



Sapporo Holdings' Views Regarding SPJSF's Shareholder's Proposal

March 2010

SAPPORO HOLDINGS LTD.

サッポロホールディングス株式会社

URL <http://www.sapporoholdings.jp/english/>



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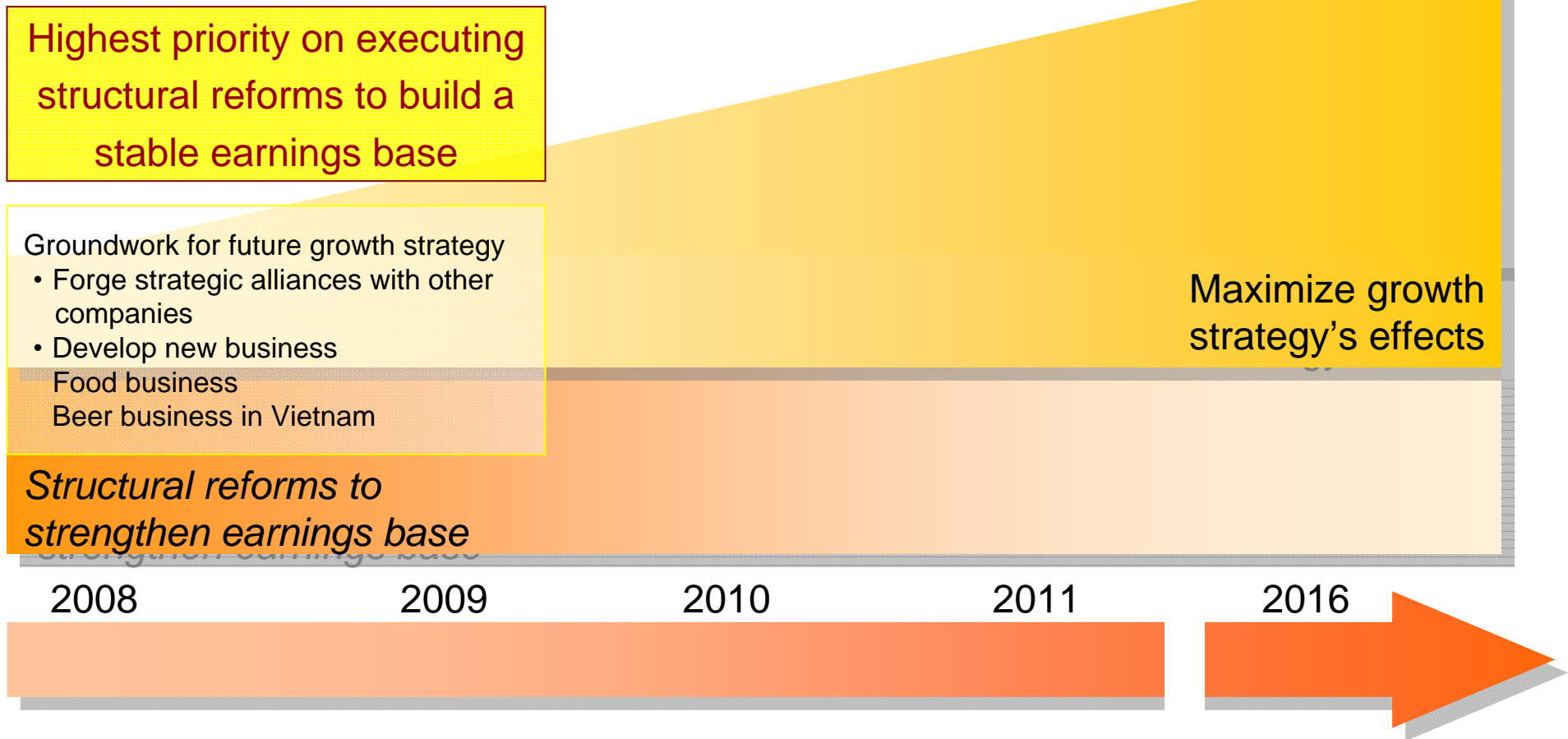


Business Reforms To Date



Key Initiatives in Our Management Plan for 2008-2009

We implemented business reforms to i) enhance the company foundations to be able to achieve profits under any circumstances and ii) laid the foundation for future growth.





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Management Targets / Results

Via an intense focus on profitability, management has exceeded its budget for every profitability metric.

Billions of yen

	2007 Results	2008 Results	2009 Results	2009 Targets	Exceeded Target
Net sales (incl. liquor taxes)	449.0	414.5	387.5	408.3	
Operating income	12.3	14.6	12.8*1	12.0	✓
Ordinary income	8.1	10.5	10.7	8.5	✓
Net income	5.5	7.6	4.5	3.0	✓
Operating margin (excl. liquor taxes)	4.0%	5.2%	4.9%*2	4.2%	✓
Outstanding financial liabilities	212.4	189.2	197.5	188.0	
D/E ratio	1.7	1.6	1.7	1.6	
ROE	4.6%	6.3%	3.9%	2.6%	✓

*1 Due to changes to accounting/taxation standards, the operating income for 2009 was 2.4 billion yen lower than it would have been under the previous standards, due to an increase in depreciation expenses as well as operating expenses and other items associated with the disposal of obsolete inventories. Therefore, under the previous standards, the operating income would have been 15.2 billion yen.

*2 Under the previous accounting and taxation standards, our consolidated operating margin (excluding liquor taxes) for 2009 would have been 5.8%.

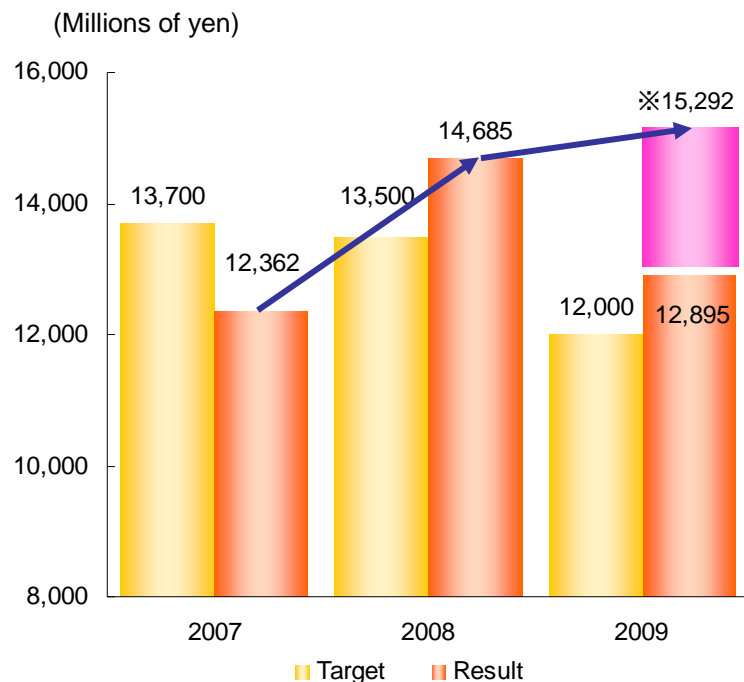


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Results of Business Reforms

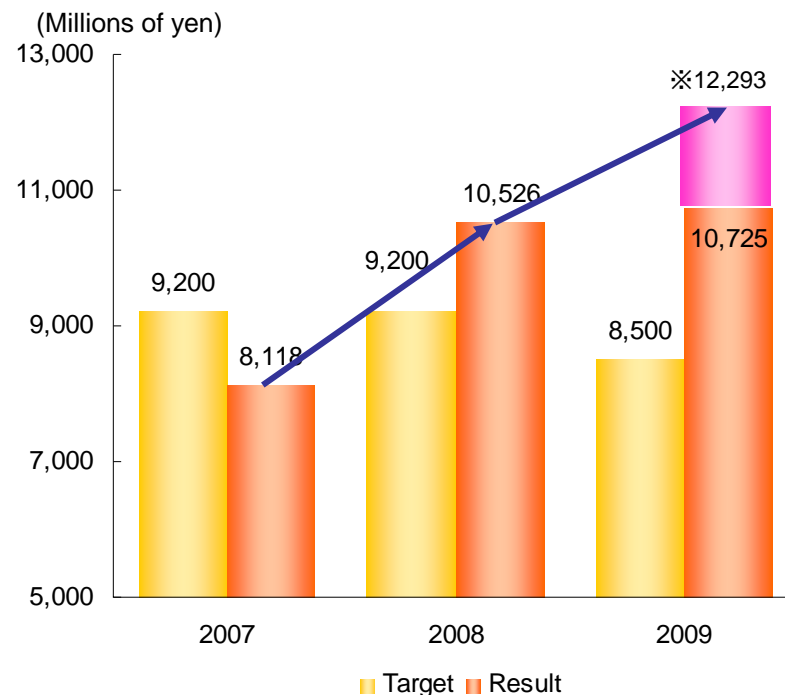
We achieved our targets at the beginning of each year for two consecutive terms and exceeded the performance year-over-year for three consecutive years.

Consolidated Operating Income (Targets / Results)



※ Due to changes to accounting/taxation standards, the operating income for 2009 was 2.4 billion yen lower than it would have been under the previous standards, due to an increase in depreciation expenses as well as operating expenses and other items associated with the disposal of obsolete inventories. Therefore, under the previous standards, the operating income would have been 15.2 billion yen.

Consolidated Ordinary Income (Targets / Results)



※ Due to changes to accounting/taxation standards, the ordinary income for 2009 was 1.5 billion yen lower than it would have been under the previous standards, due to an increase in depreciation expenses as well as operating expenses and other items associated with the disposal of obsolete inventories. Therefore, under the previous standards, the ordinary income would have been 12.2 billion yen.

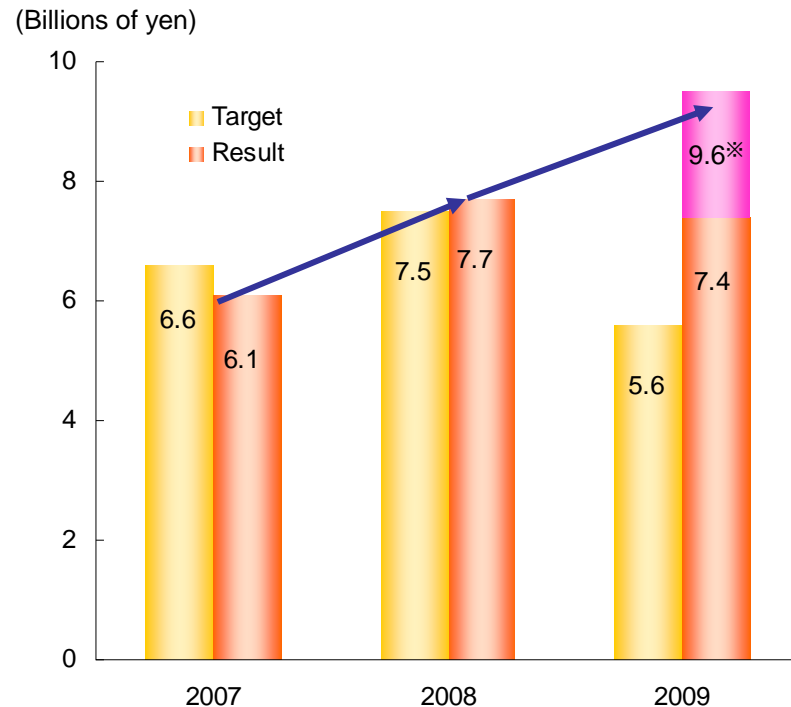


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Results of Alcoholic Beverage Segment (Japan)

Domestic Alcoholic Beverage business exceeded targets for two consecutive terms and essentially achieved year-over-year growth for three consecutive terms.

Domestic Alcoholic Beverage Segment (Targets / Results)



※ In Alcoholic Beverage (Japan) business, operating income decreased by 2.2 billion yen due to changes in accounting/taxation standards. Therefore, under the previous standards, the actual operating income would have been 9.6 billion yen.

<Results of Business Reforms>

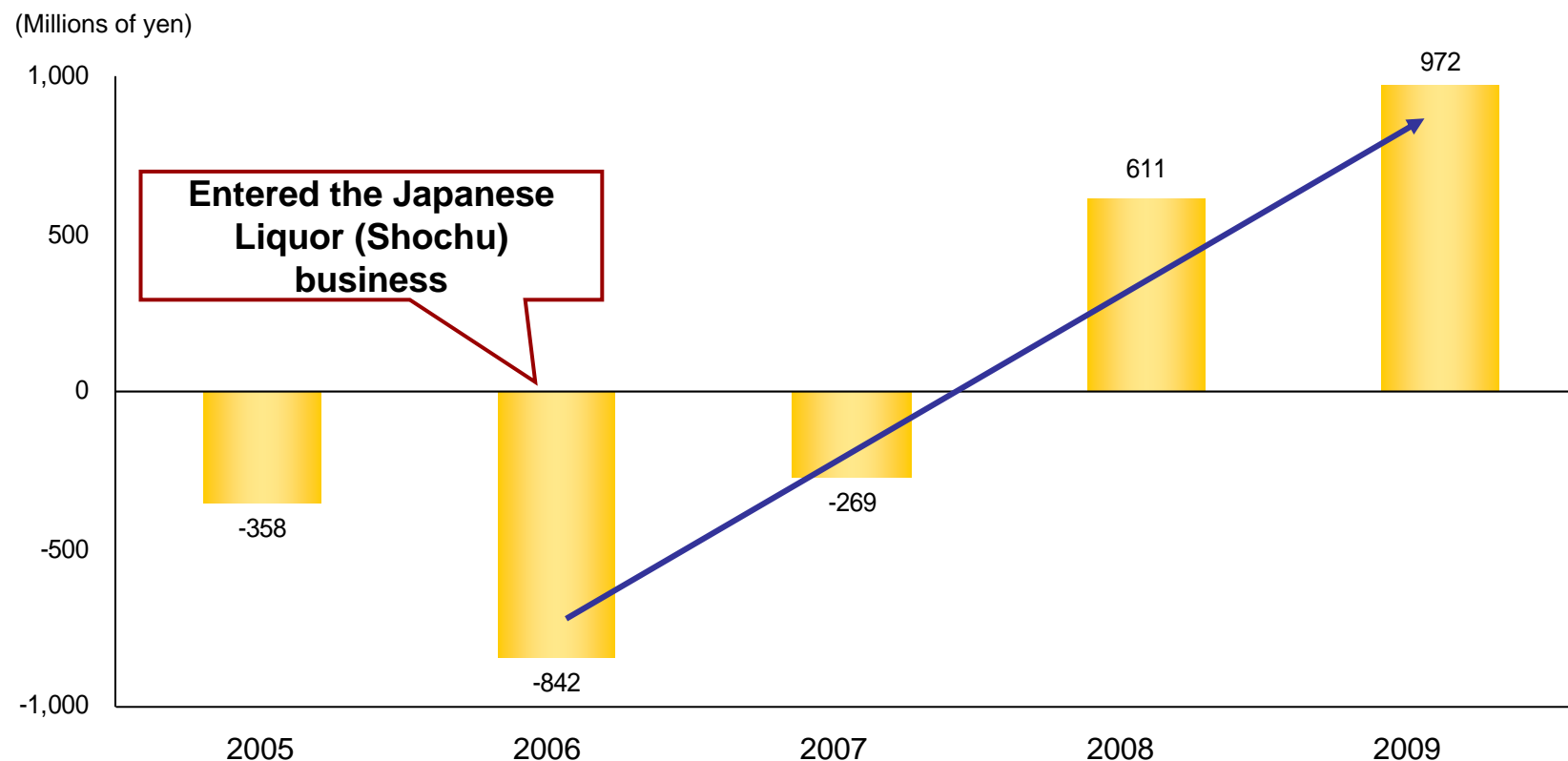
- Maintain the basic policy to create high levels of value-added products and services which can be appreciated by our customers
 - Focused marketing for “Yebisu” and “Mugi to Hop” to boost market share in each genre
 - Significantly improved profits by strengthening brands in Wine, Shochu business
- Reduced the breakeven point via cost restructuring by re-inforcing cost controls such as marketing expenses
 - Improved the efficiency of plant production by consolidating production lines etc.
- Excluding changes in accounting/tax standards, we successfully increased earnings year over year for three consecutive terms



Results of Alcoholic Beverage Segment (Japan)

We strengthened the Wine and Sochu business as a profitable business and expanded further for greater sales.

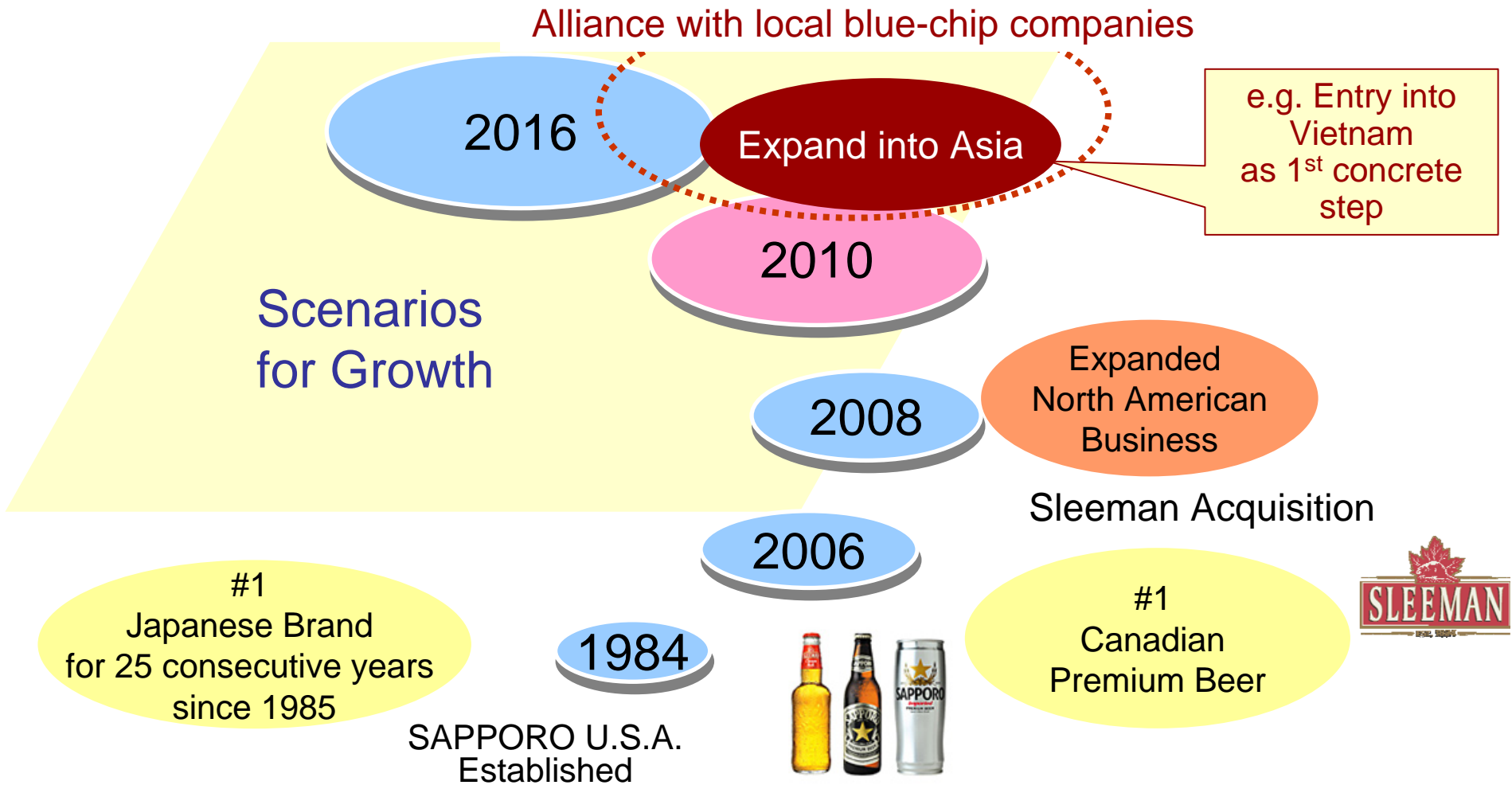
Operating income from Wine, Imported Liquor, Japanese Liquor (Shochu) business





Results of Alcoholic Beverage Segment (International)

We have achieved global expansion step-by-step and established a unique competitive position in our newly entered markets.



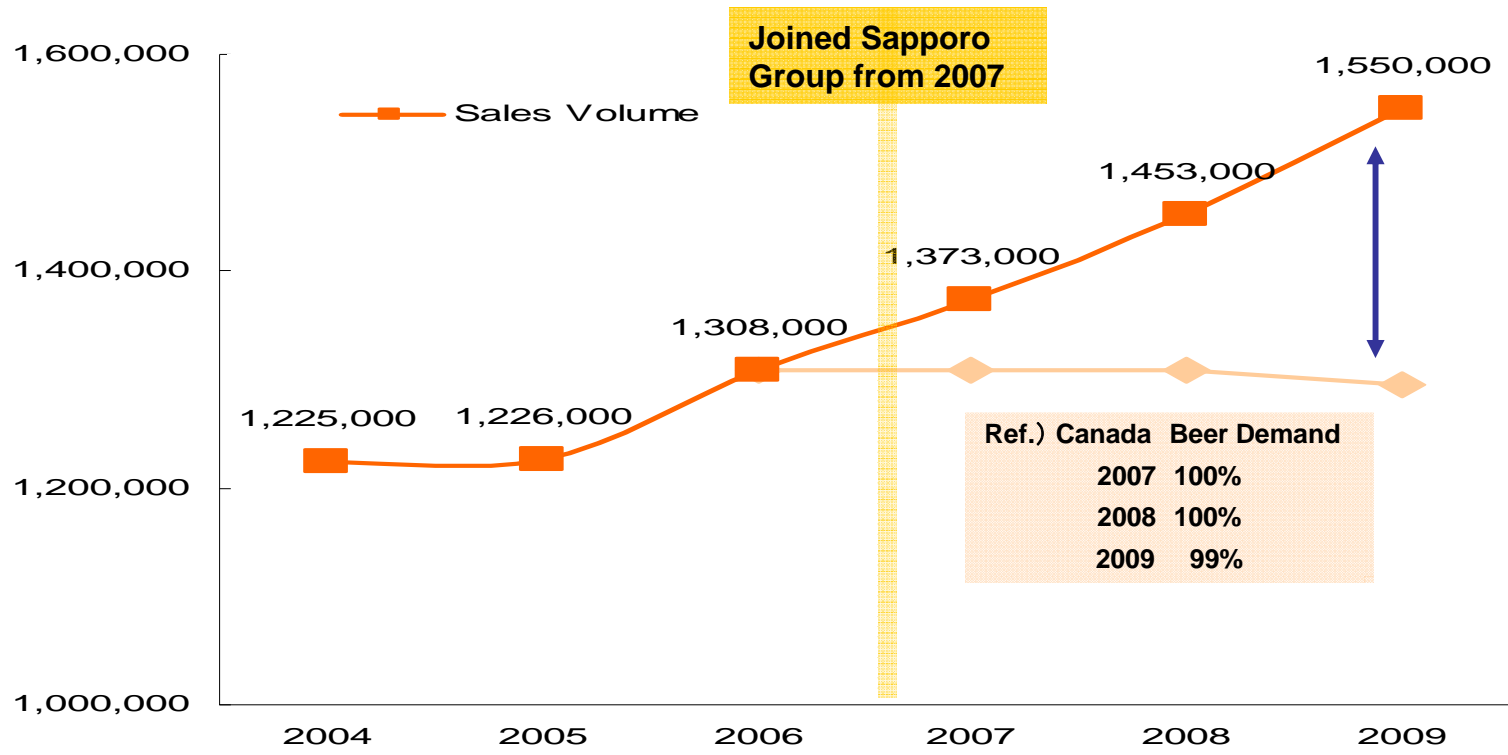


Results of Alcoholic Beverage Segment (International)

Since Sapporo's acquisition in 2006, Sleeman's sales and sales volume have outperformed overall industry growth.

Sleeman Sales Volume

(Sales Volume: Hectolitre)

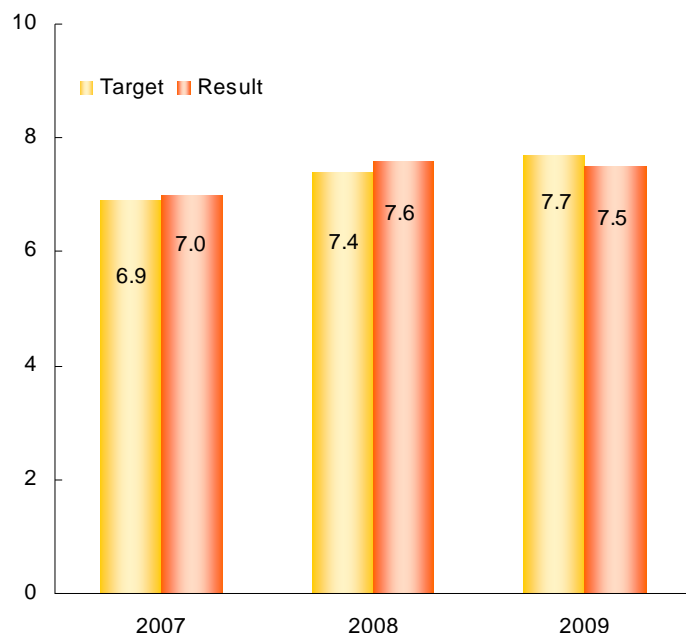


Results of Real Estate Segment

Real Estate business maintains stable earnings.

Real Estate (Targets / Results)

(Billions of yen)



<Business Reforms in Real Estate>

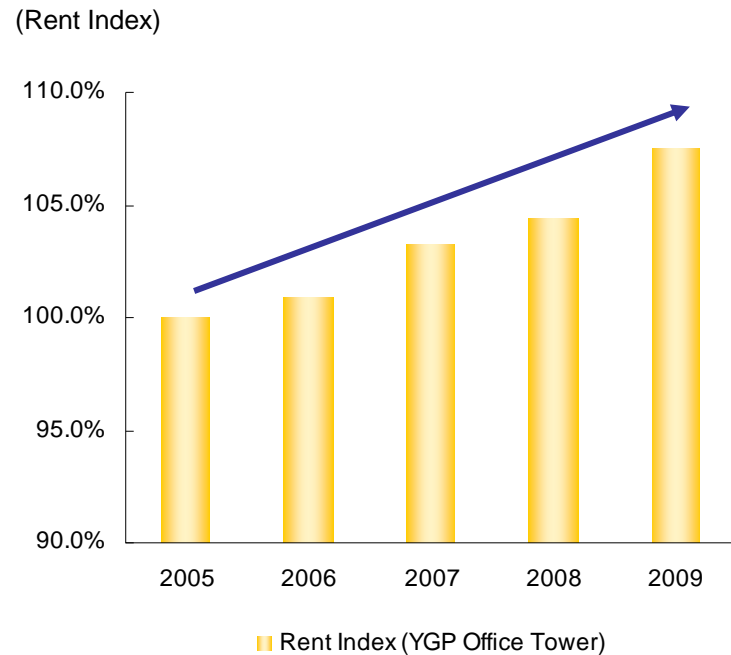
- While the condition of the office rental market was deteriorating, our property centering on Yebisu Garden Place maintained a high occupancy rate and we maintained or boosted rates
- In 2007, concluded alliance with Morgan Stanley Group for co-tenancy at Yebisu Garden Place property
- Improved property value at Sapporo Factory by site renovation
- Developed existing property such as condominiums in Nagoya, office building in Shinjuku 6-chome, etc.
- Carefully acquired high-quality assets with a view that the current downturn in economy was a good opportunity to acquire excellent assets at attractive prices



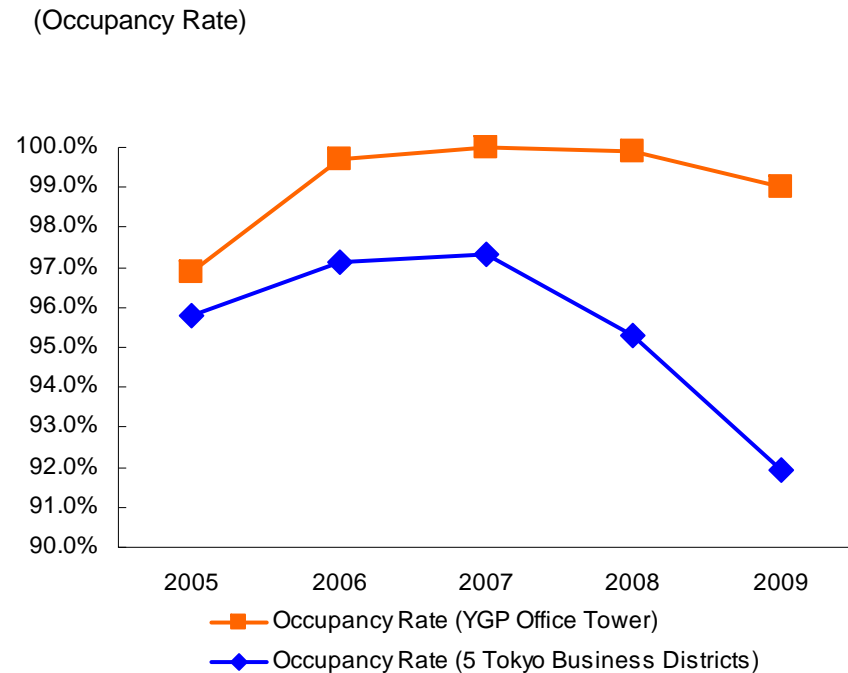
Results of Real Estate Segment

Ebisu Garden Place, the core asset of our real estate business, has maintained high occupancy rates and increased its rent standards while the real estate market was deteriorating.

**Rent Index Transition
(indexed to 2005)**



**Comparison of Ebisu Garden Place Office Tower
and the average of 5 business districts in Tokyo**



Source: Miki Shoji Website (for the data of 5 Tokyo business districts)



Sapporo's Views on SPJSF's Opinions



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Factual Errors in SPJSF's Interpretations

SPJSF's assertions are unreliable as they contain factual errors.

SPJSF's Assertions	Correct Facts	Rationale																							
<p>"Performance targets are were not attained"</p>	<p>We achieved our targets in operating/ordinary profit for two consecutive terms on a consolidated basis</p>	<table border="1"> <thead> <tr> <th colspan="2">(Billions of yen)</th> <th>Target</th> <th>Result</th> <th>Percentage Achieved</th> </tr> </thead> <tbody> <tr> <td rowspan="2">2008</td> <td>Operating profit</td> <td>13.5</td> <td>14.6</td> <td>108%</td> </tr> <tr> <td>Ordinary profit</td> <td>9.2</td> <td>10.5</td> <td>114%</td> </tr> <tr> <td rowspan="2">2009</td> <td>Operating profit</td> <td>12.0</td> <td>12.8</td> <td>107%</td> </tr> <tr> <td>Ordinary profit</td> <td>8.5</td> <td>10.7</td> <td>126%</td> </tr> </tbody> </table>	(Billions of yen)		Target	Result	Percentage Achieved	2008	Operating profit	13.5	14.6	108%	Ordinary profit	9.2	10.5	114%	2009	Operating profit	12.0	12.8	107%	Ordinary profit	8.5	10.7	126%
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<p>For Alcohol Beverage (Domestic) business, "targets were not attained" and "made profits sacrificing sales by cutting advertising expenses"</p>	<p>The Alcohol Beverage (Japan) business attained the operating income targets for two consecutive terms and it did not reduce the advertising expenses in order to maintain the strength of the brand</p>	<p>Operating income of Alcohol Beverage (Japan) (Targets/Results) (Billions of yen)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Target (Billions of yen)</th> <th>Result (Billions of yen)</th> <th>Rebate·Advertisement Expenses as a % of Sales</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>7.5</td> <td>7.7</td> <td>10.0%</td> </tr> <tr> <td>2009</td> <td>5.6</td> <td>7.4</td> <td>10.1%</td> </tr> </tbody> </table>	Year	Target (Billions of yen)	Result (Billions of yen)	Rebate·Advertisement Expenses as a % of Sales	2008	7.5	7.7	10.0%	2009	5.6	7.4	10.1%											
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<p>"Sapporo fabricated the initial company target of net income for 2009</p> <p><Figures in the data> Initial Target: 4.5 billion yen Result: 4.5 billion yen"</p>	<p>The initial company target was 3.0 billion yen and the result was 4.5 billion yen. The achievement rate was thus 150%</p>	<table border="1"> <thead> <tr> <th>(Billions of yen, Consolidated)</th> <th>2009 Target</th> <th>2009 Result</th> <th>Exceeded Target</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>408.3</td> <td>387.5</td> <td></td> </tr> <tr> <td>Operating profit</td> <td>12.0</td> <td>12.8</td> <td>✓</td> </tr> <tr> <td>Ordinary profit</td> <td>8.5</td> <td>10.7</td> <td>✓</td> </tr> <tr> <td>Net income</td> <td>3.0</td> <td>4.5</td> <td>✓</td> </tr> </tbody> </table>	(Billions of yen, Consolidated)	2009 Target	2009 Result	Exceeded Target	Sales	408.3	387.5		Operating profit	12.0	12.8	✓	Ordinary profit	8.5	10.7	✓	Net income	3.0	4.5	✓			
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<p>The acquisition of Sleeman "resulted in impairment in just 2.5 years", "this was inappropriate investment by the current management"</p>	<p>The main factor of impairment loss was the result of the revaluation of goodwill based on the increased risk premium in the Canadian stock market due to the financial crisis. It was not due to any deterioration of Sleeman's performance. Sleeman has steadily improved its performance and contributed to greater consolidated performance of the group</p>	<p>(Millions of CAN \$)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Sales (Millions of CAN \$)</th> <th>YoY</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>207</td> <td>97.7%</td> </tr> <tr> <td>2006</td> <td>209</td> <td>101.2%</td> </tr> <tr> <td>2007</td> <td>213</td> <td>101.8%</td> </tr> <tr> <td>2008</td> <td>222</td> <td>104.2%</td> </tr> <tr> <td>2009</td> <td>242</td> <td>109.0%</td> </tr> </tbody> </table> <p>Sleeman was acquired into Sapporo group in 2007</p>	Year	Sales (Millions of CAN \$)	YoY	2005	207	97.7%	2006	209	101.2%	2007	213	101.8%	2008	222	104.2%	2009	242	109.0%					
Year	Sales (Millions of CAN \$)	YoY																							
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2008	222	104.2%																							
2009	242	109.0%																							



Historical Relative Stock Price Performance (past 12 mo.)

Sapporo has outperformed its peers and the broader Japanese stock market over the past year.



Note: Real Estimate Index is composed by Mitsubishi Estate, Mitsui Fudosan, Sumitomo Realty & Development, NTT Urban Development, Tokyu Land, Tokyo Tatemno, and Daibiru
Source: Bloomberg



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Sapporo's Views on SPJSF's Business Strategy for Sapporo

We question SPJSF's view. The management improvement plans of SPJSF are neither new nor strategic.

- ◇ Business improvement measures worked out by SPJSF include “Focus on Yebisu Beer” and “Strengthening of Overseas Business” for alcoholic beverages and ideas on use of properties for real estate. However, we have already started working on or considered all of these proposal and no novelty is found in their proposal.
- ◇ Many of the ideas proposed by SPJSF recently are similar to the ones they proposed in 2007. However, from 2007 onward, the business environment has been changing, and after the Lehman shock, the business environment has become increasingly severe due to economic slump, etc.
- ◇ We question SPJSF's view that “changes and reforms required to improve Sapporo business performance and firm value can be achieved through SPJSF's business improvement measures”.



Sapporo's Proposed Board Candidates



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Candidates for Board Members Recommended by Sapporo

To achieve the goals set out in the management plan, we believe stability in the leadership team is necessary. We consider it is most appropriate that the candidates for board members recommended by us continue in their leadership roles, given their history of success in implementing the plan to-date.

- Our board consists of 7 management executives with a great variety of experience and excellent track records in their respective business segments of Sapporo group (4 are serving the HoldCo. exclusively, 3 are concurrently serving the operating subsidiaries) and 3 outside board members are managers of top-class domestic companies with abundant experience and excellent track records, and who complement our internal managers and provide diversity of perspectives on the board
- As seen above, we have an advanced and functional governance structure as a company with internal auditor system, which has evolved over a period of several years. We consider it is best for sustained improvement of our corporate value and profit of all shareholders if the shareholders would select the candidates recommended by us, who would continue to manage the company responsibly and appropriately



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Candidates for Board Members Recommended by Sapporo

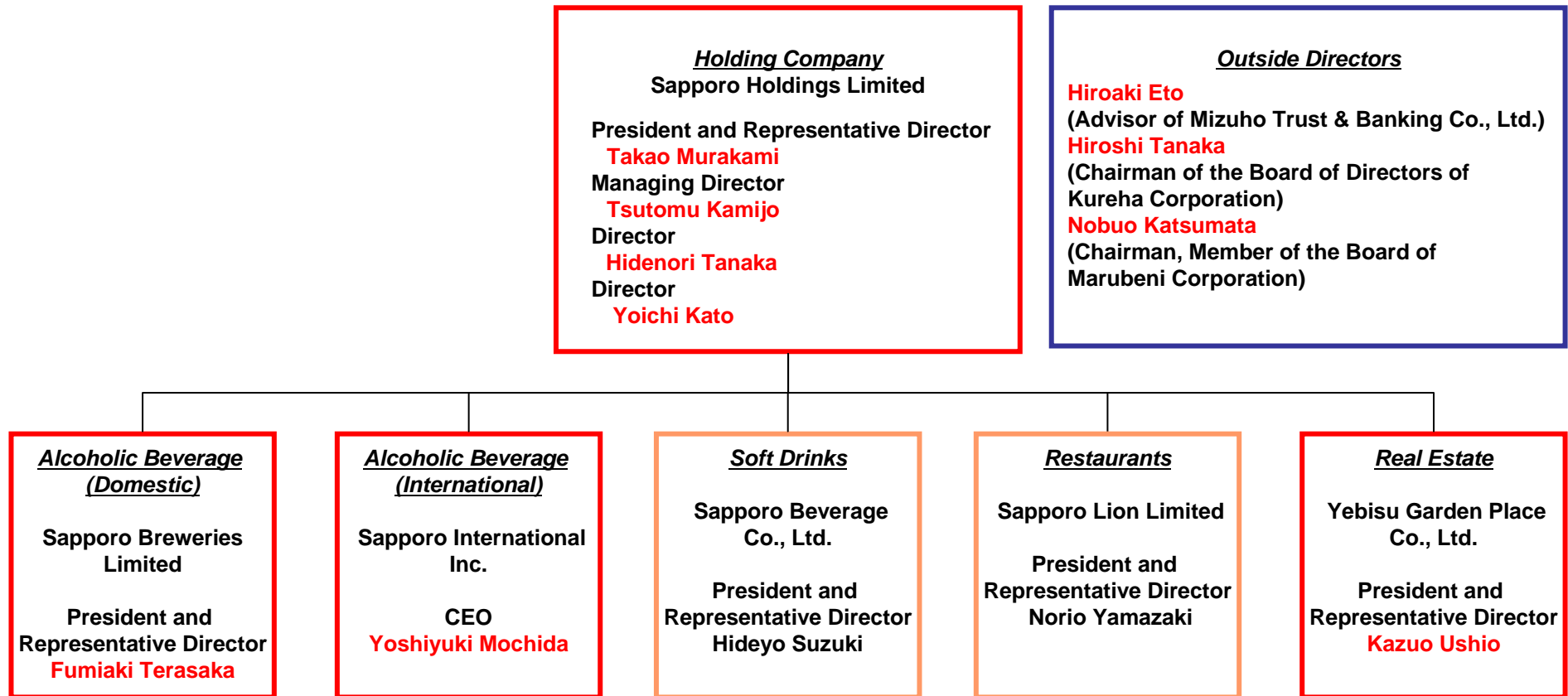
Selection of the candidates recommended by Sapporo as the board members is most appropriate for execution of “Management Plan 2010-2011” which aims to enhance our corporate value.

- Continuous business reforms based on our long-term management policy of “New Management Framework” are important
 - Continuity of team is critical to successful execution
- Management is required to lead Sapporo under a relationship of trust with stakeholders, understanding the internal and external environment of their respective businesses as well
 - Our business partners, suppliers and customers have trust in the current board
- The board candidates recommended by Sapporo are integral to the accomplishment of Sapporo’s management plan and consist of the most appropriate members
 - Great care has been taken in selecting the senior management team of Sapporo and we remain confident in their ability to continue to achieve the long term plan



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Sapporo's Proposed Board Candidates



The proposed board candidates (colored red in a chart above) are critical to the daily execution of Sapporo's business, and are complemented by three highly accomplished and respected outside board members

※ President of each operating subsidiary is also Sapporo Holdings' group executive officer.



Candidates for Board Members Recommended by Sapporo

<Internal Director of Our Company: 4 persons>

Takao Murakami President and Group CEO

Mr. Murakami, as Group CEO since March 2005, has fully implemented our group's corporate vision of making safe, reassuring and high-quality products and services a top priority, powerfully led the management reform by announcing the New Management Framework in October 2007 and achieved successful results, including increases in ordinary income in three consecutive terms

Tsutomu Kamijou Managing Director (M&A / Corporate Planning Strategy)

Mr. Kamijo has advanced our efforts toward the sustainable growth of our group by executing strategic business alliances with outside partners in our real estate and soft drink segments in 2007 and, since 2008, concluding strategic capital and business alliances with Marudai and Pokka as well as making key decisions on the entry of our beer business into Vietnam

Hidenori Tanaka Director (Financial Strategy / IR)

Mr. Tanaka has been in charge of financial strategy and investor relations since March 2008. He has promoted the architecture and establishment of the internal control system of our group, and he successfully strengthened our financial fundamentals by reducing interest-bearing debts and establishing a solid earnings base for the whole group

Yoichi Kato Director (Director of Management Strategy Headquarters)

As Director and Executive Managing Officer of Yebisu Garden Place Co., Ltd., Mr. Kato has supervised the management of our real estate segment as a whole and contributed to the increase in earnings. Since March 2009, he assumed office of Director and Director of Management Strategy Headquarters of the Company, and he has been responsible for the preparation and implementation of the group management strategy. He forged "Sapporo Group Management Plan 2010-2011"



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Candidates for Board Members Recommended by Sapporo

<Directors who Double as the President of Key Business Company: 3 persons>

Yoshiyuki Mochida

Managing Director and Group Operating Officer

(President and Representative Director of Sapporo International Inc.)

After assuming the offices of President of Sapporo U.S.A., Inc. and Director of International Division, Sapporo Breweries Limited, Mr. Mochida, as Director of Corporate Planning Department, has concluded the acquisition of Canada's Sleeman. Since March 2009, he has assumed the office of President of Sapporo International Inc. and promoted international business expansion, which is one of the strategic goals of our group

Fumiaki Terasaka ※New candidate for Managing Director and Group Operating Officer (President and Representative Director of Sapporo Breweries Limited)

During his office as General Manager of Marketing Department of Sapporo Breweries Limited, Mr. Terasaka expanded the lineup of "Yebisu" brand beers and achieved the largest volume of sales of that brand. Since March 2009, he has assumed the office of Executive Managing Officer of Sapporo Breweries Limited and led operation and management reforms of Sapporo Breweries Limited

Kazuo Ushio Director and Group Operating Officer

(President and Representative Director of Yebisu Garden Place Co., Ltd.)

As President of Yebisu Garden Place Co., Ltd. since March 2007, Mr. Ushio has increased earnings by maintaining high a operation ratio, increasing rents and reducing costs regarding the facilities owned by that company. He has also proactively advanced the development of existing properties and the acquisition of new assets as well as promoted the expansion of the real estate segment of our group



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Candidates for Board Members Recommended by Sapporo

<External Directors: 3 persons>

Hiroaki Eto Outside Director
(Advisor of Mizuho Trust & Banking Co., Ltd., Former President and Representative Director of Mizuho Trust & Banking Co., Ltd.)

Hiroshi Tanaka Outside Director
(Chairman of the Board of Directors of Kureha Corporation, Former President & Chief Executive Officer of Kureha Corporation)

Nobuo Katsumata Outside Director
(Chairman, Member of the Board of Marubeni Corporation, Former President and CEO, Member of the Board of Marubeni Corporation)

As top managers of a top-tier Japanese financial institution, manufacturer and trading company, respectively, these three individuals have many years of experience and have made abundant achievements. As outside directors, they have each contributed their objective and valuable advice to the company's board meetings in connection with the management of the Company, which, as a holding company, supervises each business segment and implements management reform



Candidates for Board Members Recommended by SPJSF

In the event that the candidates for director set forth in shareholder proposal advanced by SPJSF are elected, our corporate value could be damaged.

- ◇ SPJSF's proposal has not made clear under what management policies and management organization our group would be managed if their proposed board candidates were to be elected.

Those candidates proposed by SPJSF who do not currently serve on the board have expressed neither any innovative viewpoints related to SPJSF's proposal, nor their motivation for the further development of the Company.

It is quite questionable on which grounds SPJSF insists that "once the candidates proposed by shareholders are elected as director, Sapporo will be able to implement changes and reforms that are necessary for its operation results and the enhancement of corporate value".

The candidates proposed by shareholder who do not currently sit on Sapporo's board do not have a relationship of trust with customers, business partners or employees, who are currently the source of the corporate value of the Company, and SPJSF has not clearly indicated under which management policies and management organization our group would be managed. If such candidates were elected, such election could bring tremendous confusion to every aspect of the Company's business operations.

- ◇ Messrs. Yoichi Kato, Hiroaki Eto, Hiroshi Tanaka and Nobuo Katsumata, who are directors of the Company currently in office, have not indicated to SPJSF their acceptance of becoming the candidates proposed by shareholder. They hold the unanimous view that "the composition of directors proposed in the shareholder proposal would not make the management of the Company function more effectively than it does at present".
- ◇ The candidates proposed by shareholder include former presidents of Pokka Corporation and Fujiya Co., Ltd., which are in alliance relations with Sapporo group companies. However, those companies have not been informed of nor accepted such candidacy.



Sapporo Group Management Plan 2010–2011

For more details, please refer to
“Sapporo Group Management Plan 2010-2011 Presentation Materials”
released on February 12, 2010.



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Long-term Management Policy: Sapporo Group's New Management Framework (Announced in October 2007)

We have a long-term business strategy to consistently enhance the corporate value of Sapporo.

Business domains

Creation of value
in food

Creation of
Comfortable
surroundings

Purpose of New Framework

Fundamental roadmap for boldly reallocating resources, making strategic investments, and “**managing on the offensive**” to enhance competitiveness while maintaining sound management with a view to long-term growth targets.

Basic growth strategies

Focus enterprise resources on building competitive advantages by creating high levels of value-added

Forge strategic alliances aimed at building competitive advantages and expanding business

Expand activity internationally

Enhance the Group's strategic and operational synergies

Goals (for 2016, 140th years since the Group's inception)

Consolidated net sales:

¥600 bn (incl. liquor taxes)

¥450 bn (excl. liquor taxes)

Consolidated operating income:

¥40 bn

Operating margin: 9%

(excl. liquor taxes)

ROE: 8% or more

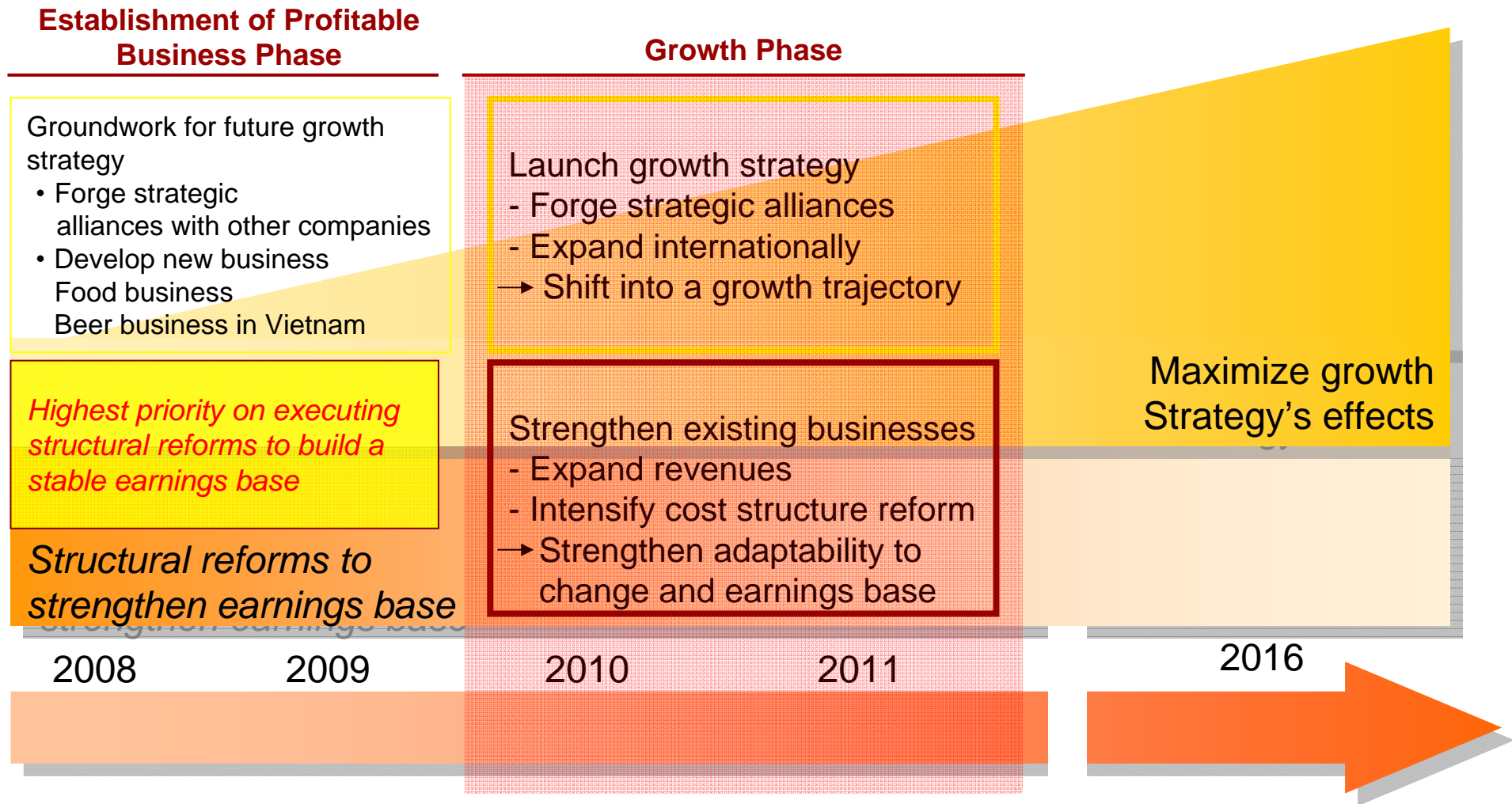
D/E ratio: approx. 1:1



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Positioning of 2010-2011 Sapporo Group Management Plan

We will move from “Establishment of Profitable Business Phase” to “Growth Phase” to enhance the corporate value over mid-to-long term.





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Management Goals

Sapporo is aiming to increase both Sales and Profit to move onto a path of growth.

Billions of yen, except for ratios and percentages

Consolidated Targets	2009 Results	2010 Targets	2011 Targets
Net sales (incl. liquor taxes)	387.5	394.5	406.0
Operating income	12.8	13.5	17.0
Ordinary income	10.7	11.0	13.5
Net income	4.5	4.8	6.0
Operating margin (excl. liquor taxes)	4.9%	5.0%	6.0%
Financial liabilities	197.5	210.0	217.0
D/E ratio	1.7	1.7	1.7
ROE	3.9%	4.0%	5.0%



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Management Goals

Targets by segment		Billions of yen		
		2009 Results	2010 Targets	2011 Targets
Net sales	Alcoholic Beverages (Japan)	282.9	285.0	290.0
	Alcoholic Beverages (Intl.)	22.5	26.0	27.5
	Soft Drinks and Food	30.7	32.0	34.0
	Restaurants	28.0	27.0	28.0
	Real Estate	23.2	24.5	26.5
Operating income	Alcoholic Beverages (Japan)	7.4	7.5	8.5
	Alcoholic Beverages (Intl.)	0.6	1.0	1.5
	Soft Drinks and Food	0.3	0.7	1.5
	Restaurants	(0.1)	0.2	0.5
	Real Estate	7.5	8.0	10.0
	Eliminations*1	(2.9)	(3.9)	(5.0)

*Exchange rates for 2010 and 2011: US\$=¥90, CAN\$=¥82

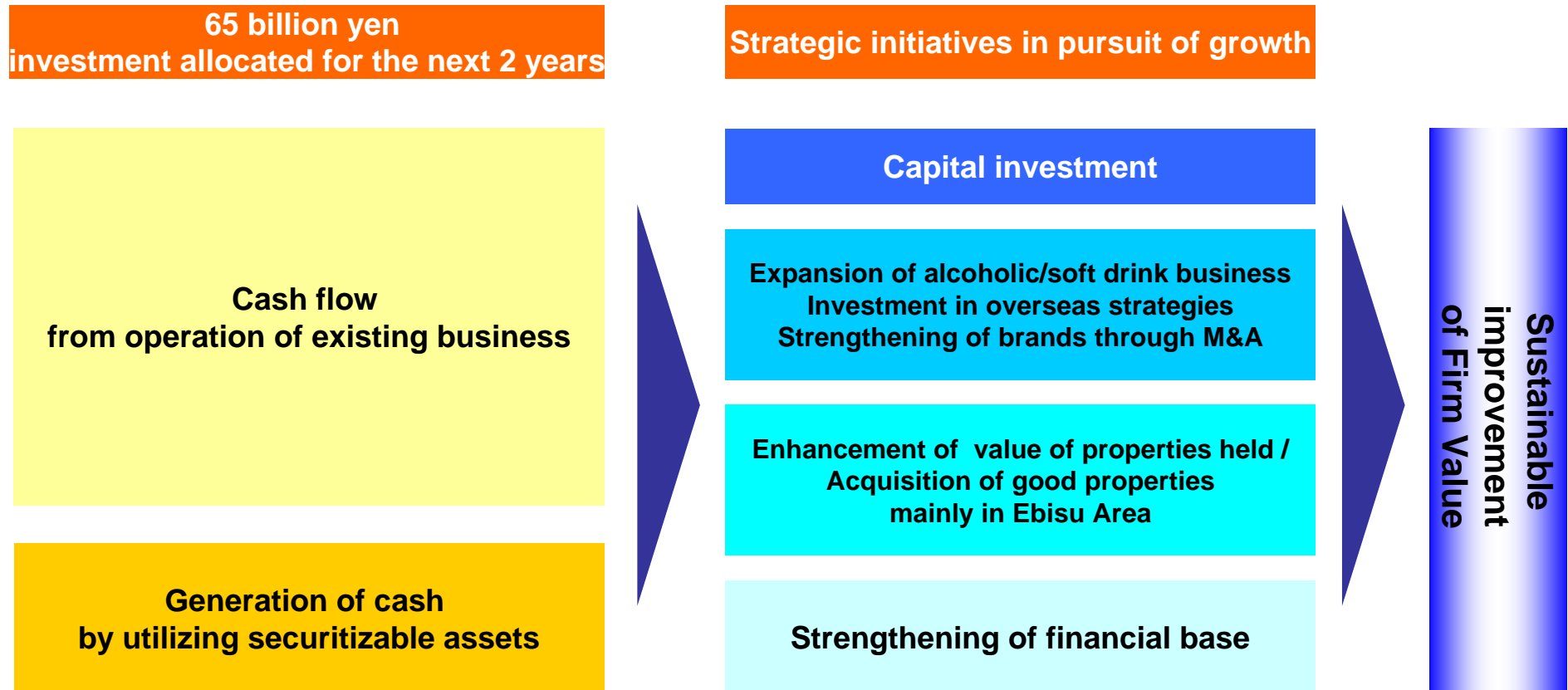
*1. "Eliminations" includes marketing costs and other up-front investment in relation to our operations in Vietnam.



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Basic Policies

We will pursue strategic investments proactively for the next 2 years of the management plan as Sapporo converts to “Growth Phase”.





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Alcoholic Beverages Segment (Japan)

Billions of yen

Key Points for 2010-2011 Business Plan

<Growth Scenario>

- ◇ Seek to create a new market for beers and beer-type beverages through product development and marketing strategies aimed at offering new value
- ◇ Strengthen our brands and conclude strategic alliances in the wine, shochu and RTD sectors with a goal of building our non-beer alcoholic beverages business into a ¥2 billion / year operation (in terms of operating profit) in the long-term

Quantitative Targets	2009 Results	2010 Targets	2011 Targets
Net sales	282.9	285.0	290.0
Operating income	7.4	7.5	8.5

<Action Plan>

1. Bolster marketing of alcoholic beverages

- 1) Concentrate management resources to main products, i.e. Black Label, Yebisu and Mugu to Hop
- 2) Accumulate/combine of in-house knowledge and development of differentiated products in new product development projects
- 3) Expand the alcoholic business diversification by strengthening wine and shochu brands
- 4) Develop new RTD products based on new value propositions in collaboration with other companies

2. Cost structure reforms

- 1) Improve cost efficiency by cutting ingredient and material costs, efficiently allocating marketing expense, enhancing flexible cost controls
- 2) Holistically boost production and distribution efficiency. Look at consolidating beer production lines and other means of improving production efficiency



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Alcoholic Beverages Segment (International)

Billions of yen

Key Points for 2010-2011 Business Plan

<Growth Scenario>

- ◇ Focus on creating and expanding new demand through stronger marketing at Sleeman and Sapporo USA and exploring further strategic M&A opportunities
- ◇ In Asia, launch operations in Vietnam and look for new entries in ASEAN nations for further growth in our business

Quantitative Targets	2009 Results	2010 Targets	2011 Targets
Net sales	22.5	26.0	27.5
Operating income	0.6	1.0	1.5

<Action Plan>

1. Business growth in North America

- 1) Strive for sales growth above overall market growth by further stepping up investment in marketing
- 2) Expand the business into the US to establish a base for further business growth
- 3) Bolster production capabilities through facility expansion, consignment production, and M&A, etc. at Sleeman

2. Expanding into the Asian Market

- 1) Launch operations to export beer from Vietnam in the first half of this year
- 2) Target to start operations of local production plants commencing autumn of 2011
- 3) Expand the beer business in Singapore through the alliance with Pokka



SAPPORO

Soft Drinks Segment

Key Points for 2010-2011 Business Plan

<Growth Scenario>

- ◇ Look beyond the non-chilled soft drinks segment in exploring options such as chilled drinks and foods as well as overseas expansion opportunities
- ◇ In the foods sector, conclude alliances that recognize superior technologies and leverage these relationships into the development of new appealing products

<Action Plan>

1. Bolster marketing

- 1) Grow brands by concentrating resources to main brands
- 2) Bolster product development framework to enable creation of high-value-added products
- 3) Create an excellent lineup of highly distinctive products

2. Cost structure reforms

- 1) Continue to implement cost structure reform programs throughout the entire value chain
- 2) Maximize collaboration synergies with Pokka throughout Sapporo group as rapidly as possible

3. Food products business

- 1) Launch a new product, "Sapporo Potekaru" in the Tokyo metropolitan area (Sapporo Fine Foods Co., Ltd.)
- 2) Increase sales in the business of yogurt, dessert and chilled food (Azumino Food Co., Ltd.)
- 3) Enhance efforts to tap into group synergies by utilization of technology of Sapporo Breweries, etc.

Billions of yen

Quantitative Targets	2009 Results	2010 Targets	2011 Targets
Net sales	30.7	32.0	34.0
Operating income	0.3	0.7	1.5



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Restaurants Segment

Billions of yen

Key Points for 2010-2011 Business Plan

<Growth Scenario>

- ◇ Execute scrap-and-build process of restaurants and a tighter focus on low-cost operations
- ◇ Pursue M&A strategy to strengthen and complement a balanced restaurant portfolio
- ◇ Consider overseas restaurants as our overseas alcoholic beverages business expands globally

Quantitative Targets	2009 Results	2010 Targets	2011 Targets
Net sales	28.0	27.0	28.0
Operating income	(0.1)	0.2	0.5

<Action Plan>

1. Business structure reform to achieve significantly lower cost operation

- 1) Tighter control of personnel expenses to deal with sales variation
- 2) Reduce ingredient/material cost (in terms of unit price) by using common ingredients in various products
- 3) Reduce restaurant rental expense via negotiation to reduce the rents

2. Measures to ensure growth

- 1) Proactively deploy new restaurant style called “Yebisu Bar”
- 2) Plan to build and open new restaurants with a gross floor area of less than 400 tsubo (1,320 m²)



SAPPORO

Real Estate Segment

Key Points for 2010-2011 Business Plan

<Growth Scenario>

- ◇ Develop the group's properties such as the properties held in Ginza, Ebisu and Sapporo
- ◇ Increase profit in Ebisu Garden Place by making it more attractive through renovation, etc.
- ◇ View Ebisu area as a strategic priority while seeking to acquire new properties in inner Tokyo and enhance property values by tapping into synergies with our current property holdings

<Action Plan>

1. Boost value of existing properties

- 1) Boost tenant satisfaction through measures to boost value and ensure fair market rents
- 2) Keep a proactive and flexible approach to leasing to maintain high occupancy rates
- 3) For Sapporo Factory, strengthen earnings in all facilities through renewal

2. Positioning for growth

- 1) Complete ongoing development projects as quickly as possible
- 2) Position Ebisu Area as our strategic area and acquire good new properties in this area
- 3) Acquire a property in Shibuya area in the first half of 2010 and maximize income

Billions of yen

Quantitative Targets	2009 Results	2010 Targets	2011 Targets
Net sales	23.2	24.5	26.5
Operating income	7.5	8.0	10.0



**To make people's lives richer
and more enjoyable.**



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