



August 6, 2020

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Securities code	2501
Listed on	Tokyo Stock Exchange Sapporo Securities Exchange
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Notice Concerning Release of Full-Year Earnings Forecast and Recording of Other Operating Expenses

Sapporo Holdings Limited (the “Company”) conducted a review, during a board of directors meeting held today, of its Forecast of Consolidated Earnings for the Year Ending December 31, 2020, which was yet to be determined at the time of the announcement of the “Financial Results for the three months ended March 31, 2020 – Consolidated (Based on IFRS)” on May 14, 2020. A resolution was also passed at the same board of directors meeting to record novel coronavirus pandemic-related expenses as “other operating expenses”.

1. Release of consolidated earnings forecast

(1) Forecast figures for the Forecast of Consolidated Earnings for the Year Ending December 31, 2020
(January 1 - December 31, 2020)

(millions of yen, except percentages and per-share data)

	Revenue	Core operating profit	Operating profit	Profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)*1	-	-	-	-	-	-
Current forecast (B)	444,500	1,000	(7,900)	(6,500)	(6,500)	(83.44)
Change (B-A)	-	-	-	-	-	-
Percent change	-	-	-	-	-	-
For reference: Results for the fiscal year ended December 31, 2019	491,896	11,724	12,208	3,820	4,356	55.92

*1: As of May 14

(2) Reasons for the release of the forecast figures

The Company opted earlier in the year to omit the full-year consolidated earnings forecast owing to the difficulty in making a reasonable assessment of the impact from the novel coronavirus pandemic. However, the Company has now calculated and opted to release forecast figures based on information and forecasts currently available, taking into consideration the recent business environment and trends seen since the lifting of Japan's state of emergency and the resumption of economic activities in other countries.

Although the Company's business activities and performance have been recovering since June 2020 after bottoming out in April and May owing to the impact from the novel coronavirus pandemic, concerns about the impact from a second wave of infections continue to cloud the outlook for the economy and consumer spending. Accordingly, the Company's forecast for the year ending December 31, 2020, was determined based on the assumption that the pandemic will continue to impact earnings, primarily in the Alcoholic Beverages and the Food & Soft Drinks businesses.

2. Recording of "other operating expenses"

Impacts from the novel coronavirus pandemic such as reduced operational capacity at plants and breweries and the accrual of fixed expenses (personnel expenses, depreciation and amortization, rent, etc.) due to temporary store closures led to the recording of novel coronavirus pandemic-related losses of ¥3,357 million under "other operating expenses".

This recording of "other operating expenses" has been reflected in the "Financial Results for the six months ended June 30, 2020 – Consolidated (Based on IFRS)" released today.

* Note regarding forward-looking statements, etc.

The above statements concerning the earnings forecast are based on information available to the Company as of the date of the release of this document and contain potential risks and uncertainties. Actual results may differ from the stated forecast figures due to various factors. In the event that material matters requiring disclosure occur, the Company will promptly announce information concerning their impact upon earnings.