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Coca-Cola **West**

Results briefing for the 2nd quarter of Fiscal Year ending December 2012

August 6, 2012

Coca-Cola West Company, Limited (2579)

[Contact] President's Office (IR team)

TEL 092-641-8774 FAX 092-632-4304

[URL] <http://www.ccwest.co.jp/english/> [E-mail] junko-kubo@ccwest.co.jp

- I. Overview of account settlement for the 1st half
- II. Business Plan for the 2nd half/full year
- III. Sales Strategy
- IV. Business Model Innovation

【 Reference 】

Account Settlement for the 2nd quarter (Apr-Jun)

Trend of OTC market share

Mix by brand/ by channel

Sales status on Vending machines by sub-channel

Sales volume / Sales plan (2H)

Performance trend / managerial KPI trend

Coca-Cola System in Japan / Affiliated companies

Today's summary

1H results overview

[1H (consolidated)]

- Sales volume: -0.5% vs. Target, +0.4% vs. PY
- Revenue: +1.2 billion JPY vs. Target, -5.6 billion JPY vs. PY
- Operating income: -1.2 billion JPY vs. Target, -2.8 billion JPY vs. PY

2H/ full-year plan

- Revise volume/performance plan for 2H from the initial plan.

[full-year (consolidated)]

- Sales volume: 188,398 K cases (+0.3% vs. PY)
- Revenue: 392.8 billion JPY (-6.9 billion JPY vs. PY)
- Operating income: 14.7 billion JPY (-1.7 billion JPY vs. PY)

Business Model Innovation

- Optimize sales process for revenue expansion

I. Overview of account settlement for the 1st half

1H Results (Jan-Jun) - Volume

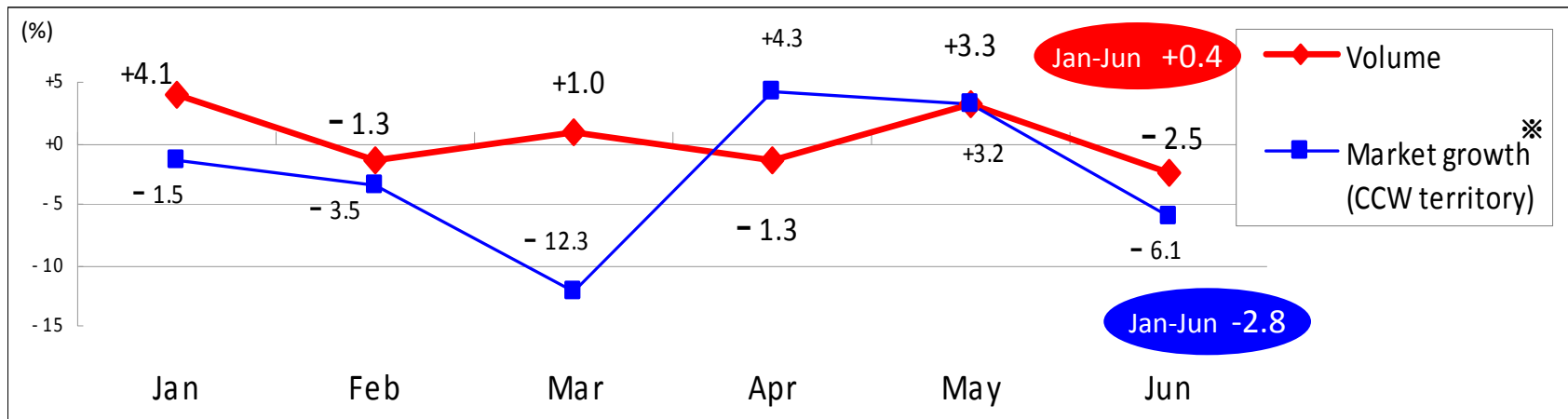
- Volume was kept as planned in 1H as well, which resulted in almost same volume in 1H as last year
- Market share expanded in terms of both volume/value

(K cases, %)	2012 1H actual	vs. Target		vs. PY	
		Diff.	%	Diff.	%
Sales volume	86,124	-475	-0.5	+348	+0.4

(points)	vs. PY	
	Volume	Value
Market Share	+0.9	+0.4

(Source: Intage)

Monthly volume trend (vs. PY)



※ Volume by vending and food service channel are excluded

1H Results (Jan-Jun) - Volume by Channel

■ Sales volume is behind target/PY in Vending, profitable channel

■ In Chain store, volume was exceeding target/PY

(K cases, %)		1H Actual	vs. Target		vs. PY	
			Diff.	%	Diff.	%
	Supermarket ※1	22,380	+816	+3.8	+935	+4.4
	Convenience Store	10,152	+335	+3.4	+790	+8.4
Chain Store Total		32,532	+1,151	+3.7	+1,725	+5.6
Vending		24,834	-545	-2.1	-1,091	-4.2
Retail		5,716	-272	-4.5	-299	-5.0
Food Service		9,130	+203	+2.3	+342	+3.9
Other		13,911	-1,012	-6.8	-330	-2.3
Total		86,124	-475	-0.5	+348	+0.4

※1 Supermarket includes Drugstore/Discount/Home center

Chain Store

- In supermarket, we expanded points of availability by utilizing coolers or racks. Availability of Core8 brands also improved, so volume was more than target/PY.

Retail & Food Service

- Sales volume was above target/PY in Food Service led by new opening activity of HORECA. ※2

Vending

- VPM ※3 was negative against PY mainly on Outdoor VMs due to bad weather. We made new placements as much as planned, but # of withdrawals was more than planned, so sales volume was below target/PY.
- On the other hand, revenue per case improved due to location optimization (downsizing) of underperforming VMs.

1H Results (Jan-Jun) – Volume by Package

- Volume of profitable Small PET is behind target, but increased significantly vs. PY
- Large PET is above target/ PY

(K cases, %)

		2012 1H actual	vs. Target		vs PY [※]	
			Diff.	%	Diff.	%
PET	SS (less than 1,000ml)	19,862	-715	-3.5	+1,736	+9.6
	MS (less than 1,500ml)	496	-152	-23.5	+41	+8.9
	LS (1,500 or more)	15,806	+785	+5.2	+846	+5.7
	Subtotal	36,163	-82	-0.2	+2,622	+7.8
CAN (incl. bottle CAN)		25,784	+542	+2.1	-1,213	-4.5
Other		5,629	-366	-6.1	-91	-1.6
Syrup/Powder		18,548	-570	-3.0	-970	-5.0
Total		86,124	-475	-0.5	+348	+0.4

※ Conversion ratio of some SKUs were changed so we corrected retroactive to previous year

1H Results (Jan-Jun) - Volume by Brand

- Strong new/renewal products such as Schweppes, Sprite, etc. made up for volume decrease of Coca-Cola, Coca-Cola Zero and Fanta
 - Volume of Georgia exceeded target/PY due to contribution of Black or Bottle CAN
 - Sales of Ayataka has been well and volume increased from last year by double digit, and a new product “Taiyo no Mate cha” has also been strong
- In NST Total, volume exceeded target/PY**

(K cases, %)		1H Actual	vs. Target		vs. PY	
			Diff.	%	Diff.	%
Core 8	Coca-Cola	5,965	-141	-2.3	-458	-7.1
	Coca-Cola Zero	2,665	-180	-6.3	-335	-11.2
	Fanta	3,286	-345	-9.5	-461	-12.3
	Georgia	19,497	+161	+0.8	+123	+0.6
	Sokenbicha	4,612	-644	-12.2	-873	-15.9
	Aquarius	7,202	-452	-5.9	-1,079	-13.0
	Ayataka	4,391	+854	+24.1	+1,255	+40.0
	I-Lohas	3,623	-165	-4.4	+552	+18.0
Subtotal		51,240	-912	-1.7	-1,274	-2.4
Other		16,336	+1,006	+6.6	+2,592	+18.9
RTD Total		67,576	+94	+0.1	+1,318	+2.0
Syrup/Powder		18,548	-570	-3.0	-970	-5.0
Total		86,124	-475	-0.5	+348	+0.4

1H Results (Jan-Jun)

(K cases, MM JPY, %)

	2012 1H actual	Target [※]	vs. Target		2011 1H actual	vs. PY	
			Diff.	%		Diff.	%
Volume	86,124	86,599	-475	-0.5	85,776	+348	+0.4
Revenue	184,300	183,100	+1,200	+0.7	189,933	-5,633	-3.0
Gross Profit on sales	90,720	91,900	-1,179	-1.3	92,602	-1,881	-2.0
Operating income	3,157	4,400	-1,242	-28.2	6,014	-2,857	-47.5
Ordinary profit	3,086	4,300	-1,213	-28.2	6,016	-2,929	-48.7
Current net income	1,003	2,100	-1,096	-52.2	2,363	-1,360	-57.5

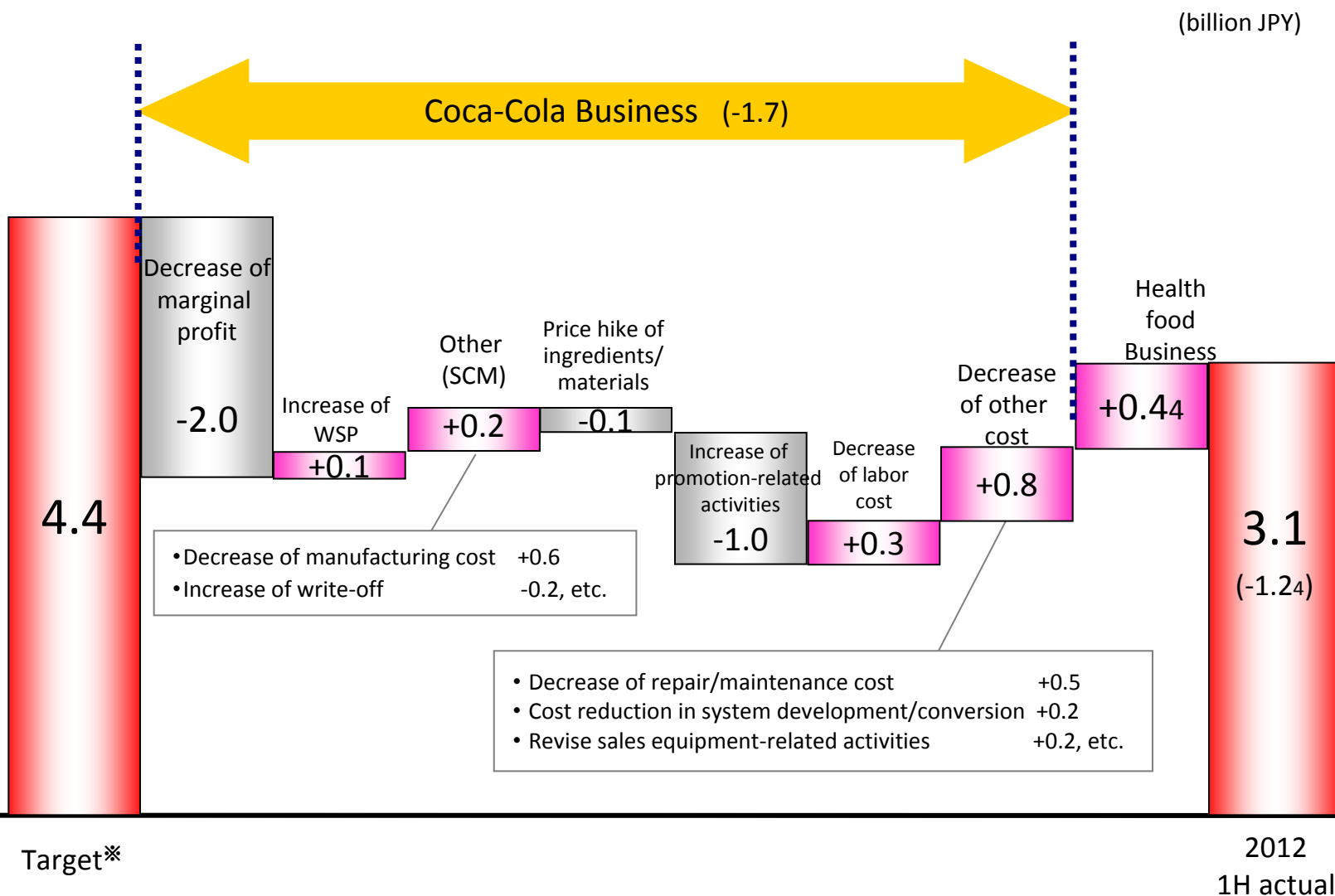
※ Target: Values announced on February 7, 2012

1H Results (Jan-Jun) - Causes of Gap (comparison with Target)

	Target [※]	2012 1H actual	Gap		(billion JPY)
Revenue	183.1	184.3	+1.2	Key causes	Gap
Gross profit on sales	91.9	90.7	-1.1	•Coca-Cola business	+0.25
Operating income	4.4	3.1	-1.2	•Health food business	+0.94
				•Coca-Cola business	-1.92
				•Health food business	+0.74
				Increase/decrease of SG & A	
				•Decrease of labor cost	+0.37
				•Increase of promotion/advertisement cost	-1.21
				•Decrease of sales commission	+0.30
				•Decrease of incidentals	+0.33
•Decrease of repair cost	+0.26				
•Decrease of depreciation cost	+0.12				
•Increase of outsourcing cost	-0.11				
•Health food business	-0.30				
Ordinary profit	4.3	3.0	-1.2		
Current net profit	2.1	1.0	-1.0	•Decrease of Corporate tax, etc.	+0.11

※ Target: Values announced on February 7, 2012

1H Results (Jan-Jun) - Causes of decreased operating income (comparison with Target)



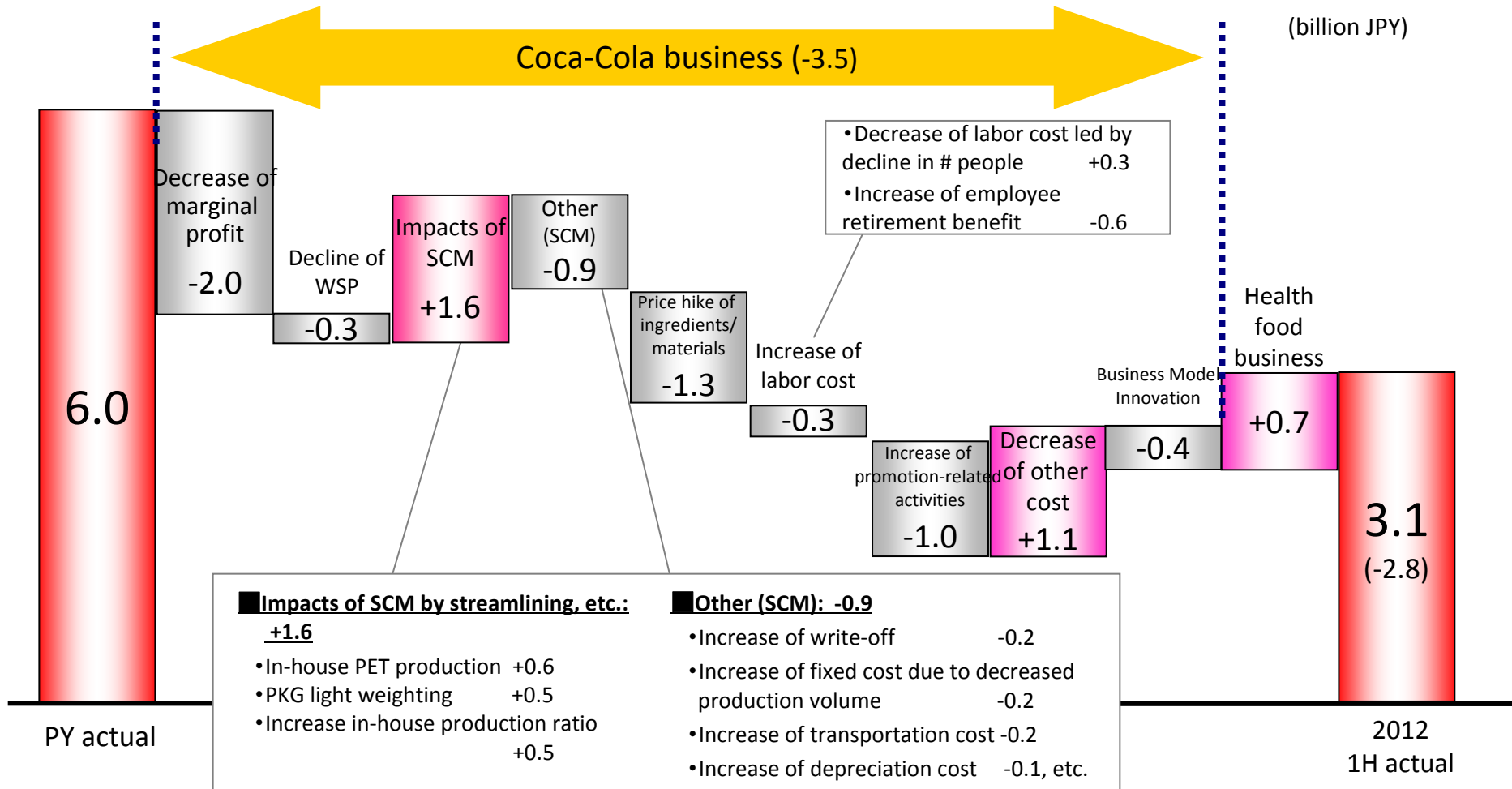
※ Target: Values announced on February 7, 2012

1H Results (Jan-Jun) - Causes of Gap (comparison with Last year)

	Previous year	2012 1H actual	Gap		(billion JPY)
Revenue	189.9	184.3	-5.6	Key causes	Gap
Gross Profit on sales	92.6	90.7	-1.8	•Coca-Cola business	-6.32
Operating income	6.0	3.1	-2.8	•Health food business	+1.49
				•Coca-Cola business	-2.97
				•Health food business	+1.36
				Increase/decrease of SG & A	
				•Decrease of labor cost	+0.58
				•Increase of promotion/advertisement cost	-1.10
				•Decrease of sales equipment cost	+0.11
				•Decrease of transportation cost	-0.35
				•Decrease of expendables cost	+0.20
				•Increase of outsourcing cost	-0.42
Ordinary profit	6.0	3.0	-2.9	•Decrease of depreciation cost	+0.40
				•Health food business	-0.68
Current net income	2.3	1.0	-1.3		
				•Decrease of special loss (decrease of asset retirement obligation, etc.)	+0.76
				•Corporate tax, etc.	+0.79

1H Results (Jan-Jun) - Causes of decreased operating income (comparison with Last year)

In Coca-Cola Business, we achieved cost reduction led by structural reform across the company and productivity improvement. However, operating income decreased by 3.5 billion JPY from last year due to decline of marginal profit and increase of promotional cost. On the other hand, health food business has kept good sales and operating income improved by 0.7 billion JPY.



II. Business Plan for the 2nd half/full year

Performance target for 2H (Jul-Dec) / full year (Jan-Dec)

- Revise performance target of Coca-cola business for 2H/full year
- 2H target of Health food business remains the same as the initial target※

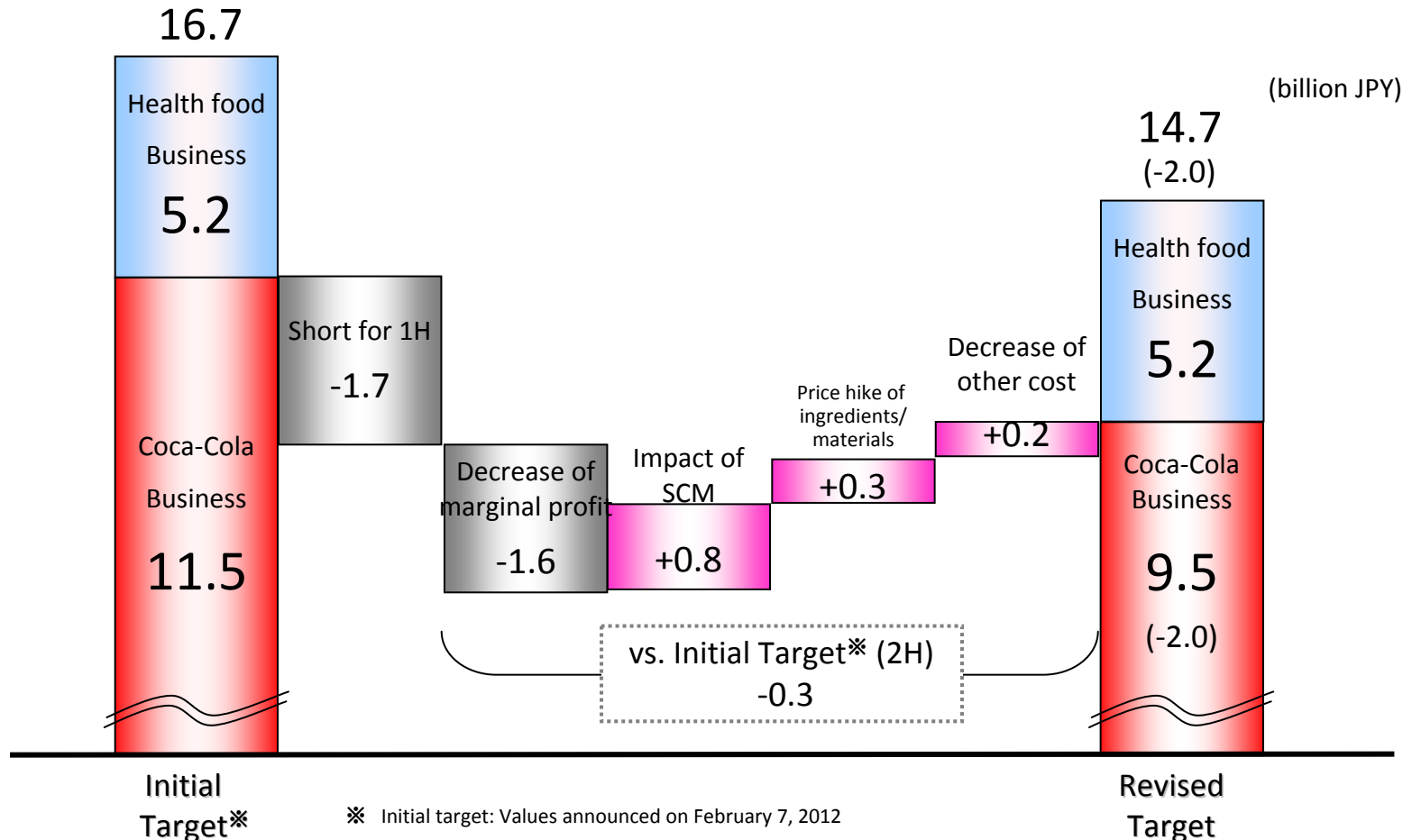
(K cases, MM JPY, %)

	2H			full year 2012		
	Target	vs. PY		Target	vs. PY	
		Diff.	%		Diff.	%
Volume	102,274	+278	+0.3	188,398	+625	+0.3
Revenue	209,400	-383	-0.2	392,800	-6,917	-1.7
Gross profit on sales	104,600	+1,957	+1.9	194,700	-544	-0.3
Operating income	11,900	+1,444	+13.8	14,700	-1,769	-10.7
Ordinary profit	12,200	+2,172	+21.7	14,800	-1,244	-7.8
Current net profit	6,700	+2,066	+44.6	7,400	+402	+5.8

※ Initial target: Values announced on February 7, 2012

2H plan (Jul-Dec) – Scenario to achieve operating income target (comparison with Initial target*)

In Coca-Cola business, we will execute sales activities to grow profitable sales volume; however, as difficult market environment is expected to continue, we will revise the initial marginal profit target downward to 1.6 billion yen. At the same time, we will aim to deliver 9.5 billion yen in Coca-Cola business operating income by accelerating cost reduction programs including stepping up efforts to improve SCM productivity.



First half challenge

Profit decline

- Marginal profit decline
(Channel mix and package mix deterioration)
- Increased promotional spend
(Increased no-price promotional activities)

Second half direction

Increase profitable sales volume

- Thorough execution of OBPPC strategy

III. Sales Strategy

1H Review (Jan-Jun)

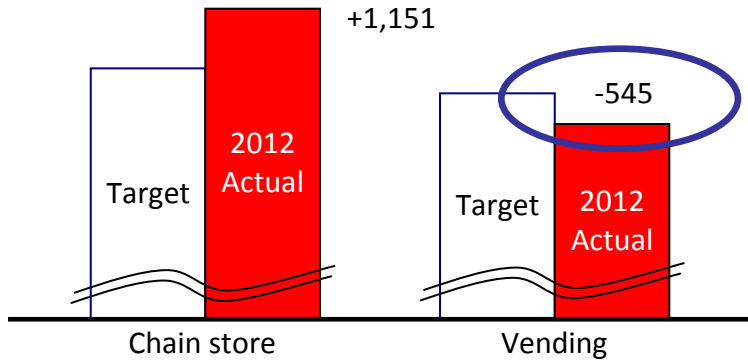
- *Marginal profit significantly behind plan, driven by adverse channel and pack mix differences versus plan*
- *While gap is significant, we remain confident in our strategies moving forward given as we see mix improvements versus prior year*
- *We are seeing improvements in revenue per case for vending and retail food versus prior year, however Chain Store revenue per case is lower due to cycling of March – April 2011 discount activity and pack mix impact*
- *We have delivered on the core revenue growth initiatives committed in the plans and are now focused on scaling these for maximum impact*
- *We plan to positively impact mix in 2H by focusing on vending customer expansion, RTD packaged goods mix in retail food and reduced promotional spend in Chain Stores.*
- *Initial results from our CSS / RTM[※] transformation are encouraging and so we will begin roll out in second half of 2012*

1H Review (Jan-Jun) - Impact on profit

■ Marginal profit of 1H down versus plan due to deterioration of channel and package mix (000 cases, %)

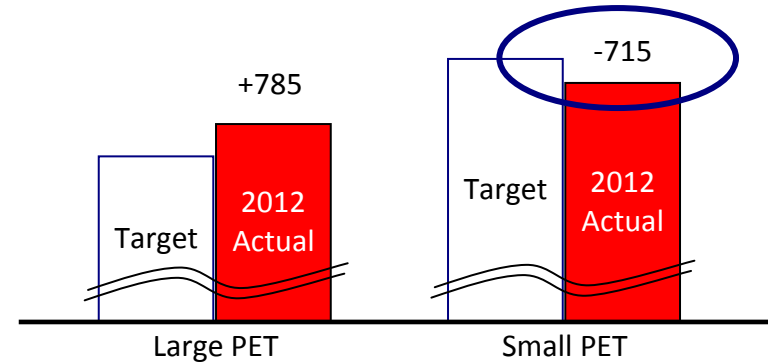
Sales by channel vs. Target

- Chain store increased and Vending decreased



Sales by package vs. Target

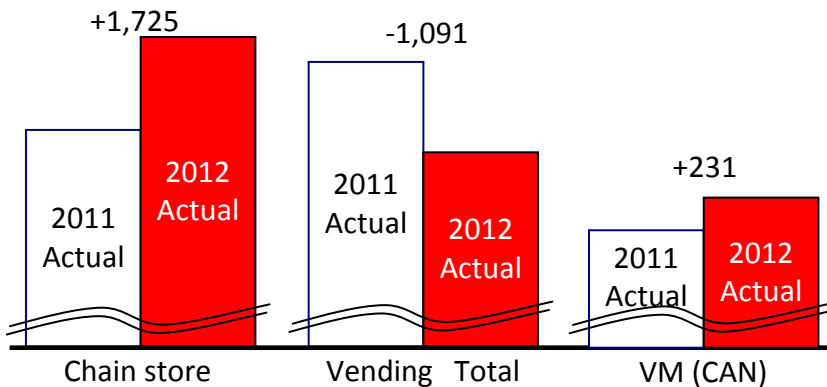
- Large PET increased and Small PET decreased



■ However, we are confident in our strategies as mix improved in focus strategic areas

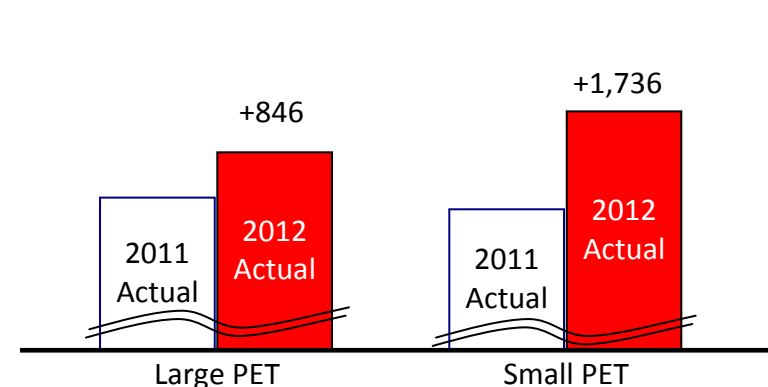
Sales by channel vs. PY

- Chain store increased and Vending decreased



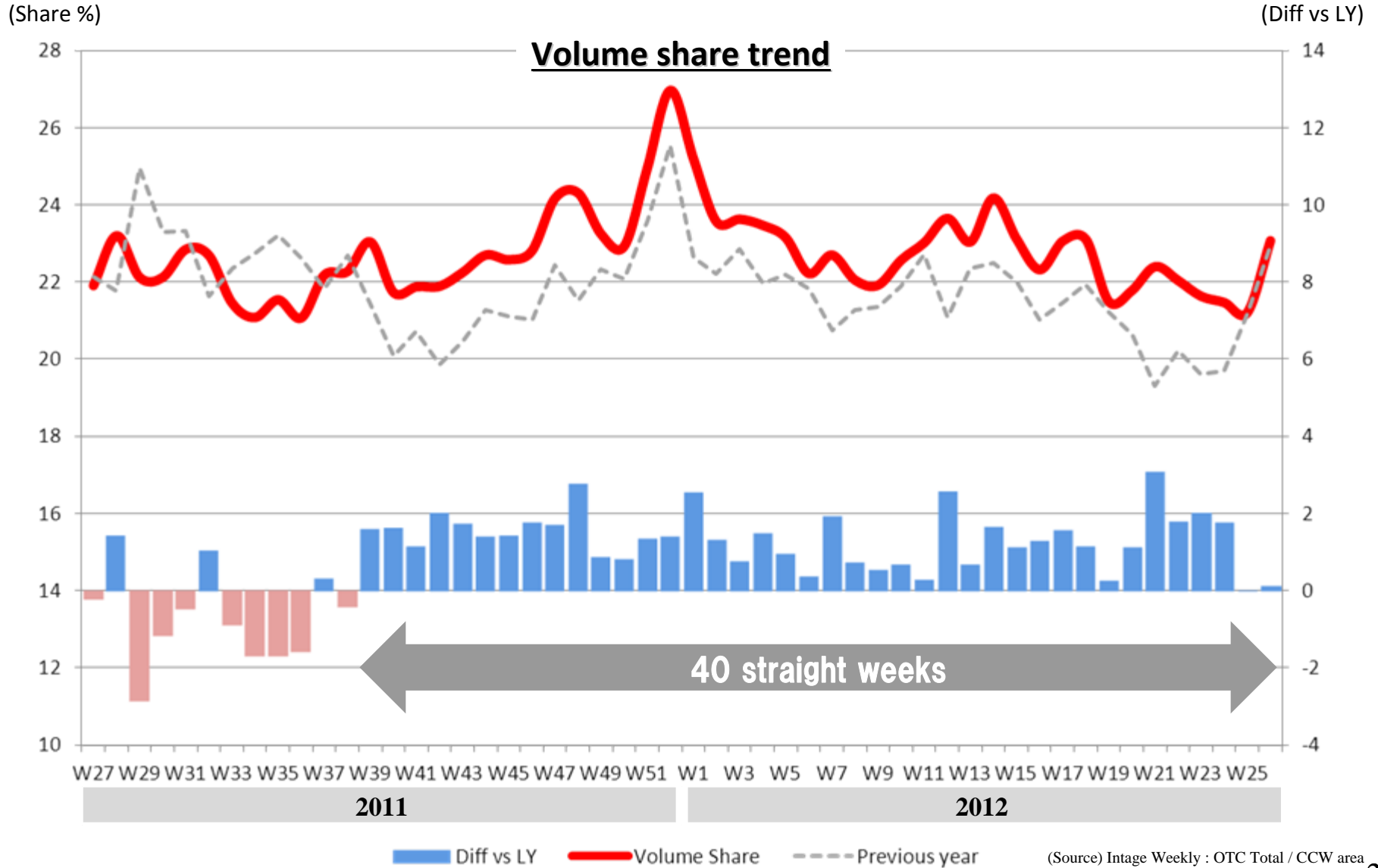
Sales by package vs. PY

- Both Large PET and Small PET increased



1H Review (Jan-Jun) - Market share trend

■ And we have achieved 40 consecutive weeks of share growth



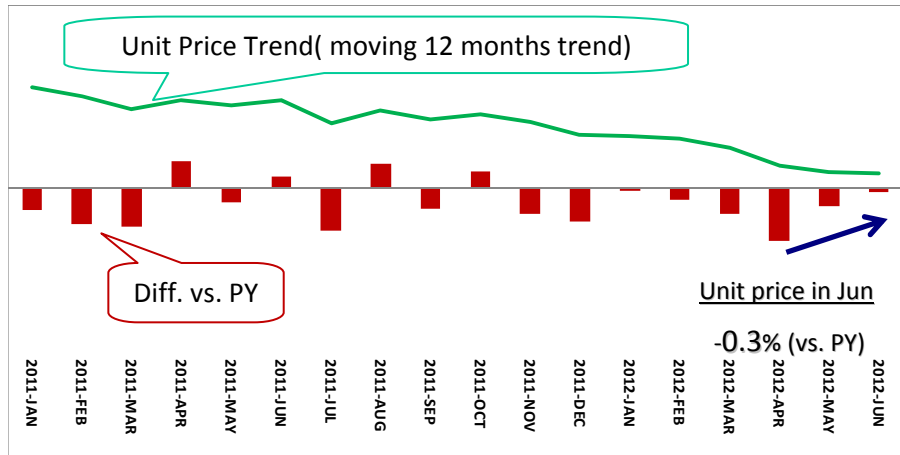
1H Review (Jan-Jun) - Revenue per case trend

■ Revenue per case now stabilizing in Vending and Retail Food, but declined in Chain Stores due to cycling of March-April 2011 promotional stop and packaged mix impact

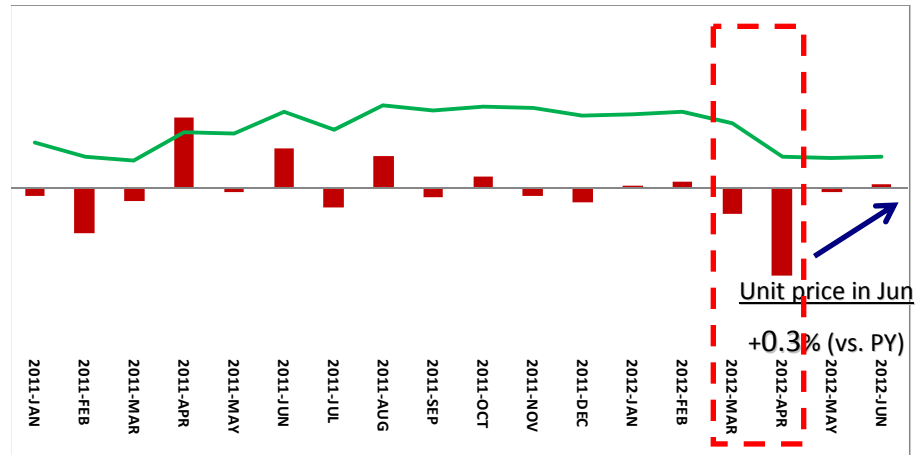
Unit Price Trend (Moving 12 months trend) & Diff.

(Source) CCW DWH

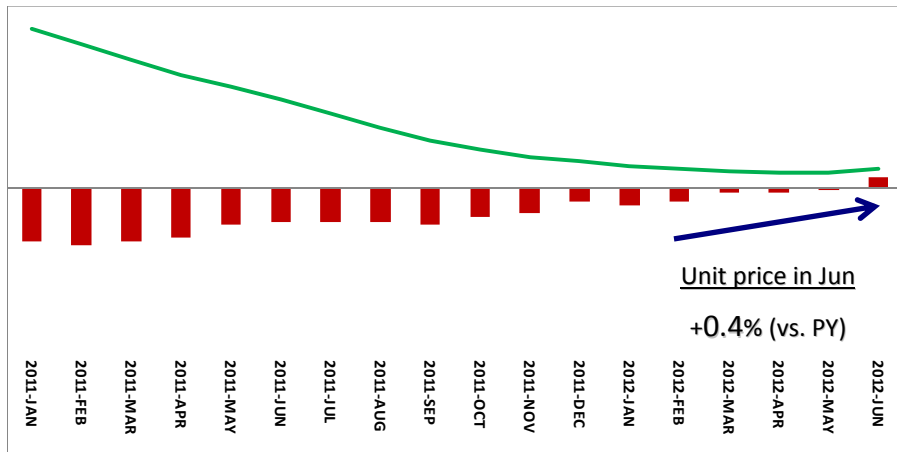
All Channel



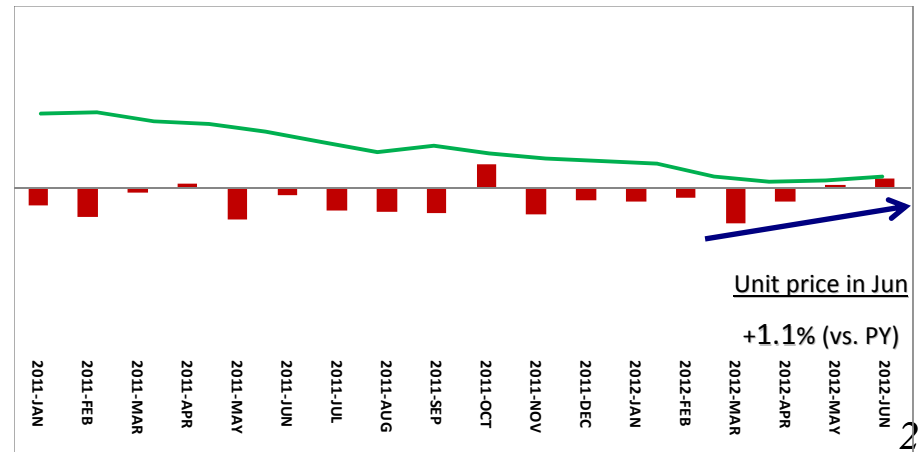
Chain Store



VM(FS-CAN)

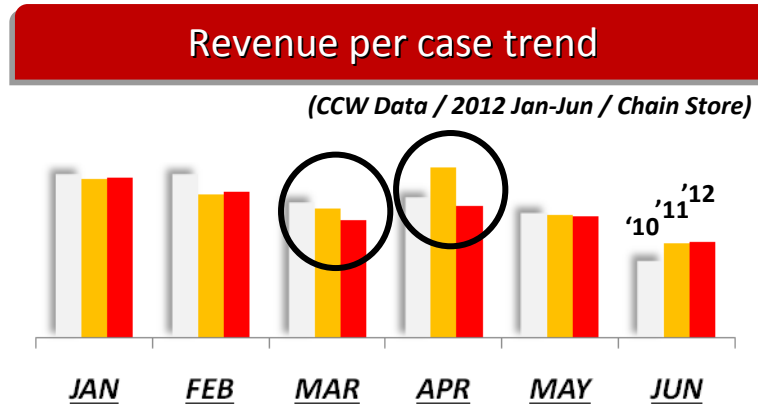


Retail Food Service

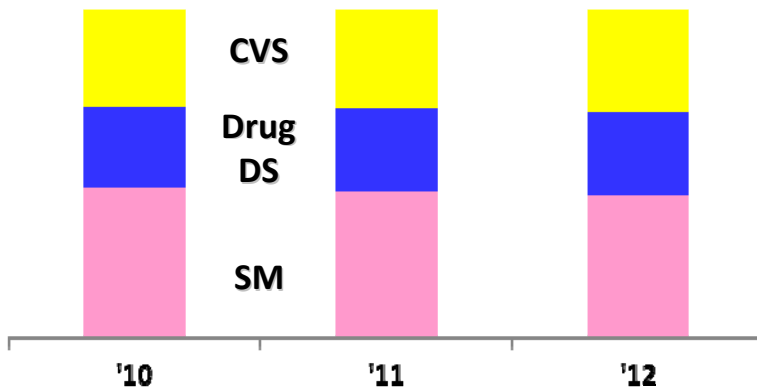


1H Review (Jan-Jun) - Revenue per case trend (Chain store)

- Within Chain Store channel, sub channel mix is stable but package mix deteriorated as we cycled water supply impact from last year
- In June, revenue per case increased vs. 2011 and vs. 2010

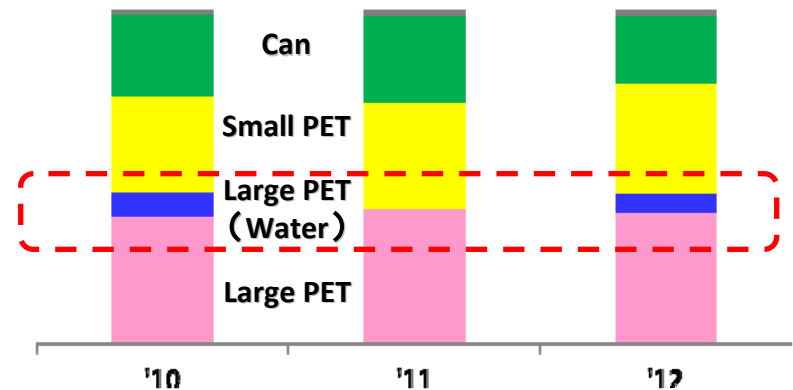


Business category mix remains the same as 2011



Package mix is worsening vs. 2011

- Stop supplying 2L water after the disaster in 2011
- Additionally, Can PKG mix decreased



1H Review (Jan-Jun) - Sales activity by channel

OBPPC initiatives committed in the business plan have been executed and are now being scaled

Chain store: launch 1.25/2L

of customers launched



1.25L

2L

	Jan		Jun
# outlets	10	→	225
# chains	2	→	5

Impacts (vs. PY)

Positive impacts observed in pilot have been replicated during roll out

	All	Launched	Not launched
Volume	+7.5	+38.6	+0.2
Revenue	+1.5	+14.9	-1.5
GP	+2.6	+28.4	-3.2

Chain store: launch multipack

Mix of multipack

(Brands having multipack only)



Contribution of multipack

+29%

'11 '12

Contribution of multipack

+10%

'11 '12

Revenue per case of

canned products vs. PY

(Brands having multipack only)

SSD multipack has had strong positive impact on SSD as we shift from case sales

SSD

+8%

Georgia

-2%

Retail Food: RTB price revision

Price revision of glass bottle SKUs

Re-priced glass bottle products for the first time in 20 years



Price

Volume

Revenue

+31%

-29%

-7%

Expanded HORECA*-exclusive CAN

While revenue impact of RTB price increase negative, 65% of shortfall recovered through new pack



* HORECA : Sub-channels such as Hotel, Restaurant, and Café

1H Review (Jan-Jun) - Sales activity by channel

Channel execution to drive 'sell out' is also up versus prior year

CS PoC Expansion

Check Out Cooler

Place twice coolers than LY.

2011 Jun
4,950
Coolers

x1.6

2012 Jun
7,674
Coolers



(Source) CCW data

Cross MD

Two and a half times as many as LY.

2011 Jun
14,210
PoCs

x2.5

2012 Jun
35,280
PoCs



(Source) CCW data


VM Unit price Improvement

Value Corner Optimization

of Implemented VM

2012 Jun

(Source) CCW DWH


GA 170can@100

21,900 VMs
(-12,100 vs. LY.)


SSD 280can@100

10,900 VMs
(-26,600 vs. LY.)


NST 425PET@130

48,800 VMs
(-47,100 vs. LY.)

Average Price per bottle

* Source: DDIS Jun MTD

114 yen per unit
(+1.0% vs LY.)

VPO Enhancement

Core Coverage Expansion (pts. vs. LY.)

* Source: CCW



PoC expansion by cold equipment

* Source: CCW

	2011 Placed		2012 Placed
Small Cooler (HORECA)	1,990	x1.4	2,688
Air curtain Cooler (Retail/Kiosk)	7,174	x1.04	7,466

2H (Jul-Dec) Volume/ Market share plan

Sales plan by channel

('000 cases, %)

	2H Target	vs. PY	
		Diff.	%
Supermarket ※	29,673	+1,019	+3.6
Convenience store	10,906	-44	-0.4
Chain store total	40,578	+975	+2.5
Vending	28,637	+357	+1.3
Retail	6,890	-262	-3.7
Foodservice	10,733	+219	+2.1
Other	15,437	-1,011	-6.1
Total	102,274	+278	+0.3

Sales plan by package

('000 cases, %)

		2012 2H Target	vs. PY	
			Gap	%
PET	SS (less than 1,000ml)	26,868	+3,469	+14.8
	MS (less than 1,500ml)	976	+294	+43.1
	LS (1,500 or more)	20,710	+120	+0.6
	Subtotal	48,554	+3,883	+8.7
	CAN (incl. bottle CAN)	26,378	-2,605	-9.0
	Other	7,148	+125	+1.8
	Syrup/Powder	20,194	-1,125	-5.3
	Total	102,274	+278	+0.3

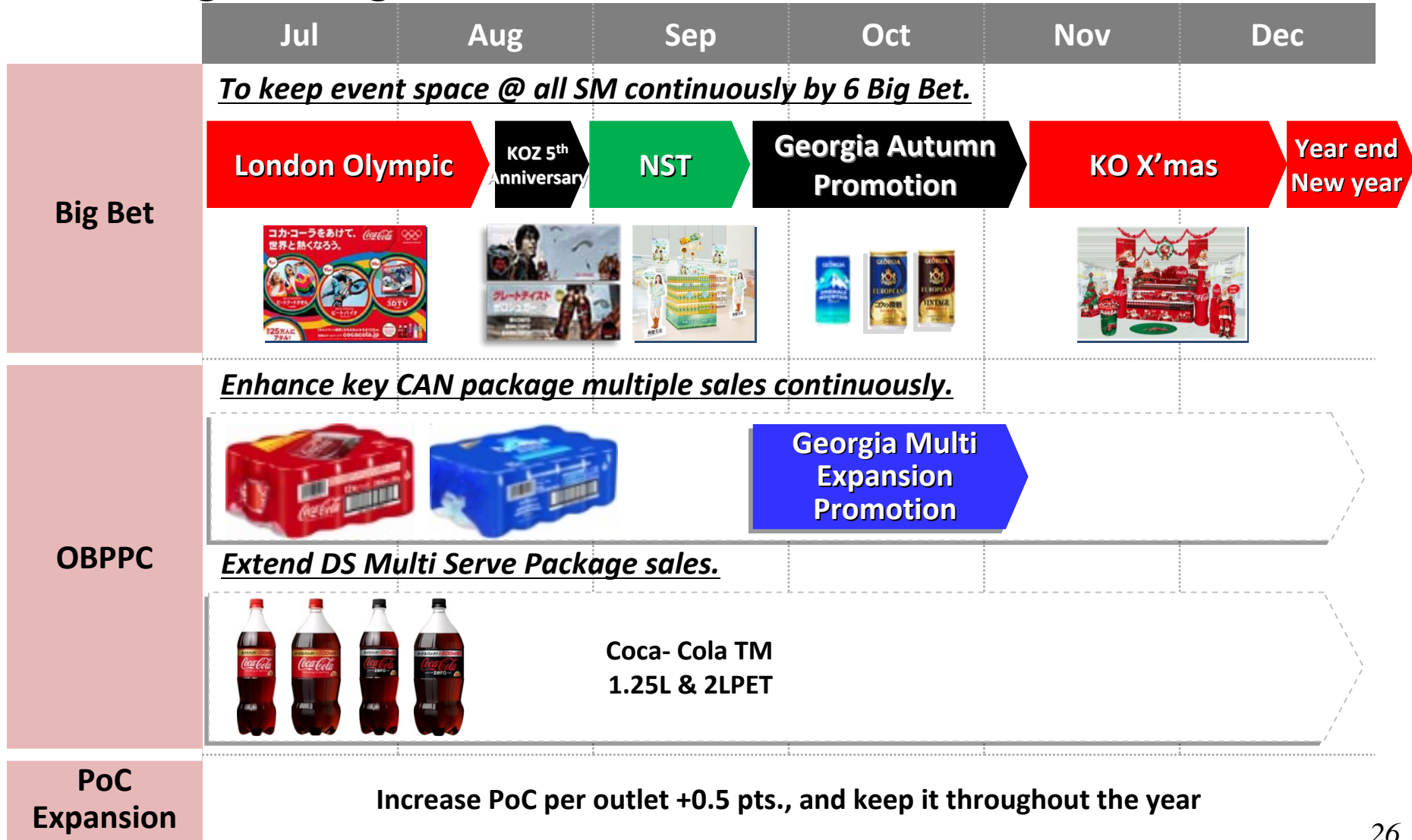
※Drug store/Discount/Home center are included in Supermarket

Market share

(points)	Vs. PY	
	Volume share	Value share
2H Target	+0.1	+0.5

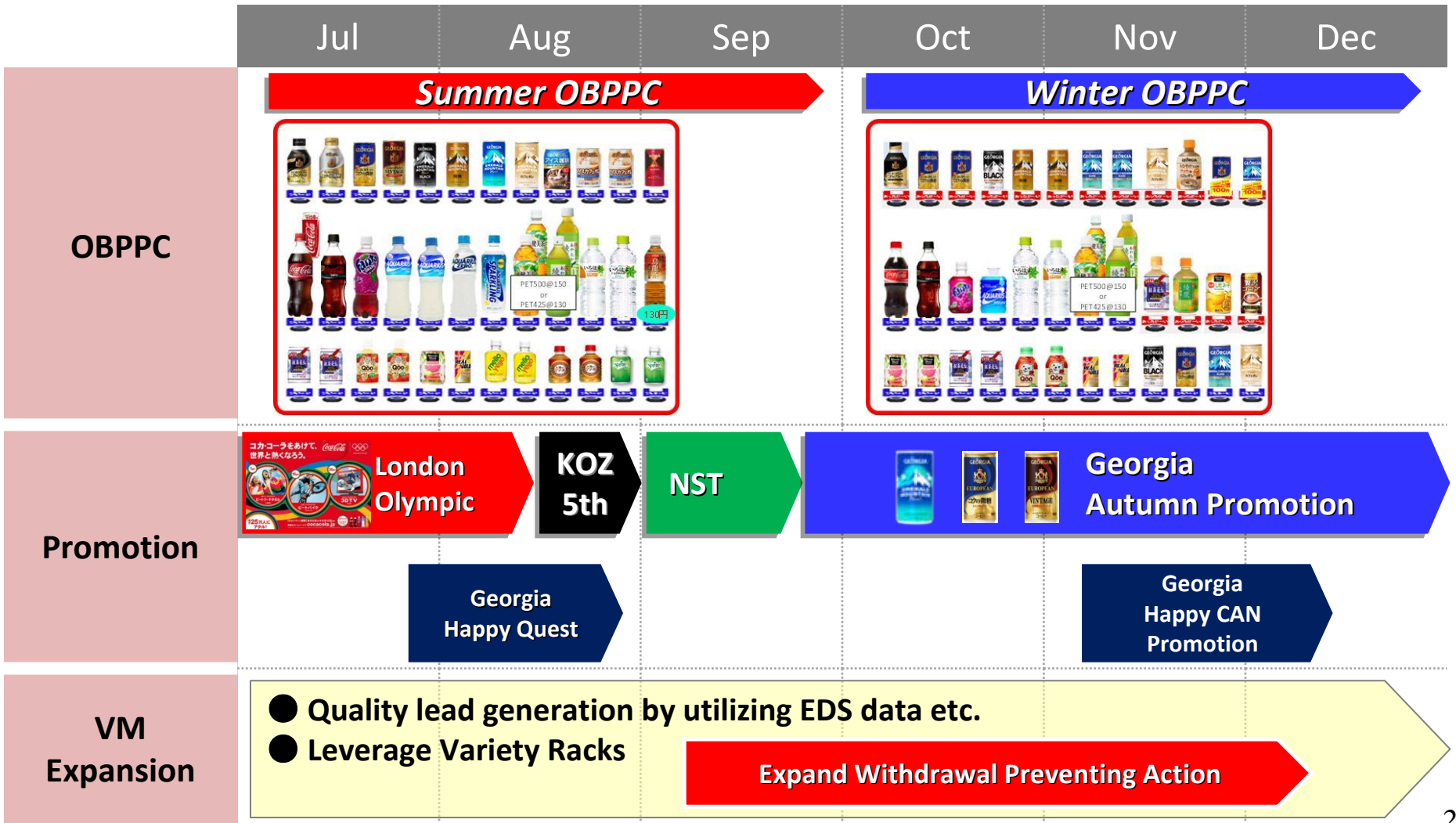
2H Sales strategy - Chain store

■ Improve revenue per case by OBPPC complete implementation, focusing on 6 Big Bet to secure volume scale



2H Sales strategy - Vending

■ We will optimize assortments of GA/HOT and implement National/Local promotion, and recover VM increment in 2H



2H Sales strategy - Retail/Foodservice

Achieve volume & revenue growth continuously by RTD SKU expansion at existence outlets and new outlet openings



* HORECA : Sub-channels such as Hotel, Restaurant, and Café

IV. Business Model Innovation

Standardize sales process to advance net revenue expansion efficiently

Current

After

Call Plan

- ✓ No-planned Call., Not automated
- ✓ Self-planned by sales people
- ✓ 9 calls per day



- ✓ Call plan is determined by CAS
- ✓ ~15 calls per day



Key Action for customers

- ✓ Decided key actions based on sales people experience



- ✓ Standardized 8 steps apply to all channels



Trade Term

- ✓ Not decided trade terms based on performance



- ✓ Trade term is decided by clear segmentation

Key Duty

- ✓ Everyday time allotment
 - In-store : 25%
 - Traffic : 35%
 - In-house : 40%



- ✓ Everyday time allotment
 - In-store : 60%
 - Traffic : 20%
 - In-house : 20%



RED

- ✓ Launched only in CS channel since 2011



- ✓ Expand covered ratio of all channels (more than 50%)



Status of Osaka COE Key Metrics

■ KPI related to # outlets visited has been improving and time with customers has been increasing

		Chain Store		Vending	Retail & Food service	
		Sales	MD	Sales	Sales	MD
% call plan compliance	vs. target	+9%	+9%	+1%	+4%	-16%
# of outlets visited	vs. PY	+1.3 Outlet	+0.0 Outlet	+3.9 Outlet	+4.7 Outlet	+0.4 Outlet
Time with customers	vs. PY	+66 min	+60 min	+13 min	+67 min	-
Time in office	vs. PY	-90 min	-	-85 min	-50 min	-

[Reference]

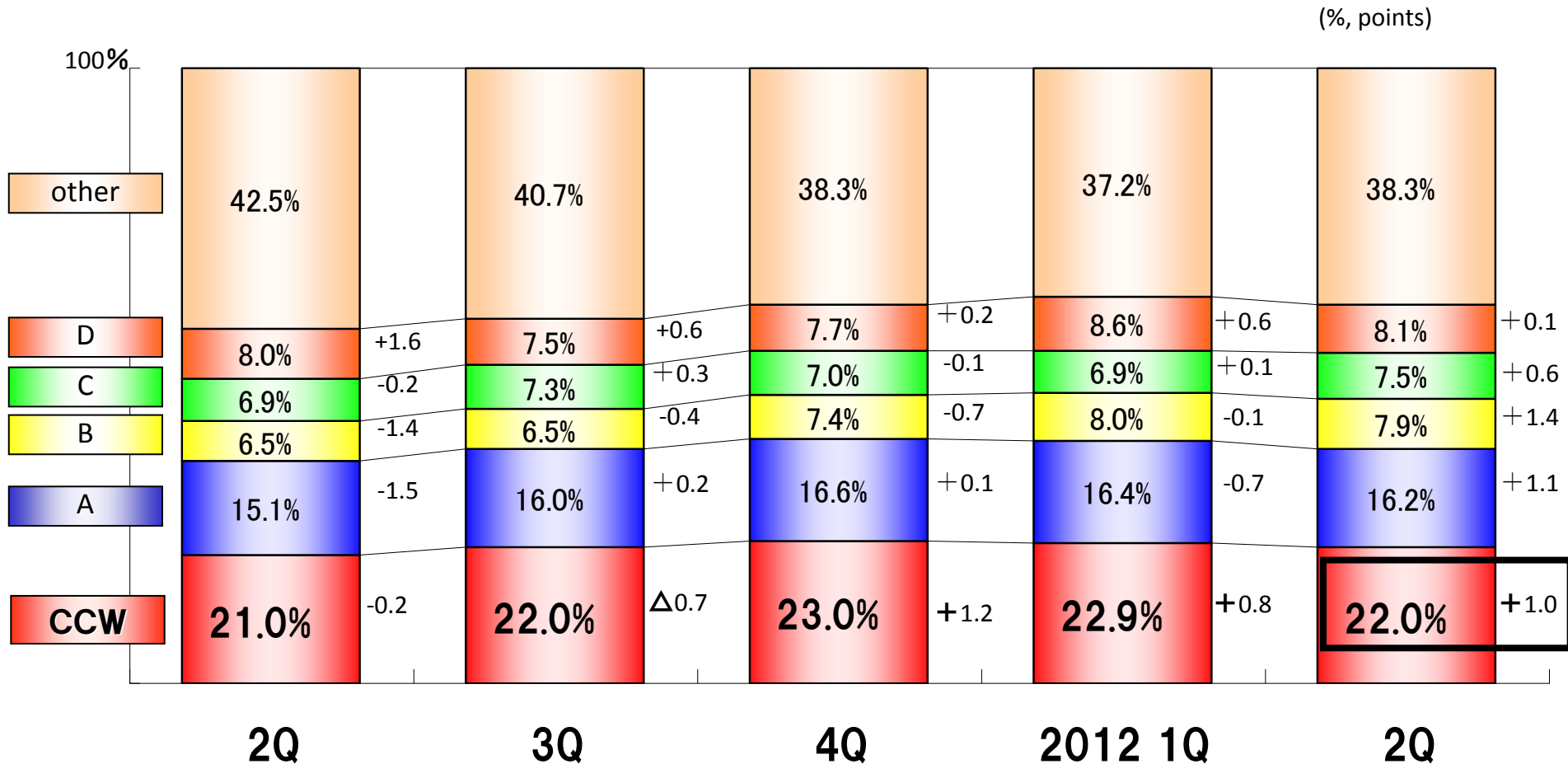
2Q Results (Apr-Jun)

(K cases, MM JPY, %)

	2012 2Q actual	Target*	Vs. Target		2011 2Q actual	Vs. PY	
			Diff.	%		Diff.	%
Volume	47,199	47,325	-126	-0.3	47,328	-129	-0.3
Revenue	99,593	98,200	+1,393	+1.4	103,468	-3,875	-3.7
Gross Profit on sales	48,694	49,100	-405	-0.8	49,412	-717	-1.5
Operating income	3,134	3,700	-565	-15.3	4,637	-1,503	-32.4
Ordinary profit	3,245	3,800	-554	-14.6	4,675	-1,430	-30.6
Current net income	1,550	2,200	-649	-29.5	2,885	-1,335	-46.3

* Target: Values announced on February 7, 2012

OTC Market share trend (except vending machines)

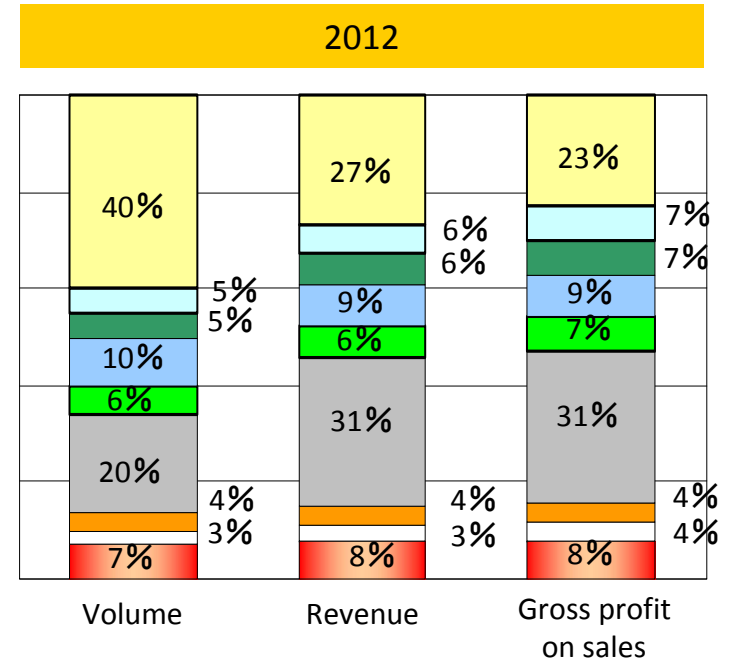
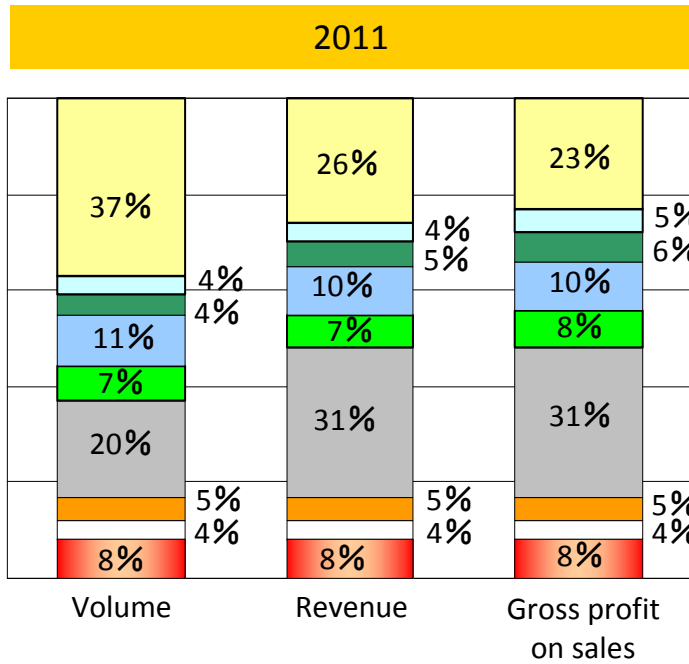


※ Values put outside of the graph show YTY gap

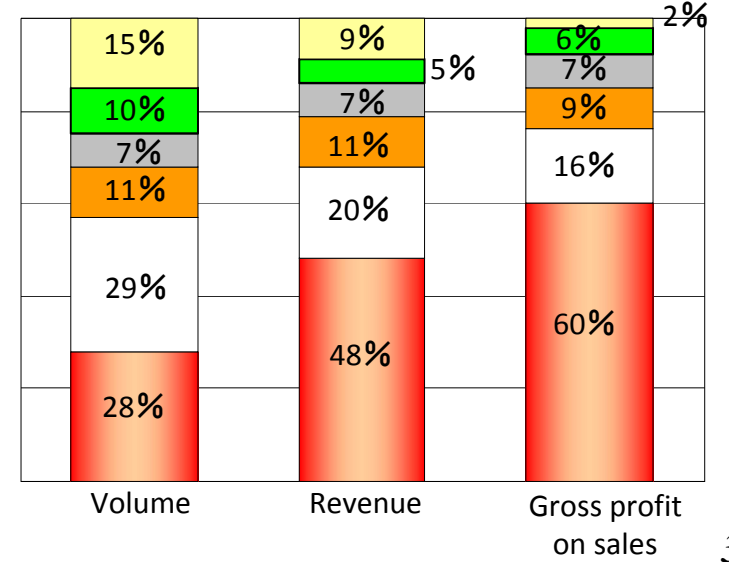
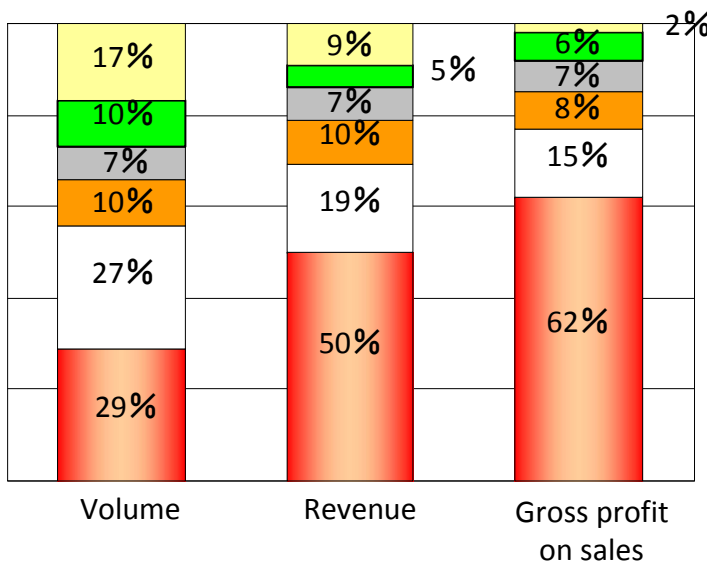
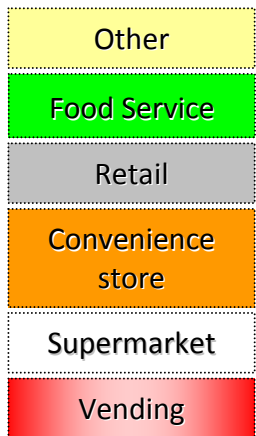
(Source: Intage)

2Q (Apr-Jun, 2012) - Mix by brand/by channel

Brand

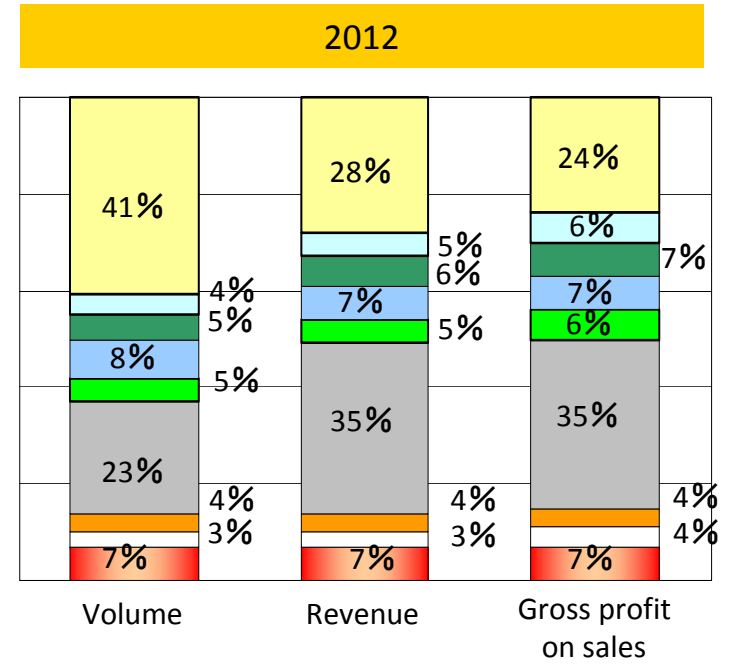
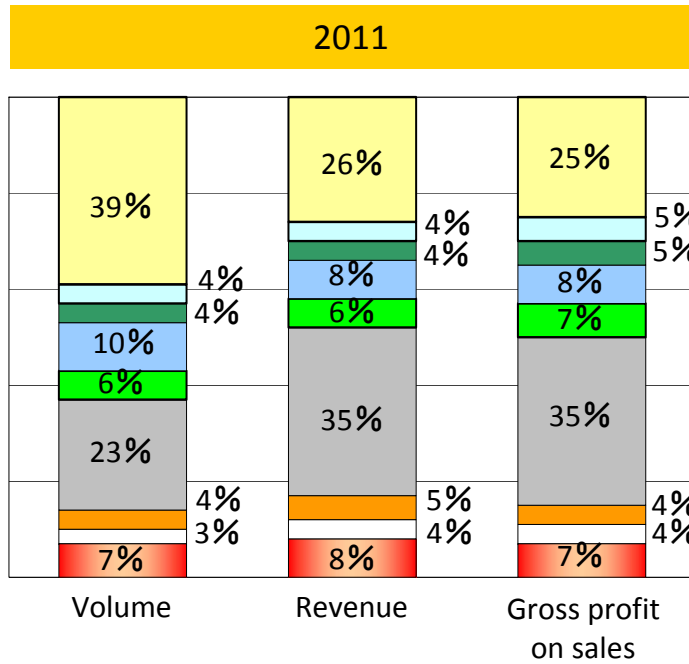


Channel

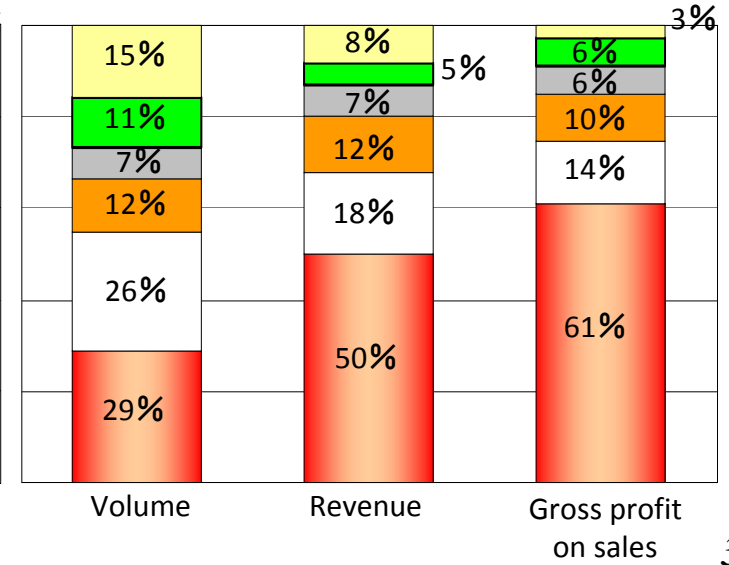
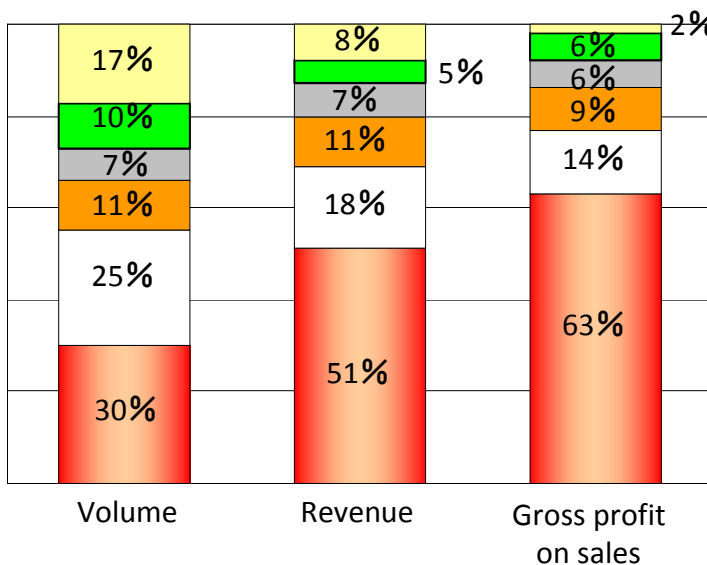
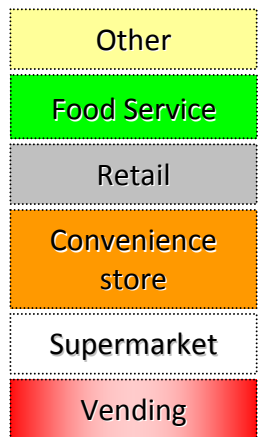


1H (Jan-Jun, 2012) - Mix by brand/by channel

Brand



Channel



Status by channel - Sales status of VMs by sub-channel

Vs. PY of VPM of FS_CAN VM

Sub-channel	Vs. PY (%)						
	Jan	Feb	Mar	Apr	May	Jun	Total
At-work white	-1.2	+0.4	-4.0	-3.8	+4.1	-3.8	-1.5
At-work blue	-0.3	+0.9	+1.5	+0.3	+6.5	-3.6	+0.7
Mass retailer	-2.0	-6.3	-6.3	-5.5	-3.4	-4.1	-4.5
Transport	-1.3	-1.5	-1.7	+0.9	+0.5	-2.2	-0.9
School	-0.2	-4.9	-6.2	+0.1	+11.0	-3.6	-0.2
Amusement	+1.9	-6.3	-2.5	-2.7	-6.5	-2.5	-3.2
Pachinko	+0.5	-0.7	+0.3	-2.5	-5.8	-1.9	-1.7
Sports facility	+5.0	-6.4	-0.3	-2.5	-4.0	-1.1	-1.7
Hospital	-0.4	-0.4	-3.0	-4.2	+1.0	-1.7	-1.4
Accommodation	-1.2	-2.7	-2.0	-1.6	-2.4	-1.4	-1.9
Other (indoor)	-5.1	-3.4	-6.0	-9.0	-1.3	-4.4	-4.9
Outdoor	+0.5	-4.7	-6.3	-9.6	-2.1	-5.2	-4.6
Total	-0.2	-2.7	-3.7	-4.7	-0.4	-3.7	-2.6

※ VPM : Volume Per Machine

2Q Results (Apr-Jun) - Volume by Brand

(K cases, %)

		2012 2Q actual	vs. Target		vs PY [※]	
			Diff.	%	Diff.	%
Core8	Coca-Cola	3,366	-171	-4.8	-376	-10.0
	Coca-Cola Zero	1,484	-149	-9.1	-278	-15.8
	Fanta	1,794	-380	-17.5	-529	-22.8
	Georgia	9,338	-125	-1.3	-157	-1.7
	Sokenbicha	2,694	-386	-12.5	-521	-16.2
	Aquarius	4,898	-153	-3.0	-543	-10.0
	Ayataka	2,407	+347	+16.9	+395	+19.7
	I-Lohas	2,352	+57	+2.5	+671	+39.9
Subtotal		28,334	-959	-3.3	-1,338	-4.5
Other		9,307	+1,113	+13.6	+2,235	+31.6
RTD Total		37,642	+154	+0.4	+897	+2.4
Syrup/ Powder		9,557	-280	-2.8	-1,026	-9.7
Total		47,199	-126	-0.3	-129	-0.3

※ Conversion ratio of some SKUs were changed so we corrected retroactive to previous year

2Q Results (Apr-Jun) - Volume by Channel

(K cases, %)

		2012 2Q actual	vs. Target		vs PY ^{※1}	
			Diff.	%	Diff.	%
	Supermarket ^{※2}	13,561	+583	+4.5	+932	+7.4
	Convenience store	5,164	+308	+6.3	+624	+13.7
Cain Store total		18,725	+891	+5.0	+1,556	+9.1
Vending		13,241	-395	-2.9	-519	-3.8
Retail		3,209	-211	-6.2	-261	-7.5
Food Service		4,840	+30	+0.6	+105	+2.2
Other		7,184	-442	-5.8	-1,011	-12.3
Total		47,199	-126	-0.3	-129	-0.3

※1 Conversion ratio of some SKUs were changed so we corrected retroactive to previous year

※2 Supermarket includes Drugstore/Discount/Home center

2Q Results (Apr-Jun) - Volume by Package

(K cases, %)

		2012 2Q actual	vs. Target		vs PY [※]	
			Diff.	%	Diff.	%
PET	SS (less than 1,000ml)	11,576	-25	-0.2	+1,755	+17.9
	MS (less than 1,500ml)	296	-70	-19.1	+98	+49.6
	LS (1,500 or more)	9,570	+580	+6.5	+788	+9.0
	Subtotal	21,443	+486	+2.3	+2,642	+14.0
CAN (incl. bottle CAN)		13,001	-167	-1.3	-1,627	-11.1
Other		3,198	-165	-4.9	-117	-3.5
Syrup/Powder		9,557	-280	-2.8	-1,026	-9.7
Total		47,199	-126	-0.3	-129	-0.3

※ Conversion ratio of some SKUs were changed so we corrected retroactive to previous year

Account settlement for 2Q (Apr-Jun) - Volume by channel/by package

(K cases, %)

Chain store	2012 2Q acctual	vs. Target		vs PY [※]	
		Diff.	%	Diff.	%
SS PET (less than 1,000ml)	5,724	+248	+4.5	+1,055	+22.6
MS PET (less than 1,500ml)	266	△ 64	△ 19.4	+105	+65.0
LS PET (1,500 or more)	8,843	+576	+7.0	+871	+10.9
CAN	3,228	△ 21	△ 0.6	△ 635	△ 16.4
Other	663	+152	+29.8	+160	+31.7
Total	18,725	+891	+5.0	+1,556	+9.1

(K cases, %)

Vending	2012 2Q acctual	vs. Target		vs PY [※]	
		Diff.	%	Diff.	%
SS PET (less than 1,000ml)	4,386	△ 409	△ 8.5	+593	+15.6
LS PET (1,500 or more)	65	+26	+67.6	△ 19	△ 22.8
CAN	7,798	+53	+0.7	△ 886	△ 10.2
Other	806	△ 16	△ 2.0	+201	+33.3
Syrup/Powder	183	△ 50	△ 21.5	△ 407	△ 69.0
Total	13,241	△ 395	△ 2.9	△ 519	△ 3.8

(K cases, %)

Retail & Food service	2012 2Q acctual	vs. Target		vs PY [※]	
		Diff.	%	Diff.	%
SS PET (less than 1,000ml)	1,354	+135	+11.1	+139	+11.4
MS PET (less than 1,500ml)	29	△ 6	△ 16.7	△ 6	△ 16.3
LS PET (1,500 or more)	660	△ 24	△ 3.5	△ 64	△ 8.8
CAN	774	△ 142	△ 15.5	△ 183	△ 19.2
Other	486	△ 177	△ 26.7	△ 86	△ 15.0
Syrup/Powder	4,746	+33	+0.7	+44	+0.9
Total	8,049	△ 180	△ 2.2	△ 156	△ 1.9

※ Conversion ratio of some SKUs were changed so we corrected retroactive to previous year

Account settlement for 1H (Jan-Jun) - Volume by channel/by package

(Kcases, %)

Chain store	2012 1H Actual	vs. Target		vs PY [※]	
		Diff.	%	Diff.	%
SS PET (less than 1,000ml)	9,956	+53	+0.5	+1,097	+12.4
MS PET (less than 1,500ml)	444	-132	-22.9	+61	+16.0
LS PET (1,500 or more)	14,574	+677	+4.9	+870	+6.3
CAN	6,437	+129	+2.0	-675	-9.5
Other	1,121	+423	+60.5	+372	+49.7
Total	32,532	+1,151	+3.7	+1,725	+5.6

(Kcases, %)

Vending	2012 1H Actual	vs. Target		vs PY [※]	
		Diff.	%	Diff.	%
SS PET (less than 1,000ml)	7,373	-913	-11.0	+487	+7.1
LS PET (1,500 or more)	104	+51	+97.5	-4	-3.7
CAN	15,276	+283	+1.9	-1,123	-6.8
Other	1,669	+109	+7.0	+608	+57.3
Syrup/Powder	411	-75	-15.5	-1,058	-72.0
Total	24,834	-545	-2.1	-1,091	-4.2

(Kcases, %)

Retail & Food service	2012 1H Actual	vs. Target		vs PY [※]	
		Diff.	%	Diff.	%
SS PET (less than 1,000ml)	2,278	+84	+3.8	+111	+5.1
MS PET (less than 1,500ml)	51	-20	-28.4	-20	-27.9
LS PET (1,500 or more)	1,126	+54	+5.1	-19	-1.7
CAN	1,459	-152	-9.4	-235	-13.9
Other	964	-223	-18.8	-33	-3.3
Syrup/Powder	8,969	+188	+2.1	+240	+2.7
Total	14,846	-69	-0.5	+44	+0.3

※ Conversion ratio of some SKUs were changed so we corrected retroactive to previous year

Target for 2H (Jul-Dec) - Volume plan by brand

(K cases, %)

		2H Target	vs. PY	
			Diff.	%
C o r e g	Coca-Cola	6,924	-615	-8.2
	Coca-Cola Zero	3,394	-115	-3.3
	Fanta	4,513	-165	-3.5
	Georgia	19,150	-652	-3.3
	Sokenbicha	6,595	-268	-3.9
	Aquarius	11,782	+64	+0.5
	Ayataka	5,311	+148	+2.9
	I Lohas	4,993	+1,174	+30.7
	Subtotal	62,661	-429	-0.7
Other		19,419	+1,832	+10.4
RTD Total		82,080	+1,403	+1.7
Syrup/Powder		20,194	-1,125	-5.3
Total		102,274	+278	+0.3

Target for 2H (Jul-Dec) - Volume plan by channel/by package

(K cases, %)

Chain store	2012 2H target	vs. PY	
		Gap	%
SS PET (less than 1,000ml)	13,044	+1,861	+16.6
MS PET (less than 1,500ml)	894	+288	+47.7
LS PET (1,500 or more)	19,268	+168	+0.9
CAN	6,220	△ 1,217	△ 16.4
Other	1,152	△ 125	△ 9.8
Total	40,578	+975	+2.5

(K cases, %)

Vending	2012 2H target	vs. PY	
		Gap	%
SS PET (less than 1,000ml)	10,747	+1,715	+19.0
LS PET (1,500 or more)	58	△ 54	△ 48.2
CAN	16,110	△ 745	△ 4.4
Other	1,381	△ 412	△ 23.0
Syrup/Powder	338	△ 146	△ 30.1
Total	28,637	+357	+1.3

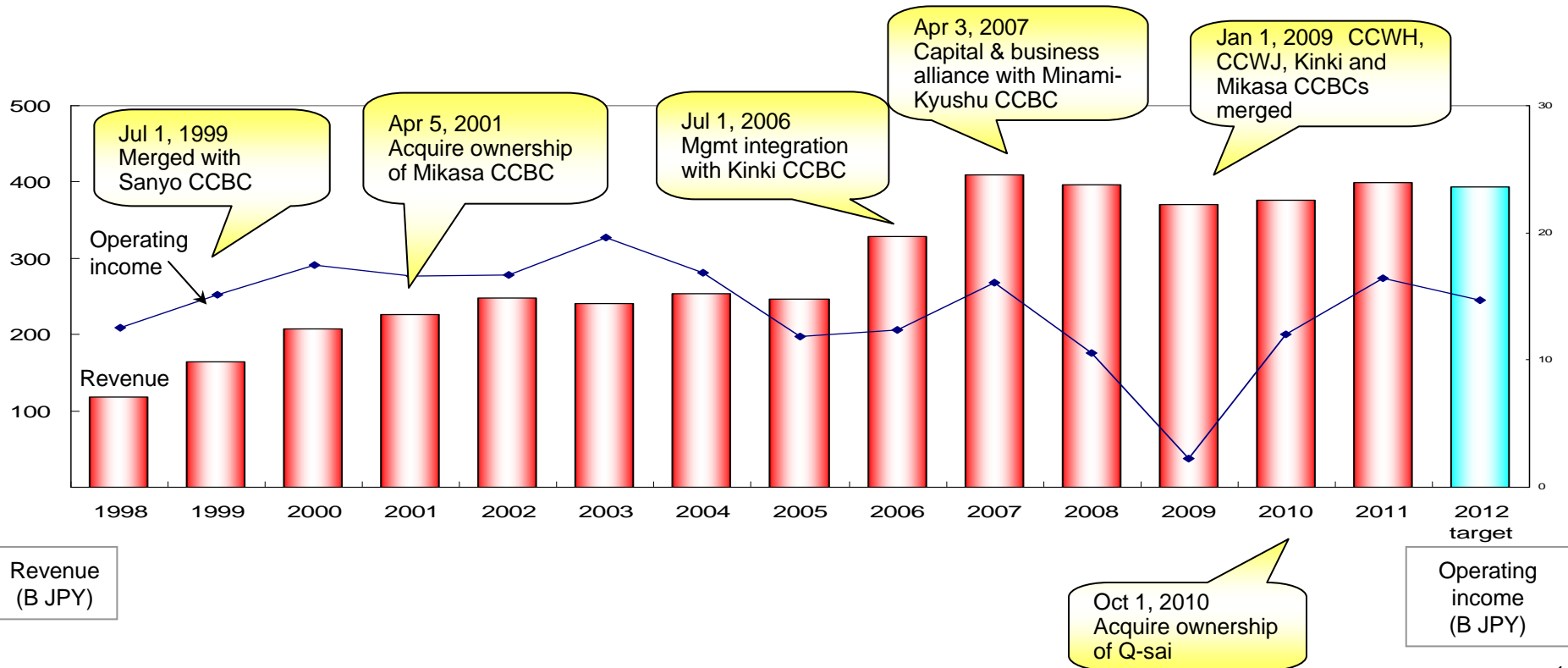
(K cases, %)

Retail & Food service	2012 2H target	vs. PY	
		Gap	%
SS PET (less than 1,000ml)	2,792	+27	+1.0
MS PET (less than 1,500ml)	81	+6	+8.3
LS PET (1,500 or more)	1,383	+20	+1.5
CAN	1,746	+22	+1.3
Other	1,311	△ 41	△ 3.0
Syrup/Powder	10,310	△ 77	△ 0.7
Total	17,622	△ 43	△ 0.2

Performance trend

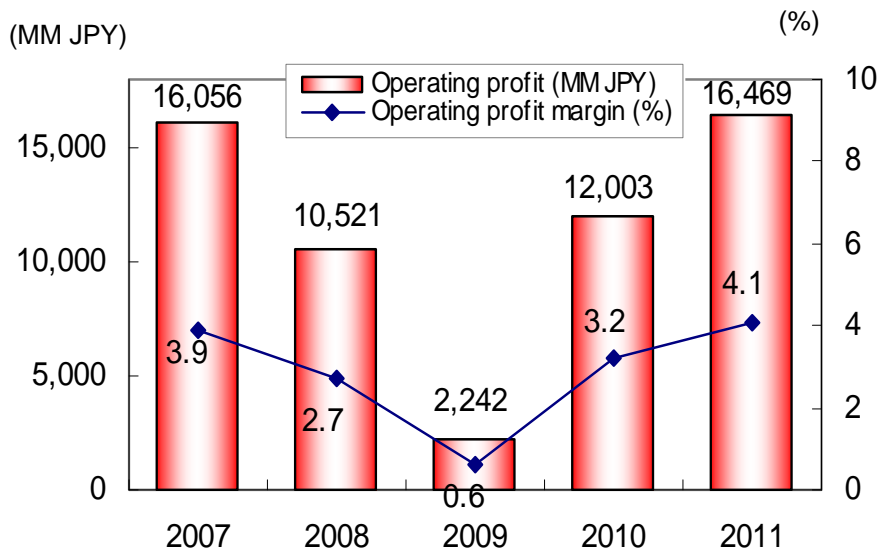
(MM JPY)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 Target
Revenue	117,991	164,731	207,827	226,111	247,737	240,825	253,248	245,874	327,821	409,521	395,556	369,698	375,764	399,717	392,800
Operating profit	12,533	15,160	17,449	16,634	16,704	19,638	16,860	11,830	12,321	16,056	10,521	2,242	12,003	16,469	14,700
Ordinary profit	12,510	15,889	18,516	16,021	17,005	19,895	17,065	12,256	13,225	17,493	11,048	2,085	12,659	16,044	14,800
Net profit for the year	5,872	6,823	5,700	1,420	7,086	9,380	8,564	7,305	7,570	9,375	129	△7,594	7,582	6,997	7,400

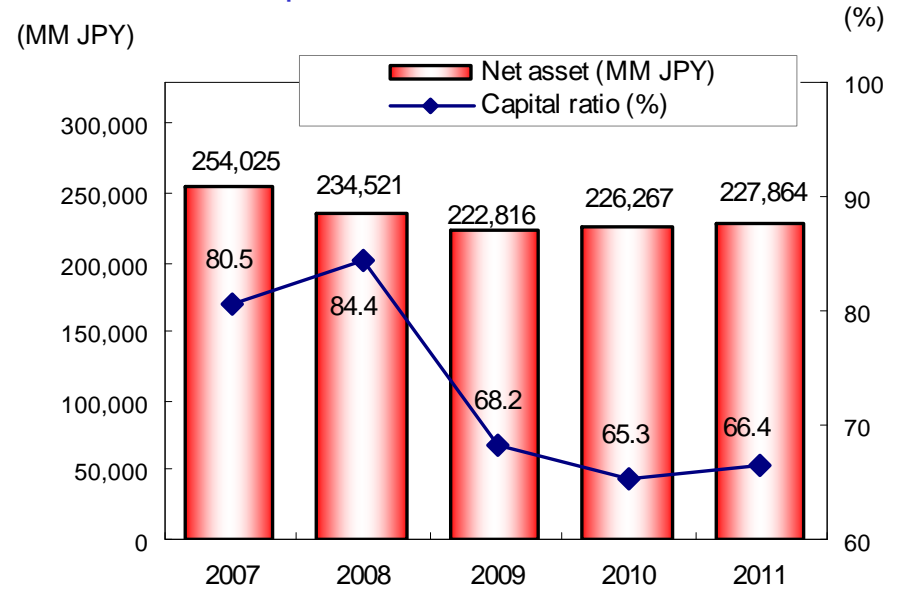


Changes of Management metrics

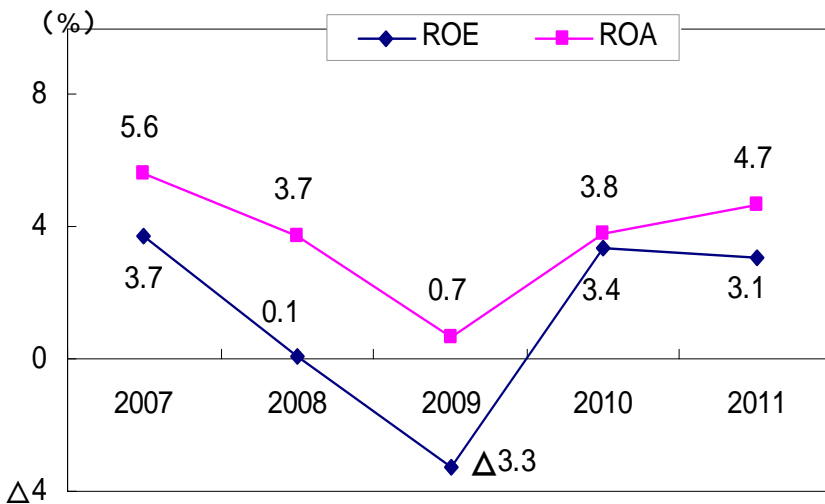
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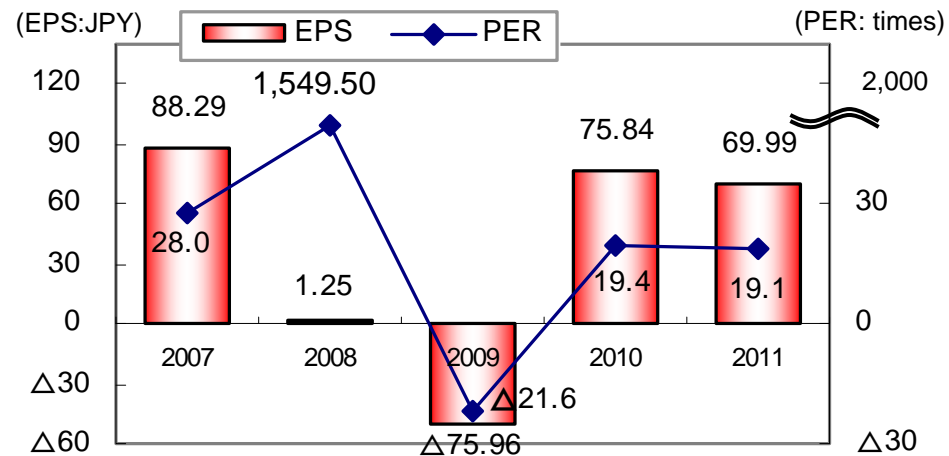
<Net asset/capital ratio>



<ROA/ROE>

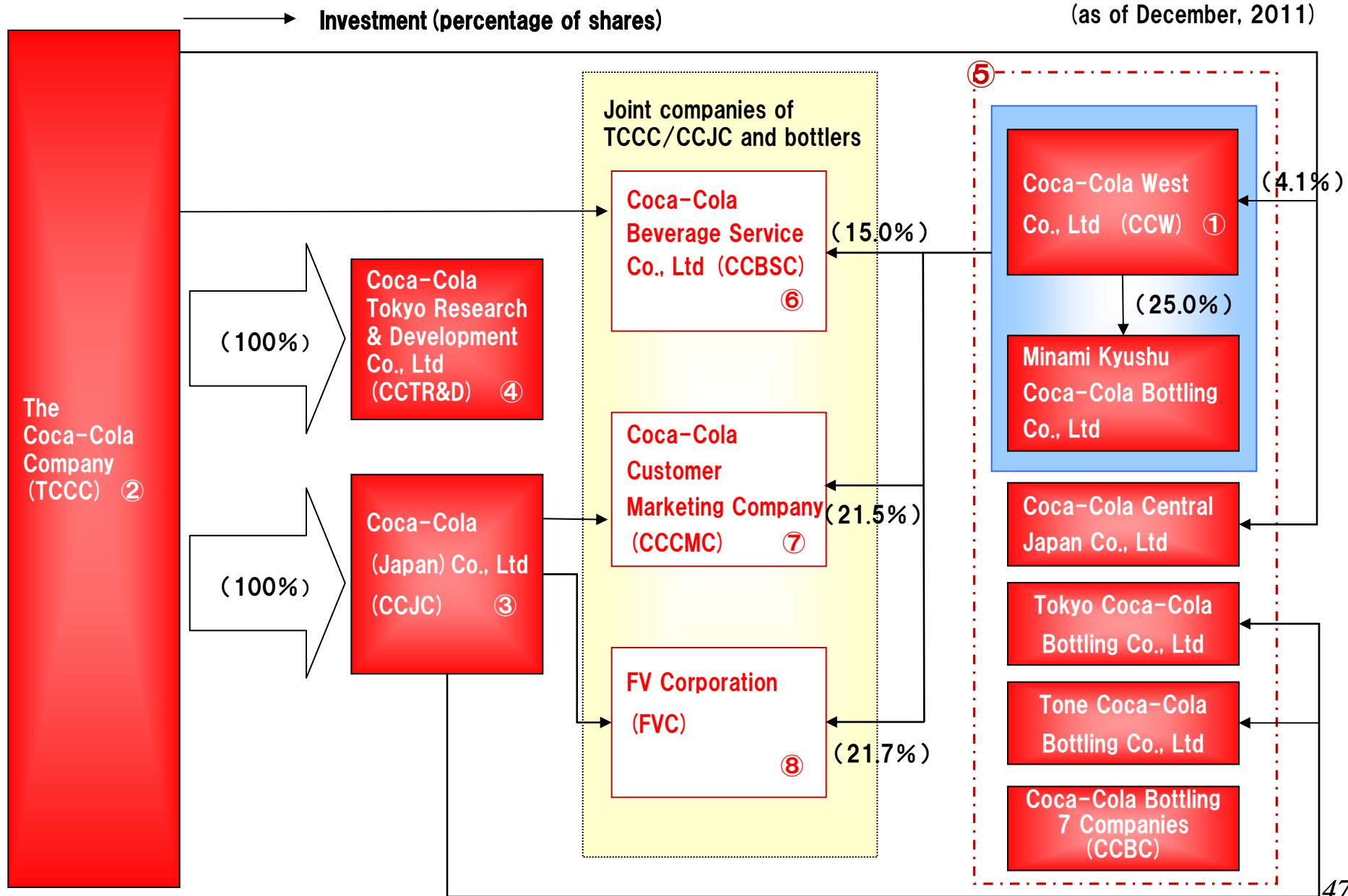


<EPS/PER>



EPS= net profit for the year/average # of shares in the term
 PER = term-end stock price/EPS

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, in June 1999. 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 procures raw materials.

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

Term	Explanation
Channel (Business unit)	
Vending	Retail sale business to distribute products through vending machines to consumers
Chain store	Wholesale business for supermarket chain
Convenience Store (CVS)	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 restaurants, movie theaters, sports areas and theme parks
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
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	Volume Per Machine
VPPM	Volume and Profit Per Machine
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
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
OBPPC	Occasion, Brand, Package, Price, Channel
PicOS	Picture Of Success
HORECA	Hotel, Restaurant, Caf�, etc

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**