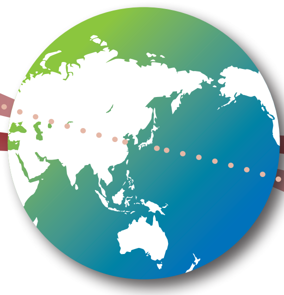
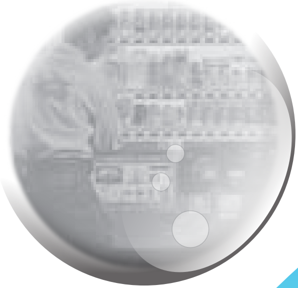
Annual Review
2009



Coca-Cola West

Coca-Cola West Company, Limited



Bringing joy to all of our consumers

Coca-Cola West is the largest bottler in Japan and one of the leading bottlers in the world. Through our highly responsive organizational structure that has taken root in the communities where we operate in the western Japan region, we are carrying out our mission of meeting consumers' diverse needs with refreshing Coca-Cola products.

Contents

● **FORWARD-LOOKING STATEMENTS**

This annual review contains statements regarding the Company's future plans, projected performance and outlook. These forward-looking statements are not historical facts, but represent management's opinions and beliefs based on information available at the time of writing.
Readers are cautioned that any number of risks and factors beyond the Company's control could cause actual results to differ materially from those projected by management. These include, but are not limited to, economic trends, intensifying competition in the soft drink industry, market supply and demand, and changes in taxation and other applicable laws and regulations.

● **Note:**

In the event that it is necessary to revise items in this annual report, the online version of the report, in the "Investor Relations" section of the Company's Web site, will be revised accordingly.

To Our Shareholders

Following my appointment as president of Coca-Cola West Co., Ltd., on January 1, 2010, I would like to take this opportunity to personally thank all shareholders and investors for their invaluable support and understanding. The Company has through integration evolved over the past decade into the largest Coca-Cola bottler in Japan and one of the top-ranked in the world. Through consolidation and reorganization of its subsidiary companies, the Coca-Cola West Group has also refined its management structure and systems, and commenced 2010 under newly appointed management.
I am pleased to report on our operating results for fiscal 2009, the fiscal year ended December 31, 2009, and to provide an overview of the Group's management policies and business strategies.

Fiscal 2009 Business Overview and Operating Results

Impacted by the global-scale financial and economic crisis triggered by the U.S. banking-sector meltdown in 2008, business conditions at the start of the fiscal year under review were weak. Japan's economy remained in a prolonged slump despite signs of a partial recovery in export and manufacturing activities on the back of a series of government stimulus packages. This was reflected in poor corporate-sector results, suffering under the affects of deflation and a strong yen, deterioration in employment and disposable income conditions, as well as stagnant capital investment and personal consumption.
In the Japanese soft drink industry, companies were confronted by an increasingly harsh operating environment as market results declined year on year owing to an increasingly cost-conscious mindset by consumers in response to the weak economy, unfavorable weather conditions throughout the summer season, and an ongoing downward trend in product prices.
Against this backdrop of challenging market conditions, and in order to establish an even more solid management foundation, Coca-Cola West Holdings Co., Ltd., merged with three sales subsidiary companies—Coca-Cola West Japan Co., Ltd., Kinki Coca-Cola Bottling Co., Ltd., and Mikasa Coca-Cola Bottling Co., Ltd.—to form Coca-Cola West Co., Ltd. on January 1, 2009.
Turing to our initiatives in the fiscal year under review, we worked to transform the Group's previous sales strategy based on sales areas to one based on sales channels. At the same time, we extended marketing activities drawing from research and analysis of consumer purchasing patterns. Through these means, the Coca-Cola West Group promoted sales strategies based firmly on consumer needs and distinguished by consistency and integrity. In its vending machine business, the Company actively pursued advantages of scale through M&A and business alliances. In this manner, we worked diligently to increase market share and earnings. In addition, we reorganized three of the Group's subsidiaries responsible for sales and logistics to focus on individual functions, and commenced fiscal 2010 with the foundation of three new companies on January 1, 2010. This move was made with the aim to bolster sales and marketing functions while at the same time curtailing indirect costs.
The Company took control of production and logistics operations for western Japan from January 2009, as responsibilities for overseeing its integrated supply-chain management (SCM) were transferred from Coca-Cola National Beverage Company, a joint venture established by Coca-Cola (Japan) Co., Ltd. and all of its bottling partners in Japan. The Group also successfully reduced costs through efforts to establish a new SCM system and framework and to ensure more precise and detailed management with respect to sales and marketing collaboration.
Complementing these measures in the face of the harsh operating environment, we worked to boost operating efficiency and reviewed personnel systems in an effort to enhance productivity. At the same time, we promoted the Group-wide campaign slogan, "Running Coca-Cola West at the lowest cost possible," with a view to reducing indirect expenditures. Despite these endeavors, sharp fluctuations in business conditions exceeded all of the Company's projections. As a result, in fiscal 2009 consolidated net revenues decreased 6.5% year on year to ¥369,698 million. On the earnings front, operating income dropped 78.7% year on year to ¥2,242 million, while recurring income fell 81.1% to ¥2,085 million. The Company incurred a net loss of ¥7,594 million, a negative turnaround of ¥7,724 million, largely attributable to an impairment loss applicable to assets earmarked for sale and disposal together with the payment of early retirement bonuses.

Coca-Cola West

2010 Coca-Cola West Group Management Policy

Achieve profit target through "three reforms"

1. Sales
2. Supply Chain Management
3. Action based on consumer

Build a solid Coca-Cola West Group

Coca-Cola West

Coca-Cola West Group Corporate Mission

Create future of beverage business

We
- offer products and services welcomed by consumers
- respect each employee's motivation and personal life
- respond to shareholders' expectations and trust by sustainable growth
- nurture the relationships with society and environment

Fiscal 2010 Management Policies and Earning Projections

Looking ahead at the soft drink industry in fiscal 2010, conditions are anticipated to remain harsh due to the slump in personal consumption and a continued decline in product prices. Under these circumstances, the Group will implement management policies aimed at achieving earnings targets while closely pursuing three fundamental reforms.

Firstly, the Company will reform its sales structure with the aim to increase revenues and earnings. To this end, we will endeavor to implement effective global-standard marketing methods based on research and analysis of consumer purchasing behavior, while enforcing stringent earnings management. At the same time, we will establish an effective and efficient organizational operating structure and promote the realignment of sales and distribution bases.

Secondly, the Group will enhance its SCM system through reforms in the western Japan region. In implementing a comprehensive SCM system from procurement through sales to distribution, the Company will be better positioned to enhance efficiency and reduce costs. To improve the Group's competitive advantage, we will synchronize procurement, sales and logistics to accelerate and enhance our capacity to respond to market trends and consumer needs.

Turning to the third reform, we will change our approach with regard to consumers and orientate business activities toward their needs, recognizing that these needs are the basis of the Group's corporate value.

We are confident that closely following these three fundamental reforms will lead to steady growth in revenues and earnings as well as to strengthening the Coca-Cola West Group overall, despite downward pressures imposed by the difficult operating environment.

Accounting for the aforementioned policies and factors, our projections for fiscal 2010 include consolidated net revenues of ¥369,300 million, a nominal decrease of 0.1% from the previous fiscal year. From a profit perspective, operating income is forecast to more than double to ¥7,000 million, a year-on-year increase of 212.1%. Recurring income is anticipated to reach ¥6,600 million, an improvement of 216.5%. After a net loss in fiscal 2009, we are projecting net income in the fiscal year under review of ¥3,600 million.

Dividends

In our Corporate Mission, we place the utmost emphasis on "respond to shareholders' expectations and trust by sustainable growth." Our basic stance is to continue providing stable dividends to our shareholders while ensuring an active return of profits.

Taking into consideration fiscal 2009 results, forecast performance for fiscal 2010, the future operating environment and other factors, we have determined a fiscal 2009 year-end dividend of ¥21 per share. Including the interim dividend paid, this results in a full fiscal year dividend of ¥42 per share, which regretfully is ¥1 per share lower than the previous fiscal year. Looking ahead to fiscal 2010 dividends, we project the interim dividend, fiscal year-end dividend and annual dividend to amount to ¥20, ¥20 and ¥40 per share, respectively.

As we work toward attaining our established goals, we humbly request the continued support and understanding of all shareholders and other investors.

March 2010

Tamio Yoshimatsu

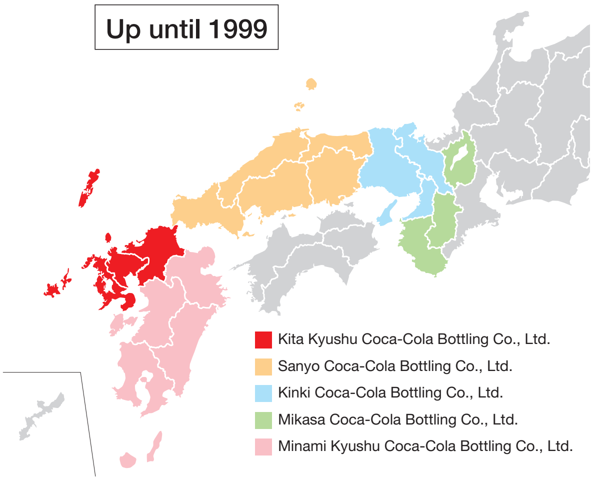
Tamio Yoshimatsu
President

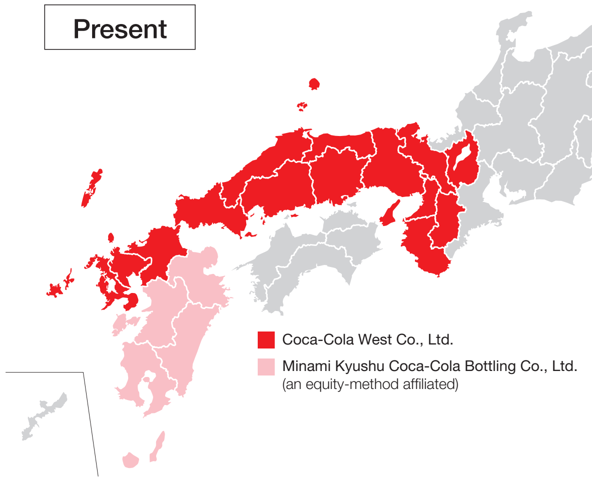
Mergers and Integration

History of mergers and integration

Aiming to become a world leading bottler, the Company has carried out mergers and worked at corporate integration since 1999.

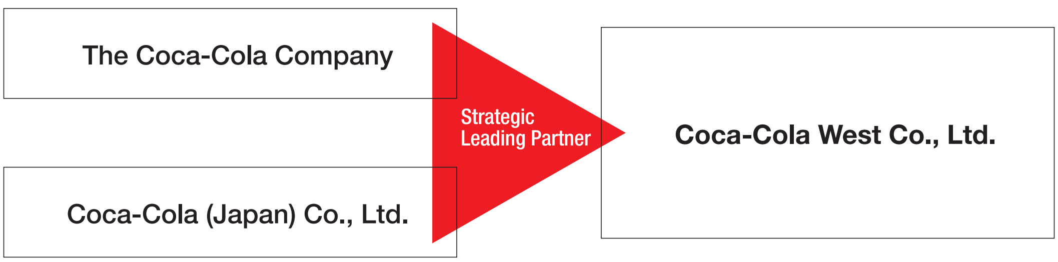
1960	Establishment of the Company under the name of Nichibei Inryo Co., Ltd., later renamed Kita Kyushu Coca-Cola Bottling Co., Ltd.
1999	Consolidation with Sanyo Coca-Cola Bottling Co., Ltd. and renamed Coca-Cola West Japan Co., Ltd.
2001	Mikasa Coca-Cola Bottling Co., Ltd. becomes a subsidiary
2006	Management integration with Kinki Coca-Cola Bottling Co., Ltd. to establish joint holding company Coca-Cola West Holdings Co., Ltd.
2007	Capital business tie-up with Minami Kyushu Coca-Cola Bottling Co., Ltd. through 20% stock acquisition, making it an equity-method affiliate
2009	**Coca-Cola West Co., Ltd. established** through the merger of Coca-Cola West Holdings, Coca-Cola West Japan, Kinki Coca-Cola Bottling, and Mikasa Coca-Cola Bottling





Japan's sole Coca-Cola Strategic Leading Partner

With an operating area comprising 14 prefectures in western Japan, Coca-Cola West Co., Ltd. is the largest bottler in Japan, and on a sales basis, the fifth largest publically traded bottling company in the world. Going beyond the traditional scope of a bottler, Coca-Cola West engages in product development, test marketing and other activities in collaboration with The Coca-Cola Company and Coca-Cola (Japan) Co., Ltd., as the country's sole Strategic Leading Partner. In this way, the Company is playing a leading role in transforming the Coca-Cola System in Japan.



Realizing the benefits of mergers and integration

With an increasingly severe business environment surrounding the Group, the Company has been moving forward with Group reorganization since the management integration of July 2006, working to build a stronger management foundation, enhance sales and marketing operations, and reduce indirect costs.
At the beginning of fiscal 2009, the Company was newly established through the merger of the former holding company and three of its subsidiaries responsible for sales operations. The reorganization of separate company functions was completed on January 2010, and established a new operational structure for the Group.

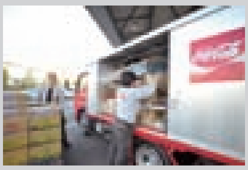
● Coca-Cola West Group

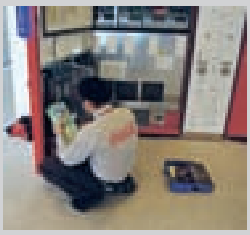
Coca-Cola West Co., Ltd.

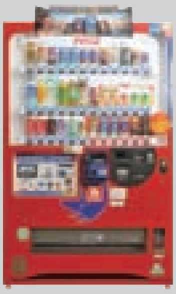
Sales function companies

These companies provide high-quality services covering vending machine operations and repairs, while conducting regular activities to attract more consumers and encourage further purchases.

- West Vending Co., Ltd.
- Nishinihon Beverage Co., Ltd.
- Coca-Cola West Retail Service Co., Ltd.
- Nesco Co., Ltd.
- Kadiac Co., Ltd.
- Wex Co., Ltd.
- Coca-Cola West Equipment Service Co., Ltd.



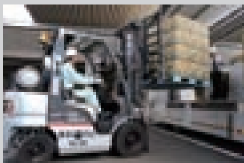




Production and distribution companies

Production companies produce Coca-Cola products under strict quality controls to provide safe and high-quality goods to consumers. Distribution companies deliver the goods speedily and reliably to ensure that customers receive fresh and delicious Coca-Cola products.

- Coca-Cola West Logistics Co., Ltd.
- Coca-Cola West Products Co., Ltd.
- Coca-Cola West Daisen Products Co., Ltd.



Other Group companies

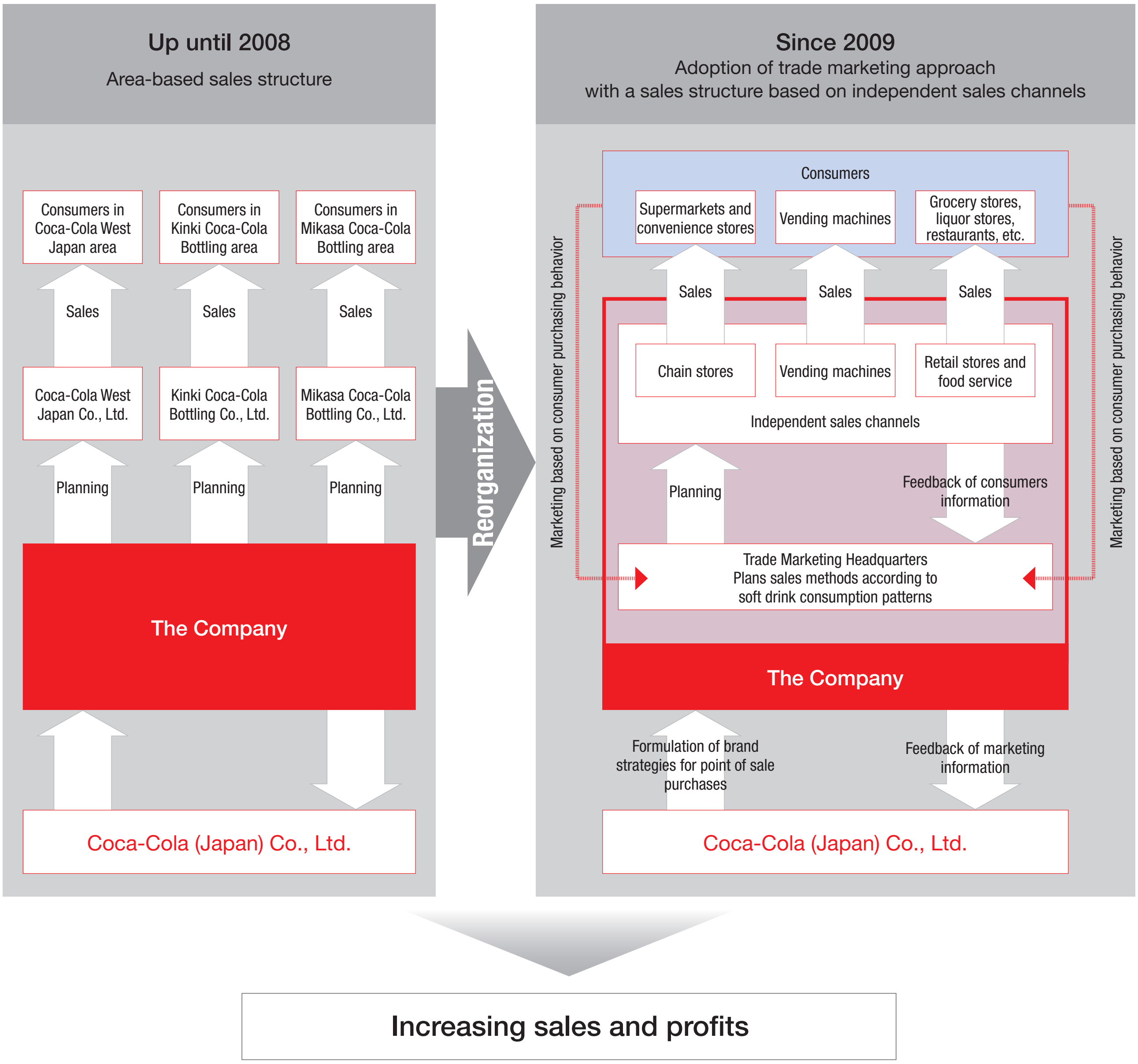
- Coca-Cola West Service Co., Ltd.
  Leasing and sale of real estate, and insurance intermediacy, administration and agency
- Chugoku Piano Transport Co., Ltd.
  Freight transport, warehousing and storage business
- Akiyoshi Systems Co., Ltd.
  Chain restaurant business

Reorganization of Sales

Reorganization of the sales structure and adoption of a new marketing approach

Aiming to develop a consistent and uniform sales strategy for point-of-sale purchases by consumers, the sales structure of the Group was reorganized from the previous area-based sales structure to one based on independent sales channels, and a trade marketing* method based on consumer purchasing behavior was adopted.
The Company is bringing Coca-Cola products to consumers through optimal sales methods—encompassing brands, types of containers, prices, and sales channels—that focus on the soft drink consumption patterns of consumers. As it raises the accuracy of this trade marketing method up to international standards, the Company is aiming for growth in both sales and profits.

* Trade marketing is a method for marketing brands at sales outlets. It draws on information relevant to consumers and sales outlet operators to formulate sales outlet strategies for increasing product purchases by consumers and improving the value of purchases.



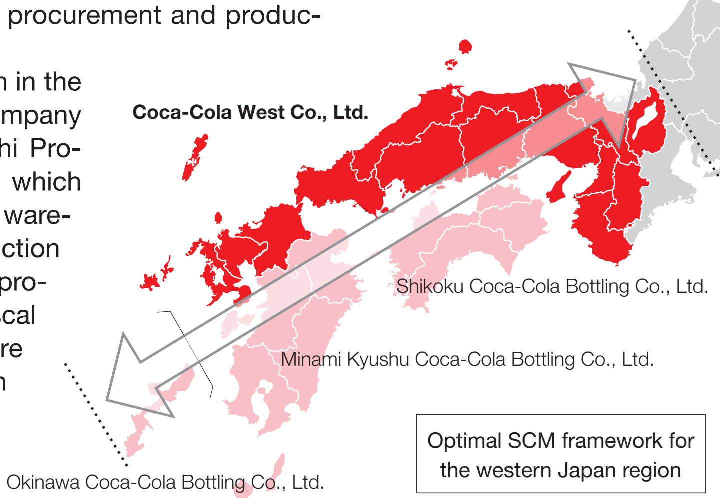
Reorganization of Supply Chain Management

New SCM framework

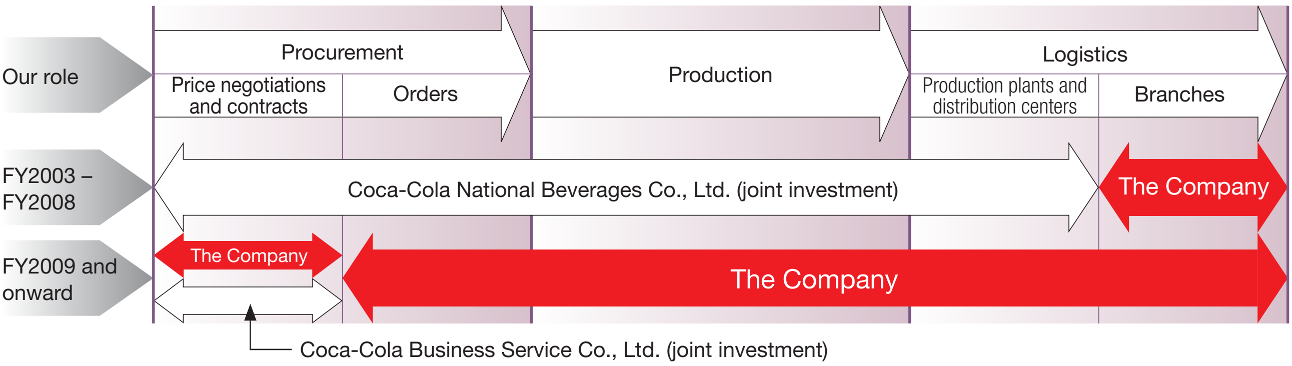
In the beginning of fiscal 2009, Coca-Cola West was given greater responsibility for supply-chain management (SCM) in the western Japan region, a shift from the previous nationwide SCM framework centered on Coca-Cola National Beverages Co., Ltd. Coca-Cola West is presently carrying out production and distribution as well as some procurement, whereas in the previous framework, Coca-Cola National Beverages handled procurement and production and some distribution.

With an eye to creating an optimal SCM system in the western Japan region, in fiscal 2009 the Company newly installed a production line at the Akashi Production Plant for small-sized PET bottles, for which demand is expected to grow, and expanded warehouse space adjacent to the Daisen Production Plant, in an effort to improve the efficiency of production and distribution. As of the end of fiscal 2009, Coca-Cola products in the region were supplied by nine production plants, six of which belonged to the Coca-Cola West Group.

Looking forward, the Group aims to provide quick, high-quality, community-based services while further reducing costs.



Reorganized SCM framework and expanded role of Coca-Cola West




▲ The new production line at the Akashi Production Plant


▲ The expanded warehouse adjacent to the Daisen Production Plant

Offering quick and high-quality services and further reducing costs

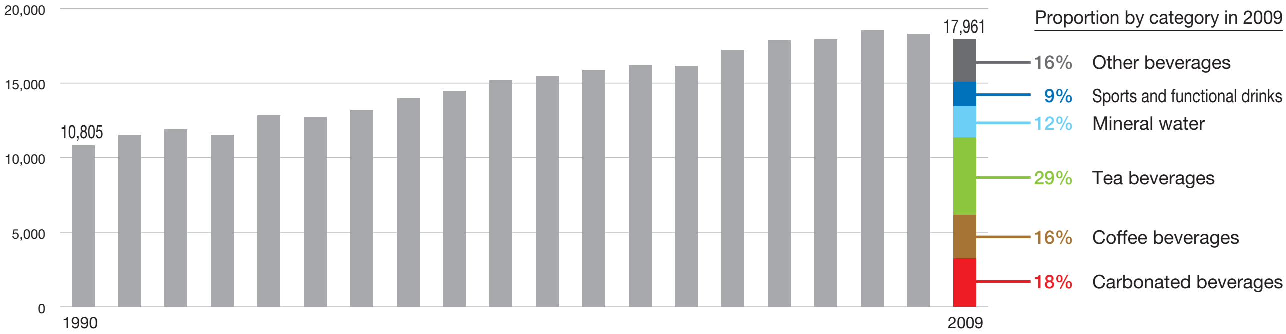
Overview of Sales Results

Japan's Soft Drink Market

In 2009, production volume of soft drinks in Japan decreased year on year as a result of tightened spending by consumers facing worsening economic conditions, as well as unseasonable weather during the summer season. By product category, production volume of carbonated beverages and mineral water increased, while coffee beverages, tea beverages, and sports and functional drinks declined.

Despite these year on year results, the market has been expanding over the long term, with production of new beverage categories—particularly mineral water—rising 66% over the past 20 years since 1990, and 16% since 2000. This trend suggests that the overall market for cold beverages in Japan will continue to grow.

Production volume of soft drinks over the previous 20 years (1,000kl)



Source: *2009 Annual Statistical Report on Soft Drinks*, published by the Japan Soft Drink Association

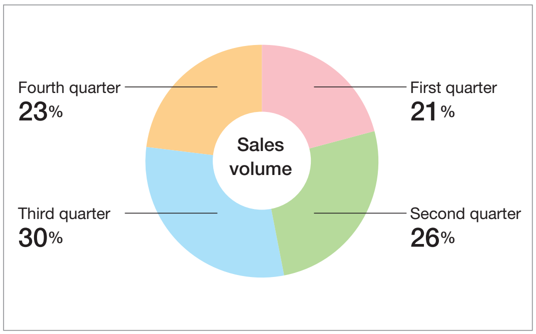
Coca-Cola West Sales Results

1. Sales volume

Sales volume decreased year on year due to the impact of continued sluggish consumer spending and falling product prices brought on by deteriorating employment and earnings conditions, as well as unseasonal summer weather.

Sales by Quarter (Thousands of cases)

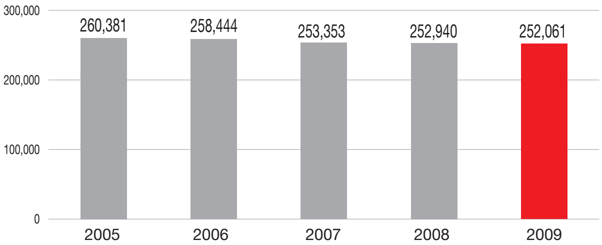
	Sales volume	Breakdown	YoY change	
			Volume	Percent
First quarter	38,017	21%	(1,410)	(3.6%)
Second quarter	46,781	26%	(455)	(1.0%)
Third quarter	53,454	30%	(2,438)	(4.4%)
Fourth quarter	41,460	23%	(2,395)	(5.5%)
Total	179,711	100%	(6,699)	(3.6%)



2. Number and market share of vending machines

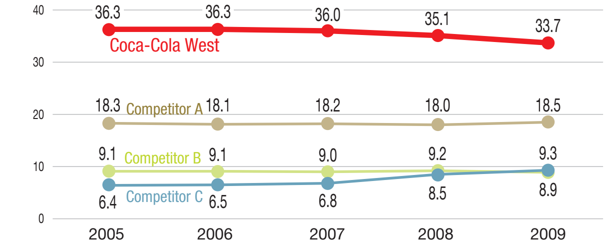
As of the end of fiscal 2009, Coca-Cola West had 252,061 vending machines in operation. This total was 879 less than the previous fiscal year-end, owing to the Company's strategy of giving priority to highly profitable vending machines and decommissioning machines with low sales. Coca-Cola West's market share of vending machines installed outdoors was 33.7% in fiscal 2009, continuing the Company's overwhelming lead over its competitors.

Number of vending machines



Note: Figures for 2009 are for Coca-Cola West Co., Ltd., while figures for 2005 – 2008 are the combined total of its three predecessor companies: Coca-Cola West Japan Co., Ltd., Kinki Coca-Cola Bottling Co., Ltd., and Mikasa Coca-Cola Bottling Co., Ltd.

Share of vending machines installed outdoors (%)

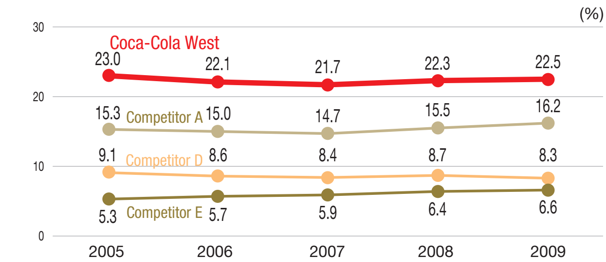


Source: *Survey of Vending Machines* (covering May to June 2009), conducted by Intage Inc.

3. Market share for over-the-counter sales

In 2009, Coca-Cola West's market share for over-the-counter sales of cold beverage products was 22.5%, up 0.2 percentage points year on year, as the Company continued to hold the top share in the industry.

By sales outlet, Coca-Cola West's share of this market was 23.2% for supermarkets, 19.4% for convenience stores, 25.9% for general stores (such as grocery stores and liquor stores), and 23.5% for drug stores—the No. 1 share in each of these categories.

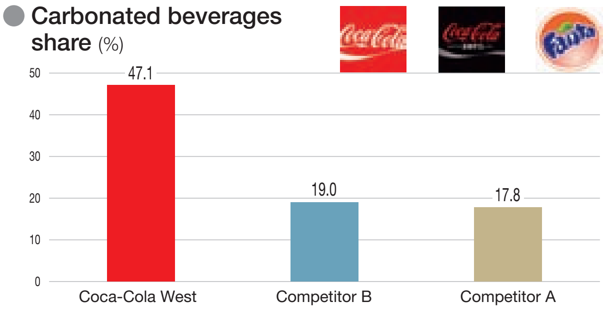


Source: *Store Audit* conducted by Intage Inc.

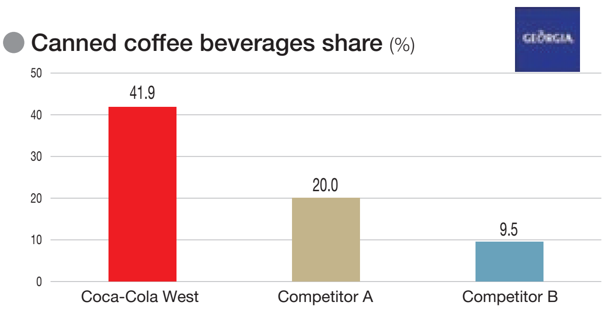
4. Market share for over-the-counter sales by product category

Coca-Cola West dominated the market share for over-the-counter sales of soft drink products in every product category with its brands of Coca-Cola, Coca-Cola Zero, Fanta, Georgia, Sokenbicha, and Aquarius.

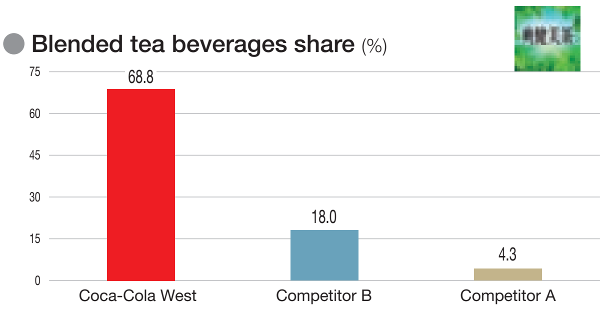
Carbonated beverages share (%)



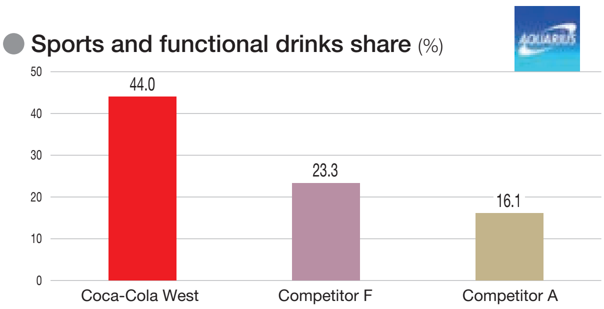
Canned coffee beverages share (%)



Blended tea beverages share (%)



Sports and functional drinks share (%)



Source: *MBI* conducted by Intage Inc.

Coca-Cola West Brand Lineup

The Company concentrates investment in its "Big 6" brands, namely Coca-Cola, Coca-Cola Zero, Fanta, Georgia, Sokenbicha, and Aquarius. In addition to these, I LOHAS and Ayataka were both positioned as priority brands beginning from 2010. Coca-Cola West is also promoting numerous other brands including Qoo, Kocha-kaden, and Minute Maid.

Priority brands

Big 6

Coca-Cola

Coca-Cola Zero

Fanta

Georgia

Sokenbicha

Aquarius

Plus 2

I LOHAS

Ayataka

Other brands

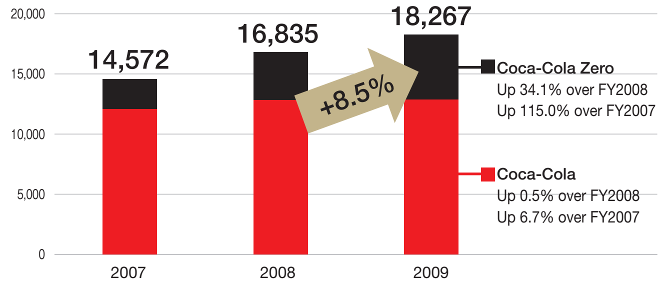
Spotlight on Selected Brands

Coca-Cola and Coca-Cola Zero

Favored by consumers who prefer low-calorie drinks, Coca-Cola Zero has enjoyed steady sales growth since its release in June 2007. In fiscal 2009, sales volume jumped 34.1% year on year as the Company took every opportunity to boost sales by releasing two-liter PET bottles and conducting various promotions. Sales volume of Coca-Cola also increased year on year, and together with Coca-Cola Zero, the combined sales volume of both products rose 8.5% over the previous fiscal year.

Sales volume of Coca-Cola and Coca-Cola Zero

(Thousands of cases)



Coca-Cola

Coca-Cola Zero

New product release—I LOHAS

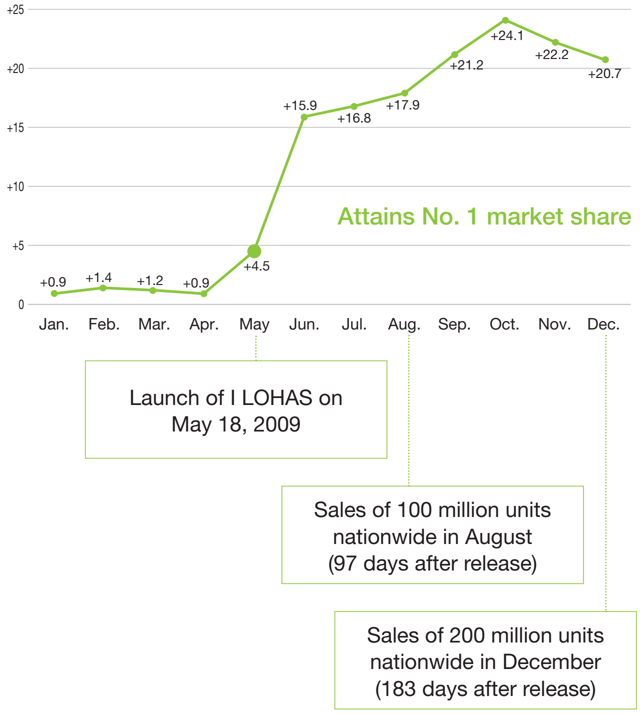
In May 2009, Coca-Cola West launched I LOHAS, a new brand of mineral water that is both delicious and gentle on the environment. Packaged in a 520-milliliter PET bottle that weighs only 12 grams—40% lighter than previous bottles made by the Company and the lightest in Japan*—I LOHAS has won over environmentally conscious consumers and recorded considerable sales growth.

* Compared to PET bottles of up to 550 milliliters manufactured in Japan, based on research by Coca-Cola (Japan) Co., Ltd., in July 2009.

A few of the many awards presented to I LOHAS:

- 2009 Reduce, Reuse and Recycle Promotion Minister's Prize from the Ministry of Agriculture, Forestry and Fisheries
- 2009 Container Packaging 3R Promotion Minister's Prize from the Ministry of the Environment

YoY increases in market share of mineral water products sold at convenience stores (Percentage points)



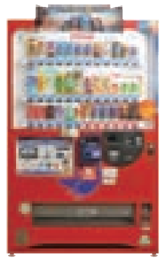
Source: Store Audit by Intage Inc.

Overview of Sales Results

Overview of Sales Structure

Coca-Cola West's sales structure is organized according to specialized sales channels, and its sales representatives are all beverage experts able to provide consumers with value-added solutions.

Vending machines



For this sales channel, Coca-Cola West carries out business through the operation of vending machines, providing all related services including replenishing and maintaining the machines. The Company supplies assorted products that are popular with customers, while actively introducing cashless vending machines that suit the needs of today and energy-saving units that are easier on the environment.

Chain stores

The chain store sales channel is comprised of high-volume sales outlets including supermarkets, convenience stores, and home centers. Since consumer needs are diverse, Coca-Cola West researches the reasons why consumers visit certain stores and purchase particular items. From these findings, the Company selects the most suitable assortment of products to match the character of each store and proposes plans for sales promotions.

Retail stores

Retail stores include over-the-counter shops such as liquor stores, grocery stores, and roadside stores. Coca-Cola West offers proposals for optimum sales equipment especially suited for each store and provides advertising materials featuring seasonal or popular culture themes, to give full support to store operators so that their facilities can satisfy consumers.

Food service

For this sales channel, Coca-Cola West supplies syrup and powdered products for drink dispensers to fast food and family restaurants, movie theaters, and other food service facilities. Targeting diverse customer needs, the Company offers a wide assortment of products beginning with Coca-Cola and Fanta soft drinks along with coffee and soups.

Coca-Cola West Sales Channels

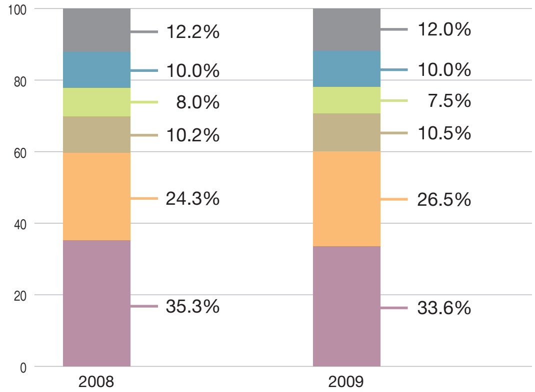
Sales volume by sales channel (Thousands of cases)

	2008*	2009	YoY change
Vending machines	65,808	60,324	(8.3%)
Supermarkets**	45,248	47,622	5.2%
Convenience stores	19,105	18,839	(1.4%)
Chain stores total	64,353	66,461	3.3%
Retail stores	14,915	13,464	(9.7%)
Food service	18,636	17,890	(4.0%)
Other	22,698	21,572	(5.0%)
Total	186,410	179,711	(3.6%)

* Results for 2008 have been adjusted to reflect changes related to some products in 2009.

** The supermarkets channel includes drugstores, discount stores, and home centers.

Sales volume breakdown by channel

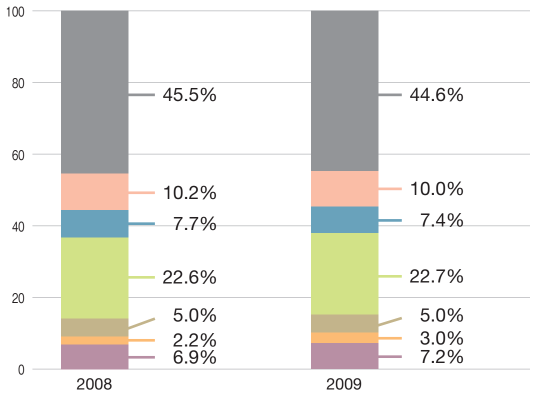


Sales volume by brand

(Thousands of cases)

	2008*	2009	YoY change
Coca-Cola	12,804	12,863	0.5%
Coca-Cola Zero	4,031	5,404	34.1%
Fanta	9,257	9,055	(2.2%)
Georgia	42,208	40,832	(3.3%)
Sokenbicha	14,264	13,370	(6.3%)
Aquarius	19,100	18,022	(5.6%)
Big 6 total	101,664	99,545	(2.1%)
Other brands	84,746	80,166	(5.4%)
Total	186,410	179,711	(3.6%)

* Results for 2008 have been adjusted to reflect changes related to some products in 2009.

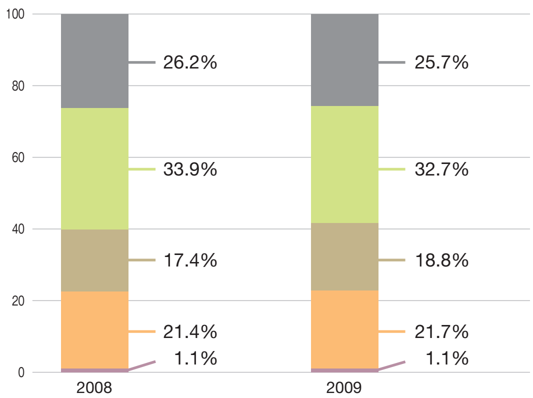


Sales volume by container type

(Thousands of cases)

	2008*	2009	YoY change
Glass bottles	2,071	2,024	(2.3%)
Small PET bottles (up to 1000 ml)	39,975	39,014	(2.4%)
Large PET bottles (over 1000 ml)	32,494	33,703	3.7%
Total PET bottles	72,469	72,716	0.3%
Cans	63,116	58,783	(6.9%)
Other containers	6,391	5,942	(7.0%)
Syrup, powder, and food products	42,363	40,246	(5.0%)
Total	186,410	179,711	(3.6%)

* Results for 2008 have been adjusted to reflect changes related to some products in 2009.



190 ml glass bottle | 280 ml PET bottle | 470 ml PET bottle | 1.0 l PET bottle | 1.5 l PET bottle | 2.0 l PET bottle | 190 g can | 280 g can | 350 g can | Syrup and powder

Corporate Social Responsibility Activities
Aimed at Winning the Trust of All Stakeholders

The Coca-Cola West Group works steadfastly to continue meeting its responsibilities as a corporate citizen, based on its management philosophy of "Creating the future of the soft drink business." The Group's main corporate social responsibility (CSR) activities undertaken through its beverage business are described below.

Initiatives in business activities

Coca-Cola West provides vending machines designed to support local residents and communities, including "community contribution vending machines" and "disaster-response vending machines." These machines contribute to the development of local communities and the safety and security of local residents in their daily lives.

Community contribution vending machines to support local communities

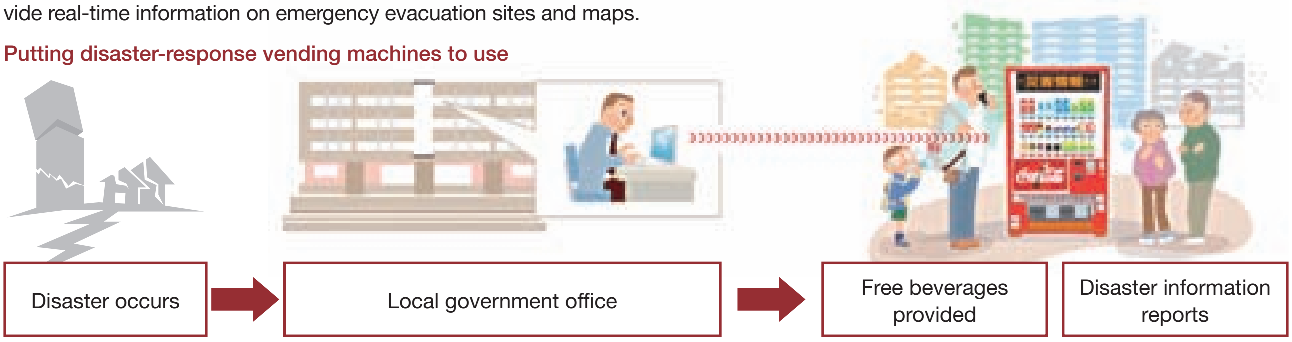
Under the concept of vending machines used as donation boxes, a portion of the sales from these vending machines is returned to the communities where they are operated to fund social contribution projects, events, and sporting activities. This allows customers to collaborate together with their communities. First introduced in the northern Kyushu region, this initiative has spread across Japan, and the Company is working toward expanding it further in the future.

Putting community contribution vending machines to use

Disaster-response vending machines to provide relief during emergencies

These vending machines can provide local residents with free beverages in the event that a major earthquake or disaster disrupts supply lines. Controlled remotely from local government offices, disaster-response vending machines are fitted with digital displays that can provide real-time information on emergency evacuation sites and maps.

Putting disaster-response vending machines to use



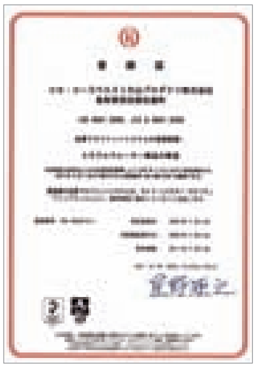
Initiatives to Ensure Product Quality

Placing product quality as its highest priority, the Coca-Cola West Group carries out thoroughgoing quality management in order to provide consumers with safe and dependable products that are always fresh.

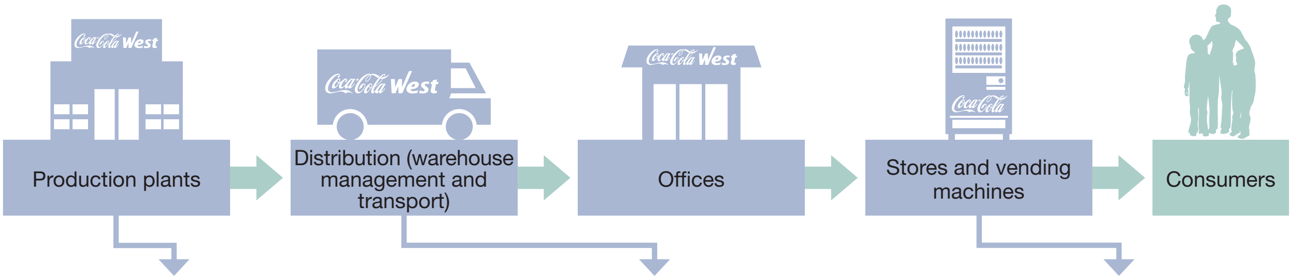
Quality management initiatives

The Coca-Cola West Group has established a stringent quality assurance framework based on the global standard Coca-Cola Quality Management System, which was independently developed under the Coca-Cola System. Furthermore, the Group's production plants quickly acquired ISO 9001 certification, the international standard for quality assurance, and have adopted the Hazard Analysis Critical Control Point* (HACCP) management method. Through these and other means, the Group is ensuring quality so that consumers can enjoy its products with peace of mind.
In addition, the Coca-Cola West Group Quality Assurance Regulations along with Quality Assurance Standards are observed in every aspect of operations right up to the time the product reaches the customer.

* This is a method designed to ensure the safety of food products. It was initially developed to produce the high degree of safety required for producing food for NASA astronauts. The method comprises the analysis of causal factors that can seriously harm human health, including biological, physiological, and chemical causes, to determine techniques for controlling these factors.



ISO 9001 certification



"We create products that bring joy to consumers."

Toshikazu Watanabe
Tosu Plant,
Coca-Cola West Products Co., Ltd.

"On our production line, we constantly clean to maintain the sanitary conditions of the nozzles in the area where containers are filled. We are going ahead with initiatives for safe production so that our consumers—no matter how many—can enjoy the drinks we make without any worries."

"We deliver high-quality beverages straight from the production plant."

Noboru Yamashiro
Transportation Division,
Coca-Cola West Logistics Co., Ltd.

"For me, the first priority of transport is delivering products as they were when they came from the production plant—with their high quality intact. With that in mind, I drive carefully to make sure that I don't damage goods from a sudden start, turn, or stop."

"We select products to fit every location and carefully follow the first in, first out stocking method."

Chihiro Kiya
Retail Food Service,
Coca-Cola West Co., Ltd.

"We suggest the most suitable assortment of products at each place where we deliver, and then regularly review these assortments after they are settled. Working together with store and vending machine owners, we restock products in order of first in, first out, and make sure to check best-before dates so that consumers don't have to worry when they buy our products."

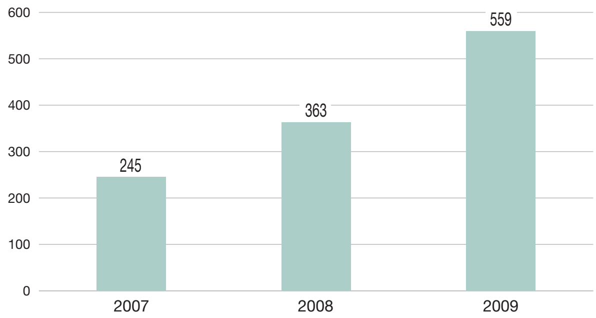
Harmony with Nature

As a company that uses water, Coca-Cola West has a social responsibility to protect this vital and irreplaceable natural resource. Accordingly, the Company is actively involved in the preservation of watershed protection forests, which function to regulate water supplied by rivers through their retention of rainfall and snowfall in soil.

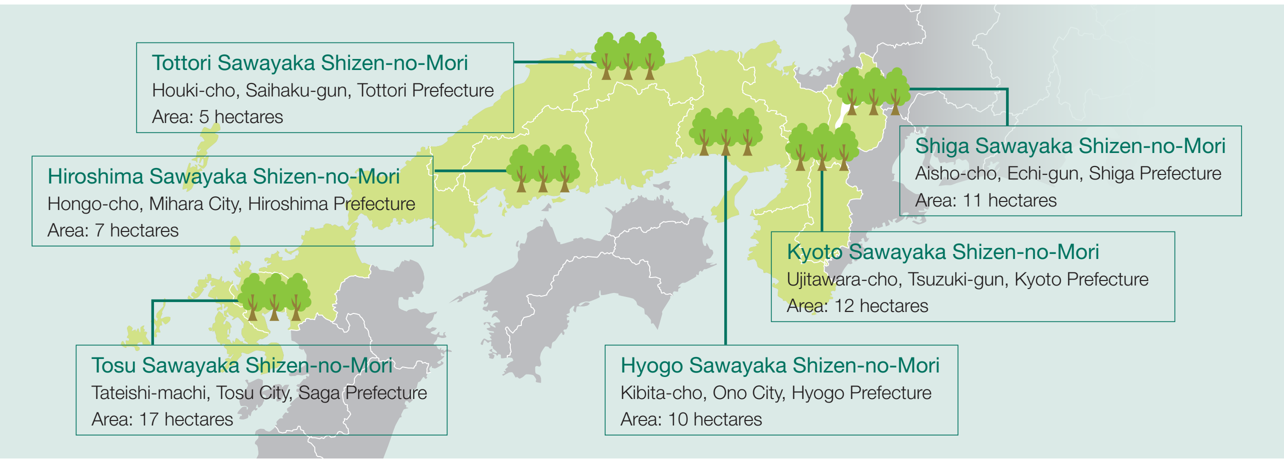
Conservation activities at Sawayaka Shizen-no-Mori

Coca-Cola West has concluded forest management agreements for six forested areas that surround its production plants, designated as Sawayaka Shizen-no-Mori. Group employees and their families along with members of local communities work together in forest conservation activities such as pruning and thinning the trees.

● Number of participants in conservation activities



Locations of Sawayaka Shizen-no-Mori



Our role as a company

Masahiro Umezaki
Manager,
Public Relations and Environmental Group,
Coca-Cola West Co., Ltd.

In recent times, the public has become very concerned about water resources, as potable water becomes difficult to secure on a global scale due to climate change brought about by global warming. Therefore, we feel an obligation to go above and beyond our role as a beverage business, and protect the forests and soil that cradle our water supply.

The Coca-Cola Group began employing the Corporate Forest System of the Forestry Agency of Japan in April 2006, and initiated forest conservation activities starting with Tosu City in Saga Prefecture. I hope to see positive initiatives for forest conservation that build on the environmental know-how we have gained and increase opportunities for employees, their family members, and local residents to participate. Furthermore, in addition to preserving water resources, we should also endeavor to protect biodiversity in our efforts to contribute to the creation of a sustainable society.

Realizing a Recycling-Oriented Society

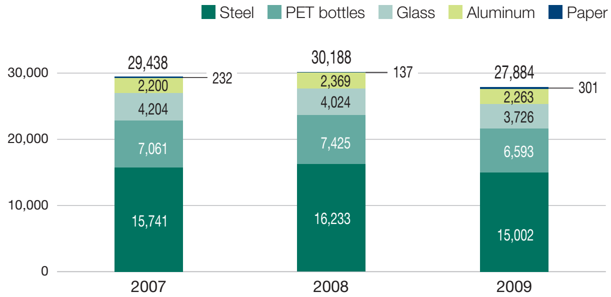
Coca-Cola West is active in recycling empty containers and works to achieve its zero emissions goal for waste generated from its production processes.

Recycling of empty containers

Meeting its obligations as a soft drink maker, Coca-Cola West collects empty containers from vending machine disposal bins and brings them to its offices and production plants for recycling, with the aim of making effective use of limited resources through its business activities. In fiscal 2009, the Company recycled approximately 28,000 tons of materials.

At the Company's Kita Kyushu Eco Town, located in Kita Kyushu City in the Kyushu region, an empty container recycling center has been in operation since November 2003. About 6,000 tons of empty containers from the center were recycled in fiscal 2009, after steel and aluminum cans, PET bottles, and glass bottles were separated at the Group's offices and production plants. In recognition of these initiatives, Coca-Cola West was given an award by Kita Kyushu City in 2009 for its outstanding efforts in handling industrial waste.

Amount of recycled materials (tons)



Recycling of retired vending machines

In April 2008, Coca-Cola West began operations of the Retired Vending Machine Recycling Center, a specialized facility for disposing retired beverage vending machines collected around the Chugoku and Kita Kyushu regions. Constructed on the site of the Kita Kyushu Eco Town in Kita Kyushu City, the Center disassembles the retired machines and retrieves their parts and materials, thereby effectively reusing limited resources. The Company aims to recycle 16,000 machines every year as it works toward the realization of a recycling-oriented society.

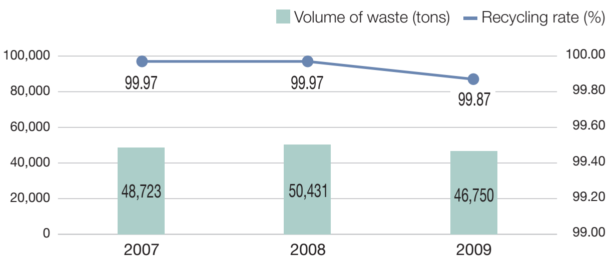
Number of retired vending machines and amount of recovered chlorofluorocarbons (CFCs)

	2007	2008	2009
Total number of retired machines	30,915	29,313	19,021
Number of the total recycled at the Center	—	8,033	9,868
Total amount of CFCs recovered (kg)	6,426	6,197	4,686
Amount of the total recovered at the Center (kg)	—	2,238	2,711

Waste recycling at production plants

At all Coca-Cola West production plants, waste generated from production processes is separated and recycled, and efforts are taken to reduce the amount of waste that is finally sent to landfills. With a recycling rate of over 99% in fiscal 2009, the Group once again achieved its zero emissions goal, which it defines as recycling of more than 99% of total waste. The recycled waste was reused in a wide variety of applications.

Volume and recycling rate of waste from production plants



Volume and recycling rate of waste from production plants

Waste type	Volume generated	Recycling rate	Recycling usage
Coffee grounds / tea leaves	39,540t	100.00%	Organic fertilizer
Sludge	4,426t	99.38%	
Metal	285t	99.74%	Recycled steel / Aluminum cans
Glass	297t	99.97%	Recycled glass
Plastic	832t	99.86%	Recycled plastic / Fuel
Paper	944t	100.00%	Cardboard boxes / Recycled paper
Other	426t	92.87%	Roadbed materials / Other uses
Total	46,750t	99.87%	

Recycling rate: 99.87% Attainment of zero emissions goal

Corporate Social Responsibility Activities

Water Resource Management

Water used at the Coca-Cola Group's production plants is recycled wherever possible and discharged water is subject to stringent wastewater treatment controls.

Water usage and wastewater controls at production plants

The production plants of the Coca-Cola West Group use large quantities of water for their production processes. Nevertheless, after water is used once, it is subject to purification treatment and then used again as equipment cooling water or in other applications. When wastewater is finally discharged in rivers or sewage systems, the Group follows established in-house standards that are even stricter than laws and regulations. These standards provide the basis for highly effective wastewater treatment that ensures safe water quality, resulting in less environmental impact.

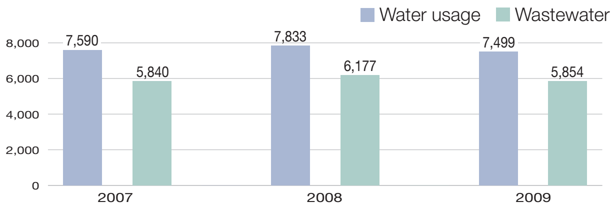
Regulated limits for water discharged in rivers and production plant results

Production plant	Regulated items*	Regulated limits** (mg/l)	Maximum amount measured (mg/l)
Kyoto	COD	25.0	4.9
	BOD	25.0	4.8
Akashi	COD	20.0	12.0
	BOD	20.0	6.3
Hongo	COD	50.4	17.4
	BOD	29.0	10.0
Tosu	BOD	40.0	13.0
Kiyama	BOD	30.0	12.0
Daisen	COD	160.0	47.0
	BOD	160.0	10.0

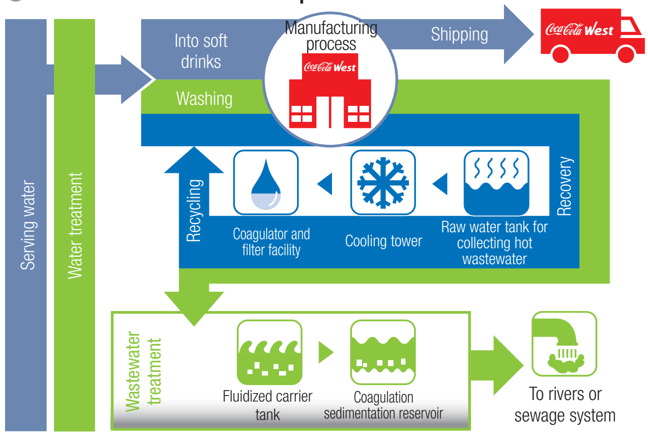
* Chemical oxygen demand (COD) and biochemical oxygen demand (BOD)

** Regulated limits vary by region

Volume of water usage and wastewater (Liters)



Water treatment flow at plants



Explanation of equipment

Raw water tank for collecting hot wastewater: Water tank for collecting and storing heated water emitted from pressurized high-temperature product sterilization devices

Cooling tower equipment: Uses a fan to cool the collected heated effluent to room temperature

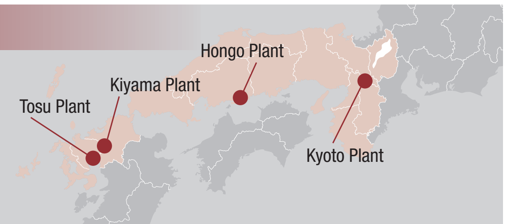
Coagulation and filter facility: Equipment that processes and treats the collected/cooled water to bring it to the same quality as drinking water

Fluidized carrier tank: Water tank for aerobic processing, which works by causing a carrier attached to microorganisms to flow through the water

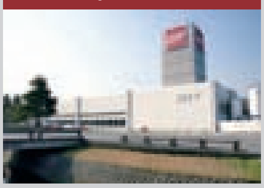
Coagulation sedimentation reservoir: Equipment that causes a chemical reaction, in which clean water separates from sludge through sedimentation.

Information on production plant tours

The Coca-Cola West Group organizes production plant tours to create opportunities for learning and enjoyment in the community, as well as for direct exchanges between participants and employees. At the Kyoto Production Plant, for instance, tour participants are guided through the facility and can have fun observing firsthand every process of production required to create finished Coca-Cola products.



Tosu Plant
Saga Prefecture

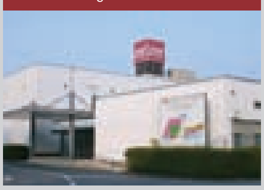


Address:	1670-2 Nihonmatsu, Todoroki-machi, Tosu City, Saga Prefecture
Telephone:	81-942-82-5141
Reception times:	Mon. – Fri., 8:30 – 17:00
Closed to visitors:	Sat. – Mon. and national holidays
Length of tour:	About 60 minutes
Number of tour participants:	Up to 80

Hongo Plant
Hiroshima Prefecture

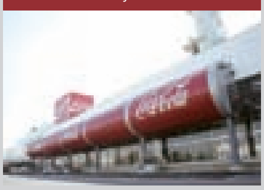
Address:	1-3-1 Shimokitagata, Mihara City, Hiroshima Prefecture
Telephone:	81-848-86-3600
Reception times:	Mon – Fri. 8:30 – 17:00
Closed to visitors:	Sat. – Mon. and national holidays
Length of tour:	About 60 minutes
Number of tour participants:	From 20 to 80

Kiyama Plant
Saga Prefecture



Address:	380-16 Oaza-nagano, Kiyama-cho, Miyaki-gun, Saga Prefecture
Telephone:	81-942-92-5251
Reception times:	Mon. – Fri., 8:30 – 17:00
Closed to visitors:	Sat. – Mon. and national holidays
Length of tour:	About 60 minutes
Number of tour participants:	Up to 80

Kyoto Plant
Kyoto



Address:	128 Taishin-arami, Kumiyama-cho, Kuse-gun, Kyoto
Telephone:	81-774-43-5522
Reception times:	9:30 – 11:30, 12:30 – 17:00
Closed to visitors:	Mon. (excluding national holidays falling on that day), and during New Year holidays
Length of tour:	About 90 minutes
Number of tour participants:	Up to 50

Together with Local Communities

Coca-Cola West carries out CSR activities as a good corporate citizen together with local communities in the 14 prefectures where it conducts business. Some of these activities are detailed below.

Ichimura Nature School in Kyushu

Coca-Cola West supports the Ichimura Nature School in Kyushu. With the basic ideal of "learning about living things from the earth," the school promotes the healthy rearing and growth of children through experiences with nature focused on farming activities, and communal living with other students.

Sawayaka classical music concerts

Coca-Cola West sponsors concerts to provide opportunities for local residents to enjoy live performances of the finest classical music. In 2009, concerts were held at three locations, featuring masterful performances by the Wiener Ring Ensemble and other groups.

Sawayaka family musicals

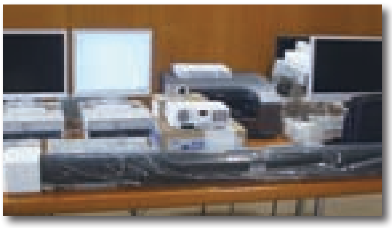
Coca-Cola West sponsors musicals during the summer holidays and invites children and their parents. In 2009, the timeless classic, *The Wizard of Oz*, was staged at two locations, with gorgeous sets that transformed the stage into a world of fantasy.

Sawayaka Rugby Clinic

Members of the Coca-Cola West Red Sparks rugby club teach basic rugby skills to high school and college students. This activity fosters the health of young people and promotes new friendships. In 2009, clinics were held in Saga and Fukuoka prefectures, with about 350 students participating.

Donation of unicycles to elementary schools

Coca-Cola West donates unicycles to elementary schools to promote good health for children. As part of the curriculum guidelines set by the Ministry of Education, Culture, Sports, Science and Technology, unicycles are used as an aid to develop motor coordination. The Company donated 2,000 unicycles to 200 schools in 2009.



Donation of educational materials to special-needs schools

Coca-Cola West donates computers, peripherals and other information technology equipment to special-needs schools to help their students gain self-reliance. The Company donated equipment to 20 schools in 2009.

Tree planting activities

To promote the importance of nature and bring people closer to their environment, the Company supports tree planting activities in which children and members of the community plant oak tree seedlings. These activities deepen their understanding of forest conservation and create opportunities for them to think about environmental issues such as global warming. In 2009, 720 seedlings were planted at three locations.

Biotope project for students

To teach the wonder and importance of the natural environment, Coca-Cola West supports this biotope project for students. Coming from 63 elementary schools in 14 prefectures, the students build small ecological habitats, or biotopes, based on plans designed by themselves. The Company's Web site features project activities and the biotope management manual used by the children.

Local community cleanups

Coca-Cola West actively participates in cleanup activities in cooperation with local governments, and carries out beautification projects to express its gratitude to the community as a corporate partner. The Group carried out six cleanups at four sites in 2009, and with about 650 employees and their family members participating, it contributed to raising environmental awareness.

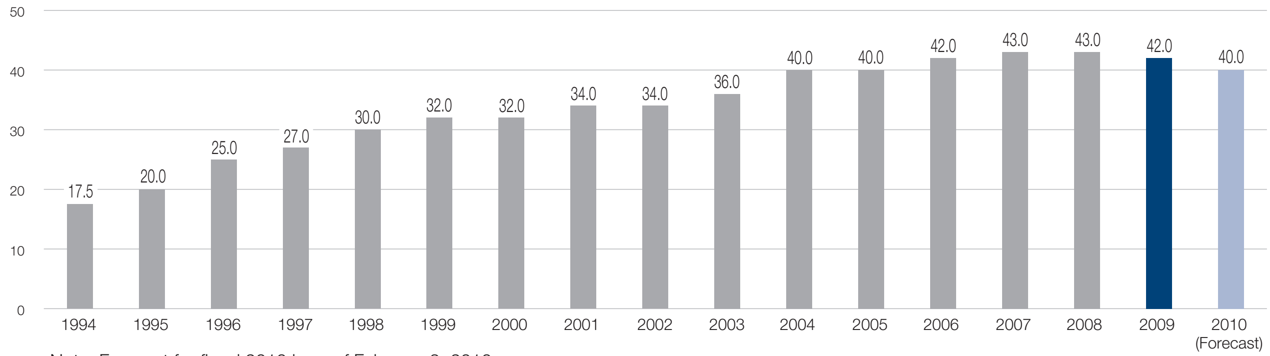
Corporate Social Responsibility Activities

Dividend Policy and Shareholder Reward Points System (as of December 31, 2009)

Dividend Policy

Coca-Cola West places the utmost priority on paying stable dividends to shareholders, and pays two dividends per year—an interim dividend and year-end dividend—after giving full consideration to the Company's operating performance and retained earnings.

Dividend per share (yen)



Note: Forecast for fiscal 2010 is as of February 3, 2010.

Shareholder Reward Points system

Shareholders who possess 100 or more shares receive a number of Reward Points according to the number of shares they own. For shares registered as of June 30, Reward Points are awarded the following September, and for shares registered as of December 31, the Reward Points are awarded in April of the following year. Shareholders can choose to exchange their Reward Points, with one point equal to ¥60, for assorted Coca-Cola products or to use them as donations to the Company's social contribution activities by using the Reward Points Web site or product catalog.

Awarding criteria

Effective date	Number of shares owned	Details	Time of award
June 30	100 to 499 shares	30 Coca-Cola Reward Points	September of the same year
	500 to 999 shares	40 Coca-Cola Reward Points	
	1,000 to 4,999 shares	60 Coca-Cola Reward Points	
	Above 5,000 shares	120 Coca-Cola Reward Points	
December 31	100 to 499 shares	30 Coca-Cola Reward Points	April of the following year
	500 to 999 shares	40 Coca-Cola Reward Points	
	1,000 to 4,999 shares	60 Coca-Cola Reward Points	
	Above 5,000 shares	120 Coca-Cola Reward Points	

Options for Reward Points

▲ Coca-Cola products

▲ Bath towel with Coca-Cola West logo

▲ Donation to Ichimura Nature School in Kyushu

Consolidated Financial Data

	2005	2006	2007	2008	2009
Net revenues (Millions of yen)	245,874	327,821	409,521	395,556	369,698
Growth in revenues (%)	(2.9)	33.3	24.9	(3.4)	(6.5)
Operating income (Millions of yen)	11,830	12,321	16,056	10,521	2,242
Operating income/Net revenues (%)	4.8	3.8	3.9	2.7	0.6
Recurring income (Millions of yen)	12,256	13,225	17,493	11,048	2,085
Recurring income margin (%)	5.0	4.0	4.3	2.8	0.6
Income (loss) before income taxes, minority interests and other adjustments (Millions of yen)	12,201	13,108	14,254	2,402	(10,446)
Operating income/Income before income taxes, minority interests and other adjustments (%)	5.0	4.0	3.5	0.6	(2.8)
Net income (loss) (Millions of yen)	7,305	7,570	9,375	129	(7,594)
Return on sales (%)	3.0	2.3	2.3	0.0	(2.1)
Net income (loss) per share (yen)	93.42	82.22	88.29	1.25	(75.96)
Return on equity (ROE) (%)	4.3	3.6	3.7	0.1	(3.3)
Return on assets (ROA) (%)	5.9	5.1	5.6	3.7	0.7
Total assets (Millions of yen)	208,711	304,907	315,672	277,696	326,818
Net assets (Millions of yen)	173,608	250,463	254,025	234,521	222,816
Equity ratio (%)*1	83.2	82.1	80.5	84.4	68.2
Net assets per share*2 (yen)	2,228.79	2,358.05	2,391.83	2,345.03	2,227.96
Price book-value ratio (PBR)*3 (times)	1.2	1.2	1.0	0.8	0.7
Price earnings ratio (PER)*4 (times)	29.5	33.5	28.0	1,549.5	(21.6)
Cash flows from operating activities (Millions of yen)	16,607	21,806	33,000	16,180	28,747
Cash flows from investing activities (Millions of yen)	(15,256)	(14,956)	(23,306)	2,153	(23,447)
Cash flows from financing activities (Millions of yen)	(2,901)	(9,244)	3,586	(31,486)	43,297
Cash and cash equivalents at end of year (Millions of yen)	20,238	22,284	35,564	22,412	71,221
Payout ratio (consolidated) (%)	42.8	51.1	48.7	3,440.0	–
Dividend per share (yen)	40.00	42.00	43.00	43.00	42.00
interim dividend amount in brackets (yen)	[20.00]	[20.00]	[21.00]	[21.00]	[21.00]
Interest coverage ratio (times) (operating cash flow / interest payments)	—	589.3	285.4	462.7	97.2
Depreciation and amortization (Millions of yen)	13,860	19,571	22,533	21,741	21,900
Capital expenditures (Millions of yen)	16,199	22,020	19,951	18,032	25,201
Capital expenditures used for vending machines (Millions of yen) [Share of capital expenditures used for vending machines]	5,819 [36%]	12,187 [55%]	10,012 [50%]	10,359 [57%]	8,760 [35%]

*1 Until fiscal 2005, Shareholders' equity ratio=Shareholders' equity ÷ Total assets; from fiscal 2006, Equity ratio = Total equity ÷ Total assets

*2 Until fiscal 2005, Shareholders' equity per share = Shareholders' equity ÷ The number of shares outstanding at the end of the period; from fiscal 2006, Net assets per share = Net assets ÷The number of shares outstanding at the end of the period

*3 Until fiscal 2005, Price book-value ratio (PBR) = Market value at the end of the period ÷ Shareholders' equity per share; from fiscal 2006, Price book-value ratio (PBR) = Market value at the end of the period ÷ Net assets per share

*4 Price earnings ratio (PER) = Market value at the end of the period ÷ Net income per share

Management's Discussion and Analysis

Consolidated Operating Results

Net Revenues

In fiscal 2009, the year ended December 31, 2009, sales volume in the Coca-Cola West sales region declined due to the impact of various factors, including sluggish consumption and falling prices brought on by deteriorating employment and income conditions, as well as unseasonable summer weather. In a reform of the supply and demand management system, product purchasing has shifted to in-house production. While this resulted in increased product sales to other Coca-Cola bottlers in the Western Japan region in fiscal 2009, at the same time, it ended manufacturing and logistics revenue formerly commissioned by Coca-Cola National Beverage Co., Ltd. This revenue totaled ¥27,822 million in the previous fiscal year. Due to the impact of these and other factors, net revenues totaled ¥369,698 million, a decrease of ¥25,857 million, or 6.5%, compared to the previous fiscal year.

Operating Income

Despite efforts to carry out sweeping cost cuts across the entire Coca-Cola West Group, operating income fell ¥8,278 million, or 78.7%, year on year, to ¥2,242 million, primarily due to the impact of the decrease in net revenues.

Recurring Income

Compared to the previous fiscal year, recurring income dropped ¥8,963 million, or 81.1%, to ¥2,085 million, owing to such factors as the fall in operating income and non-operating income costs incurred for the issue of debenture bonds.

Net Income

Net income decreased ¥7,724 million from the previous fiscal year, resulting in a net loss of ¥7,594 million. This is attributable to several factors, including the decrease in recurring income, and an impairment loss on fixed assets of ¥6,092 million, which was designated for future sales and logistics bases targeted by reorganization plans and in line with merger and consolidation initiatives that are aimed at further enhancing and improving the efficiency of business and sales operations. In addition, a total of ¥1,767 million in transfer fees and early retirement bonuses was used to transfer Coca-Cola West employees to Group companies and to implement a Group-wide early retirement plan, with the objective of proactively upgrading the personnel system and employment conditions.

Operating Results by Segment

● Manufacturing and Marketing of Beverages and Foods

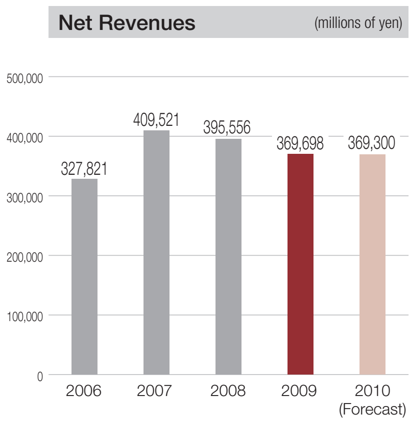
In the fiscal year under review, Coca-Cola West worked continuously to carry out its brand strategy of strengthening core brands, namely Coca-Cola, Coca-Cola Zero, Georgia, Sokenbicha, Aquarius, and Fanta. Sales of the Coca-Cola brand expanded considerably owing to the addition of Coca-Cola Zero to bolster the product lineup, and to the effectiveness of a promotional campaign with the J.League. For the Georgia brand, new products were launched including the re-released European Blend and the all-new Gohobi Break, as the Company implemented aggressive measures to enhance the brand. Coca Cola West strove to broaden the market share of the Aquarius brand with the re-launch of Vitamin Guard and the expansion of its yearly "loyalty promotion." Sales of the Fanta brand increased with the release of Zero Cider and other new products.

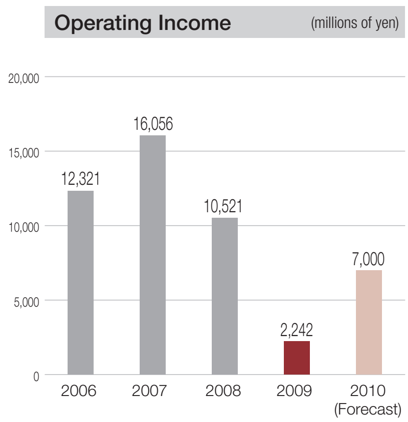
In addition to these core brands, sales of I Lohas mineral water, which features a lightweight bottle designed to attract environmentally conscious consumers, were up significantly and market share increased.

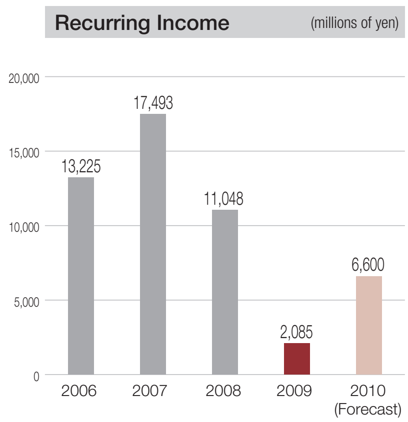
In the area of sales channel strategy, Coca-Cola West developed finely tuned marketing activities for each of its sales channels. For supermarkets, aggressive promotions of large-sized PET bottles contributed significantly to increased sales and market share. For vending machines, the Company worked to expand sales per machine by actively introducing cashless and energy-saving vending machines, aggressively promoting Georgia products with larger sized cans, and enhancing merchandising activities. For retail stores and food service, "Coke Town" projects were launched in Osaka and Fukuoka to develop stores as consumer starting points, with the aim of expanding the Company's consumer base.

Coca-Cola West continued to hold senior management meetings to conduct intensive deliberations for the purpose of ensuring the continuous growth of the Coca-Cola business, based on its strategic partnership with The Coca-Cola Company and Coca-Cola (Japan) Co., Ltd.

Despite the efforts above, revenues in this segment were down 6.1% compared to the previous fiscal year, totaling ¥367,126 million. Operating income dropped 48.2% year on year to ¥11,468 million.







Note: Forecasts for fiscal 2010 are as of February 3, 2010.

Other Businesses

This segment is comprised of a real estate business, insurance agency, transport business (excluding beverage distribution), and restaurant business. Since the beginning of fiscal 2009, the transport business has been operated by a newly consolidated subsidiary, Chugoku Piano Transport Co., Ltd.
Revenues in this segment were ¥2,744 million, a decrease of 44.2% year on year. Operating income, however, rose 15.4% to ¥482 million.

Forecasts for Fiscal 2010

In fiscal 2010, net revenues are forecast to remain flat, dipping slightly by 0.1% to ¥369,300 million; operating income is forecast to reach ¥7,000 million, a jump of 212.1%; recurring income is expected to rise to ¥6,600 million, up 216.5%; and net income is projected to total ¥3,600 million.

Financial Position

As of the end of fiscal 2009, the equity ratio was 68.2%. During the fiscal year under review, Coca-Cola West issued debenture bonds amounting to ¥50,000 million. Despite this, the Company believes that the soundness of its financial standing will continue. Major items in the balance sheet and reasons for changes compared to the previous fiscal year are discussed below.

Assets

Total assets stood at ¥326,818 million as of the end of fiscal 2009, an increase of ¥49,122 million, or 17.7%, compared to the end of the previous fiscal year. This was mainly attributable to the issue of debenture bonds of ¥50,000 million, as well as the acceptance of lease assets, specifically product inventories and production equipment at manufacturing and logistics bases formerly managed by Coca-Cola National Beverage Co., Ltd., whose business ceased according to reforms of the supply and demand management system.

Liabilities

As of the end of fiscal 2009, liabilities amounted to ¥104,002 million, up ¥60,827 million, or 140.9%, compared to the end of the previous fiscal year. The main reasons for this were bonds payable of ¥50,000 million from the issue of debenture bonds, and in line with the aforementioned acceptance of lease assets, an increase in trade notes and accounts payable from the expanded scale of managed inventories, and an increase in lease obligations.

Net Assets

Net assets were ¥222,816 million as of the end of fiscal 2009, down ¥11,704 million, or 5.0%, from the end of the previous fiscal year. This was mainly attributable to payment of dividends and a net loss in retained earnings.

Cash Flows

Results of cash flows for fiscal 2009 are presented below. In addition, Chugoku Piano Transport Co., Ltd., previously an unconsolidated subsidiary, was newly included in the scope of consolidation from the beginning of fiscal 2009, contributing its cash and cash equivalents of ¥212 million in fiscal 2009.

Cash Flow from Operating Activities

Net cash provided by operating activities amounted to ¥28,747 million, a year-on-year increase of ¥12,566 million, or 77.7%. Main items included an increase in inventories and an increase in accounts payable resulting from the reform of the SCM system, and a decrease in income taxes paid (including tax refunds).

Cash Flow from Investing Activities

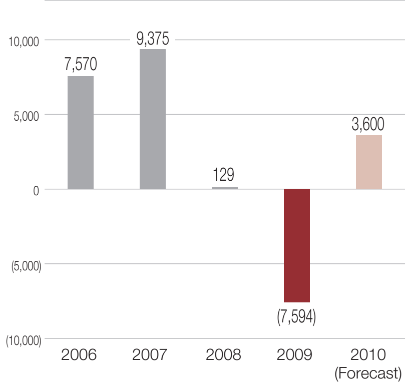
Net cash used in investing activities was ¥23,447 million, a difference of ¥25,610 million compared to the ¥2,153 million provided in the previous fiscal year. This result was impacted by proceeds from sales of marketable and investment securities of ¥22,661 million undertaken in fiscal 2008. In the fiscal year under review, large-scale capital investment was expended for new production equipment at the Akashi Plant and other items.

Cash Flow from Financing Activities

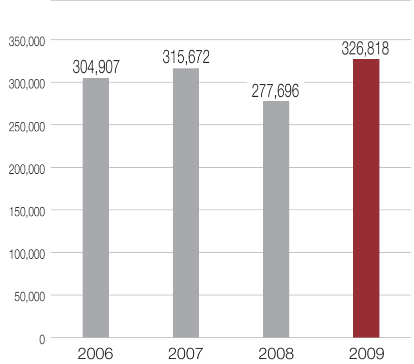
Net cash provided by financing activities totaled ¥43,297 million, a difference of ¥74,783 million compared to the ¥31,486 million used in the previous fiscal year. The change was due to the repayment of debt totaling ¥12,500 million in fiscal 2008, and in the fiscal year under review, the issue of debenture bonds amounting to ¥50,000 million, which was undertaken to enable a flexible investment strategy going forward.

Accounting for all of the above, cash and cash equivalents at the end of fiscal 2009 stood at ¥71,221 million, an increase of ¥48,809 million, or 217.8%, compared to the previous fiscal year-end.

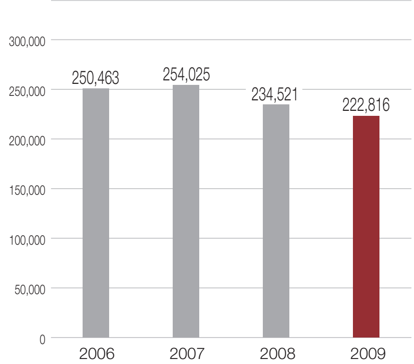
Net Income (Loss) (millions of yen)



Total Assets (millions of yen)



Net Assets (millions of yen)



Note: Forecasts for fiscal 2010 are as of February 3, 2010.

Consolidated Balance Sheets (As of December 31, 2007, 2008 and 2009)

			(Millions of yen)	(Thousands of U.S. dollars)*
	2007	2008	2009	2009
ASSETS				
Current assets:				
Cash and deposits	¥19,567	¥18,592	¥20,634	$221,870
Trade notes and accounts receivable	23,064	21,527	21,630	232,580
Marketable securities	19,407	4,559	51,335	551,989
Inventories	11,721	12,638	—	—
Merchandise and finished goods	—	—	22,861	245,817
Work in process	—	—	0	1
Raw materials and supplies	—	—	2,055	22,096
Deferred tax assets	2,143	2,664	3,288	35,354
Other current assets	15,420	22,208	14,490	155,806
Allowance for doubtful accounts	(103)	(116)	(131)	(1,408)
Total current assets	**91,220**	**82,074**	**136,164**	**1,464,129**
Fixed assets:				
Property, plant and equipment:				
Buildings and structures	35,192	33,271	34,907	375,344
Machinery, equipment and vehicles	20,181	17,553	19,010	204,408
Sales equipment	27,285	26,099	23,905	257,043
Land	56,709	56,082	53,006	569,956
Lease assets	—	—	4,605	49,516
Construction in progress	672	1,097	385	4,139
Other property, plant and equipment	1,992	1,900	1,801	19,365
Total property, plant and equipment	**142,033**	**136,005**	**137,622**	**1,479,806**
Intangible assets				
Goodwill	—	—	2,112	22,709
Other intangible assets	4,719	4,449	4,344	46,709
Total intangible assets	**4,719**	**4,449**	**6,457**	**69,430**
Investments and other assets:				
Investment securities	55,794	32,136	27,658	297,397
Deferred tax assets	3,596	3,465	728	7,827
Advanced payments for retirement expenses	12,732	13,307	11,606	124,795
Other assets	6,147	6,779	7,025	75,537
Allowance for doubtful accounts	(572)	(522)	(445)	(4,784)
Total investments and other assets	**77,698**	**55,166**	**46,573**	**500,784**
Total fixed assets	**224,452**	**195,622**	**190,653**	**2,050,032**
Total assets	**¥315,672**	**¥277,696**	**¥326,818**	**$3,514,172**

* U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥93.00=US$1.00 (figures less than one unit are rounded).

Financial Information

			(Millions of yen)	(Thousands of U.S. dollars)*
	2007	2008	2009	2009
LIABILITIES				
Current liabilities:				
Trade notes and accounts payable	¥5,222	¥3,765	¥17,309	$186,118
Lease obligations	—	—	2,645	28,440
Short-term debt	10,500	—	—	—
Current portion of long-term debt	2,000	—	—	—
Accrued income taxes	3,270	2,769	783	8,419
Other accounts payable	13,638	13,977	13,925	149,731
Notes payable related to equipment	87	88	–	–
Other current liabilities	7,380	5,164	6,440	69,247
Total current liabilities	**42,099**	**25,767**	**41,105**	**441,989**
Long-term liabilities:				
Bonds payable	—	—	50,000	537,634
Lease obligations	—	—	2,050	22,043
Deferred tax liabilities	9,040	7,446	1,536	16,516
Allowance for employees' retirement benefits	5,180	5,394	5,512	59,268
Liabilities for directors' and corporate auditors' retirement benefits	65	7	16	172
Negative goodwill	1,452	1,037	622	6,688
Other long-term liabilities	3,809	3,522	3,158	33,956
Total long-term liabilities	**19,548**	**17,407**	**62,897**	**676,311**
Total liabilities	**61,647**	**43,174**	**104,002**	**1,118,301**
NET ASSETS				
Shareholders' equity:				
Common stock	15,231	15,231	15,231	163,774
Additional paid-in capital	109,074	109,073	109,072	1,172,817
Retained earnings	140,432	136,067	124,174	1,335,204
Treasury stock (at cost)	(11,271)	(25,756)	(25,759)	(276,978)
Total shareholders' equity	**253,467**	**234,616**	**222,718**	**2,394,817**
Valuation and translation adjustments:				
Net unrealized gains (loss) on other marketable securities	488	(165)	23	247
Gain on deferred hedges	4	—	—	—
Total valuation and translation adjustments	**492**	**(165)**	**23**	**247**
Minority interests	**64**	**71**	**74**	**795**
Total net assets	**254,025**	**234,521**	**222,816**	**2,395,870**
Total liabilities and net assets	**¥315,672**	**¥277,696**	**¥326,818**	**$3,514,172**

* U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥93.00=US$1.00 (figures less than one unit are rounded).

Consolidated Statements of Income (from January 1 to December 31)

			(Millions of yen)	(Thousands of U.S. dollars)*
	2007	2008	2009	2009
Net revenues	**¥409,521**	**¥395,556**	**¥369,698**	**$3,975,247**
Cost of goods sold	**234,313**	**231,624**	**206,240**	**2,217,634**
Gross profit	**175,208**	**163,931**	**163,457**	**1,757,602**
Selling, general and administrative expenses	**159,151**	**153,409**	**161,214**	**1,733,483**
Operating income	**16,056**	**10,521**	**2,242**	**24,107**
Non-operating income	**2,433**	**1,531**	**1,074**	**11,548**
Interest income	427	207	97	1,043
Dividends	269	282	251	2,698
Amortization of negative goodwill	414	414	360	3,870
Equity in earnings of affiliates	602	—	—	—
Property rental income	149	122	—	—
Other non-operating income	569	504	364	3,913
Non-operating expenses	**996**	**1,004**	**1,231**	**13,236**
Interest expenses	114	34	316	3,397
Equity in loss of affiliates	—	215	74	795
Loss on disposal of property, plant and equipment	586	408	298	3,204
Expense for issuance of bonds	—	—	260	2,795
Property rental costs	56	44	—	—
Other non-operating expenses	238	301	282	3,032
Recurring income	**17,493**	**11,048**	**2,085**	**22,419**
Extraordinary income	**671**	**732**	**197**	**2,118**
Gain on sales of property, plant and equipment	277	241	—	—
Gain on sales of investment securities	57	262	12	129
Gain on sales of shares of subsidiaries	—	196	—	—
Gain on sales of shares of affiliates	—	1	—	—
Subsidy income	336	31	165	1,774
Gain on transfer of business	—	—	19	204
Extraordinary losses	**3,910**	**9,379**	**12,729**	**136,870**
Loss on sales of property, plant and equipment	—	237	—	—
Impairment loss	282	—	6,092	65,505
Loss from disaster	—	—	19	204
Loss on disposals of property, plant and equipment	—	703	740	7,956
Compensation for retirement of fixed assets	289	140	—	—
Loss on sales of investment securities	—	97	—	—
Loss on sales of shares of subsidiaries	—	335	—	—
Write-down of investment securities	2,252	4,509	51	548
Write-down of golf club memberships	57	—	21	225
Group restructuring expenses	279	1,385	904	9,720
Expense for earthquake precautions	555	—	—	—
Expense for provision for sales equipment installation	—	1,968	2,716	29,204
Head office relocation expenses	—	—	362	3,892
Early retirement bonuses	—	—	617	6,634
Employee transfer fees	—	—	1,150	12,365
Effect of applying lease accounting standards	—	—	52	559
Quality problem countermeasure losses	193	—	—	—
Income (loss) before income taxes, minority interests and other adjustments	**14,254**	**2,402**	**(10,446)**	**(112,322)**
Income taxes	**5,034**	**3,887**	**1,018**	**10,946**
Income tax deferred	**(167)**	**(1,627)**	**(3,878)**	**(41,698)**
Minority interests	**12**	**12**	**8**	**86**
Net income (loss)	**¥9,375**	**¥129**	**¥(7,594)**	**$(81,655)**

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Consolidated Statements of Changes in Shareholders' Equity (from January 1 to December 31)

(Millions of yen)

	Shareholders' equity					Valuation and translation adjustments		Minority interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock (at cost)	Total shareholders' equity	Net unrealized gains (loss) on other marketable securities	Total valuation and translation adjustments		
Balance as of December 31, 2008	**¥15,231**	**¥109,073**	**¥136,067**	**¥(25,756)**	**¥234,616**	**¥(165)**	**¥(165)**	**¥71**	**¥234,521**
Changes during the consolidated fiscal year									
Distribution of dividends	–	–	(4,299)	–	(4,299)	–	–	–	(4,299)
Net loss	–	–	(7,594)	–	(7,594)	–	–	–	(7,594)
Acquisition of treasury stock	–	–	–	(5)	(5)	–	–	–	(5)
Cancellation of treasury stock	–	(0)	–	3	2	–	–	–	2
Net changes in items other than shareholders' equity during the fiscal year	–	–	–	–	–	188	188	3	192
Total changes during the fiscal year	**–**	**(0)**	**(11,893)**	**(2)**	**(11,897)**	**188**	**188**	**3**	**(11,704)**
Balance as of December 31, 2009	**¥15,231**	**¥109,072**	**¥124,174**	**¥(25,759)**	**¥222,718**	**¥23**	**¥23**	**¥74**	**¥222,816**

(Thousands of U.S. dollars)*

	Shareholders' equity					Valuation and translation adjustments		Minority interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock (at cost)	Total shareholders' equity	Net unrealized gains (loss) on other marketable securities	Total valuation and translation adjustments		
Balance as of December 31, 2008	**$163,774**	**$1,172,827**	**$1,463,086**	**$(276,946)**	**$2,522,752**	**$(1,774)**	**$(1,774)**	**$763**	**$2,521,731**
Changes during the consolidated fiscal year									
Distribution of dividends	–	–	(46,225)	–	(46,225)	–	–	–	(46,225)
Net loss	–	–	(81,655)	–	(81,655)	–	–	–	(81,655)
Acquisition of treasury stock	–	–	–	(53)	(53)	–	–	–	(53)
Cancellation of treasury stock	–	(10)	–	32	21	–	–	–	21
Net changes in items other than shareholders' equity during the fiscal year	–	–	–	–	–	2,021	2,021	32	2,064
Total changes during the fiscal year	**–**	**(10)**	**(127,881)**	**(21)**	**(127,924)**	**2,021**	**2,021**	**32**	**(125,849)**
Balance as of December 31, 2009	**$163,774**	**$1,172,817**	**$1,335,204**	**$(276,978)**	**$2,394,817**	**$247**	**$247**	**$795**	**$2,395,870**

* U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥93.00=US$1.00 (figures less than one unit are rounded).

Consolidated Statements of Cash Flows (Years ended December 31, 2007, 2008 and 2009)

			(Millions of yen)	(Thousands of U.S. dollars)*
	2007	2008	2009	2009
Cash flows from operating activities:				
Income (loss) before income taxes, minority interests and other adjustments	¥14,254	¥2,402	¥(10,446)	$(112,322)
Depreciation and amortization	22,533	21,741	24,069	258,806
Impairment gains	282	—	6,092	65,505
Amortization of negative goodwill	(414)	(414)	(360)	(3,870)
Increase (decrease) in liabilities for directors' and corporate auditors' retirement benefits	(181)	(54)	9	96
Increase in liabilities for retirement benefits	410	271	107	1,150
Decrease (increase) in advanced payments for retirement expenses	(2,326)	(575)	1,701	18,290
Interest and dividend income	(696)	(489)	(348)	(3,741)
Interest expense	114	34	316	3,397
Equity in earnings (losses) of affiliates	(602)	215	74	795
Loss (gain) on sales of marketable and investment securities	(52)	(175)	(12)	(129)
Loss on sales of shares of subsidiaries	—	139	—	—
Loss (gain) on sales of shares of affiliates	—	(1)	—	—
Write-down of marketable and investment securities	2,252	4,509	51	548
Loss (gain) on sales of fixed assets	(265)	2	(4)	(43)
Loss on disposals of fixed assets	564	820	1,188	12,774
Decrease (increase) in accounts receivable	(828)	494	42	451
Decrease (increase) in inventories	56	(1,543)	(12,159)	(130,741)
Decrease (increase) in other assets	1,196	(4,549)	5,361	57,645
Increase (decrease) in accounts payable	1,407	(932)	13,291	142,913
Increase (decrease) in other liabilities	(553)	390	(432)	(4,645)
Other, net	145	286	216	2,322
Subtotal	37,297	22,572	28,759	309,236
Interest and dividends received	738	543	342	3,677
Interest paid	(115)	(34)	(295)	(3,172)
Income taxes paid	(4,920)	(6,900)	(3,287)	(35,344)
Income tax refunds	—	—	3,228	34,709
Net cash provided by operating activities	**33,000**	**16,180**	**28,747**	**309,107**
Cash flows from investing activities:				
Acquisition of marketable and investment securities	(53)	(1,390)	(33)	(354)
Proceeds from sales of marketable and investment securities	6,239	22,661	1,895	20,376
Acquisition of fixed assets	(20,238)	(19,920)	(24,613)	(264,655)
Proceeds from sales of fixed assets	1,947	1,435	579	6,225
Acquisition of shares of subsidiaries	—	(808)	—	—
Proceeds from recovery of investment	—	—	2,042	21,956
Expense for acquisition of subsidiary with change in scope of consolidation	—	—	(2,509)	(26,978)
Proceeds from sales of shares of subsidiaries with change in scope of consolidation	—	872	—	—
Acquisition of shares of affiliates	(11,016)	—	—	—
Proceeds from sales of shares of affiliates	—	2	—	—
Long-term loans	(202)	(704)	(1,086)	(11,677)
Proceeds from collection of long-term loans	17	12	372	4,000
Increase in time deposits	(40)	(20)	(191)	(2,053)
Proceeds from refund of time deposits	38	40	97	1,043
Other, net	2	(27)	—	—
Net cash used in (provided by) investing activities	**(23,306)**	**2,153**	**(23,447)**	**(252,118)**
Cash flows from financing activities:				
Increase (decrease) in short-term borrowings	10,495	(10,500)	—	—
Repayment of long-term debt	(2,300)	(2,000)	(194)	(2,086)
Proceeds from issuance of bonds	—	—	50,000	537,634
Expense for repayment of lease obligations	—	—	(2,200)	(23,655)
Payments for acquisition of treasury stock	(56)	(14,510)	(5)	(53)
Proceeds from sales of treasury stock	16	24	2	21
Dividends paid	(4,566)	(4,494)	(4,299)	(46,225)
Dividends paid to minority interests	(2)	(5)	(4)	(43)
Net cash used in (provided by) financing activities	**3,586**	**(31,486)**	**43,297**	**465,559**
Net increase (decrease) in cash and cash equivalents	**13,280**	**(13,152)**	**48,596**	**522,537**
Cash and cash equivalents, beginning of year	**22,284**	**35,564**	**22,412**	**240,989**
Increase in cash and cash equivalents due to change in scope of consolidation	—	—	**212**	**2,279**
Cash and cash equivalents at end of year	**¥35,564**	**¥22,412**	**¥71,221**	**$765,817**

* U.S. dollar amounts are translated from yen, for convenience only, at the rate of ¥93.00=US$1.00 (figures less than one unit are rounded).

Financial Information

Risk Information

Business results and other aspects of the Company's operations discussed in this annual review are subject to a variety of risks. Those risks deemed most likely to have a significant impact on potential investment decisions are presented below. The Coca-Cola West Group is fully aware of the possibility of these risks and thus works to avoid them or effectively deal with them should they arise.
Statements herein regarding future events or assumptions reflect the judgment of management as of March 26, 2010.

(1) Business agreements with The Coca-Cola Company of the United States and Coca-Cola (Japan) Co., Ltd.

Coca-Cola West conducts business activities based on a bottler agreement with The Coca-Cola Company and Coca-Cola (Japan) Co., Ltd.

(2) Quality assurance

Beverages are the core product of the Coca-Cola West Group. The Group makes every effort to raise employee awareness regarding quality and implements programs aimed at preventing incidents concerning quality in order to offer its consumers high-quality and reliable beverages.
Nevertheless, in the event of an incident related to product quality, the Company's brand image could be tarnished, irrespective of whether or not it was actually at fault. As such, an incident of this nature could adversely affect the operating results of the Group.

(3) The soft drink industry

1) Impact of market fluctuations
Sales of soft drinks, the Group's core products, are readily influenced by changes in consumers preference.
In a beverage market of this kind, the Group strives to continuously offer appealing products and services. Nevertheless, failure to amply forecast market changes could potentially affect its operating results.

2) Impact of weather-related factors
Weather conditions tend to have an effect on the sales of soft drinks. Cool summers or warm winters, for example, often have a significant impact on consumers demand. Although the Group makes every effort to minimize the influence of weather-related factors on sales, it offers no guarantee that it can completely eliminate the effect of such factors.

(4) Impact of economic conditions

1) Trends in personal consumption
Sales of soft drinks are closely linked to trends in personal consumption. Accordingly, a sudden decline in personal consumption due to worsened economic conditions or price reductions of the Company's products resulting from prolonged deflation could adversely affect the operating results of the Group.

2) Fluctuations in asset value
Fluctuations in the value of land, marketable securities, and other assets owned by the Coca-Cola West Group, as well as in pension assets held in its defined-benefit company pension fund, could potentially impact its operating results and financial position. Marketable securities with a fair value, for example, are subject to changes in fair market value in capital markets, since that is how they are valued.

(5) Public regulations

The Group's Manufacturing and Marketing of Beverages & Foods segment is subject to a number of regulations in Japan, including the Act Against Unjustifiable Premiums and Misleading Representations, and the Food Sanitation Law. The Group fully complies with these and all other regulations in its commitment to providing safe and reliable products.
Accordingly, tougher regulations, for example, might incur new compliance costs, which could potentially affect the operating results of the Coca-Cola West Group.

(6) Management of personal information

The Coca-Cola West Group holds large volumes of personal information. In handling this information, it works on a unified basis to formulate and adhere to related guidelines and implement ongoing training and educational activities.
However, an external leak of personal information could lead to a deterioration of trust in the Coca-Cola West Group and potentially impact its operating results.

(7) Impact of disasters

The Coca-Cola West Group has a system in place to minimize the effects of power outages, as well as other problems that could affect its business operations. Typhoons, earthquakes and other natural disasters, however, could create conditions that overwhelm this system. Conditions of this magnitude could potentially impact the operating results and financial position of the Group.

Corporate Governance

Coca-Cola West's fundamental stance on corporate governance is to maximize "shareholders value" by improving management efficiency and transparency.

(1) Corporate Governance System

1) Status of Related Internal Bodies

a. Corporate Auditor System

Coca-Cola West adopted corporate auditor system in accordance with its decision to separate decision-making and management oversight from business execution through a restructuring of the Board of Directors and the adoption of the corporate executive officer system in March 1999. In April 2007, the corporate executive officer system was extended across the Group in the interest of increasing the efficiency of Group management and speeding up decisionmaking.

Furthermore, in March 2006, in order to clarify the roles and responsibilities of directors in each fiscal year and to establish a management structure capable of rapid responses to changes in business conditions, the Group shortened the term of office of directors from two years to one year.

b. Number of Directors

The Company's articles of incorporation stipulate that there shall be a maximum of 15 directors.

c. Requirements for Electing Directors

The Company's articles of incorporation stipulate that election of directors shall be by a majority of votes, where shareholders holding at least one-third of the voting rights of shareholders that can exercise voting rights are in attendance. Resolution for election of directors shall not be made by cumulative voting.

d. Outside Directors and Corporate Auditors

At present, two of Coca-Cola West's ten directors and three of its five corporate auditors are from outside the Group.

The Company has concluded with one outside director and three outside corporate auditors agreements limiting liability in case of neglect of duty, based on the provisions of Article 427, Paragraph 1 of the Company Law. Under these agreements, liability is limited to the minimum amount permissible under the law.

e. Acquisition of Treasury Stocks

The Company's articles of incorporation stipulate that the Company may, by a resolution of the Board of Directors and without seeking shareholder approval, repurchase its own shares on the market, pursuant to the provisions of Article 165, Paragraph 2 of the Company Law. The Board of Directors has been authorized to repurchase Company shares with the aim of allowing them to execute a flexible capital structure policy according to changes in the business environment and in the interest of raising capital efficiency.

f. Determination of Interim Dividends

The Company's articles of incorporation stipulate that the Company may, by a resolution of the Board of Directors and without seeking shareholder approval, determine interim dividends, as prescribed by Article 454, Paragraph 5 of the Company Law. The Board of Directors has been authorized to determine interim dividends so that profits can be returned to shareholders when considered appropriate.

g. Special Resolutions of the General Meeting of Shareholders

The Company's articles of incorporation stipulate that special resolutions of a general meeting of shareholders, provided for in Article 309, Paragraph 2 of the Company Law, shall be adopted by an affirmative vote of at least two-thirds of votes, where shareholders holding not less than one-third of the voting rights of shareholders that can exercise voting rights are in attendance.

This is to ensure the smooth running of general meetings of shareholders by enabling a quorum to pass special resolutions.

h. Overview of Committees

In July 2006, the Company established the Management Advisory Committee as an internal body of the Board of Directors. This committee solicits the advice of experts with the goals of improving the efficiency and transparency of management and increasing shareholder value. The committee is responsible for advising on matters concerning important strategies for the general management of the Group, as well as candidacy for director and corporate auditor positions, and remuneration of officers.

i. Support for Outside Appointments

Outside directors are supported by the General Affairs Department, while outside Corporate auditors are supported by the Audit Office.

j. Business Execution and Management Oversight

Outside appointments comprise more than half the members of the Board of Corporate Auditors. This enables the Company the capacity to sufficiently monitor the performance of duties by directors and also allows it to draw on independent third-party advice from external experts appointed as outside directors. Directors and corporate auditors also fully monitor how corporate officers execute business operations. This includes participating in meetings of the executive committee, which is made up of corporate officers, as well as other key management meetings. When questions arise during the course of business execution, the Company consults attorneys, CPAs and other specialists for advice on determining the best way to proceed.

2) Progress of the Internal Control System

The Board of Directors resolved at a meeting held on July 1, 2006, to strengthen internal control systems for the purpose of ensuring that Coca-Cola West and its Group companies conduct business appropriately. At a meeting held on February 7, 2008, the Board reviewed certain aspects of these systems, the results of which are explained below.

a. Systems for ensuring that the duties of officers and employees comply with laws and Company rules

Internal rules concerning compliance systems and a code of conduct have been established to encourage officers and all employees at Coca-Cola West and its Group companies to observe laws and ordinances as well as Company rules, and to act in line with accepted social norms. They were especially intended to establish a systematically firm policy against any involvement whatsoever with organized crime and other anti-social forces. Furthermore, to implement thorough compliance systems, a department responsible for CSR will be established at Coca-Cola West to unify compliance efforts across the Group and conduct educational activities for officers and employees.

The department responsible for internal audits shall examine the level of cooperation with the department responsible for CSR and the status of compliance across the Group, and then report these activities regularly to the Board of Directors and the Board of Corporate Auditors. In addition, an internal whistleblower hotline will be set up as a means for officers or employees to directly provide information on conduct that may violate laws and ordinances.

b. Storage of information related to performance of directors' duties

In accordance with established rules for documentation management, documents and electronic files containing information related to the performance of directors' duties are to be recorded and stored, thereby allowing directors and corporate auditors to examine such documents and files at any time.

c. Rules and other systems related to managing the risk of loss

The department responsible for CSR will examine risks across organizations and companies within the Group, working with each division responsible for handling risks related to compliance, the environment, disasters, product quality, information security, etc., to create rules and guidelines, conduct training, and produce and distribute manuals. The department will also promptly appoint employees to take charge of measures to deal with new risks that arise.

d. System for ensuring that directors perform their duties effectively

The Board of Directors will determine Group goals shared by corporate officers and employees as well as the allocation of authority. Representative directors will set specific targets for each Group company and department aimed at achieving these goals, as well as the methods for effectively working toward the goals, which encompass authority allocation based on Group rules for decision making.

e. System for ensuring proper business conduct as a corporate group made up of the Company and its subsidiaries

A department responsible for internal controls for the entire Group will be established at Coca-Cola West. Along with this, a structure will be set up comprising systems for effectively conducting deliberations related to internal controls at Coca-Cola West and every Group company, as well as for facilitating information sharing and communicating instructions and requests.

f. Arrangements for employees whose assistance is requested by the Board of Corporate Auditors, and independence of such employees from directors

In matters necessary for auditing duties, corporate auditors may direct members of divisions in charge of items related to internal auditing. While employees may receive directives from corporate auditors when required for auditing purposes, directors and other executives are barred from issuing such directives to employees involved in auditing duties.

Furthermore, if corporate auditors request that employees be designated to assist them, proper arrangements must be made for those employees.

g. System for corporate officers and employees to report to the Board of Corporate Auditors

Directors will set up a system for corporate officers and employees at Coca-Cola West and its Group companies to promptly report to the Board of Corporate Auditors on legal matters, as well as on matters that have a significant impact on the Group, the performance of internal auditing, and the status and details of reports from the internal whistleblower hotline. The method for reporting, including who is responsible for submitting and receiving reports as well as the time frames for reporting, will be determined through deliberations between directors and the Board of Corporate Auditors.

h. System for ensuring that other auditing by the Board of Corporate Auditors is conducted effectively

Regular meetings will be organized for corporate auditors and representative directors to exchange views.

3) Risk Management System

Coca-Cola West has established the Coca-Cola West Group Risk Management Committee. The objective of this body is to minimize damage in the event of a crisis by preventing confusion within the Group and ensuring a rapid and appropriate response. The Group recognizes that the only way to realize its management principles is to comply with all laws and ordinances and observe the norms of society, thereby gaining the trust of all of its stakeholders. This conviction is enshrined in its Code of Conduct, which is designed to encourage a compliance mindset among all Group corporate officers and employees.

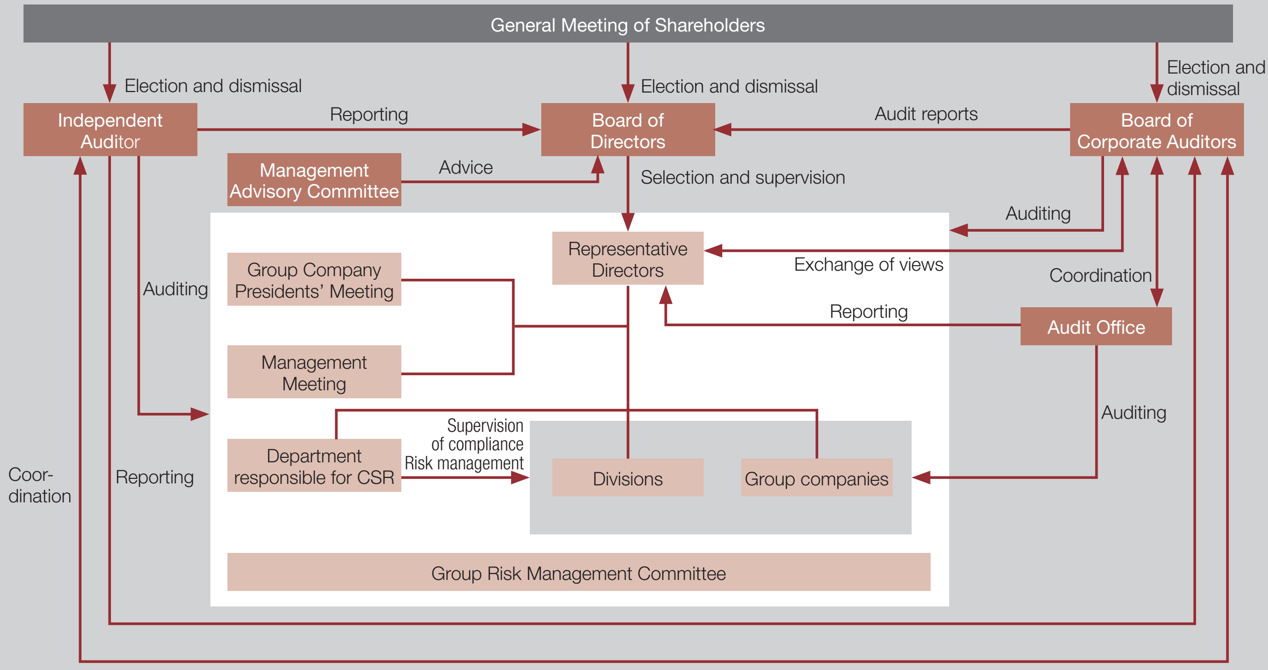
4) Audit System

a. Participating Personnel and Organizations

Coca-Cola West aims to comply with corporate rules and regulations, carry out appropriate corporate activities and operational management, and protect its assets. To help it achieve these goals, the Company has established the Audit Office within the Internal Audit Department. The office has 13 members and reports directly to the president.

Corporate auditors attend meetings of the Board of Directors, executive committee and other important management meetings. They also meet a representative director on a regular basis and examine the results of audits performed by the Audit Office. Using these and other methods, corporate auditors monitor the executive actions of directors and executive officers in accordance with relevant laws and regulations, the Company's own articles of incorporation and internal auditing standards.

Corporate Governance Framework



The Audit Office carries out prior discussions with corporate auditors concerning its auditing policy and plans for each fiscal year. Corporate auditors also receive reports about the results of audits of the Audit Office as needed. In addition, at the start of the fiscal year, the Company's independent auditor provides the corporate auditors with an explanation of its audit plans, and as needed, supplies information and reports to the auditors during and at the end of the audit process.

b. Independent Auditor and Related Personnel

Coca-Cola West has appointed KPMG AZSA & Co. as its independent auditor. The names of the firm's certified public accountants (engagement and management partners) that audit the Company's financial statements are listed as follows.

Name	Auditing Experience
Tetsuzo Hamashima	5 years
Takaki Okano	1 year
Junichi Adachi	2 years

The auditing team has twenty-eight additional members including eleven CPAs and one assistant CPA.

5) Director and Corporate Auditor Remuneration

Remuneration paid to directors and corporate auditors for the fiscal year under review was as follows.

Roles	Number of members	Total remuneration
Directors Notes 1 and 3 (Outside directors)	11 (2)	¥281 million (¥14 million)
Corporate auditors Notes 2 and 3 (External corporate auditors)	7 (4)	¥45 million (¥15 million)
Total members (Total outside appointments)	18 (6)	¥327 million (¥29 million)

Notes:
1. By a resolution of the General Meeting of Shareholders held on March 24, 2009, the maximum remuneration for directors was set at ¥500 million annually, and of that amount, the maximum remuneration for outside directors was set at ¥50 million annually.
2. By a resolution of the General Meeting of Shareholders held on March 24, 2009, the maximum remuneration for corporate auditors was set at ¥100 million annually.
3. The amounts above include remuneration paid to one director and two corporate auditors (one of which was an external corporate auditor) who retired from office as of the conclusion of the General Meeting of Shareholders held on March 24, 2009.

(2) Conflicts of Interest

One of the Company's two outside directors is a representative director at a business partner that the Company treats as an equity-method affiliate.
One of the Company's three outside corporate auditors is a representative of a partner financial institution. The remaining outside corporate auditors have no conflicts of interest with the Company.

Board of Directors (As of March 31, 2010)

Directors

Representative Director
Norio Sueyoshi
Chairman

Representative Director
Tamio Yoshimatsu
President

Representative Director
Hijiri Morita
Executive Vice President
Planning

Director
Nobuo Shibata
Executive Vice President
General Affairs &
Human Resources

Director
Shigeki Ota
Executive Corporate Officer
Finance

Director
Hiroyoshi Miyaki
Executive Corporate Officer
CSR

Director
Jiro Wakasa
Executive Corporate Officer
SCM &
Head of Tokyo Office

Director
Masamitsu Sakurai
Ricoh Co., Ltd.
Representative Director &
Chairman

Director
Bjarne Philip Tellmann
The Coca-Cola Company
General Counsel Japan Assistant
General Counsel at Bottling
Investments

Director
Norio Hyouda
Minami Kyushu Coca-Cola
Bottling Co., Ltd.
Representative Director &
President

Auditors

Executive Corporate Auditor	Tadatsugu Harada	*Standing*
Corporate Auditor	Tadamasa Amitsuka	*Standing*
Corporate Auditor	Zenji Miura	*Director & Executive Corporate Officer, Ricoh Co., Ltd.*
Corporate Auditor	Katsumi Sasaki	*Representative Director & Vice President, The Nishi-Nippon City Bank, Ltd.*
Corporate Auditor	Yukiko Kyokane	*Attorney & Representative of Kyokane Law Office*

Management Advisory Committee Members

Chairman	Masamitsu Sakurai	*Representative Director & Chairman, Ricoh Co., Ltd.*
Member	Masahiko Uotani	*Director & Chairman, Coca-Cola (Japan) Co., Ltd.*
Member	Shingo Matsuo	*Representative Director & Chairman, Kyushu Electric Power Co., Inc.*
Member	Kazuhiko Enomoto	*Representative Director & Chairman, Fukuoka Jisho Co., Ltd. Director & Supreme Advisor, Royal Holdings Co., Ltd.*
Member	Toshiaki Hanawa	*Director & Chairman, Mitsubishi Heavy Industries Food & Packaging Machinery Co., Ltd.*
Member	Susumu Ishihara	*Representative Director & Chairman, Kyushu Railway Company*
Member	Takashi Matsuzaki	*Attorney, Tokunaga, Matsuzaki & Saito Law Office*
Member	Eiji Muto	*Director & Chairman, NTT Data Institute of Management Consulting, Inc.*
Member	Kunio Ito	*Professor, Hitotsubashi University*

Stock Information (As of December 31, 2009)

Stock code:	2579
Authorized shares:	270,000,000
Outstanding shares:	111,125,714
Number of shareholders:	24,265
Number of shares per trading unit:	100 shares

Stock exchange listings:
Tokyo Stock Exchange (First Section)
Osaka Securities Exchange (First Section)
Fukuoka Stock Exchange

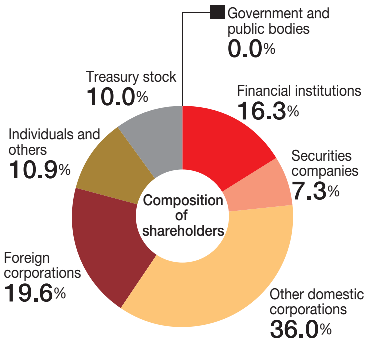
Major shareholders

Shareholders	Number of shares held (Thousands)	Shareholding ratio (%)
Ricoh Co., Ltd.	16,792	16.8
The New Technology Development Foundation	5,294	5.3
Nomura Securities Co., Ltd. (Proprietary account)	4,533	4.5
Coca-Cola Holdings West Japan, Inc.	4,074	4.1
Mitsubishi Heavy Industries Food & Packaging Machinery Co., Ltd.	3,912	3.9
The Nishi-Nippon City Bank, Ltd.	3,703	3.7
Nomura Securities Co., Ltd.	3,308	3.3
Japan Trustee Services Bank, Ltd. (Trust account)	3,128	3.1
Northern Trust Co., (AVFC) Sub A/C American Clients	2,459	2.5
Kirin Holdings Co., Ltd.	2,226	2.2

Note: The Company owns 11,150 thousand shares of treasury stock. This shareholding is not shown in the table and has not been included in the calculation of shareholding raio.

Number of shares held and percentage of shares held by shareholder category

	Number of shareholders	Number of shares (Thousands)
Government and public bodies	1	0
Financial institutions	72	18,102
Securities companies	34	8,067
Other domestic corporations	477	39,971
Foreign corporations	259	21,762
Individuals and others	23,421	12,070
Treasury stock	1	11,150
TOTAL	24,265	111,125



Stock price and trends in stock trading volume

	2005	2006	2007	2008	2009
Stock price at year-end (Yen)	2,755	2,755	2,475	1,945	1,639

Credit Rating Information

		2005	2006	2007	2008	2009
Japan Credit Rating Agency, Ltd.	Long-term credit rating	AA–	AA–	AA–	AA–	AA–
Rating and Investment Information, Inc.	Long-term credit rating	A+	A+	A+	A+	A+

Corporate Data (as of December 31, 2009)

- **Company name:**
  Coca-Cola West Company, Limited
- **Head office:**
  7 – 9 – 66 Hakozaki, Higashi-ku, Fukuoka 812-8650, Japan
- **Date of establishment:**
  December 20, 1960
- **Paid-in capital:**
  ¥15,231 million
- **Fiscal year-end:**
  December 31
- **Primary business activity:**
  Manufacturing and sales of Coca-Cola and other soft drinks

Head office

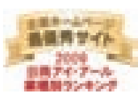
Web site

Coca-Cola West   Search

http://www.ccwest.co.jp/english/

Investor Relations page
The Coca-Cola West Web site provides shareholders and investors with a wealth of investor relations information including financial results, schedules of IR events, and materials for investors.

IR News Mail (Japanese only)
Users who register with this service will receive regular quarterly announcements, news releases, and other materials by e-mail in a timely manner.



The Coca-Cola West Web site was rated first in the food and beverage category of the Fiscal 2009 Web Site Rankings compiled by Nikko Investor Relations Co., Ltd. The site was also awarded the Outstanding Performance Award for Internet IR from Daiwa Investor Relations Co., Ltd.
Moving forward, Coca-Cola West will strive to make its Web site even more attractive to view, clearly presented, and user friendly.

Coca-Cola System in Japan (as of December 31, 2009)

Japan's Coca-Cola System consists of Coca-Cola (Japan) Co., Ltd., 12 bottling companies (Bottlers) that manufacture and sell Coca-Cola products in the different regions of country and other companies.

● Role of Coca-Cola (Japan) Co., Ltd. and Bottlers

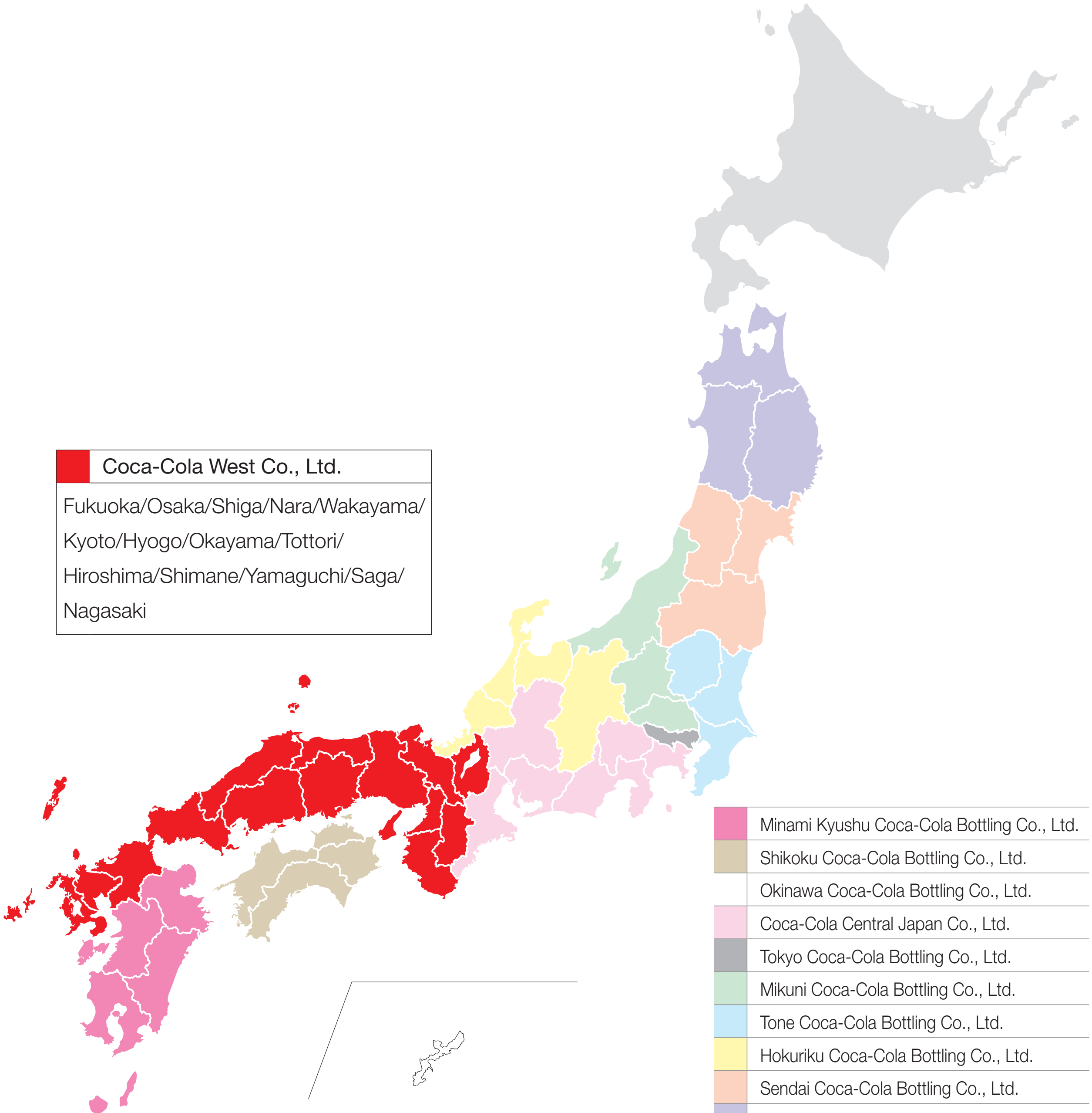
Coca-Cola (Japan) Co., Ltd.

Planning → Research & development → Production of concentrates →

Bottlers

Product manufacturing → Product distribution → Sales → Collection of containers → Recycling of containers

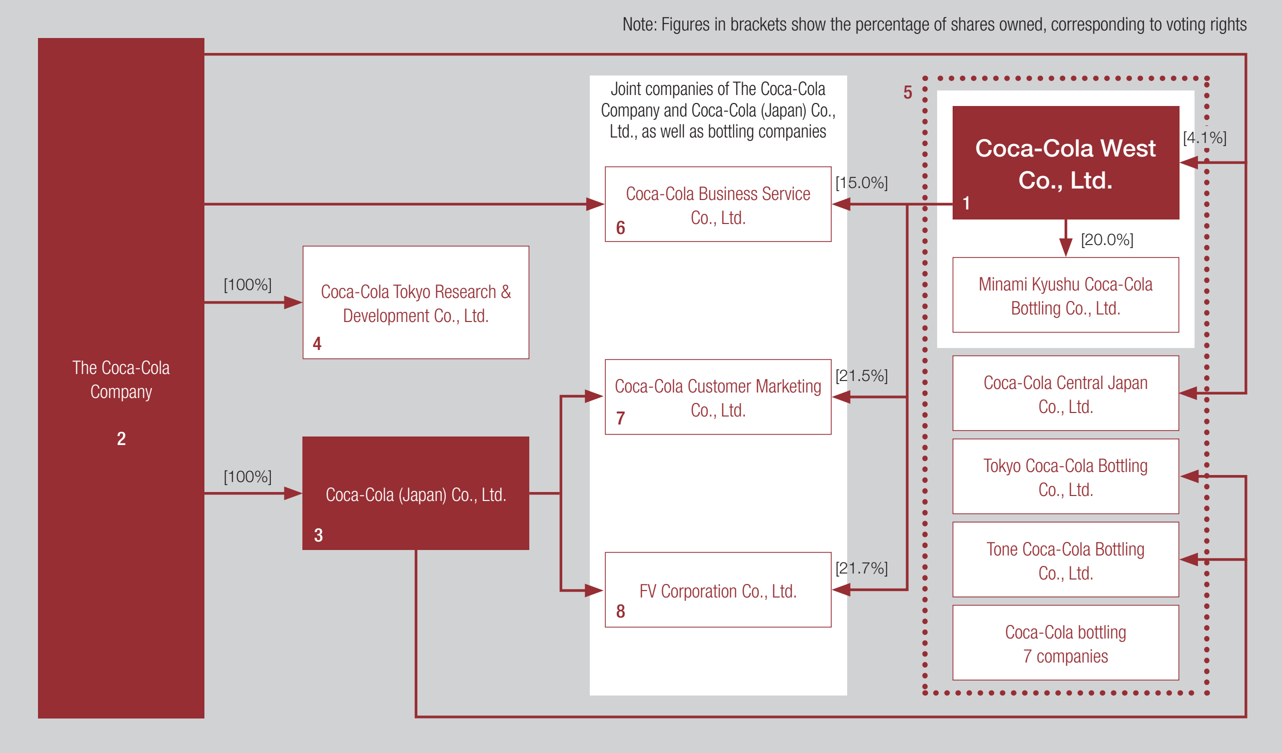
Bottlers (12 bottling companies)



Coca-Cola West Co., Ltd.	Fukuoka/Osaka/Shiga/Nara/Wakayama/Kyoto/Hyogo/Okayama/Tottori/Hiroshima/Shimane/Yamaguchi/Saga/Nagasaki

- Minami Kyushu Coca-Cola Bottling Co., Ltd.
- Shikoku Coca-Cola Bottling Co., Ltd.
- Okinawa Coca-Cola Bottling Co., Ltd.
- Coca-Cola Central Japan Co., Ltd.
- Tokyo Coca-Cola Bottling Co., Ltd.
- Mikuni Coca-Cola Bottling Co., Ltd.
- Tone Coca-Cola Bottling Co., Ltd.
- Hokuriku Coca-Cola Bottling Co., Ltd.
- Sendai Coca-Cola Bottling Co., Ltd.
- Michinoku Coca-Cola Bottling Co., Ltd.
- Hokkaido Coca-Cola Bottling Co., Ltd.

Investment



1. Coca-Cola West Co., Ltd.

In 2006, Coca-Cola West Japan Co., Ltd. and Kinki Coca-Cola Bottling Co., Ltd. merged their managements to establish the joint holding company, Coca-Cola West Holdings Co., Ltd. In January 2009, these three companies and Mikasa Coca-Cola Bottling Co., Ltd. merged to form Coca-Cola West Co., Ltd.

2. The Coca-Cola Company

Established in 1919 in Atlanta, Georgia, The Coca-Cola Company holds the rights to grant licenses to bottlers to manufacture and sell Coca-Cola products. The Coca-Cola Company or its subsidiaries also conclude franchise agreements with bottlers.

3. Coca-Cola (Japan) Co., Ltd.

Established in 1957 in Tokyo as a wholly owned subsidiary of The Coca-Cola Company under the name of Nihon Inryo Kogyo K.K., the company changed its name in 1958 to Coca-Cola (Japan) Co., Ltd. It is responsible for marketing as well as the manufacturing and distribution of concentrate in Japan.

4. Coca-Cola Tokyo Research & Development Co., Ltd.

Established in January 1993 as a wholly owned subsidiary of The Coca-Cola Company, Coca-Cola Tokyo Research & Development has been carrying out product development and technical support since January 1995 to respond to the needs of the Asian region.

5. Coca-Cola bottling companies

There are 12 bottling companies in Japan responsible for selling Coca-Cola products in their respective territories.

6. Coca-Cola Business Service Co., Ltd.

Established through joint investment by The Coca-Cola Company and its bottling partners in Japan, Coca-Cola Business Service began operations on January 1, 2007. It is charged with providing business consulting services to the Coca-Cola organization in Japan, as well as developing and maintaining information systems to support such work. Coca-Cola Business Service has also procured raw materials since January 2009.

7. Coca-Cola Customer Marketing Co., Ltd.

Established through joint investment by Coca-Cola (Japan) Co., Ltd. and all of its bottling partners in Japan, Coca-Cola Customer Marketing Company began operations on January 1, 2007. It is charged with holding business negotiations with major retail outlets, such as nationwide convenience stores and supermarket chains, as well as developing proposals for sales promotions and storefront activities.

8. FV Corporation Co., Ltd.

Jointly established in May 2001 by Coca-Cola Bottling Companies and Coca-Cola (Japan) Co., Ltd., FV Corporation Co., Ltd. carries out sales negotiations with major vending machine operators in Japan, and deals with Coca-Cola and other products.

Coca-Cola West

Coca-Cola West Company, Limited

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