Contents

① Sapporo Group International Expansion
  ➢ Group Companies by Geographic Area / Trend of Overseas Net Sales ・・・・・・・・・・・・・・・・ 4
  ➢ Sales Breakdown by Geographic Area, Sales Breakdown by category・・・・・・・・・・・・ 5
  ➢ International Expansion of Sapporo Group・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 6

② Market Data by country & Sapporo Group Activities
  □ Canada : Beer Market Data and Sapporo Group Activities・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 8
  □ United States of America : Beer Market Data and Sapporo Group Activities ・・・・・・・・・・・・・・・・ 10
  □ Vietnam : Beer Market Data and Sapporo Group Activities ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 14
  □ Singapore : Market Data and Sapporo Group Activities <Beer/ Restaurants / Soft Drinks> ・・・・・・・ 16
  □ Sapporo Group Activities in Southeast Asia countries ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 18
  □ South Korea & Australia : Beer Market Data and Sapporo Group Activities ・・・・・・・・・・・・・・・・ 19
  □ Japan : Beer Market Data and Sapporo Group Activities ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 20
    Soft Drinks Market Data and Sapporo Group Activities ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 25
    <Soup/ Lemon-based flavoring> Market Data and Sapporo Group Activities ・・・・・・・・・・・・・・・ 27
    Real Estate Market Data and Sapporo Group Activities ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 28
    Restaurants Market Data and Sapporo Group Activities ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 31

③ Financial Data
  ➢ Sapporo Group Overview ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 36
  ➢ Financial Data (Profit and Loss Trends, Financial Condition, Segment Information) ・・・・・・・・・・・ 37
  ➢ Corporate Data ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 49
① Sapporo Group International Expansion
## Sapporo Group Companies by Geographic Area

### Group Companies by Geographic Area / Trend of Overseas Net Sales

#### Sapporo Group Companies by Geographic Area

<table>
<thead>
<tr>
<th>Geographic Area</th>
<th>Country</th>
<th>Company name</th>
<th>Business</th>
<th>Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>Canada</td>
<td>SLEEMAN BREWERIES LTD.</td>
<td>Manufacture and sales of beer</td>
<td>International</td>
</tr>
<tr>
<td></td>
<td>U.S.</td>
<td>SAPPORO U.S.A., INC.</td>
<td>Sales of beer</td>
<td>International</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ANCHOR BREWING COMPANY, LLC</td>
<td>Manufacture and sales of beer</td>
<td>International</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SILVER SPRINGS CITRUS, INC.</td>
<td>Manufacture and sales of soft drinks</td>
<td>International</td>
</tr>
<tr>
<td></td>
<td></td>
<td>COUNTRY PURE FOODS, INC.</td>
<td>Manufacture and sales of soft drinks</td>
<td>International</td>
</tr>
<tr>
<td>Asia</td>
<td>Vietnam</td>
<td>SAPPORO VIETNAM LTD.</td>
<td>Manufacture and sales of beer</td>
<td>International</td>
</tr>
<tr>
<td></td>
<td>Singapore</td>
<td>POKKA CORPORATION (SINGAPORE) PTE. LTD.</td>
<td>Manufacture and sales of soft drinks</td>
<td>Food &amp; Soft Drinks</td>
</tr>
<tr>
<td></td>
<td>Malaysia</td>
<td>POKKA (MALAYSIA)SDN.BHD.</td>
<td>Manufacture and sales of soft drinks</td>
<td>Food &amp; Soft Drinks</td>
</tr>
<tr>
<td></td>
<td>Indonesia</td>
<td>PT.POKKA DIMA INTERNATIONAL</td>
<td>Manufacture and sales of soft drinks</td>
<td>Food &amp; Soft Drinks</td>
</tr>
<tr>
<td>Japan</td>
<td>SAPPORO BREWERIES LTD.</td>
<td>Manufacture and sales of alcoholic beverages</td>
<td>Japanese Alcoholic Beverages</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SAPPORO INTERNATIONAL INC.</td>
<td>Sales of beer</td>
<td>International</td>
<td></td>
</tr>
<tr>
<td></td>
<td>POKKA SAPPORO FOOD &amp; BEVERAGE LTD.</td>
<td>Manufacture and sales of food &amp; soft drinks</td>
<td>Food &amp; Soft Drinks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>POKKA CREATE CO., LTD.</td>
<td>Operation of coffee shops</td>
<td>Food &amp; Soft Drinks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SAPPORO LION LTD.</td>
<td>Operation of restaurants</td>
<td>Restaurants</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SAPPORO REAL ESTATE CO., LTD.</td>
<td>Leasing and rental of real estate</td>
<td>Real Estate</td>
<td></td>
</tr>
</tbody>
</table>

### Overseas net sales (excluding liquor tax) ratio

![Chart showing overseas net sales ratio over years](chart.png)

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### Sales Breakdown by Geographic Area

**2010 Overseas net sales**

¥25.4 billion (Beer)

**2016 Overseas net sales**

¥86.8 billion

North America: Canada, U.S.
Asia: Southeast Asia, South Korea, Hong Kong, Taiwan, Etc.
Other: Oceania, Europe, Middle East, etc.

### Sales Breakdown by Category

- **2014, 2015, 2016**
  - Restaurants
  - Soft Drinks
  - Beer

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International Expansion of Sapporo Group

<Soft drinks business>
1977: entered into Singapore
FY2016: Pokka Singapore group net sales
SG$ 256 millions (before elimination of intra-company transactions)

<Enhancement of soft drinks production structure>
Singapore: 1977 Start operation
Start operation
Start operation
Indonesia: 2017 Joint venture PT. POKKA DIMA INTERNATIONAL
Start operation
Myanmar: License-based production agreement
2017 Start operation

<Beer business>
Sales alliance with Maeil Dairies
2011: established a brewery in Vietnam
Promoting expansion in Southeast Asia

<Beer business>
Production outsourced to Coopers
2012: Silver Spring Citrus
2015: Country Pure Foods

<Beer business>
2006: made into subsidiary

<Canadian beer business>
FY2016 SLEEMAN Net sales
CA$ 359 millions
(before elimination of intra-company transactions)

1984: established

<U.S. beer business>
FY2016 Sapporo USA
Net sales US$ 59 millions
(before elimination of intra-company transactions)

1984: established

<U.S. beer business>
2017
Made into subsidiary
Anchor Brewing

<U.S. soft drinks business>
FY2016
Net sales of SSC+CPF
approx. US$ 262 millions
(before elimination of intra-company transactions)

2017
Made into subsidiary (a 51% stake)
2012: Silver Spring Citrus
2015: Country Pure Foods
② Market Data by Country & Sapporo Group Activities
Canada: Beer Market Data and Sapporo Group Activities

(1) Basic Data*
• Population: Approx. 36.30mn (2016)
• Population growth rate: +1.1%
• Average age: 39.7
• GDP: 1,553billion$ (2015)
• GDP per capita: 43,206$ (2015)
• GDP growth rate: +0.9% (2015)

(2-1) Beer Market (2015)
• Beer Production volume: Approx. 1.9mn KL
• Beer consumption per person: Approx. 56L
• Beer market growth rate: 0.0%
• Breakdown by sales channel: On Premise 25%, Off Premise 75%

(2-2) Sapporo Group Activities
• Entry into business: Oct. 2006  Acquired 95.83% share of SLEEMAN BREWERIES LTD. by TOB
  Nov. 2006 Acquired 100% Share of SLEEMAN BREWERIES LTD.
  • Acquisition price 293.6mnCA$ (approx. 30.3 bn yen at the rate of 1CA$=103.27 yen)

<Competitors Share>
A company 48%
B company 36%
Source: Sapporo estimate

SLEEMAN
Market Share: 8%
No.3 Canadian beer manufacturer

【Beer brand by price category in Canada】

<table>
<thead>
<tr>
<th>Price</th>
<th>Category</th>
<th>Brand</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH</td>
<td>Import</td>
<td>Heineken, Corona</td>
<td>+15～25%</td>
</tr>
<tr>
<td></td>
<td>Premium</td>
<td>Sapporo Premium, Unibroue, SLEEMAN, Okanagan Spring</td>
<td>+10～20%</td>
</tr>
<tr>
<td></td>
<td>Mainstream</td>
<td>Labatt, Molson</td>
<td>±0</td>
</tr>
<tr>
<td>LOW</td>
<td>Value</td>
<td>Bush, Key stone, Pabst blue ribbon, Old Milwaukee</td>
<td>-20%</td>
</tr>
</tbody>
</table>

*Highlight in red: Our sales brand

Source: Statistics Bureau, Ministry of Internal Affairs and Communications
"The statistics of the world 2017"
(2-3) Corporate profile
★ SLEEMAN BREWERIES LTD.
Paid in Capital 50,634 thousand CA$
Location Guelph, Ontario
Established 1834
Production base 3 (Guelph, Vernon and Chambly)
Annual production capacity 200,000KL (Guelph 120,000KL, Vernon 60,000KL, Chambly 20,000KL)
Business field Production and sales of beer

SLEEMAN BREWERIES LTD.
Guelph Brewery

Production base

SLEEMAN BREWERIES LTD.
Products

Chambly, Quebec
Vernon, British Columbia
Guelph, Ontario

SLEEMAN Net Sales
(before elimination of inter-company transactions)
in local currency
2007-2016
CAGR 4.9%

Grew for the 10th consecutive years

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United States of America: Beer Market Data and Sapporo Group Activities

(1) Basic Data*
- Population: Approx. 324.1mn (2016)
- Population growth rate: +0.7%
- Average age: 37.2
- GDP: 18,037 billion$ (2015)
- GDP per capita: 56,054$ (2015)
- GDP growth rate: +2.6% (2015)

(2-1) Beer Market (2015)
- Beer Production volume: Approx. 22.30mn kL
- Beer consumption per person: Approx. 76L
- Beer market growth: -1.0%
- Breakdown by sales channel:
  - On premise 30%, Off premise 70%

(2-2) Sapporo Group Activities
- Local subsidiary: Sapporo U.S.A., Inc.
- Paid in capital: 7.2 million$
- Entry into business: July 1984
- Business field: Sales of beer
- 1964 Sapporo Breweries began exporting beer to the U.S.
- 1984 Sapporo U.S.A. started sales of Sapporo Draft Beer which was imported from Japan
- 2002 Started OEM to SLEEMAN BREWRIES (SLEEMAN became part of Sapporo group in 2006)
- Top Asian beer seller for 30 consecutive years

[Sapporo USA Inc. Products]
Distinctive 650ml can product
Nickname “Silver Cup”

[Sapporo USA Inc. Net Sales]
(2007 - 2016)
Grew for the 7th consecutive years

[Beer brand by price category in U.S]

<table>
<thead>
<tr>
<th>Price</th>
<th>Category</th>
<th>Brand</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH</td>
<td>Non-U.S.</td>
<td>Sapporo Premium, Corona, Heineken</td>
<td>+20~50%</td>
</tr>
<tr>
<td></td>
<td>Craft</td>
<td>Anchor Steam, Samuel Adams, Sierra</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Super</td>
<td>Michelob, Blue moon, Shock top</td>
<td>+10~40%</td>
</tr>
<tr>
<td></td>
<td>Premium</td>
<td>Budweiser, Coors, Miller</td>
<td>±0</td>
</tr>
<tr>
<td>LOW</td>
<td>Popular</td>
<td>Busch, Pabst, Highline, Keystone</td>
<td>-10~40%</td>
</tr>
</tbody>
</table>

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* Source: Statistics Bureau, Ministry of Internal Affairs and Communications
「The statistics of the world 2017」
Prominent and historic US beer producer

Acquisition of entire equity in Anchor Brewing Company

✓ Anchor is a U.S. beer manufacturer which owns the prominent Anchor Steam Beer brand
✓ We signed an equity transfer agreement with Anchor Brewers & Distillers, LLC (hereinafter, “ABD”) and made Anchor Brewing a group company by acquiring the entire equity from ABD.
✓ In the Long-Term Management Vision SPEED150, we call for promotion of global business expansion and had been considering expansion of the beer business in the U.S., where we are the No. 1 beer brand among Asian beers for more than 30 years, through the acquisition of a new brand in addition to further extension of Sapporo brand.
✓ We will increase the speed of business growth in the U.S by combining the strong brand and network of Anchor with the foundation of our U.S. beer business

<table>
<thead>
<tr>
<th>Company name</th>
<th>Anchor Brewing Company, LLC (beer manufacturing and sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>1705 Mariposa Street, San Francisco, California, USA</td>
</tr>
<tr>
<td>Year founded</td>
<td>1896</td>
</tr>
<tr>
<td>Representative</td>
<td>CEO Matt Davenport</td>
</tr>
<tr>
<td>Num. of Employees</td>
<td>160 (as of December 2016)</td>
</tr>
<tr>
<td>Production plant</td>
<td>1 (San Francisco, California)</td>
</tr>
<tr>
<td>Sales volume</td>
<td>Approx. 1.75 mn cases (equivalent to 355ml×24 bottles in 2016)</td>
</tr>
<tr>
<td>Acquisition cost</td>
<td>Approx. 85 mn $ (provisional amount)</td>
</tr>
<tr>
<td>Annual Sales</td>
<td>Approx. 33 mn $ (about ¥3.7 billion in fiscal 12/2016)</td>
</tr>
</tbody>
</table>

* As Anchor is a limited liability company, it is an acquisition of equity instead of shares.

Anchor Brewing, The San Francisco’s beloved 121- year-old brewery
(3-1) Fruit juice market  
Source: Sapporo estimate

- Fruit juice market size: Approx. 16.8 bn$
  Non-blended 100% Fruit juice market size: Approx. 9.8 bn$
    (Chilled 3.2 bn$, PB chilled 0.6 bn$)

- Non-commercial use fruit juice market size: Approx. 1.1 bn$
  (For education sectors 0.5 bn$, For health care sectors 0.4 bn$)

(3-2) Sapporo Group Activities

- Entry into business: Jan 2012 Acquired Silver Springs Citrus, Inc. 51% share
  (Joint Venture with Toyota Tsusho America Inc.)
  - Acquisition price: 18.35 mn yen
  - Cost incurred directly in the acquisition: 0 mn yen
  - Acquisition cost: 18.35 mn yen
  - *Goodwill: 4.21 mn yen  5 years with the straight-line method

  Market Share: 20%  Top U.S. PB Chilled fruit juice manufacturer

  Feb 2015 Acquired Country Pure Foods, Inc. 51% share
  (Joint Venture with Toyota Tsusho America Inc.)
  - Acquisition price: 43.70 mn yen
  - Cost incurred directly in the acquisition: 4.91 mn yen
  - Acquisition cost: 48.61 mn yen
  - *Goodwill: 44.26 mn yen  9 years with the straight-line method

  For educational and health care sectors
  Non-commercial chilled fruit juice market share: 10%

  May 2016 Acquired the frozen fruit juice business of
  The Ridgefield's Brand Corporation, Inc. through
  Country Pure Foods, Inc. for the equivalent of approx. 1.5 bn yen
  Frozen fruit juice business for U.S school meals

Non-commercial fruit juice market
- Non-chilled
- Chilled
- Non-chilled (Bagged)
- Frozen concentrated
- Other

Size
- 1.1 bn$
- 18%
- 1%
- 21%
- 55%
### United States of America: Fruit Juice Market Data and Sapporo Group Activities

#### (3-3) Company Profile

<table>
<thead>
<tr>
<th>★ Silver Springs Citrus, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Paid in Capital</strong></td>
</tr>
<tr>
<td><strong>Location</strong></td>
</tr>
<tr>
<td><strong>Established</strong></td>
</tr>
<tr>
<td><strong>Production base</strong></td>
</tr>
<tr>
<td><strong>Business field</strong></td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>★ Country Pure Foods, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Paid in Capital</strong></td>
</tr>
<tr>
<td><strong>Location</strong></td>
</tr>
<tr>
<td><strong>Established</strong></td>
</tr>
<tr>
<td><strong>Production base</strong></td>
</tr>
<tr>
<td><strong>Business field</strong></td>
</tr>
</tbody>
</table>

#### Silver Springs Citrus, Inc. Products

- Smooth - Frozen Sidekicks
  - Healthy menu options for students in the cafeteria

#### Production base

- Wellington, Connecticut
- Huston, Texas
- De Land, Florida
- Orlando, Florida
- Akron, Ohio
Vietnam: Beer Market Data and Sapporo Group Activities

(1) Basic Data*
• Population: Approx. 94.40mn (2016) [Japan: 126.90mn]
• Population growth rate: +1.1% [Japan: -0.2%]
• Average age: 28.5 [Japan: 45]
• GDP: 193 billion $ (2015) [Japan: 4,384bn $]
• GDP per capita: 2,068 $ (2015) [Japan: 34,552 $]
• GDP growth rate: +6.7% (2015) [Japan: +1.2%]

(2) Beer Market (2015)
• Beer Production Volume: Approx. 3.70mn KL [Japan: Approx. 5.47mn KL]
• Beer consumption per person: Approx. 42L [Japan: Approx. 42L]
• Beer market growth rate: +9.3% [Japan: -0.1%]
• Breakdown by sales channel: On premise 60%, Off premise 40% [Japan: On 30% Off 70%]

<Market estimate in 2025> Source: Ministry of Industry and Trade, Vietnam
- Beer consumption size: 6.00mnL
- Breakdown by sales channel: On premise 40%, Off premise 60%

Beer consumption is expected to exceed Japan around 2025

* Source: Statistics Bureau, Ministry of Internal Affairs and Communications
[The statistics of the world 2017]
(3) Sapporo Group Activities

- Local subsidiary: Sapporo Vietnam LTD.
- Paid in capital: 708,595mn VND (≒39mn$)
- Entry into business: Nov.2011  Completed construction of Sapporo Long An Brewery
- Construction cost: Approx.5.2 bn yen
- Annual production capacity: 40 thousand KL
- Expanding sales of Sapporo Premium Beer using its convenient location to maximum advantage to make inroad into surrounding countries in Asia
- Exporting seven of the 10 ASEAN countries

Vietnam: Beer Market Data and Sapporo Group Activities

**Trend of sales volume in Vietnam**

![Trend of sales volume in Vietnam](image)

**Vietnamese beer market categories by price**

- **<Premium>:** Sapporo Premium, Heineken, Budweiser, etc.
- **<Mainstream>:** Tiger, Saigon Special, Bluecap, etc.
- **<Economy>:** Saigon Beer, 333, etc.

**<Competitors Share>**

- A Company 41%
- B Company 21%
- C Company 20%

Source: Sapporo estimate
# Singapore: Market Data and Sapporo Group Activities

## <Beer/ Restaurants/Soft Drinks>

### (1) Basic Data*
- Population: Approx. 5.60mn (2016)
- Population growth rate: +1.3%
- Average age: 40.0
- GDP: 293 billion$ (2016)
- GDP per capita: 52,239$ (2016)
- GDP growth rate: +2.0% (2016)

### (2-2) Sapporo Group’s Operating business

1. Beer
2. Restaurants
3. Soft Drinks

### (3-2) Restaurants business
- Local subsidiary: SAPPORO LION (SINGAPORE) PTE. LTD.
- Paid in capital: 4mn SG$
- Entry into business: Aug. 1991 Established POKKA FOOD(SINGAPORE) PTE.LTD.
  - Operating Restaurants business
    - Jan. 2013 Made POKKA FOOD (SINGAPORE) into Sapporo Lion Subsidiary
      - Operating 「GINZA LION BEER HALL」
- Business field: Operating beer halls and restaurants, Production and sales of cake
- Number of outlets: 15 (As of June 30, 2017)

### (3-1) Beer business
- Expanding sales channel to off premise market with POKKA CORPORATION (SINGAPORE) from 2010
- Sales volume in 2016 2.4 times in comparison with 2010

---

* Source: Department of Statistics Singapore

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* Source: Department of Statistics Singapore
(3-3) Soft Drinks Business
- Local subsidiary: POKKA CORPORATION (SINGAPORE) PTE.LTD.
- Paid in capital: 26mn SG$
- Entry into business: Jan. 1977, Established POKKA CORPORATION (SINGAPORE) PTE.LTD
- Annual production capacity: Approx. 8mn cases
- Business field: Production and sales of Soft Drinks

POKKA CORPORATION (SINGAPORE) 2016 Sales composition

Main Products lineup

<Market share within Singapore>
- Tea drinks market 48% (Green tea category 66%)
- Non-chilled Juice category 23%

※Nielsen Market Track DEC’16
Sapporo Group Activities in Southeast Asia countries
<Soft Drinks>

Myanmar
- License agreement with Kah Hock Pte. Ltd.
- Start operation of licensee’s plant in 2017
- Annual production capacity: 5mn cases

Indonesia
- Started POKKA brand products sales through PT DIMA INDONESIA from 2000
- Mar. 2015 Joint venture with PT DIMA INDONESIA, Established PT.POKKA DIMA INTERNATIONAL
- Start operation of plant in 2017 Annual production capacity: 5mn cases

Malaysia
- Established joint venture Pokka Ace (Malaysia) Sdn. Bhd. in 1993
- Completed construction Malaysia plant in Aug. 2014
  - Construction cost: 34.2mnSG$( approx.2.7bn yen)
  - Annual production capacity: 6mn Cases
- Obtained Malaysian Halal certification, which is trusted world-wide
### South Korea Basic Data*
- Population: Approx. 50.50mn (2016)
- Population growth rate: +0.4%
- Average age: 37.8
- GDP: 1,378 billion $ (2015)
- GDP per capita: 27,397 $ (2015)
- GDP growth rate: +2.6% (2015)

### Australia Basic Data*
- Population: Approx. 24.30mn (2016)
- Population growth rate: +1.3%
- Average age: 36.9
- GDP: 1,231 billion $ (2015)
- GDP per capita: 51,352 $ (2015)
- GDP growth rate: +2.4% (2015)

### Beer Market (2015)
- Beer production volume: Approx. 2.10mn KL
- Beer consumption per person: Approx. 46L
- Beer market growth: +2.5%
- Breakdown by sales channel: On Premise 50%, Off Premise 50%

### Sapporo Group Activities
- **Nov. 2010**
  - Formed an alliance with Maeil Dairies Co., Ltd.
- **Jan. 2012**
  - Acquired 15% of the share of M’s Beverage Co., Ltd., a wholly owned subsidiary of Maeil Dairies
  - Driving forward sales expansion efforts
- **Sales volume in 2016**
  - 5.0 times in comparison with 2011

---

* Source: Statistics Bureau, Ministry of Internal Affairs and Communications

"The statistics of the world 2017"
Japan: Beer Market Data and Sapporo Group Activities

Total taxed shipments volume of beer-type beverages
(Millions of cases, Total of 5 companies)

<table>
<thead>
<tr>
<th>Year</th>
<th>Beer-type beverages total volume (mn cases)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>496.07</td>
</tr>
<tr>
<td>2008</td>
<td>482.68</td>
</tr>
<tr>
<td>2009</td>
<td>472.51</td>
</tr>
<tr>
<td>2010</td>
<td>459.17</td>
</tr>
<tr>
<td>2011</td>
<td>442.39</td>
</tr>
<tr>
<td>2012</td>
<td>438.11</td>
</tr>
<tr>
<td>2013</td>
<td>433.57</td>
</tr>
<tr>
<td>2014</td>
<td>427.08</td>
</tr>
<tr>
<td>2015</td>
<td>424.92</td>
</tr>
<tr>
<td>2016</td>
<td>414.76</td>
</tr>
</tbody>
</table>

New-genre volume

Happoshu volume

<table>
<thead>
<tr>
<th>Year</th>
<th>Beer volume (mn cases)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>274.04</td>
</tr>
<tr>
<td>2008</td>
<td>256.12</td>
</tr>
<tr>
<td>2009</td>
<td>239.04</td>
</tr>
<tr>
<td>2010</td>
<td>230.48</td>
</tr>
<tr>
<td>2011</td>
<td>221.03</td>
</tr>
<tr>
<td>2012</td>
<td>220.45</td>
</tr>
<tr>
<td>2013</td>
<td>216.69</td>
</tr>
<tr>
<td>2014</td>
<td>214.60</td>
</tr>
<tr>
<td>2015</td>
<td>214.90</td>
</tr>
<tr>
<td>2016</td>
<td>210.70</td>
</tr>
</tbody>
</table>

Composition of taxed shipments by product category (Total of 5 companies)

Composition of taxed shipments of beer by container type (Total of 5 companies)
● Corporate profile
★ Sapporo Breweries Ltd.
- Paid in capital: 10.0bn yen
- Entry into business:
  Sep. 1876 Established the Kaitakushi Brewery
  Sep. 1949 Established Nippon Breweries, Ltd.
  Jan. 1964 Nippon Breweries, Ltd., renamed Sapporo Breweries Ltd..
  Jul. 2003 Started operation under a holding company framework, with Sapporo Holdings Limited as a pure holding company
  Newly established Sapporo Breweries Ltd.
- Production base: Brewery 6 (Hokkaido, Sendai, Nasu, Chiba, Shizuoka, Hita), Japanese liquor plant 2, Winery 2
- Business field: Production and sales of beer and beer-type beverages, wine, Japanese liquor, etc.

Sapporo Breweries Ltd. Products
★ Core Brand

<table>
<thead>
<tr>
<th>Product</th>
<th>Launched in</th>
<th>Launched in</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sapporo Draft Beer</td>
<td>1977</td>
<td>1890</td>
</tr>
<tr>
<td>Black Label Beer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YEBISU Beer</td>
<td>2008</td>
<td></td>
</tr>
<tr>
<td>Mugi to Hop Beer</td>
<td>2008</td>
<td></td>
</tr>
<tr>
<td>The gold New-genre</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goku ZERO Happoshu</td>
<td>2013</td>
<td></td>
</tr>
</tbody>
</table>

Sapporo: New-genre
Sapporo: Happoshu
Sapporo: Beer
Japan: Beer Market Data and Sapporo Group Activities

**Sapporo**: Total taxed shipments volume of beer-type beverages
(Millions of cases)

![Graph showing the volume of beer-type beverages from 2007 to 2016 for Sapporo, including beer, Happoshu, and New-genre categories.](image)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beer</td>
<td>37.41</td>
<td>35.79</td>
<td>32.55</td>
<td>31.47</td>
<td>29.85</td>
<td>29.13</td>
<td>29.51</td>
<td>29.08</td>
<td>29.35</td>
<td>30.63</td>
</tr>
<tr>
<td>Happoshu</td>
<td>7.87</td>
<td>5.79</td>
<td>3.28</td>
<td>2.30</td>
<td>1.81</td>
<td>1.43</td>
<td>1.19</td>
<td>3.90</td>
<td>4.81</td>
<td>4.13</td>
</tr>
</tbody>
</table>

**Sapporo**: Composition of taxed shipments by container type (sales volume base)

<table>
<thead>
<tr>
<th>As of Dec. 31</th>
<th>Bottle: Can: keg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>12:49:39</td>
</tr>
<tr>
<td>Beer total</td>
<td>7:67:26</td>
</tr>
</tbody>
</table>

**Sapporo**: Breakdown by sales channel (sales volume base)

<table>
<thead>
<tr>
<th>As of Dec. 31</th>
<th>Off Premise: On premise</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>50:50</td>
</tr>
<tr>
<td>Beer total</td>
<td>68:32</td>
</tr>
</tbody>
</table>
Japan: Beer Market Data and Sapporo Group Activities

**Sapporo:**
Sales composition of Beer by brand

<table>
<thead>
<tr>
<th>Year</th>
<th>Black Label Brand</th>
<th>YEBISU Brand</th>
<th>Other beer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(millions of cases)

<table>
<thead>
<tr>
<th>Product</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Beer</td>
<td>28.96</td>
<td>29.19</td>
<td>30.48</td>
</tr>
<tr>
<td>Black label</td>
<td>16.15</td>
<td>16.18</td>
<td>16.63</td>
</tr>
<tr>
<td>YEBISU Brand</td>
<td>9.64</td>
<td>9.52</td>
<td>9.72</td>
</tr>
</tbody>
</table>

Reference: Liquor Tax

Comparison of the liquor tax by category

Source: National tax agency

Retail Price Breakdown *

<table>
<thead>
<tr>
<th>Product</th>
<th>Price before taxes</th>
<th>Liquor tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beer (350 ml)</td>
<td>128</td>
<td>11</td>
</tr>
<tr>
<td>Low-malt beer (350 ml)</td>
<td>105</td>
<td>12</td>
</tr>
<tr>
<td>New genre (350 ml)</td>
<td>143</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: Brewers Association of Japan, Sapporo
Note: Based on typical retail price at convenience stores. Consumption tax amounts are calculated using 8%
Japan: Beer Market Data and Sapporo Group Activities

**Sapporo: Sales Breakdown by category**

Jan-Dec net sales
279.4 billion yen

- Beer: 60%
- Happoshu, New genre: 7%
- Wine, Spirits: 23%
- Japanese liquor: 6%
- RTD, Non-alcoholic, etc.: 4%

**Wine**

(billions of yen)

- Japanese wine
- Imported wine

**Spirits**

(billions of yen)

**Japanese liquor**

(billions of yen)

**RTD**

(billions of yen)

---

**Sapporo: Net Sales**

**Beer + Beer type beverages (incl. liquor tax)**

(billions of yen)

<table>
<thead>
<tr>
<th>Year</th>
<th>Beer</th>
<th>Happoshu, New genre</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>234.1</td>
<td>72.5</td>
</tr>
<tr>
<td>2012</td>
<td>233.6</td>
<td>75.6</td>
</tr>
<tr>
<td>2013</td>
<td>235</td>
<td>75.3</td>
</tr>
<tr>
<td>2014</td>
<td>236.9</td>
<td>79.3</td>
</tr>
<tr>
<td>2015</td>
<td>229.9</td>
<td>70.6</td>
</tr>
<tr>
<td>2016</td>
<td>232.4</td>
<td>65</td>
</tr>
</tbody>
</table>

---

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(1-1) Soft Drinks Market (2016)
• Production volume: Approx. 21mn KL
• Consumption per capita: Approx. 160L
• Soft drinks consumption growth rate: +4%

Source: Japan Soft Drink Association

Pokka Sapporo: Sales Volume Composition by Category (2016)

- Pokka Sapporo: Sales Volume Composition by Container (2016)
- Pokka Sapporo: Sales Composition by Container (2016)
- Composition of Soft Drinks Market by sales channel (2016)
- Composition of Soft Drinks Market by category (2016)
- Composition of Soft Drinks Market by container (2016)

Pokka Sapporo Food & Beverage Ltd. Products

Kireto Lemon  Lemon Brand  aromax  Gabunomi  GEROLSTEINER  Nippon Oolong
### (1-2) Corporate Profile

**Pokka Sapporo Food & Beverage Ltd.**

- **Paid in capital:** 5.43bn yen
- **Entry into business:**
  - Jun. 1909: Entered into the soft drink business as the first Japanese brewery to do so. Launched Citron (Soda)
  - Feb. 1957: Established Nikka Lemon Co., Ltd. to make and sell lemon beverages, later POKKA CORPORATION
  - Sep. 2009: Acquired 21.41% of the share of POKKA CORPORATION. Made POKKA into affiliated company accounted by the equity method.
  - Mar. 2011: Acquired 86.76% of the share of POKKA CORPORATION. Made POKKA into consolidated subsidiary.
  - As of Dec. 31, 2011: Acquired 98.59% of the share of POKKA CORPORATION.
    - Acquisition cost: 34.80bn yen
    - Goodwill: 18.41bn yen 15 years with the straight-line method.
  - Mar. 2012: Integrated Sapporo Beverage Co., Ltd. with POKKA CORPORATION to establish Pokka Sapporo Food & Beverage Ltd.
  - Dec. 2012: Made POKKA CORPORATION into a wholly owned subsidiary.
  - Jan. 2013: Absorption-type merger between Sapporo Beverage Co., Ltd and POKKA CORPORATION. Commenced operation of Pokka Sapporo Food & Beverage Ltd.

- **Production base:** Food & Soft drinks plant 2 (Nagoya, Gunma), Soft drinks plant 2 (Iwata, Okinawa)
- **Business field:** Manufacture and sales of food & soft drinks, Operating coffee shop and other
(1-1) Soup Market
Market size: 126.0bn yen (2016)
Market growth rate: +3.4%
*Instant soup market size: 84.9bn yen (2016)
Market growth rate: +4.1%

Source: Sapporo estimate

Launched two canned soup products in 1980

(1-2) Sapporo Group Activities
Entry into business: 1980
Instant soup sales: 14.0bn yen (2016)
Instant soup sales growth rate: -5.1%
Share: 16.2% (No.2)
Canned soup sales: 4.0bn yen (2016)
Canned soup sales growth rate: +8.2%
Share: 44.2% (No.1)
Production base: 3 (Nagoya, Gunma, Iwata)

Source: Sapporo estimate
Can data hand book 2016 (Canned soup)

(2-1) Lemon-based Flavoring Market
Market size: 6.0bn yen (2016)
Market growth rate: +5.8%

Source: Sapporo estimate

Launched two canned soup products in 1980

(2-2) Sapporo Group Activities
Sales: 5.6bn yen (2016)
Sales growth rate: +5.2%
Share: 85.3% (No.1)
Production base: 1 (Nagoya)

Source: Intage SRI market research (Share)
## (1-1) Real Estate Market

### The Greater Tokyo Area Office Leasing Market

#### Annual average of occupancy rates & rent level
(Source: Miki Shoji Co., Ltd.)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupancy rate (%)</td>
<td>90.9</td>
<td>91.9</td>
<td>93.8</td>
<td>95.1</td>
<td>96.1</td>
</tr>
<tr>
<td>New buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupancy rate</td>
<td>67.5</td>
<td>82.6</td>
<td>83.0</td>
<td>67.0</td>
<td>80.7</td>
</tr>
<tr>
<td>Existing buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupancy rate</td>
<td>91.7</td>
<td>92.1</td>
<td>93.9</td>
<td>95.7</td>
<td>96.4</td>
</tr>
<tr>
<td>Rent level (yen/ tsubo)</td>
<td>16,719</td>
<td>16,367</td>
<td>16,616</td>
<td>17,412</td>
<td>18,200</td>
</tr>
<tr>
<td>New buildings rent</td>
<td>22,830</td>
<td>26,008</td>
<td>27,312</td>
<td>27,186</td>
<td>28,355</td>
</tr>
<tr>
<td>Existing buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>rent level</td>
<td>16,578</td>
<td>16,183</td>
<td>16,402</td>
<td>17,195</td>
<td>17,917</td>
</tr>
</tbody>
</table>

## (1-2) Corporate profile

★ Sapporo Real Estate Co., Ltd.
- Paid in capital: 2.08bn yen
- Entry into business: June 1988
- Business field: Real estate leasing, administration, operation and development services

### Major rental properties & annual average of occupancy rates

#### (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yebisu Garden Place</td>
<td>96.0</td>
<td>93.0</td>
<td>82.0</td>
<td>92.0</td>
<td>99.0</td>
</tr>
<tr>
<td>Ebisu First Square</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(formerly Seiwa Ebisu Building)</td>
<td>*44.0</td>
<td>*0.0</td>
<td>23.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Ebisu Square</td>
<td>94.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>95.0</td>
</tr>
<tr>
<td>Ginza Place</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(formerly Sapporo Ginza Building)</td>
<td>96.0</td>
<td>*74.0</td>
<td>*14.0</td>
<td>*0.0</td>
<td>*0.0</td>
</tr>
<tr>
<td>Strata Ginza</td>
<td>99.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

### Real estate for lease

#### (millions of yen)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the fiscal year end date</td>
<td>209,924</td>
<td>210,078</td>
<td>207,864</td>
<td>197,666</td>
<td>201,763</td>
</tr>
<tr>
<td>Fair value at the fiscal year end date</td>
<td>335,672</td>
<td>337,771</td>
<td>348,237</td>
<td>357,395</td>
<td>389,101</td>
</tr>
</tbody>
</table>
Sapporo Group Activities

The real estate business mainly develops rental rear estate, including Yebisu Garden Place, Sapporo Factory, and office buildings principally located in three areas where it has deep Group links: Ebisu, Ginza and Sapporo.

Commercial complexes

Yebisu Garden Place
The former site of Sapporo Breweries’ Ebisu Brewery

<table>
<thead>
<tr>
<th>Address</th>
<th>20, Ebisu 4-chome, Shibuya-ku, Tokyo 4-13, Mita 1-chome, Meguro-ku, Tokyo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site area</td>
<td>Approx. 83,000㎡ (25,200 tsubo)</td>
</tr>
<tr>
<td>Building area</td>
<td>Approx. 32,000㎡ (9,700 tsubo)</td>
</tr>
<tr>
<td>Floor area</td>
<td>Approx. 478,000㎡ (144,600 tsubo)</td>
</tr>
<tr>
<td>No. of floors</td>
<td>40 floors above ground, 5 below</td>
</tr>
<tr>
<td>Opened</td>
<td>Oct. 1994</td>
</tr>
</tbody>
</table>

Sapporo Factory
The former site of Sapporo Breweries’ Sapporo Brewery

<table>
<thead>
<tr>
<th>Address</th>
<th>Kita 2 Jo Higashi 4-chome, Chuo-ku, sapporo-shi, Hokkaido</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site area</td>
<td>Approx. 47,000㎡ (14,300 tsubo)</td>
</tr>
<tr>
<td>Building area</td>
<td>Approx. 32,400㎡ (9,800 tsubo)</td>
</tr>
<tr>
<td>Floor area</td>
<td>Approx. 160,000㎡ (48,400 tsubo)</td>
</tr>
<tr>
<td>Opened</td>
<td>Apr. 1993</td>
</tr>
</tbody>
</table>

Atrium
Japan: Real Estate Market Data and Sapporo Group Activities

**Rental Properties**

**[Ebisu area]**

**Ebisu First Square**
- Address: 18-14, Ebisu 1-chome, Shibuyaku, Tokyo
- Site area: 2,596㎡
- Floor area: 16,012㎡
- No. of floors: 12 floors above ground, 1 below
- Completed: Sep. 2014
- Use: Office

**Ebisu Square**
- Address: 23-23, Ebisu 1-chome, Shibuyaku, Tokyo
- Site area: 1,561㎡
- Floor area: 8,644㎡
- No. of floors: 7 floors above ground, 1 below
- Completed: Jun. 1994
- Use: Office

**[Ginza area]**

**GIINZA PLACE**
- Address: 8-1, Ginza 5-chome, Chuo-ku, Tokyo
- Site area: Approx. 645㎡
- Floor area: Approx. 7,350㎡
- No. of floors: 11 floors above ground, 2 below
- Use: Commercial complex

**STRATA GINZA**
- Address: 10-1, Ginza 7-chome, chuo-ku, Tokyo
- Site area: 1,117㎡
- Floor area: 11,411㎡
- No. of floors: 13 floors above ground, 1 below
- Completed: Sep. 2006
- Use: Hotel, Shops, Restaurants

*Sapporo owns 922㎡ of the site (sectional ownership) and 89.72% of the building*
(1-1) Restaurants Market (2016)

- Total market size: Approx. 25,416.9bn yen
  - Drinking outlets (including beer hall) market size: Approx. 1,007.7bn yen
  - Coffee shops market size: Approx. 1,175.0bn yen

- Total market growth rate: +0.1%
  - Drinking outlets (including beer hall) market growth rate: -1.0%
  - Coffee shops market growth rate: -4.9%

(Source: Japan Food Service association)

- Drinking outlets (including beer hall) market
  Net sales and number of outlets (Year on year)

- Coffee shops market
  Net sales and number of outlets (Year on year)

*Year on year data are based on the questionnaire for member of Japan Food Service association
(2-2) Sapporo Group Activities

● Drinking outlets (including beer hall)
  - Operating company: Sapporo Lion Ltd.
  - Paid in capital: 4.87bn yen
  - Entry into business:
    August 4, 1899  Opened YEBISU BEER HALL in Ginza, Tokyo as Japan’s first beer hall
    Sep. 1949  Established Nippon Kyoei Ltd., later Sapporo Lion Ltd.
  - Business field: Operating beer hall, drinking outlets and restaurants, mainly GINZA LION and YEBISU BAR

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales of existing outlets (Year on year)</td>
<td>102%</td>
<td>101%</td>
<td>101%</td>
<td>104%</td>
<td>99%</td>
</tr>
<tr>
<td>No. of outlets (Year on year)</td>
<td>101%</td>
<td>98%</td>
<td>97%</td>
<td>92%</td>
<td>103%</td>
</tr>
<tr>
<td>No. of outlets at the fiscal year end date</td>
<td>193</td>
<td>190</td>
<td>185</td>
<td>170</td>
<td>175</td>
</tr>
</tbody>
</table>

Trends of net sales and number of Sapporo Lion outlets

Net sales of existing outlets (Year on year)
No. of outlets (Year on year)
<Sapporo Lion outlets>
As of June 30, 2017

- Tokyo Metropolis: 89 outlets
- Kanto (excl. Tokyo): 26 outlets
- Hokkaido: 14 outlets
- Tohoku: 9 outlets
- Nagoya: 6 outlets
- Kansai: 2 outlets
- Other: 8 outlets

*1: Tochigi, Gunma, Saitama, Chiba, Kanagawa, Yamanashi
*2: Osaka, Kyoto, Hyogo

Main outlet Beer Hall Lion Ginza 7-Chome

Opened in 1934
Oldest existing beer hall in Japan

<New Sanko Inc.> *Sapporo Lion’s Subsidiary
1954 Established in Otaru, Hokkaido
Operating beer hall
9 outlets located in Hokkaido (Sapporo, Otaru)

<Marushinkawamura Inc.> *Sapporo Lion’s Subsidiary
1955 Established in Sapporo, Hokkaido
Newly consolidated from the first half of 2016
16 outlets located in Hokkaido (Sapporo) and Tokyo

Outlet interior
Authentic atmosphere with 250 colored glass mosaic wall art
Size 27.5m x 5.75m
Made by Mr. Eizo Sugawara

※1: Tochigi, Gunma, Saitama, Chiba, Kanagawa, Yamanashi
※2: Osaka, Kyoto, Hyogo
**Coffee shops**

- Operating company: Pokka Create Co., Ltd  
  *Pokka Sapporo Food & Beverage’s Subsidiary*
- Paid in capital: 300mn yen
- Entry into business: Oct. 1994
- Business field: Operating coffee shop chain “CAFÉ de CRIE”

Number of outlets: 192 outlets (as of June 30, 2017)

(Directly operated: 107 outlets; FC: 85 outlets)

East Japan 107, Central Japan 37, West Japan 50

### Trends of net sales and number CAFÉ de CRIE outlets

<table>
<thead>
<tr>
<th>Year</th>
<th>Net sales of Pokka Create (billions of yen)</th>
<th>No. of CAFÉ de Crie outlets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>6.3</td>
<td>163</td>
</tr>
<tr>
<td>2013</td>
<td>7.1</td>
<td>170</td>
</tr>
<tr>
<td>2014</td>
<td>7.4</td>
<td>185</td>
</tr>
<tr>
<td>2015</td>
<td>7.7</td>
<td>189</td>
</tr>
<tr>
<td>2016</td>
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<td>190</td>
</tr>
</tbody>
</table>

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③ Financial Data
The Sapporo Group operates under a holding company framework, with Sapporo Holdings Limited as a pure holding company, and has five business segments: Japanese Alcoholic Beverages, International, Food & Soft Drinks, Restaurants and Real Estate. We have positioned “Alcoholic Beverages”, “Food” and “Soft Drinks” as the Group's three core business fields, and will work to nurture and strengthen the Group's brands along with the real estate business. The Sapporo Group stands out among the numerous food companies in Japan for conducting business in all three fields of “Alcoholic Beverages”, “Food” and “Soft Drinks”. Leveraging this unique strength, we will work to supply distinctive products and services worldwide in conjunction with expanding our contact points with customers, with the aim of driving robust growth.

**Main financial figures**
- **2016 Net sales:** ¥541.8bn yen
- **2016 Net sales (excl. liquor tax):** ¥424.0bn yen
- **2016 Operating income:** ¥20.2bn yen
- **2016 Operating income before goodwill amortization:** ¥24.1bn yen

**Breakdown of FY2016 net sales (excl. liquor tax)**
- **Japanese alcoholic beverages (excl. liquor tax) 38%**
- **Food & Soft Drinks 33%**
- **Restaurants 19%**
- **Real Estate 11%**

**Breakdown of FY2016 EBITDA (before segment adjustment)**
- **Japanese alcoholic beverages 29%**
- **Food & Soft Drinks 22%**
- **Restaurants 19%**
- **Real Estate 11%**

**Japanese Alcoholic Beverages**
- **Achieve continuous growth**
- **Enhance brand strength**
- **Wine business will become a second core business**
  - **Net sales:** ¥279.4bn
  - **Net sales (excl. liquor tax):** ¥161.6bn
  - **Operating income before goodwill amortization:** ¥11.8bn
  - **Margin (excl. liquor tax):** 7.3%
  - **EBITDA:** ¥19.0bn

**International**
- **Achieve continuous growth**
- **Enhance brand strength**
- **Produce results in investment business**
  - **Net sales:** ¥65.4bn
  - **Operating income before goodwill amortization:** ¥2.5bn
  - **Margin:** 3.9%
  - **EBITDA:** ¥5.6bn

**Food & Soft Drinks**
- **Achieve continuous growth**
- **Enhance brand strength**
- **Capture growth opportunities**
  - **Net sales:** ¥137.9bn
  - **Operating income before goodwill amortization:** ¥3.4bn
  - **Margin:** 2.5%
  - **EBITDA:** ¥9.1bn

**Restaurants**
- **Achieve continuous growth**
- **Enhance brand strength**
- **Improve profitability**
  - **Net sales:** ¥28.1bn
  - **Operating income before goodwill amortization:** ¥0.6bn
  - **Margin:** 2.5%
  - **EBITDA:** ¥1.2bn

**Real Estate**
- **Achieve continuous growth**
- **Enhance brand strength**
- **Strengthen stable earnings base**
  - **Net sales:** ¥22.9bn
  - **Operating income before goodwill amortization:** ¥10.3bn
  - **Margin:** 45.1%
  - **EBITDA:** ¥14.4bn

**Sapporo Group Overview**

Focused mainly on the beer business, but is also involved in other areas, including the wine and spirits business and the Japanese liquors business. The Group will continue to propose products and services that represent the distinctive Sapporo value.

Offering alcoholic beverages and soft drinks, mainly in North America and Southeast Asia. In the North American market, we are aiming to take another leap forward, while working to expand our beer business in Vietnam and use it as a base for strengthening our exports to surrounding countries.

- **Strong brands in the lemon-based foods and drinks markets, and in the instant soup markets, which are expected to grow**
- **Growing in Southeast Asia and Middle East by leveraging the overwhelming market share of green tea drinks in Singapore**

Japan’s largest beer hall chains, GINZA LION and YEBISU BAR, along with various restaurants. In addition to providing delicious draft beer, we will continue to develop menus based on the theme of “safety, security, authenticity, and health.”

- **Two Ginza Lion Beer Hall outlets in Singapore**

Operating and managing three commercial complexes—Yebisu Garden Place, Sapporo Factory, and GINZA PLACE —as well as office buildings and others.

- **Yebisu Garden Place**: Promote the renovation in the property’s commercial area to further increase value to boost the brand strength of the entire district.
Financial Data (Profit and Loss Trends)

Net Sales

Net Sales (excl. Liquor tax)

Overseas Sales Ratio (excl. Liquor tax)

Gross Profit / Net Sales (excl. tax)
SGA / Net Sales (excl. tax)
Operating Income Margin (excl. tax)

Operating Income

Ordinary Income

Profit attributable to owners of parent

EBITDA

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## Financial Data (Profit and Loss Trends)

<table>
<thead>
<tr>
<th>Items</th>
<th>2007/12</th>
<th>2008/12</th>
<th>2009/12</th>
<th>2010/12</th>
<th>2011/12</th>
<th>2012/12</th>
<th>2013/12</th>
<th>2014/12</th>
<th>2015/12</th>
<th>2016/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales (Including tax) (millions of yen)</td>
<td>449,011</td>
<td>414,558</td>
<td>387,534</td>
<td>389,244</td>
<td>449,452</td>
<td>492,490</td>
<td>509,834</td>
<td>518,740</td>
<td>533,748</td>
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<td>284,411</td>
<td>264,604</td>
<td>269,874</td>
<td>336,837</td>
<td>379,792</td>
<td>395,377</td>
<td>401,813</td>
<td>418,319</td>
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<td>288,146</td>
<td>267,690</td>
<td>261,211</td>
<td>286,678</td>
<td>313,117</td>
<td>329,605</td>
<td>336,388</td>
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<td>111,726</td>
<td>106,947</td>
<td>112,629</td>
<td>143,890</td>
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<td>166,990</td>
<td>169,159</td>
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<td>14,685</td>
<td>12,895</td>
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<td>18,883</td>
<td>14,414</td>
<td>15,344</td>
<td>14,728</td>
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<td>20,267</td>
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<td>Ordinary income (millions of yen)</td>
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<td>10,526</td>
<td>10,725</td>
<td>14,328</td>
<td>16,807</td>
<td>13,689</td>
<td>15,130</td>
<td>14,565</td>
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<td>19,202</td>
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<td>EBITDA (millions of yen)</td>
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<td>37,157</td>
<td>36,474</td>
<td>39,080</td>
<td>46,476</td>
<td>44,098</td>
<td>44,388</td>
<td>42,974</td>
<td>42,327</td>
<td>46,529</td>
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<td>Profit attributable to owners of parent (millions of yen)</td>
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<td>7,640</td>
<td>4,535</td>
<td>10,772</td>
<td>3,164</td>
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<td>Gross profit to net sales (Excluding tax) (%)</td>
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<td>Selling general and administrative expenses to net sales (Excluding tax) (%)</td>
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<td>42.7</td>
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<td>Operating income margin (Excluding tax) (%)</td>
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<td>3.7</td>
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## Financial Data (Financial Condition)

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<th>2014/12</th>
<th>2015/12</th>
<th>2016/12</th>
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</thead>
<tbody>
<tr>
<td>Total assets (millions of yen)</td>
<td>561,858</td>
<td>527,286</td>
<td>506,874</td>
<td>494,798</td>
<td>550,784</td>
<td>597,636</td>
<td>616,752</td>
<td>625,439</td>
<td>620,388</td>
<td>626,351</td>
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<tr>
<td>Net assets (millions of yen)</td>
<td>125,189</td>
<td>116,862</td>
<td>118,590</td>
<td>126,645</td>
<td>124,775</td>
<td>134,946</td>
<td>155,366</td>
<td>160,004</td>
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<td>166,380</td>
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<td>Total current assets (millions of yen)</td>
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<td>129,418</td>
<td>102,277</td>
<td>109,737</td>
<td>129,018</td>
<td>138,258</td>
<td>147,336</td>
<td>156,372</td>
<td>156,364</td>
<td>164,183</td>
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<td>Total fixed assets (millions of yen)</td>
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<td>397,868</td>
<td>404,596</td>
<td>385,061</td>
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<td>469,416</td>
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<td>464,023</td>
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<td>Total current liabilities (millions of yen)</td>
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<td>213,203</td>
<td>169,252</td>
<td>167,043</td>
<td>212,589</td>
<td>243,146</td>
<td>227,308</td>
<td>211,771</td>
<td>233,643</td>
<td>212,123</td>
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<tr>
<td>Total fixed liabilities (millions of yen)</td>
<td>213,168</td>
<td>197,220</td>
<td>219,032</td>
<td>201,109</td>
<td>213,418</td>
<td>234,077</td>
<td>253,662</td>
<td>222,921</td>
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<td>247,847</td>
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<td>Financial liabilities (millions of yen)</td>
<td>208,464</td>
<td>189,251</td>
<td>196,794</td>
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<td>219,168</td>
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<td>247,828</td>
<td>247,556</td>
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<td>Equity ratio (%)</td>
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<td>23.4</td>
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<td>22.4</td>
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<td>351.1</td>
<td>304.2</td>
<td>297.8</td>
<td>289.1</td>
<td>286.3</td>
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<td>Fixed Assets ratio (%)</td>
<td>354.9</td>
<td>341.1</td>
<td>341.8</td>
<td>307.9</td>
<td>342.1</td>
<td>348.6</td>
<td>309.5</td>
<td>300.1</td>
<td>293.8</td>
<td>287.6</td>
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<tr>
<td>Fixed Assets to Fixed Liability ratio (%)</td>
<td>131.3</td>
<td>126.8</td>
<td>119.9</td>
<td>118.1</td>
<td>125.3</td>
<td>130.8</td>
<td>121.7</td>
<td>114.4</td>
<td>121.8</td>
<td>113.1</td>
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<tr>
<td>Current ratio (%)</td>
<td>52.7</td>
<td>60.7</td>
<td>60.4</td>
<td>65.7</td>
<td>60.7</td>
<td>56.9</td>
<td>64.8</td>
<td>73.8</td>
<td>66.9</td>
<td>77.4</td>
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<td>D/E ratio (times)</td>
<td>1.7</td>
<td>1.6</td>
<td>1.7</td>
<td>1.4</td>
<td>1.8</td>
<td>1.9</td>
<td>1.6</td>
<td>1.5</td>
<td>1.4</td>
<td>1.4</td>
</tr>
</tbody>
</table>
Financial Data (Segment Information)

Net Sales by Segment

Net Sales:
- Japanese Alcoholic Beverages
- International
- Food & Soft Drinks
- Restaurants
- Real Estate

Composition:
- Japanese Alcoholic Beverages (excl. liquor tax)
- International
- Food & Soft Drinks
- Restaurants
- Real Estate

Net Sales - Japanese Alcoholic Beverages

Net Sales - International

Net Sales - Food & Soft Drinks

Net Sales - Restaurants

Net Sales - Real Estate
# Financial Data (Segment Information)

<table>
<thead>
<tr>
<th>Items</th>
<th>2007/12</th>
<th>2008/12</th>
<th>2009/12</th>
<th>2010/12</th>
<th>2011/12</th>
<th>2012/12</th>
<th>2013/12</th>
<th>2014/12</th>
<th>2015/12</th>
<th>2016/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales-Alcoholic beverages(Including tax) (millions of yen) *</td>
<td>343,670</td>
<td>324,720</td>
<td>305,495</td>
<td>304,715</td>
<td>294,077</td>
<td>306,068</td>
<td>323,125</td>
<td>330,704</td>
<td>344,153</td>
<td>344,877</td>
</tr>
<tr>
<td>Sales-Japanese Alcoholic beverages(Including tax) (millions of yen) *</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>279,329</td>
<td>268,189</td>
<td>269,947</td>
<td>274,909</td>
<td>281,031</td>
<td>273,651</td>
</tr>
<tr>
<td>Sales-International (millions of yen) *</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25,386</td>
<td>25,888</td>
<td>36,121</td>
<td>48,215</td>
<td>49,672</td>
<td>70,501</td>
</tr>
<tr>
<td>Sales-Food&amp;Soft drinks (millions of yen)</td>
<td>52,239</td>
<td>36,848</td>
<td>30,745</td>
<td>33,937</td>
<td>108,060</td>
<td>129,017</td>
<td>130,671</td>
<td>133,439</td>
<td>135,670</td>
<td>137,918</td>
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<tr>
<td>Sales-Restaurants (millions of yen)</td>
<td>28,954</td>
<td>29,537</td>
<td>28,026</td>
<td>26,429</td>
<td>24,091</td>
<td>26,621</td>
<td>26,827</td>
<td>27,143</td>
<td>27,004</td>
<td>28,120</td>
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<tr>
<td>Sales-Real estate (millions of yen)</td>
<td>24,147</td>
<td>23,451</td>
<td>23,266</td>
<td>23,537</td>
<td>22,468</td>
<td>23,217</td>
<td>22,767</td>
<td>21,509</td>
<td>20,872</td>
<td>22,900</td>
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<td>Sales-Others (millions of yen)</td>
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<td>-</td>
<td>-</td>
<td>624</td>
<td>755</td>
<td>7,565</td>
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<td>Sales share-Alcoholic beverages(Excluding tax) (%)</td>
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<td>68.4</td>
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<td>53.9</td>
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<td>53.6</td>
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<td>Sales share-Japanese Alcoholic beverages(Excluding tax) (%)</td>
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<td>-</td>
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<td>-</td>
<td>59.3</td>
<td>46.2</td>
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<tr>
<td>Sales share-International (%)</td>
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<td>9.4</td>
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<tr>
<td>Sales share-Food&amp;Soft drinks (%)</td>
<td>16.9</td>
<td>13.0</td>
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<td>34.8</td>
<td>33.0</td>
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<td>Sales share -Restaurants (%)</td>
<td>9.3</td>
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<td>Sales share-Real estate (%)</td>
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<td>5.8</td>
<td>5.4</td>
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<tr>
<td>Sales share-Others (%)</td>
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<td>0.2</td>
<td>1.6</td>
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</table>

*Effective from the fiscal year 2011, the Alcoholic beverages business was split into Japanese and International segments.
Financial Data (Segment Information)

Operating Income by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Operating Income</th>
<th>OP Margin (Line)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japanese Alcoholic Beverages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>International</td>
<td></td>
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<tr>
<td>Food &amp; Soft Drinks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restaurants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate</td>
<td></td>
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</tr>
</tbody>
</table>

Operating Income & OP Margin - Japanese Alcoholic Beverages

<table>
<thead>
<tr>
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<th>Operating Income</th>
<th>OP Margin (Line)</th>
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<tbody>
<tr>
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<td>2013</td>
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<td></td>
</tr>
<tr>
<td>2016</td>
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</tbody>
</table>

Operating Income & OP Margin - International

<table>
<thead>
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<th>Year</th>
<th>Operating Income</th>
<th>OP Margin (Line)</th>
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<tbody>
<tr>
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<td>2015</td>
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<tr>
<td>2016</td>
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</table>

Operating Income & OP Margin - Food & Soft Drinks

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income</th>
<th>OP Margin (Line)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
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</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
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</tbody>
</table>

Operating Income & OP Margin - Restaurants

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income</th>
<th>OP Margin (Line)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
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</tbody>
</table>

Operating Income & OP Margin - Real Estate

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income</th>
<th>OP Margin (Line)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
</tr>
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<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
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</table>
## Financial Data (Segment Information)

<table>
<thead>
<tr>
<th>Items</th>
<th>2007/12</th>
<th>2008/12</th>
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<th>2011/12</th>
<th>2012/12</th>
<th>2013/12</th>
<th>2014/12</th>
<th>2015/12</th>
<th>2016/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income-Alcoholic beverages</td>
<td>7,854</td>
<td>8,610</td>
<td>8,176</td>
<td>9,787</td>
<td>9,682</td>
<td>7,448</td>
<td>11,109</td>
<td>10,365</td>
<td>8,789</td>
<td>12,652</td>
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<tr>
<td>(millions of yen) *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income-Japanese Alcoholic</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,290</td>
<td>9,304</td>
<td>7,522</td>
<td>9,901</td>
<td>10,192</td>
<td>8,635</td>
<td>11,745</td>
</tr>
<tr>
<td>beverages (millions of yen) *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income-International (millions</td>
<td>-639</td>
<td>220</td>
<td>301</td>
<td>1,280</td>
<td>3,690</td>
<td>364</td>
<td>-1,483</td>
<td>121</td>
<td>434</td>
<td>1,314</td>
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<tr>
<td>(millions of yen) *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income-Restaurants (millions of</td>
<td>656</td>
<td>550</td>
<td>-171</td>
<td>148</td>
<td>219</td>
<td>538</td>
<td>415</td>
<td>303</td>
<td>522</td>
<td>663</td>
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<tr>
<td>yen)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Operating income-Real estate (millions of</td>
<td>7,073</td>
<td>7,612</td>
<td>7,524</td>
<td>7,986</td>
<td>8,552</td>
<td>9,396</td>
<td>8,685</td>
<td>7,695</td>
<td>8,281</td>
<td>10,328</td>
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<td>yen)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Operating income-Others (millions of yen)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-751</td>
<td>-643</td>
<td>-413</td>
<td>231</td>
<td>183</td>
<td>1</td>
<td>95</td>
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<td>Operating income margin-Alcoholic</td>
<td>3.8</td>
<td>4.4</td>
<td>4.5</td>
<td>5.3</td>
<td>5.3</td>
<td>3.8</td>
<td>4.8</td>
<td>3.8</td>
<td>5.6</td>
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<tr>
<td>beverages (Excluding tax) (%)</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Operating income margin-Japanese Alcoholic</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5.8</td>
<td>6.0</td>
<td>4.6</td>
<td>6.2</td>
<td>6.2</td>
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<tr>
<td>beverages (Excluding tax) (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Operating income margin-International</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.0</td>
<td>1.5</td>
<td>-0.2</td>
<td>2.5</td>
<td>0.3</td>
<td>0.2</td>
<td>1.4</td>
</tr>
<tr>
<td>(Excluding tax) (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Operating income margin-Food &amp; Soft drinks</td>
<td>-1.6</td>
<td>0.6</td>
<td>1.0</td>
<td>3.8</td>
<td>3.4</td>
<td>0.3</td>
<td>-1.1</td>
<td>0.1</td>
<td>0.3</td>
<td>1.0</td>
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<tr>
<td>(%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Operating income margin-Restaurants (%)</td>
<td>2.3</td>
<td>1.9</td>
<td>-0.6</td>
<td>0.6</td>
<td>0.9</td>
<td>2.1</td>
<td>1.5</td>
<td>1.1</td>
<td>1.9</td>
<td>2.4</td>
</tr>
<tr>
<td>(%)</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Operating income margin-Real estate (%)</td>
<td>29.3</td>
<td>32.5</td>
<td>32.3</td>
<td>33.9</td>
<td>38.1</td>
<td>40.5</td>
<td>38.1</td>
<td>35.8</td>
<td>39.7</td>
<td>45.1</td>
</tr>
<tr>
<td>(%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Operating income margin-Others (%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-120.4</td>
<td>-85.2</td>
<td>-47.4</td>
<td>3.6</td>
<td>3.1</td>
<td>0.0</td>
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</table>

*Effective from the fiscal year 2011, the Alcoholic beverages business was split into Japanese and International segments.*
Financial Data (Cash Flows Information)

Cash Flows from Operating Activities

Cash Flows from Investing Activities

Cash Flows from Financing Activities

Free Cash Flows

Cash and Cash Equivalents

Capital Expenditure

Depreciation and Amortization

Goodwill Amortization
Financial Data (Cash Flow Information)

<table>
<thead>
<tr>
<th>Items</th>
<th>2007/12</th>
<th>2008/12</th>
<th>2009/12</th>
<th>2010/12</th>
<th>2011/12</th>
<th>2012/12</th>
<th>2013/12</th>
<th>2014/12</th>
<th>2015/12</th>
<th>2016/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating activities CF (millions of yen)</td>
<td>30,690</td>
<td>22,291</td>
<td>12,454</td>
<td>27,431</td>
<td>22,313</td>
<td>29,618</td>
<td>32,861</td>
<td>22,284</td>
<td>35,265</td>
<td>32,570</td>
</tr>
<tr>
<td>Investing activities CF (millions of yen)</td>
<td>-13,495</td>
<td>16,856</td>
<td>-32,227</td>
<td>-2,594</td>
<td>-50,891</td>
<td>-59,485</td>
<td>-13,268</td>
<td>-17,229</td>
<td>-9,755</td>
<td>-27,586</td>
</tr>
<tr>
<td>Free CF (millions of yen)</td>
<td>17,195</td>
<td>39,147</td>
<td>-19,773</td>
<td>24,837</td>
<td>-28,578</td>
<td>-29,867</td>
<td>19,593</td>
<td>5,055</td>
<td>25,510</td>
<td>4,984</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of year (millions of yen)</td>
<td>5,881</td>
<td>22,217</td>
<td>6,267</td>
<td>13,270</td>
<td>9,057</td>
<td>9,725</td>
<td>11,518</td>
<td>9,748</td>
<td>10,399</td>
<td>10,475</td>
</tr>
<tr>
<td>Capital expenditures (millions of yen)</td>
<td>19,882</td>
<td>27,342</td>
<td>21,827</td>
<td>19,574</td>
<td>13,422</td>
<td>53,870</td>
<td>13,768</td>
<td>19,133</td>
<td>20,339</td>
<td>21,809</td>
</tr>
<tr>
<td>Depreciation and amortization (millions of yen)</td>
<td>24,526</td>
<td>21,604</td>
<td>22,546</td>
<td>22,504</td>
<td>24,482</td>
<td>25,805</td>
<td>25,058</td>
<td>24,481</td>
<td>24,224</td>
<td>22,341</td>
</tr>
<tr>
<td>Goodwill amortization expense (millions of yen)</td>
<td>869</td>
<td>867</td>
<td>1,032</td>
<td>1,172</td>
<td>3,109</td>
<td>3,879</td>
<td>3,985</td>
<td>3,764</td>
<td>4,153</td>
<td>3,920</td>
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</table>
## Financial Data (Per Share Data)

### Items

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<thead>
<tr>
<th>Items</th>
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<th>2009/12</th>
<th>2010/12</th>
<th>2011/12</th>
<th>2012/12</th>
<th>2013/12</th>
<th>2014/12</th>
<th>2015/12</th>
<th>2016/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit per share (yen)</td>
<td>14.10</td>
<td>19.49</td>
<td>11.57</td>
<td>27.50</td>
<td>8.08</td>
<td>13.77</td>
<td>24.20</td>
<td>0.87</td>
<td>78.40</td>
<td>121.56</td>
</tr>
<tr>
<td>Cash dividends per share (yen)</td>
<td>5</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>35</td>
<td>37</td>
</tr>
<tr>
<td>Net assets per share (yen)</td>
<td>319.07</td>
<td>297.60</td>
<td>302.16</td>
<td>319.32</td>
<td>314.87</td>
<td>336.60</td>
<td>388.77</td>
<td>401.17</td>
<td>2027.20</td>
<td>2062.86</td>
</tr>
<tr>
<td>Payout ratio (%)</td>
<td>35.5</td>
<td>35.9</td>
<td>60.5</td>
<td>25.5</td>
<td>86.6</td>
<td>50.8</td>
<td>28.9</td>
<td>802.6</td>
<td>44.6</td>
<td>30.4</td>
</tr>
<tr>
<td>Stock price (yen)</td>
<td>900</td>
<td>559</td>
<td>509</td>
<td>368</td>
<td>291</td>
<td>279</td>
<td>442</td>
<td>512</td>
<td>2,660</td>
<td>3,010</td>
</tr>
</tbody>
</table>

*On July 1, 2016, the Company carried out a share consolidation at a ratio of 1 share for 5 shares of the Company’s common stock. Accordingly, values for the items noted below have been recalculated on the assumption that the share consolidation took place at the beginning of fiscal year 2015.

- Profit per share
- Cash dividends per share
- Net assets per share
- Stock price
Financial Data (Management Indicators)

<table>
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<th>Items</th>
<th>2007/12</th>
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<th>2009/12</th>
<th>2010/12</th>
<th>2011/12</th>
<th>2012/12</th>
<th>2013/12</th>
<th>2014/12</th>
<th>2015/12</th>
<th>2016/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROA (%)</td>
<td>1.0</td>
<td>1.4</td>
<td>0.9</td>
<td>2.2</td>
<td>0.6</td>
<td>0.9</td>
<td>1.6</td>
<td>0.1</td>
<td>1.0</td>
<td>0.4</td>
</tr>
<tr>
<td>ROE (%)</td>
<td>4.6</td>
<td>6.3</td>
<td>3.9</td>
<td>8.9</td>
<td>2.5</td>
<td>4.2</td>
<td>6.7</td>
<td>0.2</td>
<td>3.9</td>
<td>5.9</td>
</tr>
<tr>
<td>Total asset turnover (times)</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.6</td>
<td>0.7</td>
<td>0.7</td>
<td>0.6</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Inventory turnover (times)</td>
<td>12.9</td>
<td>13.3</td>
<td>11.5</td>
<td>12.2</td>
<td>12.0</td>
<td>11.7</td>
<td>11.5</td>
<td>11.0</td>
<td>10.8</td>
<td>9.3</td>
</tr>
<tr>
<td>Tangible fixed asset turnover (times)</td>
<td>0.9</td>
<td>0.9</td>
<td>0.8</td>
<td>0.9</td>
<td>1.1</td>
<td>1.1</td>
<td>1.1</td>
<td>1.1</td>
<td>1.2</td>
<td>1.2</td>
</tr>
</tbody>
</table>
Corporate Data

Sapporo Holdings Limited

Head Office
20-1, Ebisu 4-chome, Shibuya-ku, Tokyo 150-8522, Japan

Inquiries
Sapporo Holdings Limited
Corporate Finance and Business Management Department
Investor Relations Section
Tel. +81-3-6859-2304 Fax.+81-3-5423-2061
E-mail. info@sapporoholdings.jp

Date of Establishment
September 1, 1949

Founded
1876

Company Representative
Masaki Oga
President, Representative Director

Business Description
Holding Company

Capital
¥53,886 million

Number of Shares Issued (As of June 30, 2017)
78,794,298

Security Code
2501

Securities Traded:
Common Stock
Tokyo Stock Exchange, First Section

Trading Unit:
100 shares

Major Shareholders  (As of June 30, 2017)
*Shareholding ratios are calculated after deduction of treasury stock.

<table>
<thead>
<tr>
<th>Shareholders Name</th>
<th>Number of Shares (thousands)</th>
<th>Percentage(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td>
<td>5,566</td>
<td>7.13</td>
</tr>
<tr>
<td>Japan Trustee Services Bank, Ltd. (Trust Account)</td>
<td>3,092</td>
<td>3.96</td>
</tr>
<tr>
<td>Trust &amp; Custody Services bank, Ltd., as retirement benefit trust assets</td>
<td>2,442</td>
<td>3.13</td>
</tr>
<tr>
<td>Mizuho Trust and banking Co., Ltd.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meiji Yasuda Life Insurance Company</td>
<td>2,236</td>
<td>2.87</td>
</tr>
<tr>
<td>Nippon Life Insurance Company</td>
<td>2,229</td>
<td>2.86</td>
</tr>
<tr>
<td>The Norinchukin Bank</td>
<td>1,875</td>
<td>2.40</td>
</tr>
<tr>
<td>Mizuho Bank, Ltd.</td>
<td>1,806</td>
<td>2.31</td>
</tr>
<tr>
<td>Marubeni Corporation</td>
<td>1,649</td>
<td>2.11</td>
</tr>
<tr>
<td>Trust &amp; Custody Services bank, Ltd. as trustee for Mizuho Bank Ltd.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement Benefit Trust Account re-entrusted by Mizuho Trust and banking Co., Ltd.</td>
<td>1,594</td>
<td>2.04</td>
</tr>
<tr>
<td>Taisei Corporation</td>
<td>1,400</td>
<td>1.79</td>
</tr>
</tbody>
</table>

*On July 1,2016, the Company carried out a share consolidation at a ratio of 1 share for 5 shares of the Company’s common stock.