November 2, 2016

[Translation]

Company name	Sapporo Holdings Limited
Representative	Tsutomu Kamijo Representative Director, President
Securities code	2501
Listed on	Tokyo Stock Exchange Sapporo Securities Exchange
Inquiries	Toshihiko Umesato Director of Corporate Communications Department TEL: +81-3-5423-7407

Formulation of the Sapporo Group Long-Term Management Vision "SPEED150" and the First Medium-Term Management Plan 2020

Sapporo Holdings Limited (the "Company") has formulated the Sapporo Group Long-Term Management Vision "SPEED150" and the First Medium-Term Management Plan 2020. The "SPEED150" vision sets forth the overall direction the Company should pursue over the next 10 years through 2026, the year marking the Group's 150th anniversary of founding. The First Medium-Term Management Plan 2020 lays out the basic strategies the Company will implement over the next four years through 2020.

I. Sapporo Group Long-Term Management Vision "SPEED150"

The Company has formulated the 2026 Group Vision and the Action Guidelines, both of which will be achieved by pursuing management reforms and business growth with speed while continuing to adhere to the Management Philosophy and Fundamental Management Policy.

Recognizing once again that the source of the Group's growth lies in the brand assets cultivated over the Group's 140-year history since it was founded, the Company has 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 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 supply distinctive products and services worldwide in conjunction with expanding its contact points with customers, with the aim of driving robust growth.

【Management Philosophy】

As an intrinsic part of people's lives,
Sapporo will contribute to the evolution of creative,
enriching and rewarding lifestyles.

【Fundamental Management Policy】

The Sapporo Group strives to maintain integrity in corporate conduct that reinforces stakeholder trust, and aims to achieve continuous growth in corporate value.

【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.

【Action Guidelines】

1. Make customers lifestyle around world more fulfill by creating new value through the pursuit of innovation and quality.
2. Strive to provide products and services and to nurture brands that foster communication among customers.
3. Practice efficient management in tandem with addressing changes in the environment.

In addition, the Company will deepen communication with stakeholders through all manner of corporate business activities based on its Management Philosophy, and strengthen its ability to convey information. By doing so, the Company aims to increase its presence while enhancing the satisfaction of all stakeholders.

II. First Medium-Term Management Plan 2020

1. Fundamental Policy

The Company aims to transition to a growth stage as early as possible based on the theme of "Transformation with Unprecedented Speed."

(1) Business Activities

The Company will enhance its cash generation capabilities by achieving continuous growth and producing results based on the identification of competitive fields in each business.

1. Achieve continuous growth in existing businesses
   Achieve steady growth based on identification of competitive fields in the existing five businesses
2. Produce results in the investment business
   Enhance profitability in the Vietnam business, North American beverage business and the food & soft drinks business
3. Capture growth opportunities
   Capture growth opportunities by allocating resources to growth in the "Food" field and global business expansion

(2) Group Management

The Company will take the lead in strengthening its platform through the strategic shift of resources, and business structure reforms and promotion of segment management.

1. Implement a Group structure that fits the actual state of growth and optimization of Head Office functions
2. Strengthen platform functions
   -R&D
   Bolster resources (human resources and research & development expenses) to drive growth in the" Food" field
   -Personnel and human resources
   Shift human resources to growth fields and implement health promotion measures
   -Finance
   Strengthen the financial base by enhancing asset efficiency and bolstering monitoring

2. Management Targets

(1) Quantitative Targets for 2020

Net sales: Maintain sales growth that has continued since 2010

Operating income: Deliver the Group's highest-ever earnings during the First Medium-Term Management Plan period

＜Quantitative Targets by Business Segment＞

(Billions of yen)

(※operating margin is before goodwill)

	2016 Forecast		2020 Target		Percentage change	
	Net sales	Operating income※	Net sales	Operating income※	Net sales	Operating income※
Consolidated total	**547.7**	**24.0**	**640.0**	**34.0**	**116.9%**	**141.7%**
Japanese Alcoholic Beverages	288.0	11.1	315.0	14.0	109.4%	126.1%
International	64.7	2.3	79.0	5.0	122.1%	217.4%
Food & Soft Drinks	136.4	3.6	162.0	6.5	118.8%	180.6%
Restaurants	28.2	0.9	32.0	1.6	113.5%	177.8%
Real Estate	22.8	10.0	25.0	12.0	109.6%	120.0%
New Businesses and Others	7.6	0.2	27.0	0.9	355.3%	450.0%
Corporate	—	(4.1)	—	(6.0)	—	—

(2) Financial Indicators

The Company has set the following indicators to build a financial base able to promptly address changes in the environment and investment opportunities in the growth stage.

＜Financial indicators to be achieved during the four years from 2017 to 2020＞

Cash flows from operating activities	¥180.0 billion	Generate cash flows by strengthening platform functions, achieving continuous growth in existing businesses, and producing results in investment businesses
Cash flows from investing activities	¥130.0 billion	Proactively allocate cash to the "Alcoholic Beverages", "Food" and "Soft Drinks" fields
Interest-bearing liabilities	Targeting a debt-to-equity (D/E) ratio of around 1.0	
Shareholder returns	Targeting a dividend payout ratio of 30%	

End