Impact of the Tohoku Pacific Earthquake on the SAPPORO Group

As those affected by the Tohoku Pacific Earthquake of March 11, 2011, work to recover, the SAPPORO Group expresses its heartfelt sympathy and solidarity. Following is a summary of how the SAPPORO Group has been affected so far.

1. Impact on Operations

(1) Production Facilities
Some buildings and equipment at SAPPORO Breweries Ltd.’s Sendai Brewery (Natori-shi, Miyagi Prefecture) and Chiba Brewery (Funabashi-shi, Chiba Prefecture) have sustained damage or been otherwise affected. Those two breweries are currently out of operation. SAPPORO Breweries is currently assessing the damage and losses to its equipment and cannot yet say when operations may be restored.

Some equipment is also out of service at SAPPORO Breweries other plants and at some production facilities of SAPPORO Group subsidiaries. As inspections of those buildings and equipment are completed and their safety verified, they will be put back into service.

(2) Product Distribution and Operation of Commercial Facilities
Shipments of SAPPORO Breweries Ltd.’s and SAPPORO Beverage Co., Ltd.’s products bound for the Tohoku, Kanto-Koshinetsu, and Greater Tokyo areas will be suspended on March 14 and 15, 2011. Shipments to these areas, except the Tohoku area, will be resumed as circumstances permit from March 16. For the time being, however, delivery of some products may be delayed.

Some of SAPPORO Lion Ltd.’s restaurants, primarily those in disaster affected areas, are currently closed for business. Opening hours of the company’s other restaurants have been shortened or adjusted as necessary given the state of infrastructure and other conditions in each area.

Properties and facilities held by Yebisu Garden Place Co., Ltd. are currently subject to some use restrictions, but no major damage was sustained to its buildings, which therefore remain in operation.

2. Impact on Financial Results
The Group is currently investigating what impact, if any, the earthquake will have on its financial results and will immediately disclose any relevant information if it determines that the impact may be material.