[Translation]

June 20, 2014

Company name	Sapporo Holdings Limited
Representative	Tsutomu Kamijo President and Representative Director
Securities code	2501
Listed on	Tokyo Stock Exchange Sapporo Securities Exchange
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Notice on Recording an Extraordinary Loss

Sapporo Holdings Ltd. ("Sapporo Holdings" or the "Company") hereby announces that the Company at its Board of Directors meeting held today resolved to approve the voluntary filing of a revised liquor tax return by its subsidiary, Sapporo Breweries Ltd. ("Sapporo Breweries"). Accordingly, an extraordinary loss will be recorded as explained below.

1. Recording an Extraordinary Loss and Its Reason

As described in the news release by Sapporo Breweries Ltd. on the attached document, Sapporo Breweries has been reviewing the documents and data requested by the National Tax Agency concerning the tax rate category of "Sapporo Goku ZERO ((1) Effervescent alcoholic beverage)," which was released in June 2013. However, Sapporo Breweries has yet to confirm the product category in line with the legal interpretation of the Japanese Liquor Tax Law by the National Tax Agency.

In such circumstances, based on the opinions of external experts, Sapporo Breweries determined to voluntarily file a revised tax return to avoid any additional financial burden.

Sapporo Breweries still contends that Goku ZERO falls within the category of "(1) Effervescent alcoholic beverages" and intends to take the necessary legal measures to assert such contention, given the opinions of external experts.

2. Impact on Our Business Performance

In accordance with the revised tax return filed by Sapporo Breweries, Sapporo Holdings will record an extraordinary loss of ¥11.6 billion as a difference in liquor tax amounts due to the product category change (including an overdue tax) in the consolidated financial statements for the first half of the fiscal year ending December 31, 2014.

With regard to the impact on the forecast of consolidated earnings for the year ending December 31,

2014, a close review is under way including of elements other than this matter. If it is determined that a revision to the forecast is necessary, we will disclose such immediately.

On February 12, 2014, the Sapporo Group released the SAPPORO Group Medium-Term Management Plan 2014–2016 with its financial goals of continuing stable dividends (¥7 per share or more) and achieving ROE of 8% or higher in 2016. The plan got off to a promising start this year, the first year under this medium-term management plan, with favorable progress in each business, reflecting positive performance in the Japanese Alcoholic Beverage business and steady progress in the Real Estate business supported by a revitalized market situation. In the future, the Sapporo Group intends to promote across-the-board initiatives to further improve corporate value and ensure achievements of the goals in this management plan.

Reference: Forecast of Consolidated Earnings for the Year Ending December 31, 2014 (Announced on February 12, 2014), and the Results of the Previous Year's Consolidated Earnings

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Forecast for Year ending December 31, 2014	537,700	15,000	13,600	5,000
Results for Year ended December 31, 2013	509,834	15,344	15,130	9,451

(Attachment)

Recording of an Extraordinary Loss Subsequent to the Voluntary Filing of a Revised Liquor Tax Return

Sapporo Breweries Ltd. (the "Company") hereby announces that the Company at its Board of Directors meeting held today resolved to file a revised liquor tax return voluntarily as follows and will record a related extraordinary loss in the financial statements for the first half of the fiscal year ending December 31, 2014.

1. Outline of Voluntary Filing of a Revised Liquor Tax Return

As announced on June 4, 2014, the Company terminated sales of "Sapporo Goku ZERO ((1) Effervescent alcoholic beverage)," which was released in June 2013, after selling the inventory produced up to the end of May 2014. With regard to the decision-making process to discontinue this product, the Company was requested by the National Tax Agency to provide information on the production method of Goku ZERO to verify the tax rate category of the product. Although the Company has reviewed the legal interpretation of the Japanese Liquor Tax Law by the National Tax Agency and continues with the careful review of the data requested by the Agency, if it is determined as a result of future verification that Goku ZERO does not fall in the "(1) Effervescent alcoholic beverages" category, many customers and our business partners could be affected. Therefore, we reached the decision to discontinue this product.

The Company is continuing to review the documents and data requested by the National Tax Agency, but factual confirmation of the product category in line with the legal interpretation of the Japanese Liquor Tax Law by the National Tax Agency has yet to be completed.

In this situation, the Company decided to voluntarily file a revised liquor tax return based on the opinions of outside experts to avoid any additional financial burden.

The Company still contends that Goku ZERO falls within the category of "(1) Effervescent alcoholic beverages" and intends to take the necessary legal measures to assert such contention, given the opinions of external experts.

2. Recording an Extraordinary Loss

A revised tax return will be filed by revising the tax rate of Goku ZERO from the rate for the category "(1) Effervescent alcoholic beverages" to "Basic taxation rate for effervescent alcoholic beverages."* This revision will incur a difference in liquor tax amounts due to the product category change (including an overdue tax) totaling ¥11.6 billion, which will be recorded as an extraordinary loss in our financial statements for the first half of the fiscal year ending December 31, 2014.

*Liquor tax rates

- Tax rate for the category (1) Effervescent alcoholic beverages: ¥80,000/KL
- Basic taxation rate for effervescent alcoholic beverages: ¥220,000/KL

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