



Second Quarter 2010 Results

August 5, 2010

Coca-Cola West Company, Limited (2579)

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OTC market share

Performance trend/Financial data

Coca-Cola System in Japan

Summary

2Q/1H Results

- **Sales volume** : Sales volume, especially vending channel, declined due to the economic headwinds.
 - 2Q : -3.4% vs. plan, -3.4% vs. last year
 - 1H : -3.5% vs. plan, -3.6% vs. last year
- **Financial results** : Net revenues was down due to decreasing sales. Operating income was ahead of the target due to cost-reduction.
 - 2Q : OP income +1.4 billion yen vs. plan
 - 1H : OP income +2.5 billion yen vs. plan

2H Plan

- There is no revision of forecast of consolidated financial results during this quarter.
- **Sales volume** : 97.7 million physical cases (+3.0% vs. last year)
- **Revenues** : 196.5 billion yen (+3.9 billion yen vs. last year)
- **Operating income** : 8.3 billion yen (+4.7 billion yen vs. last year)

I . 2Q (Apr–Jun) Results

Progress of the management issues

2010 Management policy
Achieve the target



Implementation of the reform

1. Reform of Sales

2. Reform of SCM

3. Change of our activities
based on consumer needs

Solid foundation

Progress of the management issues

1. Reform of Sales

- ▶ Trade marketing evolution
→ We remained an issue in top-line, but we progressed infrastructure building for sales expansion with profits.
- ▶ Reorganization of three sales function companies
→ Strengthening of sales function and improvement of operating efficiency
- ▶ Review of subcontract price related to sales equipment
→ We reduced sales equipment related cost.

2. Reform of SCM

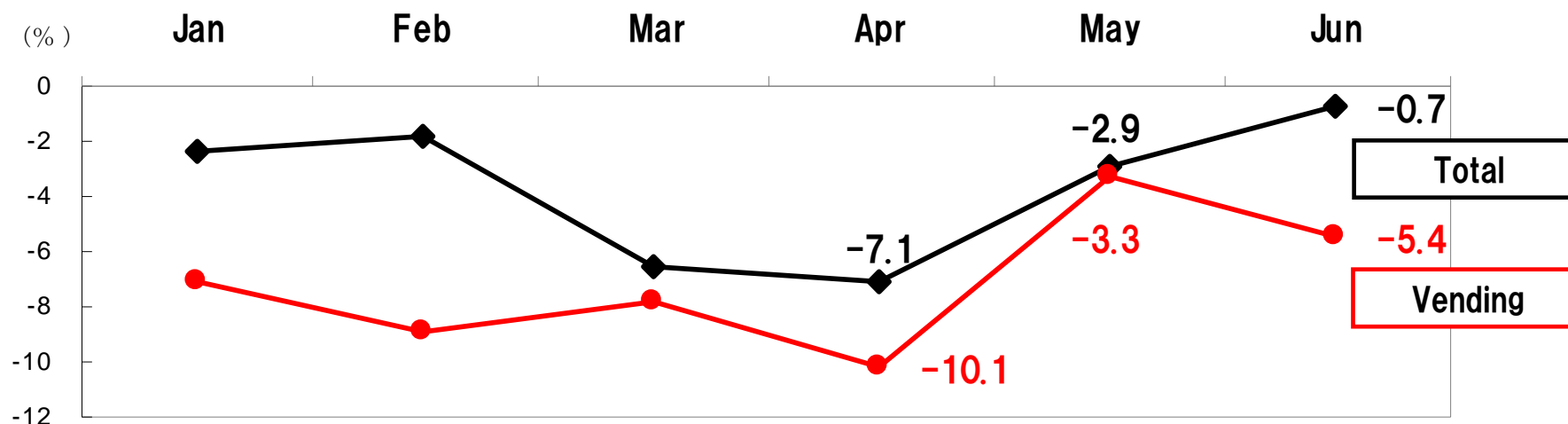
- ▶ Cost reduction and environmental responsiveness
→ Lightweight PET bottles, effective production system, installing new technology in plants, etc

2Q Results – Sales volume

(thousand cases, %)	2Q 2010 actual	vs. plan		vs. last year *	
		change	%	change	%
Sales volume	45,200	-1,603	-3.4	-1,581	-3.4

*Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

Monthly Sales Volume (Yoy)



■ Weather (compare to last year)

	April			May			June		
	Fukuoka	Osaka	Hiroshima	Fukuoka	Osaka	Hiroshima	Fukuoka	Osaka	Hiroshima
Precipitation (mm)	+100.0	+44.5	+151.1	+59.5	+83.5	+164.0	-16.0	+101.0	+36.0
Average Temperature (°C)	-1.8	-1.9	-2.1	-0.7	-0.9	-1.3	-0.1	-0.1	+0.0
Daylight hours (hrs)	-70.1	-60.7	-104.4	-6.6	+36.0	-16.9	-23.4	-9.8	-28.2

2Q Results – Sales volume by Brand

(thousand cases, %)		2Q 2010 actual	vs. plan		vs. ly*	
			change	%	change	%
B I G 6	Coca-Cola	3,576	+16	+0.5	+67	+1.9
	Coca-Cola Zero	1,678	+42	+2.5	+102	+6.5
	Fanta	2,190	-383	-14.9	-414	-15.9
	Georgia	9,435	-526	-5.3	-320	-3.3
	Sokenbicha	3,182	-343	-9.7	-476	-13.0
	Aquarius	4,894	-68	-1.4	-96	-1.9
	subtotal	24,955	-1,262	-4.8	-1,136	-4.4
+ 2	Mineral water	3,363	+499	+17.4	+582	+20.9
	Ayataka	1,087	-156	-12.5	+731	+205.8
Other		15,796	-685	-4.2	-1,758	-10.0
Total		45,200	-1,603	-3.4	-1,581	-3.4

*Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

■ Coca-Cola / Coca-Cola Zero / Fanta

- Taking advantage of low calorie boom, competitors launched new products.
- Sales of Coca-Cola and Coca-Cola Zero continue positive trend, but Fanta was down in spite of launching a new zero flavor.

■ Sokenbicha / Ayataka

- NST market shrank because consumer trend shifted from NST to sparkling, mineral water.
- Sales of Ayataka substantially increased as a result of putting it into vending machine in a proactive way.

■ Georgia

- Coffee market slightly shrank.
- Sales of Georgia declined in result of declining vending channel sales.

■ Aquarius

- Sports market shrank, shifting to low calorie sparkling.
- Aquarius gained share influenced on 2010 FIFA World Cup activations.

■ I LOHAS

- Mineral water market slightly grew.
- We launched its 1,020ml PET bottle. It contributed to grow sales of I LOHAS.

New products – Chilled drink “OLO OLO” released on Jun 2

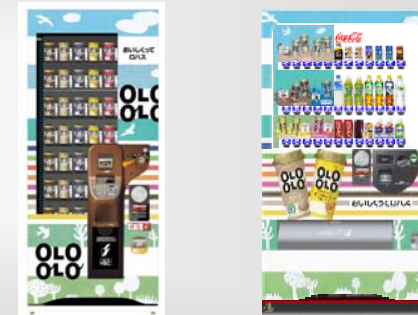
Leapfrog Project ...CCW & CCJC Joint Project

We expand our business domain for our sustainable growth.

Go into “Chilled drink” market which has been expanding



Mild coffee Bitter coffee Chocolate Mango & Banana Berry blend



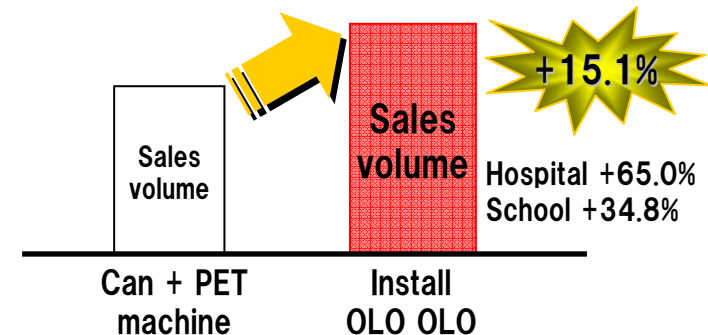
“OLO OLO” only Can+PET+“OLO OLO”

▶ We sell “OLO OLO” at only vending channel in order to build brand value.

We plan to install 1,000 units in Osaka and Kobe by the end of July.

Effectiveness of launching “OLO OLO”

Sample data of shifting from can machine (204 units)



2Q Results – Sales volume by Channel

(thousand cases, %)		2Q 2010 actual	vs. plan		vs. ly ^{*1}	
			change	%	change	%
	Supermarket ^{*2}	12,616	-583	-4.4	-378	-2.9
	CVS	4,483	-168	-3.6	-42	-0.9
	Chain store	17,099	-751	-4.2	-420	-2.4
	Vending	14,689	-314	-2.1	-975	-6.2
	Retail	3,381	+45	+1.3	-213	-5.9
	Food service	4,579	+92	+2.1	+45	+1.0
	Other	5,451	-676	-11.0	-19	-0.3
	Total	45,200	-1,603	-3.4	-1,581	-3.4

*1 Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

*2 Supermarket includes drug store, discount store and home center

■ Chain store

- Sales in April and May were not good by affected unfavorable weather and declining of number of customers at supermarket. Sales in June were over compare to the plan and previous year sales.

- We gained market share at CVS channel.

■ Vending

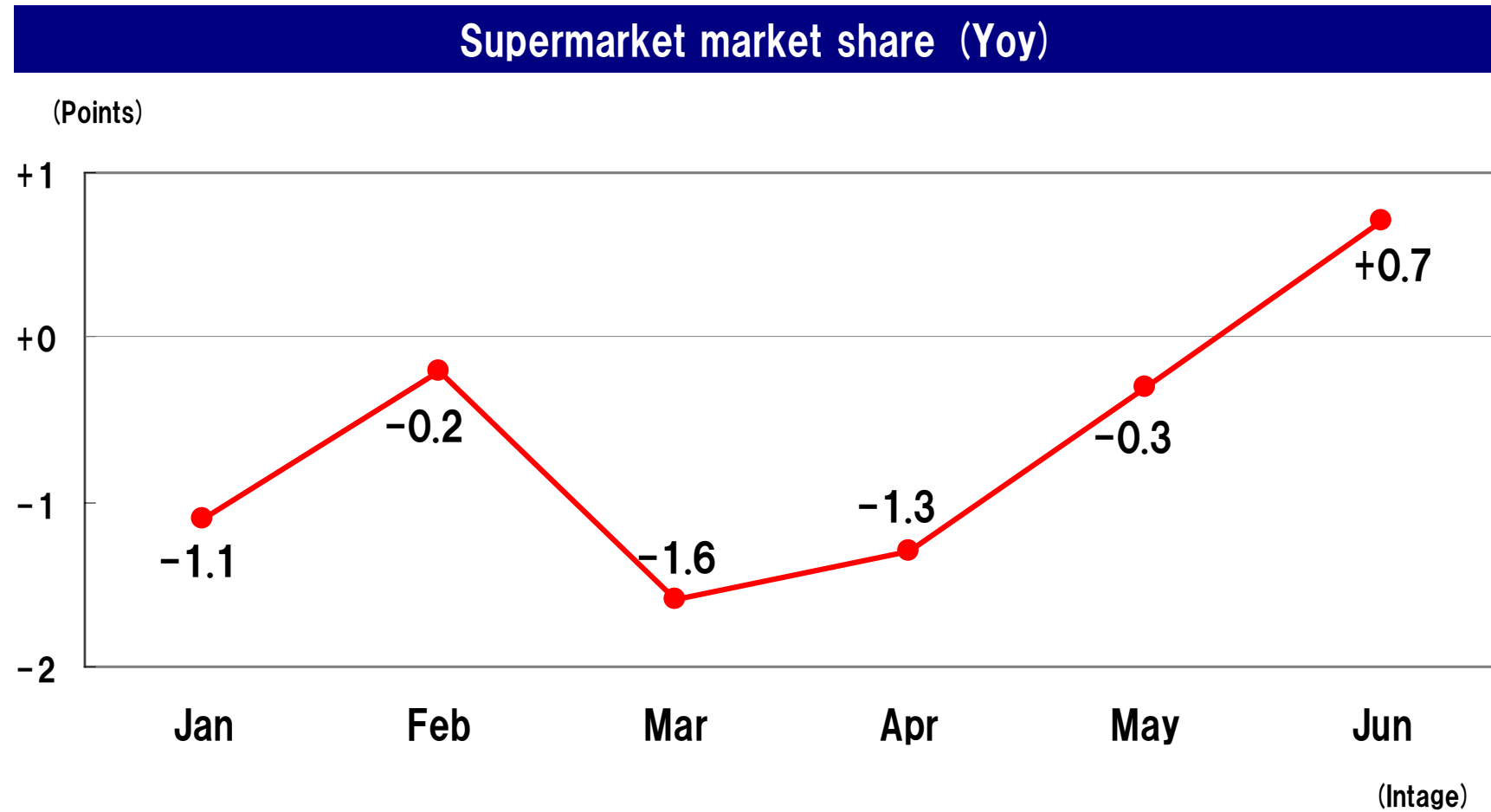
- Although sales continues to be impacted by a weak economy, it has recovered since May.

■ Retail / Food service

- Sales were positive trend in 2Q.

Channel strategy – Supermarket market share

■ Market share has recovered since May due to installation of racks.



Channel strategy – Supermarket small PET bottle sales

■ Installation of racks contributed to profitability at supermarket channel.

Number of Installed racks

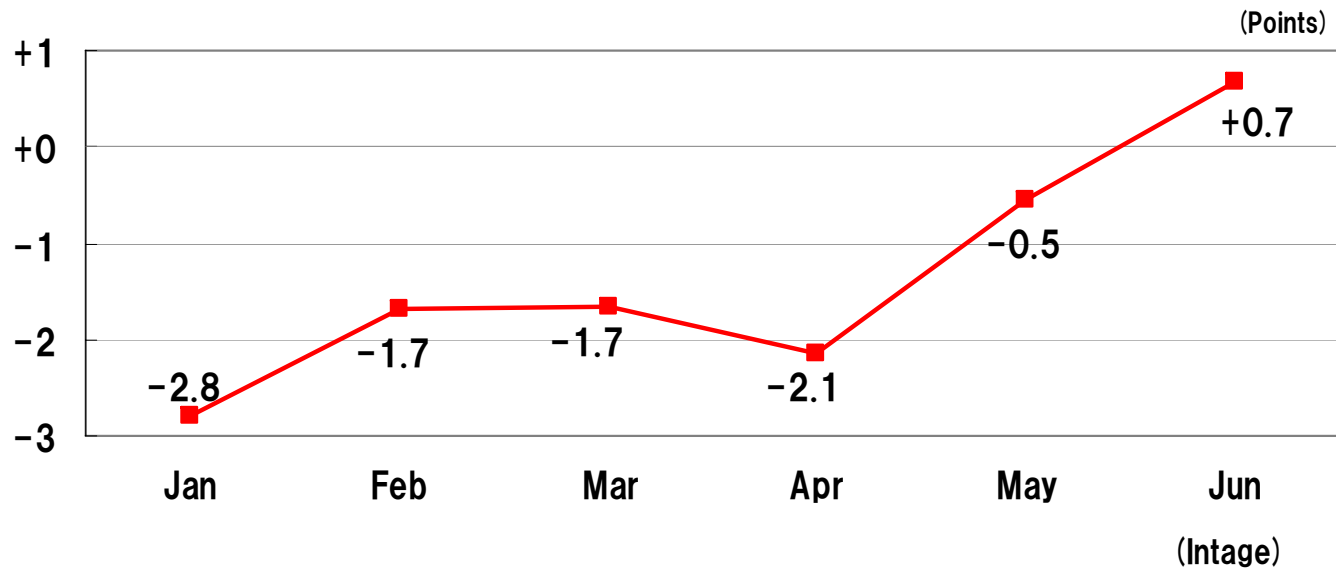


Cold storage chamber
1,932 units



Rack
5,586 units

Small PET sales market share (Yoy)

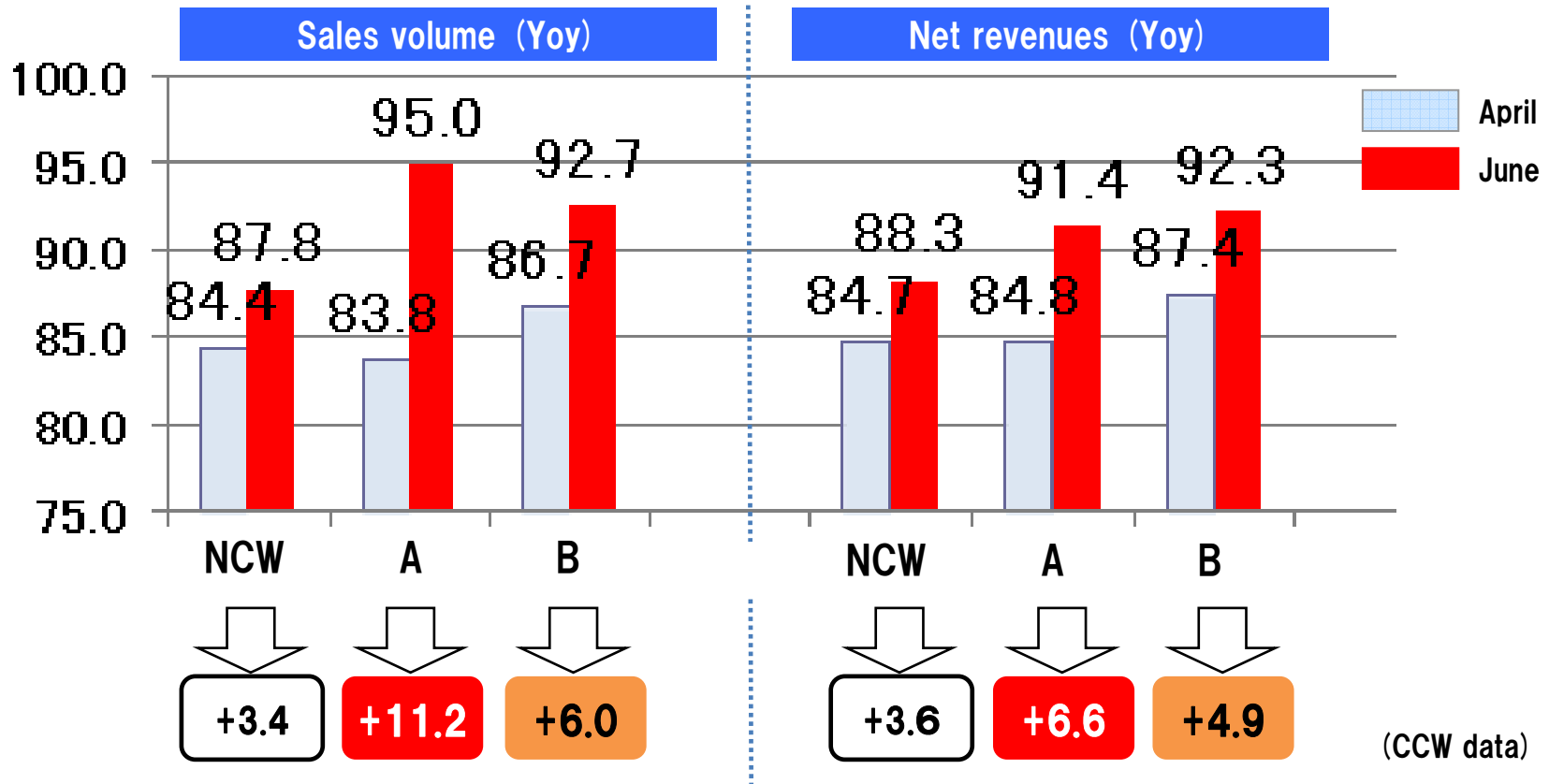


Channel strategy – VPM situation

■ Out-door vending machine VPM-up activation with 81,000 units has started from May. The VPM tends to be improved.

Effect of the activation

A: Low-price vending machines B: Regular-price vending machines



2Q Results – P/L

(thousand cases, million yen, %)

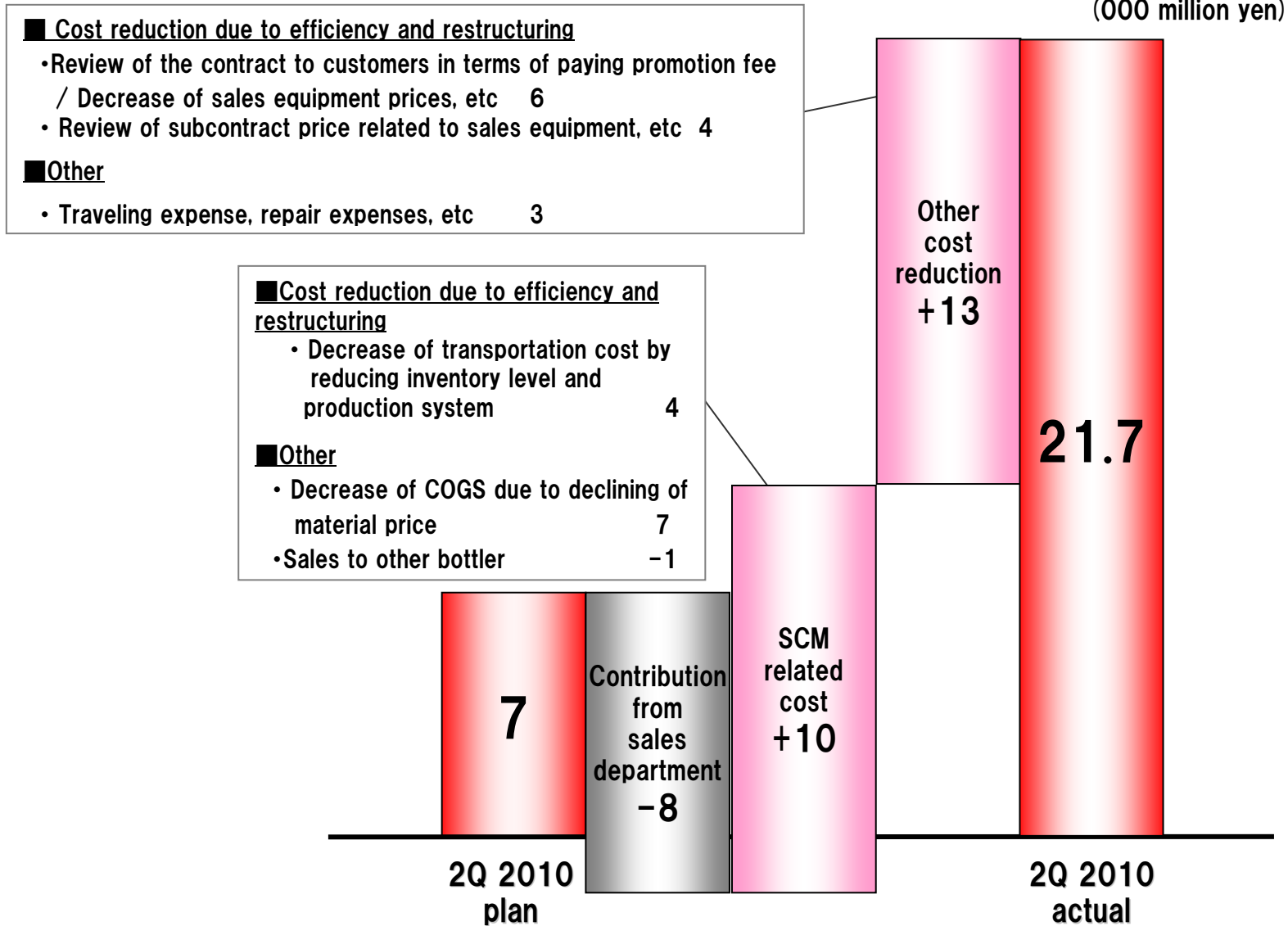
	2Q 2010 actual	2Q 2010 Plan	vs. plan		2Q 2009*	vs. last year	
			change	%		change	%
Sales volume	45,200	46,803	-1,603	-3.4	46,781	-1,581	-3.4
Revenues	91,549	94,500	-2,950	-3.1	97,235	-5,685	-5.8
Gross profit	40,818	41,600	-781	-1.9	43,588	-2,770	-6.4
Operating income	2,172	700	+1,472	—	2,395	-223	-9.3
Recurring income	2,363	700	+1,663	—	2,669	-306	-11.5
Net income	1,563	500	+1,063	—	1,245	+318	+25.6

*Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

2Q Results – P/L change factors (vs. plan)

	2Q 2010 plan	2Q 2010 actual	change	(000 million yen)	
				Main factors for increase/ decrease	change
Revenues	945	915	-29	• Decrease of sales volume	-32.0
				• Sales to other bottlers	+2.5
Gross profit	416	408	-7	• Decrease of sales volume	-6.8
				• Sales to other bottlers	-1.0
Operating income	7	21	+14	Increase/decrease of SG&A	
				• Personnel cost	-2.6
				• Transportation cost	+3.0
				• Sales promotion & ad cost	+7.1
				• Sales commission	+3.2
				• Sales equipment cost	+2.8
				• Depreciation	+1.7
				• Business consignment expenses	+3.7
Recurring income	7	23	+16	• Loss on retirement of noncurrent assets	+1.4
Net income	5	15	+10	• Income taxes	-6.4

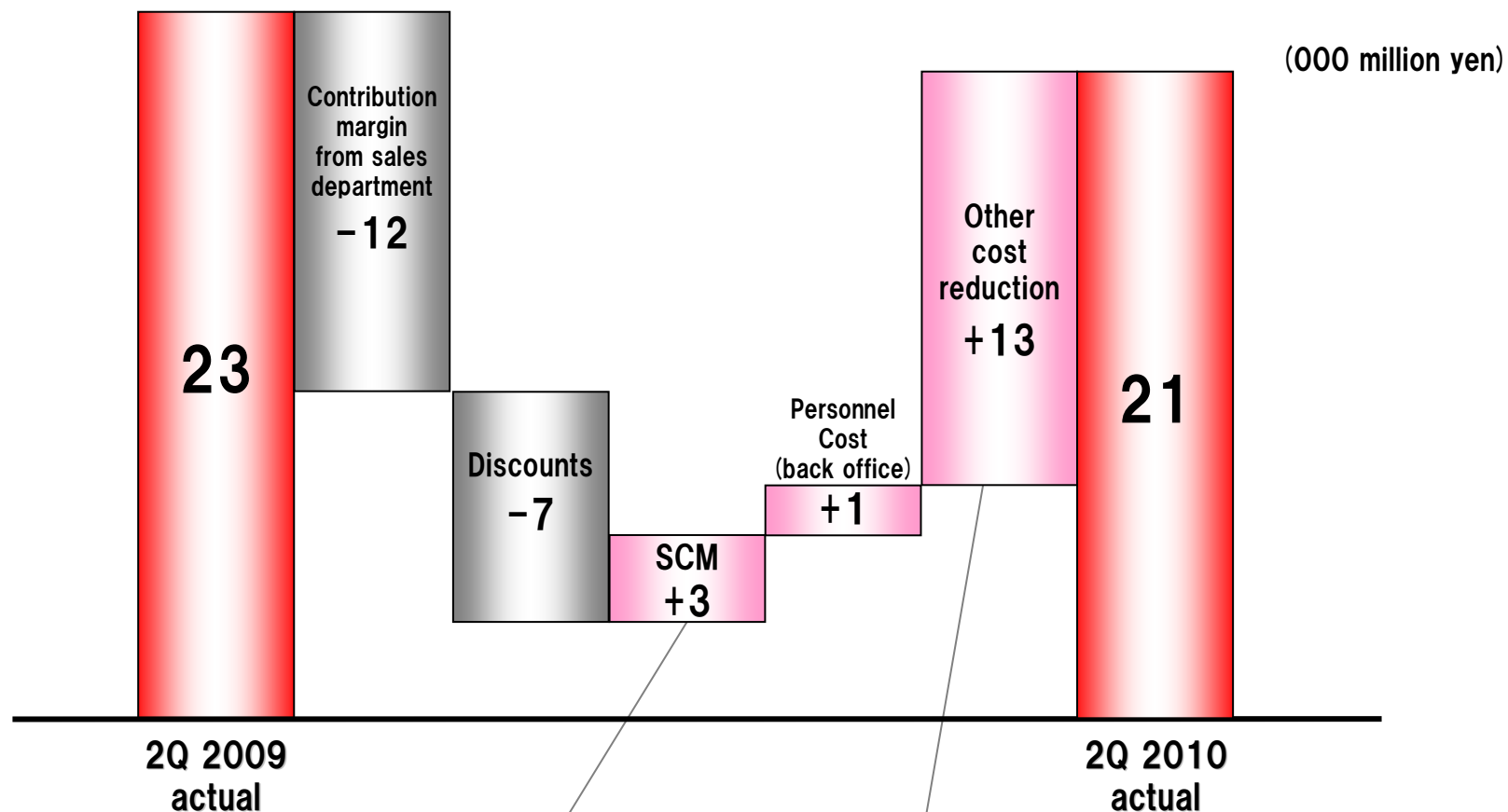
2Q Results – Operating income change factors (vs. plan)



2Q Results – P/L change factors (vs. 1y)

	2Q 2009 actual	2Q 2010 actual	change	(000 million yen)	
				Main factors for increase/decrease	change
Revenues	972	915	-56	• Decrease of sales volume	-52.1
				• Sales to other bottlers	-13.7
				• Impact on a new consolidated company	+9.0
Gross profit	435	408	-27	• Decrease of sales volume	-28.8
				• Sales to other bottlers	-3.1
				• Impact on a new consolidated company	+4.2
Operating income	23	21	-2	Increase/decrease of SG&A	
				• Personnel cost	+2.3
				• Transportation cost	+6.8
				• Sales promotion & ad cost	+6.9
				• Sales commission	+1.3
				• Depreciation	+4.6
				• Business consignment expenses	+1.5
Recurring income	26	23	-3		
Net income	12	15	+3	• Extraordinary losses	+9.1
				• Income taxes	-2.7

2Q Results – Operating income change factors (vs. 1y)



■ Cost reduction due to efficiency and restructuring

- Decrease of transportation cost by reducing inventory level and production system 6
- Decrease of disposal cost by reducing inventory level 4

■ Other

- Decrease of COGS due to declining of material price 2
- Increase of fixed cost due to the decrease of sales volume -6
- Sales to other bottler -3

■ Cost reduction due to efficiency and restructuring

- Review of subcontract price related to sales equipment, etc 11

■ Other

- Traveling expense, repair expenses, etc 2

II. 1H (Jan–Jun) Results

1H Results – Sales volume

(thousand cases, %)	1H 2010 actual	vs. plan		vs. last year ^{*1}	
		change	%	change	%
Sales volume	81,725	-3,005	-3.5	-3,072	-3.6

*1 Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

Brand

(thousand cases, %)

	1H 2010 actual	vs.plan		vs.last year ^{*1}		
		change	%	change	%	
B i g 6	Coca-Cola	6,154	+200	+3.4	+119	+2.0
	Coca-Cola Zero	2,801	+222	+8.6	+233	+9.1
	Fanta	3,716	-602	-13.9	-513	-12.1
	Georgia	19,218	-719	-3.6	-1,007	-5.0
	Sokenbicha	5,445	-643	-10.6	-618	-10.2
	Aquarius	7,427	-183	-2.4	-154	-2.0
	sub-total	44,761	-1,724	-3.7	-1,940	-4.2
+	Mineral water	5,202	+457	+9.6	+797	+18.1
	Ayataka	1,803	-357	-16.5	+1,315	+269.6
Other	29,959	-1,380	-4.4	-3,244	-9.8	
Total	81,725	-3,005	-3.5	-3,072	-3.6	

Channel

(thousand cases, %)

	1H 2010 actual	vs.plan		vs.last year ^{*1}	
		change	%	change	%
Supermarket ^{*2}	20,856	-900	-4.1	-644	-3.0
CVS	8,880	-198	-2.2	+51	+0.6
Chain store	29,736	-1,098	-3.6	-593	-2.0
Vending	27,508	-434	-1.6	-2,074	-7.0
Retail	5,890	-21	-0.4	-363	-5.8
Food service	8,530	+105	+1.2	+54	+0.6
Other	10,061	-1,557	-13.4	-96	-0.9
Total	81,725	-3,005	-3.5	-3,072	-3.6

*2 Supermarket includes drug store, discount store and home center

1H Results – P/L

(thousand cases, million yen, %)

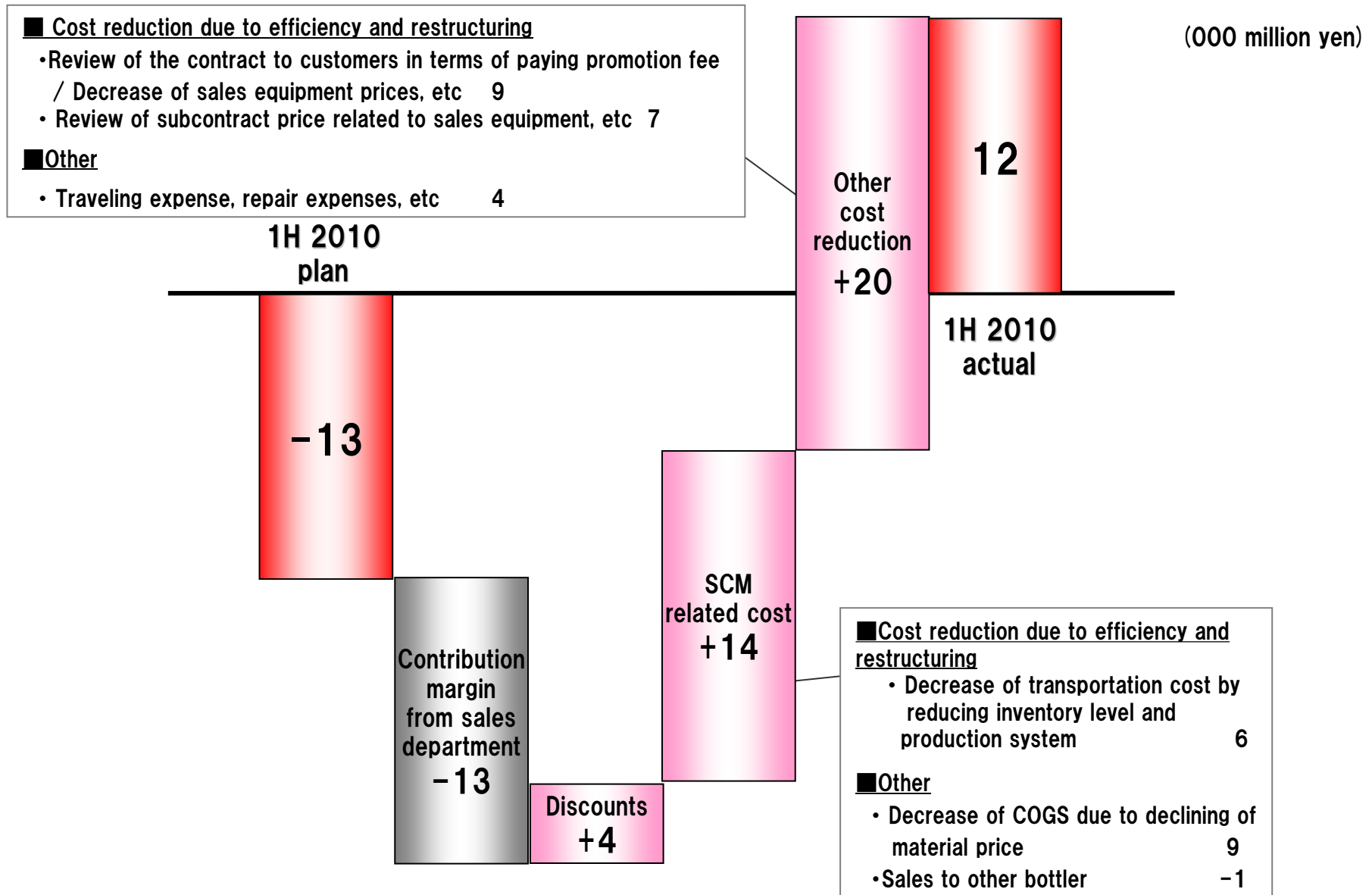
	1H 2010 actual	1H 2010 plan	vs. plan		1H 2009*	vs. last year	
			change	%		change	%
Sales volume	81,725	84,730	-3,005	-3.5	84,797	-3,072	-3.6
Revenues	169,182	172,800	-3,617	-2.1	177,188	-8,005	-4.5
Gross profit	76,326	77,600	-1,273	-1.6	78,965	-2,638	-3.3
Operating income	1,280	-1,300	+2,580	—	-1,346	+2,627	—
Recurring income	1,438	-1,700	+3,138	—	-1,114	+2,552	—
Net income	810	-1,000	+1,810	—	-1,708	+2,519	—

*Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

1H Results – P/L change factors (vs. plan)

	1H 2010 plan	1H 2010 actual	change	(000 million yen)	
				Main factors for increase/ decrease	change
Revenues	1,728	1,691	-36	• Decrease of sales volume	-40.1
				• Sales to other bottlers	+3.6
Gross profit	776	763	-12	• Decrease of sales volume	-12.3
Operating income	-13	12	+25	Increase/decrease of SG&A	
				• Personnel cost	-2.7
				• Transportation cost	+7.4
				• Sales promotion & ad cost	+10.7
				• Sales commission	+3.4
				• Sales equipment cost	+5.5
				• Depreciation	+2.4
				• Business consignment expenses	+6.0
Recurring income	-17	14	+31	• Loss on retirement of noncurrent assets	+4.2
Net income	-10	8	+18	• Income taxes	-13.5

1H Results – Operating income change factors (vs. plan)

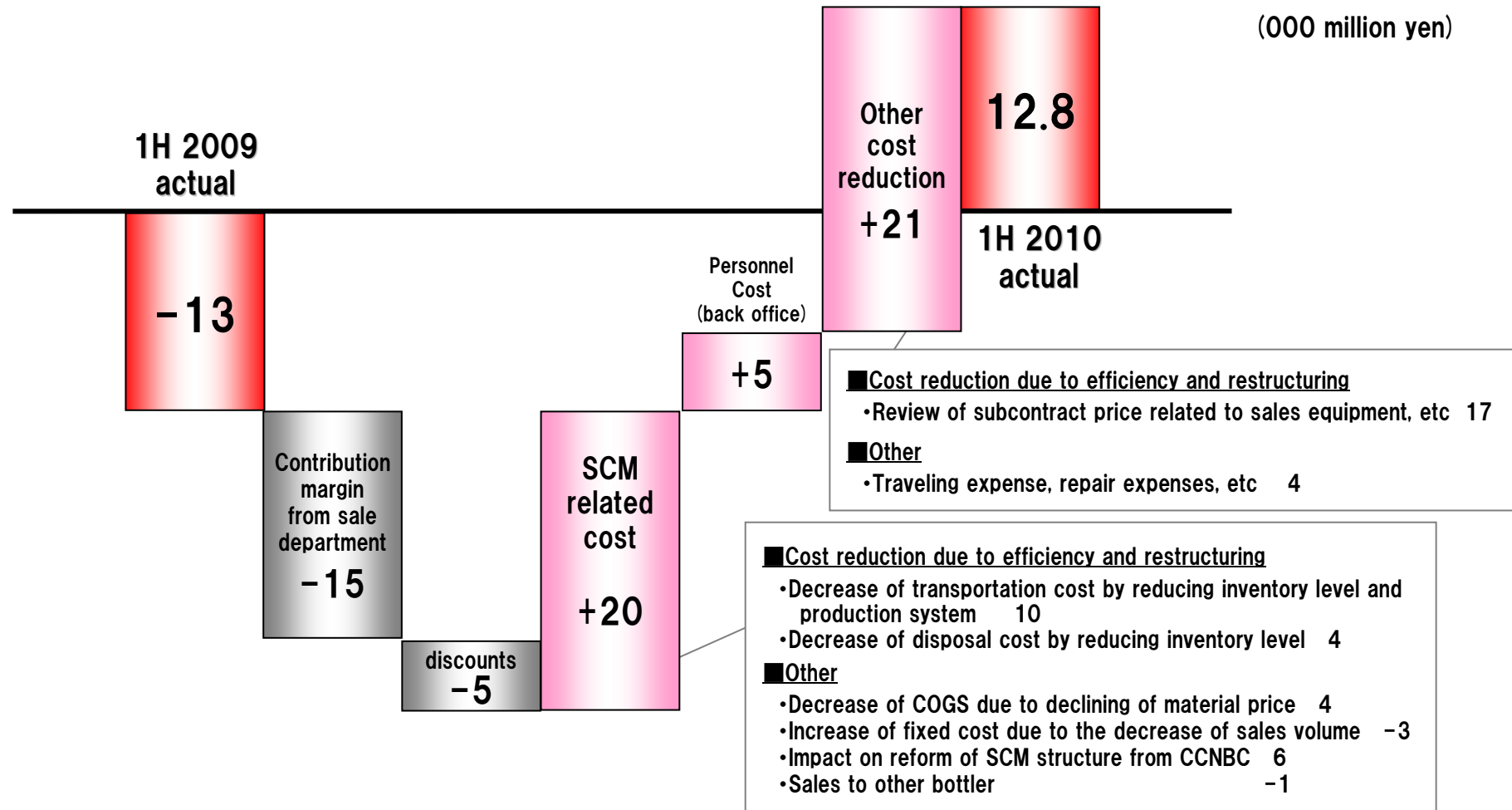


1H Results – P/L change factors (vs. 1y)

	1H 2009 actual	1H 2010 actual	change	(000 million yen)	
				Main factors for increase/decrease	change
Revenues	1,771	1,691	-80	• Decrease of sales volume	-86.9
				• Sales to other bottlers	-10.2
				• Impact on a new consolidated company	+17.1
Gross profit	789	763	-26	• Decrease of sales volume	-33.7
				• Sales to other bottlers	-0.9
				• Impact on a new consolidated company	+8.2
Operating income	-13	12	+26	Increase/decrease of SG&A	
				• Personnel cost	+15.5
				• Transportation cost	+10.4
				• Sales promotion & ad cost	+4.8
				• Sales commission	+2.0
				• Sales equipment cost	+3.3
				• Depreciation	+8.6
				• Business consignment expenses	+2.2
Recurring income	-11	14	+25		
Net income	-17	8	+25	• Extraordinary losses	+17.8
				• Income taxes	-18.9

1H Results – Operating income change factors (vs. 1y)

Although sales decreased, operating income increased 2.5 billion yen yoy due to cost-reduction such as SCM related cost, sales structure reform.



III. 2H (Jul–Dec) Business Plan

2H Plan – Sales volume

Brand

(thousand cases, %)

		2H 2010 plan	vs. last year	
			change	%
BIG 6	Coca-Cola	7,051	+223	+3.3
	Coca-Cola Zero	3,149	+313	+11.1
	Fanta	4,863	+37	+0.8
	Georgia	21,304	+697	+3.4
	Sokenbicha	7,323	+16	+0.2
	Aquarius	10,556	+115	+1.1
	subtotal	54,245	+1,401	+2.7
+ 2	Mineral water	5,880	-197	-3.2
	Ayataka	2,786	+974	+53.8
Other		34,860	+678	+2.0
Total		97,770	+2,856	+3.0







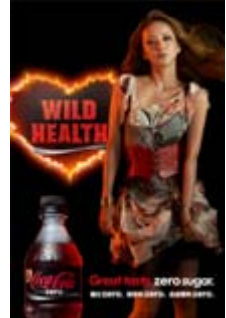



Channel

(thousand cases, %)

		2H 2010 plan	vs. last year	
			change	%
	Supermarket ※	26,694	+572	+2.2
	CVS	10,282	+272	+2.7
Chain store		36,976	+844	+2.3
Vending		31,710	+968	+3.1
Retail		6,609	-602	-8.3
Food service		9,925	+511	+5.4
Other		12,550	+1,135	+9.9
Total		97,770	+2,856	+3.0

* Supermarket includes drug store, discount store and home center

Brand strategy (BIG 6)

	Main activities	Innovation	Communication
<p>Coca-Cola</p> 	<p>▶ Strengthen communication with “ICE-COLD” and “ENJOY SUMMER”</p>	<p>New package</p>  <p>2L PET Happy can 500ml can</p>	<p>Summer promotion</p>  <p>30万人にアタル!! cocacola.jp</p> <p>July 12~</p>
<p>Coca-Cola Zero</p> 	<p>▶ Increase POP of Zero-calorie products</p>	<p>Zero block</p> 	 <p>Light weight PET bottle</p> 
<p>Fanta</p> 	<p>▶ Launch new flavor</p> <ul style="list-style-type: none"> • FunMix (Cola + Fanta) • Peach 	<p>FunMix</p>  <p>Peach flavor</p>	

Brand strategy (BIG 6)

	Main activities	Innovation	Communication
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Georgia



- ▶ Launch seasonable packages
- ▶ Launch new / renewal products



Autumn promotion (Sep 6th~)

Aquarius



- ▶ Theme: Prevent heat stroke
- ▶ Campaign



Prevent heat stroke



Sokenbicha



- ▶ With meal program
- ▶ Renewal of “Kurosae”



Renewal



With meal program



Brand strategy (+2)

Main activities

Innovation

Communication

Ayataka



- ▶ Tasting
- ▶ Set sales of two SKUs at supermarket



New flavor

Testing events



I LOHAS



- ▶ Launching new flavor and new package



Orange



1,020ml



Channel strategy (Chain store: increase sales volume)

▶ Increase market share and sales with profits

	Promotion	Line-up
Sparkling	<p><Nationwide summer promotion></p>  <p><With meals></p> 	<p>Ayataka (green tea) Aquarius vitamin guard</p>  
NST	<p><McDonald's coupon></p> 	<p><Install rack></p> 
Sports	<p><Prevent heat stroke></p> 	<p><Testing events></p> 

Channel strategy (Chain store: improve profitability)

▶ Get various opportunities to increase Point Of Purchase

Attractive activations

<Promotion>

Cell-phone strap



McDonald's coupon
food/coffee/soft drink



Install sales equipment

<Additional POP>

3D cold storage chamber
+490 units



Georgia rack
+165 units



Cold play

<Zero Block>

July:
Fanta Zero



August:
Zero for adults



Autumn outing
season



Dry play

<Additional POP>

Bottle rack
+3,000 units



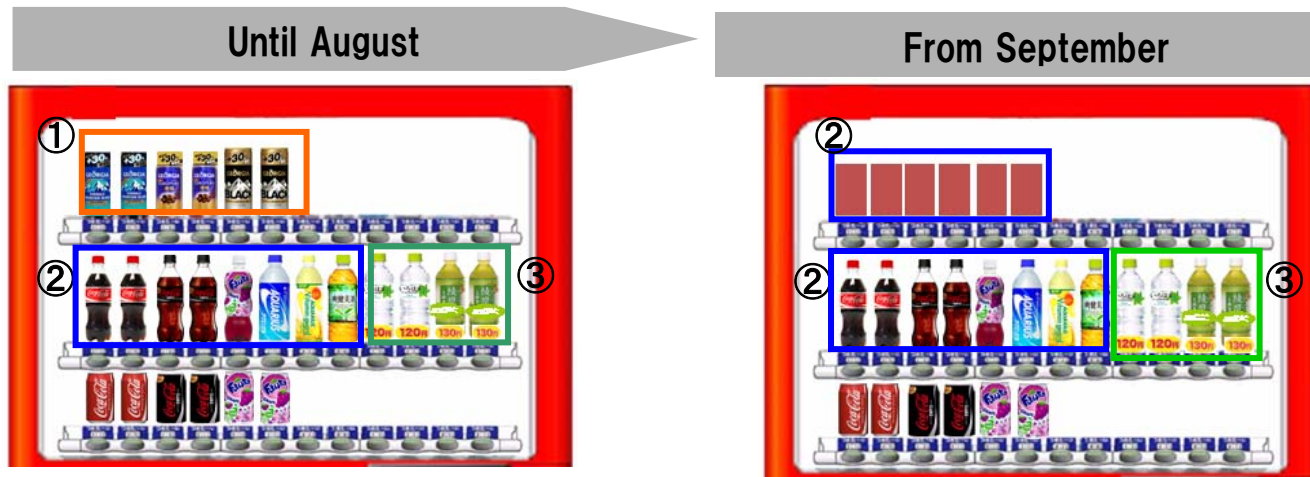
Georgia rack
+1,000 units



Channel strategy (Vending: Improve VMP)

- ▶ Attractive vending machines for consumers at out-door location
 - Wide variety of products for summer: `Volume`, `Package`, `Price`
 - Start shifting the line-up for Autumn

A: Vending machine at regular price (53,000 units)



Size	① Georgia +30% volume size	¥120		
Package	② Increase SKU of 500ml PET	¥150	② Increase SKU of 500ml PET	¥150
Price	③ Ayataka 500ml PET	¥130	③ Ayataka 500ml PET	¥130
	I LOHAS 520ml PET	¥120	I LOHAS 520ml PET	¥120

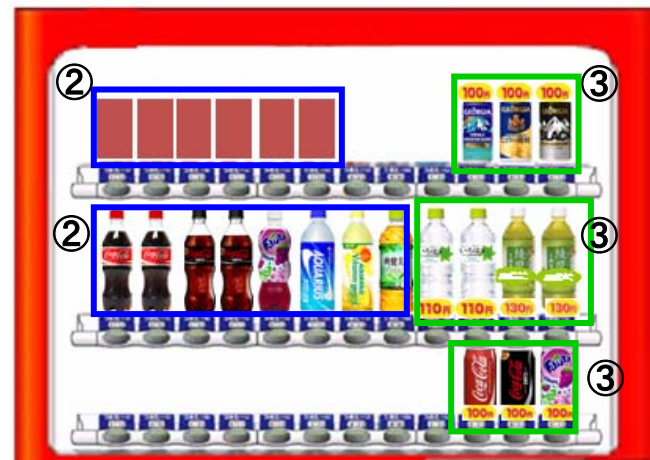
Channel strategy (Vending: Improve VMP)

B: Vending machine at low-price (28,000 units)

Until August



From September



Size

① Georgia +30% volume size ¥120

Package

② Increase SKU of 500ml PET ¥150

Price

③ Ayataka 500ml PET ¥120
 I LOHAS 520ml PET ¥110
 Georgia 170g can ¥100
 Sparkling 350g (regular) can ¥100

② Increase SKU of 500ml PET ¥150
 Georgia 190g (regular) can ¥120

③ Ayataka 500ml PET ¥130
 I LOHAS 520ml PET ¥110
 Georgia 170g can ¥100
 Sparkling 350g (regular) can ¥100

SCM (Cost reduction / efficiency)

(000 million yen)

Main activities		Cost reduction (Yoy)
		2H 2010 plan
Procurement	<ul style="list-style-type: none"> ▶ Weight saving of PET bottle and thinning of label (2Q~) 	+9
Production	<ul style="list-style-type: none"> ▶ Introduction of new technology (2Q~) <ul style="list-style-type: none"> • put in an aseptic filling line (June) • start producing “I LOHAS” 280ml PET bottle (May) • start producing “I LOHAS” 1,020ml PET bottle and supply to other bottlers (May) 	
Supply	<ul style="list-style-type: none"> ▶ Reduce storage cost by trimming inventories down to low levels (1Q~) 	
Logistics	<ul style="list-style-type: none"> ▶ Reduce transportation cost by efficient production system and trimming inventories down to low levels (1Q~) 	

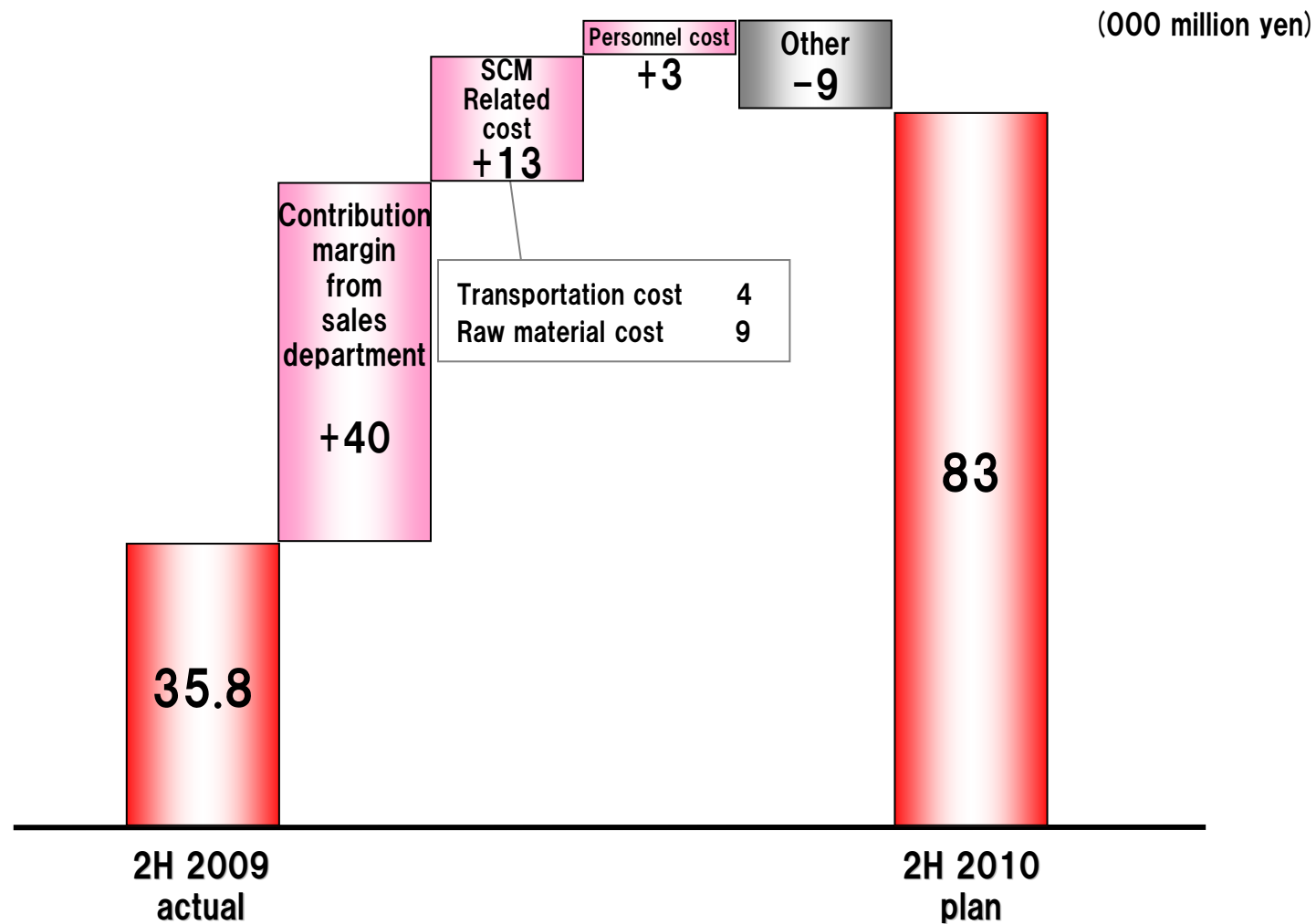
Forecast of consolidated financial results

(thousand cases, million yen, %)

	2H 2010 plan	2H 2009 actual	Yoy	
			change	%
Sales volume	97,770	94,914	+2,856	+3.0
Revenues	196,500	192,510	+3,989	+2.1
Gross profit	89,400	84,492	+4,907	+5.8
Operating income	8,300	3,589	+4,710	+131.2
Recurring income	8,300	3,199	+5,100	+159.5
Net income	4,600	-5,886	+10,486	-178.1

Operating income (vs. ly)

We do not revise the initial target released on Feb 3, 2010.

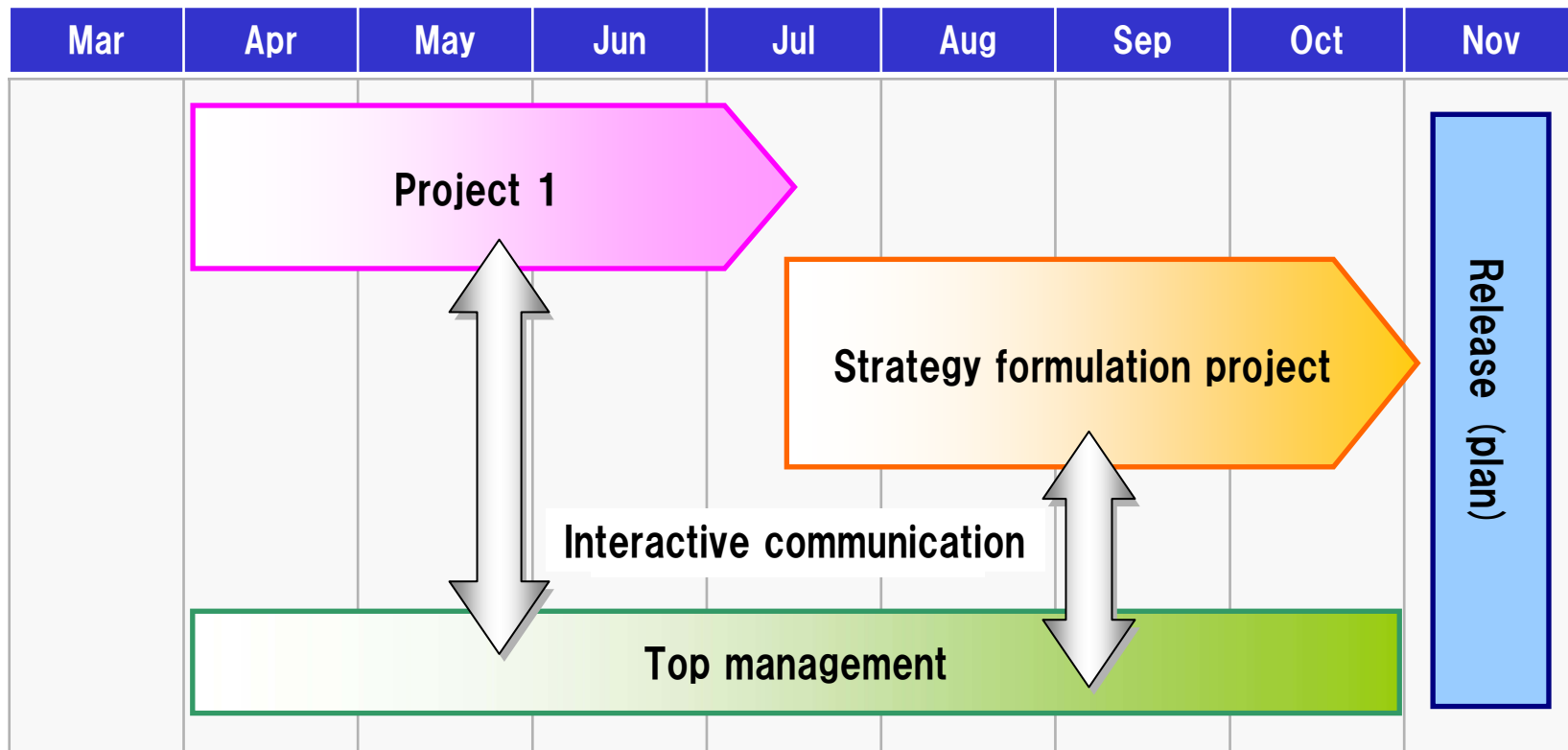


Toward mid-term business plan

► Basic idea

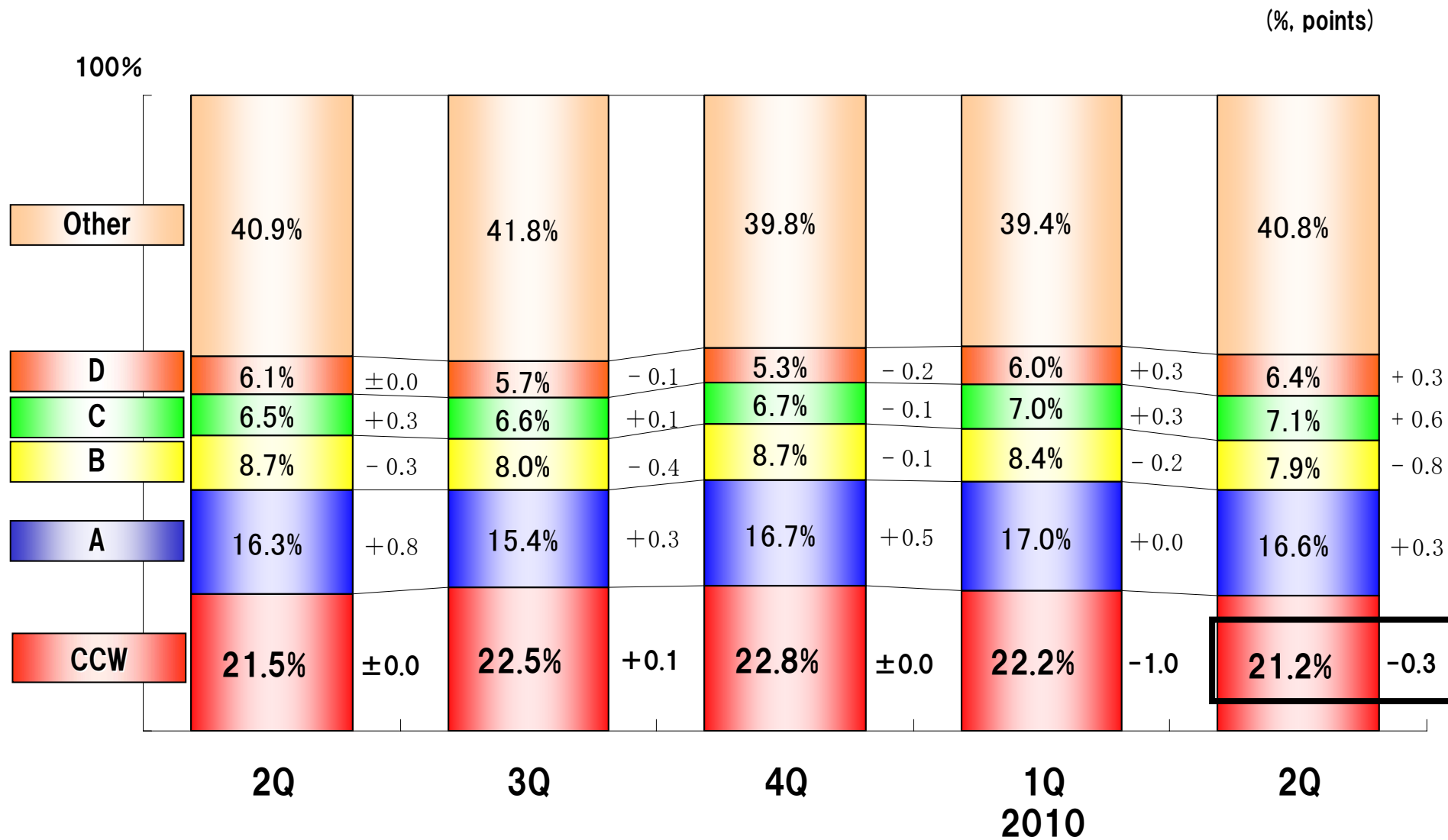
We create three-year-management plan (2011-2013)
which stays focused on long-term target.

► Schedule



[Reference]

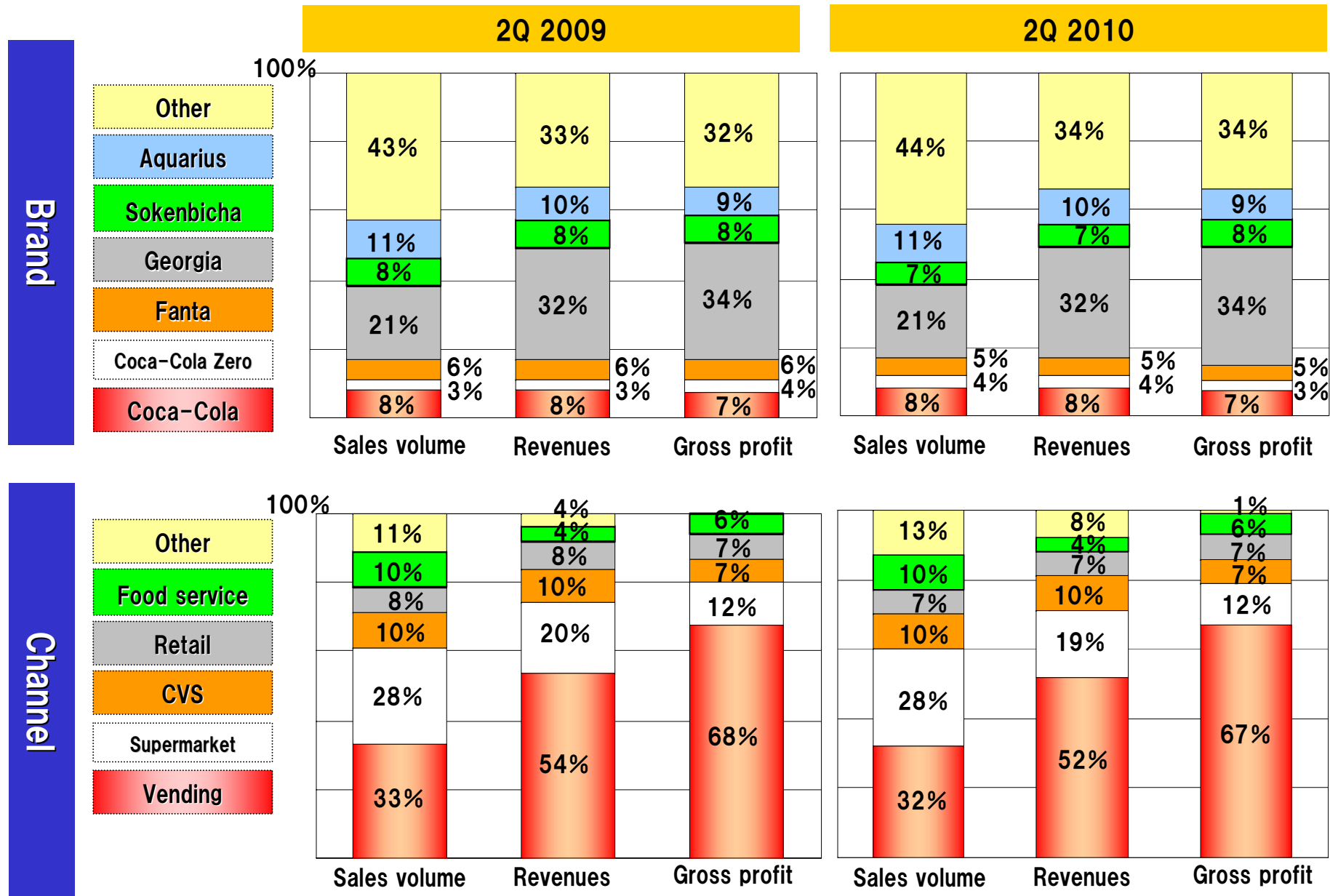
OTC Market share (exclude VM)



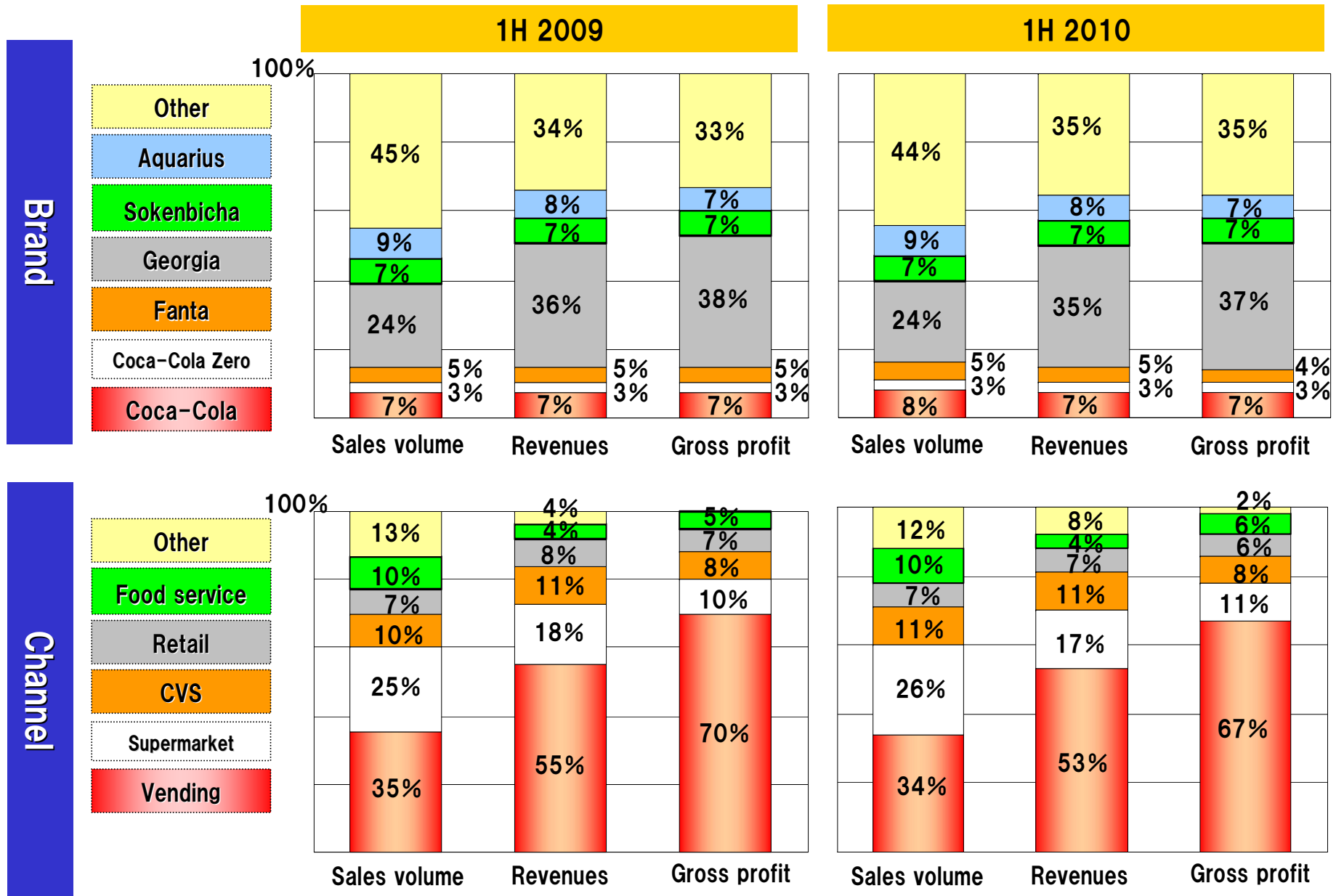
Source: Intage

* The numbers outside the graph are vs. last year

2Q (Apr-Jun) – By brand/by channel Volume/Revenues/GP



1H (Jan-Jun) - By brand/by channel Volume/Revenues/GP



2Q (Apr–Jun) – Sales volume by package

(thousand case, %)

		2010				
		2Q actual	vs. plan		vs. last year*	
			change	%	change	%
Bottle		528	+11	+2.1	+9	+1.8
PET	~ 1,000ml	9,813	-668	-6.4	-361	-3.5
	1,001ml ~	9,015	-71	-0.8	-90	-1.0
	subtotal	18,828	-739	-3.8	-452	-2.3
Can (include bottle can)		14,164	-776	-5.2	-905	-6.0
Other		2,072	+393	+23.4	+399	+23.9
Syrup, powder		9,608	-493	-4.9	-633	-6.2
Total		45,200	-1,603	-3.4	-1,581	-3.4

* Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

1H (Jan-Jun) – Sales volume by package

(thousand case, %)

		2010				
		1H actual	vs. plan		vs. last year*	
			change	%	change	%
Bottle		941	+15	+1.6	+14	+1.5
PET	~ 1,000ml	17,461	-1,046	-5.6	-238	-1.3
	1,001ml ~	14,812	-328	-2.2	-287	-1.9
	subtotal	32,274	-1,373	-4.1	-525	-1.6
Can (include bottle can)		26,614	-1,147	-4.1	-2,041	-7.1
Other		3,654	+698	+23.6	+783	+27.3
Syrup, powder		18,243	-1,198	-6.2	-1,304	-6.7
Total		81,725	-3,005	-3.5	-3,072	-3.6

* Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

2Q (Apr–Jun) – Sales volume by package

(thousand cases, %)

■ Chain store	2Q 2010 actual	vs. plan		vs. last year*	
		change	%	change	%
Large PET (1.5~2.0L)	8,191	-220	-2.6	-35	-0.4
Small PET (~1.0L)	4,831	-526	-9.8	-110	-2.2
Can	3,677	-66	-1.8	-280	-7.1
Other	401	+60	+17.8	+4	+1.1
Total	17,099	-751	-4.2	-420	-2.4

(thousand cases, %)

■ Vending	2Q 2010 actual	vs. plan		vs. last year*	
		change	%	change	%
Large PET (1.5~2.0L)	120	+71	+145.4	-10	-7.9
Small PET (~1.0L)	3,653	-107	-2.8	-171	-4.5
Can	8,846	-569	-6.0	-647	-6.8
Syrup, powder	1,720	+60	+3.6	-92	-5.1
Other	351	+231	+191.5	-54	-13.3
Total	14,689	-314	-2.1	-975	-6.2

(thousand cases, %)

■ Retail / Food service	2Q 2010 actual	vs. plan		vs. last year*	
		change	%	change	%
Large PET (1.5~2.0L)	702	+77	+12.4	-45	-6.0
Small PET (~1.0L)	1,223	+12	+1.0	-44	-3.5
Can	941	-98	-9.4	-117	-11.0
Syrup, powder	4,560	+141	+3.2	+45	+1.0
Other	535	+4	+0.7	-6	-1.2
Total	7,960	+137	+1.8	-168	-2.1

* Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

1H (Jan-Jun) – Sales volume by package

(thousand cases, %)

■Chain store	1H 2010 actual	vs. plan		vs. last year*	
		change	%	change	%
Large PET (1.5~2.0L)	13,584	-408	-2.9	-117	-0.9
Small PET (~1.0L)	8,783	-723	-7.6	-19	-0.2
Can	6,822	-55	-0.8	-386	-5.4
Other	548	+88	+19.0	-71	-11.4
Total	29,736	-1,098	-3.6	-593	-2.0

(thousand cases, %)

■Vending	1H 2010 actual	vs. plan		vs. last year*	
		change	%	change	%
Large PET (1.5~2.0L)	137	+65	+89.3	-42	-23.6
Small PET (~1.0L)	6,383	-311	-4.7	-286	-4.3
Can	16,936	-723	-4.1	-1,248	-6.9
Syrup, powder	3,476	+112	+3.3	-268	-7.2
Other	576	+424	+278.8	-230	-28.5
Total	27,508	-434	-1.6	-2,074	-7.0

(thousand cases, %)

■Retail / Food service	1H 2010 actual	vs. plan		vs. last year*	
		change	%	change	%
Large PET (1.5~2.0L)	1,087	+13	+1.2	-127	-10.4
Small PET (~1.0L)	2,119	+34	+1.6	-62	-2.9
Can	1,770	-158	-8.2	-149	-7.8
Syrup, powder	8,497	+189	+2.3	+48	+0.6
Other	946	+6	+0.6	-18	-1.9
Total	14,420	+84	+0.6	-309	-2.1

* Changing quantity equivalent in some products, we adjust sales volume as far as 2009.

Sales volume per vending machine

■ Sales conditions by location type (VPM vs. last year)

Type	Yoy (%)						
	Jan	Feb	Mar	Apr	May	Jun	Total
Office	-8.8	-8.9	-5.6	-11.4	-6.9	-5.7	-7.9
Factory	-7.3	-2.6	+1.9	-4.8	-2.6	-2.2	-3.0
Large scale retail store	-8.8	-10.6	-11.5	-12.5	-5.1	-9.8	-9.6
Trafic	-7.1	-8.8	-8.2	-12.7	-2.3	-5.2	-7.5
Schools	-6.7	-5.1	-4.7	-16.1	-0.9	-9.5	-7.4
Amusement facility	-7.5	-11.8	-11.7	-14.5	+0.0	-11.6	-9.6
Pachinko	-4.1	-6.9	-4.3	-3.9	-5.7	-8.3	-5.5
Sports facility	-8.1	-12.2	-10.1	-13.5	-3.2	-11.8	-9.7
Hospital	-8.4	-7.9	-5.5	-10.8	-4.3	-5.2	-6.8
Other (in-door)	-9.3	-9.3	-5.7	-11.2	-4.2	-5.6	-7.4
Out-door	-14.2	-18.4	-15.4	-16.9	-7.3	-7.2	-12.9
Total	-9.6	-11.5	-9.2	-12.2	-5.3	-7.0	-9.1

2H plan (Jul-Dec) – Sales volume by package

(thousand case, %)

		2010		
		2H plan	vs. last year	
			change	%
Bottle		1,107	+10	+0.9
PET	~ 1,000ml	22,166	+852	+4.0
	1,001ml ~	19,034	+431	+2.3
	subtotal	41,200	+1,283	+3.2
Can (include bottle can)		30,781	+653	+2.2
Other		3,271	+199	+6.5
Syrup, powder		21,411	+712	+3.4
Total		97,770	+2,856	+3.0

2H plan (Jul-Dec) – Sales volume by channel/package

(thousand cases, %)

■ Chain store	2H 2010 plan	vs. last year	
		change	%
Large PET (1.5~2.0L)	17,688	+523	+3.0
Small PET (~1.0L)	11,084	+580	+5.5
Can	7,626	-90	-1.2
Other	577	-169	-22.6
Total	36,976	+844	+2.3

(thousand cases, %)

■ Vending	2H 2010 plan	vs. last year	
		change	%
Large PET (1.5~2.0L)	96	-47	-32.7
Small PET (~1.0L)	8,267	+495	+6.4
Can	19,741	+1,034	+5.5
Syrup, powder	3,361	-122	-3.5
Other	244	-392	-61.7
Total	31,710	+968	+3.1

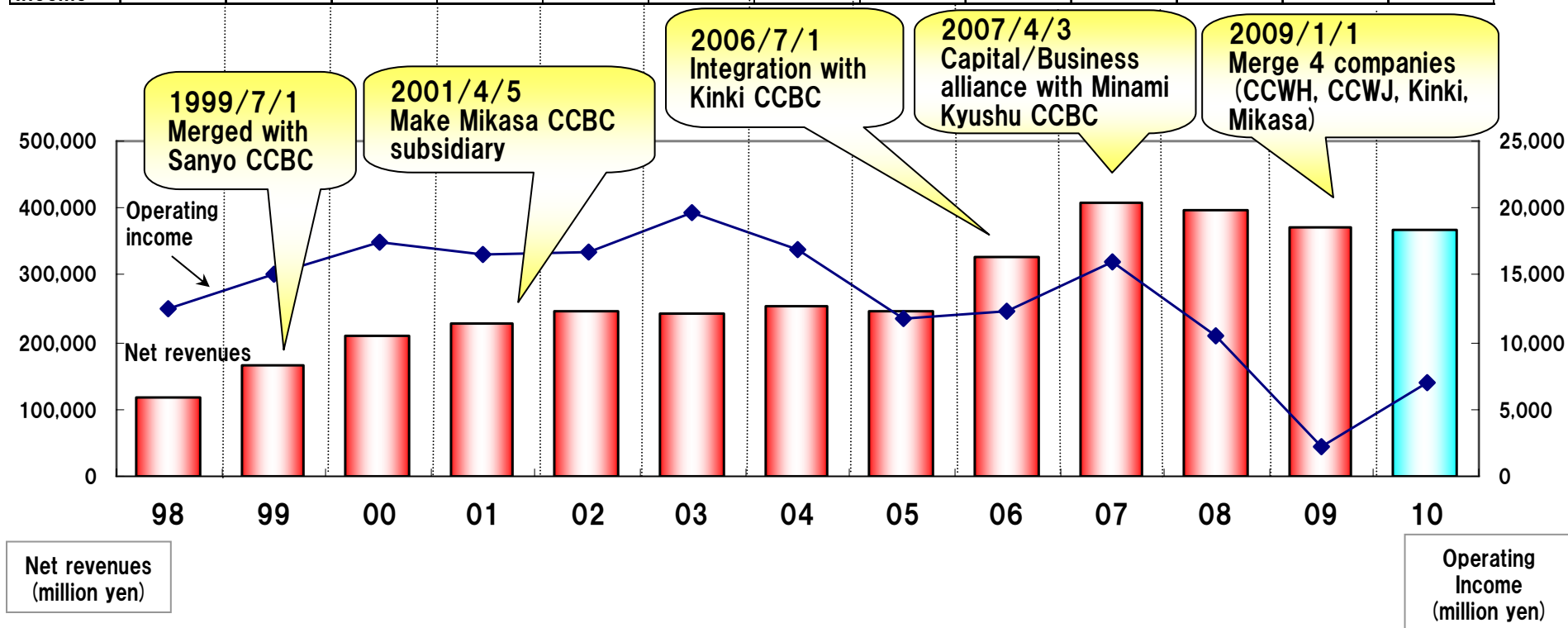
(thousand cases, %)

■ Retail / Food service	2H 2010 plan	vs. last year	
		change	%
Large PET (1.5~2.0L)	1,246	-44	-3.4
Small PET (~1.0L)	2,536	-236	-8.5
Can	1,953	-103	-5.0
Syrup, powder	9,718	+344	+3.7
Other	1,081	-52	-4.6
Total	16,534	-91	-0.5

Performance trend

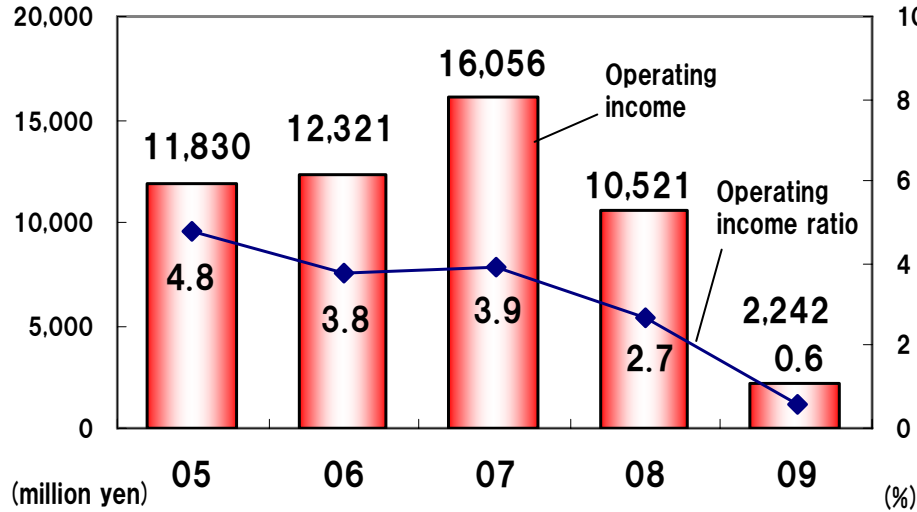
(million yen)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 plan
Net revenues	117,991	164,731	207,827	226,111	247,737	240,825	253,248	245,874	327,821	409,521	395,556	369,698	369,300
Operating income	12,533	15,160	17,449	16,634	16,704	19,638	16,860	11,830	12,321	16,056	10,521	2,242	7,000
Recurring income	12,510	15,889	18,516	16,021	17,005	19,895	17,065	12,256	13,225	17,493	11,048	2,085	6,600
Net income	5,872	6,823	5,700	1,420	7,086	9,380	8,564	7,305	7,570	9,375	129	-7,594	3,600

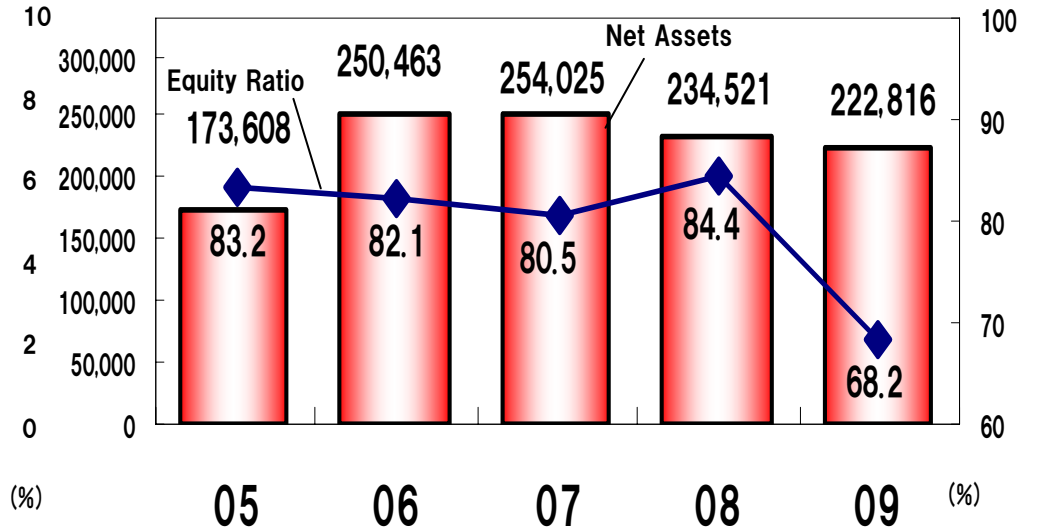


Financial Data

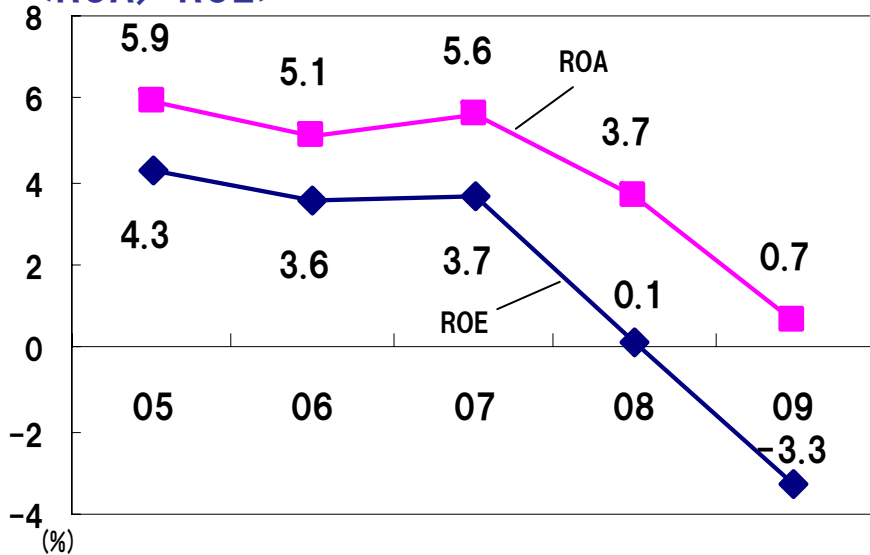
<Operating Income/Operating Income Ratio>



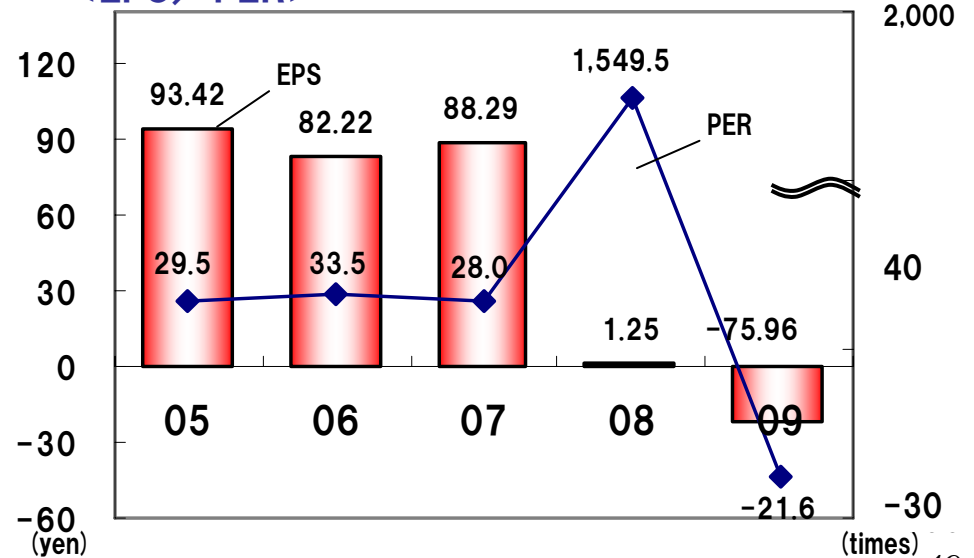
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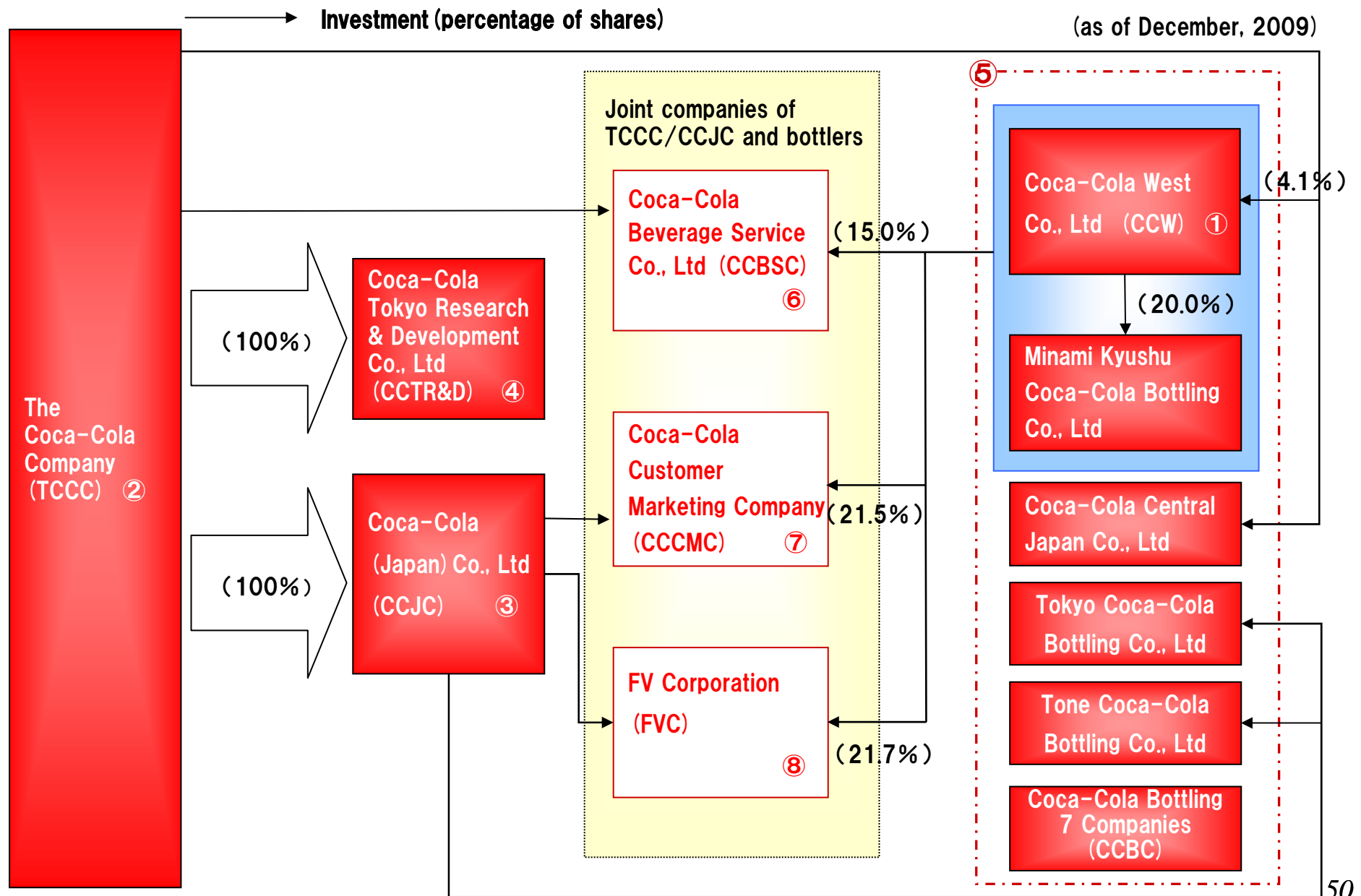
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Coca-Cola System in Japan



Coca-Cola Related Companies and Their Roles

1. Coca-Cola West Co., Ltd. (CCW)

In 2006, CCWJ and Kinki CCBC merged the management of both companies by establishing a joint holding company CCWH. In 2009, CCWH, CCWJ, Kinki CCBC and Mikasa CCBC merged and the trade name changed to Coca-Cola West Co., Ltd.

2. The Coca-Cola Company (TCCC)

Established 1919 in Atlanta, Georgia. Carries the rights to grant a license to manufacture and sell Coca-Cola products to the bottlers. TCCC (or its subsidiary) makes franchise agreements with the bottlers.

3. Coca-Cola (Japan) Co., Ltd. (CCJC)

Established 1957 in Tokyo, as “Nihon Inryo Kogyo K.K.,” a wholly-owned subsidiary of The Coca-Cola Company. The company name was changed in 1958 to Coca-Cola (Japan) Company, Limited. CCJC is responsible for marketing planning as well as manufacturing and distribution of concentrate in Japan.

4. Coca-Cola Tokyo Research & Development Co., Ltd. (CCTR&D)

Established in January 1993 as a wholly-owned subsidiary of The Coca-Cola Company. Since January 1995, carries out product development and technical support to respond to the needs of the Asian region.

5. Coca-Cola bottlers (CCBCs)

There are 12 bottlers in Japan, which are responsible for selling Coca-Cola products in the respective territories.

6. Coca-Cola Business Service Co., Ltd. (CCBSC)

Established through joint investment by TCCC and its bottling partners in Japan, and the company began operations on January 1, 2007. It is charged with providing business consulting services to the Coca-Cola system in Japan, as well as developing and generally maintaining the information systems to support such work. The company has procured raw materials since Jan 2009.

7. Coca-Cola Customer Marketing Company (CCCMC)

Established through joint investment by Coca-Cola (Japan) Co., Ltd. and all of its bottling partners in Japan, and the company began operations on January 1, 2007. It is charged with holding business negotiations with major retailer outlets, such as nationwide convenience stores and supermarket chains, as well as developing proposals for sales promotions and storefront activities.

8. FV Corporation Co., Ltd. (FVC)

Jointly established in May 2001 by CCBCs and CCJC. FVC carries out sales negotiations with national chain vending operators, and deals with non-KO products as well as KO products.

Glossary

1. Channel (Business Unit)

Vending:

Retail sale business to distribute products through vending machines to consumers

Chain store:

Wholesale business for supermarket chains

Convenience Store:

Wholesale business for convenience store chains

Retail:

Wholesale business for grocery stores, liquor shops, and other over-the-counter outlets

Food Service:

Syrup sale business for fast food restaurants, movie theaters, sports arenas, "family restaurants," and theme parks

2. Vending

Regular vending machine:

A vending machine offered free of charge to a customer who supervises its operation and uses it to sell products purchased from us.

Full service vending machine:

A vending machine installed and managed directly by us (product supply, collection of proceeds etc.).

Fees are paid to the location proprietors.

Out-market vending machine:

An outdoor machine whose users are relatively unspecific

Out-market vending machine:

An outdoor machine whose users are relatively unspecific

In-market vending machine:

An indoor machine whose users are relatively specific

VPM

Sales Volume Per Vending Machine

VPPM

Sales Volume and Profit Per Vending Machine

3. Chain Store

National chain:

National chain supermarket that CCCMC are responsible for negotiating

Regional chain:

Chain supermarket that owns its stores in the two or more bottlers' territories

Local chain:

Chain supermarket that owns its stores in the single bottler's territory

4. Other

Trade marketing

Trade marketing is a specific function that uses shopper and retail knowledge to develop in-store strategies that ultimately result in higher brand equity and an increase in the quantity and value of shopper purchases.

Forward-Looking Statement

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 market price competition**
- Change in economic trends affecting business climate**
- Major fluctuations in capital markets**
- Uncertain factors other than those above**