



SAPPORO

Sapporo Group Business Results Presentation for the Nine Months Ended September 30, 2021

*In this document, the following company name abbreviations are used:

SH: Sapporo Holdings Limited SB: Sapporo Breweries Ltd. SLN: Sapporo Lion Limited.

PS: Pokka Sapporo Food & Beverage Ltd. SRE: Sapporo Real Estate Co., Ltd.

November 5th 2021

URL <https://www.sapporoholdings.jp/en/>

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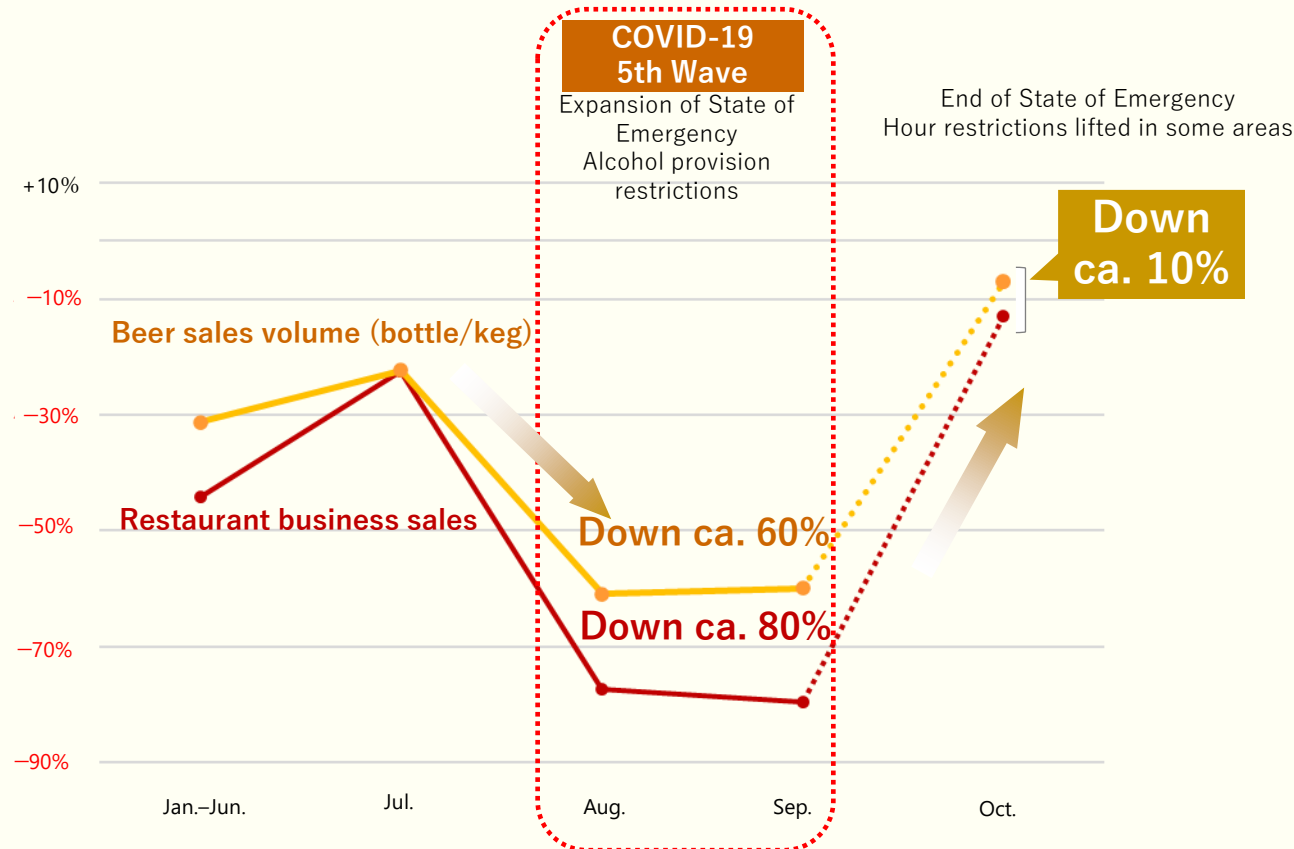
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Key Factors of 2021 3Q Results and Full-year Earnings Forecast

SB commercial-use beer and restaurant business results for 2021 3Q and current status

Restrictions on alcoholic beverage provision due to the state of emergency had an unexpected impact on the peak season for the alcoholic beverages business. However, the restaurant market has been recovering drastically since October with the end of the state of emergency.

Beer sales volume (bottle/keg) and restaurant business sales (YoY)



*Calculated from preliminary simple cumulative sales value of SLN

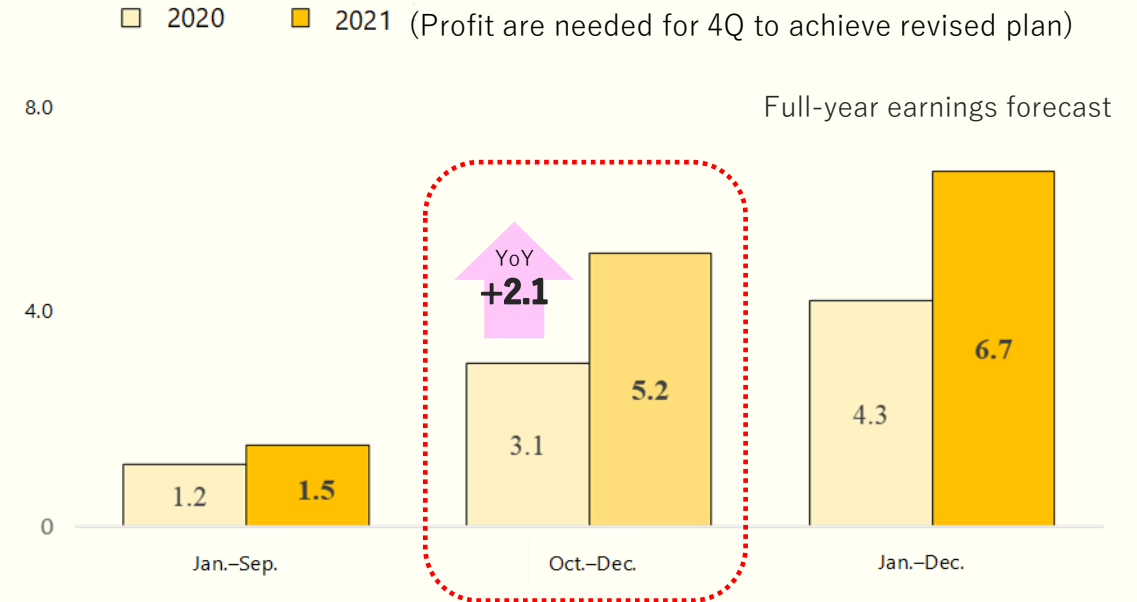
Full-year earnings forecast*: **Unchanged**

Toward fulfilling the core operating profit plan*

➔ Need to increase profit by **¥2.1 billion** YoY for 2021 4Q.

Core operating profit (YoY)

(billions of yen)



*Revised full-year earnings forecast and profit plan (Released on August 6, 2021)

Business Results

Review of the Nine Months Ended September 30, 2021: Results



- ▶ Sales of canned beer, lemon-based products, and plant-based milk products remained solid. RTD and Sapporo brand sales in North America rose strongly.

Black Label brand canned product sales volume



Up **14%** YoY

Yebisu brand canned product sales volume



Up **4%** YoY

RTD sales volume



Up **56%** YoY

North America Sapporo Brand sales volume



Up **28%** YoY

Lemon-based products sales



Up **10%** YoY

Soy beans and chilled products sales



Up **6%** YoY

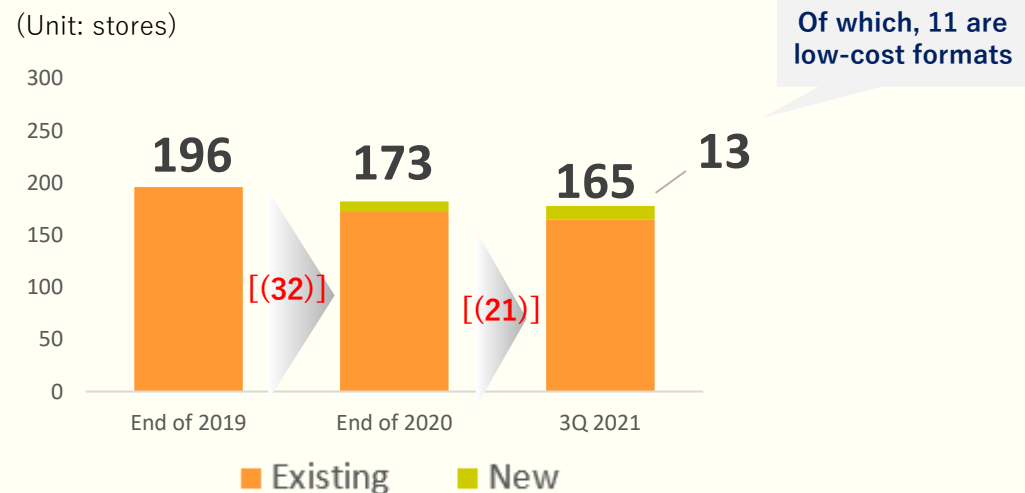
Progress of structural reforms

Restaurant Business: Progress in efforts to reform the break-even point

Along with closing unprofitable stores and opening low-cost format stores, continuing replacement of store portfolio to lower break-even point

→ Establish profit structure to achieve profitability with sales of about 70% compared to the 2019 level

<Change in number of stores in restaurant business>



Figures in parentheses show number of unprofitable stores closed

Liquidation of owned properties for 2021 3Q



Liquidated part of owned real estate (multiple properties)

Approx. **35.4** billion yen converted to cash

Approx. **23.1** billion yen of latent gains realized

Effect of implementing early retirement incentive program

(compared to 2020)

(billions of yen)

	SB	PS	SLN	Total
Amount of impact on core operating profit				
2021 3Q (results)	+0.6	+0.5	+0.4	+1.6
Full-year 2021 (forecast)	+0.8	+0.8	+0.6	+2.1
2022 onward (forecast)	+1.0	+1.1	+0.7	+2.8

Review of the Nine Months Ended June 30, 2021: Issues

- Commercial-use beer and restaurant business are sluggish due to shortened operating hours and restrictions on the provision of alcoholic beverages.
Office occupancy rate declined from worsening market conditions.

Beer (bottles · kegs) sales volume



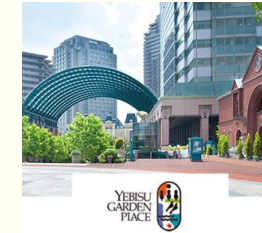
Down **37%** YoY

Restaurants sales



Down **50%** YoY

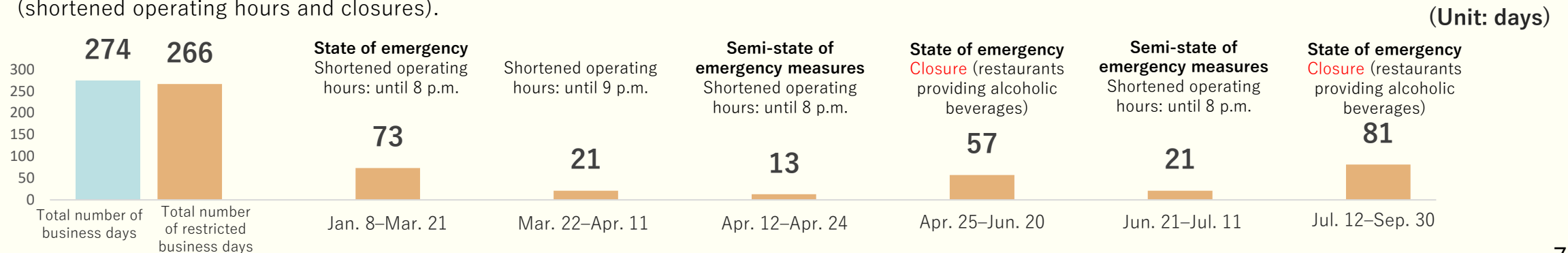
Yebisu Garden Place office occupancy rate



Office occupancy rate **92%**
(average occupancy during the fiscal year under review)

Reference: Jan–Sep 2021 Business Restrictions at Restaurants (Tokyo)

➔ In the restaurant business, **about 97%** (266/274 days) of business days were subject to business restrictions (shortened operating hours and closures).



Results Highlight



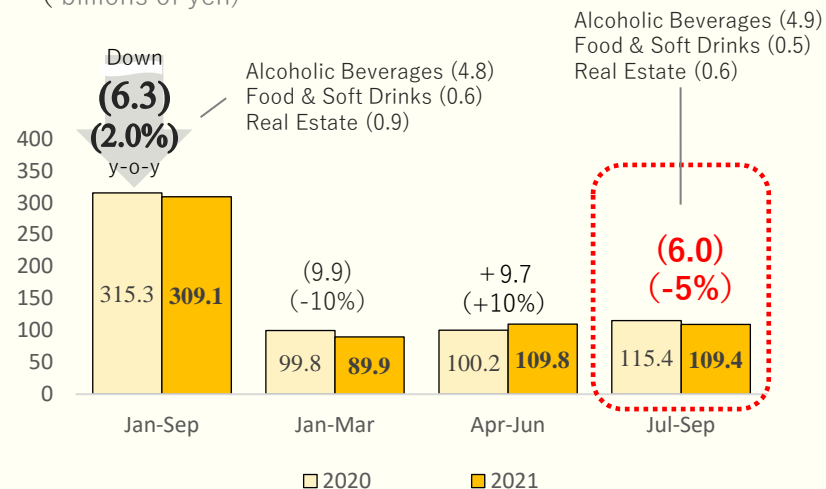
(billions of yen)	2020 3Q Result	2021 3Q Result	YoY changes (amount)	YoY changes (%)
Revenue	315.3	309.1	(6.3)	(2.0%)
Revenue (Excluding liquor tax)	238.4	234.5	(3.9)	(1.7%)
Overseas revenue	48.9	54.7	5.8	11.8%
EBITDA	18.4	16.9	(1.5)	(8.1%)
Core operating profit	1.2	1.5	0.4	31.7%
Core operating profit margin	0.4%	0.5%	0.1%	—
Operating profit	(2.0)	23.9	26.0	—
Profit attributable to owners of parent	(0.9)	15.7	16.7	—
D/E ratio (times) ※Net	1.3	1.1	(0.2)	—

The balance of debt excludes the balance of lease obligations.

On a recovery track until 2Q, but sales and profits fell in 3Q (Jul-Sep) due to the impact of COVID-19.

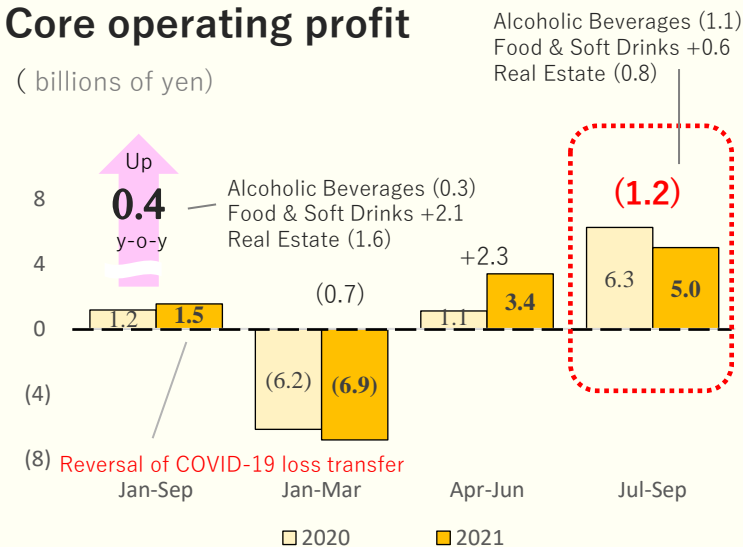
Revenue

(billions of yen)



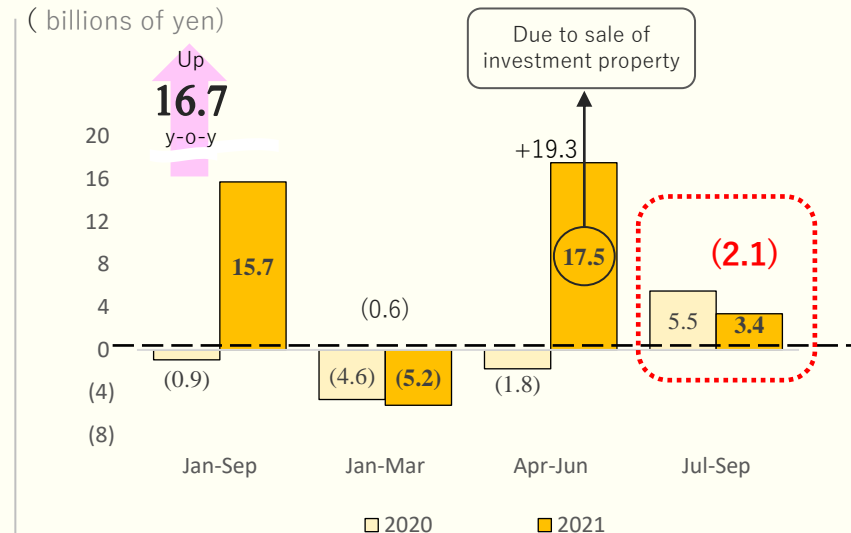
Core operating profit

(billions of yen)



Profit attributable to owners of parent

(billions of yen)



- **Alcoholic Beverages:** Domestic home-use products and overseas business saw growth. However, commercial-use beer sales and restaurant business were more affected by COVID-19 than before.
- **Food & Soft Drinks:** Sales of lemon-based products and plant-based milk products remained steady, while sales of domestic soft drinks struggled due to COVID-19 and bad weather.
- **Real Estate:** Office occupancy rate declined as market conditions deteriorated and some tenants left in 2020.

- The decrease in sales and the reversal of COVID-19 loss transfer ((1.8) billion yen) were covered by the effects of cost structure reforms and cost controls ongoing since last year, leading to an increase in profit for the nine months.

- Profit increased significantly due to sale of investment property.

Results Highlight: Impact on Restaurant-Related Companies

Overall profit levels are still being weighed down by struggling restaurant-related companies. However, sales in the restaurant business improved from 2020 thanks to the effects of structure reforms, covering a significant decrease in sales.

Breakdown showing core operating profit for restaurants-related business and other businesses

Consolidated: (1) + (2)

Persistent **difficulties in restaurant-related business**

(billions of yen)



□ 2020 ■ 2021

Jan-Sep

Excl. restaurant-related companies*: (1)

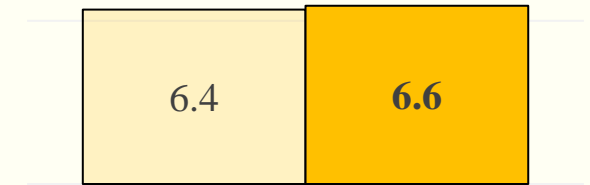
Restaurant-related companies* only: (2)

Despite the effects of structure reform and the recovery of the coffee shop market, **losses in the restaurant-related business** continue.

*Restaurant-related companies

Restaurant business (Sapporo Lion Group)
Shinseien, Pokka Create

(billions of yen)



□ 2020 ■ 2021

Jan-Sep

(billions of yen)



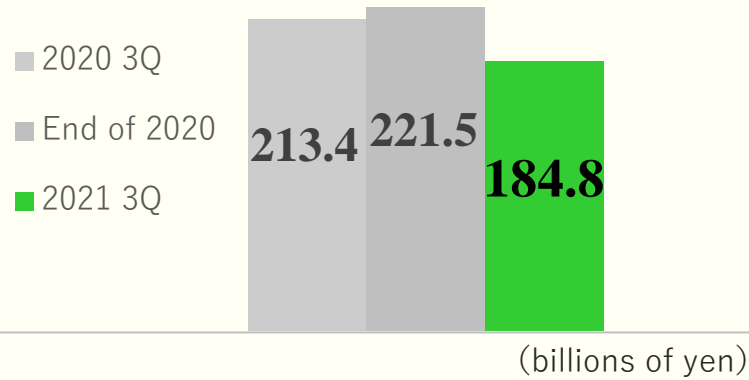
□ 2020 ■ 2021

Jan-Sep

Up
0.2
y-o-y

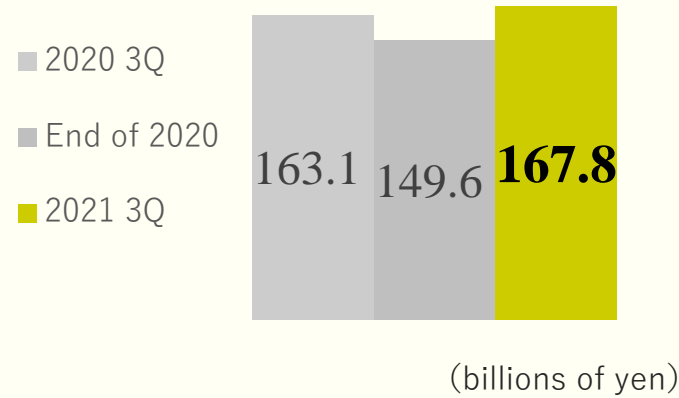
Results Highlight

Balance of net debt

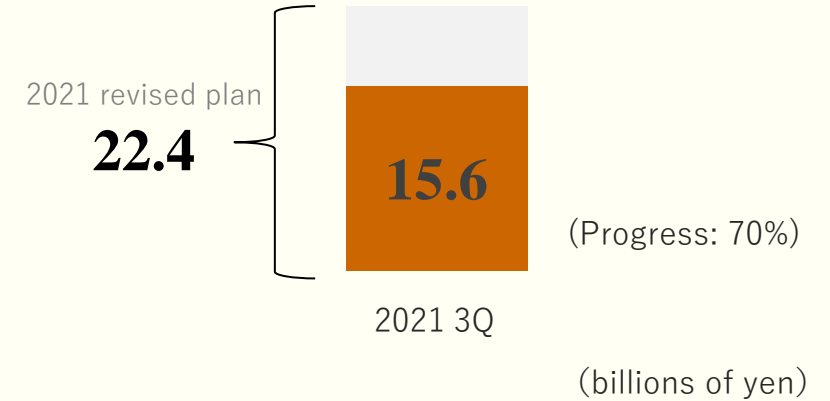


D/E ratio (net) 1.1 X Down 20% YoY

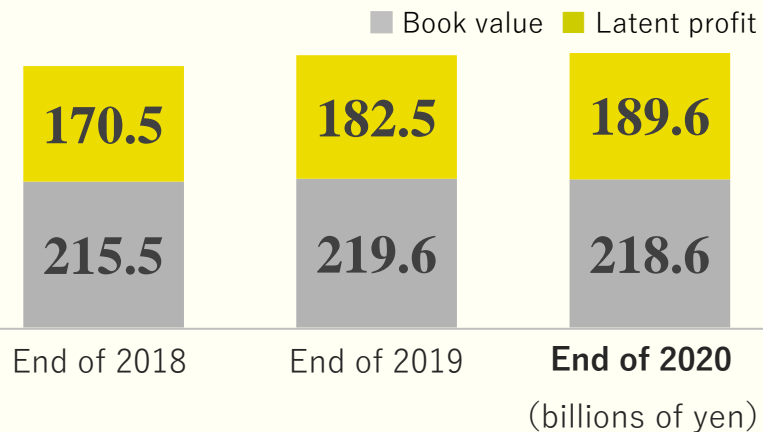
Equity



Capital expenditure (cash basis)



Market value info on investment properties



Transformation of the Group management platform and Group topics




- Notice of the Board of Directors' resolution on application for new stock market segment "Prime Market"
https://www.sapporoholdings.jp/en/news/items/20210908_SH_e.pdf
- Formulation of Sapporo Group Plastics Policy (released on October 5, 2021)
<https://www.sapporoholdings.jp/news/dit/?id=8849>

Revenue by Segment



(billions of yen)	2020 3Q Result	2021 3Q Result	YoY changes (amount)	YoY changes (%)
Revenue by Segment	315.3	309.1	(6.3)	(2.0%)
Alcoholic Beverages	206.8	202.0	(4.8)	(2.3%)
Japanese	163.7	158.3	(5.4)	(3.3%)
Overseas	34.8	39.5	4.7	13.6%
Restaurants	8.3	4.2	(4.1)	(49.9%)
Food & Soft Drinks	91.0	90.4	(0.6)	(0.6%)
Real Estate	17.5	16.5	(0.9)	(5.4%)
Other	0.1	0.1	(0.0)	(0.0%)

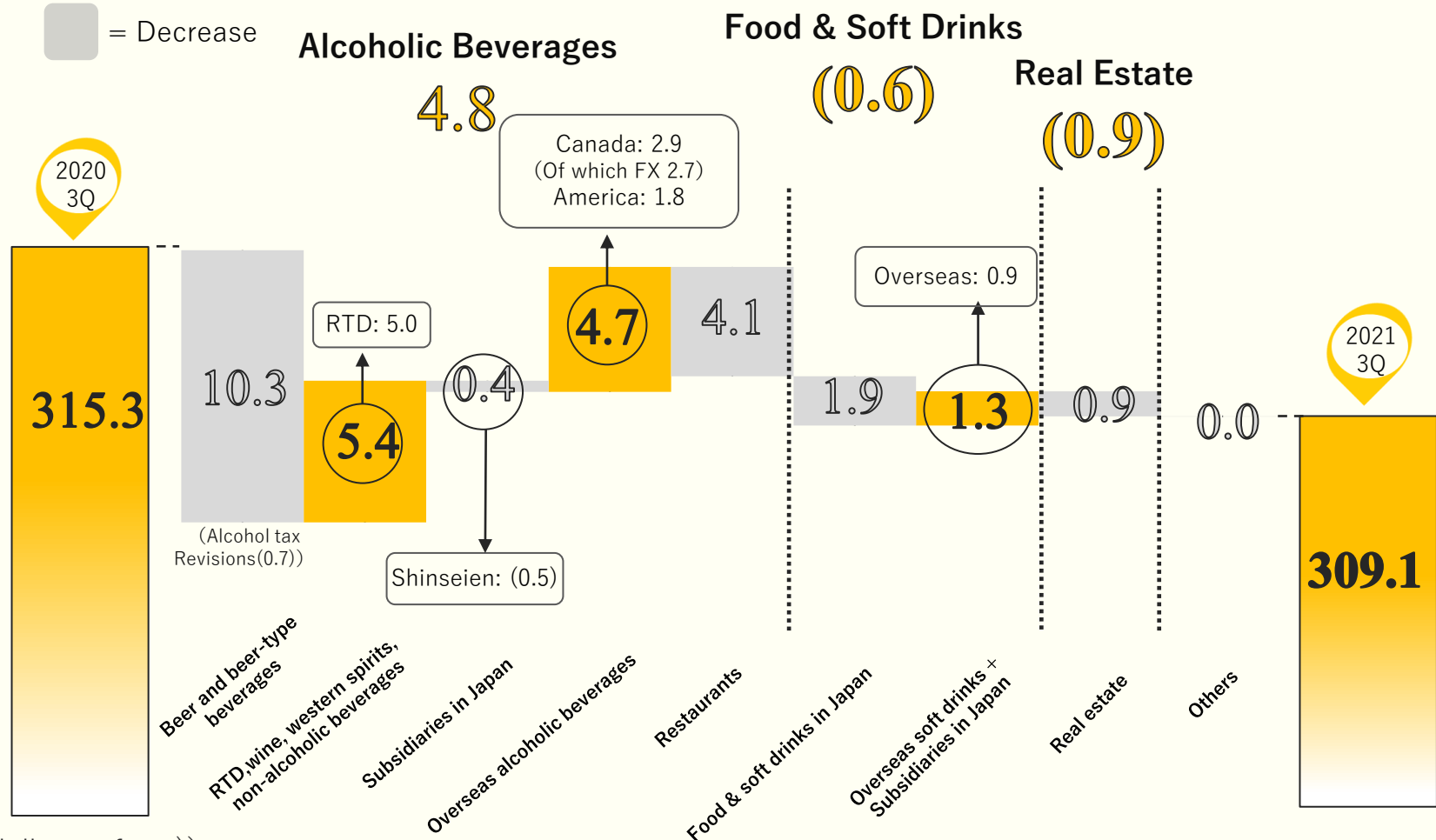

 Factors are explained
in the next slide

Main Contributors to Changes in Revenue



Revenue of RTD, overseas alcoholic beverages and soft drinks rose, but overall revenue declined due to struggling commercial-use beer and restaurant business (down 6.3 billion yen).

= Increase
 = Decrease



(billions of yen)

	YoY Changes			
	Total	1 Q	2 Q	3 Q
Total	(6.3)	(9.9)	9.7	(6.0)
Alcoholic Beverages	(4.8)	(6.7)	6.9	(4.9)
Japanese	(5.4)	(3.9)	3.4	(4.9)
Beer and beer-type beverages	(10.3)	(4.3)	1.0	(7.0)
Beer	(7.7)	(4.1)	1.4	(5.0)
Happoshu	(0.4)	(0.1)	(0.2)	(0.1)
New genre products	(2.2)	(0.1)	(0.2)	(1.9)
RTD, wine, western spirits, non-alcoholic beverages	5.4	1.0	2.5	1.8
RTD	5.0	1.3	1.8	2.0
Wine, western spirits, non alcoholic beverages	0.3	(0.2)	0.7	(0.2)
Subsidiaries in Japan	(0.4)	(0.7)	(0.1)	0.4
Overseas	4.7	(0.1)	3.2	1.6
Restaurants	(4.1)	(2.7)	0.3	(1.7)
Food & Soft Drinks	(0.6)	(2.8)	2.7	(0.5)
Food & soft drinks in Japan	(1.9)	(1.9)	0.9	(0.9)
Overseas soft drinks + Subsidiaries in Japan	1.3	(0.9)	1.7	0.5
Café de Crié, Blue Seal	0.3	(0.6)	0.7	0.2
Overseas soft drinks + Subsidiaries in Japan	1.0	(0.3)	1.0	0.2
Real Estate	(0.9)	(0.4)	0.1	(0.6)
Others	(0.0)	0.0	(0.0)	(0.0)

(billions of yen))

Core Operating Profit by Segment



(billions of yen)	2020 3Q Result	2021 3Q Result	YoY changes (amount)	YoY changes (%)
Core Operating Profit by Segment	1.2	1.5	0.4	31.7%
Alcoholic Beverages	0.3	0.0	0.3	(85.9%)
Japanese	3.8	2.4	(1.4)	(37.0%)
Overseas	0.4	1.6	1.2	(269.1%)
Restaurants	(4.1)	(3.9)	0.1	—
Food & Soft Drinks	(2.3)	(0.3)	2.1	—
Real Estate	8.0	6.4	(1.6)	(20.0%)
Other • General corporate and intercompany eliminations	(4.8)	(4.6)	0.2	—

Factors are explained
in the next slide

Main Contributors to Changes in Core Operating Profit

While profit declined in commercial-use beer, new-genre beer, and the Real Estate business, growth in RTD, recovery overseas, and cost controls resulted in an increase of 0.4 billion yen in profit.

→ Also covered a reversal of 1.8 billion yen of COVID-19 loss transfer*

(billions of yen)

= Increase
 = Decrease

Alcoholic Beverages

(0.3)

Food & Soft Drinks

2.1

Real Estate

(1.6)

*Total (1.0) (Japan alcoholic beverages (0.8), overseas alcoholic beverages (0.3), restaurants +0.1)

*Total (0.4)

*Total (0.3)

Sales promotion costs: 0.4
 Personnel and facilities costs: 2.4
 (Of which, impacts from impairment loss: 1.5)

Sales promotion costs: (0.6)
 Personnel and facilities costs: 0.9

Canada: 0.7
 U.S.: 0.5

Fixed costs: 3.2

1.1

2.7

Overseas: 0.3

1.6

0.2

2021 3Q

1.5

2020 3Q

1.2

3.6

1.6

0.3

0.2

1.2

0.1

Beer Marginal Profit

RTD,wine, western spirits, non-alcoholic beverages

Fixed costs

Subsidiaries in Japan

Overseas alcoholic beverages

Restaurants

Margin Profit of food & soft drinks in Japan

Fixed costs

Overseas soft drinks+ Subsidiaries in Japan

Real estate

Intercompany eliminations and other groupwide expenses

Total	YoY Changes			
	Total	1Q	2Q	3Q
Total	0.4	(0.7)	2.3	(1.2)
Alcoholic Beverages	(0.3)	(0.4)	1.3	(1.1)
Japanese	(1.4)	(0.1)	0.7	(2.0)
Beer Marginal Profit	(3.6)	(1.8)	0.4	(2.2)
Sales of beer and beer-type beverages	(1.8)	(1.2)	0.9	(1.4)
Sales of happoshu	(0.2)	(0.0)	(0.1)	(0.1)
Sales of genre products	(2.7)	(0.6)	(0.6)	(1.5)
Difference in beer sales composition by container type + manufacturing costs	1.1	0.1	0.2	0.7
RTD,wine, western spirits, non-alcoholic beverages	1.6	0.1	0.7	0.9
Fixed costs	0.3	1.3	(0.6)	(0.4)
Subsidiaries in Japan	0.2	0.2	0.3	(0.2)
Overseas	1.2	0.3	0.4	0.4
Restaurants	0.1	(0.5)	0.2	0.5
Food & Soft Drinks	2.1	0.3	1.2	0.6
Marginal Profit of food & soft drinks in Japan	(1.1)	(0.8)	0.3	(0.6)
Sales of food & soft drinks in Japan	0.1	(0.6)	0.6	0.0
Manufacturing costs	(1.1)	(0.2)	(0.4)	(0.6)
Fixed costs	2.7	1.2	0.5	1.0
Overseas soft drinks +Subsidiaries in Japan	0.4	(0.1)	0.4	0.2
Real Estate	(1.6)	(0.5)	(0.3)	(0.8)
Intercompany eliminations and other groupwide expenses	0.2	(0.1)	0.2	0.1

Profit attributable to owners of parent

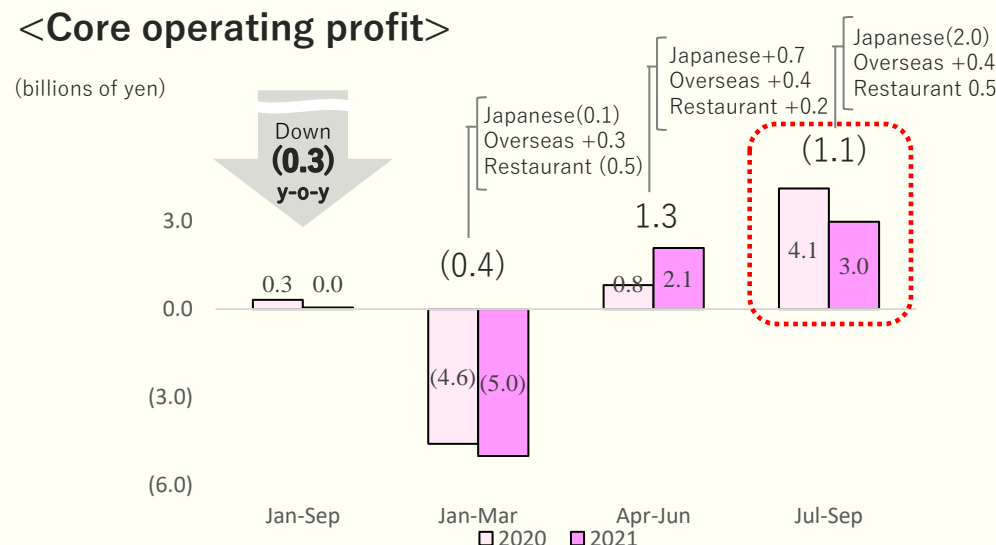
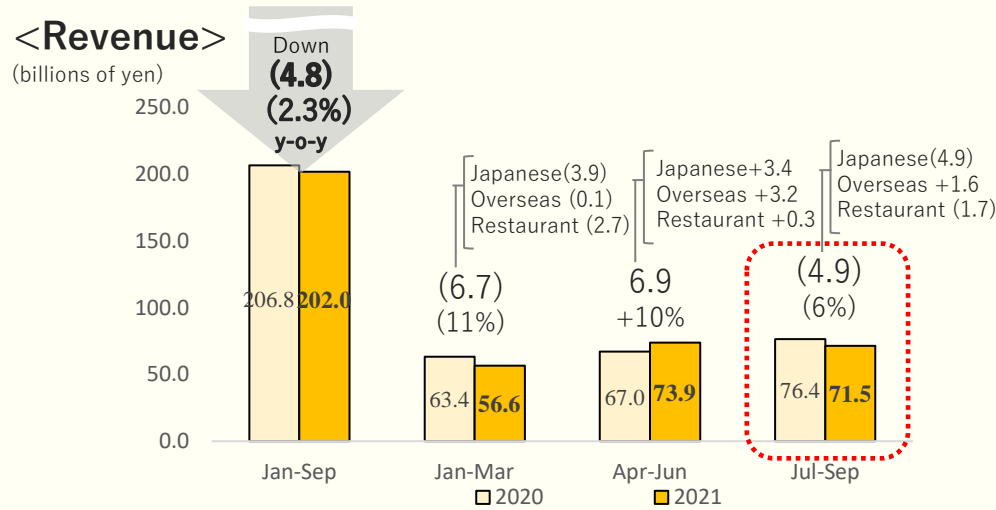


(billions of yen)	2020 3Q Result	(Details)	2021 3Q Result	(Details)
Core operating Profit	1.2		(1.5)	
Other operating income	2.7	Gain on sales of non-current assets: 1.0 billion yen	25.5	Gain on sales of non-current assets: 23.2 billion yen COVID-19 related subsidies: 1.9 billion yen
Other operating expenses	5.9	Coronavirus losses 3.6 Early retirement program lump sum payments 1.2	3.1	Coronavirus losses 1.6
Operating Profit	(2.0)		23.9	
Profit before tax	(2.9)		23.9	
Income taxes	(1.7)		8.2	
Profit	(1.2)		15.7	
Loss attributable to non-controlling interest	(0.2)		(0.1)	
Profit attributable to owners of parent	(0.9)		15.7	

Alcoholic Beverages



- While sales of home-use beer, RTD, and international alcoholic beverages remain strong, commercial-use beer and the restaurant business were sluggish due to COVID-19. Progress with cost structure reforms led to a slight decrease in profit.



Positive

- Sales of canned beer, RTD products, and RTS products were steady.
- In the U.S., sales of home-use products were strong, while sales of commercial-use products recovered (SPB* recovered to 2019 level).
- Sleeman Breweries in Canada showed strong performance (up 26% YoY) driven by brisk sales of Sleeman Clear. Profit margin improved with a renewed product portfolio, and sales of RTD products also grew (sales volume ca. 3.5 times YoY).
- Cost structure reforms in the restaurant business helped core operating profit to improve from 2020.

* SPB: Sapporo Premium Beer

Negative

- Commercial-use beer and restaurants struggled due to restrictions on the provision of alcoholic beverages.
- The new-genre beer market overall slumped despite strong sales of GOLD STAR (up 5% YoY).
- Increased ocean freight rates squeezed profits in the U.S.
- Canned Anchor products sold briskly, but bottled and keg beer products struggled.

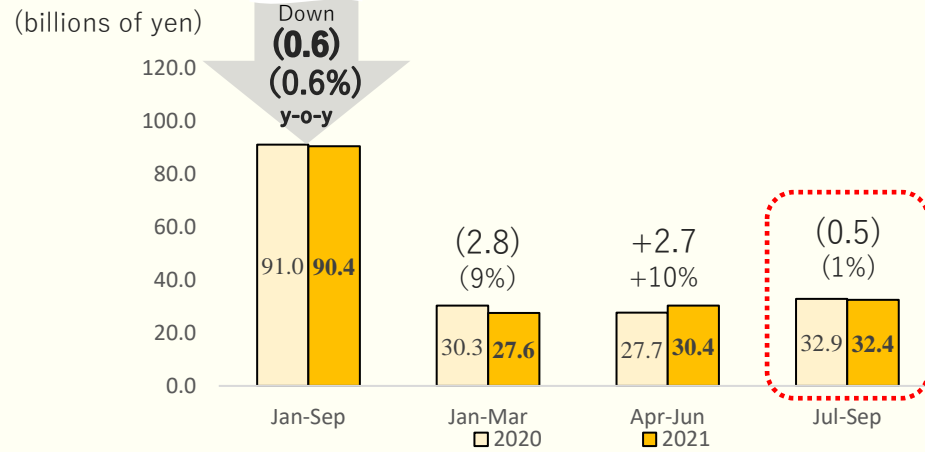
<Future initiatives>

- Strengthen products for home-use, including beer and RTD products, and promote initiatives to improve earnings of commercial-use products.
- Bolster RTD sector, including SoCIAL LITE, and expand the ratio of mid- to high-priced beer in Canada's market.
- Strengthen home-use products and expand sales of Anchor products in the U.S.
- Responds to the market recovery, and expand and develop the low-cost format stores in the restaurant business.

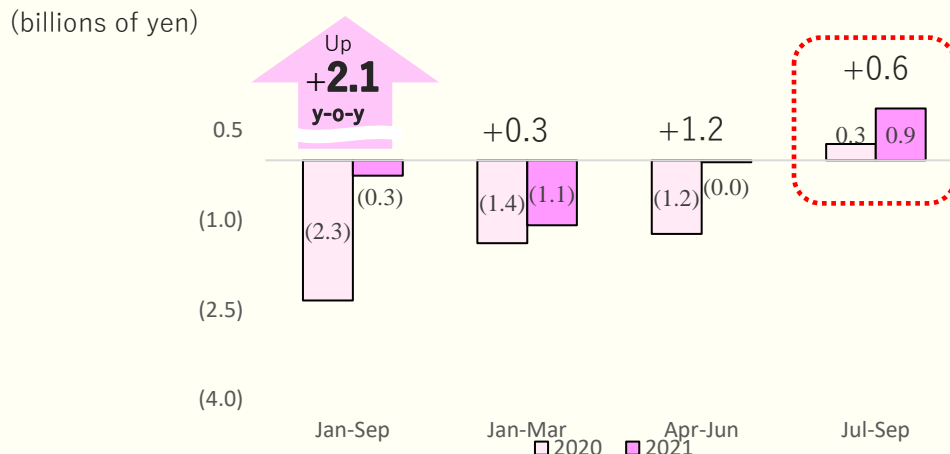
Food & Soft Drinks

- ▶ In Japan, sales of lemon-based products were strong, while soft drinks and some vending machine locations struggled due to bad weather and COVID-19. Profit increased thanks to the recovery overseas, a reduction in depreciation due to the previous year's impairment, and cost controls.

<Revenue>



<Core operating profit>



Positive

Negative

- Continued strong sales of lemon-based products and plant-based milk products.
- Continued concrete discussions for business alliance with Yakult.
- Overseas, sales and profits increased due to the recovery of the commercial-use market, EC channel growth, and cost reductions.
- Soft drink sales struggled in the summer due to bad weather and the extended state of emergency.
- Restaurant (Pokka Create, Blue Seal) sales exceeded the 2020 levels, but did not recover to the level prior to COVID-19.

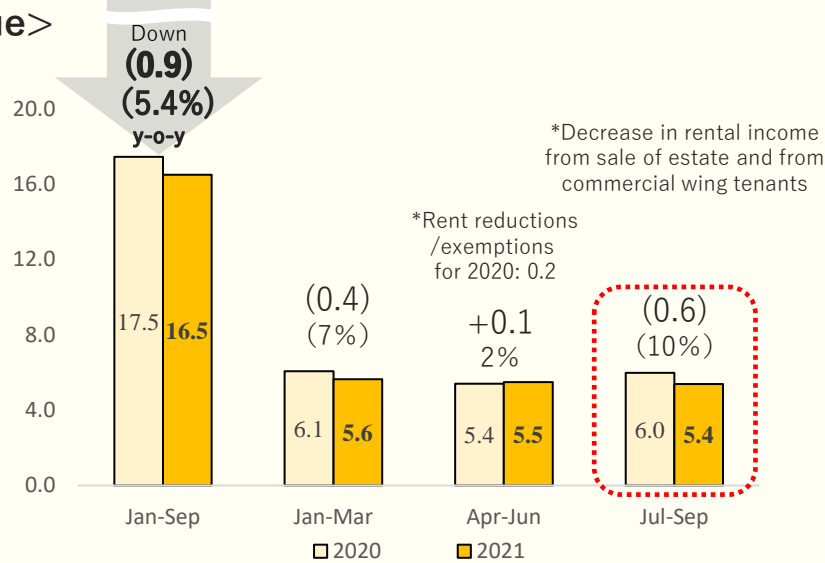
<Future initiatives>

- Further expand the lemon-based product market, and maintain and gain market share.
- Enlarge plant-based milk product market and improve profitability.
- Focus on soups and hot beverages, which are entering their peak season, and control costs.
- Promote structure reforms of unprofitable businesses.
- Create business alliance with Yakult.

Revenues and profits declined due to worsening office market conditions and impact of some tenants leaving.

<Revenue>

(billions of yen)



Positive

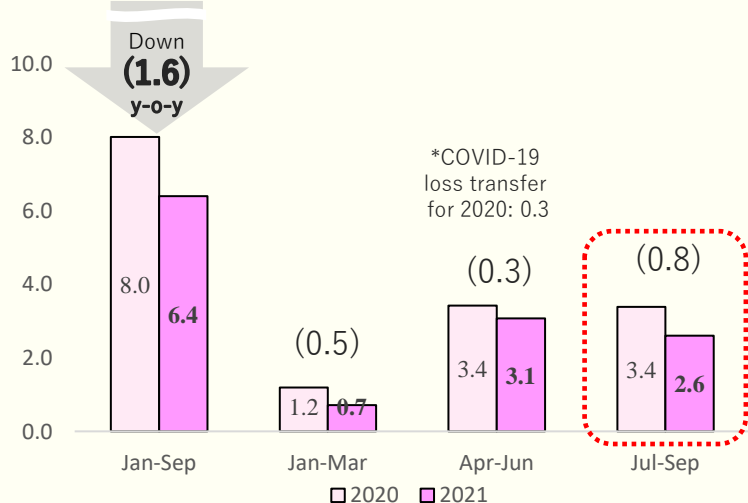
- Progressed with leasing of 60% of all lots in Yebisu Garden Place Tower (commercial wing*) ahead of remodeling (over 90% of tenants are already taken up in commercial zone).
 - Realized latent gains through sale of owned real estate.
 - Promoted initiatives to enhance value of owned properties.
- *The remodeled commercial wing will have an office zone.

Negative

- Declining occupancy rate of offices at Yebisu Garden Place Tower (average occupancy during quarter under review: 92%).
- Temporary decrease in rental income from 3Q due to former commercial wing tenants leaving.

<Core operating profit>

(billions of yen))



<Future initiatives>

- Strengthen leasing in office zone of Yebisu Garden Place Tower commercial wing.
- Promote initiatives to strengthen office wing leasing and improve functional value.
- ➡ Challenging market conditions expected to continue for foreseeable future, and assumed that the occupancy rate will remain at current level in 2022.
- Increase profitability by reshuffling the property portfolio.
- Increase earnings in new business domains.

Changes in Balance Sheets



▶ Total assets decreased ¥39.5 billion from year end

■ Cash and cash equivalents

■ Trade receivables

➢ Impact of seasonal factors and bank holidays

■ Inventories

■ Other current assets

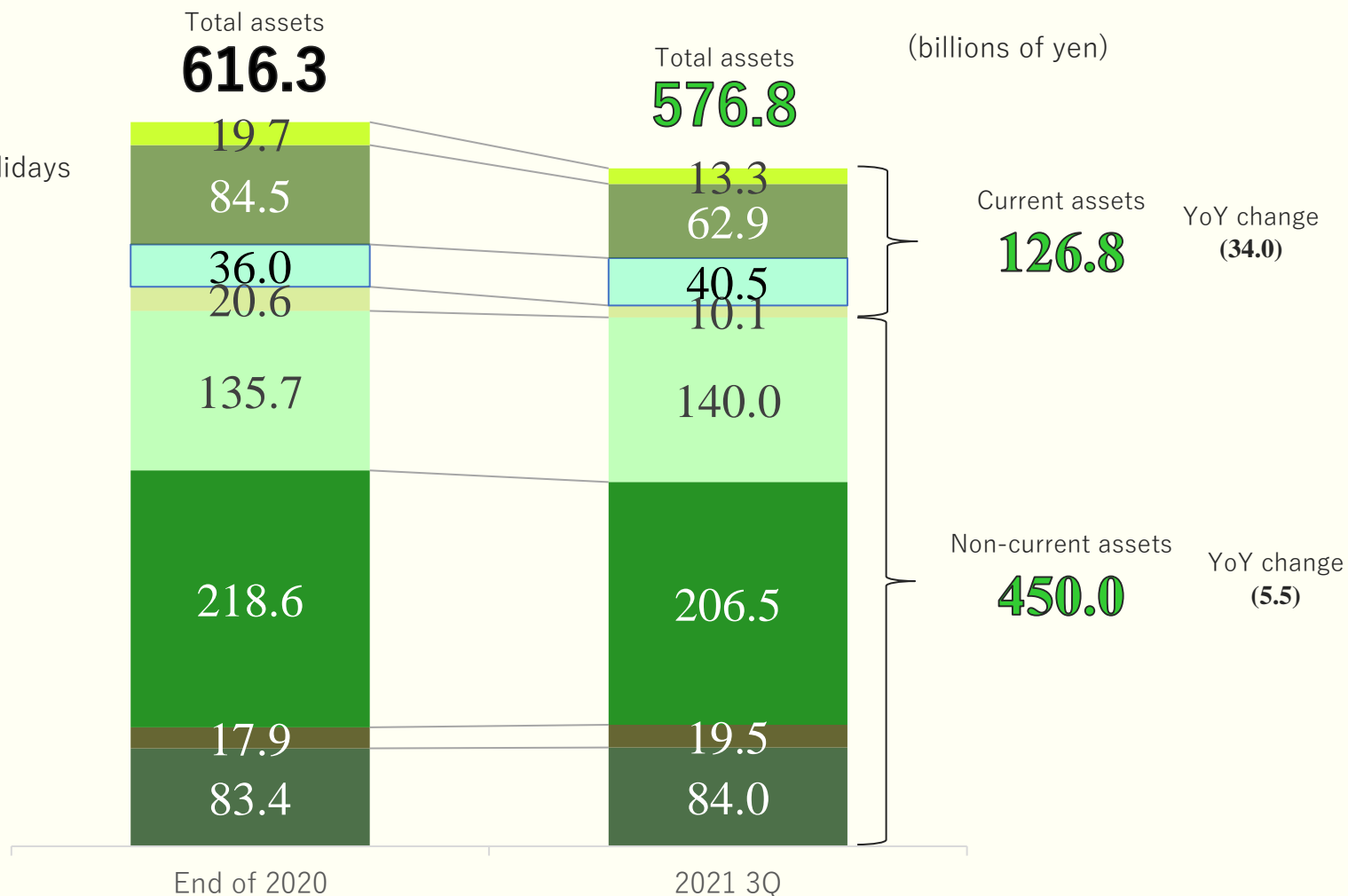
■ Fixed assets

■ Investment property

➢ Sale of investment property

■ Goodwill

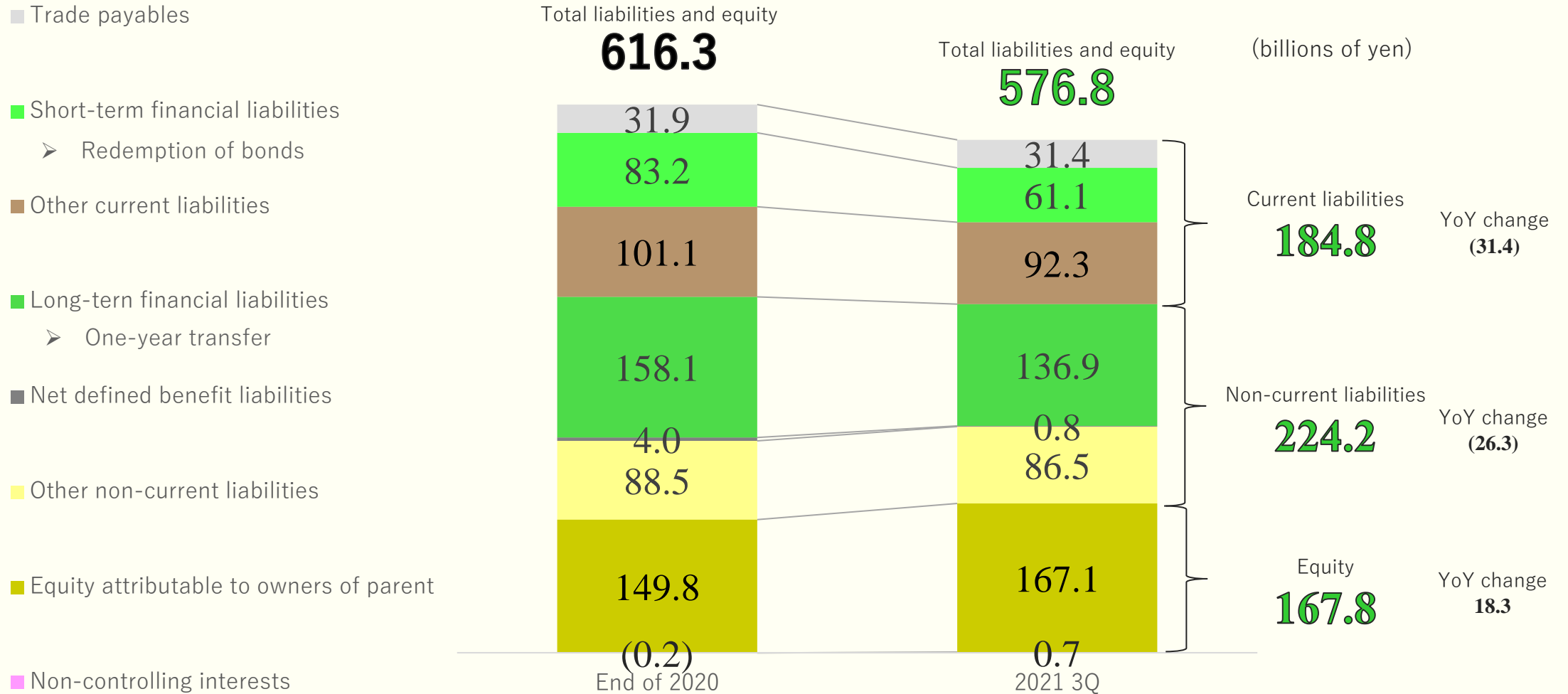
■ Other non-current assets



Changes in Balance Sheets



▶ Total liabilities declined ¥57.8 billion from year end, total equity increased ¥18.3 billion



Investment on a cash basis was **¥25.8 billion**

<Consolidated cash flow (CF) statement>

(billions of yen)	2020 3Q results	2021 3Q results	Change	Change (%)
CF from operating activities	21.3	26.9	5.6	26.3%
CF from investing activities	(14.3)	17.7	32.0	—
Free CF	7.0	44.6	37.6	535.3%
CF from financing activities	30.3	(51.5)	(81.8)	—

<Changes in amount of investment (cash basis)>



<Investment total (①+②+③)> **¥25.8 billion**

① **Capital expenditure** (cash basis) : **¥15.6 billion**

(Property, plant and equipment, intangible assets, investment property)

<Major items>

- Alcoholic Beverages: **¥5.5 billion**

SB: ¥3.3 billion

Sleeman ¥1.2 billion

- Food & Soft Drinks: **¥4.7 billion**

PS : ¥2.2 billion

POKKA PTE. LTD. : ¥1.3 billion

Shinsyu-ichi Miso Co., Ltd. ¥0.6 billion

- Real Estate: **¥4.8 billion**

Acquisition of investment property

- Group-wide: **¥0.6 billion**

② **Lease fees: ¥2.5 billion**

(excluding lease fees for renting restaurant premises)

③ **Other investments: ¥7.7 billion**

(Acquisition of Aware Beverages Inc., Invest in property's equity etc..)

Appendix

Appendix : Initiatives for Sustainability Management



Business Highlights for 2021

Release Date	Topic	Related Priority Issues
Oct. 5	Formulation of Sapporo Group Plastics Policy https://www.sapporoholdings.jp/csr/news/dit/?id=8849 * Japanese	Promises 3 Environmental Conservation <ul style="list-style-type: none"> Preventing global warming Promoting the 3Rs Harmonizing with nature
Jul. 28	Tohoku Reconstruction Support through Shareholder Benefit Plan https://www.sapporoholdings.jp/csr/news/dit/?id=8815 * Japanese	Promises 2 Promote Coexistence with Society <ul style="list-style-type: none"> Supporting local communities Sustainable procurement
Jun. 30	Selected as index component of SOMPO Sustainability Index for 10 years in a row https://www.sapporoholdings.jp/csr/news/dit/?id=8807 * Japanese	Promises 2 Promote Coexistence with Society <ul style="list-style-type: none"> Supporting local communities Sustainable procurement Promises 3 Environmental Conservation <ul style="list-style-type: none"> Preventing global warming Promoting the 3Rs Harmonizing with nature Promises 4 Cultivate Highly Unique Employees <ul style="list-style-type: none"> Health and productivity management Diversity & Inclusion and human rights Human resource development and training
Mar. 23	Sapporo Holdings selected as Semi-Nadeshiko Brand stock https://www.sapporoholdings.jp/csr/news/dit/?id=8758 * Japanese	Promises 4 Cultivate Highly Unique Employees <ul style="list-style-type: none"> Health and productivity management Diversity & Inclusion and human rights Human resource development and training
Mar. 4	Five Sapporo Group companies certified as Excellent Enterprises of Health and Productivity Management 2021 https://www.sapporoholdings.jp/csr/news/dit/?id=8750 * Japanese	Promises 4 Cultivate Highly Unique Employees <ul style="list-style-type: none"> Health and productivity management Diversity & Inclusion and human rights Human resource development and training
Jan. 27	Conclusion of Positive Impact Finance https://www.sapporoholdings.jp/csr/news/dit/?id=8736 * Japanese	Promises 2 Promote Coexistence with Society <ul style="list-style-type: none"> Supporting local communities Sustainable procurement Promises 3 Environmental Conservation <ul style="list-style-type: none"> Preventing global warming Promoting the 3Rs Harmonizing with nature Promises 4 Cultivate Highly Unique Employees <ul style="list-style-type: none"> Contribute to Crime, Environment and Recycle: Liberty Through Alcohol Beverages, Food, and Soft Drinks Safety, reliability and quality Creating new value Providing education on responsible drinking and perpetuating the culture of beer



With the earth, in harmony with society,
from the start, to bring smiles to people.



Appendix : Major sales volume & sale



Sales Volume:Beer (Japan) ※1 (10,000 cases)

	Jan. 1 - Sep.30, 2020	Jan. 1 - Sep.30, 2021	YoY Change(%)
Sapporo Draft Beer Black Label (total)	—	—	(11.1%)
YEBISU (total)	—	—	(4.0%)
1 Beer (total)	—	—	(4.7%)
2 Happoshu (total)	—	—	(6.5%)
3 New genre beer products (total)	—	—	(15.3%)
Beer, happoshu, and new genre (total 1+2+3)	—	—	(8.8%)
RTD(*1)	597	930	55.7%
Non-alcoholic beer taste beverage	44	44	(0.5%)

Sales Volume:Beer (International) (10,000 cases)

	Jan. 1 - Sep.30, 2020	Jan. 1 - Sep.30, 2021	YoY Change(%)
Overseas brand (SLEEMAN, Anchor, etc.)	1,033	1,008	(2.4%)
Sapporo brand	215	275	27.7%
North America	1,248	1,283	2.8%
Sapporo brand	120	132	10.2%
Other areas	120	132	10.2%
Total	1,369	1,416	3.4%

Sales:Beer (Japan) *including liquor tax (billions of yen)

	Jan. 1 - Sep.30, 2020	Jan. 1 - Sep.30, 2021	YoY Change(%)
Beer	94.8	86.9	(8.3%)
Happoshu	5.1	4.7	(7.4%)
New genre	36.6	34.4	(6.0%)
Subtotal	136.5	126.0	(7.7%)
Rebate subtracted from sales	(8.0)	(7.7)	—
Total	128.5	118.3	(7.9%)

Sales:Alcoholic Beverage (Japan) (billions of yen)

	Jan. 1 - Sep.30, 2020	Jan. 1 - Sep.30, 2021	YoY Change(%)
Domestic wines	2.6	2.2	(12.5%)
Imported wines	4.2	3.9	(8.4%)
Wine (total)	6.8	6.1	(9.9%)
Spirits and Shochu (total)	16.3	16.9	4.3%
Subtotal	23.0	23.1	0.1%
Rebate subtracted from sales	(4.4)	(4.3)	—
Total	18.7	18.7	0.3%

Sales:Food & Soft Drinks (Japan) ※2 (billions of yen)

	Jan. 1 - Sep.30, 2020	Jan. 1 - Sep.30, 2021	YoY Change(%)
Soft Drinks	47.2	47.2	0.1%
Food (Lemon · Soups · Plant milk)	21.5	21.9	2.0%

※1 : Following the agreement of the Brewers Association of Japan, the sales volume for the first half and end of the fiscal year shall be disclosed.

※2 : Pokka Sapporo is only domestic sales.

Appendix : Alcoholic Beverages (Japan)

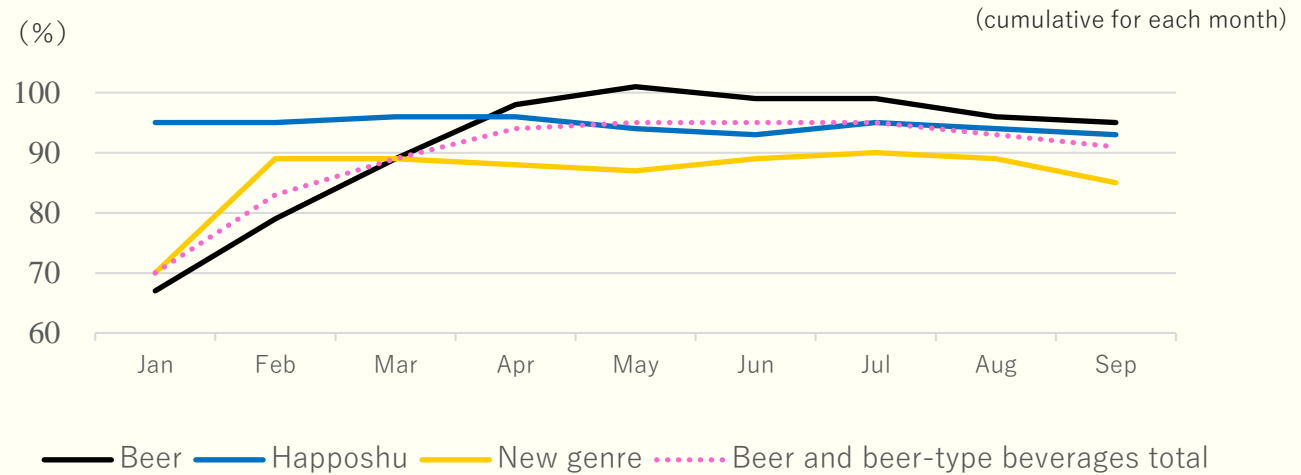


<Domestic beer and beer-type beverages:
YoY change in sales volume by genre>
(Jan – Sep)

[Beer and beer-type beverages total] down **9%** YoY

- ✓ Beer: down **5%** y-o-y
- ✓ Happoshu: down **6%** y-o-y
- ✓ New genre: down **15%** y-o-y

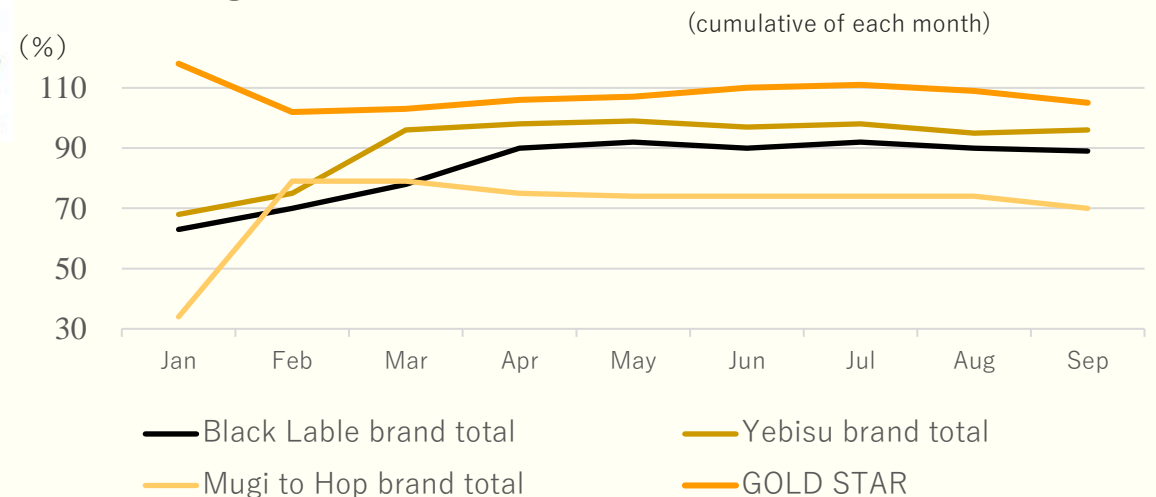
<YoY changes in sales volume of beer and beer-type beverages by genre>



<Major domestic brands: YoY change in sales volume>
(Jan – Sep)

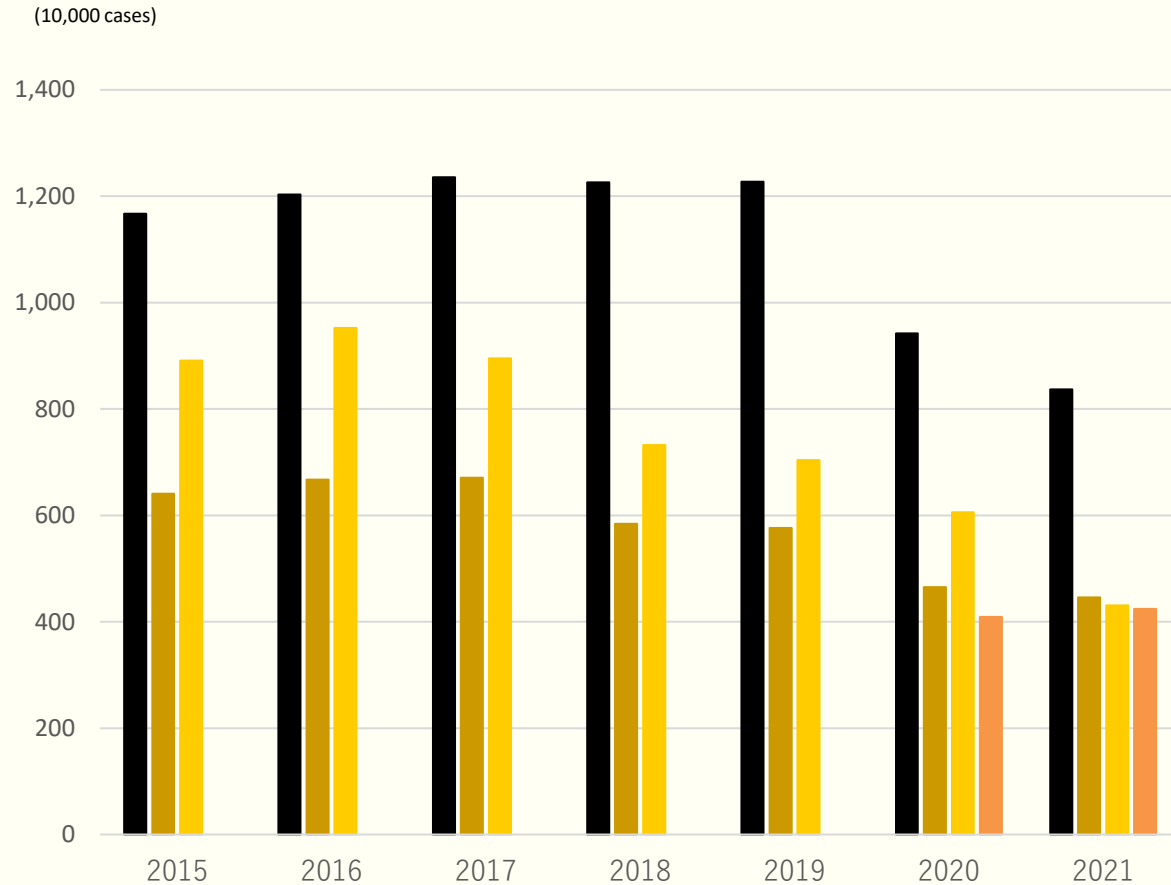
- ✓ Black Label brand  down **11%** y-o-y (cans: up **14%** y-o-y)
- ✓ YEBISU brand  down **4%** y-o-y (cans: up **4%** y-o-y)
- ✓ Mugu to Hop brand  down **30%** y-o-y
- ✓ GOLD STAR  up **5%** y-o-y

<YoY changes in sales volume of main brands>



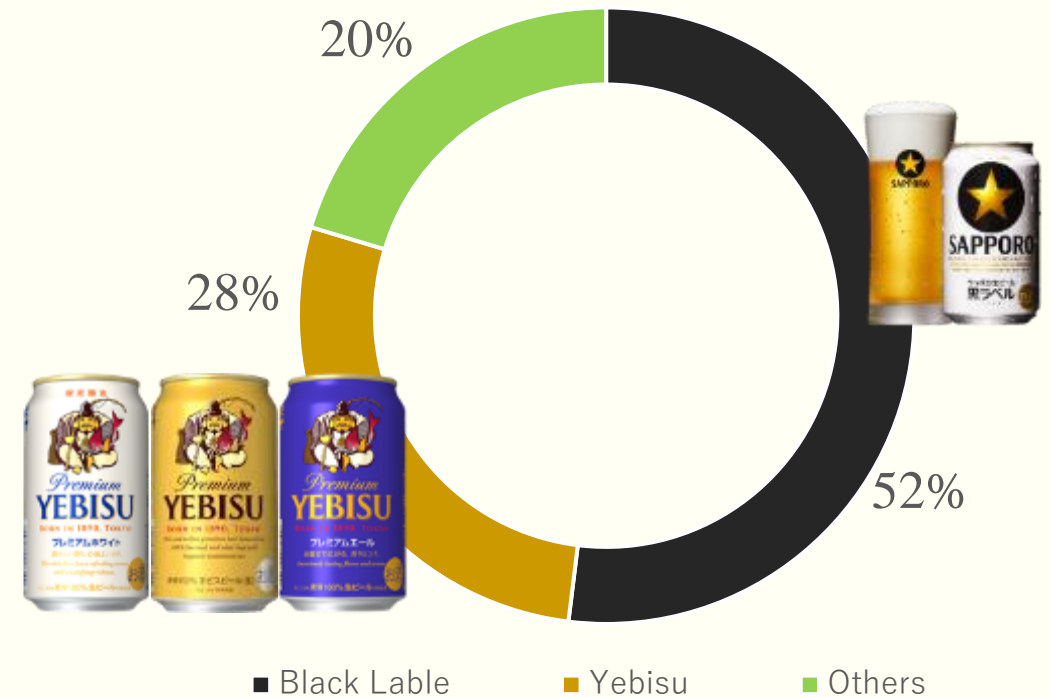
Appendix : Alcoholic Beverages (Japan)

< Main brand Jan- Sep Sales volume change >



■ Black Lable brand total
 ■ Yebisu brand total
■ Mugi to Hop brand total
 ■ GOLD STAR

< Beer lineup (Jan- Sep break down) >



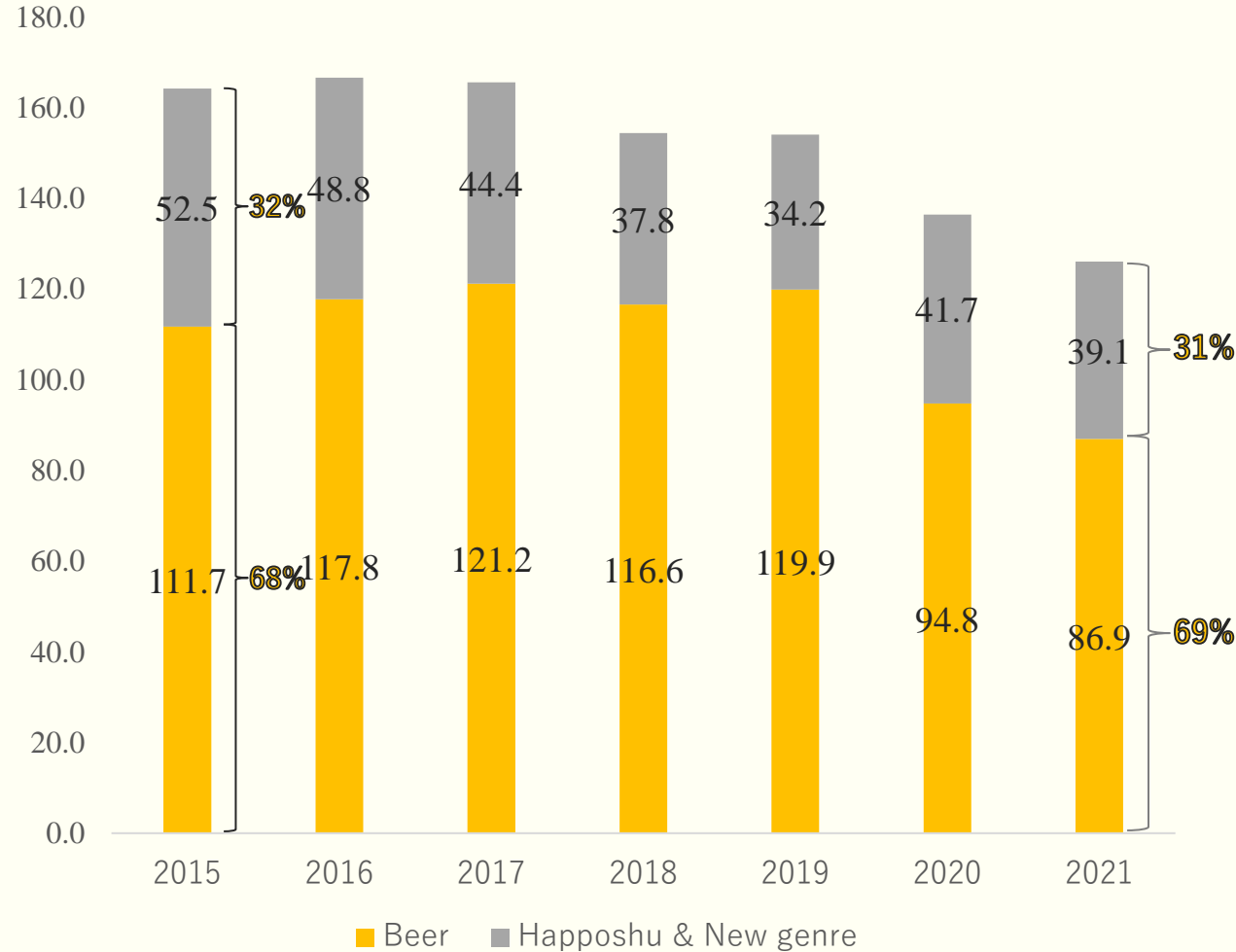
Appendix : Alcoholic Beverages (Japan)



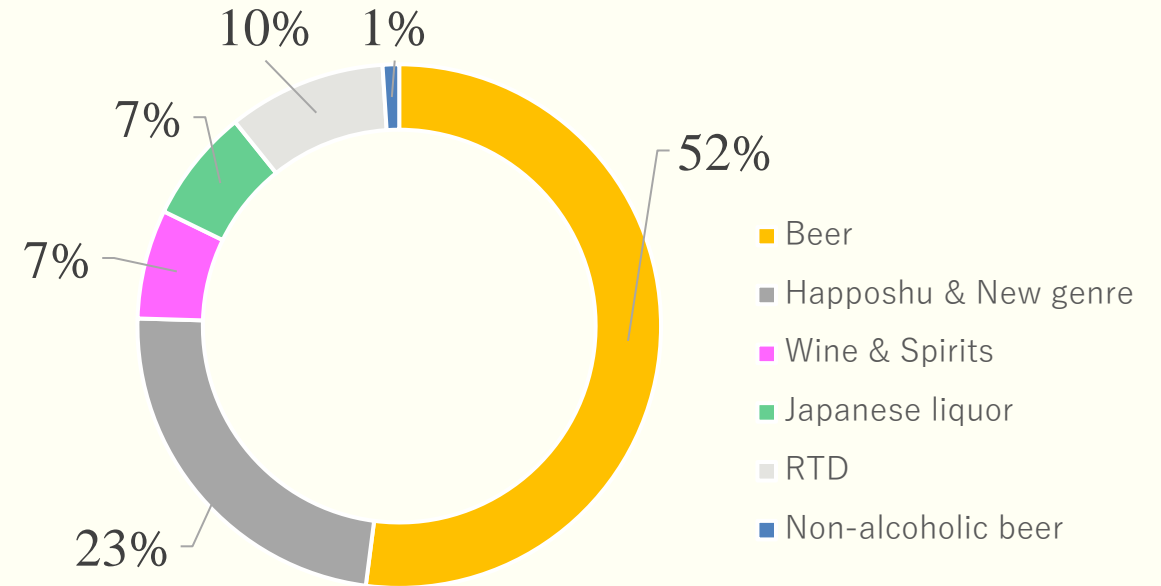
< Jan- Sep sales revenue >

※Incl. liquor tax

(billions of yen)



< Jan- Sep sales breakdown by category >



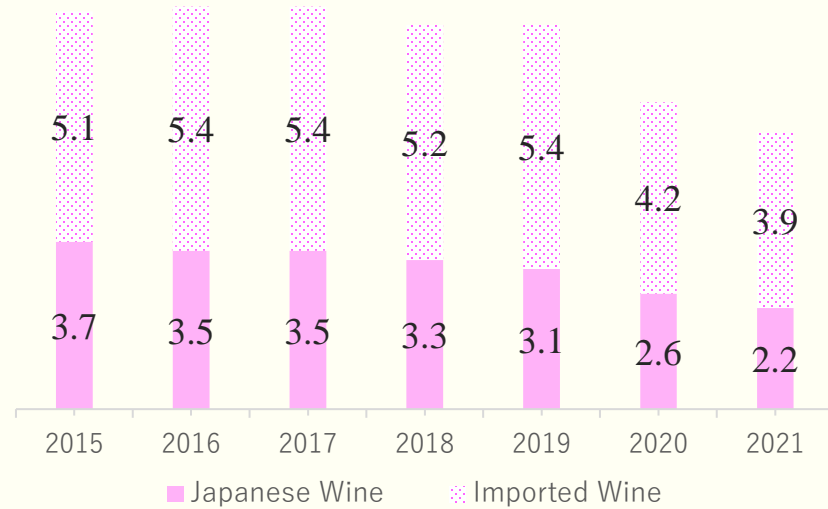
*Before subsidiary companies sales, elimination of inter- company transactions and rebate deduction

*From 2021, Hyosai Sour and 99.99 keg are reclassified from Spirits to RTD.

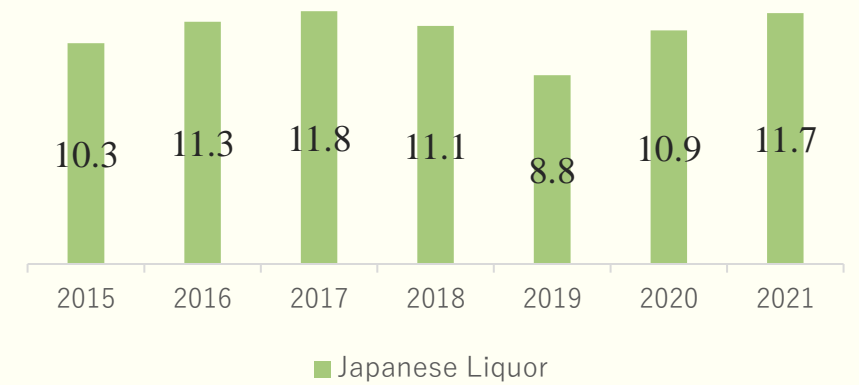
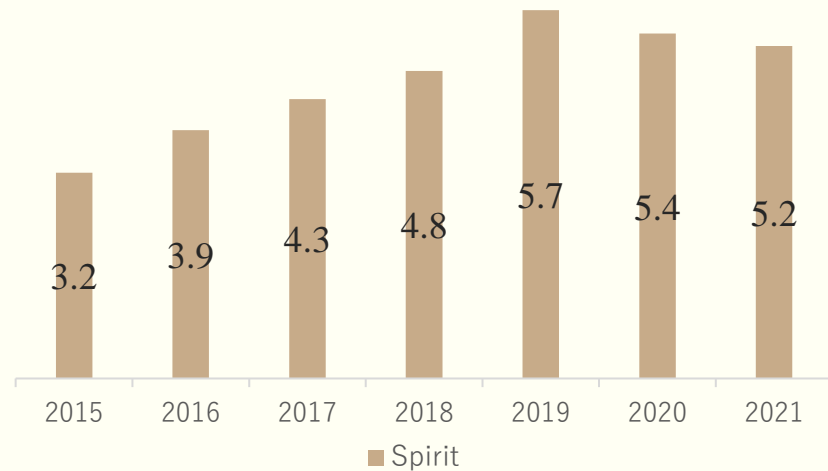
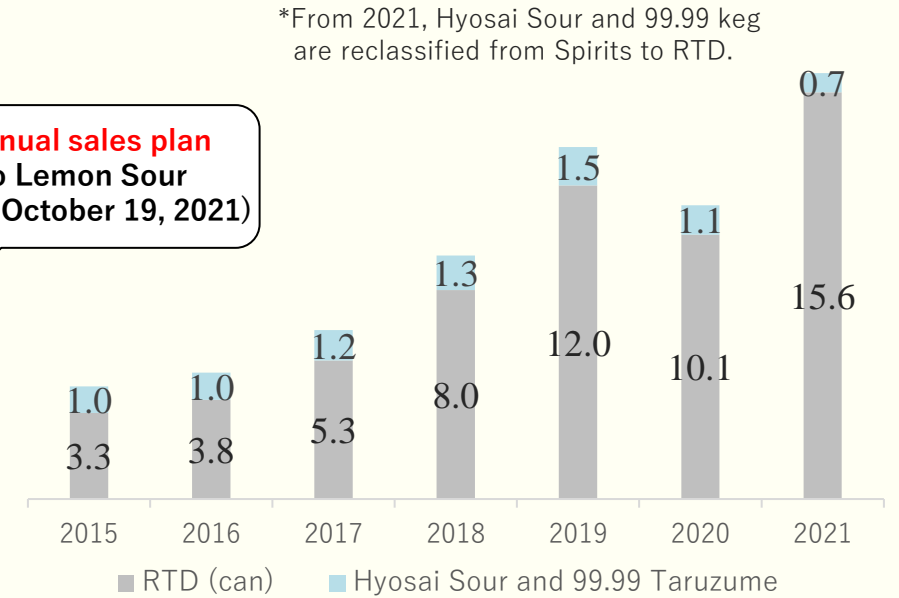
Appendix : Alcoholic Beverages (Japan)



< Jan- Sep sales revenue > (billions of yen)



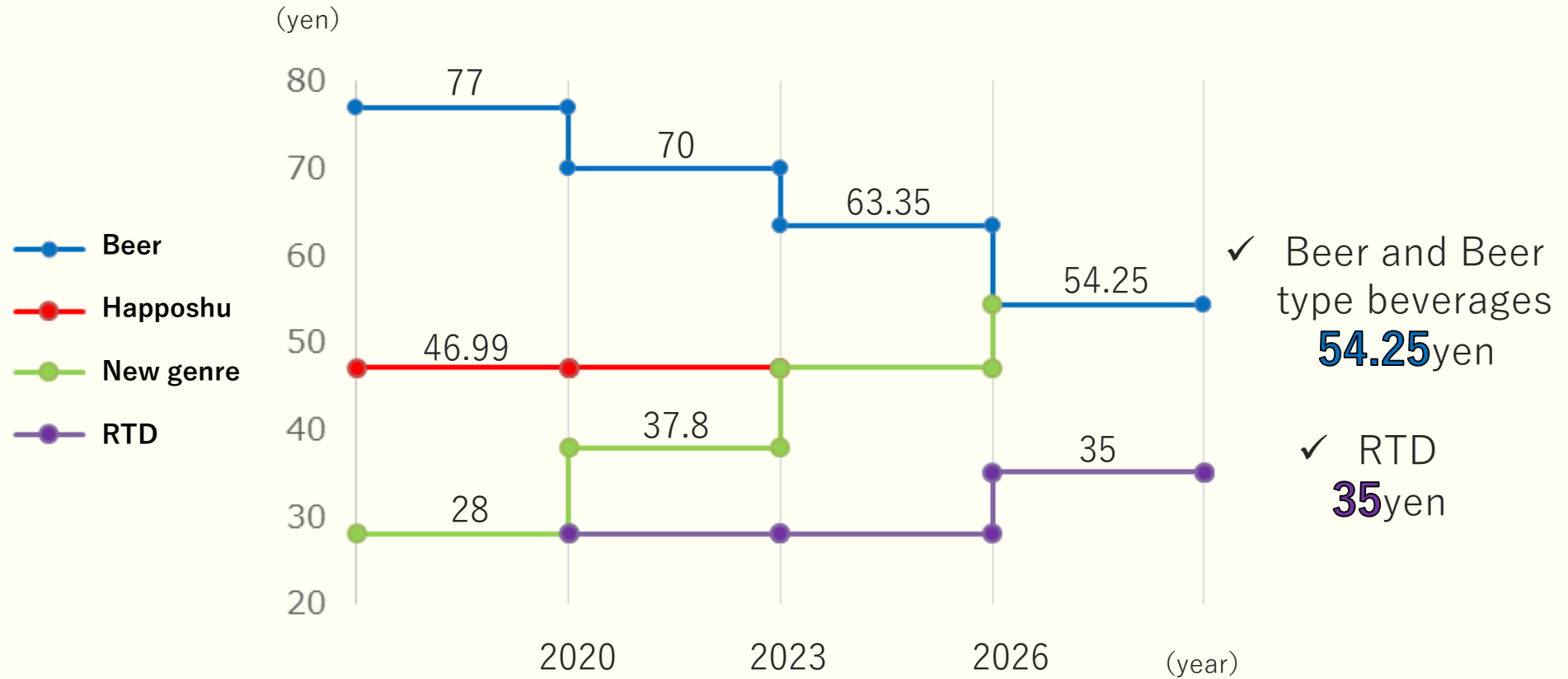
Achieved **annual sales plan** for Koime no Lemon Sour (released in October 19, 2021)



Appendix : Alcoholic Beverages (Japan)



< Changes in the amount of liquor tax per 350 ml >



Appendix : Alcoholic Beverages (Overseas)



< Overseas beer : YoY change in sales volume >

【North America Total up 3% y-o-y (Jan – Sep)

✓ Overseas brand
down 2% y-o-y



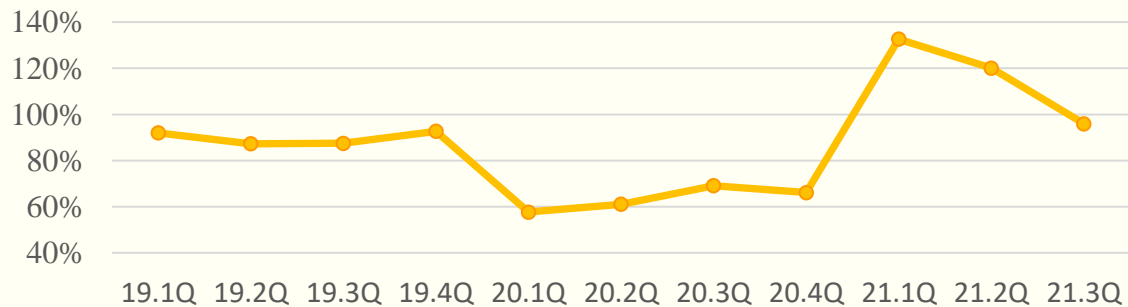
✓ Sapporo brand
up 28% y-o-y



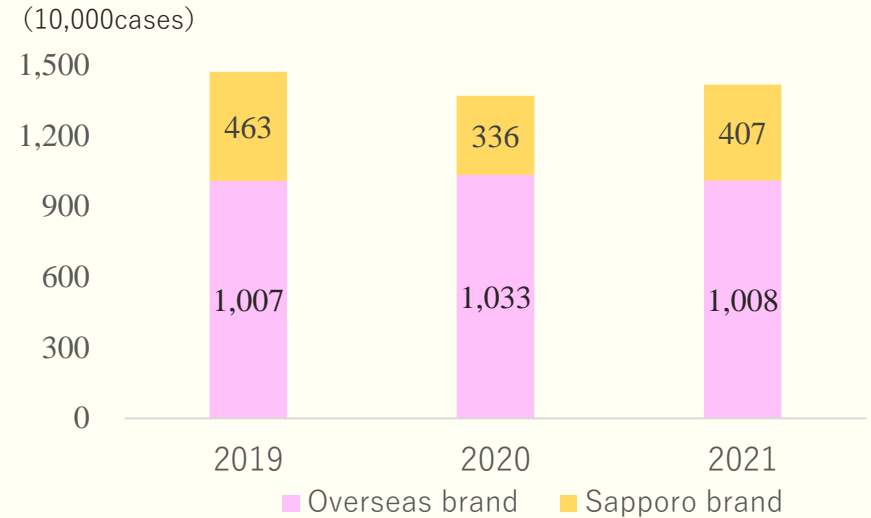
【Other Areas Total】 up 10% y-o-y (Jan – Sep)
(Main area : Asia pacific , Europe , Oceania)

✓ Sapporo brand : up 10% y-o-y

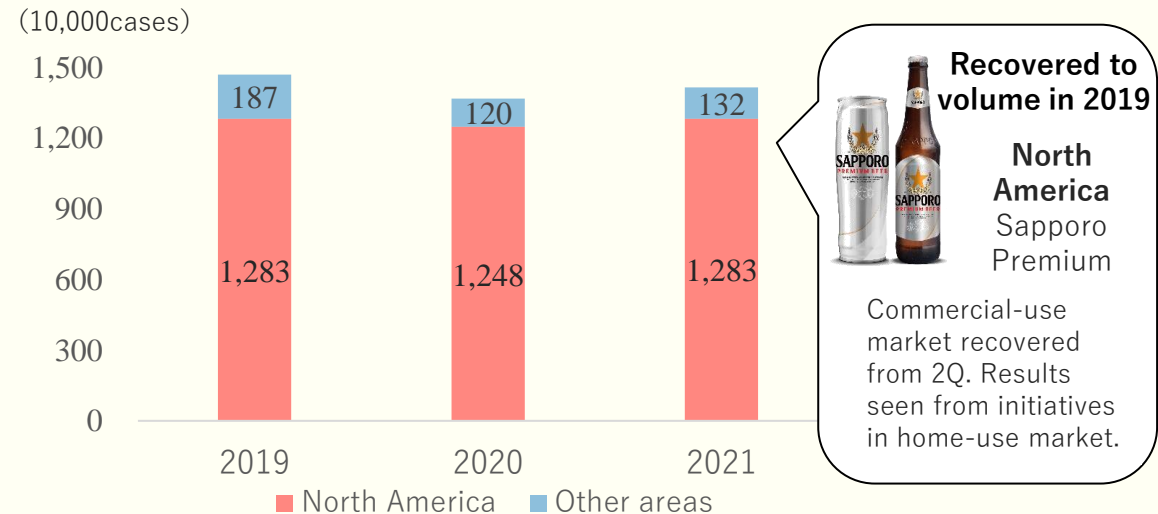
< Y-o-y change in domestic sales volume in Vietnam >



< Overseas sales volume by brand (Jan-Sep) >



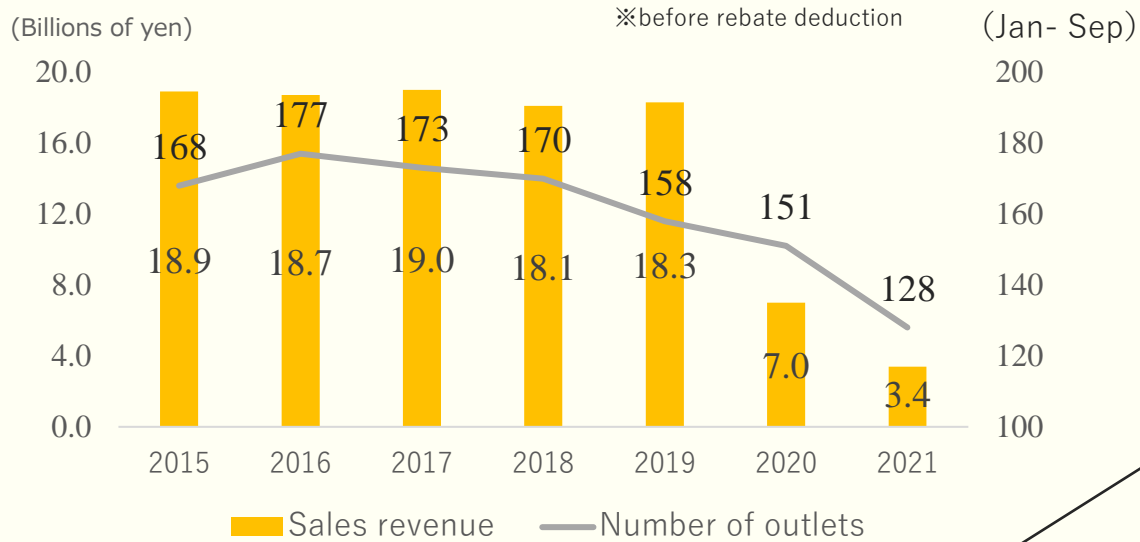
< Overseas sales volume by Area (Jan-Sep) >



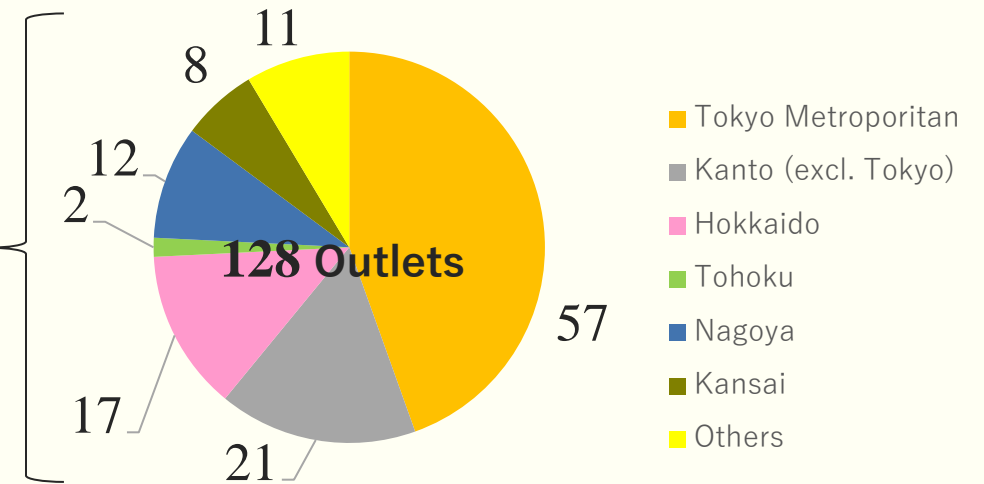
Appendix : Alcoholic Beverages (Restaurants)



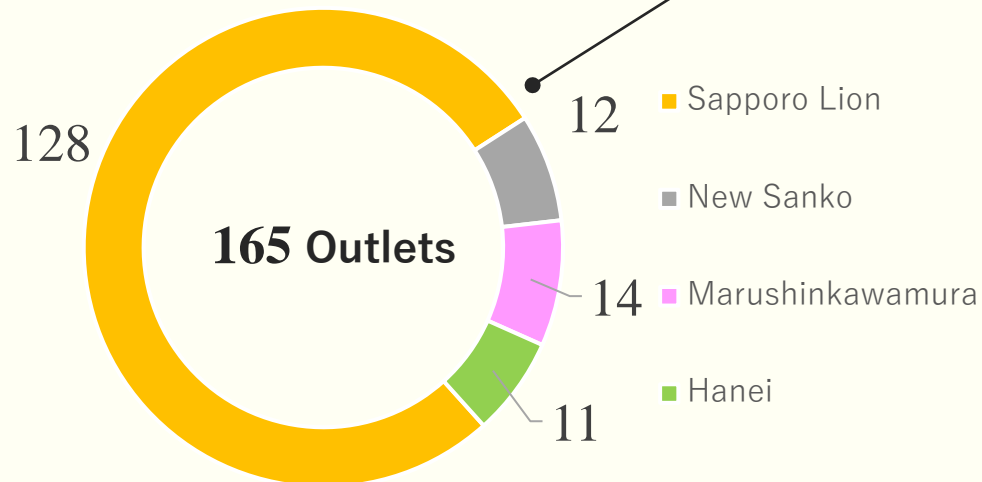
< Sales revenue and number of Sapporo Lion Outlets >



< Sapporo Lion outlets As of September 30, 2021 >



< Total number of outlets >



< Brands >



Appendix : Food & Soft Drinks



< Japanese soft drinks POKKA SAPPORO Food & Beverage >
Sales volume & Sales by genre (Jan- Sep)

【Lemon based-drinks】

✓ **up 15%** y-o-y
(Sales)



【Lemon-based food products】

✓ **up 2%** y-o-y
(Sales)



【Unsweetened tea drinks】

✓ **down 5%** y-o-y
(Sales volume)



【Soups】

✓ **up 1%** y-o-y
(Sales)



【Coffee drinks】

✓ **down 10%** y-o-y
(Sales volume)

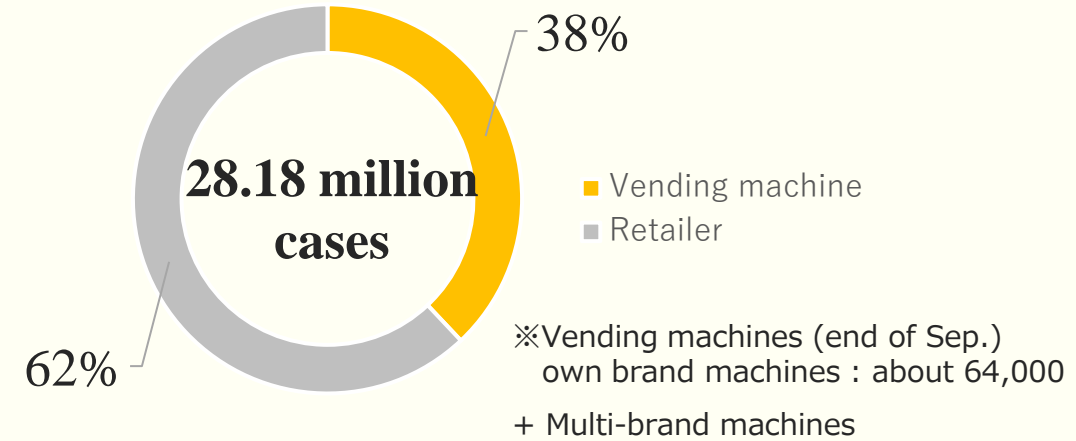


【Soy milk, chilled products】

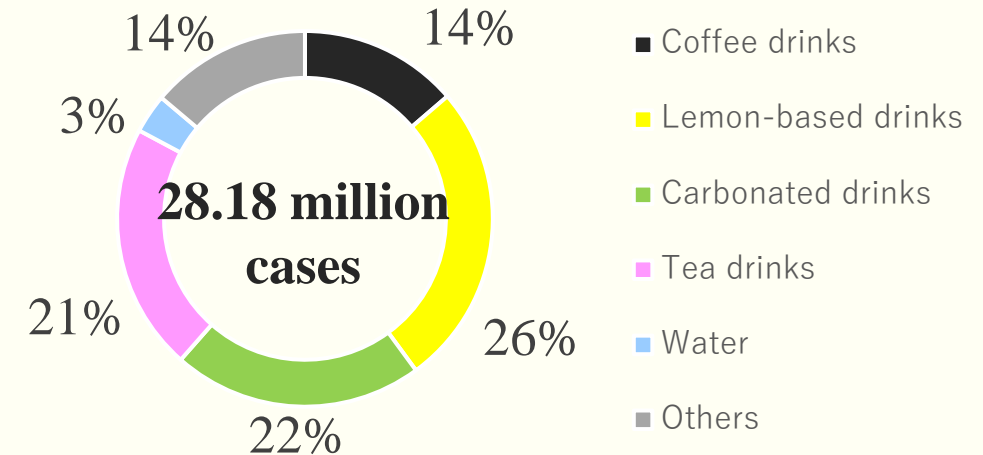
✓ **up 6%** y-o-y
(Sales)



< Japanese soft drinks POKKA SAPPORO Food & Beverage >
Sales composition by sales channel (Jan- Sep)



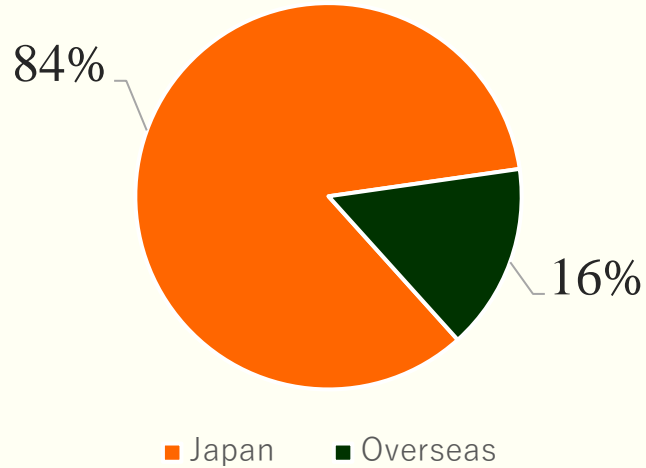
< Japanese soft drinks POKKA SAPPORO Food & Beverage >
Sales composition by genre (Jan- Sep)



Appendix : Food & Soft Drinks



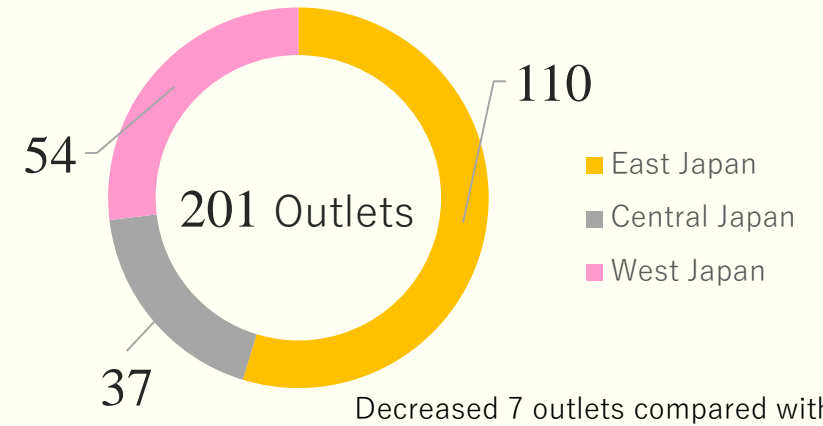
< Food & Soft Drinks segment Revenue break down by geographic area >



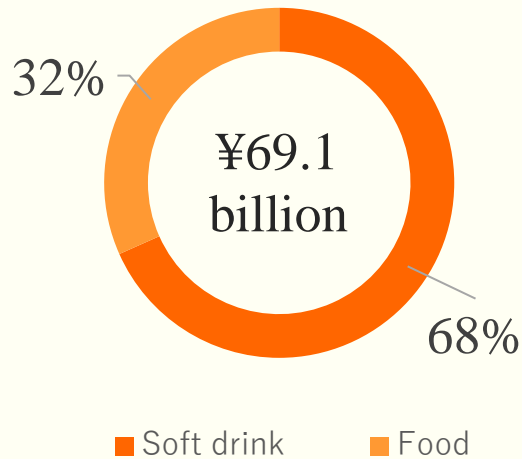
【 Pokka Create Co., Ltd. 】

✓ Jan- Sep Sales revenue **¥ 4.8** billion
up **1%** y-o-y

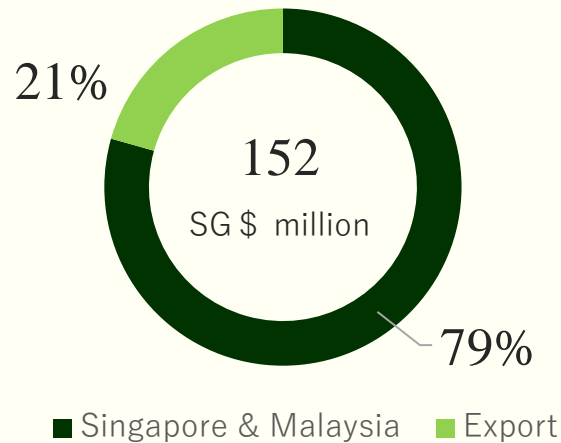
< Number of outlets as of September 30, 2021 >



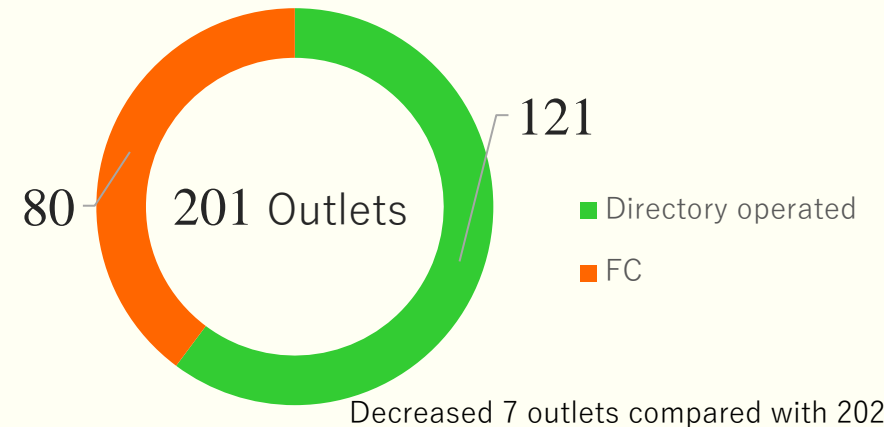
< Japanese soft drinks POKKA SAPPORO Food & Beverage >
Sales composition (Jan- Sep)



< Overseas soft drinks POKKA Corporation (Singapore) >
Sales composition (Jan- Sep)



< Number of outlets as of September 30, 2021 >



Appendix : Real Estate



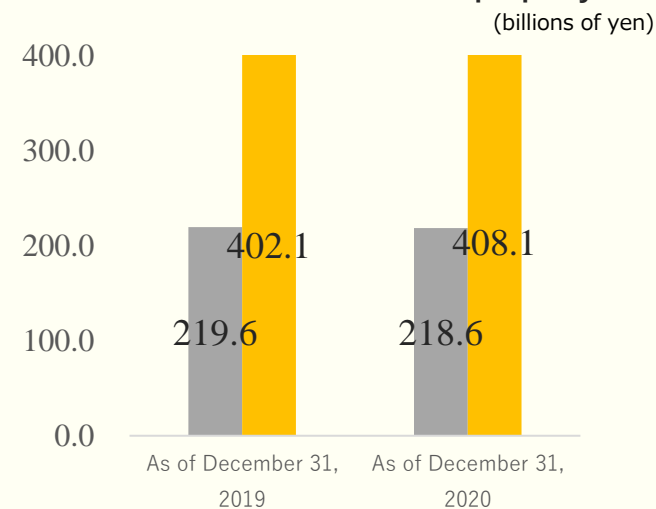
< Major rental properties & occupancy rates : (Averages for 2021 3Q)>

	Site area (m ²)	Floor area (m ²)	Occupancy rate (%)	No. of floors
Yebisu Garden Place ⁽¹⁾	56,943	298,007	92	40 floors above ground, 5 below
Ginza Place	645	7,350	96	11 floors above ground, 2 below
Strata Ginza ⁽²⁾	1,117	11,411	100	13 floors above ground, 1 below

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

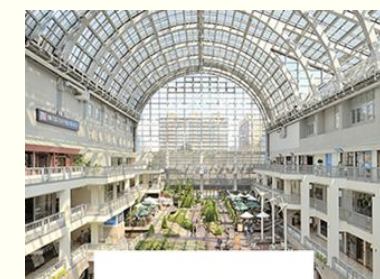
*2: Figures are for entire property. Sapporo owns 922m² of the site (sectional ownership) and 89.72% of the building (joint management)

< Information about Investment property >



■ Carrying value on the consolidated statement of financial position

■ Fair value



< Core Operating profit > (billions of yen)

	2020 3Q	2021 3Q	Change
Yebisu Garden Place, etc.	6.0	5.0	(0.9)
Other area & other operations	2.0	1.9	(0.1)
Hokkaido	0.7	0.5	(0.2)
General corporate	(0.8)	(1.0)	(0.2)
Total	8.0	6.4	(1.6)

< EBITDA >

	2020 3Q	2021 3Q	Change
Yebisu Garden Place, etc.	8.2	7.3	(0.8)
Other area & other operations	3.2	2.8	(0.3)
Hokkaido	1.1	1.0	(0.1)
General corporate	(0.6)	(0.6)	(0.0)
Total	11.8	10.5	(1.3)

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



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