Q1 2014 Earnings Conference Call

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Michael Coombs, Chief Financial Officer
May 13, 2014

Forward-Looking Statements

The plans, performance forecasts, and strategies appearing in this material are based on the assumptions and judgment of the management of Coca-Cola East Japan Co. Ltd. (CCEJ) in view of data obtained as of the date this material was released. These forecasts may differ materially from actual performance due to risks and uncertain factors such as those listed below.

Risks and uncertain factors are not limited to the items listed below. They are also included in our annual securities report, or "Yuka Shoken Houkokusho".

- 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.

CCEJ undertakes no duty to update any statement in light of new information or future events. You should rely on your own independent examination of us before investing in any securities issued by our company.

May 8, 2014
128th Anniversary of Coca-Cola

Q1 2014 Earnings Conference Call

Supporting Presentation

Introduction

- Key Messages
- Our one+ Roadmap for Sustainable Growth

On-Track in First Quarter 2014

- Rapidly and Actively Integrating
- Q1 2014 Results

Upward Revision to 2014 Plan

- Revised 2014 Full-Year Plan
- Details on Change to Accounting Policy and Estimates
- 2014 Update, CAPEX, Commercial, Marketing

Coca-Cola East Japan

Key Messages

- ✓ Volume growth of 3%, sequential improvement in most channels
- ✓ Q1 revenue includes -1% impact of divesting non-core assets like Mikuni Wine. Excluding this impact, Q1 revenue would be positive
- ✓ Operating income in line with full-year plan, but overshadowed in Q1 by change in accounting policies. Impact on full-year operating income is positive.
- ✓ Supply chain synergies & 2014 installation of new production lines ahead of plan
- ✓ New full-year comparable OI margin target increased to 3.5% from 2.8% after alignment of accounting policies to global bottling practices
- ✓ On track with roll-out of pricing related to consumption tax
- ✓ Strong marketing and innovation calendar in 2014

One+ Roadmap for Growth

2014: A Year of Transition

2012-2013

Forming

Speed of integration: 250+ projects

OI Margin +1 pt

2013-2014

Storming

Define & deploy new bus. model

Identifying synergies & positioning for growth

OI Margin +1-2 pts

2014-2015

Norming

Refine & optimize new business model

Process re-engineering & launch of ERP system while delivering first results

OI Margin +1-2 pts

2015-2017

Performing

Approaching global bottler performance levels

Exploiting new architecture as competitive advantage to drive synergies & growth

2017- Tokyo Olympic Games & Beyond

Accelerating

Meet & exceed world-class bottler levels

A world-class Japanese bottler on the world stage

ON TRACK IN 2014

one+
Coca-Cola East Japan

Rapidly and Actively Integrating

As Committed Last Quarter

- ✓ Two new production lines in Hakushu and Iwatsuki up and running.
- ✓ Call center consolidation from six to two centers (Nagoya, Okegawa)
- ✓ New performance management & incentive program in place
- ✓ Second Voluntary Separation Plan (VSP) complete
- ✓ CokeOne+ Enterprise Resource Planning (ERP) implementation underway

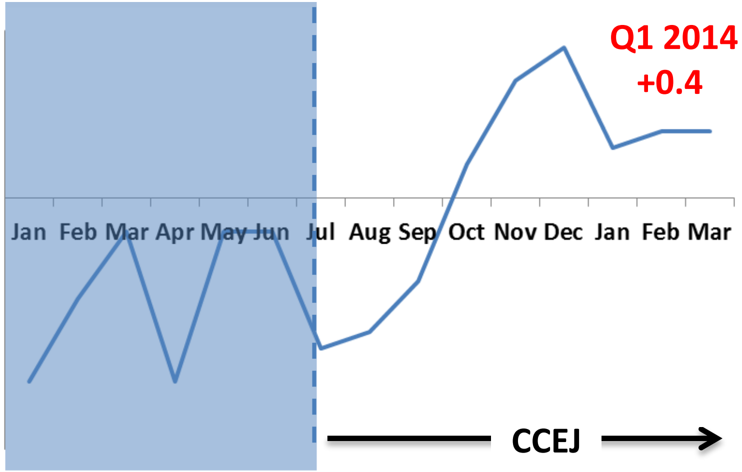
Q1: Continuing Signs of Progress

Positive volume and share trends

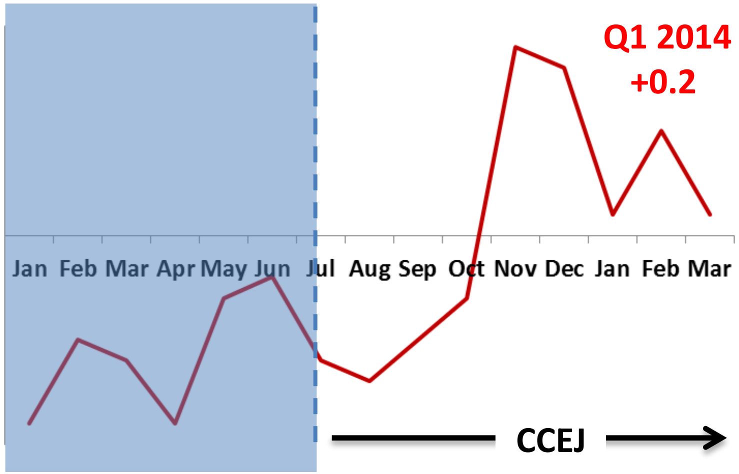
Sales Volume	Q1 2014 Actual	*vs. Prior Year*
	60,431 (BAPC)	**+3.4%**
	82,681 (UC)	**+3.3%**

Q1 Market Share* (NARTD Beverages)	*vs. Prior Year*
Volume	**+0.4**
Value	**+0.2**

Volume Share vs. Prior Year



Value Share vs. Prior Year

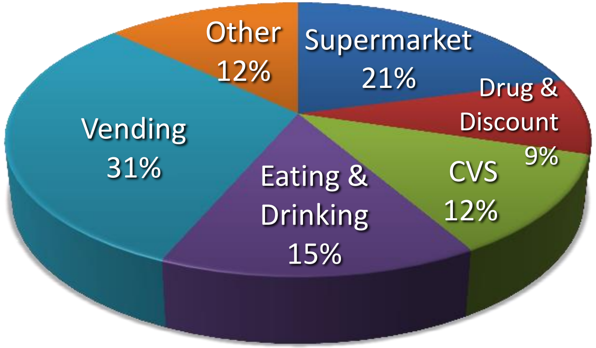


*Source: Intage, OTC channel

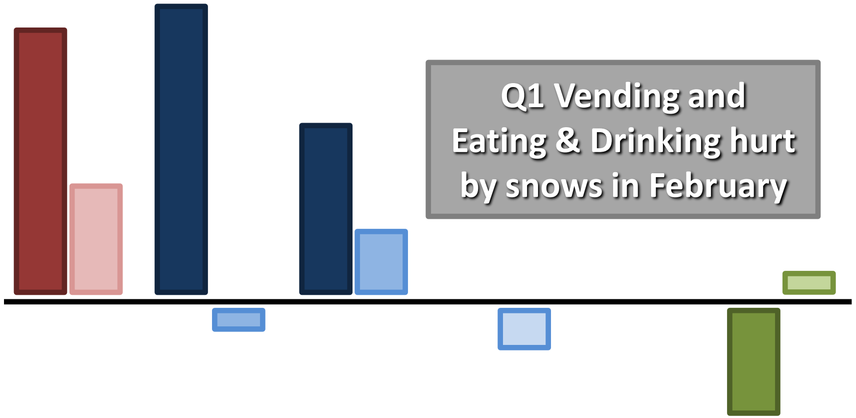
Q1: Improving Trends Across Channels

Vending Volume Even, Challenges Remain in CVS

Q1 2014 Volume By Channel (% of total volume)



Channel Volume Growth



vs. prior year	D&D	Nat'l SM	Local SM	VM	Eat & Drink	CVS
Q1 2014	+14%	+16%	+9%	0%	0%	-5%
FY 2013	+5%	-1%	+3%	-2%	0%	+1%

Total BAPC* Pro-Forma Volume Growth

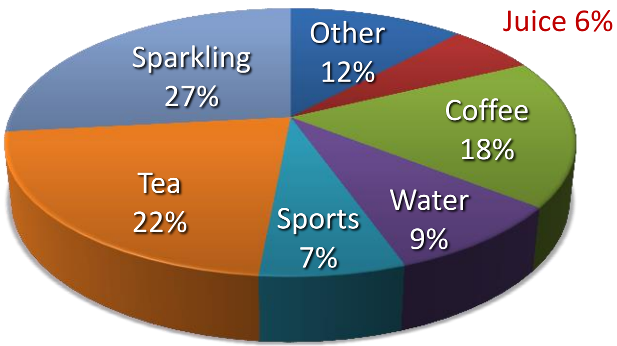
- Q1 2014 +3.4%

* BAPC (Bottler Actual Physical Cases)

Q1: Improving Trends Across Categories

Balanced Volume Growth, CVS Impacting Coffee

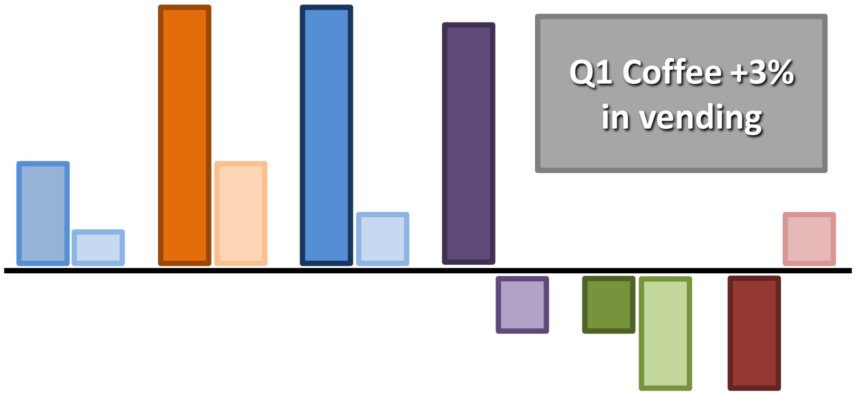
Q1 2014 Volume by Category (% of total volume)



Total BAPC* Pro-Forma Volume Growth

- Q1 2014 +3.4%

Category Volume Growth



vs. prior year	SSD	NST	Sports	Water	Coffee	Juice
Q1 2014	+4%	+10%	+10%	+9%	-2%	-4%
FY 2013	+1%	+4%	+2%	-2%	-4%	+2%

* BAPC (Bottler Actual Physical Cases)

Q1 2014 Results

Foundation for full-year growth

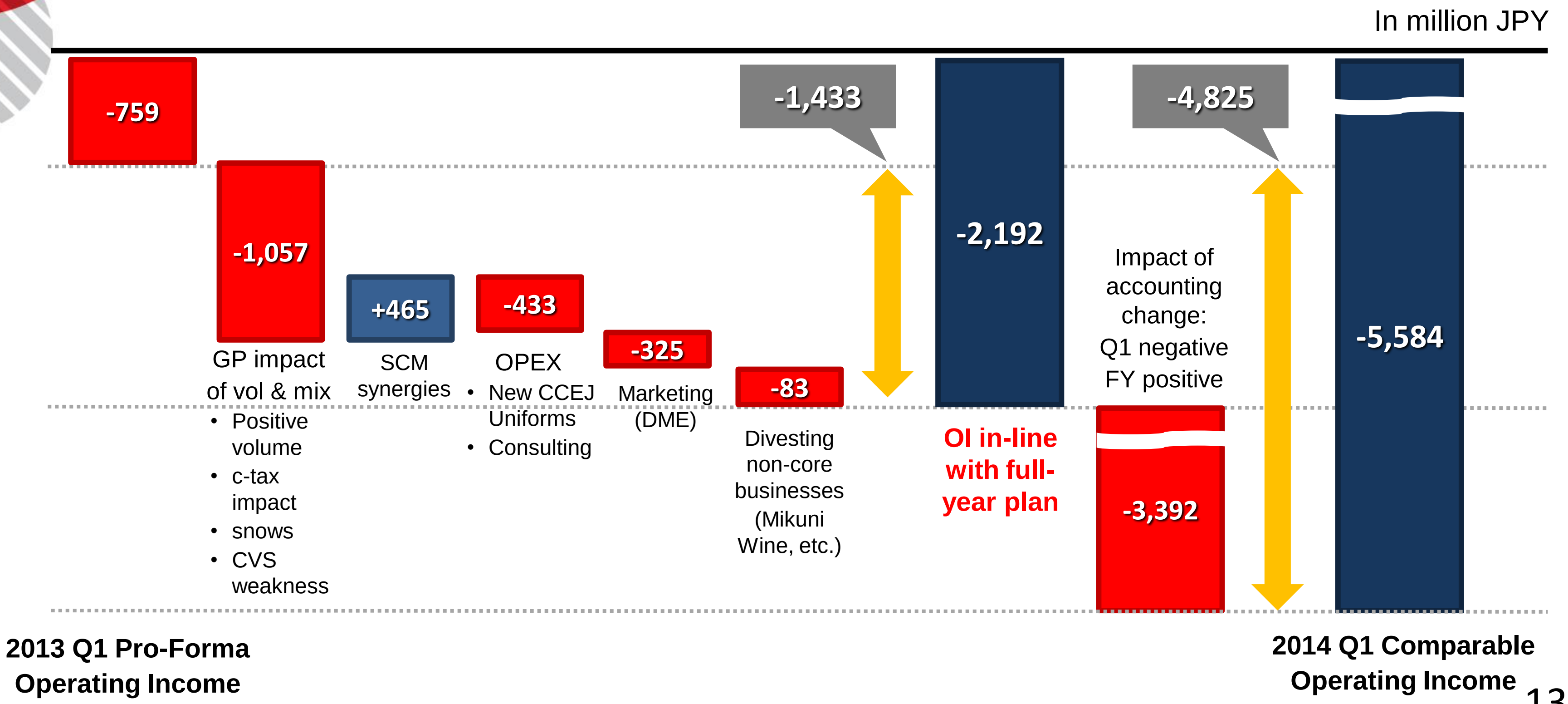
- ***Revenue mix*** reflects volume growth, tax increase, heavy snows, competitive pricing and mix pressure
- Consolidated revenue includes -1% impact of ***divesting non-core businesses*** (Mikuni Wine)
- Q1 operating Income includes ***-3.4 billion yen net impact*** due to changes in accounting policy. Without this change, OI performance ***in line with full-year growth plan***

in million yen	2014 Q1 Actual	2014 Q1 One-time items	2014 Q1 Comparable	2013 Q1 Pro-Forma Estimate	Vs. PY Diff	Vs. PY %
Sales Volume *(BAPC) (,000 cases)*	**60,431**	--	**60,431**	**58,462**	**1,969**	**+3.40**
Net Revenue	**111,915**	--	**111,915**	**112,408**	**-493**	**-0.44**
COGS	61,552*	--	61,552	60,502	1,050*	+1.74
Gross Profit	**50,362**	--	**50,362**	**51,906**	**-1,543**	**-2.97**
SG&A	55,947*	--	55,947	52,665	3,282*	+6.23
Operating Income	**-5,584**	--	**-5,584**	**-759**	**-4,825**	--
Profit Before Tax	**-6,892**	**1,363**	**-5,529**	**-970**	**-4,559**	--
Net Income	**-5,075**	**845**	**-4,230**	**-778**	**-3,452**	--

* Includes net JPY 861 million accounting change impact in COGS and JPY 2,531 million impact in SG&A

Drivers of Q1 Operating Income

Underlying performance on-track with full-year plan



UPWARD REVISION TO 2014 PLAN

one+

Coca-Cola East Japan

Upward Revision to 2014 Plan

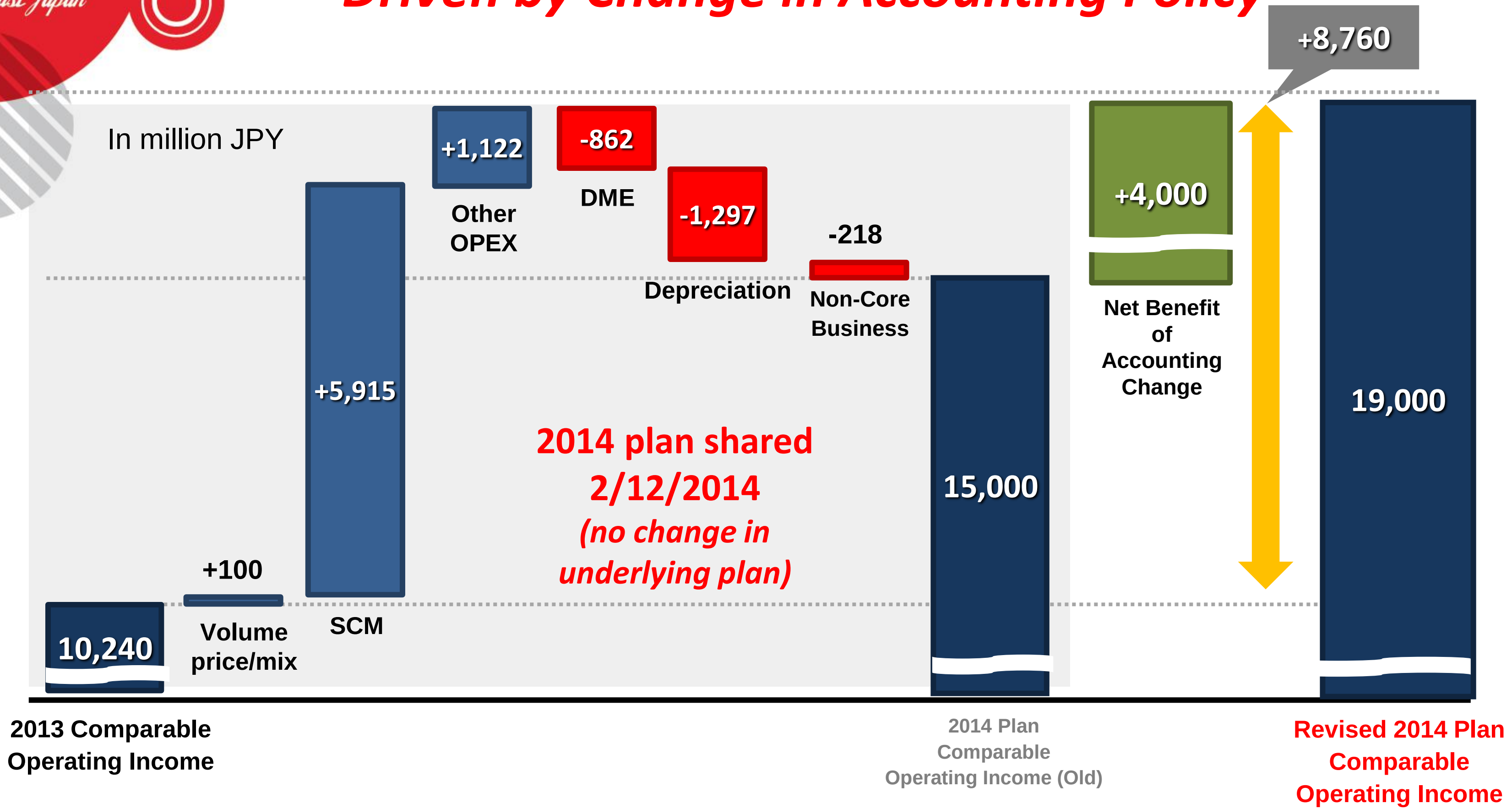
- ***Upward revision driven by accounting policy changes. No change to underlying plan.***
- ***Supply chain synergies*** to increase sequentially with introduction of five new production lines
- ***New full-year comparable operating margin target of 3.5%***

	2014 FY Revised Estimate in million yen	2014 FY One-time items	2014 FY Comparable Estimate	2013 FY Comparable	Vs. PY Diff	Vs. PY %
Sales Volume *(BAPC) (,000 cases)*	287,756		287,756	284,014	3,742	+1%
Net Revenue	535,800		535,800	533,602	2,198	+0%
Gross Profit	255,800		255,800	246,604	9,196	+3%
Operating Income	19,000		19,000	10,240	8,760	+86%
Profit Before Tax	15,500	4,000*	19,500	9,492	10,008	+105%
Net Income	9,600	2,600	12,200	5,693	6,507	+114%
			OI margin 3.5%	*OI margin 1.9%*		

*Reflects estimate of extraordinary items related to employee VSP and restructuring initiatives related to the CCEJ integration

Upward Revision to 2014 Plan

Driven by Change in Accounting Policy



Changes to Accounting Policy & Estimates

Aligning with global bottler peers

As part of our investment and operational strategies to ensure ***assets are productive*** over their entire lives and to ***maximize usage periods***, we revised accounting policies to:

- ***Align depreciation method*** for all asset classes to straight-line method
- ***Revise estimated useful lives*** of cold drink equipment from 5-6 years to 9 years
- ***Write-off existing asset salvage values*** and assume zero salvage value going forward

Asset Category	Depreciation Method	Useful Life
Building and Structures	***Straight-Line***	No change
Machinery, Equipment and Vehicles		
Tools, Furniture and Fixtures		
Sales Equipment		***9 years***

2014 Capital Expenditure Plans

Investing for Growth

Approx. ¥60 Billion in total CAPEX for 2014; ¥26 Billion in total depreciation

- ***Reflects impact of accounting policy change***
- ***Includes five new production lines and two in-line PET bottle blowers in 2014***
- ***Reflects continuing investment in cold drink equipment to drive availability***

2014 Capital Investment **CAPEX** **MM yen**

Asset Category	Q1	2014FY
COGS Capitalized	5,690	30,700
OPEX Capitalized	4,321	29,200
Capitalized Total	10,011	59,900

Depreciation **MM yen**

New Investment		Existing Assets		Total	
Q1	2014FY	Q1	2014FY	Q1	2014FY
52	1,700	2,052	4,500	2,104	6,200
71	1,600	7,087	18,300	7,158	19,900
123	3,300	9,139*	22,800	9,262	26,100

*includes net impact of accounting policy changes and salvage value write-off

Expanding New RTM across our Territory

Improve customer service & operational efficiency

INCREASE THE DAILY EFFICIENCY OF THE FRONTLINE SALES FORCE (GREEN SCORES)

- Customer Service Policy（CSP）
- Strategic Route Planning（SRP）
- Sales Force Automation（SFA）
- Go Directly & Return Directly
- Reduction of in-office hours

DRIVE CONSISTENCY & EXECUTION IN-OUTLET (RED SCORES)

- New Organization
- New Operating Process (Owner's manual)
- New HORECA Model
- New CS Model
- Right Execution Daily（RED）

ENHANCE EMPLOYEE ENGAGEMENT & JOB SATISFACTION LEVELS (GOLD SCORES)

- Standardized morning meeting（GMM）
- Sales Coach

Route-to-Market (RTM)

- Expansion from model pilot program to all territories now underway
- Tochigi, Ibaraki, Chiba to be complete by end of Q2
- 120 sales centers will be covered by July 2015

Strong Marketing & Innovation Plans

Leveraging our portfolio of brands

Q1 Winter | Coca-Cola Zero Limit

Q2 FIFA World Cup

4/10 – 4/13
Trophy Tour
in Japan

Q1 "Weekly Georgia" & New Georgia Campaign

Q2 Georgia European Restage | Luana Renewal

4/7 Launch

Jointly developed with
Sarutahiko specialty
coffee shop

5/19 Renewal

Q1 Sokenbicha 20th Anniversary | Ayataka Green Tea Campaign

525ml
PET

Q2 Karada Sukoyakacha W | Matecha Renewal | ILohas Sparkling

Q2 2014 Milestones

- ✓ Two new production lines in Ebina and Tokai commissioned in May
- ✓ Integration of Logistics and Equipment subsidiary companies in Coca-Cola East Japan Products (CCEJP)
- ✓ New Route-to-Market deployed in Tochigi, Ibaraki and Chiba areas
- ✓ Continued roll-out of new pricing and packaging for consumption tax increase
- ✓ Appointment of Chief Strategic Transformation Officer, to accelerate the implementation of CokeOne+

Thank You

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