Financial Results
for the Nine Months Ended September 30, 2013 — Consolidated
(Based on Japanese GAAP)

October 31, 2013

Company name	**Sapporo Holdings Limited**
Security code	2501
Listings	Tokyo Stock Exchange (First Section); Sapporo Securities Exchange
URL	http://www.sapporoholdings.jp/english/
Representative	Tsutomu Kamijo, President, Representative Director and Group CEO
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Scheduled dates:

Filing of quarterly financial report	November 13, 2013
Commencement of dividend payments	-
Supplementary information to the quarterly earnings results	Available
Quarterly earnings results briefing held	Yes (mainly targeted at institutional investors and analysts)

1. Consolidated Financial Results for the Nine Months Ended September 30, 2013 (January 1 – September 30, 2013)

(Amounts in million yen rounded down to the nearest million yen)

(1) Operating Results

(Percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended September 30, 2013	369,531	4.2	9,440	68.9	8,868	100.1	5,474	817.1
Nine months ended September 30, 2012	354,780	10.6	5,590	(54.4)	4,431	(58.1)	596	4.1

Note: Accumulated other comprehensive income

Nine months ended September 30, 2013 18,668 million yen (585.4%)

Nine months ended September 30, 2012 2,723 million yen (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended September 30, 2013	14.01	-
Nine months ended September 30, 2012	1.52	-

(2) Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
September 30, 2013	597,707	149,425	24.4	374.25
December 31, 2012	597,636	134,946	22.1	336.60

Note: Shareholders' equity
September 30, 2013: 146,065 million yen
December 31, 2012: 131,795 million yen

2. Dividends

Record date or period	Dividend per share				
	End Q1	End Q2	End Q3	Year-end	Full year
	yen	yen	yen	yen	yen
Year ended December 31, 2012	—	0.00	—	7.00	7.00
Year ending December 31, 2013	—	0.00	—		
Year ending December 31, 2013 (forecast)				7.00	7.00

Note: No changes were made to dividend forecasts in the Nine months ended September 30, 2013

3. Forecast of Consolidated Earnings for the Year Ending December 31, 2013 (January 1 – December 31, 2013)

(Percentage figures represent year-over-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending December 31, 2013	512,000	4.0	15,300	6.1	14,000	2.3	5,500	2.0	14.05

Note: No Changes have been made to earnings forecasts since the latest release.

4. Other

*For details, see "2. Other" on page 9.

(1) Changes in significant subsidiaries during the nine months ended September 30, 2013 : Yes

*Changes affecting the status of significant subsidiaries (scope of consolidation)

Newly consolidated: - Newly excluded: Sapporo Beverage Co., Ltd.

(Note) Sapporo Beverage Co., Ltd. was absorbed by Pokka Sapporo Food & Beverage Ltd. via a merger conducted on January 1, 2013. Sapporo Beverage Co., Ltd. was dissolved and ceased to be a subsidiary of the Company; while Pokka Sapporo Food & Beverage Ltd. became a subsidiary.

(2) Simplified accounting: Yes

*Use of simplified accounting methods and/or accounting methods specific to quarterly consolidated financial statements

(3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement

1) Changes in accordance with amendments to accounting standards etc.: None

2) Changes other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

Note: For details, see “2. Other” on page 9.

(4) Number of shares issued and outstanding (common stock)

1) Number of shares issued at end of period (treasury stock included):

September 30, 2013: 393,971,493 shares
December 31, 2012: 393,971,493 shares

2) Number of shares held in treasury at end of period:

September 30, 2013: 3,681,858 shares
December 31, 2012: 2,418,030 shares

3) Average number of outstanding shares during the period:

Nine months ended September 30, 2013: 390,695,181 shares
Nine months ended September 30, 2012: 391,562,666 shares

*Quarterly review status

The quarterly financial results are not subject to quarterly reviews pursuant to the Financial Instruments and Exchange Act. The quarterly review of the quarterly financial results herein had not been completed as of the date of this document.

Appropriate Use of Earnings Forecasts and Other Important Information

This document contains projections and other forward-looking statements based on information available to the Company as of the date of this document. Actual results may differ from those expressed or implied by forward-looking statements due to various factors.

1. Analysis of Operating Results

Consolidated Financial Results for the Nine Months ended September 30, 2013

During the first nine months of 2013 (January 1 – September 30, 2013), the Japanese economy continued to see some positive developments amid a backdrop of monetary easing and economic stimulus measures. However, the consumer-spending environment remained clouded in uncertainty.

Amid this environment, the SAPPORO Group posted a solid year-over-year gain in sales, with gains driven by the Japanese Alcoholic Beverage and International businesses. The Japanese Alcoholic Beverage Business enjoyed higher sales volumes for its beer and beer-type beverages, while the International Business benefited from steady sales volume growth in North America and Vietnam and the weaker yen. Sales over the first three quarters of the year were also boosted by the inclusion of results from two recently consolidated subsidiaries, with Pokka Ace (M) SDN. BHD. added in January 2013 to the Food & Soft Drinks Business, and Silver Springs Citrus, Inc., the largest US maker of private-brand chilled drinks, consolidated as part of the International Business in April 2012.

Group operating income increased significantly year over year thanks to higher sales and lower marketing expenses at the Japanese Alcoholic Beverage Business, as well as to sales expansion at the International Business' operations in North America and Vietnam.

As a result of the above factors, in the first nine months of 2013, the Sapporo Group posted consolidated sales of ¥369.5 billion (up ¥14.7 billion, or 4%, year over year), operating income of ¥9.4 billion (up ¥3.8 billion, or 69%), ordinary income of ¥8.8 billion (up ¥4.4 billion, or 100%), and net income of ¥5.4 billion (up ¥4.8 billion, or 817%, year over year).

The first quarter of 2013 marked the startup of operations at Pokka Sapporo Food & Beverage Ltd., the surviving entity following the merger of Pokka Corporation and Sapporo Beverage Co., Ltd.

Segment information is outlined below. From the beginning of the current fiscal year, Sapporo Logistics Systems Co., Ltd., which was previously included in the Japanese Alcoholic Beverages segment, and Pokka Logistics Co., Ltd., which was previously included in the Food & Soft Drinks segment, were reclassified to the Other segment. On July 1, 2013, Pokka Logistics Co., Ltd., was dissolved and its operations merged into Sapporo Logistics Systems Co., Ltd.

In addition, Pokka Food (Singapore) Pte. Ltd. was moved from the Food & Soft Drinks segment to the Restaurants segment, and on April 1, 2013, the company's name was changed to Sapporo Lion (Singapore) Pte. Ltd.

To enable year-over-year comparisons in this document, figures for the year-earlier period have been adjusted to reflect the new segmentation.

Japanese Alcoholic Beverages

We estimate that total domestic demand for beer and beer-type beverages in the first three quarters of 2013 declined 1% year over year. Beer and happoshu sales volumes declined slightly, while sales volume s for new-genre beer slowed but continued to show year-over-year growth.

Under these market conditions, the Japanese Alcoholic Beverage Business continued to invest management resources in its core beer brands while striving to expand the Sapporo fan base by energetically introducing new value proposals. The business also continued to establish the foundations for growth of its nonalcoholic beer beverages and ready-to-drink (RTD)* cocktails while solidifying its wine & western spirits business and its Japanese shochu business. Through this diversification of our product offerings, we are endeavoring to raise the Sapporo brand value.

In the beer and beer-type beverages category, our core premium Yebisu brand achieved a year-over-year gain in sales volume, supported by the February launch of the limited-volume version *Kaori Hanayagu Yebisu* and the May release of Yebisu Premium Black. In the new-genre beer category, we followed up the February launch of renewal versions of Mugi to Hop and Mugi to Hop Black with the introduction of the limited-volume Mugi to Hop Red in April and September. These new offerings were favorably received by consumers. In June, we launched Goku Zero, the world's first beer-type beverage with zero purine bodies, and the new offering has been favorably received, with sales ahead of targets. As a result, sales of our beer and beer-flavored beverages rose year over year in the first three quarters of 2013, and we increased our market share.

In the nonalcoholic beer category, our products continue to receive strong customer support, as indicated by the successful launch in February of renewal versions of Sapporo Premium Alcohol Free and Sapporo Premium Alcohol Free Black and the sale of bonus-sized canned limited-volume versions in July.

In the RTD category, the highly favorable response we received for the limited-volume seasonal release in April of *Sapporo Otoko Ume Sour*, developed in collaboration with Nobel Confectionary Co., Ltd., encou raged us to launch the product as a year-round offering in September, and sales volume is currently ahead of our targets. Amid rising demand for our bottled RTDs, we followed our earlier success with a bottled version of Bacardi Mojito by launching a bottl ed Bacardi Pina Colada Fizz in July, as we continue to raise recognition and build a larger fan base for the Bacardi brand in Japan.

Among wine offerings, our core imported wine, Yellow Tail, came out with Yellow Tail Sweet Red Roo in September, further e nhancing the brand's lineup. Our mainstay domestic premium brand, Grand e Polaire, also continued to enjoy strong customer support, and overall wine sales during the first nine months of 2013 rose above the previous year's level.

Our western spirits business enjoyed rising sales volumes, with strong contributions from Bacardi products, including the Bacardi Classic Cocktails Mojito.

The shochu business continued to post strong year-over-year salesgains, driven by continued brisk sales of two blended shochus introduced in 2012– *Imo Shochu Kokuimo* and *Mugi Shochu Koimugi.*

Overall, the Japanese Alcoholic Beverage Business posted sales of ¥195.3 billion (up ¥3.1 billion, or 2%, year over year) in the first three quarters of 2013. The gain in sales together with tighter cost controls, beginning with marketing expenses, has enabled the business to post operating income of ¥5.5 billion (up ¥4.6 billion, or 541%, year over year).

* (RTD, or ready-to-drink, beverages are already-mixed, low-alcohol content cocktail-like beverages that can be consumed as is immediately after opening.)

International Business

In North America, where the timing of a full-fledged economic recovery remains unclear, we estimate that total demand in the beer market declined 2–3% year over year in the first nine months of 2013. The Asian beer market, however, continues to grow steadily, supported by the region's fast-growing economies.

In this environment, our International Business segment continued marketing activities targeting the premium beer market, where it has core strengths. Canadian subsidiary SLEEMAN BREWERIES posted a 4% year-over-year increase in unit sales (excluding outsourced production of Sapporo brand products and sales of domestic brands), extending its growth streak to a seventh year. Sapporo USA achieved a 7% year-over-year increase in sales volumes of Sapporo brand beers, and Silver Springs Citrus, in which we acquired a 51% equity stake in January 2012, also continued to steadily increase sales volumes.

In Vietnam, we continued the full-fledged marketing offensive we began in April 2012 as part of efforts to build market recognition for the Sapporo brand. These efforts produced strong year-over-year sales gains in the first nine months of 2013, with sales particularly strong during the traditional *Tet* (New Year's holiday) sales campaign. In South Korea, our local partner, a Maeil Dairies' subsidiary in which we have a 15% equity stake, continued its efforts to expand sales of Sapporo brand beers to the household and commercial markets in that country. In Oceania, we continued to bolster sales via our brewing and sales licensing agreement with Australia's Coopers Brewery, and in Singapore we worked with our local subsidiary to expand sales channels in the local household market. The efforts outlined above enabled us to achieve a 52% year-over-year increase in beer volume sales in Asia and other overseas markets outside North America in the first nine months of 2013.

As a result of the above activities, the International Business posted sales of ¥36.2 billion (up ¥9.9 billion, or 38%, year over year) in the first nine months of 2013. The strong sales gain was supported by increased sales on local-currency bases at continuing operations, a full nine-month contribution from Silver Springs Citrus, which was consolidated in April 2012, and the positive impact of yen depreciation. The segment posted operating income of ¥1.0 billion (up ¥0.8 billion, or 596%, year over year).

Food & Soft Drinks

We estimate that domestic demand for soft drinks increased 2% year over year in the first nine months of 2013. We also estimate that demand for lemon-based products (flavorings) declined 1% while that for instant soup (including soups in a cup) was around the same level as for the first three quarters of 2012.

In this demand environment, the Sapporo Group's Food & Soft Drinks business began integrated operations in January as Pokka Sapporo Food & Beverage Ltd., and new investments were concentrated on core brands as the new subsidiary seeks to strengthen and nurture its various brands.

In the domestic soft drinks category of the domestic food and soft drinks business, we endeavored to increase consumer demand for our canned coffee brands by promoting sales via the vending machine sales channel. The Gabunomi series performed well as we continued the promotions we started in March and amid a strong showing for carbonated beverages in the summer. In the lemon & natural foods category, we launched a renewal version of Kireto Lemon in a 410ml PET bottle, and the new offering was warmly received by its targeted market of consumers favoring natural foods. In the overseas brands category, we remain focused on Gerolsteiner naturally carbonated water from Germany and made steady progress in expanding the number of stores handling the product. In the soup & foods category, the latest addition to the Jikkuri Kotokoto series– *Kaki no Potage* (Oyster Potage) – proved successful and made a solid contribution to the brand's overall sales. In the commercial-use products category, we launched *Otoko Ume Syrup*, and succeeded in placing the product at many pubs and restaurants. Despite the above efforts and a sales rebound from March, the domestic food & soft drinks business was unable to offset the decline in sales in January and February caused by merger preparations in November and December of the previous year. As result, sales in the first nine months of 2013 declined on a year-over-year basis.

The segment's domestic restaurants business fared better, as the Café de Crié coffee shop chain, its core format, overcame an increasingly competitive operating environment, including challenges from low-priced coffee served at major convenience stores and fast food chains. This was achieved through regular introductions of new menu items, continued remodeling of existing outlets, and chain expansion through new store openings.

The overseas food & soft drinks business saw profitability affected by intense price competition in Singapore but was able to expand its exports to the Middle East and other markets. Pokka Ace (M) SDN. BHD. was included in the Group's consolidated results from January and contributed to overall sales as it steadily expanded its business.

The segment's overseas restaurant business posted somewhat weak results, owing to the adverse effects of a decline in mainland Chinese tourists visiting Hong Kong.

As a result of the above, the Food & Soft Drinks segment recorded sales of ¥95.9billion during the first nine months of 2013 (up ¥2.5 billion, or 3%, year over year), with the consolidation of Pokka Ace (M) SDN. BHD. from January helping to offset the decline in sales at the domestic food & soft drinks business. However, business integration expenses weighed on the segment's profits in the first three quarters, resulting in an operating loss of ¥1.5 billion (compared with a loss of ¥0.1 billion a year earlier).

Restaurants

Japan's restaurant operators continue to face an extremely difficult management environment as heated competition for customers necessitates efforts to strengthen marketing activities targeted at creating demand and to develop new menus and formats that will attract new customers.

In this environment, the Sapporo Group's Restaurants Business held a variety of events and fairs, including the Sapporo Lion's Beer Hall Day, a major event held each year on August 4 to express our gratitude to customers. In addition, the business stepped up marketing visits to corporations in an effort to capture more corporate event–related demand. These efforts helped the Restaurants Business increase customer numbers during the peak summer season. We also continued our efforts to raise customer service levels and to enhance menus by developing new regional specialties.

We opened nine new restaurant outlets during the first nine months of the year. However, we also closed 16 unprofitable outlets as part of ongoing profit structure reforms. As a result, the total number of outlets operating as of September 30, 2013 was 186.

Overseas, in September we opened our first Ginza Lion Beer Hall in Singapore as a first step of a plan to spread the beer hall culture we have nurtured in Japan to the rest of the world. We also opened our first Rive Gauche cake and patisserie shop in Singapore, bringing the Restaurants Business' total number of overseas outlets to 11.

Overall, the Restaurants Business sales in the first nine months of 2013 totaled ¥20.2 billion (up ¥0.3 billion, or 2%, year over year) while operating income was ¥0.2 billion (down 17% year over year).

Real Estate

In Japan's real estate industry, vacancy rates in the Greater Tokyo office leasing market improved during the first nine months of 2013, but rents have remained at low levels.

Amid such market conditions, the Sapporo Group's Real Estate business maintained high occupancy rates at its properties in the Tokyo Metropolitan area, including its core property, Yebisu Garden Place.

With Yebisu Garden Place set to mark 20 years of operation in 2014, we are stepping up efforts to enhance the property's value and convenience by improving facilities and services to ensure that Yebisu Garden Place continues to provide tenants and visitors with enjoyable experiences in comfortable and pleasant surroundings. On the second basement level restaurant floor of Yebisu Garden Place, we are conducting a major renovation of communal spaces and facilities to accommodate a new large, upscale restaurant tenant from April 2014. Meanwhile, the project to install additional emergency power-generating systems that we started in April 2013 is proceeding on schedule for completion in spring 2014.

The real estate development business began redevelopment in March of the Seiwa

Yebisu Building, and the project is running on schedule for completion in autumn 2014. We are also considering the redevelopment of the Sapporo Ginza Building located at the Ginza 4-chome intersection and have been engaged in consultations with the parties concerned.

As result of the above, the Real Estate Business posted sales of ¥16.8 billion (down ¥0.4 billion or 3% year over year) and operating income of ¥6.7 billion (down ¥0.3 billion or 5%).

(2) Review of Consolidated Financial Condition

Consolidated financial condition

Consolidated assets as of September 30, 2013, totaled ¥597.7 billion, largely the same as at the end of the previous fiscal year on December 31, 2012, reflecting the fact that a decrease in notes and accounts receivable-trade over the past nine months was offset by increases in merchandize and finished products as well as an increase in investment securities.

Consolidated liabilities totaled ¥448.2 billion, a ¥14.4 billion decrease from December 31, 2012, reflecting decreases in commercial paper and liquor taxes payable, which outweighed an increase in short-term bank loans.

Consolidated net assets totaled ¥149.4 billion, a ¥14.4 billion increase from December 31, 2012. Asset growth was supported by increases in unrealized gains on securities and in the foreign currency translation adjustment account, as well as the cumulative net income achieved over the first three quarters of the fiscal year.

(3) Consolidated Earnings Forecast

The consolidated earnings forecast for the full fiscal year ending December 31, 2013, is unchanged from the forecast announced by the Company on February 8, 2013.

2. Other information

(1) Changes in significant subsidiaries during the three months ended March 31, 2013

Sapporo Beverage Co., Ltd. was absorbed by Pokka Sapporo Food & Beverage Ltd. via a merger conducted on January 1, 2013. Sapporo Beverage Co., Ltd. was dissolved and ceased to be a subsidiary of the Company; while Pokka Sapporo Food & Beverage Ltd. became a subsidiary.

(2) Application of accounting methods specific to the preparation of quartely consolidated financial statements

(Calculation of tax liabilities)

The Company calculates tax liabilities by producing a reasonable estimate of the effective tax rate after applying tax-effect accounting to income before taxes and minority interests for the fiscal year, which encompasses the nine months ended September 30, 2013, and then multiplying income (loss) before taxes and minority interests by this estimated effective tax rate.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(millions of yen)

	December 31, 2012	September 30, 2013
	Amount	Amount
Assets		
I Current assets		
1 Cash and cash equivalents	9,755	9,818
2 Notes and accounts receivable - trade	83,581	66,127
3 Merchandize and finished products	20,372	24,322
4 Raw materials and supplies	12,072	13,141
5 Other	12,763	13,552
6 Allowance for doubtful receivables	(287)	(217)
Total current assets	138,258	126,745
II Fixed assets		
1 Property, plant and equipment		
(1) Buildings and structures	384,995	388,775
Accumulated depreciation	(205,155)	(210,229)
Buildings and structures, net	179,839	178,545
(2) Machinery and vehicles	210,465	215,992
Accumulated depreciation	(170,803)	(175,949)
Machinery and vehicles, net	39,661	40,043
(3) Land	115,413	114,994
(4) Construction in progress	4,425	5,576
(5) Other	39,242	38,279
Accumulated depreciation	(25,520)	(24,860)
Other, net	13,722	13,418
Total property, plant and equipment	353,061	352,578
2 Intangible assets		
(1) Goodwill	37,541	35,237
(2) Other	7,444	7,887
Total intangible assets	44,985	43,125
3 Investments and other assets		
(1) Investment securities	35,670	51,035
(2) Long-term loans receivable	9,783	9,627
(3) Other	17,263	16,045
(4) Allowance for doubtful receivables	(1,386)	(1,450)
Total investments and other assets	61,330	75,257
Total fixed assets	459,377	470,961
Total assets	597,636	597,707

	December 31, 2012	September 30, 2013
	Amount	Amount
Liabilities		
I Current liabilities		
1 Notes and accounts payable - trade	32,985	34,774
2 Short-term bank loans	55,270	62,849
3 Commercial Paper	47,000	34,000
4 Current portion of bonds	10,000	-
5 Liquor taxes payable	33,397	20,717
6 Income taxes payable	3,830	2,577
7 Accrued bonuses	1,860	3,012
8 Deposits received	12,358	10,764
9 Other	46,443	54,221
Total current liabilities	243,146	222,917
II Long-term liabilities		
1 Bonds	32,000	42,000
2 Long-term bank loans	113,376	105,940
3 Employees' retirement benefits	7,385	6,122
4 Directors' and audit & supervisory board members' severance benefits	26	16
5 Dealers' deposits for guarantees	32,914	32,580
6 Other	33,840	38,702
Total long-term liabilities	219,543	225,363
Total liabilities	462,689	448,281
Net Assets		
I Shareholders' equity		
1 Common stock	53,886	53,886
2 Capital surplus	46,308	45,910
3 Retained earnings	31,393	33,362
4 Treasury stock, at cost	(1,199)	(1,256)
Total shareholders' equity	130,389	131,903
II Accumulated other comprehensive income		
1 Unrealized holding gain on securities	5,122	15,081
2 Deferred hedge gains	9	34
3 Foreign currency translation adjustments	(3,725)	(954)
Total accumulated other comprehensive income	1,406	14,162
III Minority Interests	3,151	3,360
Total net assets	134,946	149,425
Total liabilities and net assets	597,636	597,707

(2) Consolidated Statements of Income

(millions of yen)

	Nine months ended September 30, 2012	Nine months ended September 30, 2013
	Amount	Amount
I Net sales	354,780	369,531
II Cost of sales	225,121	237,193
Gross profit	129,659	132,337
III Selling, general and administrative expenses		
1 Sales incentives and commissions	23,846	23,755
2 Advertising and promotion expenses	16,825	16,368
3 Salaries	21,851	22,627
4 Provision for bonuses	2,271	1,844
5 Retirement benefit expenses	2,629	2,535
6 Other	56,643	55,765
Total selling, general and administrative expenses	124,068	122,897
Operating income	5,590	9,440
IV Non-operating income		
1 Interest income	198	194
2 Dividend income	380	533
3 Equity in income of affiliates	210	113
4 Foreign exchange gain	66	468
5 Gain on gift voucher redemptions	368	-
6 Other	689	831
Total non-operating income	1,914	2,142
V Non-operating expenses		
1 Interest expense	2,610	2,069
2 Other	462	644
Total non-operating expenses	3,072	2,713
Ordinary income	4,431	8,868
VI Extraordinary gains		
1 Gain on sales of property, plant and equipment	15	60
2 Gain on sales of investment securities	21	3,491
Total extraordinary gains	36	3,551
VII Extraordinary losses		
1 Loss on disposal of property, plant and equipment	584	413
2 Impairment loss	46	289
3 Loss on devaluation of investment securities	1,398	20
4 Loss on sales of investment securities	64	3
5 Business structure improvement expenses	-	185
Total extraordinary losses	2,093	912
Income before income taxes and minority interests	2,373	11,508
Income taxes	2,027	6,112
Income before minority interests	346	5,395
Minority interests in losses	(250)	(79)
Net income	596	5,474

Net income (loss) before minority interests	346	5,395
Other comprehensive income		
Unrealized holding gain on securities	1,835	9,958
Deferred hedge gains (losses)	2	61
Foreign currency translation adjustments	563	3,252
Share of other comprehensive income of associates accounted for using equity method	(24)	-
Total other comprehensive income	2,377	13,272
Comprehensive income	2,723	18,668
(Breakdown)		
Comprehensive income attributable to owners of the parent	2,924	18,230
Comprehensive income attributable to minority interests	(200)	438

(3) Notes on the Going-concern Assumption
Not applicable

(4)Segment Information
Ⅰ **Nine months ended September 30, 2012 (January 1, 2012 – September 30, 2012)**
1. Sales, income, and loss by reportable segment

(millions of yen)

	Reportable segments						Other *1	Total	Adjustments	Amounts reported on the statements of income *2
	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Total				
Net sales										
(1) Operating revenues	192,212	26,331	93,451	19,945	17,342	349,283	5,497	354,780	-	354,780
(2) Intra-group sales and transfers	1,827	26	215	-	1,873	3,942	14,580	18,523	(18,523)	-
Total	194,040	26,358	93,666	19,945	19,215	353,226	20,077	373,303	(18,523)	354,780
Segment income (loss)	864	148	(139)	273	7,160	8,308	(301)	8,007	(2,417)	5,590

Notes:
(1) "Other" comprises businesses, such as logystics businesses, that are not included in reportable segments.
(2) Segment income and losses are adjusted based on operating income reported on the quarterly consolidated statements of income for the corresponding period.

2. Reconciliation and main components of differences between income and loss of reportable segments and figures on the statement of income (information on differences)

(millions of yen)

Segment income (loss)	Amount
Total for reportable segments	8,308
Total other losses	(301)
Unallocated corporate costs	(2,338)
Intra-segment sales	(78)
Operating income on the statement of income	5,590

3. Impairment loss on fixed assets or goodwill by reportable segment
(Significant impairment losses on fixed assets)
Not applicable

(Significant change in the amount of goodwill)
Not applicable

(Material Gain on negative goodwill)
Not applicable

Ⅱ **Nine months ended September 30, 2013 (January 1, 2013 – September 30, 2013)**

1. Sales, income, and loss by reportable segment

(millions of yen)

	Reportable segments						Other *1	Total	Adjustments	Amounts reported on the statements of income *2
	Japanese Alcoholic Beverages	International	Food & Soft Drinks	Restaurants	Real Estate	Total				
Net sales										
(1) Operating revenues	195,331	36,236	95,980	20,277	16,857	364,683	4,847	369,531	-	369,531
(2) Intra-group sales and transfers	1,908	54	198	0	1,979	4,141	14,246	18,388	(18,388)	-
Total	197,239	36,291	96,179	20,278	18,837	368,825	19,093	387,919	(18,388)	369,531
Segment income (loss)	5,545	1,035	(1,523)	226	6,788	12,072	113	12,186	(2,746)	9,440

Notes:

(1) "Other" comprises businesses, such as logystics businesses, that are not included in reportable segments.

(2) Segment income and losses are adjusted based on operating income reported on the quarterly consolidated statements of income for the corresponding period.

2. Reconciliation and main components of differences between income and loss of reportable segments and figures on the statement of income (information on differences)

(millions of yen)

Segment income (loss)	Amount
Total for reportable segments	12,072
Total other gains	113
Unallocated corporate costs	(2,568)
Intra-segment sales	(177)
Operating income on the statement of income	9,440

3. Changes to reportable segments

The Sapporo Group conducted a reorganization of its logistics business on May 1, 2013. The Company's consolidated subsidiaries Sapporo Logistics Systems Co., Ltd. and Pokka Logistics Co., Ltd. were reorganized under Sapporo Group Logistics Co., Ltd., which is under the control of Sapporo Group Management LTD.

In line with this, effective the three months ended March 31, 2013, Sapporo Logistics Systems Co., Ltd., which was previously included in the Japanese Alcoholic Beverages segment, and Pokka Logistics Co., Ltd., which was previously included in the Food & Soft Drinks segment, were reclassified to the Other segment.
Additionally, effective the three months ended March 31, 2013, Pokka Food (Singapore) Pte. Ltd. which was previously included in the Food & Soft Drinks segment was reclassified to the Restaurants segment in conjunction with changes in organizational structure through share transfers between consolidated subsidiaries.
The segment information for the nine months ended September 30, 2012 has been recast to reflect the change of segmentation.

(Note) On April 1, 2013, Pokka Food (Singapore) Pte. Ltd. changed its name to Sapporo Lion (Singapore) Pte. Ltd.
On July 1, 2013, Pokka Logistics Co., Ltd., was dissolved following an absorption-type merger with Sapporo Logistics Systems Co., Ltd.

4. Impairment loss on fixed assets or goodwill by reportable segment

(Significant impairment losses on fixed assets)

Not applicable

(Significant changes in the amount of goodwill)

Not applicable

(Material Gain on negative goodwill)

Not applicable

(6)Notes on Significant Changes in the Amount of Shareholder's Equity

Not applicable

(7)Subsequent Events

Not applicable