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[Translation]



Company name	Sapporo Holdings Limited
Representative	Masaki Oga President and Representative Director
Securities code	2501
Listed on	Tokyo Stock Exchange Sapporo Securities Exchange
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## **Notice Concerning Recording of Impairment Loss and Revision of Earnings Forecast**

Sapporo Holdings Limited (the “Company”) has recorded an “impairment loss” under “other operating expenses” for the fiscal year ended December 31, 2018 and will revise its earnings forecast announced on August 3, 2018, at the time of its announcement of financial results for the first half of said fiscal year as described below:

### 1. Recording of “Impairment Loss”

Anchor Brewing Company, LLC (hereinafter, “Anchor”) is a consolidated subsidiary of the Company that is engaged in the manufacture and sale of beer in the U.S. The Company has decided to record ¥4.3 billion (a portion of the goodwill, etc. that resulted from the acquisition of shares in Anchor) as “impairment loss” under “other operating expenses” for the said fiscal year.

With a fall in demand in the West Coast region (especially San Francisco), where Anchor’s main customer base is located, sales volume and profit levels trended below the estimate.

Against this background, the Company re-evaluated the corporate value of Anchor and after analyzing Anchor’s asset value from multiple perspectives decided to record an “impairment loss” of ¥4.3 billion.

## 2. Revision of Earnings Forecast

(1) Revision of full-year consolidated earnings forecast figures for the fiscal year ended December 2018 (January 1, 2018 to December 31, 2018)

(Millions of yen, %)

	Revenue	Operating profit	Profit attributable to owners of parent	Basic earnings per share	(Reference) Profit from operations before non-recurring items
Previous forecast (A) (Announced on August 3, 2018)	537,800	16,100	9,200	118.11	18,600
Revised forecast (B)	521,800	10,800	8,500	109.13	14,400
Change (B - A)	(16,000)	(5,300)	(700)		(4,200)
Percentage change	(3.0)%	(32.9)%	(7.6)%		(22.6)%
Previous results (for fiscal year ended December 31, 2017)	536,585	12,806	7,187	92.27	17,445

### (2) Reasons for the revision

Revenue is expected to fall short of the previous forecast as sales volume targets, primarily in the Japanese Alcoholic Beverages and Food & Soft Drinks businesses, were not attained.

Operating profit and profit attributable to owners of parent are expected to fall short of the previous forecast due to failure to achieve sales volume targets in the Food & Soft Drinks business and the recording of impairment loss for Anchor, despite increased profits from the Real Estate business.

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