



# **2015 Sapporo Group Business Results Presentation for the Nine Months Ended September 30, 2015**

**November 6, 2015**

## **Sapporo Holdings Ltd.**

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

## **1. Third-Quarter 2015 Topics**

## **2. Overview of Third-Quarter 2015 Results**

## **3. Revision of 2015 Full-Year Earnings Forecasts**

**Reference:** Supplementary Information to Third-Quarter 2015 Results and Data

# 1. Third-Quarter 2015 Topics

## Third-Quarter 2015 Group Topics

### Consolidated earnings: operating income declines ¥2.2 billion y-o-y

(billions of yen)	3Q 2014	3Q 2015	Change
<b>Net sales</b>	379.3	<b>388.1</b>	8.7
<b>Operating income</b>	8.2	<b>5.9</b>	(2.2)
<b>Ordinary income</b>	7.6	<b>4.9</b>	(2.7)
<b>Net income</b>	(6.6)	<b>1.9</b>	8.5

- In the Japanese Alcoholic Beverages Business, sales volume of beer and beer-type beverages declined to 93% of the same period a year ago and operating income fell ¥2.9 billion
- On the other hand, domestic soft drinks sales volume was strong at 102% of the same period a year earlier. Occupancy rate of Yebisu Garden Place reached 99% within the year and earning capacity is recovering
- Businesses other than Japanese Alcoholic Beverages posted profit increase in 3Q but this was not enough to fill the gap.

### Expanding the strengths

- Rebuilt the Black Label brand by appealing the flavor of draft beer; canned products were 107% of the same period a year earlier
- The lemon-based drinks and coffee products, which are our strengths, were robust at 129% and 103% of the levels of the same period a year earlier as the various measures paid off

### Growth strategy

- Started distributing Treasury Wine Estates Japan's imported wines and champagne Taittinger
- The Vietnamese beer business to relaunch products with new tastes and packages in November in a bid to capture the market with a new strategy.
- Refurbishment of Yebisu Garden Place commercial area and Ginza 5-chome construction work progressing steadily, to become secure revenue sources



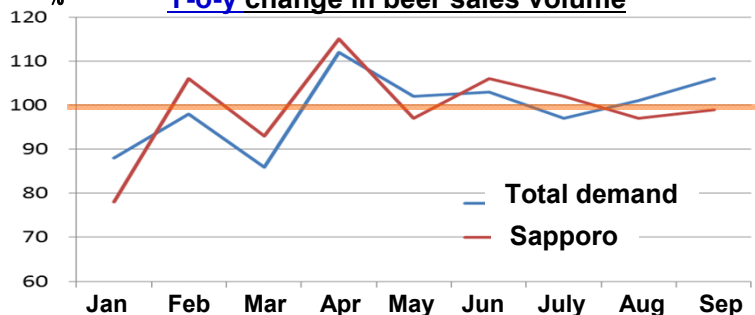
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# Third-Quarter 2015 Topics (1)

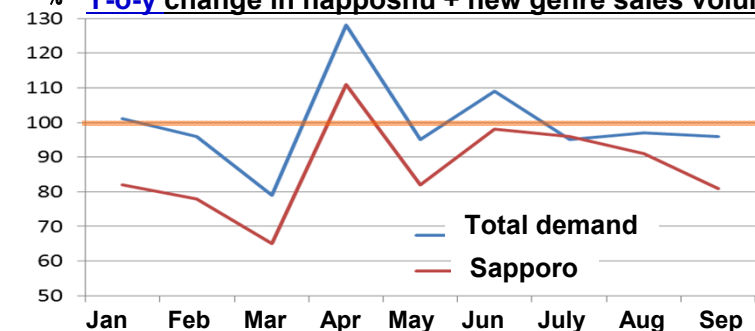
## Japanese Alcoholic Beverages

- **Sales volume of beer and beer-type beverages down 7% y-o-y (total demand down 1%)**  
**– intensified competition in happoshu and new genre**

Y-o-y change in beer sales volume



Y-o-y change in happoshu + new genre sales volume



### <Beer + beer-type beverage Jan-Sep sales (incl. liquor tax)>

(¥bn)	2014	2015	Change
Beer	112.0	111.7	(0.3)
Happoshu	8.7	13.7	4.9
New genre	51.3	38.8	(12.4)
<b>Total</b>	<b>172.1</b>	<b>164.2</b>	<b>(7.8)</b>

## Japanese beer business

### <Beer> Jan – Sep unchanged y-o-y (total demand down 1%)

- Canned products up 7% y-o-y, as **Black Label**'s store coverage rate increases
- Perfect Black Label Antenna Shop opened in Osaka, Tokyo, boosting brand image

- **Jan – Sep beer breakdown (volume)** 2014: 54%→**2015: 57%**

### <Happoshu + new genre> Jan – Sep down 14% y-o-y (total demand down 2%)

- Increase in new products from competitors primarily of functional beverages and intensifying competition
- **Goku Zero** Jan – Sep sales volume: 2.93 million cases (4.45 million cases in happoshu + new genre in previous year)
- **Mugi to Hop The gold** Down 10% y-o-y: measures including the relaunch the beginning of the year was contrary to our expectation



### <Revision of beer and beer-type beverage annual sales volume outlook>

(10,000 cases)

	2015 outlook		Change	2014	YoY change
	Initial plan	Revised			
Sapporo Draft Beer Black Label	1,600	1,600	-	1,615	99%
Yebisu total	1,000	970	(30)	964	101%
(1) Beer total	2,918	2,930	12	2,896	101%
(2) Happoshu total	641	490	(151)	387	127%
(3) New genre total	1,791	1,610	(181)	1,956	82%
Beer, happoshu and new genre total	5,350	5,030	(320)	5,238	96%
(1)+(2)+(3)					



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## Third-Quarter 2015 Topics (2)

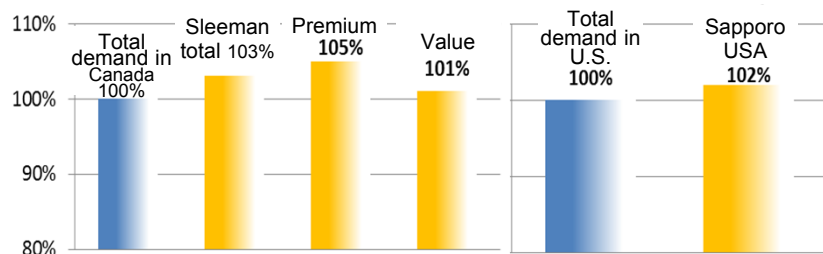
### International

- **North American beer business performed well; competition intensifying in Vietnamese premium beer market; to review the strategy**

#### North American beer business

- **Focus on premium market; both Sleeman and Sapporo USA sales increased**

North American beer sales volume for Jan-Sep (Y-o-Y)

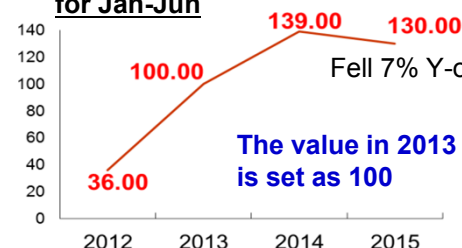


#### U.S. soft drinks business

- **Country Pure Foods** newly consolidated from February
- Pursuing synergies with **Silver Springs Citrus**
- Though orange juice prices are hovering high, we will review transactions and prices to stem it

#### Vietnamese beer business

Domestic sales volume in Vietnam for Jan-Jun



- Competition in beer market is intensifying partly due to competitors entering the premium market
- **Revised down** initial annual sales plan
- 3.5 years from full-fledged entry; **relaunch starting in Nov** by leveraging experience

**Key points of relaunch: appeal novelty and further reflect Vietnamese' taste**

- **Flavor:** Retain Sapporo's original flavor, pursue ease of drinking
- **Package:** Unify the brand color to silver, adopt **Japan's Promise** as the brand tag line
- **Price:** Pricing at the range that takes into consideration its competitiveness in the premium category

[Former products]



**Japan's Promise**

[New products]





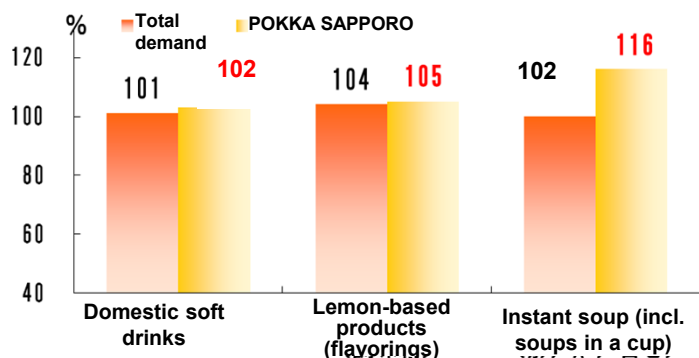
# Third-Quarter 2015 Topics (3)

## Food & Soft Drinks

- **Domestic soft drinks sales volume were up 2% y-o-y (total demand was up 1%), while both domestic food and overseas soft drinks businesses finished 3Q with increased sales**

### Domestic Food and Soft Drinks

Domestic food and soft drinks cumulative sales volume for Jan-Sep (Y-o-Y)



Total demand data: Source – Total for SM CVS formats by Intage SRI(nationwide retailer panel research)

Jan-Sep 2015 y-o-y comparison of cumulative sales amount for the lemon-based products market (Sapporo's definition) and instant soup market

Lemon-based drinks and soup, which are our strength led the business; net sales were up 5% y-o-y

**<Domestic soft drinks> Sales volume of 33.77 million cases (up 2% y-o-y)**

- **Lemon-based drinks:** Introduced Kireto Lemon ENERGIE and Kireto Lemon BEAUTE targeting adult female consumers: **up 29% y-o-y**
- **Coffee drinks:** Reviewed prices of vending machines, sales have been strong: **up 3% y-o-y**

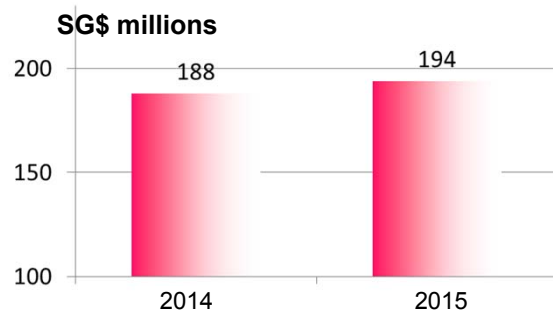
**<Domestic foods>**

- **Instant soup:** Relaunched and differentiated Jikkuri Kotokoto series for the fall/winter season: **up 16% y-o-y**

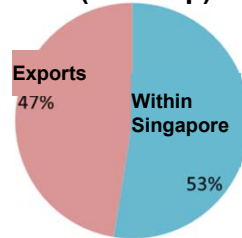


### Overseas Soft Drinks

Overseas soft drinks cumulative sales for Jan-Sep (local currency)



POKKA brand net sales ratio (Jan-Sep)



**Strong overseas net sales up 3% year on year (local currency base)**

**Enhancing production structure for sales expansion**

	Production start	Profile	Halal certified
Singapore	1977	Own plant	○
Malaysia	1993	Joint venture with a local company	○
Malaysia, new	Fall 2014	Own plant	○
Indonesia	Summer 2016 planned	Joint venture with a local company	
Myanmar	Summer 2016 planned	Licensed production by a local company	



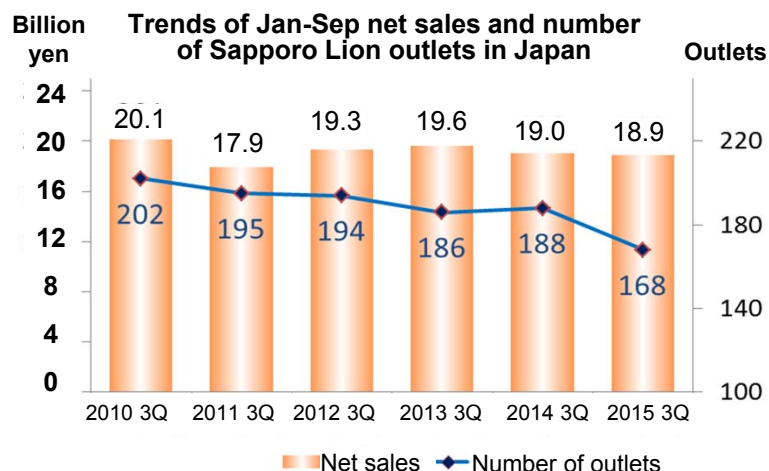
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## Third-Quarter 2015 Topics (4)

### Restaurants

- The restaurants business in Japan maintained net sales at about the same level as the previous year while it reduced the number of unprofitable restaurants

#### Restaurants business in Japan



- Sapporo Lion comparable-store sales were up 4% y-o-y
- Jan-Sep: new opening 1: format change 5
- Harsh environment as raw ingredients and personnel expenses rose, driving forward closure of unprofitable restaurants and improving profitability
- Captured good locations, plans to open 4 outlets including one new format in 4Q

Opened in April  
Garden Terrace Lion  
Ibaraki Campus,  
Ritsumeikan University  
(Ibaraki-shi, Osaka)



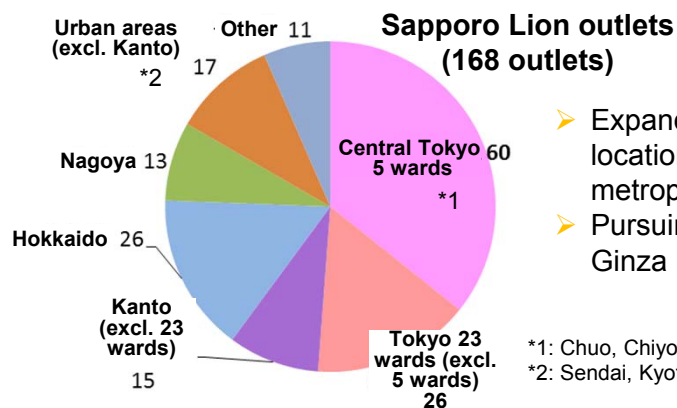
#### Overseas restaurants business

**GINZA LION BEER HALL conveying Sapporo brand's taste with 2 outlets in Singapore**

1st: the Rodyk outlet



2nd: Suntec outlet



- Expanding outlets at favorable locations primarily in the Tokyo metropolitan area
- Pursuing expansion mainly with Ginza Lion and Yebisu Bar brands

\*1: Chuo, Chiyoda, Minato, Shinjuku and Shibuya Wards  
\*2: Sendai, Kyoto, Osaka, Kobe, Fukuoka





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# Third-Quarter 2015 Topics (5)

## Real Estate

### ➤ Yebisu Garden Place improved office occupancy rate. Drive forward refurbishment to boost attractiveness of the area

#### <Yebisu Garden Place>

- **Leasing of the space occupied by major tenants has been completed and the occupancy rate has recovered**
- **Value up promotion**
  - Refurbished and reopened the first basement of **Glass Square** dining area in June
  - Planning to refurbish the dining areas on 38th and 39th floors.

#### Trend of **average occupancy rate** of Yebisu Garden Place office space (contract basis)

2014 1~2Q	2014 3~4Q	2015 1Q	2015 2Q	2015 3Q	2015 4Q est.
93%	77%	87%	91%	93%	99%

Yebisu Garden Place



Exterior design of the Ginza  
5-chome redevelopment project



#### <Ginza 5-chome redevelopment project>

- **Construction work progressing steadily towards the opening in Summer 2016**
    - To become a commercial facility which will be the landmark and information dissemination base at the Ginza 4-chome crossing
    - 11 floors above ground, 2 below
- Total floor space 4,232m<sup>2</sup>⇒7,382m<sup>2</sup>

#### Major property overview, occupancy rates (averages for Jan-Sep 2015; contract basis).

Major rental properties in Tokyo's 23 wards	Site area (m <sup>2</sup> )	Floor area (m <sup>2</sup> )	Occupancy rate (%)	No. of floors
<b>Yebisu Garden Place *1</b>	56,943	298,007	90%	40 floors above ground, 5 below
<b>Ebisu First Square</b>	2,596	15,496	100%	12 floors above ground, 1 below
<b>Ebisu Square</b>	1,561	9,126	100%	7 floors above ground, 1 below
<b>Strata Ginza *2</b>	1,116	11,411	100%	13 floors above ground, 1 below

Site areas are taken from the land registry. Floor areas are as per building certification.

\*1: The number of floors is for the office block only. Occupancy rates are for office areas only.

\*2: Figures are for entire property. Sapporo owns 922m<sup>2</sup> of the site (sectional ownership) and 89.72% of the building (joint management)

#### <Real Estate for Lease as of Dec. 31, 2014>

**Balance sheet value: approx. ¥207.8 billion\***

**Fair value: approx. 348.2 billion yen**

**\*Including Shibuya Sakuragaoka Square sold in Feb. 2015  
(Book value as of the sale: approx. 9.6 billion)**

## 2. Overview of Third-Quarter 2015 Results



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# Overview of Third-Quarter 2015 Results (1)

Special factors in the business results from 1Q to 3Q (no change in items from 2Q)

Segment	Factors	Net sales impact	Operating income impact
Japanese Alcoholic Beverages	Change in reportable segment: New Sanko Inc. Changed from Japanese Alcoholic Beverages to Restaurants (Changed retrospectively from 2014.)	minor	minor
International	Account period change: Silver Springs Citrus Initially, 9 months from Oct 2014 to Jun 2015 for 3Q → consolidating the results for <b>12 months</b> from Oct 2014 to Sep 2015	+approx.2.9bn (foreign exchange +0.4bn)	-approx.0.1bn
International	New consolidation: Country Pure Foods Consolidation <b>started from Feb 24, 2015</b> , when the stake was acquired	+approx.10.6bn	
Food & Soft Drinks	Sale of Overseas restaurants business In Dec. 2014, sold the restaurant business in Hong Kong	-approx.4.0bn	minor
Restaurants	Change in reportable segment: New Sanko Inc. Changed from Japanese Alcoholic Beverages to Restaurants (Changed retrospectively from 2014.)	minor	minor
Real Estate	Sale of sports facilities operator business	-approx.0.8bn	-approx.0.4bn
Real Estate	In Dec. 2014, sold the sports business and some lease properties In Feb. 2015, sold Shibuya Sakuragaoka Square trust beneficiary right	-approx.0.7bn	

## <Impact of foreign exchange rates>

Average rate during the period  
(Jan-Sep)

	2014	2015
US \$	102.94	120.99
CAN \$	94.11	96.08

	Net Sales	Operating Income
Japanese Alcoholic Beverages	—	-0.2bn
International	3.4bn	—
Food & Soft Drinks	1.0bn	—



## Overview of Third-Quarter 2015 Results (2)

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#### ➤ **Net sales: up Y-o-Y**

- Japanese Alcoholic Beverages: sales volume of beer and beer-type beverages declined from the previous year due to the impact of competition in happoshu and new genre.
- International: sales increased significantly year on year, as SSC was consolidated for 12 months due to the change in the account period and new consolidation of CPF was started in Feb 24, also partly due to the foreign exchange rate impact.
- Food & Soft Drinks: sales rose year on year due to increase in sales of food and soft drinks in Japan and those of soft drinks overseas, despite the sale of overseas restaurant business in Dec. 2014

#### ➤ **Operating income: down Y-o-Y**

- Japanese Alcoholic Beverages: profit declined due largely to sales decline in beer and beer-type beverages despite cost reduction efforts primarily targeting fixed cost
- Food & Soft Drinks: profit rose due to increased sales volume of soft drinks in Japan and overseas
- Restaurants: profit increased as sales at existing outlets rose

#### ➤ **Net income: up Y-o-Y**

Extraordinary income:

**2015** ¥7.3 billion from the sale of trust beneficiary right of Shibuya Sakuragaoka Square

Extraordinary loss:

**2014** ¥2.3 billion in cost for demolition, removal, etc. in the Sapporo Ginza Building redevelopment project; and recording of 11.6 billion yen as a difference in liquor tax amount due to revised tax rate category for Goku Zero.

**2015** recorded impairment loss of 3.3 billion yen on idle real estates and employee welfare facilities

(billions of yen)	2014 3Q	2015 3Q	YoY change (amount, %)	
<b>Japanese Alcoholic Beverages</b>	203.4	<b>195.2</b>	(8.1)	(4.0)%
<b>International</b>	37.0	<b>53.2</b>	16.2	43.8%
<b>Food &amp; Soft Drinks</b>	97.6	<b>99.3</b>	1.7	1.7%
<b>Restaurants</b>	20.5	<b>20.5</b>	(0.0)	(0.0)%
<b>Real Estate</b>	16.2	<b>15.2</b>	(1.0)	(6.3)%
<b>Other</b>	4.4	<b>4.4</b>	0.0	0.8%
<b>Consolidated net sales</b>	379.3	<b>388.1</b>	8.7	2.3%
<b>Operating income before goodwill amortization</b>	11.1	<b>9.0</b>	(2.0)	(18.8)%
<b>Japanese Alcoholic Beverages</b>	5.9	<b>3.0</b>	(2.9)	(49.5)%
<b>International</b>	(0.0)	<b>(0.0)</b>	0.0	—
North America, other	1.6	<b>1.5</b>	(0.0)	(1.2)%
Vietnam	(1.6)	<b>(1.6)</b>	0.1	—
<b>Food &amp; Soft Drinks</b>	(1.2)	<b>(0.5)</b>	0.7	—
<b>Restaurants</b>	0.1	<b>0.3</b>	0.2	188.8%
<b>Real Estate</b>	6.2	<b>6.1</b>	(0.1)	(1.8)%
<b>Other</b>	0.2	<b>0.0</b>	(0.1)	(64.5)%
<b>General corporate</b>	(2.9)	<b>(3.0)</b>	(0.1)	—
<b>Consolidated operating income</b>	8.2	<b>5.9</b>	(2.2)	(27.7)%
<b>Consolidated ordinary income</b>	7.6	<b>4.9</b>	(2.7)	(35.6)%
<b>Consolidated net income</b>	(6.6)	<b>1.9</b>	8.5	—



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# Overview of Third-Quarter 2015 Results (3)

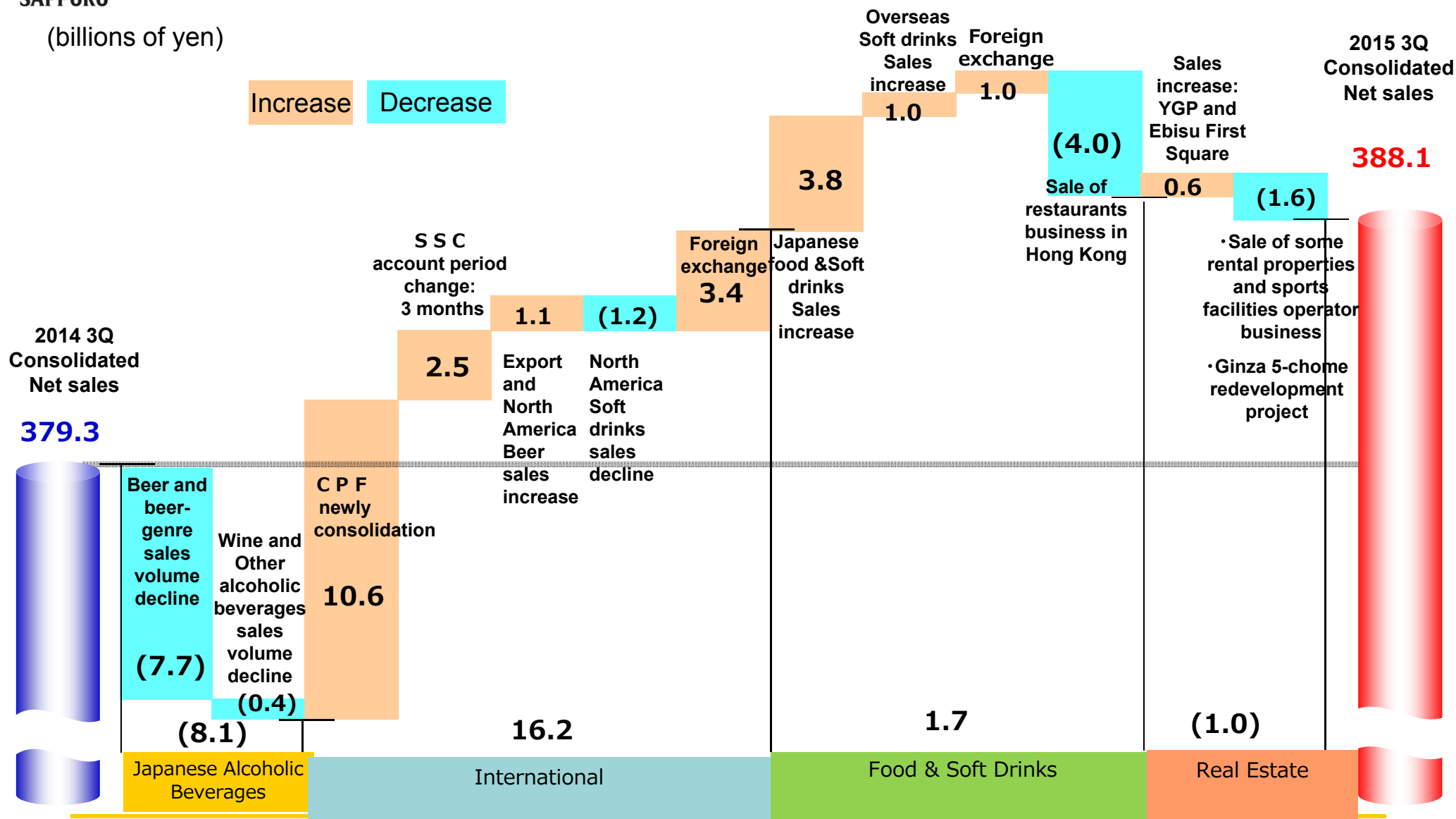
## Factors Contributing to Change in Net Sales

+8.7  
y-o-y

(billions of yen)

Increase

Decrease





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# Overview of Third-Quarter 2015 Results (4)

## Factors Contributing to Change in Operating Income

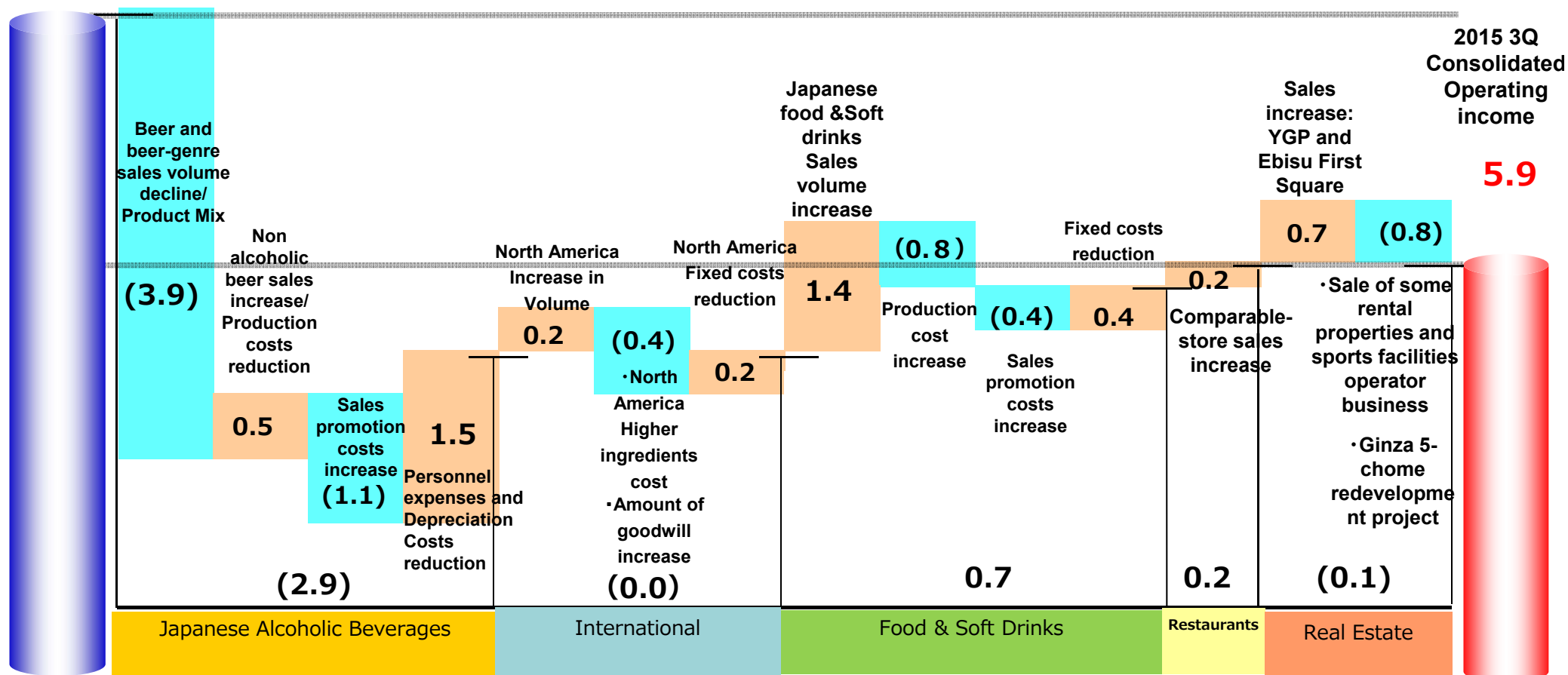
2014 3Q  
Consolidated  
Operating  
income

8.2

(billions of yen)

(2.2)  
y-o-y

Increase Decrease







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# Overview of Third-Quarter 2015 Results (5)

## Implementation Status of Strategic Investments (including ordinary capex, on a cash bases)

### ① <Capital expenditure and lease fees>

**Consolidated total: Approx. ¥20.1 billion**

- Property, plant and equipment, intangible assets, lease fees, etc.

Major items:

- Chiba factory bottling line/logistic center reconstruction (Japanese Alcoholic Beverages) : approx. ¥1.4 billion
- Ojima factory paper pack line upgrade (Japanese Alcoholic Beverages) : approx. ¥0.3 billion
- Nagoya factory acquisition of adjacent land/ Production line (Food & Soft Drinks) : approx. ¥0.6 billion
- Ginza 5-chome redevelopment project construction work (Real Estate): approx. ¥4.0 billion
- Ebisu First Square construction balance (Real Estate): approx. ¥1.8 billion
- Yebisu Garden Place value up (Real Estate): approx. ¥2.2 billion
- Lease fees (Food & Soft Drinks, etc.): approx. ¥2.3 billion

### ② <Other investments>

**Consolidated total: Approx. ¥14.3 billion**

- Long-term prepaid expenses, subsidiaries' shares, investment securities, etc.

Major items:

- Long-term prepaid expenses (Japanese Alcoholic Beverages, Food & Soft Drinks): approx. ¥4.5 billion
- Subsidiaries' shares: approx. ¥8.4 billion  
(acquisition of CPF ¥4.8 billion, etc.)
- Investment securities, etc.: approx. ¥1.4 billion

### ①+② <Jan-Sep 2015 strategic investment total> (incl. ordinary capex, on a cash basis)

- **Approx. ¥34.4 billion**

## Direction of Long-Term Strategic Investment

- We will continue to actively carry out strategic investments for growth.

- **The scale of strategic investment from 2012 to 2016 is anticipated to be ¥150 billion to ¥200 billion (in principle, funded from accumulated operating cash flow).**

### ➤ Changes in Jan-Sep strategic investments

- Including ordinary capex (approx. a half of strategic investments)

- 2012 strategic investment total: Approx. ¥56.4 bn

(Full year: Approx. ¥65.7 bn)

- 2013 strategic investment total: Approx. ¥17.6 bn

(Full year: Approx. ¥23.5 bn)

- 2014 strategic investment total: Approx. ¥21.7 bn

(Full year: Approx. ¥29.5 bn)

- **2015 strategic investment total: Approx. ¥34.4 bn**

**(Full year plan: ¥35.1 billion)**

(annual plan breakdown: capital expenditure worth ¥19.8 bn, other investments worth ¥15.3 bn)

## Financing Status

- In Sep, issued five-year straight bond worth 10.0 billion yen at annual interest rate of 0.33%

- Credit ratings JCR: A- R&I: BBB+

## **3. Revision of 2015 Full-Year Earnings Forecasts**



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# Revision of 2015 Full-Year Earnings Forecasts

## ➤ **Net sales: down ¥11.0 billion from initial forecast**

- Japanese Alcoholic Beverages: revised down the annual sales volume of beer and beer-type beverages. As a result, annual sales forecast was cut by ¥13.2 billion.
- International: consolidating the results of SSC for 15 months from Oct. 2014 to Dec. 2015 in the U.S. soft drinks business due to change in accounting period. In addition, new consolidation of CPF was brought forward by 1 month compared with the initial plan. On the other hand, annual beer sales volume forecast of the Vietnamese business was revised down. As a result, full-year net sales forecast was raised by ¥2.2 billion.

## ➤ **Operating income: down ¥2.0 billion from initial forecast**

- Japanese Alcoholic Beverages: down ¥1.5 billion, although we worked to reduce costs, etc. to supplement the marginal profit decline resulting from the revision of beer and beer-type beverage sales volume forecast.
- International: down ¥0.5 billion due to the reduced beer sales volume forecast of the Vietnamese business.

## ➤ **Ordinary income: down ¥2.0 billion from initial forecast**

- Reduced by ¥2.0 billion reflecting the decline in operating income.

## ➤ **Net income: down ¥2.0 billion from initial forecast**

- Reduced by ¥2.0 billion reflecting the decline in operating income and loss on devaluation of investment securities.

	(billions of yen)	2015 initial forecasts	2015 revised forecasts	Change	2014 results	Change
<b>Japanese Alcoholic Beverages</b>		290.2	277.0	(13.2)	281.8	(4.8)
<b>International</b>		67.8	70.0	2.2	49.6	20.3
<b>Food &amp; Soft Drinks</b>		133.7	133.7	—	133.4	0.2
<b>Restaurants</b>		27.2	27.2	—	26.3	0.8
<b>Real Estate</b>		20.8	20.8	—	21.5	(0.7)
<b>Other</b>		6.0	6.0	—	5.9	0.0
<b>Consolidated net sales</b>		545.7	534.7	(11.0)	518.7	15.9
<b>Operating income before goodwill amortization</b>		20.7	18.7	(2.0)	18.4	0.2
<b>Japanese Alcoholic Beverages</b>		9.5	8.0	(1.5)	10.2	(2.2)
<b>International</b>		1.0	0.5	(0.5)	0.1	0.3
North America, other		2.7	2.7	—	2.3	0.4
Vietnam		(1.7)	(2.2)	(0.5)	(2.1)	(0.1)
<b>Food &amp; Soft Drinks</b>		0.7	0.7	—	0.1	0.5
<b>Restaurants</b>		0.9	0.9	—	0.2	0.6
<b>Real Estate</b>		7.9	7.9	—	7.6	0.2
<b>Other</b>		0.2	0.2	—	0.1	0.0
<b>General corporate</b>		(3.9)	(3.9)	—	(3.9)	0.0
<b>Consolidated operating income</b>		16.3	14.3	(2.0)	14.7	(0.4)
<b>Consolidated ordinary income</b>		15.2	13.2	(2.0)	14.5	(1.3)
<b>Consolidated net income</b>		8.0	6.0	(2.0)	0.3	5.6

## **Reference: Supplementary Information to Third-Quarter 2015 Results and Data**

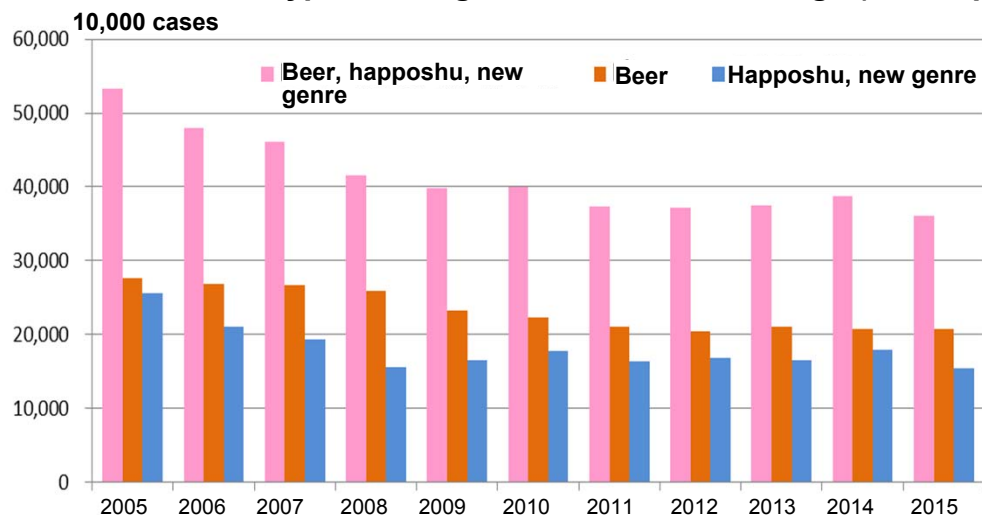
**\*For information on the profitability of each business, please see the  
Supplementary Information to our Earnings Report.**



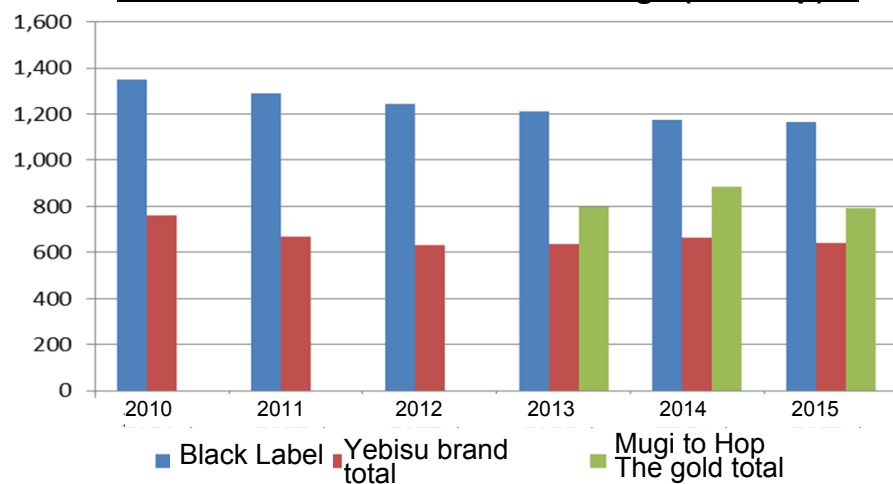
# Reference Material (1) Japanese Alcoholic Beverages: Beer and Beer-type Beverages Data

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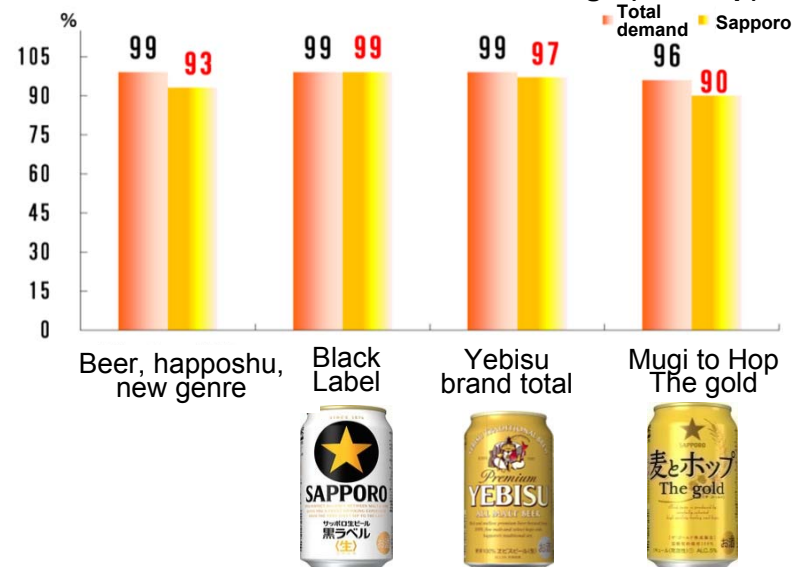
## <Beer and beer-type beverages sales volume change (Jan-Sep)>



## <3 core brand sales volume change (Jan-Sep)>



## <Core brand sales volume Y-o-Y change (Jan-Sep)>



## <4Q highlights>

### <Yebisu brand extension>

#### Yebisu Fuyu no Koku

Limited to year-end gifts  
Partly using winter barley malt. Deep golden color and rich taste



#### Fukami Ajiwau Yebisu

Increased malt  
Aged about twice longer  
Deep body, concentrated flavor



### <100% malt beer's 30th anniversary this year>

#### Sapporo Classic



Malt 100%, distribution limited to Hokkaido

**Continuous sales increase for 14 years (2014)**  
up 8% in Jan-Sep y-o-y

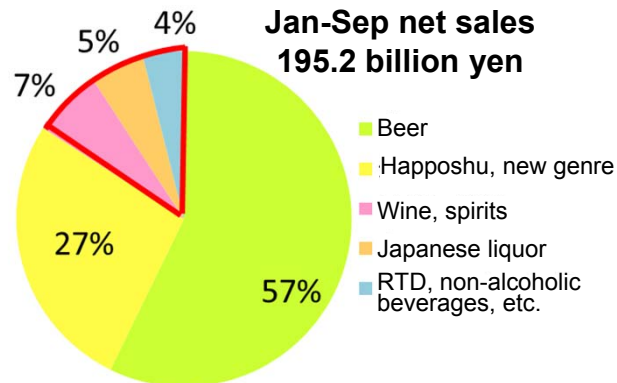


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# Reference Material (2) Japanese Alcoholic Beverages: Multilayers

## Promoting diversification of product offerings

### <Japanese Alcoholic Beverage Business Jan-Sep sales breakdown by category>



### High-end Japanese wine Grande Polaire series



### Strategic partnership agreements with Treasury Wine Estates Japan (TWE) and Taittinger

- Proposing global brands to the growing fine wine\* market
- Sales agreement of seven additional brands with TWE
- Sales agreement with world-class champagne manufacturer Taittinger

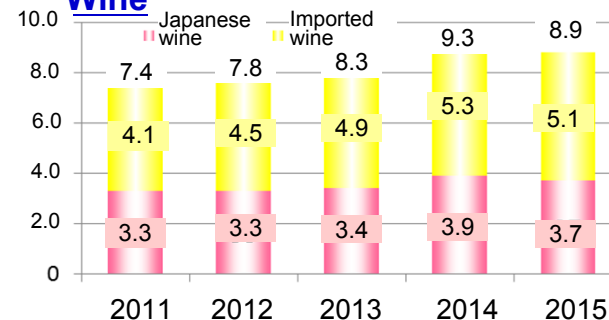
\*Medium to high-end wines priced 1,500 yen or above

#### [TWE's core brands]

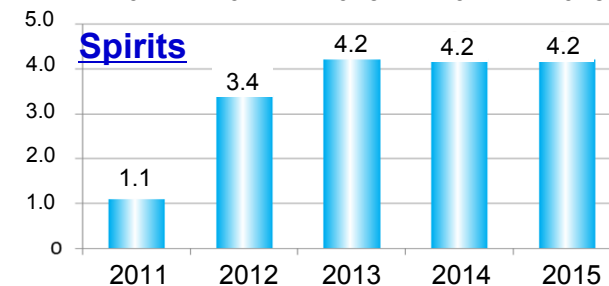
- Penfolds: Australian wine
- Matua: New Zealand wine
- Chateau St. Jean: American wine



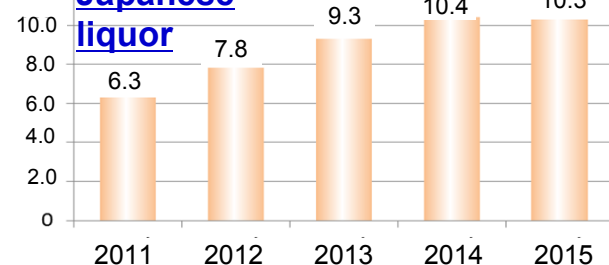
### Wine Jan-Sep sale value (billions of yen)



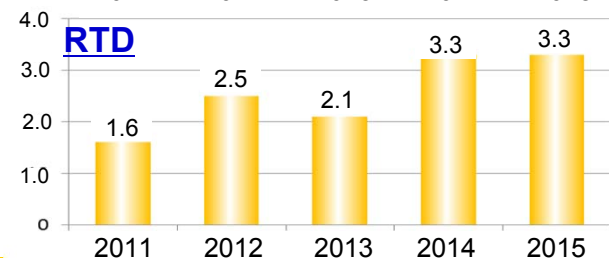
### Spirits



### Japanese liquor



### RTD



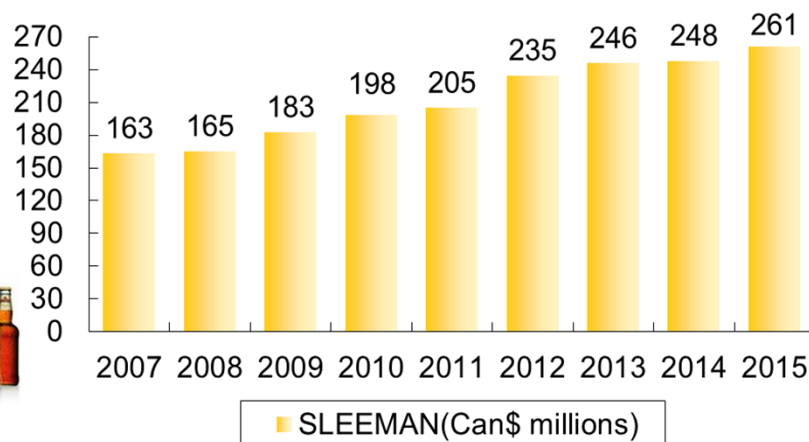




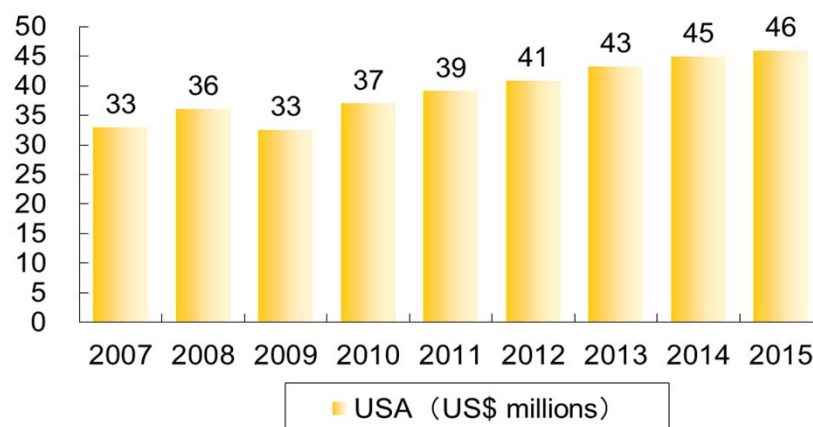
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## Reference Material (3) International: Data

**SLEEMAN Net Sales in Local Currency (Jan-Sep)**  
(before elimination of inter-company transactions)

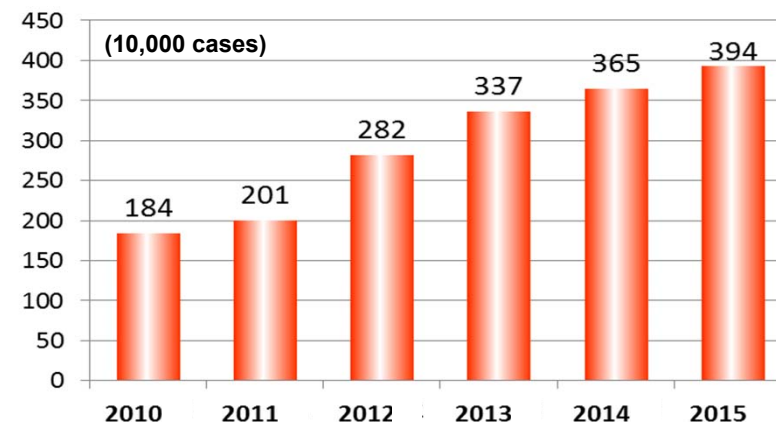


**Sapporo USA Net Sales in Local Currency (Jan-Sep)**  
(before elimination of inter-company transactions)

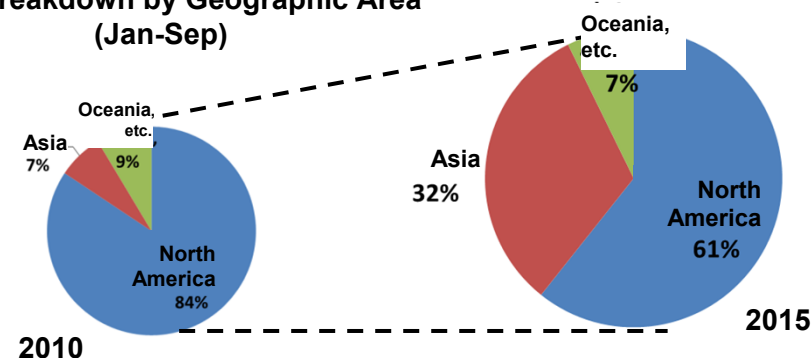


## Overseas expansion of SAPPORO brand

**Trend of overseas sales volume of SAPPORO brand products (Jan-Sep)**



**Sales Breakdown by Geographic Area (Jan-Sep)**



North America: Canada, U.S.

Asia: Vietnam, Singapore, South Korea, etc.

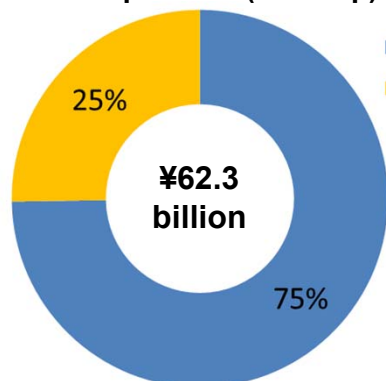
Oceania, etc.: Australia, Europe, etc.

# Reference Material (4) Food & Soft Drinks: Data

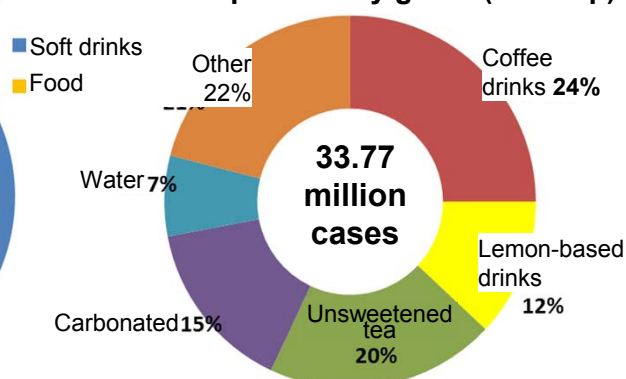
## Food & Soft Drinks

### <Soft Drinks (Japan): POKKA SAPPORO Food & Beverage Ltd.>

POKKA SAPPORO Food & Beverage sales composition (Jan-Sep)



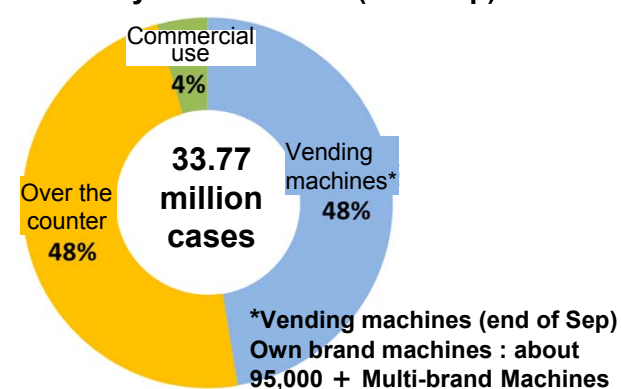
Japanese soft drinks sales volume composition by genre (Jan-Sep)



### <Lemon-based drinks>



Japanese soft drinks sales composition by sales channel (Jan-Sep)



### <Restaurants (Domestic): POKKA CREATE Co., Ltd.>

### <Soft Drinks (overseas): POKKA Corporation (Singapore) Pte. Ltd.>

#### <Singaporean non-chilled juice market>



2014 (Apr. 2014 to Mar. 2015)  
Achieved top market share \*

It is growing into the revenue pillar  
following tea drinks

\*Based on Nielsen MarketTrack  
(Copyright C 2015, The Nielsen Company)

- CAFÉ de CRIÉ has been actively pursuing opening new outlets in new areas and proposal of new menu items. Net sales have been up 6% on year and strong
- Aiming to expand in new markets such as intra-hospital and suburban-type cafes.

Outlets: 184 (as of Sep 30, 2015)  
(Directly operated: 95 outlets; FC: 89 outlets)  
Hokkaido 3, Kanto 101, Tokai 37  
Kansai 32, Kyushu 8, Shikoku 3





**As an intrinsic part of people's lives, Sapporo will contribute to the evolution of creative, enriching and rewarding lifestyles.**



The earnings forecasts and forward-looking statements appearing in this document were prepared by the SAPPORO Group based on currently available information and its best assessment of potential risks and uncertainties. Actual outcomes may differ materially from forecasts due to changes in various underlying factors.