

one+
Coca-Cola East Japan

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Coca-Cola East Japan



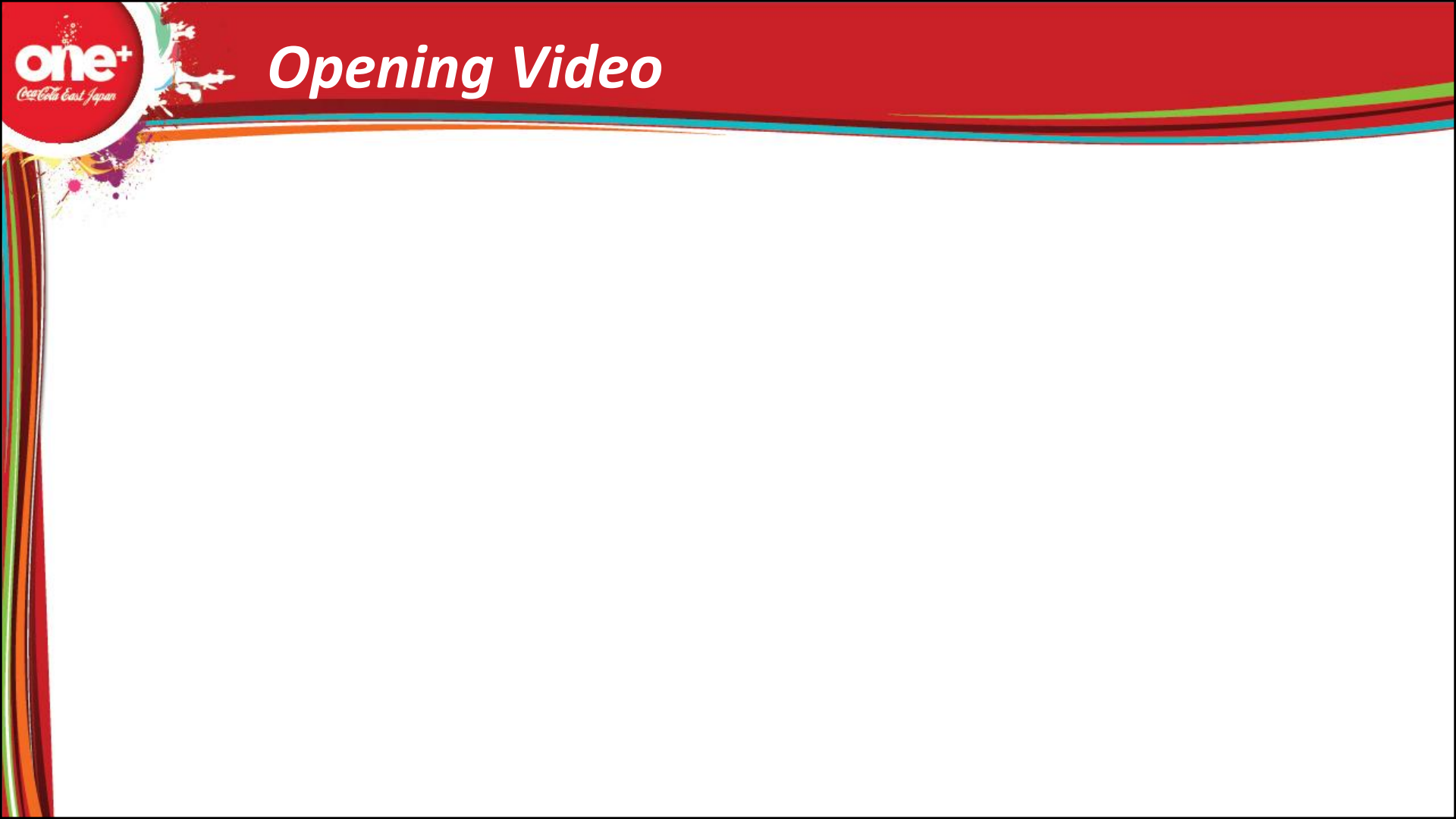
Forward-Looking Statements

The plans, performance forecasts, and strategies appearing in this material are based on the judgment of the management in view of data obtained as of the date this material was released. Please note that these forecasts may differ materially from actual performance due to risks and uncertain factors such as those listed below:

- Intensification of price competition in the marketplace
- Change in economic trends surrounding our business
- Major fluctuations in capital markets
- Fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen and the U.S. dollar
- Increases in prices of raw materials
- Change in the tax environment
- CCEJ's ability to realize production efficiencies and to implement capital expenditures at the levels and times planned by management;
- CCEJ's ability to market and distribute effectively
- Uncertain factors other than those above

The information in this presentation is provided for informational purposes and should not be construed as a solicitation of an investment in our securities.

You should rely on your own independent examination of us before investing in any securities issued by our company.



one+
Coca-Cola East Japan

Opening Video

one+

Coca-Cola East Japan

**A WORLD-CLASS
JAPANESE
BOTTLER**

CALIN DRAGAN
CHIEF EXECUTIVE OFFICER

MICHAEL COOMBS
CHIEF FINANCIAL OFFICER

November 14, 2013 | TOKYO JAPAN



A World-Class Japanese Bottler

Introducing Coca-Cola East Japan

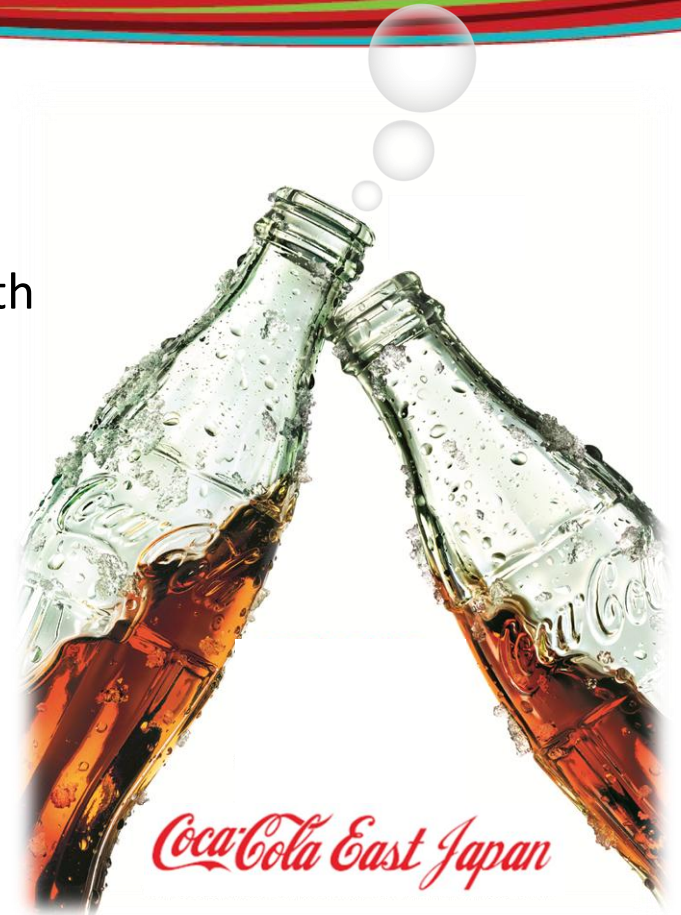
- Moving with Unprecedented Speed
- Our **one+** Roadmap for Sustainable Growth
Coca-Cola East Japan

Coke Break

Strategic Direction

- Solid Plans for Growth
- Strong Savings Opportunities
- Investing in Infrastructure & Capabilities

Q&A



A central red circle contains the text "INTRODUCING COCA-COLA EAST JAPAN CALIN DRAGAN". The circle is surrounded by various beverage bottles and cans, including Coca-Cola, Sprite, Georgia Emerald Mountain Water, Fanta Orange, Aquarius, and several Japanese brands like Asahi and Suntory. The background features colorful, wavy stripes in red, orange, green, and blue, with splatters of paint in various colors.

**INTRODUCING
COCA-COLA
EAST JAPAN
CALIN DRAGAN**

Coca-Cola East Japan

Publicly listed on the Tokyo and Nagoya Stock Exchanges **2580-TO**



Integration of four bottlers

(comprising **26** legal entities)

- Coca-Cola **Central** Japan (publicly traded)
- **Mikuni** Coca-Cola Bottling (publicly traded)
- **Tokyo** Coca-Cola Bottling (privately held)
- **Tone** Coca-Cola Bottling (private held)





We Have Significant Reach



50 Brands
800+ SKUs



12k
Full- and Part-Time
Employees



28 Million
Servings Every Day

500k+

Vending Machines, Cold Drink
Equipment & Dispensers



200k+
Outlets





We Are The Largest Coca-Cola Bottler in Japan

¥543 Billion+
Annual Revenues*
5th largest global Coca-Cola bottler



10
Manufacturing Sites



150
Distribution Centers/
Warehouses

283 Million
Physical Cases*
~50% of Coca-Cola Japan total

~33%
Equity ownership
By The Coca-Cola
Company

* 2012 pro-forma results

one+ Coca-Cola East Japan

We Sell the Most Popular Beverage Brands in Japan





We Are a Partner in the Coca-Cola Franchise System

What is The Coca-Cola System?

- An enduring & effective partnership
- Meeting the needs of both consumers & customers to win in the marketplace

The Coca-Cola Company + Coca-Cola East Japan





The Japan Coca-Cola System Continues to Evolve

1957-99 17 bottlers

- Tokyo
- Tone
- Mikuni
- Fuji
- Chukyo
- Sendai
- Michinoku
- Hokuriku
- Nagano
- Hokkaido
- Shikoku
- Okinawa
- Kinki
- Mikasa
- Sanyo
- Kita Kyushu
- Minami Kyushu

2001

1999

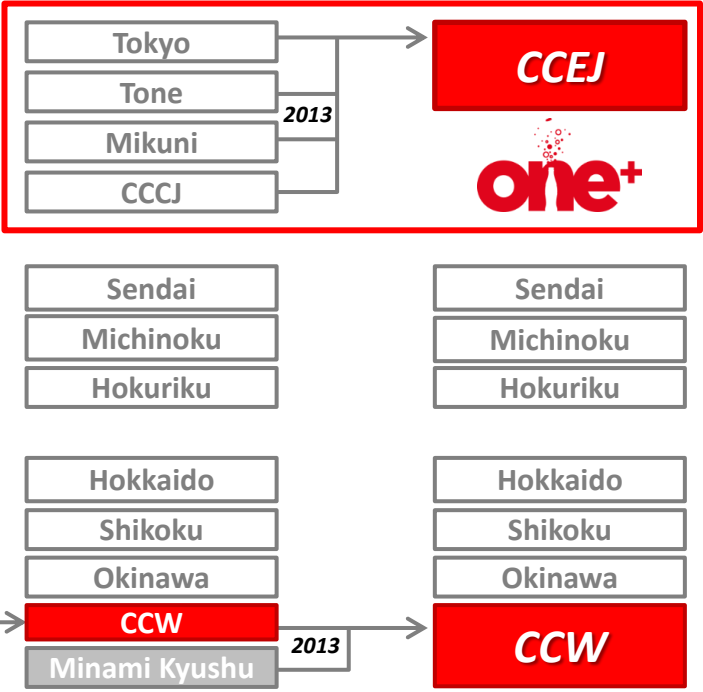
1999

2001 14 bottlers

- Tokyo
- Tone
- Mikuni
- CCCJ
- Sendai
- Michinoku
- Hokuriku
- Hokkaido
- Shikoku
- Okinawa
- Kinki
- Mikasa
- CCWJ
- Minami Kyushu

2006

2006 12 bottlers



2013

2013

2013 8 bottlers

- CCEJ
- one+
- Sendai
- Michinoku
- Hokuriku
- Hokkaido
- Shikoku
- Okinawa
- CCW



We Are Evolving to Win in the Marketplace

Our **one+** Roadmap for Sustainable Growth

Coca-Cola East Japan



2017- Tokyo Olympic Games & Beyond

2012-2013

Forming

2013-2014

Storming

Define & deploy new bus. model

2014-2015

Norming

Refine & optimize new business model

2015-2017

Performing

Approaching global bottler performance levels

Accelerating

Meet & exceed world-class bottler levels



We Are Still Very Early in Our one+ Roadmap



2012-2013

Forming

**Third quarter
2013**

2013-2014

Storming

Define & deploy
new bus. model

2014-2015

Norming

Refine &
optimize new
business model

2015-2017

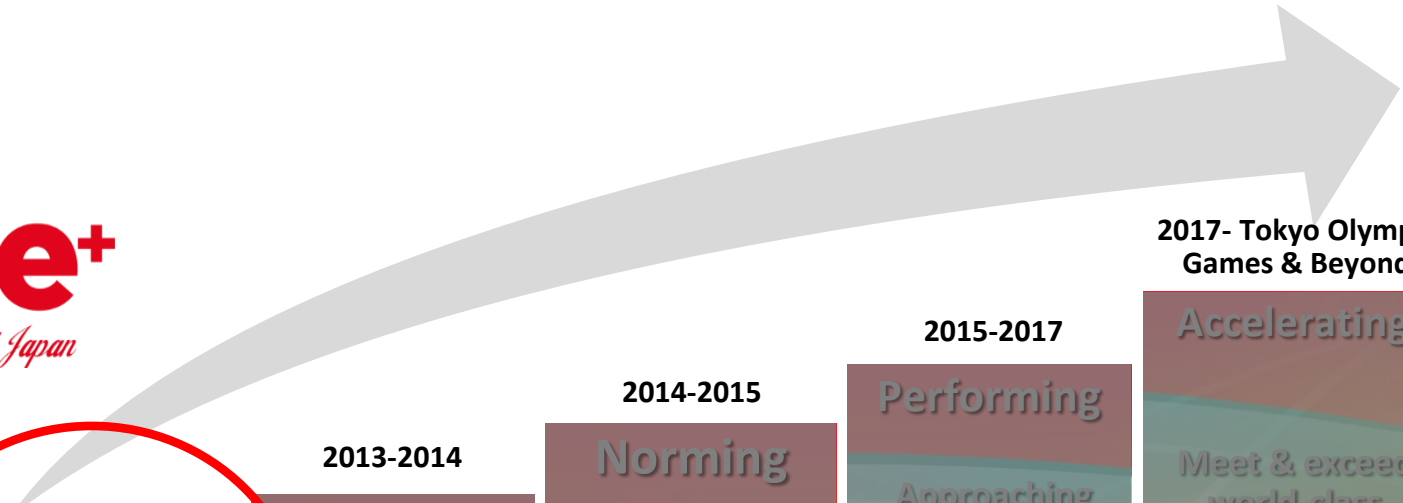
Performing

Approaching
global bottler
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2017- Tokyo Olympic
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Accelerating

Meet & exceed
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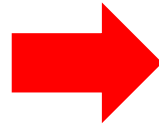
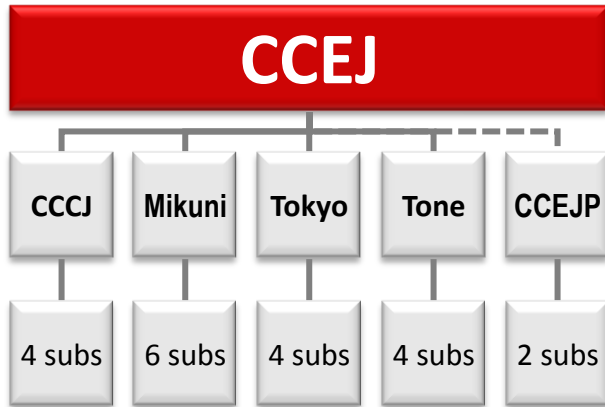




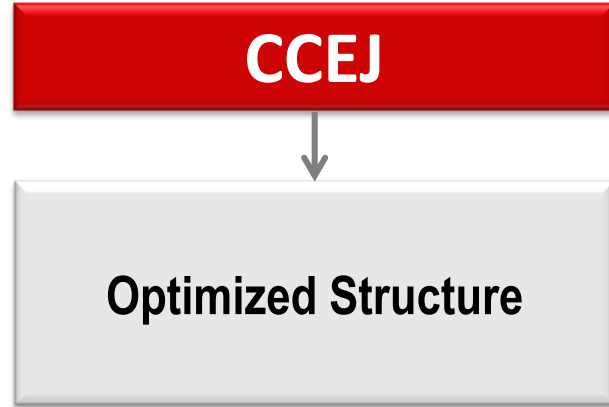
Not Simply a Merger of Four Bottlers

- *Integration taking place in a highly competitive environment*
- *From 26 entities to an optimized structure → Moving from complex to simple*

26 *Number of legal entities at Day One*



Future state





We Are Moving with Unprecedented Speed

Five non-executive BOD members in place

- ✓ Balanced governance structure established

July 1, 2013 Full functional integration

- ✓ Functional structures in place from **Day One**

2,000+ Employees relocating now

- ✓ Office decentralization and relocation of HQ

OVER 250 INTEGRATION PROJECTS ONGOING

Legal Entity Consolidation Started

- ✓ **26** legal entities
- ✓ Production company consolidation from **4 to 1**
- ✓ More to come

Manager-level voluntary separation plan launched

- ✓ Human resources assessments ongoing

New Centralized Procurement Function Up & Running

- ✓ Delivering savings **now**



And Investing Now for Future Growth

¥30 Billion CAPEX in 2013

- ✓ Aggressively investing for growth
- ✓ **¥45-50 bn** through 2017

Five Production lines already on order

- ✓ Modernizing production capacity

Investing Now in People

- ✓ Global Coke training program for **top 120** leaders
- ✓ Marketplace execution pilot program started in Chiba

Global Coca-Cola ERP System Kick-Off

- ✓ World-class system in use at **10** major Coca-Cola bottlers around the world

New Commercial Structure

- ✓ Focus on channels & key accounts, not legacy bottlers
- ✓ Aligning with **growth** strategy

one+ Coca-Cola East Japan

Our Diverse & Experienced Leadership Team

Tapping into subject matter experts from across the global Coca-Cola system

CEO



カリン・ドラガン
Calin Draaen
20+ years



Procurement



新井 琢也
Takuya Arai
New to Coke system



Finance



マイケル・クームス
Michael Coombs
20+ years



HR



石坂 聡
Satoshi Ishizaka
New to Coke system



Commercial



ダン・ニスター
Dan Nistor
20+ years



IT



沼畑 幸二
Koji Numahata
New to Coke system



Legal



尾関 春子
Haruko Ozeki
Back to Coke system



Supply Chain



パット・パイア
Pat Paya
30+ years



BI



カナン・セトゥラマン
Kannan Sethuraman
19+ years



PAC



八住 庸平
Yohei Yasumi
15+ years





Forming: Our Performance Year-to-Date

- Year-to-date 2013 normalized results on a pro-forma basis, excluding one-time integration-related costs



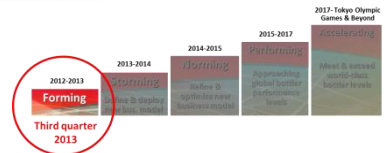
2013 Q3 YTD Actual (Reported)		2013 Q3 YTD Pro-Forma	2013 Q3 YTD One-time item	2013 Q3 YTD Normalized
Sales Volume <i>(BAPC) (,000 cases)</i>	132,405	217,163		217,163
Net Revenue	246,786	407,596		407,596
Gross Profit	107,781	188,361		188,361
Operating Income	8,077	9,848	1,922	11,770
Ordinary Profit	8,177	9,335	1,922	11,257
Net Income	15,481	15,592	-9,337	6,255

JPY MM



Forming: Non-Recurring Items in 2013 YTD Results

Non-Recurring Items (2013 YTD)



P/L Line	Items	2013 YTD (CCEJ)
----------	-------	-----------------

In million yen

COGS	Purchase Accounting Valuation Impact	1,135
OPEX	Accounting Standardization	369
OPEX	Purchase Accounting Valuation Impact	-410
OPEX	Restructuring Charges	828
Total non-recurring items in Operating Income		1,922

P/L Line	Items	2013 YTD (CCEJ)
----------	-------	-----------------

In million yen

Extraordinary Profit	One-time gain from negative goodwill	-12,969
Extraordinary Loses	Integration cost	3,416
Below OI		-9,553



Forming: Price/Mix Pressure Continues

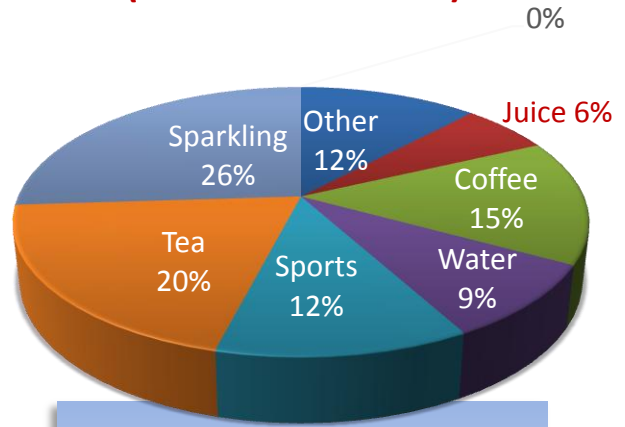
Commercial Sales Revenue Reconciliation – YTD 2013		Total
Volume (BAPC)	➔	0%
Pricing	⬇	-1%
Mix	➔	0%

- **Maintained volumes** at even during a period of active and rapid integration
- Competitive **pricing pressure continues** to impact revenue
- **Strong plans in place** to grow share and drive revenue growth through occasion, brand, pack, price channel (OBPPC) segmentation



Forming: Some Encouraging Signs of Progress

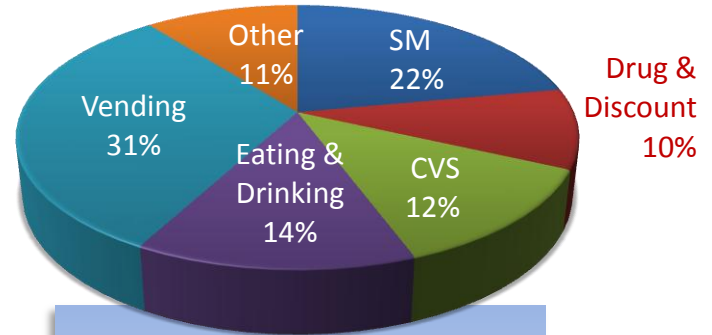
YTD Volume by Category (% of total volume)



Category Volume Growth (vs. prior year)

- Sparkling even
- Non-sugar tea +3%
- Sports +2%
- Coffee (-4%)

YTD Volume By Channel (% of total volume)



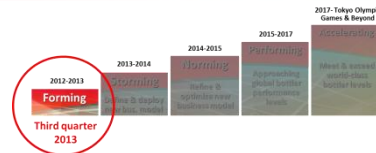
Channel Volume Growth (vs. prior year)

- Supermarket +1%
- Drug & discounter +3%
- Vending (-2%)



Forming: CCEJ Full-Year 2013 Estimate Highlights

- **Growing volume** for the full year in a competitive environment
- **Competitive pricing** pressure impacting net sales revenue
- Delivering cost of goods (COGS) **synergies** to benefit gross profit



	2013 FY Pro-Forma Estimate
Sales Volume <i>(BAPC) (,000 cases)</i>	285,433
Net Revenue	536,900
Gross Profit	248,400
Operating Income	8,100
Ordinary Profit	7,500
Net Income	11,000

2013 FY One-time item
1,900
1,600
-5,700

2013 FY Normalized Est
285,433
536,900
248,400
10,000
9,100
5,300

2012 FY Pro-Forma	Vs. PY	
	Diff	%
283,497	1,936	1%
543,146	(6,246)	-1%
247,671	729	0%
10,689	(689)	-6%
10,089	(989)	-10%
5,336	(36)	-1%




In Review

- ***Unprecedented speed and scope of change***
 - Starting point of 26 legal entities
 - 250+ integration projects in process
 - Many visible signs of progress across our business
- ***one+ Roadmap for Sustainable Growth in place***
Coca-Cola East Japan
 - Q3 2013 still early in our roadmap

COKE BREAK

Coca-Cola East Japan



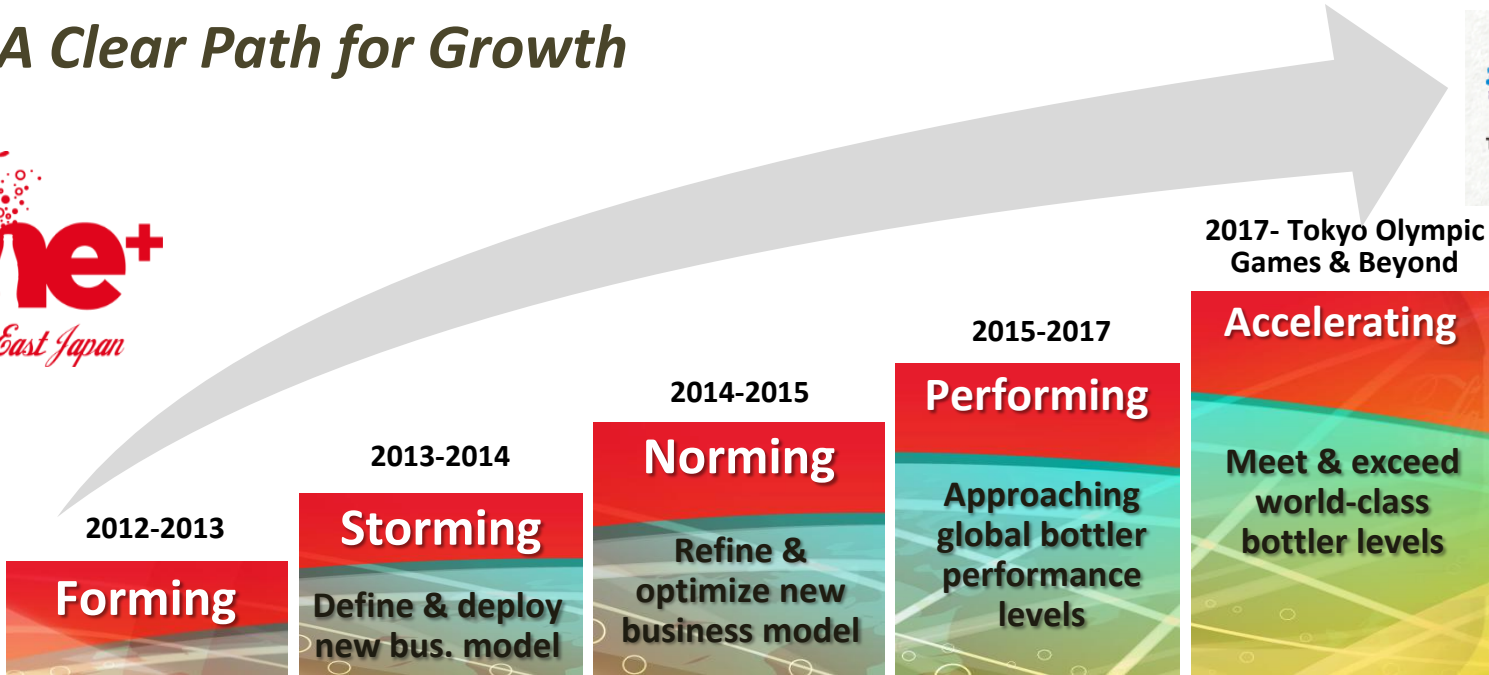
OUR one+
ROADMAP TO
SUSTAINABLE GROWTH
CALIN DRAGAN

Coca-Cola East Japan



Our one+ Roadmap for Sustainable Growth

A Clear Path for Growth





World-Class **one+** Performance Aspirations

Long-Term: By 2017

Performance

- **Market share** #1 NARTD* Market share in our territory
- **Volume growth** Greater than Industry performance
- **NSR growth** Ahead of volume growth mid- to long-term
- **OI margin**** +4 pts by 2017

Operational

Employee Engagement

Customer Satisfaction

Capabilities

* NARTD= Non-Alcoholic Ready-to-Drink Beverages

** On a comparable basis



2020 Tokyo Olympic Games: The "Hometown Coke Bottler"

A promotional advertisement for Coca-Cola's role as the "Hometown Coke Bottler" for the 2020 Tokyo Olympic Games. The background is a vibrant red with a fine, bubbly texture. On the right side, a glass of Coca-Cola is shown, filled with ice and a slice of lime, with the classic script logo embossed on the glass. On the left side, the text "TOKYO 2020" is written in large, bold, white capital letters. Below this, the Japanese text "オリンピックが、また東京にやってくる。" (The Olympics are coming to Tokyo again.) is displayed in white. At the bottom left, the Coca-Cola script logo and the Olympic rings are shown side-by-side, with the text "WORLDWIDE PARTNER" underneath them.

**TOKYO
2020**

オリンピックが、
また東京にやってくる。

Coca-Cola | 

WORLDWIDE PARTNER



Coca-Cola East Japan Positioning for the Future

Growth

*Realign against
current strength
and future
Growth*

Speed

*Unprecedented
speed and scope
of change*

Synergies

*Reduce costs
and drive
efficiency*

Infrastructure

*Create optimal
operating
structure*

People

*Build a world-
class, modernized
workforce*





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one+ Commercial Roadmap: Solid Growth Pillars

+¥30 Bn

Incremental NSR in
2017 vs. 2012

- *Laser focus on market share*
- *Appropriate balance between volume and value*

+¥16 Bn NSR

Channel

- Reignite growth & build vending as a competitive advantage
- Win in key accounts

+¥6 Bn NSR

Geography/Occasion

- Activate food occasions in Eating & Drinking channels
- Re-deploy resources into Greater Tokyo

+¥8 Bn NSR

Category

- Focus on five key beverage categories





+¥16 Bn Channel NSR

Build Vending as a Competitive Advantage

- Improve Indoor share (from 29% to 34%)
- Consumer-based price/pack lineup
- World-class energy-saving equipment (¥14Bn in 2014)
- Standardized operations & systems
- Support & resources: 30% more market developers

Win in Key Accounts

- Greater focus on return on investment
- New & optimized sales organization in place
- Improve in-store execution using new processes and tools



+¥6 Bn **Geography/Occasion**
NSR

Availability and Activation

- Investing in the Tokyo metropolitan area
- Increase time-in-market: 30% → 50%
- Realign structure from Support to Field:
+300 “feet on the street” salespersons
- Improve cold drink availability:
More cold drink equipment



+¥8 Bn Category

NSR

Focus on Five Key Beverage Categories

- **Sparkling:** Recruitment & retention led by Coke TM
- **Coffee:** Innovate across the portfolio
- **Tea:** Accelerate momentum and win across segments
- **Sports:** Deliver on active lifestyle & hydration needs
- **Water:** Leadership in single serve

Growth
*Realign against
current strength
and future
Growth*





Coca-Cola East Japan Positioning for the Future

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+¥20-25 Bn

Incremental supply chain savings in **2017 vs. 2012**

- *Strategic infrastructure planning*
- *Packaging optimization*
- *Manufacturing efficiency*
- *Logistics; Demand, Operations & Inventory Planning*

Synergies

*Reduce costs
and drive
efficiency*



one+ Supply Chain Roadmap: Significant Synergies

Strategic infrastructure planning

- Reduce **high cost** 3rd party packers
- **Consolidate** sales warehouses

Packaging optimization

- **In-house** PET blow molds in 2014
- **Light-weighting** & standardization

Manufacturing efficiency

- **Insource** volume & **reduce** operating costs
- **Improve** usage ratios, yields

Logistics; Demand, Operations & Inventory Planning

- **Optimize** internal logistics network
- Expand **direct delivery**
- Introduce carrier **bidding**





one+ Supply Chain Roadmap: Procurement Savings

Maximizing cost efficiency with a centralized Procurement function and KO-standard ERP system:

+¥10 Bn

Incremental procurement savings in **2017 vs. 2012**

¥6 Bn

Indirect spend

- repair & maintenance
- equipment
- fleet management
- consumables
- rent

¥4 Bn

Direct spend Managed with CCBSC

(excluding FX, commodity risk)

- Packaging
- Sweeteners

Synergies

Reduce costs and drive efficiency



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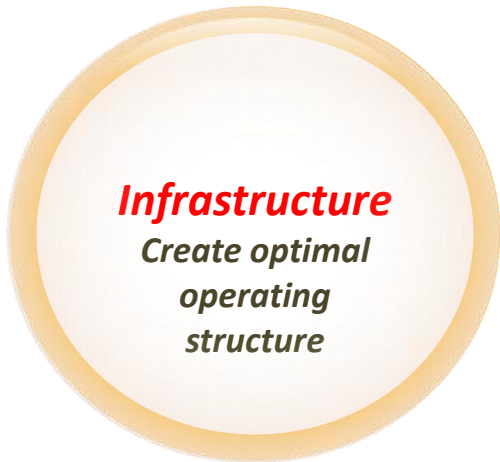


¥45-50 Billion

CAPEX investment by 2017
to capture synergies

From 2012 base

- **Installation of new production lines**
 - ✓ ~10 new lines by 2017
- **Plant warehouse expansion**
- **PET bottle in-line blowing capacity**
- **World-Class ERP system**

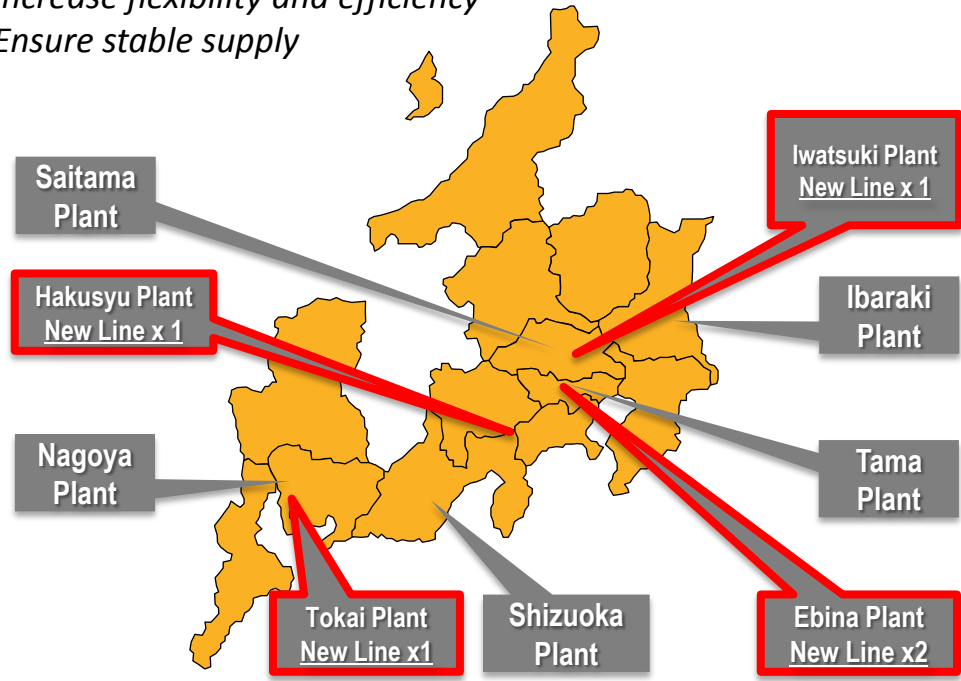




one+ Supply Chain Roadmap: Investing for Growth

Five new production lines in 2014

- Improve manufacturing capacity
- Increase flexibility and efficiency
- Ensure stable supply



Infrastructure
Create optimal
operating
structure



Coca-Cola East Japan Positioning for the Future

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8,000
Permanent
Employees

4,000
Direct Contractors

400
Temps

People
Build a world-class, modernized workforce

Strategic Workforce Alignment

Holistic review of all options for ***optimizing structures***

Appropriate Balance of Permanent & Non-Permanent Employees

Redeploy resources to where they matter

Significant Overtime Opportunity

Capability-based leadership selection

- Based on functional capability and leadership competency instead of seniority, resulting in new leadership teams

World-class leadership development for top 120 leaders

- Japan-customized global Coca-Cola standard leadership training program (LEAP)

People
Build a world-class, modernized workforce



Core skill development

- For improving core professional skills such as self-leadership, communication & presentation and English language. To be launched 2014.

Technical skill development to drive functional professionalism

- Technical training and modernizing tools & equipment by function (Front Line Capability Program in Supply Chain, Core Skills Program in Commercial)





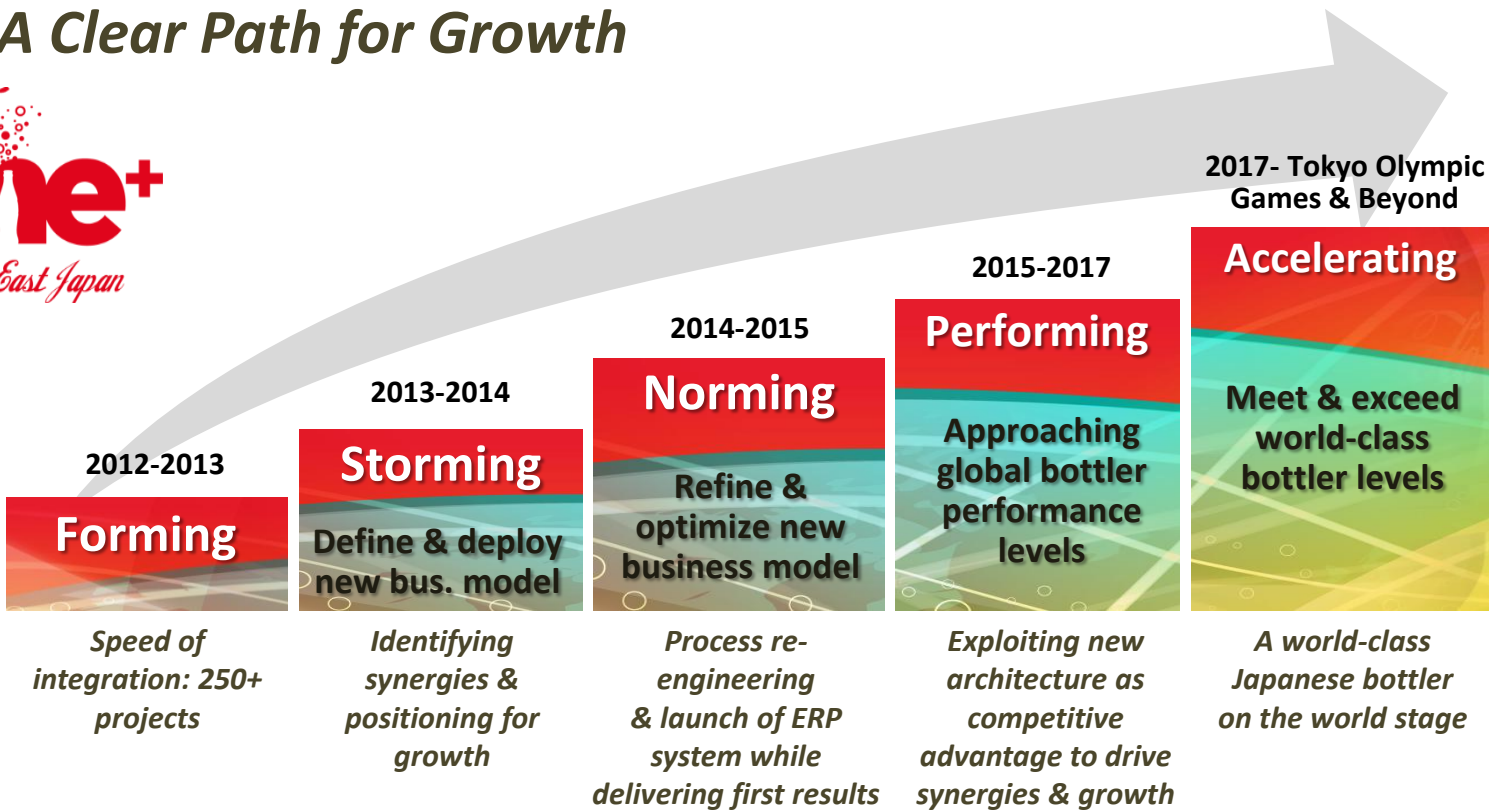
OUR one+
FINANCIAL OVERVIEW
MICHAEL COOMBS

Coca-Cola East Japan



Our one+ Roadmap for Sustainable Growth

A Clear Path for Growth





Our one+ Roadmap for Growth— in Numbers



2017- 2020 Tokyo Olympic Games & Beyond



2012 Pro-forma base

	2013 FY	2013 FY	2013 FY	2012 FY	Vs. PY	
	Pro-Forma Estimate	One-time item	Normalized Est.	Pro-Forma	Diff	%
Sales Volume <i>(BAPC) (,000 cases)</i>	285,433		285,433	283,497	1,936	1%
Net Revenue	536,900		536,900	543,146	(6,246)	-1%
Gross Profit	248,400		248,400	247,671	729	0%
Operating Income	8,100	1,900	10,000	10,689	(689)	-6%
Ordinary Profit	7,500	1,600	9,100	10,089	(989)	-10%
Net Income	11,000	-5,700	5,300	5,336	(36)	-1%



one+ World-Class one+ Performance Aspirations

Long-Term: By 2017 Performance Operational

- **Market share** #1 NARTD* Market share in our territory
- **Volume growth** > Industry performance
- **NSR growth** > Volume growth mid- to long-term
- **OI margin**** +4 pts by 2017

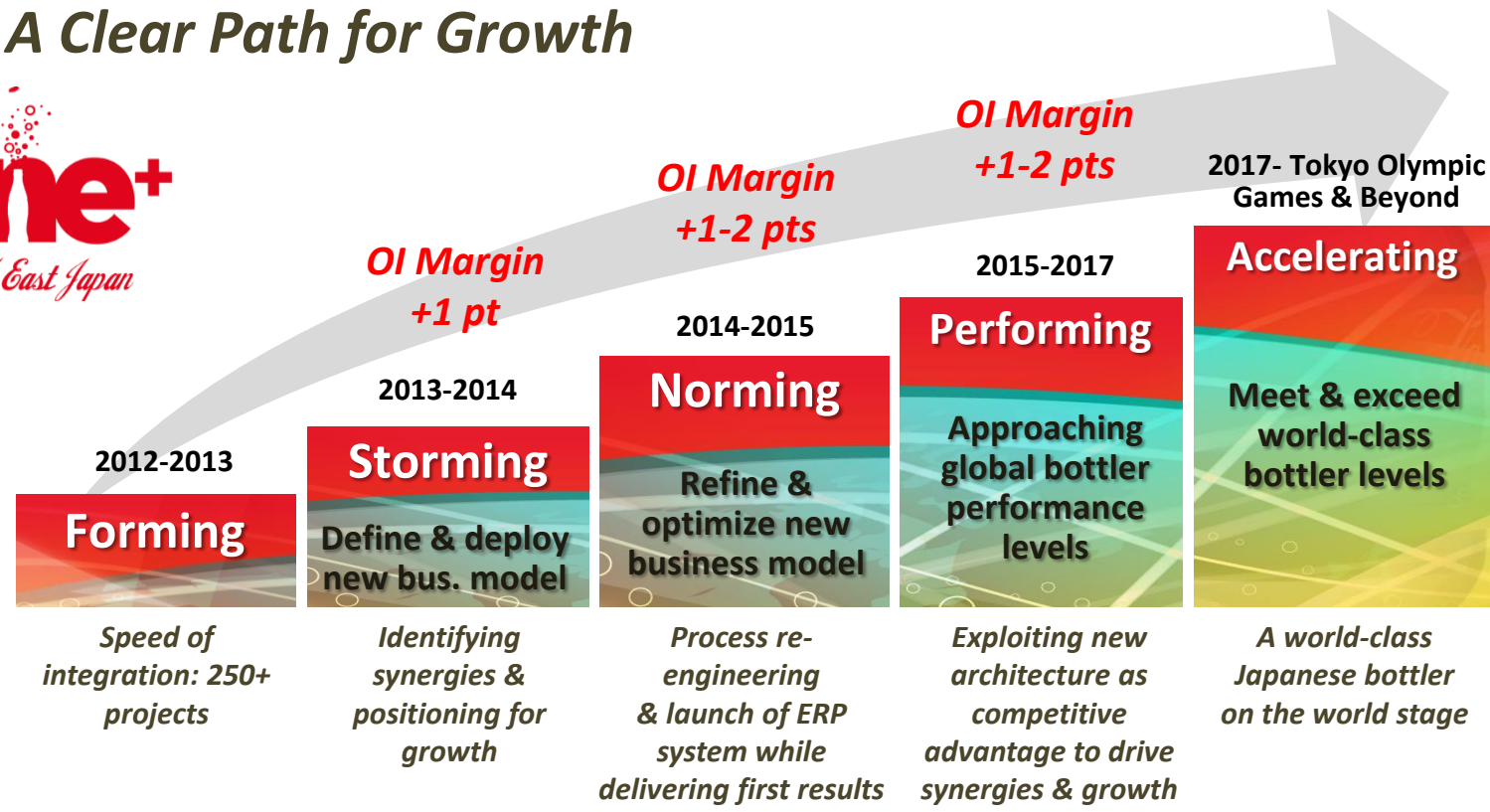
Employee Engagement	Customer Satisfaction	Capabilities
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* NARTD= Non-Alcoholic Ready-to-Drink Beverages ** On a comparable basis



Our one+ Roadmap for Sustainable Growth

A Clear Path for Growth





Commodities and Foreign Exchange

Procurement scale advantage

- Leverage Japan Coca-Cola system scale through Coca-Cola Business Services Company
- Benefit from global Coca-Cola system scale and know-how through Cross-Enterprise Procurement Group

Commodities

Main inputs

- PET
- Aluminum
- Sweetener

Exchange rate impact on total material cost

¥1 exchange rate change



¥58 million cost impact

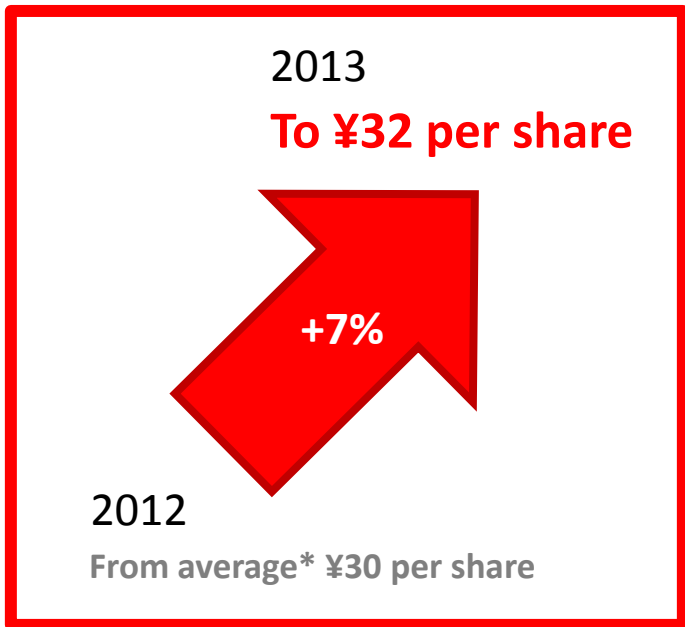
Hedging

- Foreign Exchange
- Underlying commodity



Providing Solid Returns to Shareowners

Growing Dividends per Share



Dividend

- Increase annual dividend per share from ¥30/share in 2012* to ¥32/share in 2013
- CCEJ integration a unique opportunity to create value
- Investing substantially for growth (¥40-50 bn CAPEX by 2017)

Shareholder benefits program

- 12 products once per year for shareholders who own 100-499 shares
- 24 products once per year for shareholders who own 500+ shares

*Average of four bottlers based on adjusted share count after transaction



2014 Integration Milestones

Next Wave of Subsidiary Consolidation



Additional Workforce Plans



New Performance & Incentive Management



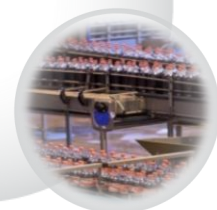
Further Commercial Structure Alignment



Commissioning of New Production Lines



Closure of Redundant Infrastructure





Coca-Cola East Japan Reasons to Believe

Growth

*Realign against
current strength
and future
Growth*

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Q&A

Coca-Cola East Japan

