



[Translation]

February 10, 2016

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

### **Notice Concerning Partial Amendments of the Articles of Incorporation**

Sapporo Holdings Limited (the “Company”) hereby announces that, at its Board of Directors meeting held today, it resolved to submit a proposal for “Partial Amendments of the Articles of Incorporation” to the 92<sup>nd</sup> Ordinary General Meeting of Shareholders to be held on March 30, 2016 (“the General Meeting of Shareholders”).

#### **1. Reasons for the Amendments**

- (1) As disclosed separately today, the Company plans to propose a resolution at the General Meeting of Shareholders to change the number of shares constituting one share unit of the Company. Such change in share unit will be carried out in order to change the number of shares constituting one trading unit of the Company’s stock from one thousand (1,000) shares to one hundred (100) shares and, in conjunction with such change, the number of shares constituting one share unit will change to one hundred (100) shares.
- (2) As disclosed separately today, the Company plans to propose a resolution at the General Meeting of Shareholders to engage in a consolidation of shares. In conjunction with the reduction of the total number of the outstanding shares of the Company as a result of the consolidation of shares, in order to adjust the total number of authorized shares to an appropriate level, the total number of authorized shares shall be amended from one billion (1,000,000,000) shares to two hundred million (200,000,000) shares in accordance with the ratio of the consolidation of shares (one fifth).

- (3) In the Company's current Articles of Incorporation, Article 29 (Limited Liability Contracts with Outside Directors) and Article 38 (Limited Liability Contracts with Outside Audit & Supervisory Board Members) are stipulated in order to ensure that outside directors and outside audit & supervisory board members have the abilities to fully perform their expected roles. As the recent implementation of the Act for Partial Revision of the Companies Act (Act No. 90 of 2014) has expanded the range of directors and audit & supervisory board members who can conclude limited liability contracts, Articles 29 and 38 of the current Articles of Incorporation shall be amended so that limited liability contracts can be concluded with directors who are not engaged in business execution or audit & supervisory board members who are not outside audit & supervisory board members, as necessary. The Company has obtained approvals of all audit & supervisory board members for the amendments to the Article 29 of the current Articles of Incorporation.
- (4) In order to promote the establishment of an optimal and flexible management structure, the proposed amendments shall enable the Company to elect its president not only from its directors, but also from its group operating officers. While the Company introduced the group operating officer system in 2003 with the objectives of executing business quickly and clarifying responsibilities, the Company shall newly establish provisions concerning group operating officers and amend the necessary provisions for selecting the president in the Articles of Incorporation of the Company, in order to serve the said objectives by clarifying the method of electing group operating officers and their roles, etc.
- (5) In order to ensure that a broad range of alternatives are available for the location of the general meeting of shareholders, Article 15 (Location of Meeting) of the current Articles of Incorporation, which limits the place of convocation for general meetings of shareholders, shall be deleted.

## **2. Details of changes**

Details of the changes are as appended.

## **3. Schedule**

- March 30, 2016 (tentative) Date for General Meeting of Shareholders to change the Articles of Incorporation
- March 30, 2016 (tentative) Effective Date of the change in the Articles of Incorporation

(However, the effective date of changes to Article 5 and Article 7 will be July 1, 2016 (tentative).)

## **4. Other**

We separately disclosed today the "Notice on Change in the Number of Shares Constituting One Share Unit, Consolidation of Shares and Change in the Total Number of Authorized Shares."

End

(Attachment)

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Chapter 2 Shares</p> <p>(Total Number of Authorized Shares) Article 5 The total number of authorized shares shall be <u>one billion (1,000,000,000)</u> shares.</p> <p>(Number of Shares Constituting One Share Unit) Article 7 The number of shares constituting one share unit of the Company shall be <u>one thousand (1,000)</u> shares.</p> <p style="text-align: center;">Chapter 3 General Meetings of Shareholders</p> <p>(Convener and Chairperson) Article 14 Unless otherwise stipulated by laws and regulations, a general meeting of shareholders shall be convened and chaired by the President and Director pursuant to resolution of the Board of Directors. When the President and Director is unable to attend, other Directors shall convene such general meetings and act as the chairperson thereof in accordance with the order determined in advance by resolution of the Board of Directors.</p> <p><u>(Location of Meeting)</u> <u>Article 15 The general meeting of shareholders may be convened within wards of Tokyo in addition to the location of the head office and its immediate vicinity.</u></p> <p>Article <u>16</u> – Article <u>18</u> (Omitted) Chapter 4 Directors and Board of Directors</p> <p>Article <u>19</u> – Article <u>23</u> (Omitted)</p> <p>(Convener and Chairperson of Meetings of Board of Directors) Article <u>24</u> Meetings of the Board of Directors shall be convened by the Chairperson of the Board of Directors who shall act as chairperson thereat. When <u>the Chairperson of the Board of Directors is absent</u> or unable to attend, the President and</p>	<p style="text-align: center;">Chapter 2 Shares</p> <p>(Total Number of Authorized Shares) Article 5 The total number of authorized shares shall be <u>two hundred million (200,000,000)</u> shares.</p> <p>(Number of Shares Constituting One Share Unit) Article 7 The number of shares constituting one share unit of the Company shall be <u>one hundred (100)</u> shares.</p> <p style="text-align: center;">Chapter 3 General Meetings of Shareholders</p> <p>(Convener and Chairperson) Article 14 Unless otherwise stipulated by laws and regulations, a general meeting of shareholders shall be convened and chaired by the President and Director pursuant to resolution of the Board of Directors. When <u>the post of President and Director is not established or</u> the President and Director is unable to attend, other Directors shall convene such general meetings and act as the chairperson thereof in accordance with the order determined in advance by resolution of the Board of Directors.</p> <p>(Deleted)</p> <p>Article <u>15</u> – Article <u>17</u> (Unchanged) Chapter 4 Directors and Board of Directors</p> <p>Article <u>18</u> – Article <u>22</u> (Unchanged)</p> <p>(Convener and Chairperson of Meetings of Board of Directors) Article <u>23</u> Meetings of the Board of Directors shall be convened by the Chairperson of the Board of Directors who shall act as chairperson thereat. When <u>the post of Chairperson of the Board of Directors is not established or the Chairperson of</u></p>

<p>Director shall convene meetings and act as chairperson thereat and when the President and Director is unable to attend, other Directors shall convene meetings and act as chairperson thereat in accordance with the order determined in advance by the Board of Directors.</p> <p>Article <u>25</u> – Article <u>28</u> (Omitted)</p> <p>(Limited Liability Contracts with <u>Outside Directors</u>)</p> <p>Article <u>29</u> In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with <u>outside directors</u> under which their liabilities provided for in Article 423, Paragraph 1 of the said act shall be restricted to the limits stipulated by laws and regulations.</p> <p>(New article)</p> <p>Chapter 5 Audit &amp; Supervisory Board Members and Audit &amp; Supervisory Board</p> <p>(Limited Liability Contracts with <u>Outside Audit &amp; Supervisory Board Members</u>)</p> <p>Article 38 In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with <u>outside audit &amp; supervisory board members</u> under which their liabilities provided for in Article 423, Paragraph 1 of the said act shall be restricted to the limits stipulated by laws and regulations.</p>	<p><u>the Board of Directors is</u> unable to attend, the President and Director shall convene meetings and act as chairperson thereat and when <u>the post of President and Director is not established or</u> the President and Director is unable to attend, other Directors shall convene meetings and act as chairperson thereat in accordance with the order determined in advance by the Board of Directors.</p> <p>Article <u>24</u> – Article <u>27</u> (Unchanged)</p> <p>(Limited Liability Contracts with <u>Directors</u>)</p> <p>Article <u>28</u> In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with <u>directors (excluding directors who are engaged in business execution, etc.)</u> under which their liabilities provided for in Article 423, Paragraph 1 of the said act shall be restricted to the limits stipulated by laws and regulations.</p> <p><u>(Group Operating Officers)</u></p> <p><u>Article 29 The Company may decide group operating officers by the resolution of the Board of Directors, and make them execute businesses of individual group operating companies, or management issues which are especially important for the management of the group and cut across operating companies.</u></p> <p><u>When the post of President and Director is not established, the Company may elect the President from group operating officers by the resolution of the Board of Directors.</u></p> <p>Chapter 5 Audit &amp; Supervisory Board Members and Audit &amp; Supervisory Board</p> <p>(Limited Liability Contracts with <u>Audit &amp; Supervisory Board Members</u>)</p> <p>Article 38 In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into contracts with <u>audit &amp; supervisory board members</u> under which their liabilities provided for in Article 423, Paragraph 1 of the said act shall be restricted to the limits stipulated by laws and regulations.</p> <p><u>(Supplemental Provisions)</u></p>
--	--

(New article)	<u>Article 1 The amendments to Articles 5 and 7 shall take effect on July 1, 2016.</u>
(New article)	<u>Article 2 The preceding article and this article shall be deleted as of July 1, 2016.</u>

End