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Coca-Cola East Japan

FY 2014 Earnings Presentation

Calin Dragan, Chief Executive Officer

Michael Coombs, Chief Financial Officer

February 16, 2015

(Posted to CCEJ website on February 13, 2015)

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.

Coca-Cola Contour Bottle 100th Anniversary

Full-Year 2014 Earnings Presentation

Introduction

- Overview and Key Messages
- Transforming our Business

2014: A Year of Investment & Positioning for Growth

- Q4 and Full-Year 2014 Results

One+ Roadmap for Growth

Outlook for Full-Year 2015

- Full-Year Plan
- Key Takeaways

Coca-Cola East Japan

2014: Encouraging results in a tough year

- ✓ Progress in Q4 after a tough summer. FY results slightly ahead of revised plan.
- ✓ Five consecutive quarters of volume and value share growth, despite challenging environment. Starting 2015 from a stronger position.
- ✓ Launches and innovation drove continued coffee, tea & water growth
- ✓ Rapid transformation & integration work continues; No legacy bottlers remain
- ✓ Delivered strong synergies and cost savings in Q4 to offset production line delays earlier in the year and ongoing price-mix pressure
- ✓ Full-year price/mix impacted by unseasonal weather and weak consumer sentiment after the April 1 consumption tax increase
- ✓ Announced planned acquisition of Sendai Coca-Cola Bottling Company

Real Transformation of the Business

Making progress on our integration commitments

Structure

- ✓ Functional management and operation of business from Day One. New functional role sorts and routines have stabilized.
- ✓ After only 18 months, legacy bottler integration complete. No legacy bottler entities remain. 23 of 26 legal entities from Day One are being integrated:
  - ✓ 4 Production companies integrated January 1, 2014
  - ✓ 3 Logistics and 4 Equipment subsidiaries integrated July 1, 2014
  - ✓ 4 Legacy bottling entities integrated January 1, 2015
  - ✓ 8 "Mixed" vending businesses integrating as of April 1, 2015
- ✓ Announced planned acquisition of Sendai Coca-Cola Bottling Company
- ✓ Route-to-Market rollout ongoing and starting to deliver results
- ✓ Call center consolidation complete

Real Transformation of the Business

Making progress on our integration commitments

Capacity

- ✓ Five new production lines and two new in-line PET blowers installed
- ✓ Shutdown of operations at two manufacturing plants complete
- ✓ Insourcing of production capacity continues as planned– targeting ~95% in 2015
- ✓ Successful bond offering of ¥14 billion to fund investment needs

Capabilities

- ✓ Pay-for-performance incentive program in place and directly linked to results
- ✓ Investing in people development
  - ✓ Leadership, commercial skills, diversity, operational excellence (OE)
  - ✓ Connect our people to the global network of 250+ Coca-Cola bottlers
- ✓ Employee voluntary separation program (VSP)
- ✓ Coke One+ ERP system back-office deployment on track for April 2015

2014
A YEAR OF INVESTMENT & POSITIONING FOR GROWTH

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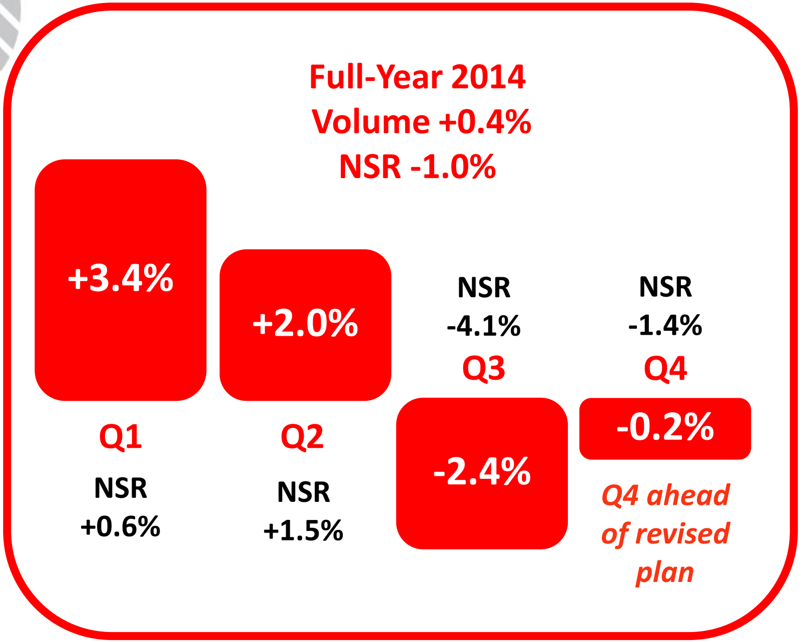
Coca-Cola East Japan

Full-Year Results Clearly Impacted by Q3

2014 Volume & NSR by Quarter*



Quarterly Highlights

Q1	• *Consumer loading before tax rise* • *Historic snowfalls in Feb impacted immediate consumption channels*
Q2	• *Volume decline in April after tax rise* • *Vending price change rollout plan complete by end of quarter*
Q3	• *Cool summer impacted volume and price/mix, consumption tax impacted consumer behavior* • *Industry-wide inventory pressure & discounting*
Q4	• *Continued price pressure partly offset by implementing price, terms & conditions* • *NSR impacted by weakness in vending as CCEJ maintained pricing after tax rise*

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

A Return to Share Growth in 2014

Entering 2015 from a stronger position

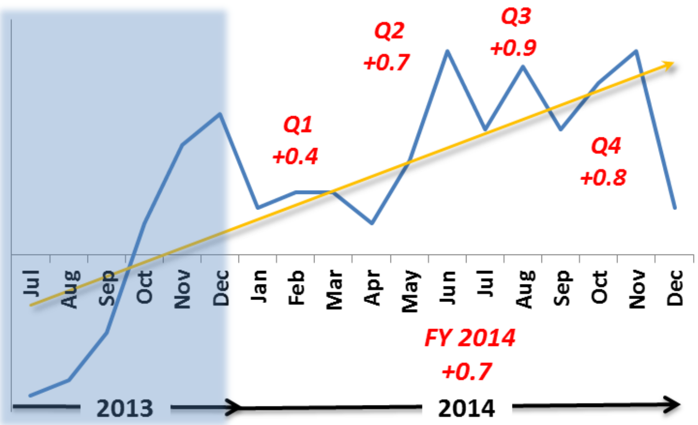
Q4 Market Share* (NARTD Beverages)	*vs. Prior Year*	
	Q4	*2014*
Volume	+0.8	+0.7
Value	+0.4	+0.5

Strong Q4 share gains in colas, coffee, tea and water

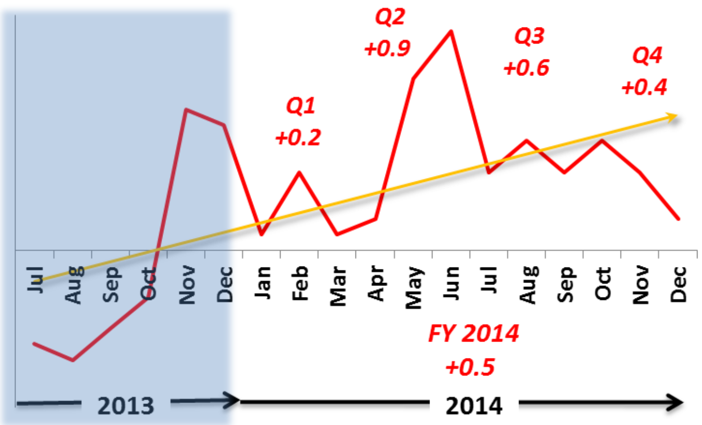
Full-year volume composition: IC 74% vs. FC 26%

Expect to hold 2014 share position in 2015

Volume Share vs. Prior Year



Value Share vs. Prior Year



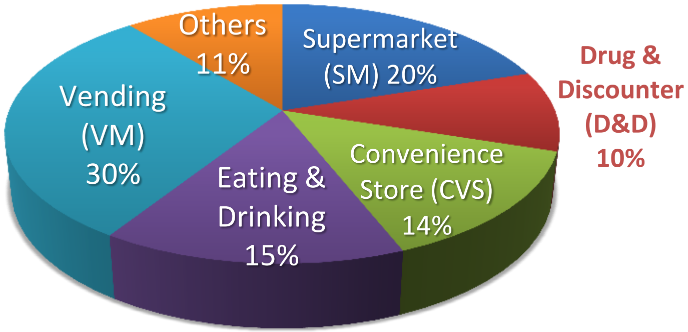
*Source: Intage, OTC channel

IC= Immediate Consumption, FC= Future Consumption

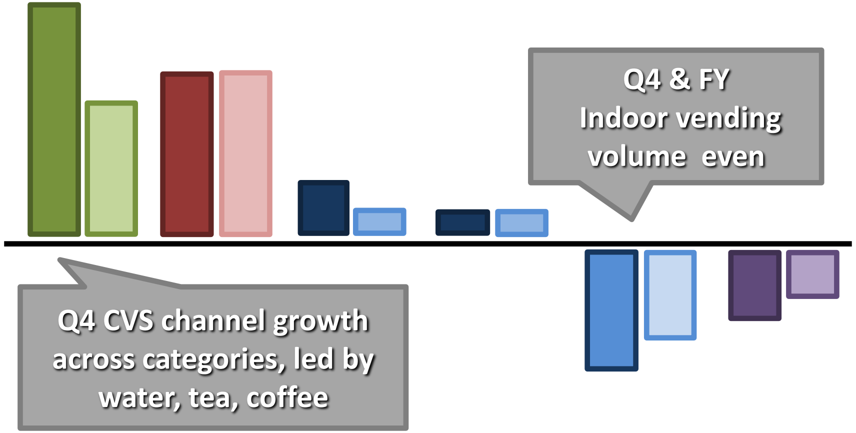
An Evolving Channel Mix

- *Growth in CVS; Differences in indoor vs. outdoor vending*
- *VM channel impacted by price rise after tax hike*

Q4 2014 Volume by Channel (% of total)



Channel Volume Growth



vs. 2013	CVS	D&D	Nat'l SM	Local SM	VM	Eat & Drink
Q4	+10%	+8%	+3%	+1%	-5%	-3%
Full Year	+7%	+8%	+1%	+1%	-3%	-2%

Total 2014 BAPC Volume Growth

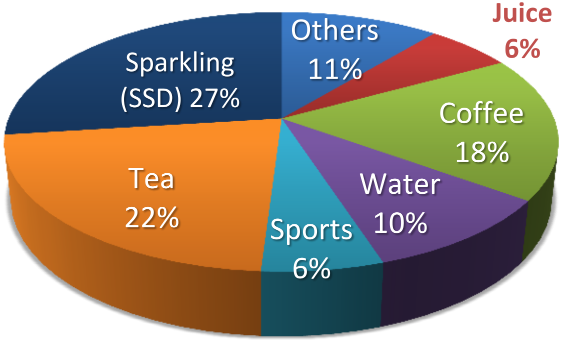
- Q4 -0.2%
- FY +0.4%

* BAPC (Bottler Actual Physical Cases)

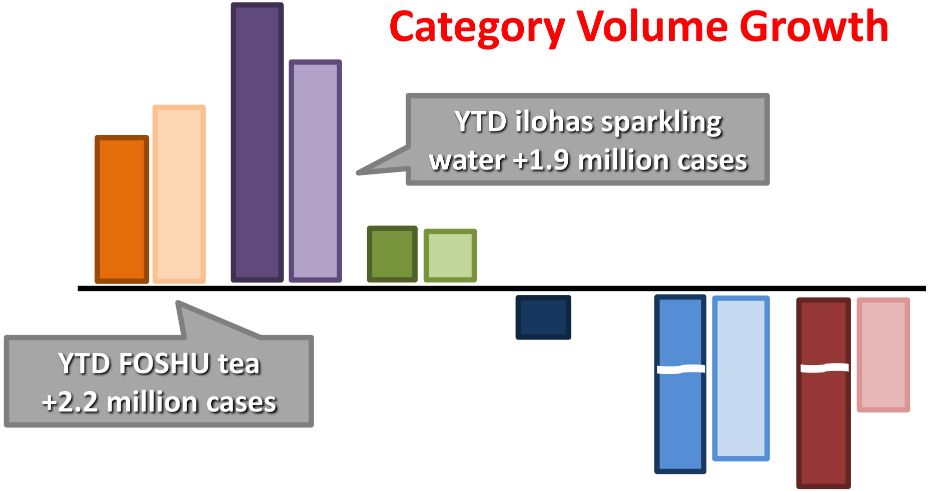
Channel Mix Drives Category Performance

- *Growth in coffee, tea & water led by innovation*
- *Sparkling and sports volumes impacted by vending channel*

Q4 2014 Volume by Category (% of total)



Category Volume Growth



Total 2014 BAPC Volume Growth

- Q4 -0.2%
- FY +0.4%

vs. 2013	NST	Water	Coffee	SSD	Sports	Juice
Q4	+6%	+12%	+2%	-2%	-10%	-11%
Full Year	+8%	+10%	+2%	even	-9%	-6%

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

Investing in Marketplace Execution

Building customer relationships for the future

Net Full-Service Vending Machine Placements

- Indoor focus
  (Indoor 2X Outdoor)
- Cashless
- Low energy use

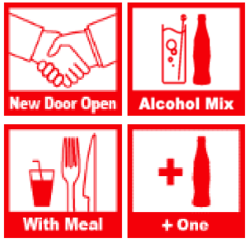
Q4	Full Year
1.7X vs PY	2.4X vs PY

Net Cooler Placements

- Branded assets
- Immediate consumption (IC)

Q4	Full Year
2.3X vs PY	2.8X vs PY

New Customer Outlets

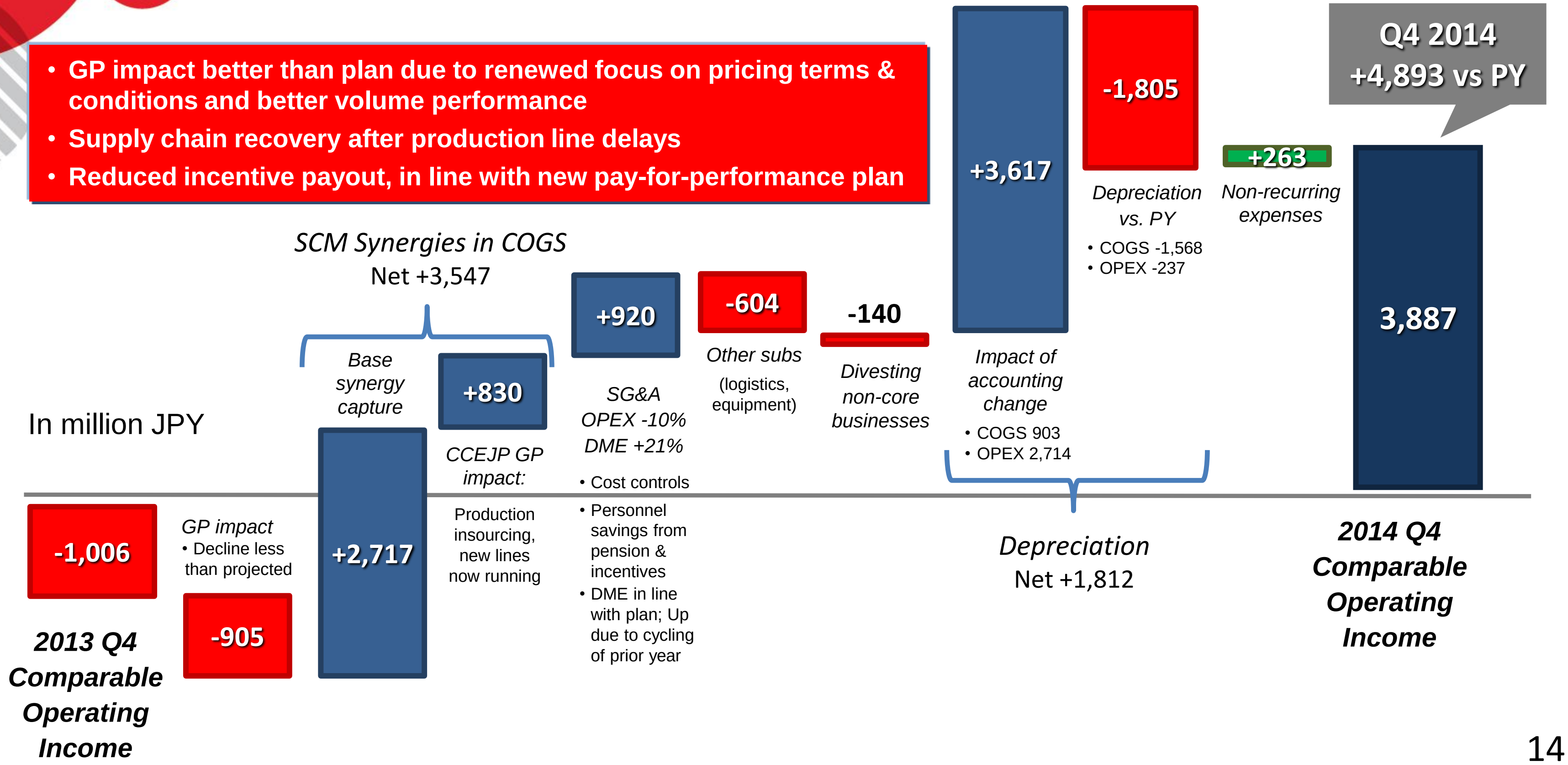


Q4	Full Year
+3.5% vs PY	+17% vs PY

Drivers of Q4 Operating Income

A strong quarter following a call to action in Q3

- **GP impact better than plan due to renewed focus on pricing terms & conditions and better volume performance**
- **Supply chain recovery after production line delays**
- **Reduced incentive payout, in line with new pay-for-performance plan**



Fourth Quarter 2014 Results

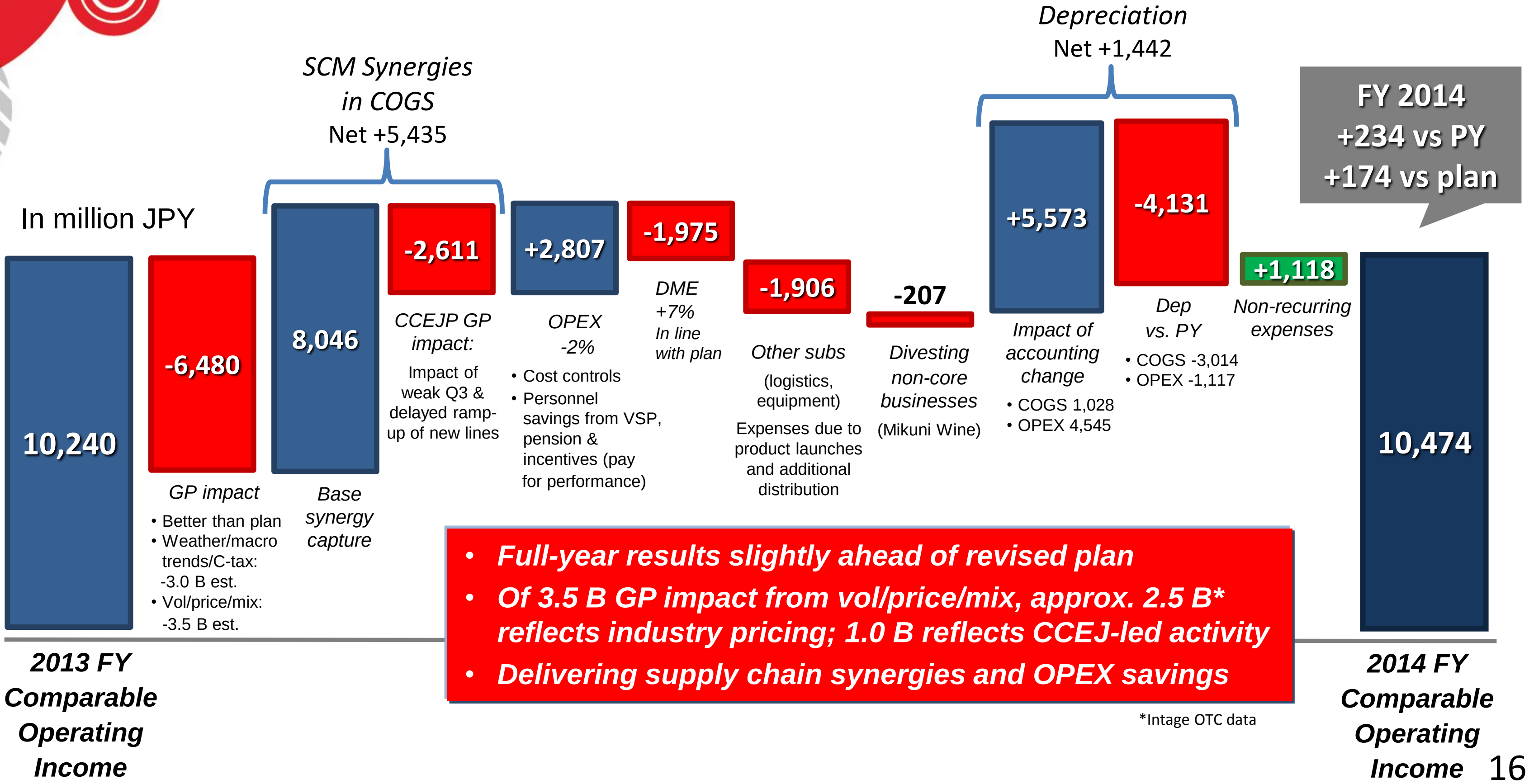
	2014 Q4 Actual in million yen	2014 Q4 One-time items	2014 Q4 Comparable	2013 Q4 Comparable	Vs. PY Diff	Vs. PY %
Sales Volume *(BAPC) (,000 cases)*	**66,576**	-	**66,576**	**66,699**	**-123**	**-0.2**
Net Revenue	**122,698**	-	**122,698**	**126,006**	**-3,308**	-2.6
COGS	64,809*	-	64,809	68,898	-4,089	-5.9
Gross Profit	**57,889**	-	**57,889**	**57,108**	**781**	**+1.4**
SG&A	54,265*	-263	54,002	58,114	-4,112	-7.1
Operating Income	**3,624**	**+263**	**3,887**	**-1,006**	**4,893**	-
Profit Before Tax	**3,565**	**+289**	**3,854**	**-1,496**	**5,350**	-
Net Income	**2,538**	**+81**	**2,619**	**-865**	**2,099**	-

* Includes JPY 903 million accounting change benefit in COGS and JPY 2,714 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 Full-Year Operating Income

Solid results in our first full year of operations



- ***Full-year results slightly ahead of revised plan***
- ***Of 3.5 B GP impact from vol/price/mix, approx. 2.5 B* reflects industry pricing; 1.0 B reflects CCEJ-led activity***
- ***Delivering supply chain synergies and OPEX savings***

*Intage OTC data

Full-Year 2014 Results

2014 FY Actual in million yen		2014 FY One-time items	2014 FY Comparable	2013 FY Comparable	Vs. PY Diff	Vs. PY %	Vs. Revised Plan %
Sales Volume *(BAPC) (,000 cases)*	**284,989**	-	**284,989**	**283,777**	**+1,212**	**+0.4**	**+0.3**
Net Revenue	**523,299**	-	**523,299**	**533,602**	**-10,303**	**-1.9**	**+0.1**
COGS	283,963*	-	283,963	286,998	-3,035	-1.1	N/A
Gross Profit	**239,336**	-	**239,336**	**246,604**	**-7,268**	**-2.9**	**+0.0**
SG&A	229,979*	-1,118	228,861	236,364	-7,503	-3.2	N/A
Operating Income	**9,356**	**+1,118**	**10,474**	**10,240**	**+234**	**2.3**	**+1.7**
Profit Before Tax	**6,545**	+4,098	10,643	9,080	+1,563	17.2	+0.4
Net Income	**3,434**	**+2,541**	**5,975**	**5,693**	**+282**	**5.0**	**+1.3**

OI margin 2.0% (2014 FY Comparable) *OI margin 1.9%* (2013 FY Comparable)

*Includes JPY 1,028 million accounting change benefit in COGS and JPY 4,545 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

One+ Roadmap for Growth

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Coca-Cola East Japan

One+ Roadmap for Growth

Remaining focused on the journey to World-Class

2015: Roadmap for Growth still Appropriate

- *Financial results have shifted out by one year*
- *Pace of improvement will not change*
- *Focus on delivering in 2015, 2016*

2012-2014

Forming & Storming

Define & deploy new business model

Speed of integration: 250+ projects

Identifying synergies & positioning for growth

2015-2016

Norming

Refine & optimize new business model

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

2016-2017

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

TOKYO 2020

Critical Learnings for the Future

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. Good execution of Route-to-market plan rollout	Continued **pricing pressure**. Need a more "rational" pricing approach as an industry.	Strong focus on **balance between volume and value**. Emphasis on price, terms, conditions.
Structure	**Rapid legal integration** of subsidiary companies	Aggressive pace of integration can **create new challenges**. New processes & routines by function	**Coke One+ ERP system** phase I. Prioritize and track progress on big bet integration initiatives
Capacity	Continuing to capture **synergies** and identify new **savings** opportunities	**Delays** in full capacity of new lines. **Logistics** optimization requires investment.	Will apply **learnings** from 2014. Continue to **optimize** plant/ logistics/distribution network
Capabilities	Active **transformation.** Positioning for future **growth**.	**Capability gaps** to get to world-class.	Building capabilities through **training and hiring.** People, processes & systems

FULL-YEAR 2015 OUTLOOK

Our 2015 Targets

Comparable OI	+ 48.9%, 15.6 B JPY
Revenue Growth	+ 2.4%
Operating Margin	2.9%
BAPC Volume Growth	+ 2.2%

Reasons to Believe

- Majority of cost synergy initiatives already in-flight
- Commercial targets realistic; Assume continued pricing pressure and partial recovery of impact of 2014 weather and tax rise
- People, processes & systems in place and better prepared vs. 2014

Full-Year 2015 Plan Overview

Macro Environment	• Recovering economy a positive for market growth but with added pressure from labor cost inflation • Input costs impacted by Forex, partly offset by lower energy prices
NARTD Market Environment	• Low single-digit market growth • Ongoing channel mix shift • Continued pressure on retail pricing
CCEJ Initiatives	• Manage price/mix • Increase focus on revenue and gross profit • Continue to extract supply chain synergies • Stabilize capacity, capabilities and structures for 2016 and beyond

2015 Major Initiatives by Function

Commercial	• Targeted expansion of vending; Growth in Convenience Stores • Revenue Growth Management (RGM) through strengthened OBPPC and pricing, terms & conditions • Complete Route-to-Market deployment
Supply Chain	• ¥5.3 billion net SCM synergies (insourcing production/logistics; network optimization) • Operational stability of five new production lines in 2014 and complete installation of four additional lines • Lay groundwork for distribution optimization
Support Functions	• People development, process standardization, systems stability, performance culture • Coke One+ go-live phase 1 and start phase 2 • Indirect procurement management with Coca-Cola West

Strong Marketing & Innovation Plans

"Big Bet" launches of Coke Life and Tsumugi Tea

Q1 — Coca-Cola Bottle 100th Anniversary — Coca-Cola Life





Q1 — Georgia Campaign — New Flavor Launch — Aluminum Can Rollout — New Cup Vending

Georgia Campaign

The world is made up of someone's work

Georgia New Flavor

Mitsuboshi Presso

(Three-Star Presso)

New cup vending machine

Q1 — Aquarius Cold Prevention — I lohas — FOSHU Tea — *PEKO RAKU* Crushable PET — TSUMUGI Oolong Tea


Karada Sukoykacha W

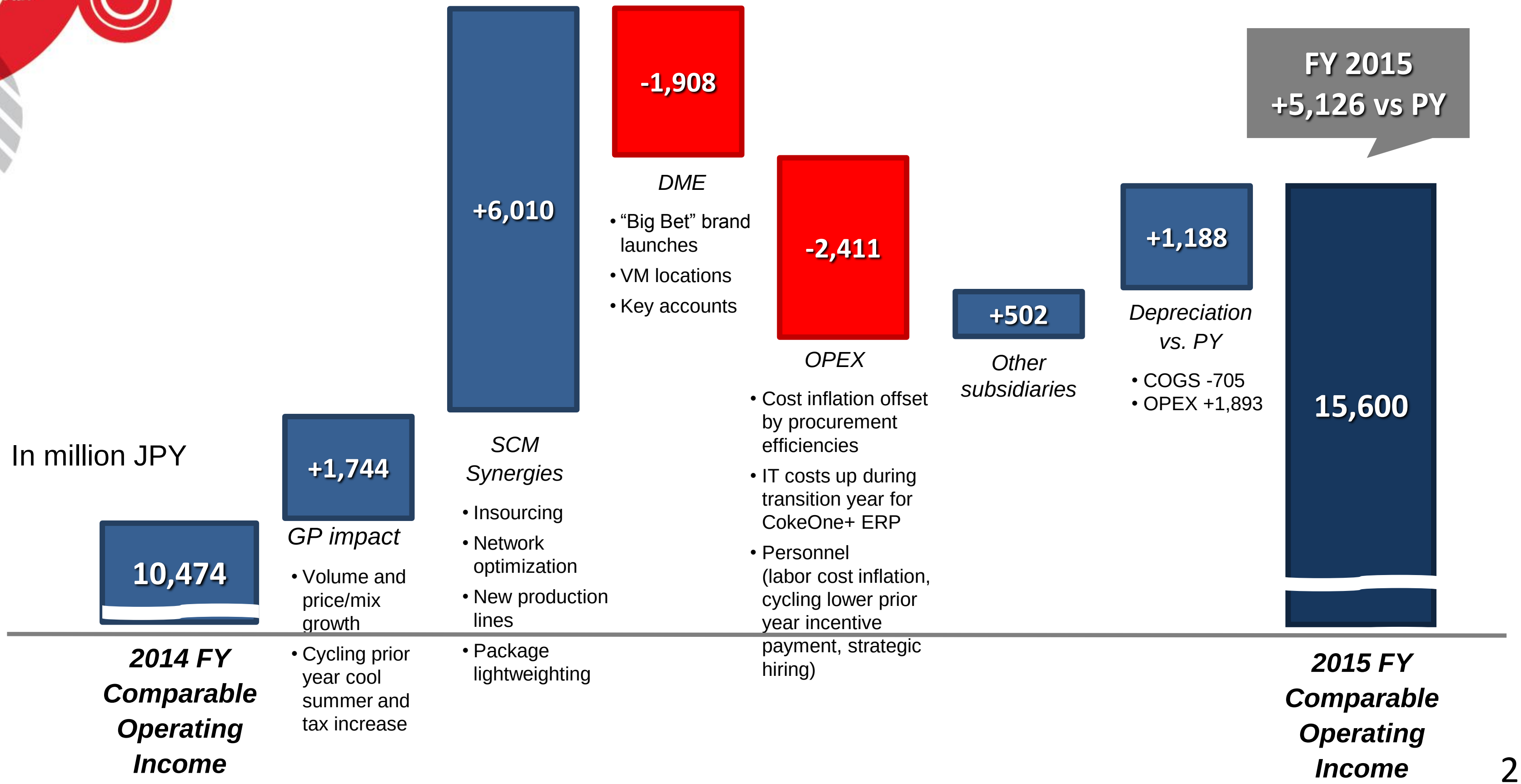
Full-Year 2015 Plan

1% OI margin improvement, in line with One+ Roadmap

	2015 FY Estimate in million yen	2015 FY One-time items	2015 FY Comparable Estimate	2014 FY Comparable	Vs. PY Diff	Vs. PY %
Sales Volume* *(BAPC) (,000 cases)*	287,763	-	287,763	281,586	+6,177	+2.2
Net Revenue	535,700	-	535,700	523,299	+12,401	+2.4
Gross Profit	256,100	-	256,100	239,336	+16,764	+7.0
Operating Income	15,600	-	15,600	10,474	+5,126	+48.9
Profit Before Tax	13,200	+2,500	15,700	10,643	+5,057	+47.5
Net Income	8,100	+1,500	9,600	5,975	+3,625	+60.7
			OI margin 2.9%	*OI margin 2.0%*		

*Volume conversion rates across legacy bottler entities were standardized in 2015 as part of the implementation plan for the new ERP system, CokeOne+. PY variance and 2014 volume shown above also reflect this change. 2013 volume using this conversion rate is 280,380.

Drivers of FY 2015 Operating Income



2015 Modeling Reminders

✓ **Quarterly profit phasing**

- Majority of full-year Operating Income generated in third quarter

✓ **Prior year impact of accounting policy change (depreciation and useful life)**

- Q1 2014 write-off of remaining salvage values approx. ¥4.6 billion

✓ **Capital Expenditure**

- Production lines/plants, Coke One+ ERP, cold drink equipment, fleet

Unit: Billion JPY	Capex* 2014 Actual	Capex* 2015 Plan	Depreciation 2014 Actual	Depreciation 2015 Plan
COGS Capitalized	23.6	29.6	7.2	7.9
SG&A Capitalized	25.8	35.5	16.7	14.8
TOTAL	49.4	65.1	23.9	22.7

*Capex includes assets under construction.

Milestones in 2015

Structure

- ✓ Planned acquisition of Sendai Coca-Cola Bottling as of April 1, 2015
- ✓ Entity integration of “mixed” vending operation businesses
- ✓ Complete RTM (Route-to-Market) deployment
- ✓ Indirect procurement initiative together with Coca-Cola West

Capacity

- ✓ Installation of four new production lines and further insourcing of production & logistics volume
- ✓ Accelerate sales center consolidation
- ✓ Equipment refurbishment centers consolidation

Capabilities

- ✓ Coke One+ ERP system phase one go-live; Start phase two
- ✓ People development
  - ✓ Leadership, commercial skills, English language, diversity
  - ✓ Aggressive recruiting where capability gaps exist

APPENDIX

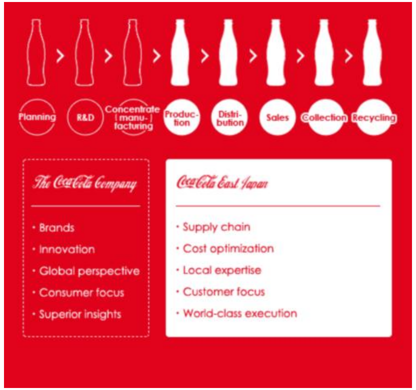
The Coca-Cola System

A powerful partnership driving growth of the Coca-Cola business

The Coca-Cola system in Japan consists of the Coca-Cola (Japan) Company (CCJC), bottlers and other related companies.

CCJC, as the franchise owner, is responsible for supplying concentrate and beverage bases (coffee beans, tea leaves, juices, etc.) for all of Coca-Cola's brands, as well as R&D, innovation, and marketing and brand development.

The bottlers, including CCEJ, as franchisees, are responsible for manufacturing, distribution and selling the finished products. We all are working together with our system partners to grow the Coca-Cola business by optimizing our overall operations through more efficient production and distribution, marketplace execution that is firmly focused on the consumer, faster response to market preferences, enhanced customer service, and rigorous quality control.



Other Coca-Cola System Related Companies

Coca-Cola Tokyo Research & Development Co., Ltd. (CCTR&D)	Product development and technical support to respond to the needs of the customer in Japan. A wholly owned subsidiary of The Coca-Cola Company.
Coca-Cola Business Service Co., Ltd. (CCBSC)	Providing joint procurement of raw materials, packaging, etc. as well as business consulting services, developing and maintaining the information systems to support Coca-Cola System. Jointly owned by The Coca-Cola Company and all the bottlers in Japan.
Coca-Cola Customer Marketing Company (CCCMC)	Business negotiations window for nationwide retail, convenience stores, supermarket and food-service chains as well as developing proposals for sales promotions and storefront activities. Jointly owned by CCJC and all the bottlers in Japan.
FV Corporation Co., Ltd. (FVC)	Sales negotiations window for national chain vending operators, and deals non-Coca-Cola products as well as Coca-Cola branded products. Jointly owned by CCJC and all the bottlers in Japan.

Glossary

CDE	Abbreviation of **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.
DME	Abbreviation of **Direct Marketing Expenses**. Sales promotion-related expenses reported in advertisement & sales promotion expenses and partly in sales commissions.
FC	Abbreviation of **Future Consumption**. Purchase or sell beverage for future consumption in home, etc. It also means the products / SKUs for FC (for example, single packages 1L or more and multi-pack of IC packages) and channels that consumers purchase the beverages for FC. (for example, supermarket, drug & discounter channels, etc.).
HORECA	Abbreviation of **Hotel, Restaurants and Cafeteria**. Generally means sales channels of these kinds.
IC	Abbreviation of **Immediate Consumption**. Purchase or sell beverage for consuming it immediately. It also means the products / SKUs for IC (for example, single packages less than 1L as well as fountains) and channels that consumers purchase the beverages for IC(for example, vending machine, convenience stores channels, etc.).
OBPPC	Abbreviation of **Occasion, Brand, Package, Price, Channel**. A segmentation strategy tailored to consumption opportunities in five areas: occasion, brand, package, price and channel.
Operational Excellence (OE)	The Coca-Cola System's way to develop people and culture around productivity which allows higher financial value achievement by driving sustainable improvement using common language and tools as well as focusing on business priorities.
RTM	Abbreviation of Route-to-Market. A framework, a process, a philosophy, a proven approach for driving profitable growth.

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