Q3 2014 Earnings Conference Call

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November 6, 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.

Q3 2014 Earnings Conference Call

Supporting Presentation

Introduction

- Overview and Key Messages
- What's Working and What Can We Do Better?
- Transforming our Business

2014: A Year of Investment & Positioning for Growth

- Q3 and YTD 2014 Results

Outlook for Full-Year 2014

- Revised Full-Year Plan
- One+ Roadmap for Growth
- Key Takeaways

Coca-Cola East Japan

Revising full-year estimates after disappointing summer

- ✓ Q3 performance strongly impacted by unseasonal weather and weaker consumer sentiment following the April 1 consumption tax increase.
- ✓ Fourth consecutive quarter of volume and value share growth, despite challenges. Driving volume share growth ahead of value share growth in the quarter.
- ✓ Coffee volume growth in all channels; convenience store volume up, vending down.
- ✓ Delivering synergy capture and cost savings offset by operational delays of new production lines and higher distribution costs.
- ✓ YTD volume growth +0.6%, comp. revenue* -1.0%, comp. OI ¥6.6 billion
- ✓ New full-year comparable OI expected to be flat vs. prior year
- ✓ We remain focused on our One Plus Roadmap for Growth

*adjusted for structural change

Reflections on our Performance

What's working and what can we do better?

	What's Working?	What Can We Do Better?	Action Plan
Market	**Volume and value share gains** continue, even in a tough environment.	Continued **pricing pressure**. Need a more "rational" pricing approach as an industry.	Strong focus on the right **balance between volume and value**.
Structure	**Rapid legal integration** of subs: production, logistics, equipment done; legacy bottler entities and "white" vending **on track**	Aggressive pace of integration **creates new challenges** as we implement new processes and routines by function	**Coke One+ ERP system** to go live in Q2 2015. Continued dismantling of old legal entity structure.
Capacity	Continuing to capture **synergies** and identify new **savings** opportunities	**Delays** in full capacity of new lines. Weak summer volumes led to **lower synergy capture**.	All new lines are now **fully operational** in Q4. Will apply learnings from 2014 as we install new lines in 2015.
Capabilities	**Investing** in capacity and capabilities. Positioning for future **growth**.	**Wide capability gaps** to get to world-class. **Logistics** still a work-in-progress.	Continued emphasis on building capabilities through **training and hiring**. New global bottler talent to tackle Logistics.

Transforming the Business

Making progress on our integration commitments

Structure

- ✓ Functional management and operation of business from Day One
- ✓ Legal integration of subsidiary entities:
  - ✓ 4 Production companies done
  - ✓ 3 Logistics and 4 Equipment subsidiaries done
  - ✓ Legacy bottling entities proceeding on plan
  - ✓ “White” vending businesses approved by BOD
- ✓ Route-to-Market rollout ongoing
- ✓ Call center consolidation complete

Transforming the Business

Making progress on our integration commitments

Capacity

- ✓ Five new production lines and two new in-line PET blowers installed
- Some delays in full operational capacity of new production lines
- ✓ Shutdown of operations at two manufacturing plants complete
- ✓ In-house production of new Tokuho/FOSHU tea started in Q3. Insourcing of overall production capacity continues as planned.
- ✓ Successfully bond offering of ¥14 billion to fund investment needs

Capabilities

- ✓ New performance evaluation and incentive program
- ✓ People development
  - ✓ Leadership, commercial skills, English language, diversity
- ✓ Employee voluntary separation program (VSP)
- ✓ Coke One+ ERP system development and deployment on track

Investing for New Business Development

Building customer relationships for the future

Net Full-Service Vending Machine Placements

- Indoor focus
- Cashless
- Low energy use

Q3	YTD
1.5X vs PY	2.6X vs PY

Net Cooler Placements

- Branded assets
- Immediate consumption (IC)

Q3	YTD
2.6X vs PY	2.8X vs PY

New Customer Outlets

Q3	YTD
+10% vs PY	+20% vs PY

Continuing to Innovate in Q3 & YTD Q4

Focus on IC; Partnering with customers

2014

A YEAR OF INVESTMENT & POSITIONING FOR GROWTH

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Coca-Cola East Japan

Q3: A Disappointing Summer…

Cool weather & weak consumer sentiment

YTD Volume by Quarter

+3.4%

Q1

NSR
+0.6%

+2.0%

Q2

NSR
+1.5%

NSR
-4.1%

Q3

-2.4%

YTD volume +0.6%
YTD NSR -0.9%

Q3 Volume by Month

Tough prior year volume cycling, extended rainy season

Jul

-3.5%

NSR
-3.0%

Focus on volume recovery

Aug

-0.7%

NSR
-4.8%

More cool weather, sequentially improving NSR/BAPC

Sep

-3.1%

NSR
-4.4%

Q3 Highlights

- **Share gains continue**
- **Cooler-than-average summer impacted volume and price/mix**
- **Consumption tax impacting consumer purchase decisions**
- **Industry-wide inventory pressure**

*NSR=comparable Net Sales Revenue, adjusted for structural change such as Mikuni Wine; *Volume=BAPC, Bottler Actual Physical Cases

Q3: Continued Share Gains

Outperforming the industry in a tough quarter

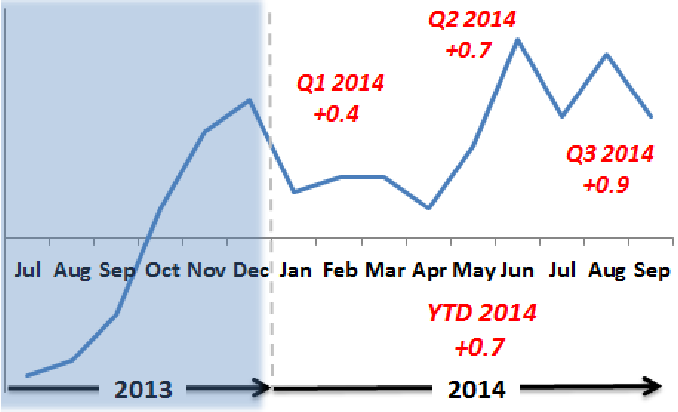
Q3 Market Share* (NARTD Beverages)	*vs. Prior Year*	
	Q3	*YTD*
Volume	+0.9	+0.7
Value	+0.6	+0.6

Strong Q3 share gains in colas, water, teas & coffee

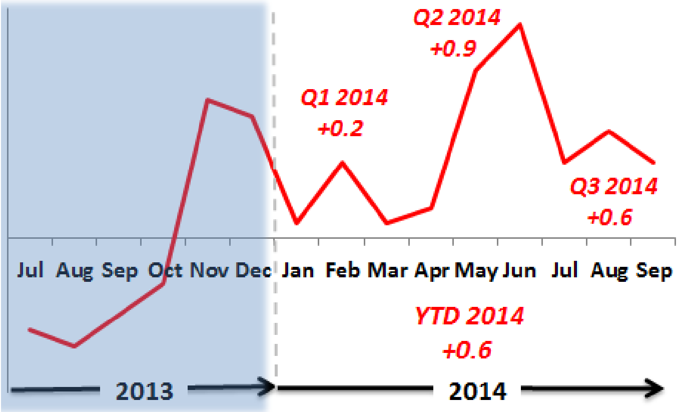
Q3 vol share growth outpacing val share growth due to promotional activities & weaker IC volume

YTD volume composition: IC 73% vs. FC 27%

Volume Share vs. Prior Year



Value Share vs. Prior Year

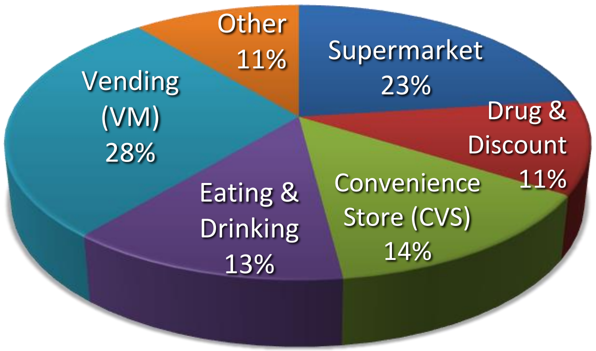


*Source: Intage, OTC channel
IC= Immediate Consumption, FC= Future Consumption

Challenging Channel Mix in Q3

Vending down; CVS volume growth led by recent launches

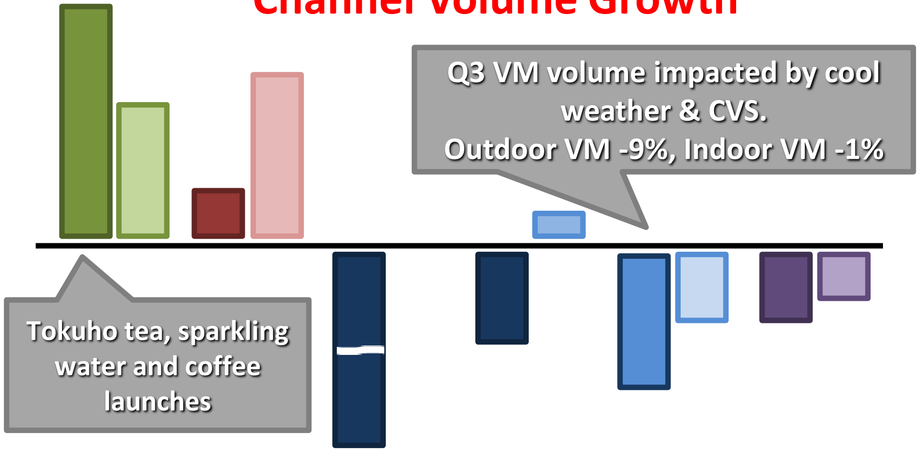
Q3 2014 Volume By Channel (% of total volume)



Total BAPC Volume Growth

- Q3 2014 -2.4%
- YTD 2014 +0.6%

Channel Volume Growth



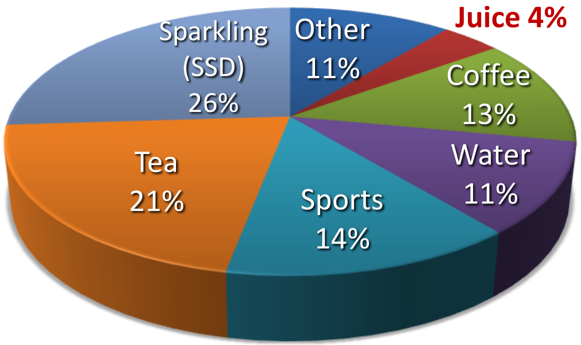
vs. prior year	CVS	D&D	Nat'l SM	Local SM	VM	Eat & Drink
Q3 2014	+10%	+2%	-10%	-4%	-6%	-2%
YTD 2014	+6%	+7%	even	+1%	-3%	-2%

* BAPC (Bottler Actual Physical Cases)

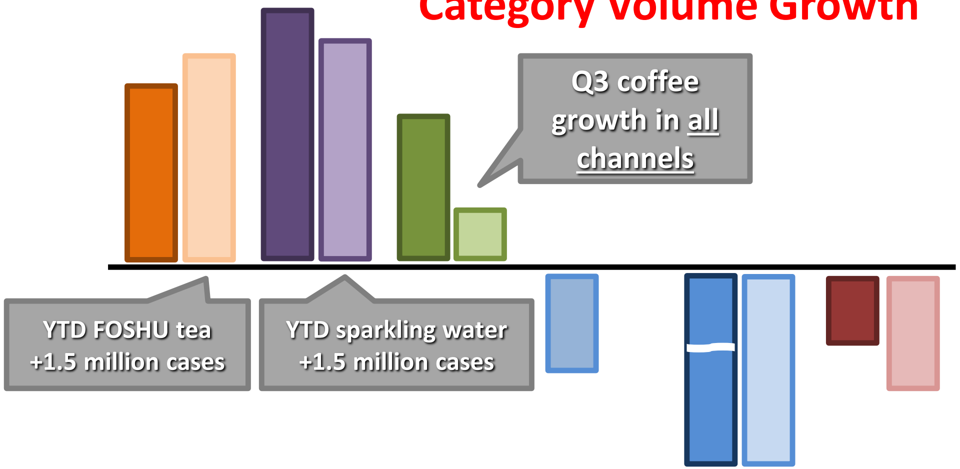
Uneven Category Performance

Growth in tea, water & coffee; Sparkling, sports hit by weather

Q3 2014 Volume by Category (% of total volume)



Category Volume Growth



vs. prior year	NST	Water	Coffee	SSD	Sports	Juice
Q3 2014	+7%	+10%	+6%	-4%	-19%	-3%
YTD 2014	+8%	+9%	+2%	even	-9%	-6%

Total BAPC Volume Growth

- Q3 2014 -2.4%
- YTD 2014 +0.6%

* BAPC (Bottler Actual Physical Cases); NST (Non-Sugar Tea)

Q3 2014 Results

A disappointing summer and lower synergies

- Negative change in gross profit driven by revenue mix and impact of weather and macro environment
- COGS decrease in Q3 not enough to offset decline in net sales revenue
- SG&A includes benefit from accounting change and reflects cost controls and lower personnel costs.
- Net income reflects in extraordinary expenses related to voluntary product recall activity, delayed ramp-up of new lines, etc.

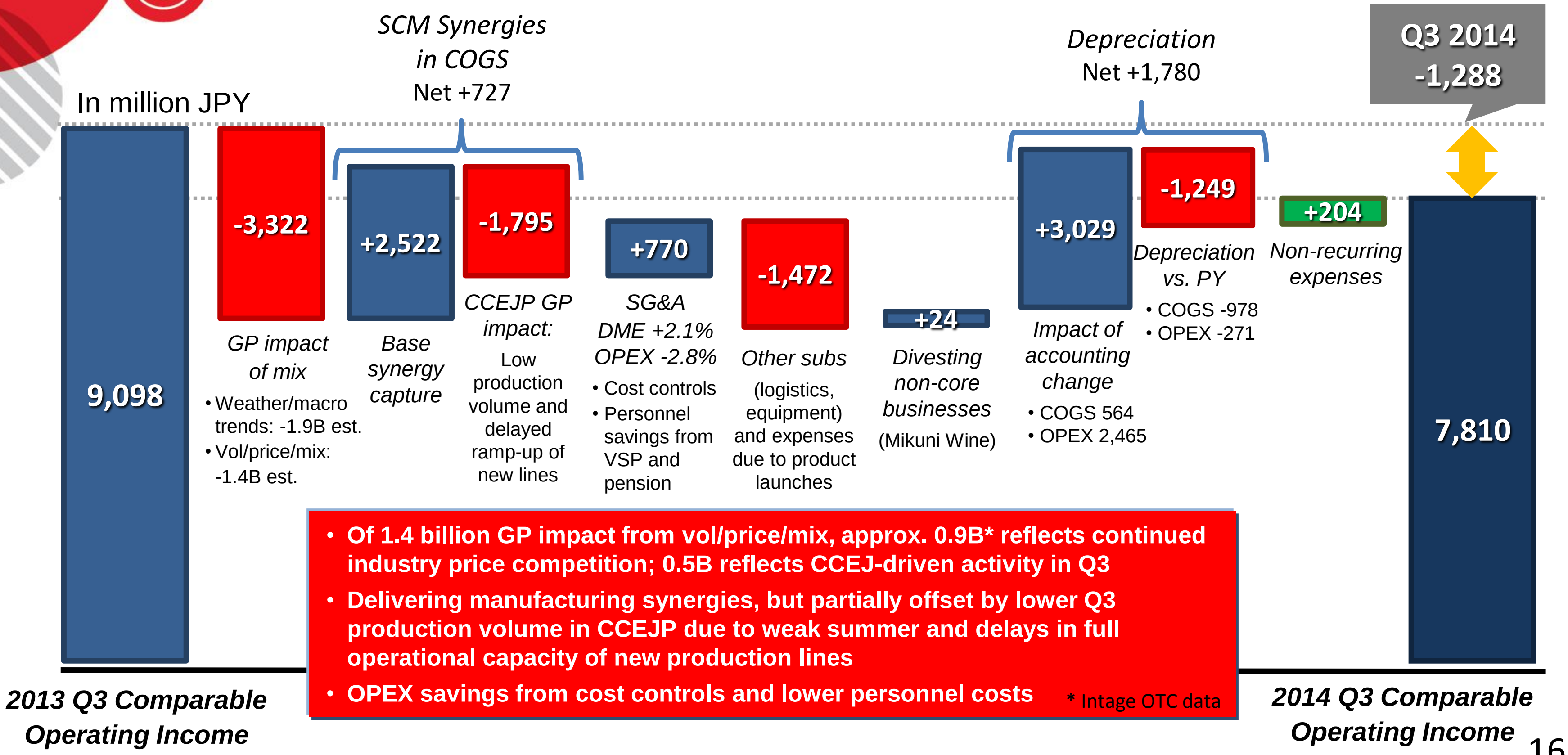
in million yen	2014 Q3 Actual	2014 Q3 One-time items	2014 Q3 Comparable	2013 Q3 Comparable	Vs. PY Diff	Vs. PY %
Sales Volume *(BAPC) (,000 cases)*	**84,381**	--	**84,381**	**86,459**	**-2,078**	**-2.4**
Net Revenue	**152,106**	--	**152,106**	**159,482**	**-7,376**	**-4.6**
COGS	83,373*	--	83,373	85,970	-2,597*	-3.0
Gross Profit	**68,733**	**--**	**68,733**	**73,512**	**-4,779**	**-6.5**
SG&A	61,127*	-204	60,923	64,414	-3,491*	-5.4
Operating Income	**7,606**	**204**	**7,810**	**9,098**	**-1,288**	**-14.2**
Profit Before Tax	**6,255**	**1,572**	**7,827**	**8,992**	**-1,165**	**-13.0**
Net Income	**3,827**	**1,072**	**4,899**	**5,552**	**-653**	**-11.8**

* Includes JPY 564 million accounting change benefit in COGS and JPY 2,465 million benefit in SG&A

Note: 2013 volumes have changed slightly as a result of data and system standardization. The impact is not deemed material

Drivers of Q3 Operating Income

A disappointing summer and lower synergies



- **Of 1.4 billion GP impact from vol/price/mix, approx. 0.9B* reflects continued industry price competition; 0.5B reflects CCEJ-driven activity in Q3**
- **Delivering manufacturing synergies, but partially offset by lower Q3 production volume in CCEJP due to weak summer and delays in full operational capacity of new production lines**
- **OPEX savings from cost controls and lower personnel costs**

* Intage OTC data

YTD 2014 Results

2014 a year of investment & positioning for future growth

- Revenue mix reflects slight volume growth, weather, tax increase, competitive pricing and mix pressure
- COGS not enough to offset revenue mix pressure. Revenue includes 0.8 ppt impact from divesting
- YTD operating income includes positive net 1.9 billion yen due to changes in accounting policy
- Net income reflects in extraordinary expenses primarily related to restructuring costs (VSP), etc.

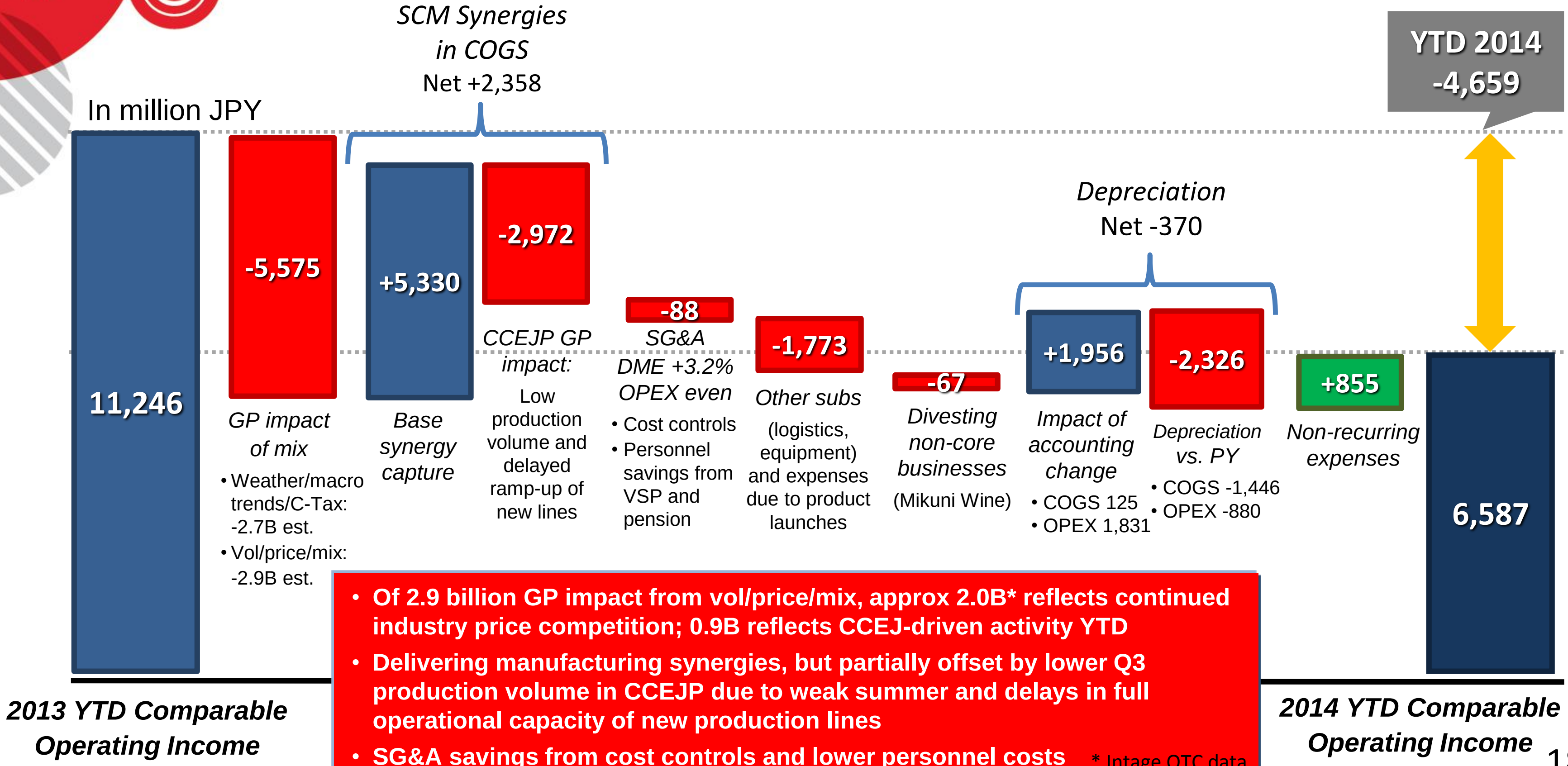
	2014 YTD Actual in million yen	2014 YTD One-time items	2014 YTD Comparable	2013 YTD Comparable Estimate	Vs. PY Diff	Vs. PY %
Sales Volume *(BAPC) (,000 cases)*	**218,412**	--	**218,412**	**217,078**	**+1,335**	**+0.6**
Net Revenue	**400,601**	--	**400,601**	**407,596**	**-6,995**	**-1.7**
COGS	219,154*	--	219,154	218,100	+1,054*	+0.5
Gross Profit	**181,446**	**--**	**181,446**	**189,496**	**-8,050**	**-4.2**
SG&A	175,714*	-855	174,859	178,250	-3,391*	-1.9
Operating Income	**5,732**	**855**	**6,587**	**11,246**	**-4,659**	**-41.4**
Profit Before Tax	**2,980**	**3,810**	**6,790**	**10,576**	**-3,787**	**-35.8**
Net Income	**897**	**2,459**	**3,356**	**6,323**	**-2,697**	**-46.9**

* Includes JPY 125 million accounting change benefit in COGS and JPY 1,831 million benefit in SG&A

Note: 2013 volumes have changed slightly as a result of data and system standardization. The impact is not deemed material

Drivers of YTD Operating Income

2014 a year of investment & positioning for future growth



- **Of 2.9 billion GP impact from vol/price/mix, approx 2.0B* reflects continued industry price competition; 0.9B reflects CCEJ-driven activity YTD**
- **Delivering manufacturing synergies, but partially offset by lower Q3 production volume in CCEJP due to weak summer and delays in full operational capacity of new production lines**
- **SG&A savings from cost controls and lower personnel costs**

* Intage OTC data

FULL-YEAR 2014 REVISED OUTLOOK

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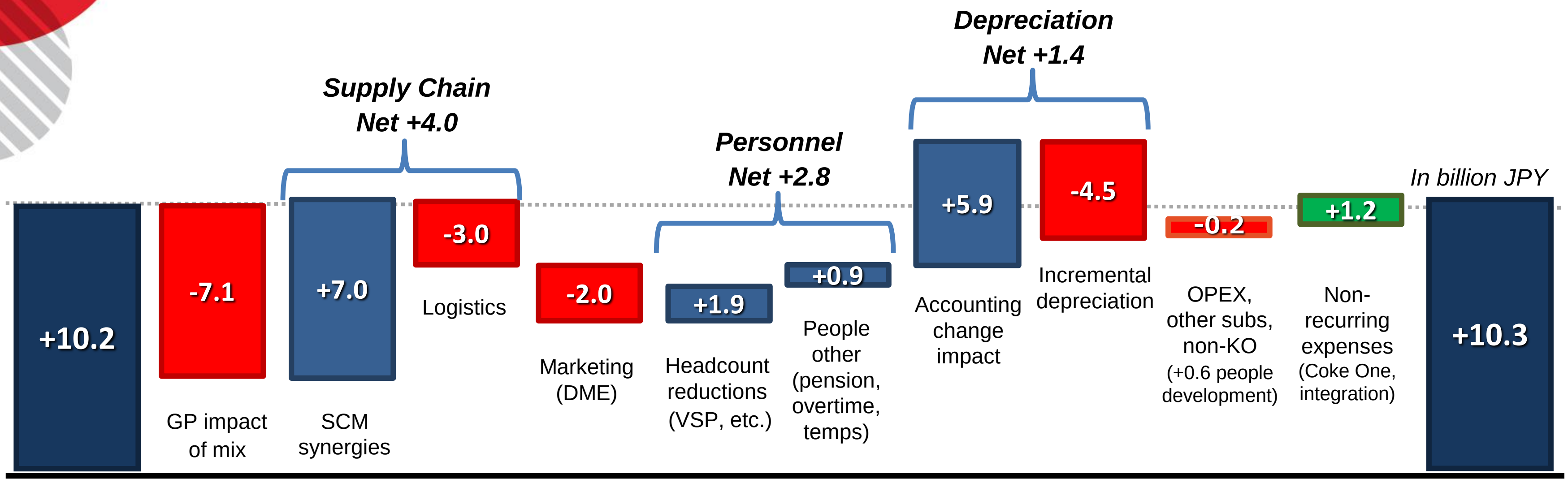
Drivers of Revised Full-Year OI Estimate

2014 a year of investment and positioning for growth



2013 FY Comparable Operating Income

2014 FY Estimated Comparable Operating Income

Change versus Previous 2014 Estimate

- ***Negative mix due to channel trends, weather, consumption tax primary driver of revised estimate (~80% of total difference)***
- ***Many puts and takes related to ongoing transformational work and accounting change***

Revised Full-Year 2014 Plan

Flat Operating Income in a tough year

in million yen	2014 FY Revised Estimate	2014 FY One-time items	2014 FY Comparable Estimate	2013 FY Comparable	Vs. PY Diff	Vs. PY %
Sales Volume *(BAPC) (,000 cases)*	284,000	-	284,000	283,777	+223	+0.1
Net Revenue	523,000	-	523,000	533,602	-10,602	-2.0
Gross Profit	239,300	-	239,300	246,604	-7,304	-3.0
Operating Income	9,100	1,200	10,300	10,240	+60	+0.6
Profit Before Tax	6,100	4,500*	10,600	9,492	+1,108	+11.7
Net Income	3,200	2,700	5,900	5,693	+207	+3.6
			OI margin 2.0%	*OI margin 1.9%*		

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

Note: 2013 volumes have changed slightly as a result of data and system standardization. The impact is not deemed material

One+ Roadmap for Growth

Remaining focused on the journey to World-Class

***Q3:** A disappointing summer*

***2014:** A year of investment & positioning for growth*

2012-2013

Forming

Speed of integration: 250+ projects

2013-2014

Storming

Define & deploy new bus. model

Identifying synergies & positioning for growth

2014-2015

Norming

Refine & optimize new business model

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

2015-2017

Performing

Approaching global bottler performance levels

Exploiting new architecture as competitive advantage to drive synergies & growth

2018- Tokyo Olympic Games & Beyond

Accelerating

Meet & exceed world-class bottler levels

A world-class Japanese bottler on the world stage

Key Takeaways

- ✓ **Market**: Q3 was a disappointing quarter, but we continue to gain share and we will do what is right for the long-term with an appropriate balance between volume & value.
- ✓ **Structure**: The aggressive pace of integration continues, but has created some challenges as we implement new processes and routines by function. ERP system development underway.
- ✓ **Capacity**: Delivering synergies against our initial target, but also experiencing added cost and delays as we ramp-up our new infrastructure. We will learn from 2014.
- ✓ **Capabilities**: We still have capability gaps to get to world-class. There is still much work to be done and we will continue investing in training and strategic hiring.

APPENDIX

Glossary

OBPPC	**Occasion, Brand, Package, Price, Channel**. A segmentation strategy tailored to consumption opportunities in five areas: occasion, brand, package, price and channel.
IC	**Immediate Consumption**. Purchase or sell beverage for consuming it immediately. It also means the products/SKUs for IC (for example, cans and small PET packages under 1L) and channels that consumers purchase the beverages for IC(for example, vending machine and convenience stores channels).
FC	**Future Consumption**. Purchase or sell beverage for future consumption in home, etc. It also means the products/SKUs for FC (for example, large-sized package and multi-pack of small packages) and channels that consumers purchase the beverages for FC. (for example, supermarket and drug & discounter channels).
HORECA	Hotel, Restaurants and Cafeteria. Generally means sales channels of these kinds.
CDE	Cold Drink Equipment. Vending machines, coolers and beverage dispensers, etc.
Coolers	The equipment with Coca-Cola's logos which keep beverages at an appropriate temperature (chilled and/or hot) for immediate consumption, and ready for selling them at the storefront of retail outlets and restaurants. It will serve as point-of–sales advertising, too.
Dispenser	The equipment installed in restaurants to serve the consumers a specified amount of beverage in cup either in chilled or hot.
RTM	Route-to-Market. A framework, a process, a philosophy, a proven approach to growing profitable volume.

THANK YOU

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November 6, 2014

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COCA-COLA、コカ·コーラ、COCA-COLA ZERO、FANTA、ファンタ、FUNMIX、ファンミックス、SPRITE、スプライト、
REAL GOLD、リアルゴールド、REAL、リアル、REAL ENERGY、リアルエナジー、GEORGIA、ジョージア、ご褒美ブレイク、
EMBLEM、エンブレム、BLUX、ブラックス、GREEN PLANET、グリーンプラネット、爽健美茶、そうけんびちゃ、黒冴、くろさえ、
AQUARIUS、アクエリアス、VITAMIN GUARD、ビタミンガード、DAY-START、デイ・スタート、綾鷹、あやたか、一、はじめ、
茶織、さおり、茶流彩彩、さりゅうさいさい、煌、ファン、QOO、クー、ぷるんぷるん、MINUTE MAID、ミニッツメイド、
GOONEW、グーニュー、MONE、モネ、紅茶花伝、KOCHAKADEN、LOVE BODY、ラブボディ、I LOHAS、い・ろ・は・す、
森の水だより、からだ巡茶、からだすこやか茶、COCOTEEN、ココティーン、BISTRONE、ビストローネ、OLO OLO、オロオロ、
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