SAPPORO

Year ended December 31, 2012

Consolidated Earnings Report - Supplementary Information

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February 2013

SAPPORO HOLDINGS LTD.

Securities Code: 2501

Financial Highlights (2004 2013)

Consolidated Financial Highlights

		2004	2005	2006	2007	2008
Net sales(*1)	Including liquor tax	494.9	453.6	435.0	449.0	414.5
	Excluding liquor tax	333.6	308.1	294.0	309.7	284.4
Overseas net sales to total	Excluding liquor tax	1.2%	1.5%	1.8%	9.0%	8.8%
Operating income	Before goodwill amortization	23.6	10.3	8.6	13.2	15.5
	After goodwill amortization	23.6	10.3	8.6	12.3	14.6
Operating margin	Including liquor tax / after goodwill amortization	4.8%	2.3%	2.0%	2.8%	3.5%
	Excluding liquor tax /before goodwill amortization	7.1%	3.3%	2.9%	4.3%	5.5%
	Excluding liquor tax /after goodwill amortization	7.1%	3.3%	2.9%	4.0%	5.2%
Ordinary income		18.0	6.6	5.8	8.1	10.5
Net income		4.6	36	23	55	76
Total assets		602.1	563.8	589.5	561.8	527.2
Net assets		92.2	111.4	113.4	125.1	116.8
Balance of debt (*2)	Gross	289.8	220.7	236.0	212.4	189.2
	Net	273.7	199.0	210.5	205.9	166.7
Debt-to-equity ratio (times)	Gross	3.1	2.0	2.1	1.7	1.6
	Net	3.0	1.8	1.9	1.6	1.4
Capital expenditure	Cash basis	8.3	12.5	21.8	19.8	27.3
Depreciation and amortization		25.3	22.0	21.9	24.5	21.6
Amortization of goodwill		0.0	0.0	0.0	0.8	0.8
EBITDA	Operating income + Depreciation and amortization +Amortization of goodwill	48.9	32.3	30.5	37.6	37.0
ROE (%)	Before goodwill amortization	5.2%	3.6%	2.1%	5.3%	7.0%
	After goodwill amortization	5.2%	3.6%	2.1%	4.6%	6.3%
EPS (yen sen)	Before goodwill amortization	13.07	10.20	6.38	16.32	21.70
	After goodwill amortization	13.07	10.20	6.38	14.10	19.50
Exchange rates (Yen)	US$	104.20	118.07	119.12	114.15	103.49
	CAN$			102.59	116.34	97.97

		2009	2010	2011	2012	2013 (forecast)
Net sales(*1)	Including liquor tax	387.5	389.2	449.4	492.4	512.0
	Excluding liquor tax	264.6	269.8	336.8	379.7	397.3
Overseas net sales to total	Excluding liquor tax	8.5%	9.4%	11.0%	14.1%	14.7%
Operating income	Before goodwill amortization	13.9	16.5	21.9	18.2	19.2
	After goodwill amortization	12.8	15.4	18.8	14.4	15.3
Operating margin	Including liquor tax / after goodwill amortization	3.3%	4.0%	4.2%	2.9%	3.0%
	Excluding liquor tax /before goodwill amortization	5.3%	6.1%	6.5%	4.8%	4.8%
	Excluding liquor tax /after goodwill amortization	4.9%	5.7%	5.6%	3.8%	3.9%
Ordinary income		10.7	14.3	16.8	13.6	14.0
Net income		4.5	10.7	3.1	5.3	5.5
Total assets		506.8	494.7	550.7	597.6	
Net assets		118.5	126.6	124.7	134.9	
Balance of debt (*2)	Gross	196.7	181.3	219.1	257.6	254.0
	Net	190.4	167.9	209.9	247.8	244.3
Debt-to-equity ratio (times)	Gross	1.7	1.4	1.8	1.9	1.8
	Net	1.6	1.3	1.7	1.8	1.8
Capital expenditure	Cash basis	21.8	19.8	13.4	53.8	21.0
Depreciation and amortization		22.5	22.5	24.4	25.8	24.4
Amortization of goodwill		1.0	1.1	3.1	3.8	3.9
EBITDA	Operating income + Depreciation and amortization +Amortization of goodwill	36.4	39.0	46.4	44.0	43.6
ROE (%)	Before goodwill amortization	4.7%	9.8%	5.1%	7.3%	7.1%
	After goodwill amortization	3.9%	8.9%	2.5%	4.2%	4.1%
EPS (yen sen)	Before goodwill amortization	14.19	30.49	16.03	23.68	24.01
	After goodwill amortization	11.57	27.50	8.08	13.77	14.05
Exchange rates (Yen) (*3)	US$	93.65	87.79	79.79	79.81	85.00
	CAN$	82.30	85.18	80.74	79.83	83.00

*1: After application of accounting standard for accounting changes and error corrections.
*2: The balance of debt includes commercial paper but excludes the balance of lease obligations.
*3:Effective from the year ended December 31, 2008, revenues and expenses are translated into Japanese yen at the average exchange rate for the fiscal year, not the prevailing exchange rate on the balance sheet date as before.

Major Sales and Sales Volume

(10,000 cases)

	Fiscal 2011 Actual	Fiscal 2012 Actual	YoY	Full-year estimate for fiscal 2013	YoY
Sapporo Draft Beer Black Label	1,769	1,705	96%	1,677	98%
YEBISU (total)	989	945	96%	1,000	106%
1 Beer (total)	2,972	2,913	98%	2,953	101%
2 Happoshu (total)	184	144	78%	101	70%
3 New genre beverages	1,985	2,131	107%	2,226	105%
Beer, happoshu, and new genre (total 1+2+3)	5,141	5,187	101%	5,280	102%
Sapporo Premium Alcohol Free	112	122	107%	150	123%
RTD (*1)	95	158	168%	162	102%

*1：RTD　1Case=250ml*24

(billions of yen)

	Fiscal 2011 Actual	Fiscal 2012 Actual	YoY	Full-year estimate for fiscal 2013	YoY
Domestic wines	4.8	4.8	100%	5.3	111%
Imported wines	6.6	7.1	109%	7.7	108%
Wine (total)	11.4	11.9	105%	13.1	109%
Spirits (total)	2.2	4.8	215%	6.6	138%
Shochu (total)	8.5	11.4	134%	12.1	106%

Beer (International)

(10,000 cases)

	Fiscal 2011 Actual	Fiscal 2012 Actual	YoY	Full-year estimate for fiscal 2013	YoY
SLEEMAN BREWERIES LTD. (*2)	1,153	1,202	104%	1,290	107%
Sapporo brand	324	382	118%	450	118%

*2：Excludes contracted manufacturing for the Sapporo brand and sales of the Sapporo brand in Canada .

Soft Drinks (POKKA SAPPORO FOOD & BEVERAGE)

(10,000 cases)

	Fiscal 2011 Actual	Fiscal 2012 Actual	YoY	Full-year estimate for fiscal 2013	YoY
Soft Drinks	5,042	4,822	96%	5,015	104%

*3. Results for Pokka Sapporo Food & Beverage Ltd. for the fiscal years ended December 31, 2011 and December 3 2012 represent the combined results of Sapporo Beverage Co., Ltd. and POKKA CORPORATION for January through December. The results of POKKA CORPORATION were included in the consolidated income statement from the second quarter of the year ended December 31, 2011.

(Reference: Sales for fiscal 2011 (Jan - Dec) Sapporo Beverage: 21,090,000 cases, POKKA CORPORATION: 29,330,000 cases
Sales for fiscal 2012 (Jan - Dec) Sapporo Beverage: 19,600,000 cases, POKKA CORPORATION: 28,620,000 cases)

Consolidated Results (Year ended December 31, 2012)

Condensed Consolidated Statements of Income (billions of yen)

	2011	2012	Change	Change (%)
Japanese Alcoholic Beverages	268.1	274.4	6.3	2.3%
International Business (*1)	25.8	36.1	10.2	39.5%
Food & Soft Drinks (*2)	108.0	132.1	24.1	22.3%
Sapporo Beverage Co., Ltd.	32.2	30.3	(1.9)	(5.9)%
POKKA Group	75.8	101.8	26.0	34.3%
Restaurants	24.0	25.6	1.5	6.3%
Real Estate	22.4	23.2	0.7	3.3%
Other	0.7	0.8	0.1	15.4%
Net sales	449.4	492.4	43.0	9.6%
Japanese Alcoholic Beverages	9.3	7.5	(1.7)	(19.2)%
International Business (*1)	0.3	(0.0)	(0.4)	—
Food & Soft Drinks (*2)	3.6	0.3	(3.3)	(90.1)%
Sapporo Beverage Co., Ltd.	0.7	(0.0)	(0.8)	—
POKKA Group	2.9	0.4	(2.5)	(85.9)%
Restaurants	0.2	0.5	0.3	146.0%
Real Estate	8.5	9.3	0.8	9.9%
Other	(0.6)	(0.4)	0.2	—
General corporate and intercompany eliminations	(2.6)	(2.9)	(0.3)	—
Operating income	18.8	14.4	(4.4)	(23.7)%
Operating income before goodwill amortization	21.9	18.2	(3.6)	(16.8)%
Non-operating income	2.2	3.2	1.0	44.9%
Non-operating expenses	4.3	3.9	(0.3)	(7.8)%
Ordinary income	16.8	13.6	(3.1)	(18.6)%
Extraordinary gains	0.6	0.1	(0.4)	(82.6)%
Extraordinary losses	11.5	3.2	(8.2)	(71.6)%
Income before income taxed and minority interests	5.8	10.5	4.6	80.0%
Income taxes	2.7	5.3	2.5	91.2%
Minority interests (loss)	(0.1)	(0.2)	(0.1)	—
Net Income	3.1	5.3	2.2	70.4%

*1. Effective the year ended December 31, 2012, "International Alcoholic Beverages" was renamed to "International Business."

*2. Effective the year ended December 31, 2012, previous "Soft Drinks" business and "POKKA Group" business were integrated and renamed to "Food & Soft Drinks."

Condensed Consolidated Statements of Cash Flows

	2011	2012	Change	Change (%)
Cash flows from operating activities	22.3	29.6	7.3	32.7%
Cash flows from investing activities	(50.8)	(59.4)	(8.5)	—
Free Cash flows	(28.5)	(29.8)	(1.2)	—
Cash flows from financial activities	24.2	30.1	5.9	24.4%

Sales Breakdown for Japanese Alcoholic Beverages

Sales (including liquor tax) (billions of yen)

	Year ended ended December 31, 2011	Year ended ended December 31, 2012	Change	Change (%)
Beer	161.6	158.0	(3.5)	(2.2)%
Happoshu	7.2	5.5	(1.7)	(23.6)%
New genre	65.2	70.1	4.8	7.4%
Total	234.1	233.6	0.4	(0.2)%

Sales (excluding liquor tax) (billions of yen)

	Year ended ended December 31, 2011	Year ended ended December 31, 2012	Change	Change (%)
Beer	78.8	76.8	(1.9)	(2.5)%
Happoshu	4.1	3.0	(1.0)	(24.9)%
New genre	45.1	48.5	3.3	7.4%
Total	128.1	128.5	0.3	(0.3)%

Consolidated Results (Year ended December 31, 2012)

Numbers in parentheses mean decline in earnings.

Breakdown of Key Changes

(billions of yen)

	Change factor	Year ended December 31, 2011	Year ended December 31, 2012	Income change	Details
Beer, etc.		7.2	5.4	(1.8)	
Marginal profit	(subtotal)			1.1	
	Increase (decrease) in volume/product mix			0.3	Beer -1.1 Happoshu -0.5 New genre +2.0 Product mix, etc.-0.1
	Other			0.8	Premium Alcohol Free, RTD, Production costs, etc.
Fixed costs and othe	(subtotal)			(3.0)	
	Advertising and promotional costs			(2.3)	
	Facility cost			0.5	
	Transfer to extraordinary losses due to disaster			(1.4)	Fixed cost during production/marketing suspension due to disaster, etc.
	Other			0.1	
Wine and spirits		1.5	1.5	(0.0)	
Other		0.6	0.6	0.0	Rental property, etc.
Japanese Alcoholic Beverages		9.3	7.5	(1.7)	
North America, etc.		1.4	1.6	0.2	
	Increase (decrease) in volume/product mix.			1.1	Increase in volume: SLEEMAN: 104%, Sapporo: 118%
	Marketing expense, etc.			(0.3)	SLEEMAN BREWERIES LTD., SAPPORO U.S.A., INC.
	Other			(0.5)	
Vietnam		(1.0)	(1.7)	(0.7)	
	Increase (decrease) in volume/product mix.			0.2	Increase in volume
	Marketing expense, etc.			(0.7)	
	Other			(0.2)	Depreciation and amortization, etc.
International		0.3	(0.0)	(0.4)	
Sapporo Beverage Co.,Ltd.		0.7	(0.0)	(0.8)	
	Increase (decrease) in volume/product mix			(0.9)	Decrease in volume
	Manufacturing cost			0.2	Decrease in production cost, etc.
	Other costs			0.1	
	Amortization of goodwill for Jan. to Mar.			(0.2)	
POKKA Group		2.9	0.4	(2.5)	
	Japanese Food & Soft Drinks			(1.4)	
	Increase (decrease) in volume/product mix			(0.7)	Decrease in volume
	Manufacturing cost			(0.1)	Increase in production cost, etc.
	Other costs			(0.6)	Increase in advertising and promotion expenses / the cost associated with the switch to common Sapporo Group palettes
	Other			(0.1)	International business, Restaurants, other factors
	Operating income for Jan. to Mar.			(0.5)	Results included in consolidated P/L from April 2011
	Amortization of goodwill for Jan. to Mar.			(0.4)	
Food & Soft Drinks		3.6	0.3	(3.3)	
	Existing stores			0.1	
	New stores / Renovated stores, etc.			0.2	
Restaurants		0.2	0.5	0.3	
	Rent			1.3	Acquired 15% share of Yebisu Garden Place
	Sales, etc.			(0.4)	
Real Estate Business		8.5	9.3	0.8	
	Food business			0.2	
	Other			0.0	Insurance Business
Other		(0.6)	(0.4)	0.2	
Corporate and eliminations		(2.6)	(2.9)	(0.3)	
Operating income		18.8	14.4	(4.4)	
Operating income before goodwill amortization		21.9	18.2	(3.6)	
	Financial account balance	(2.6)	(2.5)	0.2	Decrease in interest expense
	Equity in income (losses) of affiliates	0.0	0.2	0.2	
	Other	0.5	1.6	1.0	
Non-operating income and expenditure		(2.1)	(0.8)	1.3	
Ordinary income		16.8	13.6	(3.1)	
	Other extraordinary income	0.6	0.1	(0.5)	
	Loss on sales/disposal of fixed assets	(1.0)	(2.1)	(1.1)	
	Impairment loss	(1.7)	(0.2)	1.5	
	Asset retirement obligation	(1.0)	-	1.0	
	Loss on phased acquisition	(0.5)	-	0.5	
	Disaster losses	(5.4)	-	5.4	
	Other extraordinary loss	(2.0)	(1.0)	1.0	
Extraordinary income and losses		(10.9)	(3.2)	7.8	
Income before income taxes and minority interests		5.8	10.5	4.6	
Corporate tax, etc. / income and loss of minority shareholders		(2.6)	(5.1)	(2.4)	
Net income		3.1	5.3	2.2	

	Year ended December 31, 2011	Year ended December 31, 2012
Yen/US$	79.79	79.81
Yen/CAN$	80.74	79.83

Consolidated Results (Year ended December 31, 2012)

Segment Information

(billions of yen)

Year ended December 31, 2011	Japanese Alcoholic Beverages	International (*2)	Food & Soft Drinks(*3)	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	268.1	25.8	108.0	24.0	22.4	0.7	-	449.4
Operating income	9.3	0.3	3.6	0.2	8.5	(0.6)	(2.6)	18.8
(Operating income before goodwill amortization)	9.3	1.4	5.7	0.2	8.5	(0.6)	(2.6)	21.9
Sales promotion costs								
Sales incentives and commissions	15.4	0.1	10.6	0.0	0.0	0.1	(0.0)	26.3
Advertising and promotion expenses	13.0	0.8	2.3	0.9	0.3	0.0	(0.0)	17.5
Promotion items	5.0	1.1	0.0	0.0	0.0	0.0	0.0	6.2
Depreciation and amortization	13.2	1.0	5.0	0.5	4.4	0.1	0.0	24.4
Amortization of goodwill	0.0	1.0	2.0	0.0	0.0	0.0	0.0	3.1
EBITDA (*4)	22.5	2.4	10.7	0.7	12.9	(0.5)	(2.6)	46.4
Capital expenditure(cash basis)	2.9	3.4	2.0	0.3	4.6	0.0	0.0	13.4
Lease obligations	0.0	0.0	2.8	0.0	0.0	0.0	0.0	3.0

Year ended December 31, 2012	Japanese Alcoholic Beverages	International (*2)	Food & Soft Drinks(*3)	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	274.4	36.1	132.1	25.6	23.2	0.8	-	492.4
Operating income	7.5	(0.0)	0.3	0.5	9.3	(0.4)	(2.9)	14.4
(Operating income before goodwill amortization)	7.5	1.0	3.1	0.5	9.3	(0.4)	(2.9)	18.2
Sales promotion costs								
Sales incentives and commissions	18.6	0.2	13.9	0.0	0.0	0.1	(0.1)	32.8
Advertising and promotion expenses	13.8	1.1	3.8	0.9	0.3	0.0	0.0	20.2
Promotion items	4.5	1.8	0.0	0.0	0.0	0.0	0.0	6.4
Depreciation and amortization	12.4	1.5	6.6	0.5	4.6	0.0	0.0	25.8
Amortization of goodwill	0.0	1.1	2.7	0.0	0.0	0.0	0.0	3.8
EBITDA (*4)	19.9	2.5	9.7	1.1	14.0	(0.4)	(2.9)	44.0
Capital expenditure(cash basis)	3.0	1.9	3.4	0.6	42.1	0.4	2.0	53.8
Lease obligations	0.0	0.1	3.6	0.0	0.0	0.0	0.0	3.9

Change	Japanese Alcoholic Beverages	International (*2)	Food & Soft Drinks(*3)	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	6.3	10.2	24.1	1.5	0.7	0.1	-	43.0
Operating income	(1.7)	(0.4)	(3.3)	0.3	0.8	0.2	(0.3)	(4.4)
(Operating income before goodwill amortization)	(1.7)	(0.3)	(2.6)	0.3	0.8	0.2	(0.3)	(3.6)
Sales promotion costs								
Sales incentives and commissions	3.1	0.0	3.2	0.0	0.0	0.0	(0.0)	6.4
Advertising and promotion expenses	0.8	0.3	1.5	(0.0)	0.0	(0.0)	0.0	2.6
Promotion items	(0.4)	0.6	0.0	0.0	0.0	(0.0)	0.0	0.2
Depreciation and amortization	(0.7)	0.4	1.5	(0.0)	0.1	(0.1)	0.0	1.3
Amortization of goodwill	(0.0)	0.0	0.6	0.0	0.0	0.0	0.0	0.7
EBITDA (*4)	(2.5)	0.0	(1.0)	0.3	1.0	0.0	(0.3)	(2.3)
Capital expenditure(cash basis)	0.1	(1.4)	1.3	0.3	37.5	0.4	2.0	40.4
Lease obligations	0.0	0.0	0.7	0.0	0.0	0.0	0.0	0.8

*1: After application of accounting standard for accounting changes and error corrections.
*2: "International Alcoholic Beverages" is renamed "International Business" in fiscal 2012.
*3: "Soft Drinks" and "POKKA Group" segments are integrated into "Food & Soft Drinks" in 2012.
*4：EBITDA＝ Operating income ＋Depreciation and amortization ＋Amortization of goodwill

Consolidated Results (Year ended December 31, 2012)

Condensed Consolidated Balance Sheets

(billions of yen)

	December 31, 2011	December 31, 2012	Change	Primary Reasons
Current assets	129.0	138.2	9.2	
Cash and cash equivalents	9.2	9.7	0.5	
Notes and accounts receivable - trade	79.3	83.5	4.2	
Inventories	28.0	32.4	4.3	Newly Consolidated Silver Springs Citrus, Inc.,
Other	12.4	12.4	0.0	
Fixed assets	421.7	459.3	37.6	
Fixed assets	323.2	360.5	37.2	Increase resulting from acquisition of 15% share of Yebisu Garden Place +40.5
Goodwill	40.1	37.5	(2.6)	
Investments and other assets	58.3	61.3	2.9	
Total assets	550.7	597.6	46.8	
Current liabilities	212.5	243.1	30.5	
Notes and accounts payable - trade	32.3	32.9	0.6	
Short-term debt	80.3	112.2	31.9	Increase resulting from issuance of Commercial Paper, etc.
Deposits received	15.3	12.3	(2.9)	
Other	84.5	85.5	0.9	
Long-term liabilities	213.4	219.5	6.1	
Long-term debt	138.7	145.3	6.5	Increase in long-term debt
Employees' retirement benefits	7.4	7.3	(0.0)	
Other	67.1	66.7	(0.3)	
Total liabilities	426.0	462.6	36.6	
Shareholders' equity	127.7	130.3	2.6	
Accumulated other comprehensive income	(4.4)	1.4	5.8	
Minority interests	1.4	3.1	1.6	
Total net assets	124.7	134.9	10.1	
Total liabilities and net assets	550.7	597.6	46.8	

Identifiable Assets by segment

(billions of yen)

	December 31, 2011	December 31, 2012	Change	Primary Reasons
Japanese Alcoholic Beverages	215.0	205.3	(9.7)	
International	40.2	50.4	10.2	
Food & Soft Drinks	100.7	104.4	3.7	
Restaurants	10.4	10.3	(0.1)	
Real Estate	180.2	215.1	34.9	Increase resulting from acquisition of 15% share of Yebisu Garden Place
Other	1.9	2.2	0.2	
Corporate and eliminations	2.0	9.6	7.5	
Total	550.7	597.6	46.8	

Financial Liabilities by segment

(billions of yen)

	December 31, 2011	December 31, 2012	Change	Primary Reasons
Japanese Alcoholic Beverages	59.0	48.3	(10.7)	
International	12.4	17.1	4.7	
Food & Soft Drinks	12.1	15.4	3.3	
Restaurants	0.0	0.0	0.0	
Real Estate	103.9	140.2	36.2	Increase resulting from acquisition of 15% share of Yebisu Garden Place
Other	1.8	2.3	0.4	
Corporate and eliminations	29.6	34.1	4.5	
Total	219.1	257.6	38.4	

Overview of Segmentation Changes 2012

Reportable segment income refers to operating income. Equity-method affiliates are therefore omitted below.

2011 Segmentation

Segment	Consolidated subsidiaries
Japanese Alcoholic Beverages	SAPPORO BREWERIES LTD.
	SAPPORO WINES LIMITED
	YEBISU WINEMART CO., LTD.
	SAPPORO LOGISTICS SYSTEMS CO., LTD.
	TANOSHIMARU SHUZO CO., LTD.
	SAPPORO ENGINEERING LIMITED
	STARNET CO., LTD.
	NEW SANKO INC.
International Alcoholic Beverages	SAPPORO INTERNATIONAL INC.
	SAPPORO U.S.A., INC.
	SAPPORO CANADA INC.
	SLEEMAN BREWERIES LTD.
	SAPPORO ASIA PRIVATE LIMITED
	SAPPORO VIETNAM LIMITED
Soft Drinks	SAPPORO BEVERAGE CO., LTD.
	STELLA BEVERAGE SERVICES CO., LTD.
	STAR BEVERAGE SERVICE CO., LTD.
POKKA Group	POKKA CORPORATION
	SUNPOKKA CO., LTD
	POKKA CREATE CO., LTD.
	Pokka Corporation (Singapore) Pte. Ltd.
	And another 21 companies
Restaurants	SAPPORO LION LIMITED
Real Estate	YEBISU GARDEN PLACE CO., LTD.(*3)
	YGP REAL ESTATE CO., LTD.
	SAPPORO URBAN DEVELOPMENT CO., LTD.
	TOKYO ENERGY SERVICE CO., LTD.
	SAPPORO SPORTS PLAZA CO., LTD.
	YOKOHAMA KEIWA BUILDING CO., LTD.
Other	SAPPORO FOODS NET CO., LTD.
	SAPPORO FINE FOODS CO., LTD.
	SAPPORO GROUP MANAGEMENT LTD. (*4)
Corporate and eliminations	SAPPORO HOLDINGS LTD. SAPPORO GROUP MANAGEMENT LTD.

2012 Segmentation

Segment	Consolidated subsidiaries
Japanese Alcoholic Beverages	SAPPORO BREWERIES LTD.
	SAPPORO WINES LIMITED
	YEBISU WINEMART CO., LTD.
	SAPPORO LOGISTICS SYSTEMS CO., LTD.
	TANOSHIMARU SHUZO CO., LTD.
	SAPPORO ENGINEERING LIMITED
	STARNET CO., LTD.
	NEW SANKO INC.
International (*1)	SAPPORO INTERNATIONAL INC.
	SAPPORO U.S.A., INC.
	SAPPORO CANADA INC.
	SLEEMAN BREWERIES LTD.
	SAPPORO ASIA PRIVATE LIMITED
	SAPPORO VIETNAM LIMITED
	Silver Springs Citrus, Inc. (newly consolidated)
Food & Soft Drinks (*2)	POKKA SAPPORO FOOD & BEVERAGE LTD. (newly established)
	SAPPORO BEVERAGE CO., LTD.
	STELLA BEVERAGE SERVICES CO., LTD.
	STAR BEVERAGE SERVICE CO., LTD.
	POKKA CORPORATION
	SUNPOKKA CO., LTD
	POKKA CREATE CO., LTD.
	Pokka Corporation (Singapore) Pte. Ltd.
	And another 22 companies
Restaurants	SAPPORO LION LIMITED
Real Estate	SAPPORO REAL ESTATE CO.,LTD. (*3)
	YGP REAL ESTATE CO., LTD.
	SAPPORO URBAN DEVELOPMENT CO., LTD.
	TOKYO ENERGY SERVICE CO., LTD.
	SAPPORO SPORTS PLAZA CO., LTD.
	YOKOHAMA KEIWA BUILDING CO., LTD.
Other	SAPPORO FOODS NET CO., LTD.
	SAPPORO FINE FOODS CO., LTD.
	SAPPORO GROUP MANAGEMENT LTD. (*4)
	SAPPORO LOGISTICS SYSTEMS CO., LTD.(newly established)
Corporate and eliminations	SAPPORO HOLDINGS LTD. SAPPORO GROUP MANAGEMENT LTD.

*1. Effective the year ended December 31, 2012, "International Alcoholic Beverages" was renamed to "International Business."

*2. Effective the year ended December 31, 2012, previous "Soft Drinks" business and "POKKA Group" business were integrated and renamed to "Food & Soft Drinks."

*3. YEBISU GARDEN PLACE CO., LTD. was renamed to SAPPORO REAL ESTATE CO., LTD. on January 1, 2012.

*4. Insurance businesses.

Consolidated Forecasts (Year ending December 31, 2013)

Condensed Consolidated Statements of Income

(billions of yen)

	Year ended December 31, 2012	Year ending December 31, 2013 (forecast)	Change	Change (%)
Japanese Alcoholic Beverages(*1)	269.9	275.2	5.2	1.9%
International	36.1	43.3	7.1	19.9%
Food & Soft Drinks (*1)	129.0	136.5	7.4	5.8%
Restaurants(*1)	26.6	26.8	0.1	0.7%
Real Estate	23.2	23.6	0.3	1.6%
Other(*1)	7.5	6.6	(0.9)	(12.8)%
Net sales	492.4	512.0	19.5	4.0%
Japanese Alcoholic Beverages(*1)	7.5	9.0	1.4	19.6%
International	(0.0)	0.0	0.0	—
Food & Soft Drinks	0.3	1.0	0.6	174.7%
Restaurants(*1)	0.5	0.8	0.2	48.4%
Real Estate	9.3	8.3	(1.0)	(11.7)%
Other(*1)	(0.4)	(0.1)	0.3	—
General corporate and intercompany eliminations	(2.9)	(3.7)	(0.7)	—
Operating income	14.4	15.3	0.8	6.1%
Operating income before goodwill amortization	18.2	19.2	0.9	5.0%
Non-operating income	3.2	2.3	(0.9)	(29.5)%
Non-operating expenses	3.9	3.6	(0.3)	(9.8)%
Ordinary income	13.6	14.0	0.3	2.3%
Extraordinary gains	0.1	3.5	3.3	3246.1%
Extraordinary losses	3.2	6.2	2.9	88.9%
Income before income taxed and minority interests	10.5	11.3	0.7	7.5%
Income taxes	5.3	5.9	0.5	10.3%
Minority interests (loss)	(0.2)	(0.1)	0.1	—
Net Income	5.3	5.5	0.1	2.0%

*1:Effective from the fiscal year ending December 31, 2013, SAPPORO LOGISTICS SYSTEMS CO., LTD. and POKKA LOGISTICS CO., LTD., previously included under the Japanese Alcoholic Beverages and Food & Soft Drinks segments, respectively, have been reclassified to the Other segment. Similarly, Pokka Food (Singapore) Pte. Ltd., previously included under the Food & Soft Drinks segment, has been reclassified to the Restaurants segment. Accordingly, the consolidated financial statements for the fiscal year ended December 31, 2012 have been retroactively adjusted to reflect these changes.

Condensed Consolidated Statements of Cash Flows

	Year ended December 31, 2012	Year ending December 31, 2013 (forecast)	Change	Change (%)
Cash flows from operating activities	29.6	30.2	0.5	2.0%
Cash flows from investing activities	(59.4)	(24.0)	35.4	—
Free Cash flows	(29.8)	6.2	36.0	—

Sales Breakdown for Japanese Alcoholic Beverages

Sales (including liquor tax)

(billions of yen)

	Year ended December 31, 2012	Year ending December 31, 2013	Change	Change (%)
Beer	158.0	159.2	1.2	0.8%
Happoshu	5.5	3.8	(1.6)	(29.8)%
New genre	70.1	73.5	3.4	4.9%
Total	233.6	236.7	3.0	1.3%

Sales (excluding liquor tax)

(billions of yen)

	Year ended December 31, 2012	Year ending December 31, 2013	Change	Change (%)
Beer	76.8	77.0	0.1	0.2%
Happoshu	3.0	2.1	(0.9)	(29.9)%
New genre	48.5	51.0	2.4	5.1%
Total	128.5	130.2	1.7	1.3%

Consolidated Forecasts (Year ending December 31, 2013)

Breakdown of key income Changes (billions of yen)

	Change factor	Year ended December 31, 2012	Year ending December 31, 2013 (forecast)	Change	Details
Beer and related products		5.4	6.8	1.4	
Marginal profit	Subtotal			2.0	
	Increase (decrease) in volume / Product mix			1.5	Beer +0.7 Happoshu -0.6 New genre +1.3 Product mix, etc. +0.1
	Other			0.5	Sapporo Premium Alcohol Free, RTD, Production costs, other factors
Fixed and other costs	Subtotal			(0.6)	
	Sales promotion costs			(1.3)	
	Facility cost			1.2	
	Other			(0.6)	
Wine, spirits, and shochu		1.5	2.0	0.5	
Other		0.6	0.2	(0.4)	Rental property, etc.
Japanese Alcoholic Beverages		7.5	9.0	1.4	
North America and other		1.6	1.8	0.2	
	Increase (decrease) in volume / Product mix			1.0	Increase in volume SLEEMAN 107%, Sapporo 118%
	Marketing costs			(0.6)	SLEEMAN BREWERIES LTD., SAPPORO U.S.A., INC.
	Other			(0.2)	Silver Springs Citrus,Inc. / Increase in costs, etc.
Vietnam		(1.7)	(1.8)	(0.1)	
	Increase (decrease) in volume / Product mix			0.5	Increase in volume
	Marketing costs			(0.4)	
	Other			(0.2)	Depreciation and amortization, etc.
International		(0.0)	0.0	0.0	
Japanese Food & Soft Drinks		(0.1)	0.0	0.1	
	Increase (decrease) in volume / Product mix			1.4	Increase in volume
	Production costs			(0.3)	Increase in production costs, etc.
	Other costs			(1.0)	Increase in system costs, CI costs, etc.
Other		0.4	0.9	0.5	International business, Restaurants, other factors
Food & Soft Drinks		0.3	1.0	0.6	
	Existing stores			0.1	
	New stores / Refurbished stores			0.1	
Restaurants		0.5	0.8	0.2	
	Rent			(1.0)	
	Sales			(0.1)	
Real Estate		9.3	8.3	(1.0)	
	Food business			0.3	
	Other			0.0	Insurance Business
Other		(0.4)	(0.1)	0.3	
General corporate and intercompany eliminations		(2.9)	(3.7)	(0.7)	
Operating income		14.4	15.3	0.8	
Operating income before goodwill amortization		18.2	19.2	0.9	
	Financial income (expense)	(2.5)	(1.9)	0.6	Decrease in interest expense
	Equity in income (losses) of affiliates	0.2	0.2	0.0	
	Other	1.6	0.4	(1.2)	
Non-operating income and expenses		(0.8)	(1.3)	(0.5)	
Ordinary income		13.6	14.0	0.3	
	Gain on sales of investment securities	0.0	3.5	3.4	
	Other extraordinary gains	0.1	-	(0.1)	
	Loss on sales/disposal of property, plant and equipment	(2.1)	(1.3)	0.8	
	Impairment losses	(0.2)	-	0.2	
	Other extraordinary losses	(1.0)	(4.9)	(3.9)	
Extraordinary gains and losses		(3.2)	(2.7)	0.5	
Income before income taxes and minority interests		10.5	11.3	0.7	
Change in income taxes and minority interests (loss)		(5.1)	(5.8)	(0.7)	
Net income		5.3	5.5	0.1	

	Year ended December 31, 2012	Year ending December 31, 2013
Yen/US$	79.81	85.00
Yen/CAN$	79.83	83.00

Consolidated Forecasts (Year ending December 31, 2013)

Segment Information (billions of yen)

Year ended December 31, 2012	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales(*1)	269.9	36.1	129.0	26.6	23.2	7.5	-	492.4
Operating income	7.5	(0.0)	0.3	0.5	9.3	(0.4)	(2.9)	14.4
(Operating income before goodwill amortization)	7.5	1.0	3.1	0.5	9.3	(0.4)	(2.9)	18.2
Sales promotion costs								
Sales incentives and commissions	18.6	0.2	13.9	0.0	0.0	0.1	(0.1)	32.8
Advertising and promotion expenses	13.8	1.1	3.8	0.9	0.3	0.0	(0.0)	20.2
Promotion items	4.5	1.8	0.0	0.0	0.0	0.0	0.0	6.4
Depreciation and amortization	12.4	1.5	6.6	0.5	4.6	0.0	0.0	25.8
Amortization of goodwill	0.0	1.1	2.7	0.0	0.0	0.0	0.0	3.8
EBITDA (*2)	19.9	2.5	9.7	1.1	14.0	(0.4)	(2.9)	44.0
Capital expenditures (cash basis)	3.0	1.9	3.4	0.6	42.1	0.4	2.0	53.8
Payment of lease obligations	0.0	0.1	3.6	0.0	0.0	0.0	0.0	3.9

Year ending December, 31, 2013 (Forecast)	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	275.2	43.3	136.5	26.8	23.6	6.6	-	512.0
Operating income	9.0	0.0	1.0	0.8	8.3	(0.1)	(3.7)	15.3
(Operating income before goodwill amortization)	9.0	1.1	3.7	0.8	8.3	(0.1)	(3.7)	19.2
Depreciation and amortization	11.2	1.7	6.3	0.7	4.4	0.1	0.0	24.4
Amortization of goodwill	0.0	1.1	2.7	0.0	0.0	0.0	0.0	3.9
EBITDA (*2)	20.2	2.8	10.0	1.5	12.7	0.0	(3.7)	43.6
Capital expenditures (cash basis)	4.8	2.1	6.6	0.9	5.5	0.1	1.0	21.0
Payment of lease obligations	0.0	0.0	4.0	0.0	0.0	0.0	0.0	4.0

Change	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Other	Corporate and eliminations	Consolidated total
Net sales	5.2	7.1	7.4	0.1	0.3	(0.9)	-	19.5
Operating income	1.4	0.0	0.6	0.2	(1.0)	0.3	(0.7)	0.8
(Operating income before goodwill amortization)	1.4	0.0	0.6	0.2	(1.0)	0.3	(0.7)	0.9
Depreciation and amortization	(1.2)	0.1	(0.3)	0.1	(0.2)	0.0	0.0	(1.3)
Amortization of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA (*2)	0.2	0.2	0.2	0.3	(1.3)	0.4	(0.7)	(0.4)
Capital expenditures (cash basis)	1.7	0.1	3.1	0.2	(36.6)	(0.3)	(1.0)	(32.8)
Payment of lease obligations	0.0	(0.1)	0.3	0.0	0.0	0.0	0.0	0.0

*1:Effective from the fiscal year ending December 31, 2013, SAPPORO LOGISTICS SYSTEMS CO., LTD. and POKKA LOGISTICS CO., LTD., previously included under the Japanese Alcoholic Beverages and Food & Soft Drinks segments, respectively, have been reclassified to the Other segment. Also, Pokka Food (Singapore) Pte. Ltd., previously included under the Food & Soft Drinks segment, has been reclassified to the Restaurants segment. Accordingly, the consolidated financial statements for the fiscal year ended December 31, 2012 have been retroactively adjusted to reflect these changes.

*2 : EBITDA= Operating income + Depreciation and amortization + Amortization of goodwill

*3 : Full year estimate for sales promotion costs is not disclosed.

Overview of Segmentation Changes 2013

Reportable segment income refers to operating income. Equity-method affiliates are therefore omitted below.

2012 Segmentation

Segment	Consolidated subsidiaries
Japanese Alcoholic Beverages	SAPPORO BREWERIES LTD.
	SAPPORO WINES LIMITED
	YEBISU WINEMART CO., LTD.
	SAPPORO LOGISTICS SYSTEMS CO., LTD.(*1)
	TANOSHIMARU SHUZO CO., LTD.
	SAPPORO ENGINEERING LIMITED
	STARNET CO., LTD.
	NEW SANKO INC.
International	SAPPORO INTERNATIONAL INC.
	SAPPORO U.S.A., INC.
	SAPPORO CANADA INC.
	SLEEMAN BREWERIES LTD.
	Sapporo Asia Private Limited
	Sapporo Vietnam Limited
	Silver Springs Citrus, Inc.（newly consolidated）
Food &Soft Dinks	POKKA SAPPORO FOOD & BEVERAGE LTD. (newly established)
	SAPPORO BEVERAGE CO., LTD.(*2)
	STELLA BEVERAGE SERVICES CO., LTD.
	STAR BEVERAGE SERVICE CO., LTD.
	POKKA CORPORATION(*2)
	SUNPOKKA CO., LTD
	POKKA CREATE CO., LTD.
	POKKA LOGISTICS CO., LTD.(*1)
	Pokka Corporation (Singapore) Pte. Ltd.
	Pokka Food (Singapore) Pte. Ltd. （*3）
	And another 20 companies
Restaurants	SAPPORO LION LIMITED
Real Estate	SAPPORO REAL ESTATE CO.,LTD.
	YGP REAL ESTATE CO., LTD.
	SAPPORO URBAN DEVELOPMENT CO., LTD.
	TOKYO ENERGY SERVICE CO., LTD.
	SAPPORO SPORTS PLAZA CO., LTD.
	YOKOHAMA KEIWA BUILDING CO., LTD.
Other	SAPPORO FOODS NET CO., LTD.
	SAPPORO FINE FOODS CO., LTD.
	SAPPORO GROUP MANAGEMENT LTD.
	SAPPORO GROUP LOGISTICS CO., LTD.(newly established)
Corporate and eliminations	SAPPORO HOLDINGS LTD. SAPPORO GROUP MANAGEMENT LTD.

2013 Segmentation

Segment	Consolidated subsidiaries
Japanese Alcoholic Beverages	SAPPORO BREWERIES LTD.
	SAPPORO WINES LIMITED
	YEBISU WINEMART CO., LTD.
	TANOSHIMARU SHUZO CO., LTD.
	SAPPORO ENGINEERING LIMITED
	STARNET CO., LTD.
	NEW SANKO INC.
International	SAPPORO INTERNATIONAL INC.
	SAPPORO U.S.A., INC.
	SAPPORO CANADA INC.
	SLEEMAN BREWERIES LTD.
	SAPPORO ASIA PRIVATE LIMITED
	SAPPORO VIETNAM LIMITED
	Silver Springs Citrus, Inc.
Food & Soft Drinks	POKKA SAPPORO FOOD & BEVERAGE LTD.
	STELLA BEVERAGE SERVICES CO., LTD.
	STAR BEVERAGE SERVICE CO., LTD.
	SUNPOKKA CO., LTD
	POKKA CREATE CO., LTD.
	Pokka Corporation (Singapore) Pte. Ltd.
	And another 19 companies
Restaurants	SAPPORO LION LIMITED
	Sapporo Lion Singapore Private Limited （*3）
Real Estate	YEBISU GARDEN PLACE CO., LTD.
	YGP REAL ESTATE CO., LTD.
	SAPPORO URBAN DEVELOPMENT CO., LTD.
	TOKYO ENERGY SERVICE CO., LTD.
	SAPPORO SPORTS PLAZA CO., LTD.
	YOKOHAMA KEIWA BUILDING CO., LTD.
Other	SAPPORO FOODS NET CO., LTD.
	SAPPORO FINE FOODS CO., LTD.
	SAPPORO GROUP MANAGEMENT LTD.
	SAPPORO GROUP LOGISTICS CO., LTD.
	SAPPORO LOGISTICS SYSTEMS CO., LTD.(*1)
	POKKA LOGISTICS CO., LTD.(*1)
Corporate and eliminations	SAPPORO HOLDINGS LTD. SAPPORO GROUP MANAGEMENT LTD.

*1. Effective from the fiscal year ending December 31, 2013, SAPPORO LOGISTICS SYSTEMS CO., LTD. and POKKA LOGISTICS CO., LTD., previously included under the Japanese Alcoholic Beverages and Food & Soft Drinks segments, respectively, have been reclassified to the Other segment.

*2. Sapporo Beverage Co., Ltd. and POKKA CORPORATION were dissolved in an absorption-type merger with Pokka Sapporo Food & Beverage Ltd. on January 1, 2013.

*3. Effective from the fiscal year ending December 31, 2013, Pokka Food (Singapore) Pte. Ltd., previously included under the Food & Soft Drinks segment, has been reclassified to the Restaurants segment. Accordingly, Pokka Food (Singapore) Pte. Ltd. will be renamed Sapporo Lion Singapore Private Limited in April 2013.