



[Translation]

February 12, 2020

Company Name	Sapporo Holdings Limited
Representative	Masaki Oga President and Representative Director
Securities code	2501
Listed on	Tokyo Stock Exchange Sapporo Securities Exchange
Inquiries	Yuru Kobayashi Director of Corporate Communication Department Tel: 81-3-5423-7407

Notice Concerning Judgment of the Lawsuit (Appeal Court) Filed by Our Consolidated Subsidiary

As announced in the “Notice Concerning Judgment of the Lawsuit Filed by Our Consolidated Subsidiary” dated February 6, 2019, and the “Notice Concerning Filing of Appeal by Our Consolidated Subsidiary” dated February 13, 2019, Sapporo Breweries Limited (“Sapporo Breweries”), a consolidated subsidiary of Sapporo Holdings Ltd. (the “Company”), filed an appeal in response to the judgment in the first instance with respect to the lawsuit filed against the Government of Japan “requesting cancellation of the ‘assessment notices of no reason to make correction’ relating to liquor tax for ‘Sapporo Goku ZERO ((1) Effervescent alcoholic beverage) (‘Old Goku ZERO’)’” (the “Lawsuit”). We hereby inform you that today the Tokyo High Court has given the following judgment.

1. The court and the date of the judgment

Tokyo High Court
February 12, 2020

2. Background to the Lawsuit

With respect to liquor tax on Old Goku Zero, Sapporo Breweries had voluntarily filed amended tax returns, reclassifying the tax rate classification of Old Goku ZERO to the basic tax rate for effervescent alcoholic beverages. Afterwards, since Sapporo Breweries decided afresh that Old Goku ZERO falls within the category of “(1) Effervescent alcoholic beverage”, it filed requests for correction to the competent district directors of the tax offices. However, Sapporo Breweries received “assessment notices of no reason to make correction” from each of the competent district directors. Therefore, Sapporo Breweries filed the Lawsuit with the Tokyo District Court requesting cancellation of the above assessment notices in April 2017. On February 6, 2019, the Tokyo District Court issued a judgment that the claim of Sapporo Breweries shall be dismissed, in response to which, Sapporo Breweries filed an appeal with the Tokyo High Court on February 18, 2019.

3. Details of the judgment

- (1) Appeal was dismissed.
- (2) Costs for the appeal are to be borne by the appellant.

4. Future outlook

The Company will determine how to respond to this matter based on careful review of the content of the judgment and consultation with the legal counsel. There is no impact on the Company’s business performance at this time. If any matter to be disclosed should arise, the Company will disclose information with respect to such matter immediately.

