FACT BOOK

Updated on March 30, 2018

Sapporo Holdings Ltd.

URL http://www.sapporoholdings.jp/english
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**Long-Term Management Vision**

[2026 Group Vision]

The Sapporo Group will be a company with highly unique brands in the fields of "Alcoholic Beverages", "Food", and "Soft Drinks" around the world.

The Company 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, the Company will work to nurture the Group's brands and create distinctive value through its five businesses: Japanese Alcoholic Beverages, International, Food & Soft Drinks, Restaurants, and Real Estate. By supplying products and services that enhance dining experiences worldwide, the Sapporo Group will continue helping to provide creative, enriching and rewarding lifestyles to customers around the world.
## Sapporo Group

### Main products

<table>
<thead>
<tr>
<th>Domestic Businesses</th>
<th>Oversea Businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Alcoholic Beverages</strong></td>
<td><strong>Alcoholic Drinks</strong></td>
</tr>
<tr>
<td>Sapporo Breweries Ltd.</td>
<td>Sapporo Vietnam Ltd.</td>
</tr>
<tr>
<td>Pokka Sapporo Food &amp; Beverages Ltd.</td>
<td>Anchor Brewing Co., LLC</td>
</tr>
<tr>
<td>Pokka Sapporo Food &amp; Beverages Ltd.</td>
<td>Sapporo U.S.A., Inc.</td>
</tr>
<tr>
<td>Shinsyu-ichi Miso Ltd.</td>
<td>Country Pure Foods, Inc.</td>
</tr>
<tr>
<td><strong>Soft Drinks</strong></td>
<td><strong>Soft Drinks</strong></td>
</tr>
<tr>
<td><strong>Foods</strong></td>
<td><strong>Restaurants</strong></td>
</tr>
<tr>
<td>Sapporo Lion Ltd.</td>
<td>Pokka Corporation (Singapore) Pte. Ltd.</td>
</tr>
<tr>
<td>Sapporo Real Estate Co., Ltd.</td>
<td>Sapporo Lion (Singapore) Pte. Ltd.</td>
</tr>
</tbody>
</table>
Trend of Overseas Net Sales
Sales Breakdown by Geographic Area
Sales Breakdown by category

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

2010 year
Overseas net sales
¥25.4 billion
(Beer only)

2017 year
Overseas net sales
¥91.9 billion

★ Overseas net sales (excluding liquor tax) ratio
(Billions of yen)

★ Sales Breakdown by geographic area

★ Sales Breakdown by category
Sapporo Group
International Expansion

<Canadian beer business>
FY2017 SLEEMAN Net sales
CA$ 363 millions
(before elimination of intra-company transactions)

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

<Restaurants business>
1 Ginza Lion restaurant
13 restaurants in total

<Beer business>
2011: established a brewery in Vietnam
Promoting expansion in Southeast Asia

<Beer business>
2006: made into subsidiary

<Soft drinks business> POKKA
1977: entered into Singapore
FY2017 Pokka Singapore group net sales
SG$ 256 millions
(before elimination of intra-company transactions)

<Restaurants business>
Sales alliance with Maeil Dairies

<Enhancement of soft drinks production structure>
Singapore: 1977 Start operation
Malaysia: 1993 Joint venture Pokka Ace
(Malaysia) Sdn. Bhd. Started operation
2014 Pokka (Malaysia) Sdn. Bhd. Started operation
Indonesia: 2017 Joint venture PT. POKKA DIMA INTERNATIONAL started operation
Myanmar: License-based production agreement 2017 started operation

<Beer business>
2011: established a brewery in Vietnam
Promoting expansion in Southeast Asia

<Restaurants business>
Sales alliance with Maeil Dairies

<U.S. beer business>
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## Canada Beer Market Data

### Canada- Market sizes (million litres)

Source: Euromonitor (Calculated by Sales Volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Size (Million Litres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2,378</td>
</tr>
<tr>
<td>2014</td>
<td>2,381</td>
</tr>
<tr>
<td>2015</td>
<td>2,413</td>
</tr>
<tr>
<td>2016</td>
<td>2,403</td>
</tr>
<tr>
<td>2017</td>
<td>2,398</td>
</tr>
</tbody>
</table>

*Forecast*

### SLEEMAN BREWERIES LTD.

**The third-largest beer manufacturer in Canada**

In 2006, The Sapporo Group made SLEEMAN BREWERIES LTD. into a consolidated subsidiary. SLEEMAN BREWERIES LTD. is the third-largest beer manufacturer in Canada with a strong reputation in premium beer. Since the acquisition, SLEEMAN has achieved a 11-year streak of sales increases.

#### Corporate Profile
- **Paid in Capital**: 50,634 thousand CA$
- **Acquisition price**: 293.6mn CA$
- **Location**: Guelph, Ontario
- **Established**: 1834
- **Production base**: 3 places (Guelph, Vernon and Chambly)
- **Capacity**: 200,000KL per year (Guelph 120,000KL, Vernon 60,000KL, Chambly 20,000KL)
- **Business field**: Production and sales of beer

### SLEEMAN Net Sales (before elimination of inter-company transactions) in local currency

**Grew for the 11th consecutive years**

**CAGR 4.5%**

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Sales (CA$ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>221</td>
</tr>
<tr>
<td>2008</td>
<td>222</td>
</tr>
<tr>
<td>2009</td>
<td>242</td>
</tr>
<tr>
<td>2010</td>
<td>262</td>
</tr>
<tr>
<td>2011</td>
<td>279</td>
</tr>
<tr>
<td>2012</td>
<td>309</td>
</tr>
<tr>
<td>2013</td>
<td>325</td>
</tr>
<tr>
<td>2014</td>
<td>345</td>
</tr>
<tr>
<td>2015</td>
<td>359</td>
</tr>
<tr>
<td>2016</td>
<td>363</td>
</tr>
<tr>
<td>2017</td>
<td>363</td>
</tr>
</tbody>
</table>

### Canada- Sales of beer by channel (2016)

Source: Euromonitor (Calculated by Sales Volume)

- **Off Premise**: 80%
- **On Premise**: 20%

### Brewing

#### Price Category

<table>
<thead>
<tr>
<th>Category</th>
<th>Brand</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH</td>
<td>Import Heineken Corona</td>
<td>+15~25%</td>
</tr>
<tr>
<td></td>
<td>Premium Unibroue Sleeman</td>
<td>+10~20%</td>
</tr>
<tr>
<td></td>
<td>Okanagan Spring Sapporo Premium</td>
<td></td>
</tr>
<tr>
<td>Main-Stream</td>
<td>Labatt Molson</td>
<td>±0</td>
</tr>
<tr>
<td>LOW</td>
<td>Value Bush Key Stone Old Milwaukee Pabst Blue Ribbon</td>
<td>-20%</td>
</tr>
</tbody>
</table>

*Highlight in red: Our sales brand*
**SAPPORO U.S.A Inc.**

**TOP Asian beer seller for 31 consecutive years**

SAPPORO BREWERIES started exporting beer to the United States from 1964. Then, in 1984 we established Sapporo U.S.A to import Sapporo Draft Beer from Japan and strengthened the foothold for business expansion in North America and South East Asia.

**Corporate profile**
- Local subsidiary: Sapporo U.S.A., Inc.
- Paid in Capital: 7.2 million$
- Established: July 1984
- Business Field: Sales of beer

**Sapporo U.S.A. Net Sales (before elimination of inter-company transactions) in local currency**

Grew for the 8th consecutive years

**Main Products**

**ASIAN BEER IN AMERICA**

Distinctive 650ml can product Nickname “Silver Cup”

**America Beer Market Data**

**America- Market sizes (million litres)**

Source: Euromonitor (Calculated by Sales Volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>23,669</td>
<td>23,872</td>
<td>24,065</td>
<td>24,159</td>
<td>24,189</td>
</tr>
</tbody>
</table>

**Forecast**

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<td>23,872</td>
<td>24,065</td>
<td>24,159</td>
<td>24,189</td>
</tr>
</tbody>
</table>

**America- Sales of beer by channel (2016)**

Source: Euromonitor (Calculated by Sales Volume)

- **On Premise**: 25%
- **Off Premise**: 75%

**America- Beer brand by price category**

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

*Highlight in red: Our sales brand*

**Source:** Euromonitor (Calculated by Sales Volume)
ANCTOR BREWING COMPANY, LLC

The San Francisco’s beloved 121- year-old brewery

In August 2017, The Sapporo Group acquired all of the equity interest of Anchor Brewing Company. Anchor is a prominent and historic US beer producer founded in 1896 in San Francisco. “Anchor Steam Beer,” its flagship brand, is said to be an icon that ignited the current craft beer boom in the US. Armed with its strong brand power primarily in San Francisco, where it is based, as well as other areas across the US, it has been enjoyed by countless beer lovers throughout the years. The addition of Anchor’s strong brand power and network to the Sapporo Group’s US beer business portfolio through the conclusion of this agreement is expected to accelerate its speed of growth in the US.

★ Corporate profile
Local subsidiary: Anchor Brewing Company, LLC
Location: San Francisco, California, USA
Acquisition price: ¥11.913 million
Established: 1896
Production base: 1 place (San Francisco, California)
Capacity: 26,910KL per year
Annual Sales: Approx. 28.87 mn $
Business field: Production and sales of beer

★ Main Products

★ Production bases in North America

3 Production bases in Canada
Increasing 1 Production base by Anchor in America
America Soft drinks Market Data

**America- Soft drinks market**

**Sales breakdown by category in 2017**  
Source: Euromonitor (Calculated by Sales Volume)

- **Juice**: 11%   - **Bottled Water**: 37%   - **Carbonated drink**: 40%   - **Others**: 12%

**Sapporo Group’s Activities**

Sapporo International has launched beverage business in North America by acquiring Silver Springs Citrus, Inc. (SSC), and Country Pure Foods, Inc. (CPF) in 2012 and 2015, respectively. Since then, it has been accumulating know-how and knowledge in that market. Together with TAI, our partner in the U.S. beverage business, the group will maximize the synergies between two subsidiaries and accelerate its growth strategy for the international business in North America, including, but not limited to, the beer business.

- **Jan 2012**  
  Acquired Silver Springs Citrus, Inc. 51% share (Joint Venture with Toyota Tsusho America Inc.)  
  Acquisition price: 18.35mn yen. Cost incurred directly in the acquisition: 0 mn yen.  
  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: 43.70mn yen. Cost incurred directly in the acquisition: 4.91mn yen.  
  Acquisition cost: 48.61mn yen.  
  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

**America- Juice market sizes**  
(source: Euromonitor (Calculated by Sales Volume))

- **2016**: 13,586  
- **2017**: 13,189  

**USA Soft drinks Market**

**Sales breakdown of juice**

- **Juice market**: 16.8bn$  
- **Non-blended 100% juice**: 9.8bn$  
- **Chilled**: 3.2bn$  
- **Non-commercial use**: 1.1 bn$  
- **PB Chilled**: 0.6 bn$  

Source: Sapporo estimated
SILVER SPRINGS CITRUS, INC.

★ Corporate profile
Paid in Capital  62.5mn$ (including additional Paid in Capital)
Location  Orlando, Florida
Established  1921
Production base  1 (Florida)
Business field  Manufacturing and sales of PB beverages for major food supermarkets.
Commissioned manufacturing of chilled beverages for major beverage manufacturers

COUNTRY PURE FOODS, INC.

★ Corporate profile
Paid in Capital  37.1mn$ (including additional Paid in Capital)
Location  Akron, Ohio
Established  1948
Production base  4 (Ohio, Florida, Connecticut, Texas)
Business field  Manufacture and sales of food service juice in the healthcare and education sectors
Manufacture and sale of retail chain PB label juice
Manufacturing services and sales for leading juice companies

★ Production bases
Wellington, Connecticut
Akron, Ohio
Huston, Texas
De Land, Florida
Orlando, Florida

★ SSC Net Sales (before elimination of inter-company transactions)

<table>
<thead>
<tr>
<th>Year</th>
<th>SSC (US$ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>117</td>
</tr>
<tr>
<td>2013</td>
<td>123</td>
</tr>
<tr>
<td>2014</td>
<td>114</td>
</tr>
<tr>
<td>2015</td>
<td>122</td>
</tr>
<tr>
<td>2016</td>
<td>100</td>
</tr>
<tr>
<td>2017</td>
<td>91</td>
</tr>
</tbody>
</table>

★ CPF Net Sales (before elimination of inter-company transactions)

<table>
<thead>
<tr>
<th>Year</th>
<th>CPF (US$ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>127</td>
</tr>
<tr>
<td>2016</td>
<td>162</td>
</tr>
<tr>
<td>2017</td>
<td>170</td>
</tr>
</tbody>
</table>

★ Main Products
Healthy menu options for student in the cafeteria
Smooth-Frozen® 100% Juice

*Acquired in January 2012, Started PL consolidation from 2nd quarter of 2012
*Irregular earnings of 15 months following acquisition of CPF
**Vietnam Beer Market Data**

- **Vietnam- Beer Market sizes (million litres)**
  - Source: Euromonitor (Calculated by Sales Volume)
  - Forecast

**SAPPORO VIETNAM LTD. (SVL)**

In 2011 Construction of Sapporo Vietnam Limited Long An Brewery is completed. This is the first brewery in Vietnam belonging to a Japanese brewery, and for the Sapporo Group.

In our strategy for Southeast Asia, we position Vietnam as the bridgehead to expand sales of “Sapporo Premium”, and by utilizing geographical advantages; we are exporting beer to 7 countries among 10 Southeast Asia countries.

In 2017, aiming to optimize the group global supply chain network, we transferred the manufacturing of Silver can 650ml from Sleeman breweries (Canada) to Vietnam.

**Corporate profile**
- Local subsidiary: Sapporo Vietnam LTD.
- Paid in Capital: 708,595mn VND (≒39mn$)
- Established: 2010
- Entry into business: Nov. 2011
- Completed construction of Sapporo Long An Brewery
- Capacity: 60,000KL per year
- Business field: Production and sales of beer

**Vietnam- Sales of beer by channel (2016)**
- Source: Euromonitor (Calculated by Sales Volume)

**Vietnam- Beer brand by price category**

<table>
<thead>
<tr>
<th>Price Category</th>
<th>Brand</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGH Premium</td>
<td>Sapporo Premium, Heineken, Budweiser, Corona</td>
<td>100円~</td>
</tr>
<tr>
<td>Mainstream</td>
<td>Blue cap, Tiger, Saigon Special</td>
<td>70円~</td>
</tr>
<tr>
<td>LOW Economy</td>
<td>Saigon beer, Hanoi beer, Huda, Larue</td>
<td>40円~</td>
</tr>
</tbody>
</table>

*Highlight in red: Our sales brand*
Pokka Corporation

Main Products

Sales of soft drinks by category (2017)

Source: Euromonitor (Calculated by Sales Volume)

 Pokka Corporation

Market share of TEA category
in Singapore in 2017

Off Premise share 51% No.1

Source: Euromonitor %Share- Off-trade Volume-2017

Pokka Corporation

Net Sales (SG$ Million)

Exporting Products to 60 Countries

209 SG$ million

Within Singapore 58%
Malaysia
POKKA (MALAYSIA) Sdn. Bhd.

- Paid in capital: 34mn SG$
- Established: Aug, 2014
- Capacity: Approx. 6mn cases per year
- Business field: Production and sales of Soft Drinks
  Obtained Malaysian Halal certification, which is trusted worldwide.

Indonesia
PT.POKKA DIMA INTERNATIONAL

- Local subsidiary: PT.POKKA DIMA INTERNATIONAL
- (Joint venture with PT DIMA INDONESIA)
- Established: Mar, 2015
- Plant: Start operation in 2017
- Construction cost: 200bnRp (≒1.8bn yen)
- Capacity: Approx. 5mn cases per year
- Business field: Production and sales of Soft Drinks

Myanmar
Others (Production base of Soft drinks)

License agreement with Kah Hock Pte. Ltd.
Plant: Start operation of licensee’s plant in 2017
Capacity: Approx. 5mn cases per year

Sapporo Group
Activities
(Beer and Soft drinks)

Singapore Beer Market data

- Star Singapore Beer Market data (million litres)
- Source: Euromonitor (Calculated by Sales Volume)

- Sapporo group
Beer business in Singapore of Sapporo
  - Expanding sales channel to off premise market with POKKA CORPORATION (SINGAPORE) from 2010
  - Sales volume in 2017
    Up 20% in comparison with 2016
    2.9 times in comparison with 2010

Corporate profile
- 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

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Korea Beer Market Data

★ Korea- Beer market sizes (million litres)

Source: Euromonitor (Calculated by Sales Volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2,034</td>
</tr>
<tr>
<td>2014</td>
<td>2,093</td>
</tr>
<tr>
<td>2015</td>
<td>2,116</td>
</tr>
<tr>
<td>2016</td>
<td>2,103</td>
</tr>
<tr>
<td>2017</td>
<td>2,059</td>
</tr>
</tbody>
</table>

★ Korea- Import beer market sizes (KWR billions)

Source: Euromonitor (Calculated by Sales Volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
</tbody>
</table>

Australia Beer Market Data

★ Australia- Beer market sizes (million litres)

Source: Euromonitor (Calculated by Sales Volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,837</td>
</tr>
<tr>
<td>2014</td>
<td>1,833</td>
</tr>
<tr>
<td>2015</td>
<td>1,842</td>
</tr>
<tr>
<td>2016</td>
<td>1,872</td>
</tr>
<tr>
<td>2017</td>
<td>1,899</td>
</tr>
</tbody>
</table>

★ Australia- Import beer market sizes (AUD billions)

Source: Euromonitor (Calculated by Sales Volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
</tr>
</tbody>
</table>

★ 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 2017
  Up 96% in comparison with 2016
  10 times in comparison with 2011
- Sep. 2017
  Launched Yebisu Beer

- Jul. 2011
  License agreement with Australian No.3 beer manufacturer, Coopers Brewery
  Start local Production and sales by Coopers
  Sales volume in 2017
  3.2 times in comparison with 2012

Source: Euromonitor (Calculated by Sales Volume)
Founded in 1876, Sapporo Breweries, Ltd. has always been known for its focus on the finest ingredients, and its insistence on delivering quality products while continuing to delight its customers with new and exciting possibilities.

In our beer division, this focus on great taste, and on product quality and safety, is the foundation on which we will continue to grow the value of our Sapporo and Yebisu brands. With the development of completely new products, we maintain our tradition of being the pioneer in the industry, constantly offering our customers value and taste.

Moreover, the quality of the products coming out of our wine and liquor division has been recognized in contests, and we are now seeking to enter into the shochu segment, with “manufacturing that insists on the finest ingredients” as our guiding principle, as well as the growing low-alcohol product segments.

Sapporo Breweries remains committed to responding to the changing expectations of its customers, with originality and creativity.

★ Corporate profile
- Paid in capital: 10.0bn yen
- Entry into business:
  - Sep. 1876: Established the Kaitakushi Brewery
  - Sep. 1949: Established Nippon 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 - Total taxed shipments volume of beer-type beverages (thousand of cases)

★ Sapporo - Composition of taxed shipments by product category

★ Sapporo - Core brands

- Sapporo Draft Beer
  - Black Label Beer
  - Launched in 1977

- YEBISU Beer
  - Launched in 1890

- Mugi to Hop New-genre Beer
  - Launched in 2008

- Beer/Happoshu/New-genre
- Beer
- Happoshu/New-genre

- Beer
- Happoshu/New-genre
★ Sapporo - Sales trend by year on year (y-o-y)

[Beer] (sales volume)
- Jan-Dec up 2% y-o-y (total demand down 3%)  
- Black Label Brand total up 2% y-o-y  
- (Sales of the canned version: up 13% y-o-y)
- Yebisu Brand total down 1% y-o-y

★ Sapporo - Beer type beverages category
Composition of taxed shipments by container type (Sales volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Bottle</th>
<th>Can</th>
<th>Keg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>12%</td>
<td>50%</td>
<td>38%</td>
</tr>
</tbody>
</table>

★ Sapporo - Beer category
Composition of taxed shipments by container type (Sales volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Bottle</th>
<th>Can</th>
<th>Keg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>7%</td>
<td>67%</td>
<td>26%</td>
</tr>
</tbody>
</table>

★ Sapporo: Sales trend of 3 core brands (Sales volume) (thousand of cases)

<table>
<thead>
<tr>
<th>Year</th>
<th>Black Label Brand</th>
<th>Ebisu Brand</th>
<th>Mugi to Hop Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<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>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Beverages and others] (sales volume)
- Jan-Dec down 8%  
- Total demand down 2%
- Mugi to Hop Brand total down 6% y-o-y  
- Goku Zero Brand total down 25% y-o-y

★ Sapporo: Beer type beverages category
Composition of taxed shipments by sales channel (Sales volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>On-trade</th>
<th>Off-trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>32%</td>
<td>68%</td>
</tr>
</tbody>
</table>

★ Sapporo - Beer line up (Jan - Dec breakdown)

<table>
<thead>
<tr>
<th>Year</th>
<th>Black label</th>
<th>Ebisu</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>31%</td>
<td>55%</td>
<td>14%</td>
</tr>
</tbody>
</table>

[Off-trade] 68%
[On-trade] 32%

★ Sapporo: Beer category
Composition of taxed shipments by sales channel (Sales volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>On-trade</th>
<th>Off-trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>

★ Sapporo: Beer type beverages category
Composition of taxed shipments by container type (Sales volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Bottle</th>
<th>Can</th>
<th>Keg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>50%</td>
<td>31%</td>
<td>19%</td>
</tr>
</tbody>
</table>

★ Sapporo: Y-o-y change in sales volume of 3 core brands (thousand of cases)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ebisu</th>
<th>Black label</th>
<th>Mugi to Hop</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<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>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[Happoshu + new genre] (sales volume)
- Jan-Dec down 8%
- Total demand down 2%  
- Mugi to Hop Brand total down 6% y-o-y  
- Goku Zero Brand total down 25% y-o-y

★ Sapporo: Beer type beverages category
Composition of taxed shipments by sales channel (Sales volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>On-trade</th>
<th>Off-trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>32%</td>
<td>68%</td>
</tr>
</tbody>
</table>

★ Sapporo: Beer type beverages category
Composition of taxed shipments by container type (Sales volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Bottle</th>
<th>Can</th>
<th>Keg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>12%</td>
<td>50%</td>
<td>38%</td>
</tr>
</tbody>
</table>

[Other industry] (sales volume)
- Wine: up 1% y-o-y
- RTD: up 37% y-o-y  
- Spirits: up 13% y-o-y  
- Japanese liquor: up 4% y-o-y
Sapporo Group Activities (Beer)

★ Sapporo - Net Sales of Beer and 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>72.5</td>
<td>161.6</td>
</tr>
<tr>
<td>2012</td>
<td>75.6</td>
<td>158</td>
</tr>
<tr>
<td>2013</td>
<td>75.3</td>
<td>159.7</td>
</tr>
<tr>
<td>2014</td>
<td>79.3</td>
<td>157.6</td>
</tr>
<tr>
<td>2015</td>
<td>70.6</td>
<td>159.3</td>
</tr>
<tr>
<td>2016</td>
<td>65</td>
<td>167.2</td>
</tr>
<tr>
<td>2017</td>
<td>59.5</td>
<td>170.9</td>
</tr>
</tbody>
</table>

★ Sapporo - Sales Breakdown by category in 2017

- Beer: ¥278.6 billion (61%)
- Happoshu/New-genre: 6%
- Wine and Spirits: 4%
- Japanese liquor: 21%
- RTD/Non-alcoholic drink: 8%

★ Sapporo - Sales trend by category (Billions of yen)

- Wine: 2011 (6.6), 2012 (7.1), 2013 (7.7), 2014 (8.3), 2015 (8.2), 2016 (8.5), 2017 (8.5)
- Imported wine: 2011 (4.8), 2012 (4.8), 2013 (5.1), 2014 (5.6), 2015 (5.3), 2016 (5), 2017 (5.1)
- Spirits: 2011 (2.2), 2012 (4.8), 2013 (5.7), 2014 (5.7), 2015 (5.9), 2016 (6.9), 2017 (7.7)
- RTD: 2011 (1.9), 2012 (3.2), 2013 (3.2), 2014 (4.5), 2015 (4.3), 2016 (5.1), 2017 (7.0)
Sapporo- Beer trends

Sales of Sapporo Draft Beer Black Label grew for the 3rd consecutive year!

Sapporo draft Beer Black Label

<Strong trend led by cans>

YoY changes in Black Label brand total (cans, bottles, kegs) since 2014

Each brand saw sales increase thanks to strengthening of beer!

Sapporo Lager Beer

Ratio when 2011 is set as 1.0

- The oldest existing beer brand in Japan
- Nickname of Red Star
- Website Akaboshi★Tanteidan
- Retro-inspired store sales promotion tools

Edelpils

15 consecutive years of sales increase!

Premium White Shirohonoka

Since launch, 10 consecutive years of sales increase!

Fuumisokainishite (Niigata)

3 consecutive years of sales increase!

Shizuoka Bakushu (Shizuoka)

Since launch, 4 consecutive years of sales increase!

Fuumisokainishite (Niigata)

Since launch, 3 consecutive years of sales increase!

Sapporo Classic (Hokkaido)

17 consecutive years of sales increase!

<Supported by young generation; high marks for the key visual>

Comparison by user age group

Good brand symbol, logo

Source: SCI-M composition ratio by age group

Black Label 2016

Black Label Beer A Beer B

Black Label 2017

Beer A Beer B

20s 30s

7.2 6.6 7.4 15.3 15.0

17.9 27.9 19.5 16.1

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**Japan Soft Drinks Market Data**

★ **Japan Soft drinks market sizes (million litres)**
- Source: Euromonitor (Calculated by Sales Volume)

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Size (million litres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>22,552</td>
</tr>
<tr>
<td>2014</td>
<td>22,279</td>
</tr>
<tr>
<td>2015</td>
<td>22,779</td>
</tr>
<tr>
<td>2016</td>
<td>23,179</td>
</tr>
<tr>
<td>2017</td>
<td>23,375</td>
</tr>
</tbody>
</table>

★ **Japan Composition of Soft Drinks Market by category (2017)**
- Source: Inryoshoken - Soft drinks market data (Calculated by Sales Volume)

- **Coffee**: 20%
- **Tea**: 28%
- **Carbonated drinks**: 15%
- **Bottle water**: 14%
- **Others**: 23%

★ **Japan Composition of Soft Drinks Market by sales channel (2017)**
- Source: Inryoshoken - Soft drinks market data (Calculated by Sales Volume)

- **Vending machine**: 28%
- **Retailer**: 72%
- **Others**: 7%
POKKA SAPPORO FOOD & BEVERAGE LTD.

In the food business, we aim to reinforce brands whose products include soups and also use lemon, and create new categories that include foods for health care needs and natural foods. In the beverage business, we concentrated management resources on brands that can be differentiated, and we aim to develop new brands leveraging technologies and ingredients. Moreover, in overseas business, we will establish next-generation manufacturing and sales bases in Singapore, whose consumers value great brand recognition. We are anticipating vigorous growth by undertaking an aggressive marketing approach.

**Corporate profile**
Paid in capital : 5.43 bn yen
Entry into business :
- Jun. 1909 Entered in to the soft drink business as the first Japanese brewery to do so
  - Launched Citron (Soda)
- Jan.1957 Established Kokusai inryo Co., Ltd., later Sapporo Beverage Co., Ltd.
- 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 34.80 bn yen
    - Goodwill : 18.41 bn 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
- Foods & Soft drinks plant: 2 (Nagoya, Gunma), Foods plant (Iwata), Soft drinks plant (Okinawa)

Business field
- Manufacture and sales of food & soft drinks, Operating coffee shop and others.

**Sales of Food & Soft drinks**
※April 2011 Consolidation of POKKA CORPORATION

- Billion of yen
  - 2007: 52.2
  - 2008: 36.8
  - 2009: 30.7
  - 2010: 33.9
  - 2011: 108
  - 2012: 129
  - 2013: 130.6
  - 2014: 133.4
  - 2015: 135.6
  - 2016: 137.9
  - 2017: 137.8

**Pokka Sapporo**
Sales composition in 2017 (Sales Volume)

- Oversea 15%
- Domestic 85%
★ Pokka Sapporo
Y-o-Y growth/Sales Volume in 2017 (Domestic)

[ Lemon-based drinks ]
Jan-Dec up 17% y-o-y

[Unsweetened tea drinks]
Jan- Dec up 10% y-o-y

[Coffee drinks]
Jan- Dec down 12% y-o-y

[Lemon-based food products]
Jan- Dec up 9% y-o-y

[Soups]
Jan- Dec up 5% y-o-y

[Soybeans/chilled products]  
Jan –Dec Net Sales approx. ¥2.1 billion

★ Pokka Sapporo- within Japan/Sales Volume Composition by Category in 2017

- Coffee 21%
- Lemon favor drinks 15%
- Carbonated drinks 15%
- Bottle water 5%
- Tea 24%
- Others 20%

**45.51 Million cases**

★ Pokka Sapporo (within Japan) Sales consumption by category

- Soybeans/Chilled products 2%
- Food 23%
- Soft drinks 75%

**¥90.1 Billion**

★ Pokka Sapporo- within Japan/Sales Volume Composition by sales channel in 2017

- Retailers 53%
- Vending Machine 47%
Japan Soup/Lemon based flavoring Market Data & Pokka Sapporo activities

- **Japan- Instant soup+ Cup soup market sizes (Billion of yen)**
  - Source: Intage SRI/Instant Soup market 2017/Sales Value

- **Pokka Sapporo activities**
  - Instant soup+ Cup soup share in 2017
    - Source: Intage SRI/Instant Soup market 2017/Sales Value
    - Pokka Sapporo: 15%
    - Others: 85%

- **Pokka Sapporo activities**
  - Instant canned soup share in 2017
    - Source: Intage SRI/Instant Canned Soup market 2017/Sales Value
    - Pokka Sapporo: 85%
    - Others: 15%

- **Pokka Sapporo activities**
  - 100% lemon based flavoring in 2017
    - Source: Intage SRI/100% lemon based flavoring market, Jan-Dec.2017/Sales trend-Sales value share
    - Sales Volume: 4 bn yen
    - Y-o-Y growth: Up 2.6%
    - Market share: 84.3%
    - Production base: Nagoya factory

- **Pokka Sapporo activities**
  - Sales breakdown by category of Soup market in 2017
    - Source: Intage SRI/Soup market 2017/Sales Value
    - Instant soup + Cup soup: 92.4 Billion
      - Instant soup: 72%
      - Cup soup: 28%

- **Pokka Sapporo activities**
  - Sales of Instant soup+ Cup soup: 9.8 bn yen
    - Y-o-Y growth: Up 4.2%
    - Market share: 14.8%
  - Sales of canned soup: 1.2 bn yen
    - Y-o-Y growth: down 5.3%
    - Market share: 84.7%
  - Production base: 3 Factory (Nagoya, Gunma, Iwata)

- **Pokka Sapporo activities**
  - Product categories:
    - Instant soup + Cup soup: 14.8%
    - Canned soup: 84.7%
  - 100% lemon based flavoring: 84.3%

---

Source: Intage SRI
Japan Real Estate Market Data

★ Japan– The Greater Tokyo Area Office Leasing Market
Annual average of occupancy rates & rent level (Source: Miki Shoji Co., Ltd.)

<table>
<thead>
<tr>
<th>Year</th>
<th>Occupancy rate average(%)</th>
<th>New buildings occupancy rate</th>
<th>Existing buildings occupancy rate</th>
<th>Rent level average (yen/ tsubo)</th>
<th>New buildings rent level</th>
<th>Existing buildings rent level</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>91.9</td>
<td>82.6</td>
<td>92.1</td>
<td>16,367</td>
<td>26,008</td>
<td>16,183</td>
</tr>
<tr>
<td>2014</td>
<td>93.8</td>
<td>83.0</td>
<td>93.9</td>
<td>16,616</td>
<td>27,312</td>
<td>16,402</td>
</tr>
<tr>
<td>2015</td>
<td>95.1</td>
<td>67.0</td>
<td>95.7</td>
<td>17,412</td>
<td>27,186</td>
<td>17,195</td>
</tr>
<tr>
<td>2016</td>
<td>96.1</td>
<td>80.7</td>
<td>96.4</td>
<td>18,200</td>
<td>28,355</td>
<td>17,917</td>
</tr>
<tr>
<td>2017</td>
<td>96.7</td>
<td>80.5</td>
<td>97.0</td>
<td>18,879</td>
<td>27,402</td>
<td>18,668</td>
</tr>
</tbody>
</table>

Sapporo Real Estate Co., Ltd.

This company owns, manages, operates and develops real estate in the Sapporo Group. The jewels in its real estate crown are "YEBISU GARDEN PLACE", "SAPPORO FACTORY" and "GINZA PLACE", which form the core of the company’s urban redevelopment and real estate leasing and management operations. Sapporo Real Estate Co., Ltd. Aspires to be a unique company by taking maximum advantage of its considerable expertise in urban redevelopment.

★ Corporate profile
Local subsidiary: 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

★ Sapporo Real Estate
Real estate for lease

<table>
<thead>
<tr>
<th>Year</th>
<th>Balance at the fiscal year end date</th>
<th>Fair value at the fiscal year end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>210,078</td>
<td>337,771</td>
</tr>
<tr>
<td>2014</td>
<td>207,864</td>
<td>348,237</td>
</tr>
<tr>
<td>2015</td>
<td>197,666</td>
<td>357,395</td>
</tr>
<tr>
<td>2016</td>
<td>201,763</td>
<td>389,101</td>
</tr>
<tr>
<td>2017</td>
<td>200,001</td>
<td>397,581</td>
</tr>
</tbody>
</table>

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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 Sapporo Group links: Ebisu, Ginza and Sapporo.

★ Commercial complexes

<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
<th>Site area</th>
<th>Building area</th>
<th>Floor area</th>
<th>No. of floors</th>
<th>Completed</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yebisu Garden Place-related</td>
<td>Kita 2 Jo Higashi 4-chome, Chuo-ku, Sapporo-shi, Hokkaido</td>
<td>Approx. 47,000㎡ (14,300 tsubo)</td>
<td>Approx. 32,400㎡ (9,800 tsubo)</td>
<td>Apr. 1993</td>
<td>11 floors above ground, 2 below</td>
<td>Commercial complex</td>
<td>Opened Sep. 2016</td>
</tr>
<tr>
<td>EBITDA</td>
<td>¥ 1.7 billion</td>
<td>Up 11% Y-o-Y</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
<th>Site area</th>
<th>Building area</th>
<th>Floor area</th>
<th>No. of floors</th>
<th>Completed</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sapporo Factory-related</td>
<td>Address</td>
<td>18-14, Ebisu 1-chome, Shibuya-ku, Tokyo</td>
<td>2,596㎡</td>
<td>16,012㎡</td>
<td>12 floors above ground, 1 below</td>
<td>Sep. 2014</td>
<td>Office</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
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<th>No. of floors</th>
<th>Completed</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sapporo Factory-related</td>
<td>Address</td>
<td>23-23, Ebisu 1-chome, Shibuya-ku, Tokyo</td>
<td>1,561㎡</td>
<td>8,644㎡</td>
<td>8 floors above ground, 1 below</td>
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<table>
<thead>
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<th>Floor area</th>
<th>No. of floors</th>
<th>Completed</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ginza Place-related</td>
<td>Address</td>
<td>8-1, Ginza 5-chome, Chuo-ku, Tokyo</td>
<td>Approx. 645㎡</td>
<td>11 floors above ground, 2 below</td>
<td>Commercial complex</td>
<td>Sep. 2016</td>
<td></td>
</tr>
</tbody>
</table>

★ Commercial complexes

<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
<th>Site area</th>
<th>Building area</th>
<th>Floor area</th>
<th>No. of floors</th>
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<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sapporo Factory-related</td>
<td>Address</td>
<td>20, Ebisu 4-chome, Shibuya-ku, Tokyo</td>
<td>Approx. 83,000㎡ (25,200 tsubo)</td>
<td>Approx. 32,000㎡ (9,700 tsubo)</td>
<td>40 floors above ground, 5 below</td>
<td>Oct. 1994</td>
<td>Office</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Location</th>
<th>Address</th>
<th>Site area</th>
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<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sapporo Factory-related</td>
<td>Address</td>
<td>Kita 2 Jo Higashi 4-chome, Chuo-ku, Sapporo-shi, Hokkaido</td>
<td>Approx. 47,000㎡ (14,300 tsubo)</td>
<td>Approx. 32,400㎡ (9,800 tsubo)</td>
<td>Apr. 1993</td>
<td>Commercial complex</td>
<td>Opened Sep. 2016</td>
</tr>
</tbody>
</table>

★ Commercial complexes

<table>
<thead>
<tr>
<th>Location</th>
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<td>Apr. 1993</td>
<td>Commercial complex</td>
<td>Opened Sep. 2016</td>
</tr>
</tbody>
</table>

★ Commercial complexes
Restaurants Market Data

★ Japan- Restaurants Market (2016)
Total market size : Approx.25,416.9 bn yen
Drinking outlets (including beer hall) market size : Approx. 1,007.7 bn yen
Coffee shops market size: Approx.1,175.0 bn 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)

SAPPORO LION LTD.
Since opening Japan’s first beer hall in 1899 in Tokyo’s Ginza district, Sapporo has been a pioneer in the restaurant industry with a range of innovative drinking venues. In addition to great-tasting draft beer, we continue to develop menus based on “safety, security and authenticity.”

★ Drinking outlets (including beer hall)
Operating company Sapporo Lion Ltd.
Paid in capital 4.87 bn yen
Entry into business August 4,1899
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

Sapporo Lion 170
208 outlets

★ Sapporo- Restaurant segment
Total number of outlets in 2017

2013 2014 2015 2016 2017
Net sales 96.5% 95.0% 94.3% 92.8% 99.0%
No. of outlets 99.8% 96.8% 93.6% 93.3% 96.6%

★ Japan- Drinking outlets (including beer hall) market
Net sales and number of outlets (Y-o-Y)

Billion of yen

2013 2014 2015 2016 2017
Net sales 100.1% 100.5% 104.1% 98.9% 100.4%
No. of outlets 103.3% 100.7% 91.8% 103.0% 97.1%

★ Japan- Coffee shops market
Net sales and number of outlets (Y-o-Y)

Operating company Sapporo Lion Ltd.
Paid in capital 4.87 bn 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

Sapporo Lion outlets in 2017

Tokyou Metropolitan
Kanto (excl.Tokyo)
Hokkaido
Tohoku
Nagoya
Kansai
Others

(※1) : Tochigi, Gunma, Saitama, Chiba, Kanagawa, Yamaneishi
(※2) : Osaka, Kyoto, Hyogo

(89) : 218 / 25 / 14 / 8

★ Sapporo Lion outlets in 2017

Outlet

Billion of yen

2013 2014 2015 2016 2017
Net sales 100.6% 100.5% 104.1% 98.9% 100.4%
No. of outlets 98.4% 97.4% 91.9% 103.0% 97.1%
Main outlets
★ Beer Hall Lion Ginza 7-Chome

Opened in 1934
Oldest existing beer hall in Japan

★ Yebisu bar
Specializing in Yebisu beer under the concept “ALL FOR YEBISU”.

★ New Sanko Otaru outlet
* Sapporo Lion’s Subsidiary
Established in Otaru, Hokkaido
Operating beer hall
9 outlets located in Hokkaido (Sapporo, Otaru)

★ Kushiro KITTE Marunouchi outlet
* Sapporo Lion’s Subsidiary
Established in Sapporo, Hokkaido
Newly consolidated from the first half of 2016
16 outlets located in Hokkaido(Sapporo) and Tokyo
POKKA CREATE CO., LTD

The first “CAFÉ de CRIÉ” coffee shop was opened in Nagoya City, Aichi Prefecture, in 1994. Since then, we have expanded our sphere of operations, and currently manage 190 stores nationwide from Hokkaido to Okinawa. We provide customers with a relaxing atmosphere in which they can enjoy an abundance of happiness from a single cup of coffee.

★ Corporate profile
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 CRIÉ”

★ Trends of net sales and number CAFÉ de CRIÉ outlets

- Net Sales (Billion JPY)
- No. of outlets

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Sales</th>
<th>No. of outlets</th>
</tr>
</thead>
<tbody>
<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>
<td>8.2</td>
<td>190</td>
</tr>
<tr>
<td>2017</td>
<td>8.6</td>
<td>196</td>
</tr>
</tbody>
</table>

★ Number of outlets in 2017

- East Japan: 53 outlets
- Central Japan: 92 outlets
- West Japan: 107 outlets
- Directory operated: 36 outlets
- FC: 104 outlets
③Financial Data

- Sapporo Group Overview ................................................................. 33
- Financial Data (Profit and Loss Trends, Financial Condition, Segment Information) ..... 34
- Corporate Data ................................................................................. 40
Sapporo Group Overview

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.

Focusing mainly on the beer business, but is also involved in other areas, including the wine and spirits business and the Japanese liquor 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.

Japanese Alcoholic Beverages
- Achieve continuous growth
- Enhance brand strength
- Wine business will become a second core business

Net sales: ¥278.6 bn
Net sales(excl. liquor tax): ¥160.4 bn
Operating income before goodwill amortization ¥11.8bn
EBITDA: ¥19.4 bn
EBITDA margin (excl. liquor tax): 12.1%

International
- Achieve continuous growth
- Enhance brand strength
- Produce results in investment business
- Capture growth opportunities

Net sales: ¥69.8 bn
Operating income before goodwill amortization ¥0.5 bn
EBITDA: ¥3.6 bn
EBITDA margin (excl. liquor tax): 5.2%

Food & Soft Drinks
- Achieve continuous growth
- Enhance brand strength
- Produce results in investment business
- Capture growth opportunities

Net sales: ¥137.8 bn
Operating income before goodwill amortization ¥2.6 bn
EBITDA: ¥8.3 bn
EBITDA margin (excl. liquor tax): 6.0%

Restaurants
- Achieve continuous growth
- Enhance brand strength
- Improve profitability

Net sales: ¥29.1 bn
Operating income before goodwill amortization ¥0.3 bn
EBITDA: ¥0.9 bn
EBITDA margin (excl. liquor tax): 3.1%

Real Estate
- Achieve continuous growth
- Enhance brand strength
- Strengthen stable earnings base

Net sales: ¥24.1 bn
Operating income before goodwill amortization ¥1.2 bn
EBITDA: ¥15.6 bn
EBITDA margin (excl. liquor tax): 64.7%
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)

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</tr>
</thead>
<tbody>
<tr>
<td>Net sales (including tax)(millions of yen)</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>
<td>541,847</td>
<td>551,548</td>
</tr>
<tr>
<td>Net sales (excluding tax)(millions of yen)</td>
<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>
<td>424,059</td>
<td>433,260</td>
</tr>
<tr>
<td>Cost of sales(millions of yen)</td>
<td>288,146</td>
<td>267,690</td>
<td>261,211</td>
<td>286,678</td>
<td>311,137</td>
<td>329,605</td>
<td>336,388</td>
<td>352,808</td>
<td>352,420</td>
<td>358,572</td>
</tr>
<tr>
<td>Selling, general and administrative expenses (milions of yen)</td>
<td>111,726</td>
<td>106,947</td>
<td>112,629</td>
<td>143,890</td>
<td>164,958</td>
<td>164,884</td>
<td>167,623</td>
<td>166,990</td>
<td>169,159</td>
<td>175,943</td>
</tr>
<tr>
<td>Operating income (millions of yen)</td>
<td>14,685</td>
<td>12,895</td>
<td>15,403</td>
<td>18,883</td>
<td>14,414</td>
<td>15,344</td>
<td>14,728</td>
<td>13,950</td>
<td>20,267</td>
<td>17,032</td>
</tr>
<tr>
<td>Ordinary income (millions of yen)</td>
<td>10,526</td>
<td>10,725</td>
<td>14,328</td>
<td>16,807</td>
<td>13,698</td>
<td>15,130</td>
<td>14,565</td>
<td>13,211</td>
<td>19,202</td>
<td>16,410</td>
</tr>
<tr>
<td>EBITDA*1(millions of yen)</td>
<td>37,157</td>
<td>36,469</td>
<td>39,080</td>
<td>46,476</td>
<td>44,099</td>
<td>44,388</td>
<td>42,974</td>
<td>42,327</td>
<td>46,529</td>
<td>44,558</td>
</tr>
<tr>
<td>Profit attributable to owners of parent (millions of yen)</td>
<td>7,640</td>
<td>4,535</td>
<td>10,772</td>
<td>3,164</td>
<td>5,393</td>
<td>9,451</td>
<td>340</td>
<td>6,108</td>
<td>9,469</td>
<td>10,977</td>
</tr>
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</table>

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

## Items

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Total assets (millions of yen)</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>
<td>630,630</td>
</tr>
<tr>
<td>Net assets (millions of yen)</td>
<td>116,862</td>
<td>118,590</td>
<td>126,645</td>
<td>124,775</td>
<td>134,946</td>
<td>150,666</td>
<td>160,004</td>
<td>163,822</td>
<td>166,380</td>
<td>177,662</td>
</tr>
<tr>
<td>Total current assets (millions of yen)</td>
<td>397,868</td>
<td>404,596</td>
<td>385,061</td>
<td>421,766</td>
<td>459,377</td>
<td>469,416</td>
<td>469,066</td>
<td>464,023</td>
<td>462,168</td>
<td>461,778</td>
</tr>
<tr>
<td>Total current liabilities (millions of yen)</td>
<td>197,220</td>
<td>219,032</td>
<td>201,109</td>
<td>213,418</td>
<td>219,543</td>
<td>234,077</td>
<td>253,662</td>
<td>222,921</td>
<td>247,847</td>
<td>232,794</td>
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<td>Equity ratio (%)</td>
<td>22.1</td>
<td>23.4</td>
<td>25.3</td>
<td>22.4</td>
<td>22.1</td>
<td>24.6</td>
<td>25.0</td>
<td>25.5</td>
<td>25.7</td>
<td>27.5</td>
</tr>
<tr>
<td>Debt ratio (%)</td>
<td>351.9</td>
<td>328.0</td>
<td>294.4</td>
<td>345.5</td>
<td>351.1</td>
<td>304.2</td>
<td>297.8</td>
<td>289.1</td>
<td>286.3</td>
<td>261.1</td>
</tr>
<tr>
<td>Fixed Assets ratio (%)</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>
<td>266.2</td>
</tr>
<tr>
<td>Fixed Assets to Fixed Liability ratio (%)</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>
<td>113.7</td>
</tr>
<tr>
<td>Current ratio (%)</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>
<td>76.7</td>
</tr>
<tr>
<td>D/E ratio (times)</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>
<td>1.3</td>
</tr>
</tbody>
</table>

*Effective from the fiscal year 2011, the Alcoholic beverages business was split into Japanese and International segments.*

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### Financial Data (Segment Information)

#### Net Sales by Segment

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</tr>
</thead>
<tbody>
<tr>
<td>Sales-Alcoholic beverages(including tax)(millions of yen)</td>
<td>334,720</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>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>279,329</td>
<td>268,189</td>
<td>269,947</td>
<td>274,909</td>
<td>281,031</td>
<td>273,651</td>
<td>279,476</td>
<td>278,692</td>
</tr>
<tr>
<td>Sales-International *(millions of yen)</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>52,774</td>
<td>54,600</td>
<td>69,837</td>
</tr>
<tr>
<td>Sales-Food &amp; Soft drinks(millions of yen)</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>
<td>137,898</td>
<td>137,898</td>
</tr>
<tr>
<td>Sales-Restaurants(millions of yen)</td>
<td>28,026</td>
<td>26,429</td>
<td>24,091</td>
<td>26,621</td>
<td>28,827</td>
<td>27,143</td>
<td>27,004</td>
<td>28,120</td>
<td>29,140</td>
<td>29,140</td>
</tr>
<tr>
<td>Sales-Real estate(millions of yen)</td>
<td>23,537</td>
<td>22,648</td>
<td>23,217</td>
<td>21,509</td>
<td>13,413</td>
<td>22,900</td>
<td>24,134</td>
<td>24,134</td>
<td>24,134</td>
<td>24,134</td>
</tr>
<tr>
<td>Sales-Others *(millions of yen)</td>
<td>-</td>
<td>-</td>
<td>624</td>
<td>755</td>
<td>7,565</td>
<td>5,944</td>
<td>5,648</td>
<td>8,031</td>
<td>11,845</td>
<td></td>
</tr>
<tr>
<td>Sales share-Alcoholic beverages(Excluding tax)(%</td>
<td>68.4</td>
<td>69.0</td>
<td>68.7</td>
<td>53.9</td>
<td>52.1</td>
<td>52.8</td>
<td>54.7</td>
<td>53.6</td>
<td>53.1</td>
<td></td>
</tr>
<tr>
<td>Sales share-Japanese Alcoholic beverages(Excluding tax)(%</td>
<td>-</td>
<td>-</td>
<td>59.3</td>
<td>46.2</td>
<td>42.6</td>
<td>40.6</td>
<td>41.0</td>
<td>37.8</td>
<td>38.1</td>
<td>37.0</td>
</tr>
<tr>
<td>Sales share-International(%)</td>
<td>-</td>
<td>-</td>
<td>9.4</td>
<td>7.7</td>
<td>9.5</td>
<td>12.2</td>
<td>12.4</td>
<td>16.9</td>
<td>15.4</td>
<td>16.1</td>
</tr>
<tr>
<td>Sales share-Food &amp; Soft drinks(%)</td>
<td>-</td>
<td>-</td>
<td>9.4</td>
<td>7.7</td>
<td>9.5</td>
<td>12.2</td>
<td>12.4</td>
<td>16.9</td>
<td>15.4</td>
<td>16.1</td>
</tr>
<tr>
<td>Sales share-Restaurants(%)</td>
<td>10.4</td>
<td>10.6</td>
<td>9.5</td>
<td>7.2</td>
<td>6.7</td>
<td>6.8</td>
<td>6.6</td>
<td>6.6</td>
<td>6.7</td>
<td></td>
</tr>
<tr>
<td>Sales share-Real estate(%)</td>
<td>8.2</td>
<td>8.8</td>
<td>8.7</td>
<td>6.7</td>
<td>6.1</td>
<td>5.8</td>
<td>5.4</td>
<td>5.0</td>
<td>5.4</td>
<td>5.6</td>
</tr>
<tr>
<td>Sales share-Others(%)</td>
<td>-</td>
<td>-</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>1.6</td>
<td>1.5</td>
<td>1.4</td>
<td>1.9</td>
<td>2.7</td>
</tr>
</tbody>
</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

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

Operating Income & OP Margin

Japanese Alcoholic Beverages

- Operating Income (millions of yen)
- OP Margin (%) 2008-2017

Food & Soft Drinks

- Operating Income (millions of yen)
- OP Margin (%) 2008-2017

Restaurants

- Operating Income (millions of yen)
- OP Margin (%) 2008-2017

Real Estate

- Operating Income (millions of yen)
- OP Margin (%) 2008-2017

Others

- Operating Income (millions of yen)
- OP Margin (%) 2008-2017

Operating Income & OP Margin

- Effective from the fiscal year 2011, the Alcoholic beverages business was split into Japanese and International segments.

Financial Data (Segment Information)

--- | --- | --- | --- | --- | --- | --- | --- | --- | --- | ---
Operating income-Alcoholic beverages (Excluding tax)(millions of yen) | 8,610 | 8,176 | 9,787 | 9,682 | 7,448 | 11,109 | 10,865 | 8,789 | 12,652 | 10,553
Operating income-Japanese Alcoholic beverages*2 (millions of yen) | - | - | 9,290 | 9,304 | 7,522 | 9,901 | 10,192 | 8,635 | 11,745 | 11,767
Operating income-International*2(millions of yen) | - | - | 497 | 378 | -73 | 1,208 | 172 | 154 | 906 | -1,214
Operating income-Food&Soft drinks(millions of yen) | 220 | 301 | 1,280 | 3,690 | 364 | 1,483 | 121 | 434 | 1,314 | 564
Operating income-Restaurants(millions of yen) | 550 | -171 | 148 | 219 | 538 | 415 | 303 | 522 | 663 | 330
Operating income-Real estate(millions of yen) | 7,612 | 7,524 | 7,986 | 8,552 | 9,396 | 8,685 | 7,695 | 8,281 | 10,328 | 11,261
Operating income-Others(millions of yen) | - | - | -751 | -643 | -413 | -281 | 183 | 1 | 95 | 51
Operating income margin-Alcoholic beverages (Excluding tax)(%) | 4.4 | 4.5 | 5.3 | 5.3 | 3.8 | 5.3 | 4.8 | 3.8 | 5.6 | 4.6
Operating income margin-Japanese Alcoholic Beverages (Excluding tax)(%) | - | - | 5.8 | 6.0 | 4.6 | 6.2 | 6.2 | 5.5 | 7.3 | 7.3
Operating income margin-International(%) | - | - | 2.0 | 1.5 | -0.2 | 2.5 | 0.3 | 0.2 | 1.4 | -1.7
Operating income margin-Food&Soft drinks(%) | 0.6 | 1.0 | 3.8 | 3.4 | 0.3 | -1.1 | 0.1 | 0.3 | 1.0 | 0.4
Operating income margin-Restaurants(%) | 1.9 | -0.6 | 0.6 | 0.9 | 2.1 | 1.5 | 1.1 | 1.1 | 1.9 | 2.4
Operating income margin-Real estate(%) | 32.5 | 32.3 | 31.9 | 38.1 | 40.5 | 38.1 | 35.8 | 39.7 | 45.1 | 46.7

*Effective from the fiscal year 2011, the Alcoholic beverages business was split into Japanese and International segments.
Effective from the fiscal year 2011, the Alcoholic beverages business was split into Japanese and International segments.
Financial Data (Per Share Data - Management Indicators)

### Profit Per Share

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income per share (yen)</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>
<td>140.93</td>
</tr>
<tr>
<td>Cash dividends per share (yen)</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>
<td>40</td>
</tr>
<tr>
<td>Net assets per share (yen)</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>2072</td>
<td>2062.86</td>
<td>2227.02</td>
</tr>
<tr>
<td>Payout ratio (%)</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>
<td>28.4</td>
</tr>
<tr>
<td>Stock price (yen)</td>
<td>559</td>
<td>509</td>
<td>368</td>
<td>291</td>
<td>279</td>
<td>442</td>
<td>512</td>
<td>2660</td>
<td>3010</td>
<td>3450</td>
</tr>
</tbody>
</table>

*Payout Ratio for 2014 is omitted.*

---

### Cash Dividends Per Share

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ROA (%)</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>1.5</td>
<td>1.7</td>
</tr>
<tr>
<td>ROE (%)</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>
<td>6.6</td>
</tr>
<tr>
<td>Total asset turnover (times)</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.6</td>
<td>0.7</td>
<td>0.6</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Inventory turnover (times)</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>
<td>9.4</td>
</tr>
<tr>
<td>Tangible fixed asset turnover (times)</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>1.2</td>
<td>1.2</td>
<td>1.2</td>
<td>1.3</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

---

### Net Assets Per Share

### Payout Ratio

### Stock Price (Year-end)

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*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
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 Dec 31, 2017)
78,794,298

*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.

Security Code
2501

Securities Traded
Common Stock
Tokyo Stock Exchange, First Section

Trading Unit
100 shares

Major Shareholders (As of Dec 31, 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.</td>
<td>4,916</td>
<td>6.30</td>
</tr>
<tr>
<td>Japan Trustee Services Bank, Ltd.</td>
<td>3,362</td>
<td>4.31</td>
</tr>
<tr>
<td>STATE STREET BANK AND TRUST COMPANY 505001</td>
<td>2,546</td>
<td>3.26</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>Nippon Life Insurance Company</td>
<td>2,237</td>
<td>2.87</td>
</tr>
<tr>
<td>Meiji Yasuda Life Insurance Company</td>
<td>2,236</td>
<td>2.87</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>2.32</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. Retirement</td>
<td>1,594</td>
<td>2.04</td>
</tr>
<tr>
<td>Benefit Trust Account re-entrusted by Mizuho Trust and banking Co., Ltd.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
As an intrinsic part of people’s lives, Sapporo will contribute to the evolution of creative, enriching and rewarding lifestyles.