(0.0)	13.3
Promotion items	3.9	0.9	0.0	0.0	0.0	0.0	0.0	4.9
Depreciation and amortization	9.9	0.6	3.3	0.4	3.2	0.0	0.0	17.8
Amortization of goodwill	0.0	0.7	1.3	0.0	0.0	0.0	0.0	2.1
EBITDA (*4)	14.9	2.0	7.5	0.3	9.7	(0.4)	(1.9)	32.2

Nine months ended September 30, 2012	Japanese Alcoholic Beverages	International Business(*2)	Food & Soft Drinks(*3)	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	195.5	26.3	95.6	19.3	17.3	0.6	-	354.7
Operating income	0.8	0.1	(0.1)	0.2	7.1	(0.3)	(2.4)	5.5
(Operating income before goodwill amortization)	0.8	0.9	1.8	0.2	7.1	(0.3)	(2.4)	8.4
Sales promotion costs								
Sales incentives and commissions	13.3	0.1	10.3	0.0	0.0	0.1	(0.0)	23.8
Advertising and promotion expenses	12.0	1.0	2.7	0.7	0.1	0.0	0.0	16.8
Promotion items	3.8	1.3	0.0	0.0	0.0	0.0	0.0	5.2
Depreciation and amortization	9.3	1.0	4.9	0.4	3.4	0.0	0.0	19.2
Amortization of goodwill	0.0	0.8	2.0	0.0	0.0	0.0	0.0	2.8
EBITDA (*4)	10.1	2.0	6.8	0.6	10.6	(0.3)	(2.4)	27.7

Change	Japanese Alcoholic Beverages	International Business(*2)	Food & Soft Drinks(*3)	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	4.0	6.9	20.8	1.4	0.7	0.0	-	33.9
Operating income	(4.1)	(0.4)	(2.9)	0.3	0.7	0.2	(0.4)	(6.6)
(Operating income before goodwill amortization)	(4.1)	(0.4)	(2.2)	0.3	0.7	0.2	(0.4)	(5.9)
Sales promotion costs								
Sales incentives and commissions	2.6	0.0	3.1	0.0	0.0	0.0	(0.0)	5.8
Advertising and promotion expenses	2.1	0.2	1.1	(0.0)	0.0	(0.0)	0.0	3.5
Promotion items	(0.1)	0.4	0.0	0.0	0.0	(0.0)	0.0	0.3
Depreciation and amortization	(0.6)	0.4	1.5	(0.0)	0.1	(0.0)	0.0	1.4
Amortization of goodwill	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.6
EBITDA (*4)	(4.7)	(0.0)	(0.7)	0.3	0.9	0.1	(0.4)	(4.5)

*1: After application of accounting standard for accounting changes and error corrections.

*2: "International Alcoholic Beverages" is renamed "International Business" in fiscal 2012.

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

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

Consolidated Results (Nine Months ended September 30, 2012)

Condensed Consolidated Balance Sheets

(billions of yen)

	December 31, 2011	September 30, 2012	Change	Primary Reasons
Current assets	129.0	128.0	(0.9)	
Cash and cash equivalents	9.2	9.9	0.7	
Notes and accounts receivable - trade	79.3	69.4	(9.8)	Seasonal Factors, etc.
Inventories	28.0	35.4	7.3	Newly consolidated Silver Springs Citrus, Inc., Increase in number of item in the Japanese Alcoholic Beverages business
Other	12.4	13.1	0.7	
Fixed assets	421.7	456.9	35.1	
Fixed assets	323.2	360.5	37.3	Increase resulting from acquisition of 15% share of Yebisu Garden Place +40.5
Goodwill	40.1	38.1	(1.9)	
Investments and other assets	58.3	58.2	(0.1)	
Total assets	550.7	585.0	34.2	
Current liabilities	212.5	240.6	28.0	
Notes and accounts payable - trade	32.3	35.1	2.7	
Short-term debt	80.3	111.7	31.3	Increase resulting from issuance of Commercial Paper, etc.
Deposits received	15.3	12.5	(2.7)	
Other	84.5	81.2	(3.2)	
Long-term liabilities	213.4	218.1	4.7	
Long-term debt	138.7	143.5	4.7	Increase in long-term debt
Employees' retirement benefits	7.4	7.4	(0.0)	
Other	67.1	67.2	0.0	
Total liabilities	426.0	458.8	32.8	
Shareholders' equity	127.7	125.6	(2.1)	
Accumulated other comprehensive income	(4.4)	(2.1)	2.3	
Minority interests	1.4	2.6	1.1	
Total net assets	124.7	126.1	1.3	
Total liabilities and net assets	550.7	585.0	34.2	

Financial Liabilities by segment

(billions of yen)

	December 31, 2011	September 30, 2012	Change	Primary Reasons
Japanese Alcoholic Beverages	59.0	45.7	(13.3)	
International Business	12.4	17.4	5.0	
Food & Soft Drinks	12.1	13.4	1.3	
Restaurants	0.0	0.4	0.4	
Real Estate	103.9	141.6	37.6	Increase resulting from acquisition of 15% share of Yebisu Garden Place
Other	1.8	2.1	0.2	
Corporate and eliminations	29.6	34.4	4.8	
Total	219.1	255.2	36.1	

Consolidated Forecasts (Year ending December 31, 2012)

Condensed Consolidated Statements of Income

(billions of yen)

	Year ended December 31, 2011	Revised Forecast for Year ending December 31, 2012	Change	Change (%)
Japanese Alcoholic Beverages	268.1	277.5	9.3	3.5%
International Business(*1)	25.8	37.3	11.4	44.1%
Food & Soft Drinks (*2)	108.0	128.1	20.0	18.5%
Sapporo Beverage Co., Ltd.(*3)	32.2	30.1	(2.1)	(6.6)%
POKKA Group	75.8	98.0	22.1	29.2%
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	449.4	493.0	43.5	9.7%
Japanese Alcoholic Beverages	9.3	9.0	(0.3)	(3.3)%
International Business(*1)	0.3	0.0	(0.3)	-
Food & Soft Drinks (*2)	3.6	0.2	(3.4)	(94.6)%
Sapporo Beverage Co., Ltd.	0.7	(0.2)	(0.9)	-
POKKA Group	2.9	0.4	(2.5)	(86.4)%
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)	(2.7)	(0.0)	-
Operating income	18.8	16.0	(2.8)	(15.3)%
Operating income before goodwill amortization	21.9	19.9	(2.0)	(9.5)%
Non-operating income	2.2	1.9	(0.3)	(15.7)%
Non-operating expenses	4.3	4.9	0.5	13.2%
Ordinary income	16.8	13.0	(3.8)	(22.7)%
Extraordinary gains	0.6	0.0	(0.6)	(100.0)%
Extraordinary losses	11.5	4.5	(7.0)	(61.1)%
Income before income taxes and minority interests	5.8	8.5	2.6	45.5%
Income taxes	2.7	5.1	2.3	82.2%
Minority interests (loss)	(0.1)	(0.2)	(0.0)	-
Net income	3.1	3.6	0.4	13.8%

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

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

*3: After application of accounting standard for accounting changes and error corrections.

Sales Breakdown for Japanese Alcoholic Beverages

Sales (including liquor tax)

(billions of yen)

	Year ended December 31, 2011	Year ending December 31, 2012 (Forecast)	Change	Change (%)
Beer	161.6	155.6	(6.0)	(3.7)%
Happoshu	7.2	5.4	(1.8)	(25.5)%
New genre	65.2	73.3	8.0	12.3%
Total	234.1	234.3	0.1	0.1%

Sales (excluding liquor tax)

	Year ended December 31, 2011	Year ending December 31, 2012 (Forecast)	Change	Change (%)
Beer	78.8	75.2	(3.5)	(4.5)%
Happoshu	4.1	2.9	(1.1)	(27.9)%
New genre	45.1	50.7	5.6	12.4%
Total	128.1	129.0	0.8	0.7%

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, 2012	Change	
Beer and related products		5.9	6.0	0.0	
Marginal profit	Subtotal			0.8	
	Increase (decrease) in volume / Product mix			1.5	Beer -1.4 Happoshu -0.4 New genre +3.2 Product mix, etc. +0.1
	Production costs, other			(0.7)	Rise in the price of raw ingredients, other factors
Fixed and other costs	Subtotal			(0.8)	
	Sales promotion costs			0.0	
	Transfer to disaster losses under extraordinary losses			(1.4)	Fixed cost during production/marketing suspension due to disaster, etc.
	Other			0.5	
Wine and spirits		1.3	1.3	0.0	
Other		2.1	1.8	(0.4)	Sapporo Premium Alcohol Free, etc.
Japanese Alcoholic Beverages		9.3	9.0	(0.3)	
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%
	Marketing costs			(0.5)	SLEEMAN BREWERIES LTD., SAPPORO U.S.A., INC.
	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	(0.2)	(0.9)	
	Increase (decrease) in volume / Product mix			(0.7)	Decrease in volume
	Production costs			(0.1)	Increase in cost of raw ingredients, decrease in production cost
	Jan-Mar Amortization of goodwill			(0.2)	
POKKA Group		2.9	0.4	(2.5)	
	Japanese Food & Soft Drinks			(1.5)	
	Increase (decrease) in volume / Product mix			(0.4)	Decrease in volume
	Production costs			(0.1)	Increase in cost of raw ingredients, other factors
	Other costs			(1.0)	Increase in advertising and promotion expenses/ the cost associated with the switch to common Sapporo Group palettes
	Other			(0.0)	International business, Restaurant business, other factors
	Jan-Mar Operating income			(0.5)	
	Jan-Mar Amortization of goodwill			(0.4)	
Food & Soft Drinks		3.6	0.2	(3.3)	
	Existing stores			0.2	
	New stores / Refurbished stores			0.1	
Restaurants		0.2	0.6	0.3	
	Rent			1.0	Acquired 15% share of Yebisu 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)	(2.7)	(0.0)	
Operating income		18.8	16.0	(2.8)	
Operating income before goodwill amortization		21.9	19.9	(2.0)	
	Financial income (expense)	(2.6)	(3.0)	(0.4)	Increase in Financial liabilities
	Equity in income (losses) of affiliates	0.0	0.2	0.2	
	Other	0.5	(0.2)	(0.7)	
Non-operating income and expenses		(2.1)	(3.0)	(0.9)	
Ordinary income		16.8	13.0	(3.8)	
	Gain on sales of property, plant and equipment	0.3	0.0	(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)	(0.0)	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)	(3.0)	(1.0)	
Extraordinary gains and losses		(10.9)	(4.5)	6.4	
Income before income taxes and minority interests		5.8	8.5	2.6	
Change in income taxes and minority interests (loss)		(2.6)	(4.9)	(2.3)	
Net income		3.1	3.6	0.4	

	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(*1)	268.1	25.8	108.0	24.0	22.4	0.7	-	449.4
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	10.6	0.0	0.0	0.1	(0.0)	26.3
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 (*2)	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	13.4
Payment of lease obligations	0.0	0.0	2.8	0.0	0.0	0.0	0.0	3.0

Revised Forecasts for Year ending December, 31, 2012	Japanese Alcoholic Beverages	International Business	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	277.5	37.3	128.1	24.9	24.4	0.8	-	493.0
Operating income	9.0	0.0	0.2	0.6	9.3	(0.4)	(2.7)	16.0
(Operating income before goodwill amortization)	9.0	1.2	2.9	0.6	9.3	(0.4)	(2.7)	19.9
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 (*2)	21.8	2.6	9.2	1.2	13.9	(0.4)	(2.7)	45.6
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	9.3	11.4	20.0	0.8	1.9	0.0	-	43.5
Operating income	(0.3)	(0.3)	(3.4)	0.3	0.7	0.2	0.0	(2.8)
(Operating income before goodwill amortization)	(0.3)	(0.2)	(2.8)	0.3	0.7	0.2	0.0	(2.0)
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 (*2)	(0.7)	0.1	(1.5)	0.4	0.9	0.1	(0.0)	(0.8)
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 : After application of accounting standard for accounting changes and error corrections.

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

*3 : 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.	Japanese 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 (*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			
Soft Drinks	SAPPORO BEVERAGE CO., LTD.	Food & Soft Drinks (*2)	POKKA SAPPORO FOOD & BEVERAGE LTD. (newly established)	
	STELLA BEVERAGE SERVICES CO., LTD.		SAPPORO BEVERAGE CO., LTD.	
	STAR BEVERAGE SERVICE CO., LTD.		STELLA BEVERAGE SERVICES CO., LTD.	
POKKA Group	POKKA CORPORATION		STAR BEVERAGE SERVICE CO., LTD.	
	SUNPOKKA CO., LTD		POKKA CORPORATION	
	POKKA CREATE CO., LTD.		SUNPOKKA CO., LTD	
	Pokka Corporation (Singapore) Pte. Ltd.		POKKA CREATE CO., LTD.	
And another 21 companies			Pokka Corporation (Singapore) Pte. Ltd.	
Restaurants	SAPPORO LION LIMITED		And another 21 companies	
Real Estate	YEBISU GARDEN PLACE CO., LTD.(*3)		Restaurants	SAPPORO LION LIMITED
	YGP REAL ESTATE CO., LTD.	Real Estate	SAPPORO REAL ESTATE CO.,LTD. (*3)	
	SAPPORO URBAN DEVELOPMENT CO., LTD.		YGP REAL ESTATE CO., LTD.	
	TOKYO ENERGY SERVICE CO., LTD.		SAPPORO URBAN DEVELOPMENT CO., LTD.	
	SAPPORO SPORTS PLAZA CO., LTD.		TOKYO ENERGY SERVICE CO., LTD.	
YOKOHAMA KEIWA BUILDING CO., LTD.	SAPPORO SPORTS PLAZA CO., LTD.			
Other	SAPPORO FOODS NET CO., LTD.	YOKOHAMA KEIWA BUILDING CO., LTD.		
	SAPPORO FINE FOODS CO., LTD.	SAPPORO FOODS NET CO., LTD.		
	SAPPORO GROUP MANAGEMENT CO.,LTD. (*4)	SAPPORO FINE FOODS CO., LTD.		
Corporate and eliminations	SAPPORO HOLDINGS LTD.	Other	SAPPORO GROUP MANAGEMENT CO.,LTD. (*4)	
	SAPPORO GROUP MANAGEMENT CO.,LTD.		Corporate and eliminations	SAPPORO HOLDINGS LTD.
		SAPPORO GROUP MANAGEMENT CO.,LTD.		

*1. Effective the fiscal year ending December 31, 2012, "International Alcoholic Beverages" was renamed to "International Business."

*2. Effective the fiscal year ending December 31, 2012, previous "Soft Drinks" business and "POKKA Group" business were integrated and renamed to "Food & Soft Drinks."

*3. YEBISU GARDEN PLACE CO., LTD. was renamed to SAPPORO REAL ESTATE CO., LTD. on January 1, 2012.

*4. Insurance businesses.