



2012
Sapporo Group Business Results Presentation
for the Three Months ended March 31, 2012

May 9, 2012

Sapporo Holdings Ltd.

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

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- 1. Progress of Implementation of 2012 Basic Strategies**
 - 2. Overview of First-Quarter 2012 Results**
 - 3. Supplementary Information to First-Quarter 2012 Results**

Reference: Management Targets 2012-2013



1. Progress of Implementation of 2012 Basic Strategies



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Progress of Implementation of 2012 Basic Strategies

We promoted three basic strategies for achieving dramatic growth

I. Challenge toward growth in all businesses
We will leverage the strengths of our various business's brands and management resources to accept new challenges to beat the competition

II. Carrying out growth measures
To realize the fruits of the various initiatives undertaken in recent years, we will continue to make forward investments and take steps to strengthen the business foundation

III. Creating new opportunities for growth
We will continue to aggressively pursue M&As and alliances both in Japan and overseas

I. Accepting challenges leading to growth in all businesses

- **See the segment pages under Supplementary Information to first-quarter 2012 Results**

III. Create new growth opportunities

- On January 31, we acquired a 15% stake in M's Beverage Co., Ltd., a wholly owned alcoholic beverage distribution subsidiary of Maeil Dairies Co., Ltd. for approx. ¥51 mn to boost Sapporo's brand value and strengthen our product distribution network in South Korea. *A non-equity method affiliate
- On January 31, we acquired 51% of outstanding shares in Silver Springs Citrus, the largest U.S. maker of private-brand chilled drinks, from the Toyota Tsusho Group for approx. ¥1.8 bn to make a full-scale entry into the U.S. beverage business. *Started consolidating the profit/loss items from April

II. Steadfastly implement growth measures

- On March 1, we acquired 15% of trust beneficiary rights for Yebisu Garden Place from the joint holder in the complex for ¥40.5 bn to initiate steps for boosting its value. *Started taking in profit/loss items from March
- On March 30, we established **POKKA SAPPORO FOOD & BEVERAGE LTD.** as an entity to drive forward integration and began preparing business strategies for starting the business in January 2013.
- From April, started to air TV commercials in Vietnam, where we made a full-scale entry this year, marking the launch of full-fledged marketing activities



2. Overview of First-Quarter 2012 Results



Overview of First-Quarter 2012 Results -Special Factors-

SAPPORO Breakdown of special factors does not allow meaningful comparisons between net sales and operating income for the first quarter of 2012 and the same period a year earlier
See the Supplementary Information to our Earnings Report for factors behind changes resulting from other business activities

Net Sales

<Food & Soft Drinks: POKKA Group>

- We started adding the profit/income items from April 2011 and this meant net increase for the Jan-Mar period +¥22.3 bn
- Change to accounting policy: changed from delivery basis to arrival basis for recording sales -¥0.1 bn

<Real Estate>

- Started reflecting the profit/loss items from March for the acquisition of 15% of trust beneficiary rights for Yebisu Garden Place from the joint holder in the complex +¥0.2 bn

<Total>

- +¥22.5 bn

Operating Income

<Food & Soft Drinks: Sapporo Beverage>

- In April 2011 we started goodwill amortization for the acquisition of shares from Crescent Partners after it converted CB holdings, and goodwill amortization was a net increase in the Jan-Mar period of 2012 -¥0.2 bn

<Food & Soft Drinks: POKKA Group>

- Started reflecting the profit/loss items from April 2011, resulting in an operating loss for the Jan-Mar period of 2012 -¥0.5 bn
- Started reflecting the profit/loss items from April 2011 and goodwill amortization resulting from the integration of POKKA Group was a net increase in the Jan-Mar period of 2012 -¥0.4 bn

<Real Estate>

- Acquired 15% of trust beneficiary rights for Yebisu Garden Place from the joint holder in the complex and reflecting the profit/loss items from March +¥0.1 bn

<Total>

- -¥1.0 bn



Overview of First-Quarter 2012 Results -Consolidated-

SAPPORO Sales increased significantly due to recovery of Japanese Alcoholic Beverages and Restaurants, which were directly affected by the earthquake in 2011 as well as the special factors discussed in the previous slide.

Despite profit increase at Restaurants on increased sales, overall operating income decreased by ¥2.2 bn compared with the same period a year earlier due to increased investment by International Business for development of the Vietnam market and decrease in Real Estate's sales of commercial properties in addition to the special factors described in the previous slide.

Net income improved ¥2.1 billion, despite the fact that extraordinary losses increased by ¥3.7 billion (including a ¥1.0 bn loss due to asset retirement obligations and a ¥1.9 bn loss stemming from the disaster, etc.)

(billions of yen)

*The 2011 first quarter consolidated net sales figure lacks continuity with the figure announced last year due to retrospective adjustment of past years from the first quarter 2012.

	2011 1Q	2012 1Q	YoY changes	
			Amount	%
Consolidated net sales	72.0	97.3	25.3	35.1%
Consolidated operating income	(3.3)	(5.5)	(2.2)	—
Consolidated operating income before goodwill amortization	(3.0)	(4.6)	(1.6)	—
Consolidated ordinary income	(4.0)	(5.8)	(1.7)	—
Consolidated net income	(6.2)	(4.1)	2.1	—



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Overview of First-Quarter 2012 Results -by Segment-

Operating Income

	2011 1Q	2012 1Q	YoY changes		(billions of yen)
			Amount	%	
Japanese Alcoholic Beverages	(4.0)	(4.8)	(0.8)	—	
International	(0.1)	(0.4)	(0.2)	—	
North America, other	0.0	(0.0)	(0.1)	—	
Vietnam	(0.2)	(0.4)	(0.2)	—	
Food & Soft Drinks	0.0	(1.2)	(1.3)	—	
Sapporo Beverage	0.0	(0.3)	(0.4)	—	
POKKA Group	-	(0.9)	(0.9)	—	
Before GW amortization	0.1	(0.6)	(0.7)	—	
Restaurants	(0.7)	(0.2)	0.4	—	
Real Estate	2.2	2.0	(0.2)	-10.5%	
Other	(0.1)	(0.0)	0.0	—	
General corporate	(0.6)	(0.6)	(0.0)	—	
Consolidated operating income	(3.3)	(5.5)	(2.2)	—	
Consolidated operating income before GW amortization	(3.0)	(4.6)	(1.6)	—	



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Overview of First-Quarter 2012 Results -Strategic Investments-

Implementation Status of Strategic Investments (excl. ordinary capex)

<Acquisition of stake in Silver Springs Citrus>

- On January 31, acquired 51% of outstanding shares in Silver Springs Citrus, the largest U.S. maker of private-brand chilled drinks, from the Toyota Tsusho Group to make it a consolidated subsidiary
- Started consolidating the balance sheet from the end of March and profit/loss items from April
- The cost of the share acquisition is approx. ¥1.8bn
- Net financial liabilities were approx. ¥0.7bn

Total investment is approx. ¥2.5bn

<Acquisition of shares in M's Beverage>

- On January 31, acquired a 15% stake in M's Beverage Co., Ltd., a wholly owned alcoholic beverage distribution subsidiary of Maeil Dairies Co., Ltd.(non-equity method affiliate)
- The cost of the stake acquisition is approx. ¥50 mn

Total investment is approx. ¥50 mn

<Acquisition of 15% of trust beneficiary rights in Yebisu Garden Place>

- Acquired from the joint holder on March 1
- The investment for the acquisition is ¥40.5 bn, the purchase price
- At the end of March recorded the ¥40.5 bn on the balance sheet (fixed asset account)
- Started to reflect profit/loss items from March

Total investment is approx. ¥40.5 bn

<Implementation status of strategic investment from Jan to Mar 2012>

- **Approx. ¥43.1bn**

Credit Ratings

<Announcement of the acquisition of 15% of trust beneficiary rights for Yebisu Garden Place>

- On December 26, 2011, issued a press release that we acquired the rights from the joint holder for ¥40.5 bn

<Credit rating by JCR>

- On February 16, 2012, JCR issued a press release saying that it kept the A- (stable) rating on Sapporo Holdings unchanged.

<Credit rating by R&I>

- On March 15, 2012, R&I issued a press release saying that it kept the BBB+ (stable) rating unchanged.

<Achievement of low-cost finance>

- In March issued five-year straight bonds worth ¥10 bn at a low cost

Direction of Long-term Strategic Investments

- **We will continue to actively carry out strategic investments for growth**
- **We expect to make ¥150 bn to ¥200 bn worth of strategic investments from 2012 to 2016**
 - Including ordinary capex (worth about a half of the strategic investments)
 - **Strategic investments as a rule to be implemented within the size of operating cash flow**
- **Strategic investment for 2012 is planned to be approx. ¥64 bn**



3. Supplementary Information to First-Quarter 2012 Results

***For information on each business's profitability, please also
see the Supplementary Information to our Earnings Report**



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Japanese Alcoholic Beverages (1)

Results highlights

Sales increased reflecting strong sales of the three core brands and rebound from the direct impact of the earthquake. Operating income declined due to increased burden of fixed cost during the down period for the loss caused by the disaster in 2011 in addition to up-front investment of marketing cost aimed at achieving a multi-layered structure.

Key points in business plan: implementation status

1. Bolster brand strength by focusing management resources on core products

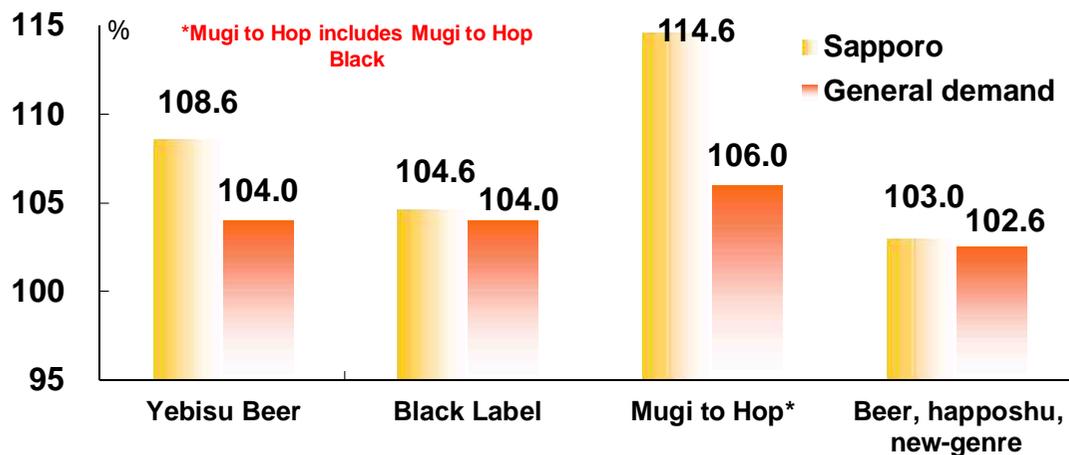
- Bolstering brand strength by concentrating resources on the three core brands of Sapporo Draft Beer Black Label, Yebisu Beer, and Mugi to Hop as well as on Premium Alcohol Free, non-alcohol beer-taste beverage
- In spite of the rebound from the direct impact from the earthquake disaster, we achieved YoY volume growth for those 3 brands for the Jan-Mar period exceeding general demand in the period by focusing on them. Total shipments of Sapporo beer, happoshu, and new-genre beer products were 103.0% compared with the same period a year earlier, outperforming the general demand of 102.6%.
- In the Jan-Mar quarter Premium Alcohol Free increased 25% year over year, significantly exceeding the level in the same period a year earlier, but falling short of the plan partly due to the market inflexibility.
- The target for Mugi to Hop Black was revised upwards to 3 million cases (large bottle count), double the initial target.
- Premium Alcohol Free Black, the world's first non-alcohol black beer taste beverage to be launched on May 23 The plan: 350,000 cases (large bottle count)

(billions of yen)

			Year-over-year changes	
	2011 1Q	2012 1Q	Amount	%
*Incl. liquor taxes				
Net sales*	49.2	51.7	2.5	5.2%
Operating income	(4.0)	(4.8)	(0.8)	-

YoY sales volume for Jan-Mar

(Yebisu Beer and Black Label- total beer demand; Mugi to Hop- new-genre total demand)



Launch Schedule
May 23





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Japanese Alcoholic Beverages (2)

Key points in business plan: implementation status

2. Laying the groundwork for growth in expanding areas

RTD-related actions <Sapporo's first year of promoting Ready To Drink products>

- Jan. Launched CJ Oishii Makgeolli Pink Grapefruit, developed jointly with No.1 Korean foods maker CJ Cheiljedang
- Feb. Launched Triangle Ginger Highball Strong
- Feb. Launched a limited release of Sapporo Nectar Sour Sparkling Cassis & Peach
- Mar. Launched a renewed version of Sapporo Nectar Sour Peach Sparkling
- Mar. Launched Sapporo Nectar Sour Mix Sparkling
- April 25 Launch the world's first canned Bacardi Mojito based on the world's top brand rum
- April 25 Launched Japan's first Bacardi Cuba Libre based on the world's top brand rum

Launched April 25



3. Expand sales of wine, western spirits and shochu

Wine

- Both imported and Japanese wines achieved year-over-year volume growth and increased sales and profits
- Imported wine: Growth in Yellow Tail and low-cost wines
- Japanese wine: Growth in large bottle, additive-free and functional wines

Western Spirits

- Signed sales agreement with No.1 Korean foods maker CJ (CheilJedang) Group. Launched CJ Bonga Makgeolli in July 2011 in the industrial-use market
- Entered into alliance with Bacardi Japan, supplier of world No.1 rum brand. Started sales of 90 items across 29 brands in October 2011.
 - Launched Bacardi Classic Cocktails Mojito, Japan's first Mojito base that can be served with soda, on April 13
- Various products under the above two brands contributed to growth in sales volume

Shochu

- Achieved year-over-year volume growth and increased sales and profits
- Strong sales in singly distilled Waramugi and Karariimo
- Kuroumesyu also contributed to rise in sales volume





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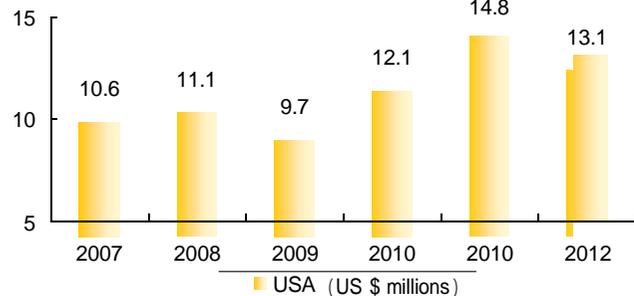
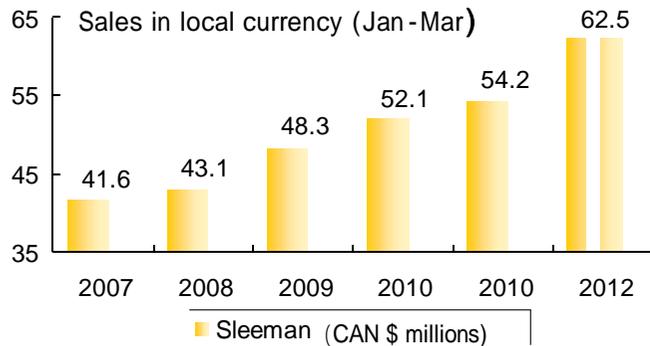
International Business(1)

Results highlights

Sales rose 7.5% YoY, even though yen appreciation erased gains in local currency terms, especially in North America.
Operating income fell due to the impact of expenses related to building the Vietnamese market.

Key points in business plan: implementation status

1. North American business growth



SLEEMAN (Canada)

- Sales expanded on increased investment in marketing of premium brands
 - Sales growth higher than that for total demand in Canada

(Jan-Mar) 6th straight year of Year-on-Year volume growth!

Unit sales (YoY)	2011	2012
SLEEMAN brand	104%	110%
Canada total demand	approx. 99%	approx. 99%

Sapporo USA (U.S.)

- Expanding from the Japanese-American market into wider US and Asian-American markets

(Jan-Mar)

Unit sales (YoY)	2011	2012
USA companies	124%	86%*
US total import beer demand	approx. 113%	approx. 96%

Silver Springs Citrus (U.S.)

- Acquired a 51% stake in Silver Springs Citrus, the largest U.S. maker of privatebrand chilled drinks
 - Full-fledged entry into beverages business in the North American market
 - Started consolidation of profit/loss items from April

*Reflecting the impact of demand in anticipation of price increase in April 2011

billions of yen

Year-over-year changes

	2011 1Q	2012 1Q	Amount	%
Net sales	5.4	5.8	0.4	7.5%
Operating income	(0.1)	(0.4)	(0.2)	-
North America, others	0.0	(0.0)	(0.1)	-
Vietnam	(0.2)	(0.4)	(0.2)	-



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International Business(2)

Key points in business plan: implementation status

2. Expansion in Asian market (incl. Oceania) Developments in Vietnam

- Full-fledged entry of locally produced beer in the market from end of February 2012
- Started full-scale marketing in the country including through billboards and TV commercials



Local billboards in Vietnam



TV commercial based on the marketing concept Grab the Glory

Developments in Singapore

- Expanding imported beer sales in local household market in cooperation with POKKA Corporation (POKKA has top share (70%) in local green teabased drink market)
- Sales for 2011: 52,000 cases (large bottles) 21.4% YoY growth
- Sales target for 2014: 100,000 cases (large bottles). Bolster sales channels for achieving the target



Developments in South Korea

- Strengthened Sapporo brand value and sales structure in South Korea by acquiring a 15% stake in M's Beverage Co., Ltd., a wholly owned liquor sales subsidiary of Maeil Dairies Co., Ltd. (which has top shares in cheese, lowfat milk, and chilled coffee drinks), signing the agreement on Jan 31 A non-equity method affiliate
- 2011 sales: 230,000 cases (1 case = 350ml x 24 bottles) *Initial target: 300,000 cases (Though sales were affected for about two and a half months due to the disaster, we achieved about 2/3 of the target.)
- Sales targets: 380,000cases in 2012, 1.5 million cases in 2015(1 case = 350ml x 24 bottles)
- Aim to become the No.1 imported brand.

Developments in Oceania

- In October 2011, entered the Australian/New Zealand premium beer market via licensing agreement with Coopers Brewery Ltd(No.3 in Australia's beer market, No. 2 in premium beer market with a 17.3% share)
- Full-fledged entry from 2012: aim to be the top Japanese beer brand
- Sales targets: 160,000 cases in 2012, 500,000 in 2016 (1 case = 355m x 24 bottles)
- Silver can produced in Canada to be replaced with Vietnamese product from 2012





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Food & Soft Drinks – Sapporo Beverage

Results highlights

Sales volume in 1Q declined to 91% of the previous year against a overall demand rise to 104%, partly due to the impact of special demand for Japanese drinking water following the disaster last year with March sales falling to 85% of the previous year. Operating income fell along with the decline in sales volume.

Key points in business plan: implementation status

Strengthening/cultivation of competitive brand

- Concentrating investment on important categories and brands

- Ribbon: **-9%** YoY growth

In March, launched RibbonNapolin Ice, a collaborative product with Akagi Nyugyo Co., Ltd., in Hokkaido

Raised awareness by airing a short animation of Ribbon-chan on TV from April

- Gabunomi: **-11%** YoY growth

Re-launched the product in the latter half of March and carried out a promotion campaign with free gifts to ensure wider sales reach and market penetration from April

- Gerolsteiner: **3%** YoY growth

Carrying out promotion campaign with free gifts from April to further promote trials and build repeat customer

- Other brands

- Oishii Tansansui: **17%** YoY growth

Growth on the back of demand for alcohol consumption at home Continued focus



billions of yen

Year-over-year changes

	2011 1Q	2012 1Q	Amount	%
Net sales	6.6*	6.3	(0.3)	—
Operating income	0.0	(0.3)	(0.4)	—
Before GW amortization	0.1	(0.0)	(0.2)	—

*After retrospective adjustment

Synergies with Kyodo Milk Industry Co., Ltd.

- Re-launched in April Chousyoku Fruits, the first collaborative product introduced in April 2011

- It has evolved into a functional fruits drink with 2,000 mg vitamin C per pack (equivalent to 100 lemons)
- Launched plum flavor, which is associated with spring and summer as well as a healthy image, to complement standard offering of orange, apple and grapes.



Synergies with POKKA Corporation

- Synergies led to cost savings of ¥66 mn in Jan-Mar (¥4 mn increase YoY)
- Synergies from joint procurement and consigned production



Food & Soft Drinks – POKKA Group (1)

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Results highlights

New consolidation from April 2011 makes YoY comparisons meaningless, but comparisons based on figures below show sales were boosted by contribution from Domestic Restaurants through revitalization of existing CAFÉ de CRIE outlets and strengthening of leading shops. Besides Domestic Restaurants, Overseas Beverage/Food contributed to rise in operating income.

Ref: Jan-Mar segment sales and operating income and YoY comparisons

	billions of yen		Year-over-year changes	
	2011 1Q	2012 1Q	Amount	%
Net sales	—	22.3	22.3	—
Operating income	—	(0.9)	(0.9)	—
Before GW amortization	—	(0.5)	(0.5)	—

*Started consolidating POKKA's profit/loss items from 2011 2Q.

	billions of yen		Year-over-year changes	
	2011 1Q	2012 1Q	Amount	%
*1: 2012 sales: Before inter-segment eliminations of ¥0.1 bn				
Domestic Bev/Food	16.6	16.6	(0.0)	-0.4%
Overseas Bev/Food	2.5	2.5	0.0	1.9%
*2: 2012 operating income: Income before deduction of goodwill amortization of ¥0.3 bn following integration				
Domestic Restaurants	1.2	1.4	0.1	14.1%
Overseas Restaurants	1.1	1.2	0.0	7.3%
Other Businesses	1.8	1.8	0.0	2.8%
POKKA corporate	(1.1)	(1.2)	(0.0)	-
Sales (total)	22.3	22.4 ^{*1}	0.1	0.8%
Operating income	(0.1)	(0.6) ^{*2}	(0.5)	-



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Food & Soft Drinks – POKKA Group (2)

Key points in business plan: implementation status

Beverage & Food Business (Japan): POKKA Corp. and six group vending machine operators

1. Beverage Business

- Concentrating investments in core brands
 - Kireto Lemon
 - Re-launched the product
 - Started airing new TV commercial from March
 - Aromax
 - Launched *Kyokugen no kaori*BLACK, with sales limited to Tokai area, the birth place of the company
 - Buzz generated by the advertisement featuring president and employees



2. Food Business

- Focused on core and growth products
 - Kantanbimi
 - Launched Korean-style seasonings *Dashi-no-moto* and *Namuru-no-moto*, enhancing the product lineup
 - Pokka Lemon 100
 - Expanded products with the Lemonja design, which gained popularity with the 70ml bottle



3. Maintenance Plan for Nagoya Plant Finalized

- Construct new building inside the site to manufacture Pokka Lemon (Estimated investment: about¥2.4 bn)
 - Correspond to the growth strategy for the core business of Pokka Lemon 100
- Anti-seismic work on existing building (investment of about ¥0.4 bn)
 - Measures to ensure business continuity in the event of an earthquake



Synergies with Sapporo Beverage

- Synergies led to savings of about ¥50 mn in 1Q (¥50 mn increase YoY)
 - Synergies from joint procurement and commissioned manufacture



Food & Soft Drinks – POKKA Group (3)

Key points in business plan: implementation status

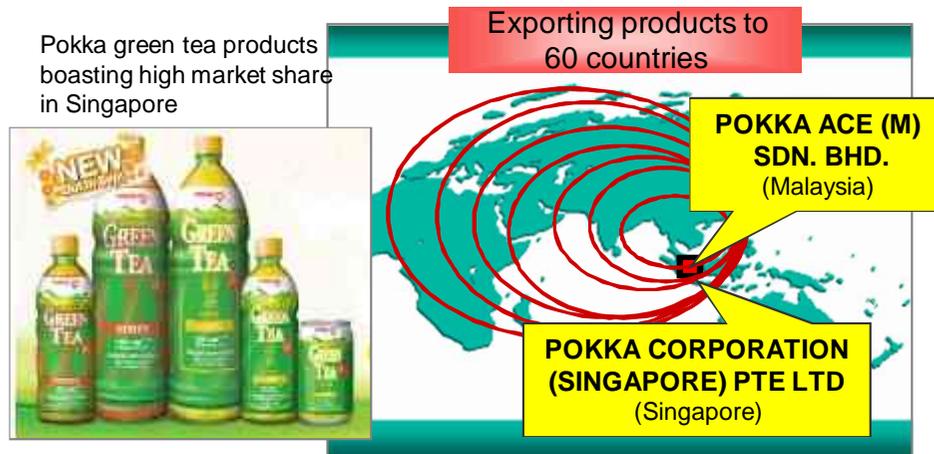
Beverage & Food Business (Overseas): POKKA Singapore

1. Expand into Singapore's neighboring countries

- Planning and implementing measures to revitalize markets in Indonesia, Malaysia and Brunei

2. Bolster sales in existing export markets

- Strengthened alliances with agencies in Middle East and Europe



Other businesses

- Ice cream business

Foremost Blue Seal brand (Okinawa)



Restaurants Business (Domestic): POKKA CREATE Co., Ltd.

1. Expand sales via growth at existing stores, chain expansion

- Outlets: 159 (104 in Kanto, 31 in Tokai, 21 in Kansai, 3 in Kyushu as of end of March 2012)
- New outlets opened in 1Q: 1 (franchise)
- Effectively using remodeling plan to strengthen brand image



2. Profits up on successful efforts to lift profit ratio

- Improved COGS ratio
- Closed unprofitable restaurants

Restaurants Business (Overseas): POKKA CORPORATION (Hong Kong) and POKKA Food (Singapore) Pte. Ltd.

- Both existing and new outlets performed strongly in Hong Kong
- Both Hong Kong and Singapore have been actively pursuing the new business format
- Outlets: 40 in total (as of the end of March 2012)
Hong Kong 29, Singapore 10, Macao 1
- New outlet opening in 1Q
Hong Kong – Pokka Café 1





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Restaurants

Results highlights

Year-over-year increase in sales in the Restaurant Business, which was directly affected by the Great East Japan Earthquake last year.

Sales for 1Q increased 13.3% YoY at existing stores, with March alone posting a 47.1% rise. In addition to this, operating loss narrowed YoY, on closure of unprofitable outlets, cost reductions and contributions from new outlets.

billions of yen

	2011 1Q	2012 1Q	Year-over-year changes	
			Amount	%
Net sales	4.7	5.4	0.6	13.9%
Operating income	(0.7)	(0.2)	0.4	-



Key point in business plan: implementation status

1. Positioning for growth

New restaurant opening strategy – 6 restaurants opened in 1Q

- Synergy with the Japanese Alcoholic Beverage Business: Opening of Yebisu Bar outlets
 - In addition to two new outlets in Akasaka and Tokyo Station's Kurobei Yokocho, the format of the Osaki and Ginza 2-chome outlets was changed, increasing the number of Yebisu Bar outlets to 9 as of the end of March
- Ginza Lion chain expansion
 - Mid-sized Ginza Lion opened in Marunouchi Center Building
- Opened the Kitchen Ginza Lion, a new business format
 - Opened a new outlet which specializes in roast beef in Lumine Ikebukuro

- 2 other outlets opened for total of 6 in 2012 1Q
 - All outlets are performing as planned

2. Earnings structure reform

- Locations closed in 2012 1Q: 5
- Locations operating as of the end of March 2012: 192



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Real Estate (1)

Results highlight

Maintaining stable revenues despite high vacancy rates and continued fall in rents in Tokyo office leasing market

Key point in business plan: implementation status

Boosting value of existing properties

Yebisu Garden Place

- Maintain and improve occupancy rate and achieve appropriate rent levels
 - In March, we acquired the 15% trust beneficiary rights from the joint holder to give us 100% ownership
 - Maintained high occupancy rates and rent levels as of end-Mar at Yebisu Garden Place and other major Tokyo properties (table at right) compared to the 91% average for office buildings in Tokyo's 5 central wards

Redevelopment of Ginza and Ebisu Areas

- Redevelopment of Sapporo Ginza Building and Seiwa Yebisu Building
 - We started planning and tenant negotiations for redevelopment of Ginza 5-chome and Seiwa Yebisu building
 - Average occupancy of Seiwa Yebisu Building* steadily decreasing in line with the rebuilding plan
- (*Average occupancy rate down to 59% from 2011 average of 75%)

		billions of yen		
		Year-over-year changes		
	2011 1Q	2012 1Q	Amount	%
Net sales	5.7	5.3	(0.3)	-6.0%
Operating income	2.2	2.0	(0.2)	-10.5%

(As of March 31, 2012)

Major rental properties in Tokyo's 23 wards	Site area (m ²)	Floor area (m ²)	Occupancy rate (%)	No. of floors
Yebisu Garden Place *1	56,943	298,007	96%	40 floors above ground, 5 below
Seiwa Yebisu Building*	2,617	10,400	*59%	6 floors above ground, 1 below
Yebisu Square	1,561	9,126	83%	7 floors above ground, 1 below
Shibuya Sakuragaoka Square	1,200	9,268	100%	10 floors above ground, 1 below
Sapporo Ginza Building	530	4,232	96%	10 floors above ground, 4 below
Strata Ginza *2	1,117	11,411	96%	13 floors above ground, 1 below

Site areas are taken from the land registry. Floor areas are as per building certification. Occupancy rates are averages for January-March 2012.

*1. Figures are for entire property. Number of floors for office wings/buildings only. Occupancy rates are for office areas only.

*2: Figures are for entire property. Sapporo owns 922m² of the site (sectional ownership) and 89.72% of the building (joint management)

For more details about our Real Estate business's properties, visit the following website: (<http://www.yebisu-gp.jp/business/index.html>)



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Real Estate (2)

Overview of Real Estate Business

- Majority of the business's operating income is from real estate leasing
 - Property portfolio largely comprises properties in Tokyo 5 central wards: see previous page
- In January, we changed the name of Yebisu Garden Place Co., Ltd. to Sapporo Real Estate Co., Ltd. to raise the Sapporo brand value and strengthen Group synergies

Operating Income

billions of yen

	2011 1Q	2012 1Q	Change(value)	FY2011	FY2012 est.	Change (value)
Real estate leasing						
Tokyo's 23 wards	1.7	1.8	0.1	7.6	8.7	1.0
Other areas	0.2	0.2	0.0	0.8	0.8	0.0
Real estate leasing total	1.9	2.0	0.1	8.5	9.6	1.0
Real estate total	0.4	-	(0.4)	0.4	0.0	(0.3)
Other operations*	(0.0)	(0.0)	(0.0)	(0.3)	(0.3)	0.0
Total	2.2	2.0	(0.2)	8.5	9.3	0.7

EBITDA

* "Other operations" includes back-office operations
EBITDA = operating income + depreciation and amortization

	2011 1Q	2012 1Q	Change(value)	FY2011	FY2012 est.	Change (value)
Real estate leasing						
Tokyo's 23 wards	2.5	2.7	0.1	11.0	12.2	1.2
Other areas	0.3	0.4	0.0	1.5	1.5	(0.0)
Real estate leasing total	2.9	3.1	0.2	12.6	13.8	1.1
Real estate total	0.4	-	(0.4)	0.4	0.0	(0.3)
Other operations*	(0.0)	(0.0)	0.0	(0.0)	0.0	0.1
Total	3.3	3.1	(0.1)	12.9	13.9	0.9

Ref. 2012-2013 Management Targets

*** 2012-2013 Management Targets are unchanged from the figures announced on February 10, 2012**



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2012-2013 Management Targets

	Consolidated targets				
	2006 results	2011 results	2012 targets	2013 targets	2016 targets
Consolidated net sales *incl. liquor taxes	¥435.0 bn	¥449.4 bn*1	¥510.0 bn	¥535.0 bn	¥600.0 bn
(excl. liquor taxes)	¥294.0 bn	¥336.8 bn*1	¥396.0 bn	¥420.0 bn	¥450.0 bn
Consolidated operating income	¥8.6 bn	¥18.8 bn	¥20.0 bn	¥21.0 bn	¥40.0 bn
(before goodwill amortization)	¥8.6 bn	¥21.9 bn	¥23.9 bn	¥24.8 bn	
Consolidated ordinary income	¥5.8 bn	¥16.8 bn	¥17.0 bn	¥18.0 bn	-
Consolidated net income	¥2.3 bn	¥3.1 bn	¥6.3 bn	¥7.4 bn	-
Consolidated operating margin *excl. liquor taxes	2.9%	5.6%*1	5.1%	5.0%	9.0%
(before goodwill amortization)	2.9%	6.5%*1	6.0%	5.9%	
D/E ratio	2.1 times	1.8 times	1.9 times	1.9 times	Around 1:1
ROE	2.1%	2.5%	5.0%	5.7%	8% or higher
(before goodwill amortization)	2.1%	5.1%	8.2%	8.7%	

*1 The 2011FY figure lacks continuity with the figure announced last year due to retrospective adjustment .

*Assumed exchange rates: 2012-2013: US\$ = ¥81, CAN\$ = ¥80



2012-2013 Management Targets by Segment

		Targets		
		2011 results	2012 targets	2013 targets
Net sales	Japanese Alcoholic Beverages	¥268.1 bn	¥288.0 bn	¥300.0 bn
	International Business	¥25.8 bn	¥37.3 bn	¥44.0 bn
	Food & Soft Drinks	¥108.0 bn* ₁	¥134.6 bn	¥140.0 bn
	Restaurants	¥24.0 bn	¥24.9 bn	¥26.0 bn
	Real Estate	¥22.4 bn	¥24.4 bn	¥24.0 bn
	Other Businesses	¥0.7 bn	¥0.8 bn	¥1.0 bn
	General corporate	-	-	-
	Consolidated total	¥449.4 bn*₁	¥510.0 bn	¥535.0 bn
Operating income	Japanese Alcoholic Beverages	¥9.3 bn	¥10.5 bn	¥12.0 bn
	International Business	¥0.3 bn	¥0.0 bn	¥0.2 bn
	Food & Soft Drinks	¥3.6 bn	¥3.0 bn	¥3.1 bn
	Restaurants	¥0.2 bn	¥0.6 bn	¥0.8 bn
	Real Estate	¥8.5 bn	¥9.3 bn	¥8.6 bn
	Other	(¥0.6 bn)	(¥0.4 bn)	(¥0.4 bn)
	General corporate	(¥2.6 bn)	(¥3.0 bn)	(¥3.3 bn)
	Consolidated total	¥18.8 bn	¥20.0 bn	¥21.0 bn
	Consolidated total (before goodwill amortization)	¥21.9 bn	¥23.9 bn	¥24.8 bn

*1 The 2011FY figure lacks continuity with the figure announced last year due to retrospective adjustment .

*Assumed exchange rates: 2012-2013: US\$ = ¥81, CAN\$ = ¥80



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