

[Translation]

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Company name	Sapporo Holdings Limited
Representative	Tsutomu Kamiyo President and Representative Director
Securities code	2501
Listed on	Tokyo Stock Exchange Sapporo Securities Exchange
Inquiries	Tatsuya Komatsu Director of Corporate Communications Department Tel.: +81 3-5423-7407

**Notice on the Decision to Launch a Real Estate Redevelopment
by a Consolidated Subsidiary and Resulting Extraordinary Loss**

Sapporo Holdings Limited (“the Company”) hereby announces that at the meeting of its Board of Directors held today it resolved to launch a real estate redevelopment owned by consolidated subsidiary Sapporo Real Estate Co., Ltd. As a result, the Company is expected to post an extraordinary loss as noted below.

1. Description of real estate redevelopment and extraordinary loss

The Company decided today to launch the redevelopment of Sapporo Ginza Building (Address: 8-1, Ginza 5-chome, Chuo-ku, Tokyo), which is owned by Sapporo Real Estate Co., Ltd., a consolidated subsidiary. As a result, the Company is expected to post an extraordinary loss amounting to ¥2,600 million, which consists of expenses for demolition of the existing building, losses on retirement, marketing-related expenses and others. The loss is expected to be recorded under extraordinary losses for the fiscal year ending December 31, 2014.

Outline of redevelopment:

Size (planned): 12 stories above ground and two below
Total floor area: approximately 7,082 m²
Usage (planned): Commercial complex

Demolition of existing building: To start in spring of 2014 (planned)
Start of construction of new building: Spring of 2015 (planned)
Completion of construction of new building: First half of 2016 (planned)

2. Effects on consolidated financial results

The aforementioned extraordinary loss is reflected in the consolidated earnings forecast for the full fiscal year ending December 31, 2014, released today.

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