

Q&A from Financial Statements Briefing for the Year Ended December 31, 2014

<Date and Time> February 13, 15:30-17:00

<Speakers> President, Representative Director Tsutomu Kamijo with Director Toshio Mizokami and President of Sapporo Breweries Ltd. Masaki Oga

1. Japanese Alcoholic Beverages Business

Q. Sales volumes in the beer genre have been strong after a series of successful unique products. Could you explain this year's sales strategy?

A. (SB President Oga) Although sales in the beer genre this year are expected to be down on last year according to overall demand forecasts, it is likely that sales of premium and functional products will increase compared to last year. The important thing is to maximize sales as far as possible in expanding fields and minimize any falls in sales in contracting fields.

As a result of concentrating our efforts on our core brands last year, we enjoyed strong sales of Yebisu, Mugi to Hop, and Goku ZERO. We will continue to pursue this approach this year.

In March, we plan to launch a new product in the functional products field and we are also preparing new products for launch in the summer. We believe that this will allow us to achieve the sales volume plan.

Q. Could you please explain what your approach to setting prices will be when the proposed liquor tax revisions become effective?

A. (SB President Oga) The timing and details of the liquor tax revisions have yet to be decided, but essentially we plan to pass the difference brought about by the tax changes on to the sales price. I believe we will need to offer a full explanation to consumers about the fact that price revisions are the result of a tax revision.

2. Medium-Term Management Plan 2015-2016

Q. Could you please explain the initiatives you intend to pursue in each business segment under the Medium-Term Management Plan 2015-2016?

A. (President Kamijo and Director Mizokami) The main priorities in terms of efforts to increase profits in each field of business are as follows: in the Japanese Alcoholic Beverages Business, we will focus on core brands; in the International Business, we will prioritize synergy between Silver Springs Citrus, Inc. and Country Pure Foods, Inc. (for which an acquisition has been agreed) and focus on increasing sales in the Vietnam market; and in the Food & Soft Drinks Business, we will prioritize solid results at our overseas subsidiaries, particularly in Singapore, and making full use of the strengths of our lemon and soup business in Japan. In the Real Estate Business, leasing negotiations have been carried out in consideration of market conditions and some profit contributions have been delayed to the following financial year as a result, but no major problems have arisen. The Sapporo Ginza Building is scheduled for completion in the second half of 2016, and this is expected to contribute to profits.

Q. How do you see your chances of achieving the Medium-Term Management Plan 2015-2016?

A. (President Kamijo) We believe we have an excellent chance of executing the plan's targets in accordance with the strategies set out for each business segment. We will work on the plan with the firm intention of achieving the targets.

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