

Coca-Cola[®]

**Implementation plan of
consumption tax increase**



Our Commitment Through JSDA

In passing on the consumption tax, JSDA chose to round up the numbers in processing fractions for vending machines (applies to Pass-On Cartel III below), **to gain consumer understanding on proper consumption tax pass-on and consumer trust, we decided on the policy that not all products will necessarily be raised 10 yen, and that respective companies will take various measures, targeting that a fair pass-on of the increased consumption tax happens as a whole.** Decisions on base prices, however, will be made by each individual company.”

-- JSDA Press Release, November 22, 2013





Kazuhito Sato

Senior Executive Officer, Commercial Function
Key Account Senior Manger
Coca-Cola East Japan

Committed to Passing On Increase Fairly Across All Channels

Retail Customers

(OTC, CVS, Supermarkets, etc.)



We will simply pass on the added tax in our invoices to customers

Vending

+10¥ due to mechanical coin limitations, supported by initiatives to target fair pass on to consumers



Starting April 1st Vending SKUs Generally Increasing in Price by 10 Yen



185g CAN

Product Upsizing to Add Consumer Value



Upsizing non-sweetened tea
SKUs from 500 to 525 ml



Upsizing Georgia European
Black Bottle Can from
275 to 290 ml

- Introduce smaller package at lower price
- Hold the price of I LOHAS natural water 555ml



Price Remains Same



**Introducing 250 ml Coca-Cola and
Coca-Cola Zero Can for 110¥**



**Introducing 170g Georgia
Coffee Can for 110¥**

Cashless Vending Promotion to Add Consumer Value

-5¥ for cashless purchases*

*where possible



Consumption Tax Timeline

Implementation beginning April 1

