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Coca-Cola **West**

Results briefing for the Fiscal Year ended December 2013

February 7, 2014

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I. 2013 Review and summary of account settlement

II. 2014 Business Plan

III. 2014 Sales Strategy

[Reference]

Increase/decrease of full-year financial settlement (Jan-Dec)

Financial closing for Q4 (Oct-Dec)

Trend of OTC market share

Mix by brand/by channel

Sales update on vending machines by cluster

Sales volume actual / plan

Performance trend / KBI trend

Coca-Cola System in Japan / Affiliated companies

I. 2013 Review and summary of account settlement

2013 Management Principles

Committed to hitting chain store channel revenue target, vending channel's VPM^{*1} target and net vending machine placement target^{*2}

Successfully complete full rollout of Logistics Process Transformation and Service Model Optimization to establish solid business foundation

*1 Sales volume per vending machine

*2 Excludes strategic withdrawals

2013 performance and challenges for 2014 and beyond

		2013 Actual	Factors/challenges for 2014
Growth strategy	Supermarket/ Discounter	Sales volume: Plan met Revenue : Plan unmet	▶ Revenue per case decline (escalated competitions)
	Convenience store	Sales volume: Plan unmet Revenue : Plan unmet	▶ Georgia, I Lohas Sales volume decline
	Vending	Sales volume: Plan unmet Revenue : Plan unmet	▶ VPM drop ▶ Delayed vending machine placement timeframe
	Georgia	Sales volume: Plan unmet Revenue : Plan unmet	▶ Negative Sales volume V. PY in all channels ▶ Particularly sluggish sales in Convenience store
Efficiency strategy	Business Model Innovation	Service model optimization : Deployment complete	▶ Reinforcement of functionalities that lead to profit increase
		Logistic process innovation : Being deployed	▶ Validation and fine-tuning of impacts
	Integration with Minami Kyushu CCBC	Generation of integration impacts : On plan	▶ Quick delivery of further integration impacts ▶ Establishment of solid business foundation with a new structure

Results for the FY 2013 ended Dec (Jan-Dec) -Sales volume

■ While turned positive V. PY, Sales volume was behind plan.

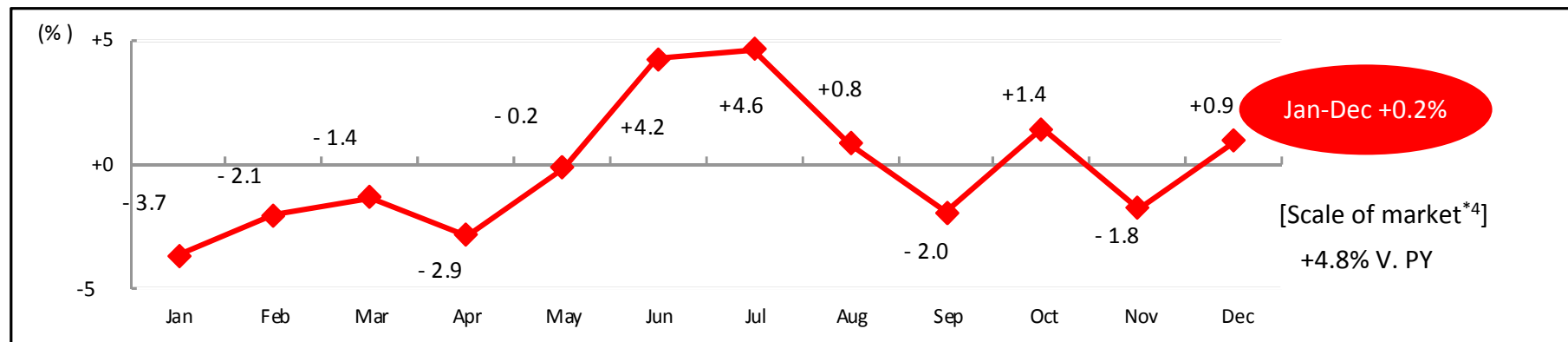
[Ref] Real comparison

(Unit: K c/s, %)		2013 Actual	V. Plan ^{*1}		V. PY		V. PY ^{*2}	
			Diff	%	Diff	%	Diff	%
Sales	volume	215,852	-920	-0.4	+29,038	+15.5	+459	+0.2
	CCW Area	186,166						
	M Kyushu Area (Apr-Dec)	29,687						

*1 Plan refers to the figures based on the performance forecast published on July 26, 2013.

*2 PY actual figures include April-December performance of Minami Kyushu CCBC.

Monthly volume trend (V. PY^{*3})



*3 PY Actual includes April-December performance Minami Kyushu CCBC (excl. Vending, Food Service channels)

*4 The scale of market indicates Jan-Dec total (Jan-Mar calculated without Minami Kyushu Area)

(Source: Intage)

Results for the FY 2013 ended Dec (Jan-Dec) –Sales volume by channel

- Chain Store outperformed both Plan and PY.
 - Significant expansion of SS PET Sales volume in Supermarket.
- On the other hand, profit-driver Vending both underperformed Plan and PY.
 - Impacts from decreased number of active VM & placement timeframe delay (V. Plan)
 - However, Q4 turned positive both in Sales volume & Revenue V. PY indicating a sign of recovery.

(Unit: K c/s, %)		2013 Actual	V. Plan ^{*2}		V. PY		[Ref] Real comparison	
			Diff	%	Diff	%	Diff	%
Chain store	Supermarket ^{*1}	64,584	+1,009	+1.6	+13,294	+25.9	+4,230	+7.0
	Convenience store	23,660	-437	-1.8	+2,581	+12.2	-447	-1.9
Chain store Total		88,244	+573	+0.7	+15,875	+21.9	+3,784	+4.5
Vending		59,632	-1,197	-2.0	+7,836	+15.1	-831	-1.4
Retail		15,012	-47	-0.3	+2,456	+19.6	-795	-5.0
Food service		21,373	-187	-0.9	+1,546	+7.8	-829	-3.7
Other		31,590	-62	-0.2	+1,326	+4.4	-869	-2.7
Total		215,852	-920	-0.4	+29,038	+15.5	+459	+0.2

*1 Drug store/Discounter/Home center are included in supermarket

*2 Plan refers to the figures based on the performance forecast published on July 26, 2013

*3 PY actual figures include April-December performance of Minami Kyushu CCBC.

Results for the FY 2013 ended Dec (Jan-Dec) –Sales volume by package

- Highly profitable SS PET outperformed plan with significant growth V. PY.
 - Mini PET (300 ml) expansion.
- On the other hand, high-yielding Canisters fell short of Plan and PY.
 - Vending saw Sales volume decline of Georgia CAN up to Q3.
(However, Q4 turned positive V. PY.)

(Unit: K c/s, %)		2013 Actual	V. Plan ^{*1}		V. PY		[Ref] Real comparison	
			Diff	%	Diff	%	Diff	%
PET	SS (1,000ml or smaller)	58,458	+729	+1.3	+13,055	+28.8	+4,850	+9.0
	MS (less than 1,500ml)	1,801	-209	-10.4	+483	+36.7	+301	+20.1
	LS (1,500ml or larger)	43,660	+467	+1.1	+7,163	+19.6	+1,557	+3.7
	Total	103,919	+986	+1.0	+20,701	+24.9	+6,708	+6.9
	Can (include bottle can)	55,927	-2,098	-3.6	+4,161	+8.0	-5,269	-8.6
	Other	13,065	-297	-2.2	+773	+6.3	+133	+1.0
	Syrup, powder	42,942	+489	+1.2	+3,403	+8.6	-1,113	-2.5
	Total	215,852	-920	-0.4	+29,038	+15.5	+459	+0.2

*1 Plan refers to the figures based on the performance forecast published on July 26, 2013

*2 PY actual figures include April-December performance of Minami Kyushu CCBC.

Results for the FY 2013 ended Dec (Jan-Dec) –Sales volume by brand

- Coca-Cola Zero significantly outperformed PY as a result of impacts gained from “Zero Limit” campaign featuring EXILE.
- Non-sugar tea in total grew since PY. (+3.3% V. PY)
 - Sokenbicha activated the brand through renewal.
- Georgia behind plan and PY.
 - Convenience store saw Sales volume & share decline of bottle CAN.
 - Vending sales is on the recovery thanks to price/non-price promotions selecting locations.

[Ref] Real comparison

(Unit: K c/s, %)		2013 Actual	V. Plan ^{*2}		V. PY		V. PY ^{*3}	
			Diff	%	Diff	%	Diff	%
Core 8	Coca-Cola	15,233	+221	+1.5	+2,352	+18.3	+288	+1.9
	Coca-Cola Zero	7,388	-27	-0.4	+1,443	+24.3	+568	+8.3
	Fanta	9,049	+465	+5.4	+1,745	+23.9	+566	+6.7
	Georgia	44,199	-1,314	-2.9	+5,215	+13.4	-2,479	-5.3
	Sokenbicha	11,825	-342	-2.8	+1,379	+13.2	+277	+2.4
	Aqarius	22,877	+25	+0.1	+4,107	+21.9	+1,106	+5.1
	Ayataka	14,404	+784	+5.8	+4,212	+41.3	+1,325	+10.1
	Ilohas	9,537	-796	-7.7	+1,241	+15.0	+105	+1.1
	Subtotal	134,511	-983	-0.7	+21,694	+19.2	+1,755	+1.3
	Other	38,399	-426	-1.1	+3,942	+11.4	-183	-0.5
RTD ^{*1} total		172,911	-1,409	-0.8	+25,636	+17.4	+1,573	+0.9
Syrup/Powder		42,942	+489	+1.2	+3,403	+8.6	-1,113	-2.5
Total		215,852	-920	-0.4	+29,038	+15.5	+459	+0.2

*1 Packaged products

*2 Plan refers to the figures based on the performance forecast published on July 26, 2013

*3 PY actual figures include April-December performance of Minami Kyushu CCBC.

Account settlement for the FY ended Dec 2013 (Jan-Dec)

(Unit: MM JPY, %)

	2013 Actual	Plan *	V. Plan		2012 Actual	V. PY	
			Diff	%		Diff	%
Revenue	431,711	440,600	-8,888	-2.0	386,637	+45,073	+11.7
Gross profit	215,287	222,400	-7,112	-3.2	190,795	+24,491	+12.8
Operating income	15,927	17,800	-1,872	-10.5	13,463	+2,463	+18.3
Ordinary income	16,606	17,900	-1,293	-7.2	13,845	+2,761	+19.9
Net income	13,625	17,700	△4,074	△23.0	6,031	+7,593	+125.8

* Plan refers to the figures based on the performance forecast published on July 26, 2013

[Ref 1] Real comparison (PY actual figures include April-December performance of Minami Kyushu CCBC)

	2013 Actual	V. PY	
		Diff	%
Revenue	431,711	-3,516	-0.8
Operating income	15,927	+189	+1.2

(Unit: MM JPY, %)

[Ref 2] Breakdown of Extraordinary profit and loss variances

	2013 Actual	V. PY (Diff)	Details
Extraordinary profit	14,687	+14,622	• Profits from negative goodwill
Extraordinary loss	12,563	+10,839	• Loss pertaining to phased acquisition of M Kyushu shares • M Kyushu merger related costs • Additional lump-sum retirement fund (see P10) • Impairment loss and others

(Unit: MM JPY)

Impacts from structural reform & voluntary resignation on performance

■ Impacts on 2013 performance

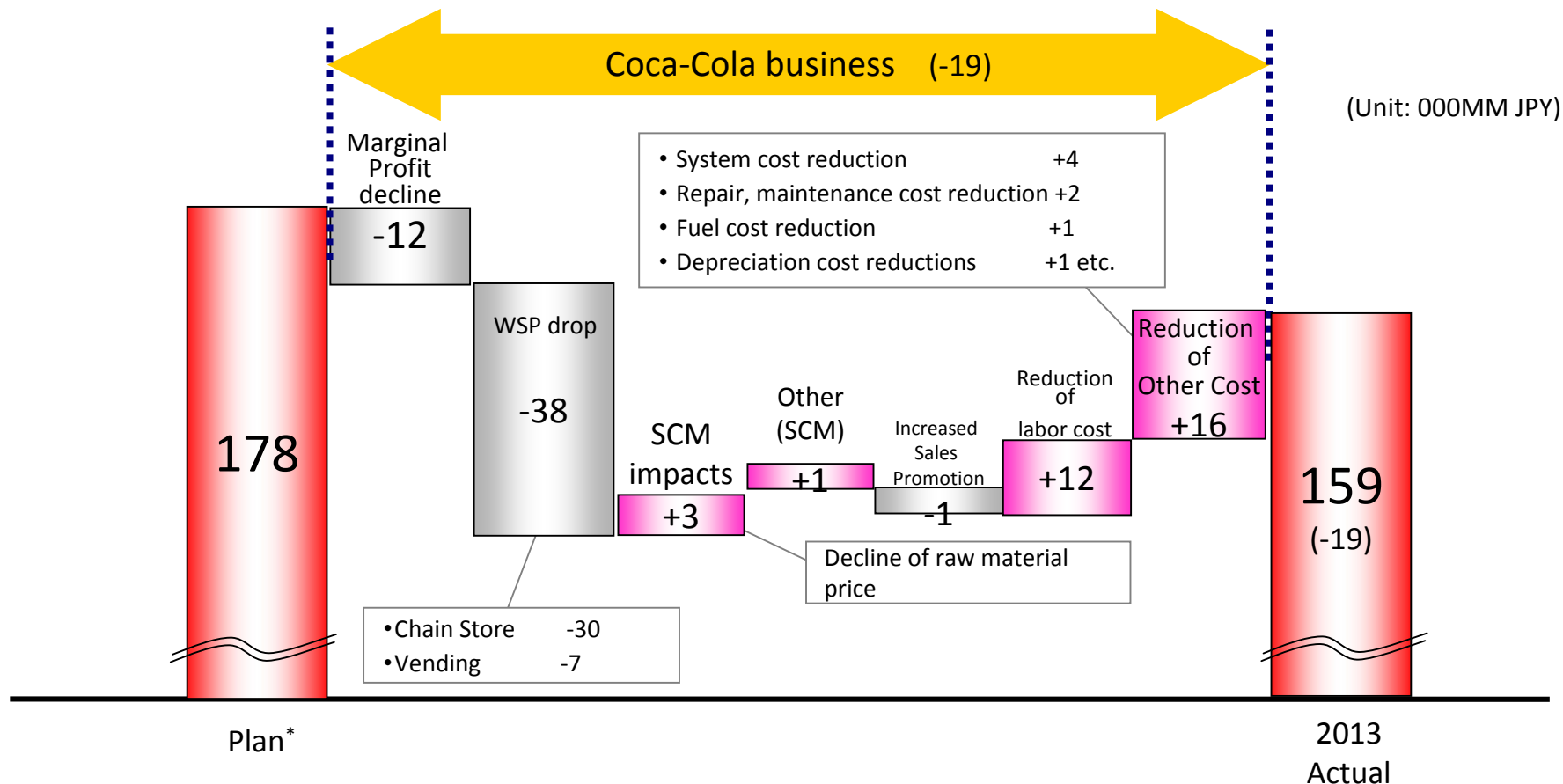
→ Extraordinary loss of 4,327 MM JPY booked. (Lump-sum for external transfer, Lump-sum for internal transfer, Additional lump-sum retirement fund)

	Applicable functions	Number of people		Time frame
		Initial plan	Result	
Inter-group Structural reform				
Outsourcing of functions to partner companies outside the group (external transfer)	<ul style="list-style-type: none"> • Regular delivery • Sales, regular delivery, vending operations and back office work in non-urban areas 	Around 650	186	From Jan 1, 2014 (in phase)
Centralization & re-allocation of functions within the group (internal transfer)	<ul style="list-style-type: none"> • Back office work , Operation Center, Contact Center • vending operations etc. 	Around 2,000	1,919	Jan 1, 2014
Recruitment of Voluntary resignation		Max 300	447	Mar 31, 2014

Account settlement for the FY ended Dec 2013 (Jan-Dec)

- Factors for decreased operation income (comparison with plan*)

Coca-Cola business lost operating income by 1.9 billion JPY V. plan impacted not only by changes in channel mix but also WSP decline in Chain Stores, despite our corporate-wide initiatives to reduce costs. Healthcare & Skincare business closed as planned.



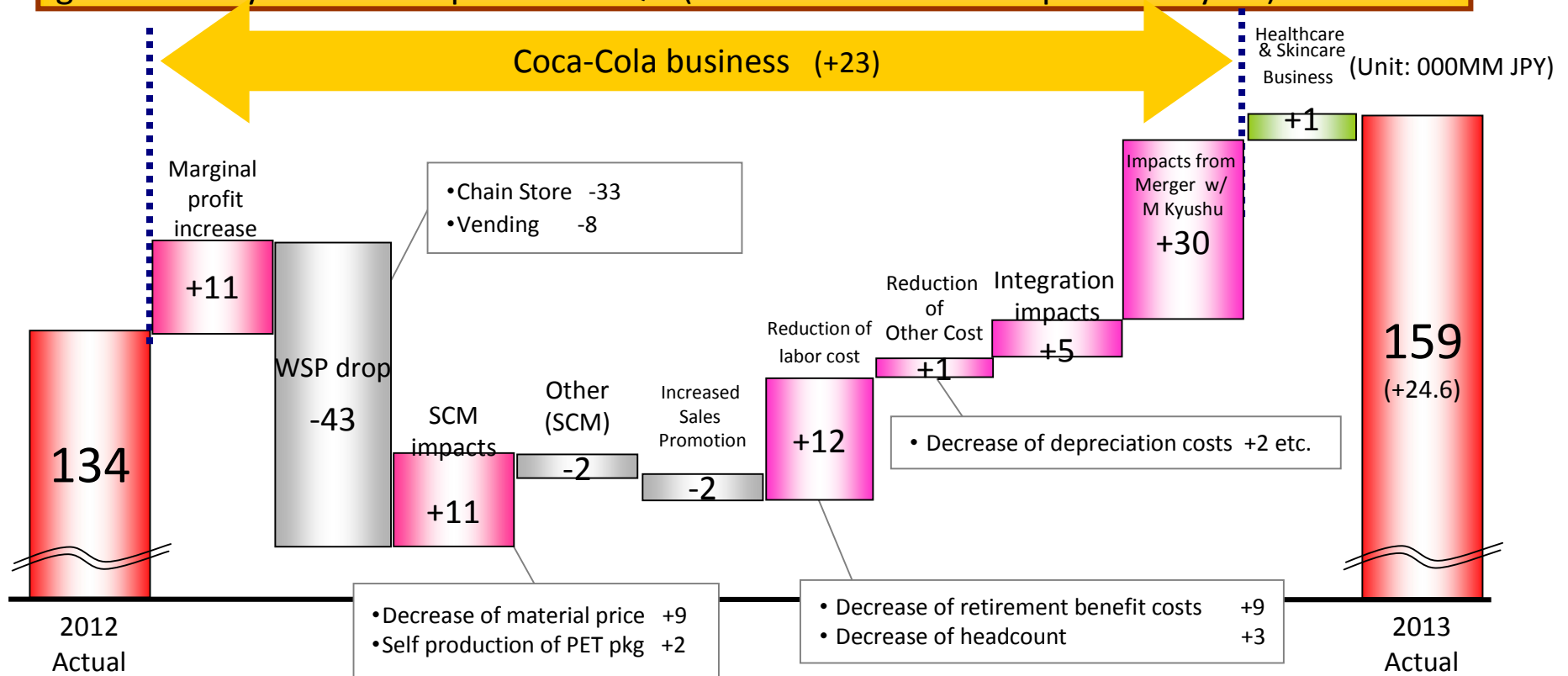
* Plan refers to the figures based on the performance forecast published on July 26, 2013

Account settlement for the FY ended Dec 2013 (Jan-Dec)

Causes of Difference in operating income (Comparison with PY)

Coca-Cola business grew in Operating Income thanks to the merger with Minami Kyushu CCBC. On the other hand, marginal profits declined due to drop in WSP in Chain Store which resulted in Operating Income to remain at 2.3 billion JPY, despite having cost reductions in SCM or labor.

Healthcare & Skincare business implemented advertisement costs targeting to capture new consumers in the first half. Though trailed with negative profit until Q3, Revenue grew steadily and turned positive in Q4. (recorded 100 MM JPY profit full-year)



Summary of the Fiscal Year ended December 2013

- We finished 2013 with Revenue and Operating Profit behind target and FY not only impacted by per-case Revenue decline associated with intensified competitions but by decreased revenue in profit-driver Vending, Convenience store and Georgia.
However, Vending sales was on the recovery in Q4.
- The merger with Minami Kyushu CCBC delivered benefits mainly around SCM and helped to improve performance.
As for initiatives on Business Model Innovation, deployment of service model optimization was complete in all areas.
- We have setup business foundation towards our future growth and development by executing structural reform under the tough business environment in 2013.

II. 2014 Business Plan

To be model of CCW group (Mid to long term vision)

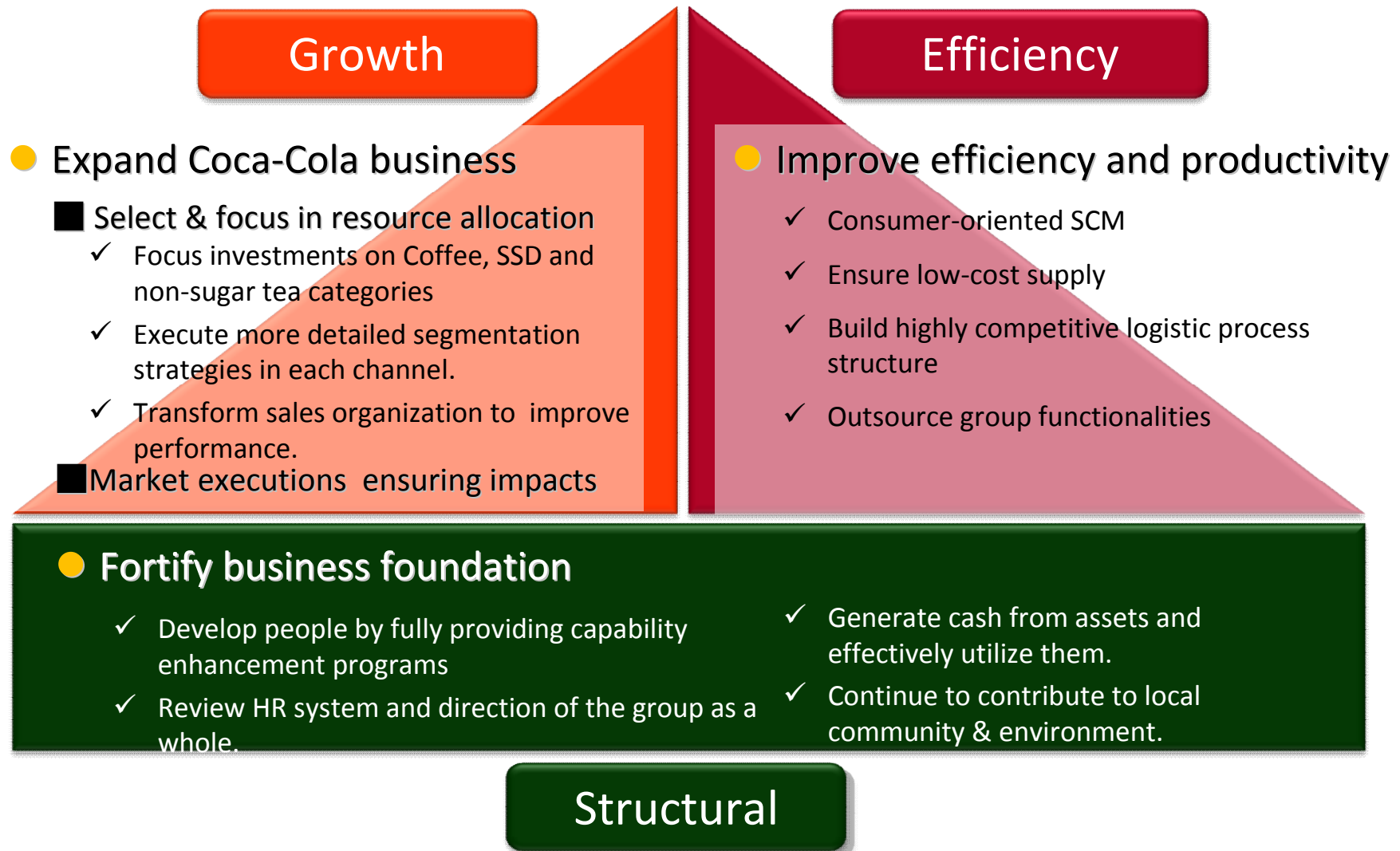
**Become an excellent company
(highly profitable company)
~ To bring happiness to all stakeholders ~**

- ▶ Operating margin: Annual average growth of 0.5pts or more (by 2020)
- ▶ Market share: Annual average gain of 0.6pts or more (by 2020)
- ▶ Establish a competitive edge in the market and take the leading role in development of Coca-Cola business by accelerating decision-making speed in procurement and new launches through 2-bottler scheme.

Battle against target competitor by executing effectively segmented strategy to grow our business to attain “a stable No.1 market share” in the industry

Reorganize the group operating structure and complete business transformation initiatives to move ahead toward becoming a highly profitable company (excellent company)

2014 Basic strategies



Consolidated Business Plan for FY 2014 Ending December (Jan-Dec)

■ We expect to grow both in Revenue and Operating Income V. PY.

(Unit: MM JPY, %)

	2014 plan								
	H1 plan	vs. PY		H2 plan	vs. PY		Full year plan	vs. PY	
		±	%		±	%		±	%
Revenue	209,300	+13,074	+6.7	245,000	+9,513	+4.0	454,300	+22,588	+5.2
Gross profit on sales	106,300	+8,072	+8.2	124,900	+7,840	+6.7	231,200	+15,912	+7.4
Operating income	3,200	-1,583	-33.1	13,500	+2,355	+21.1	16,700	+772	+4.8
Ordinary profit	2,000	-3,672	-64.7	13,300	+2,365	+21.6	15,300	-1,306	-7.9
Net profit for the year	700	-10,356	-93.7	7,300	+4,731	+184.2	8,000	-5,625	-41.3

[Ref] Real comparison (PY Actual includes Minami Kyushu CCBC's Actual from Jan-Mar)

(Unit: MM JPY, %)

	H1 plan	vs. PY		H2 plan	vs. PY		Full year plan	vs. PY	
		±	%		±	%		±	%
	Revenue	209,300	-95	-0.0	245,000	+9,513	+4.0	454,300	+9,418
Operating income	3,200	-1,074	-25.1	13,500	+2,355	+21.1	16,700	+1,281	+8.3

Business Plan for FY 2014 Ending December (Jan-Dec) by Business

Coca-Cola business

(Unit: MM JPY, %)

	2014 plan								
	H1 plan	vs. PY		H2 plan	vs. PY		Full year plan	vs. PY	
		±	%		±	%		±	%
Revenue	190,500	+13,075	+7.4	225,600	+8,292	+3.8	416,100	+21,368	+5.4
Operating income	1,400	-1,159	-45.3	10,600	+2,776	+35.5	12,000	+1,616	+15.6

Healthcare & Skincare business

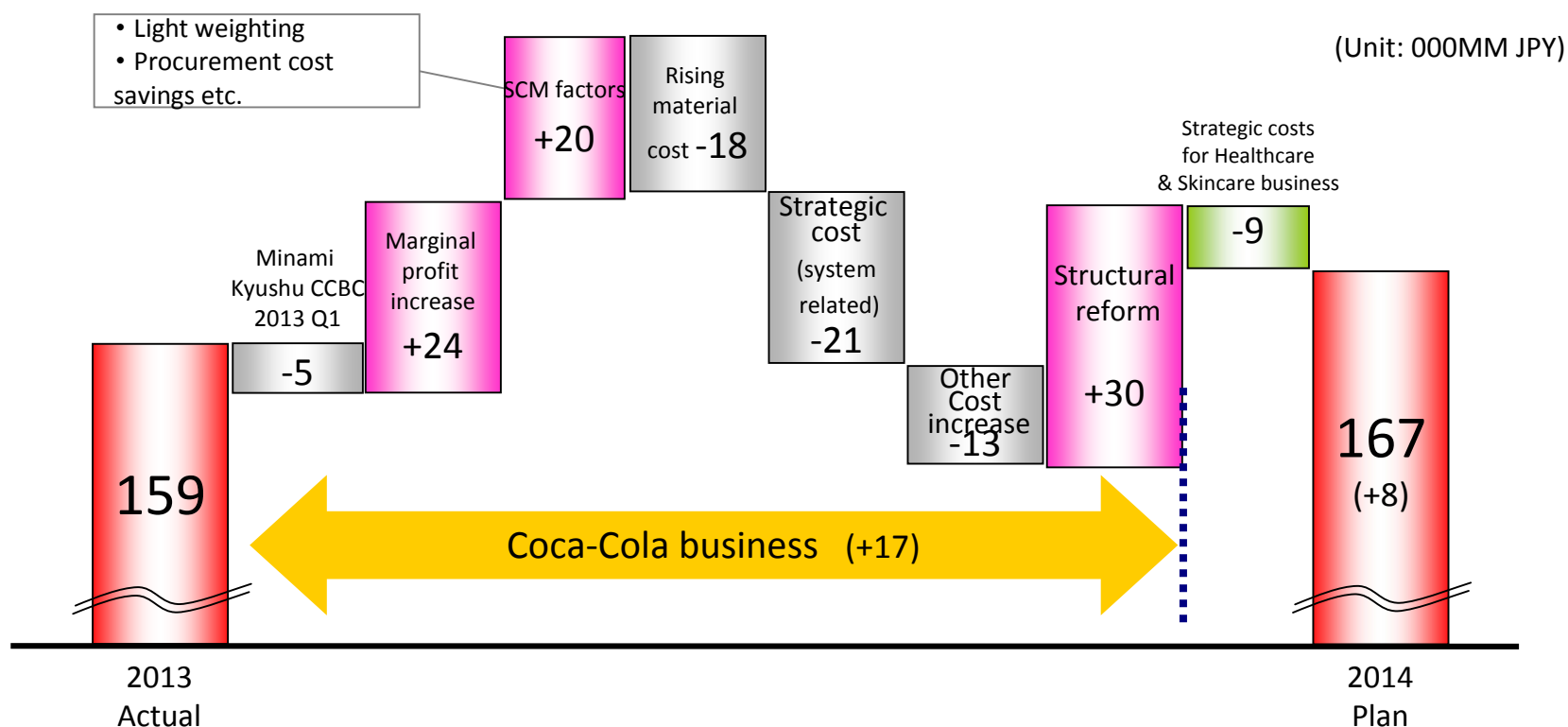
(Unit: MM JPY, %)

	H1 plan	vs. PY		H2 plan	vs. PY		Full year plan	vs. PY	
		±	%		±	%		±	%
	Revenue	18,800	-0	-0.0	19,400	+1,221	+6.7	38,200	+1,220
Operating income	1,800	-423	-19.1	2,900	-420	-12.7	4,700	-844	-15.2

2014 Full Year Business Plan (Jan –Dec) – Operating Income Scenario for delivering the target (V. PY)

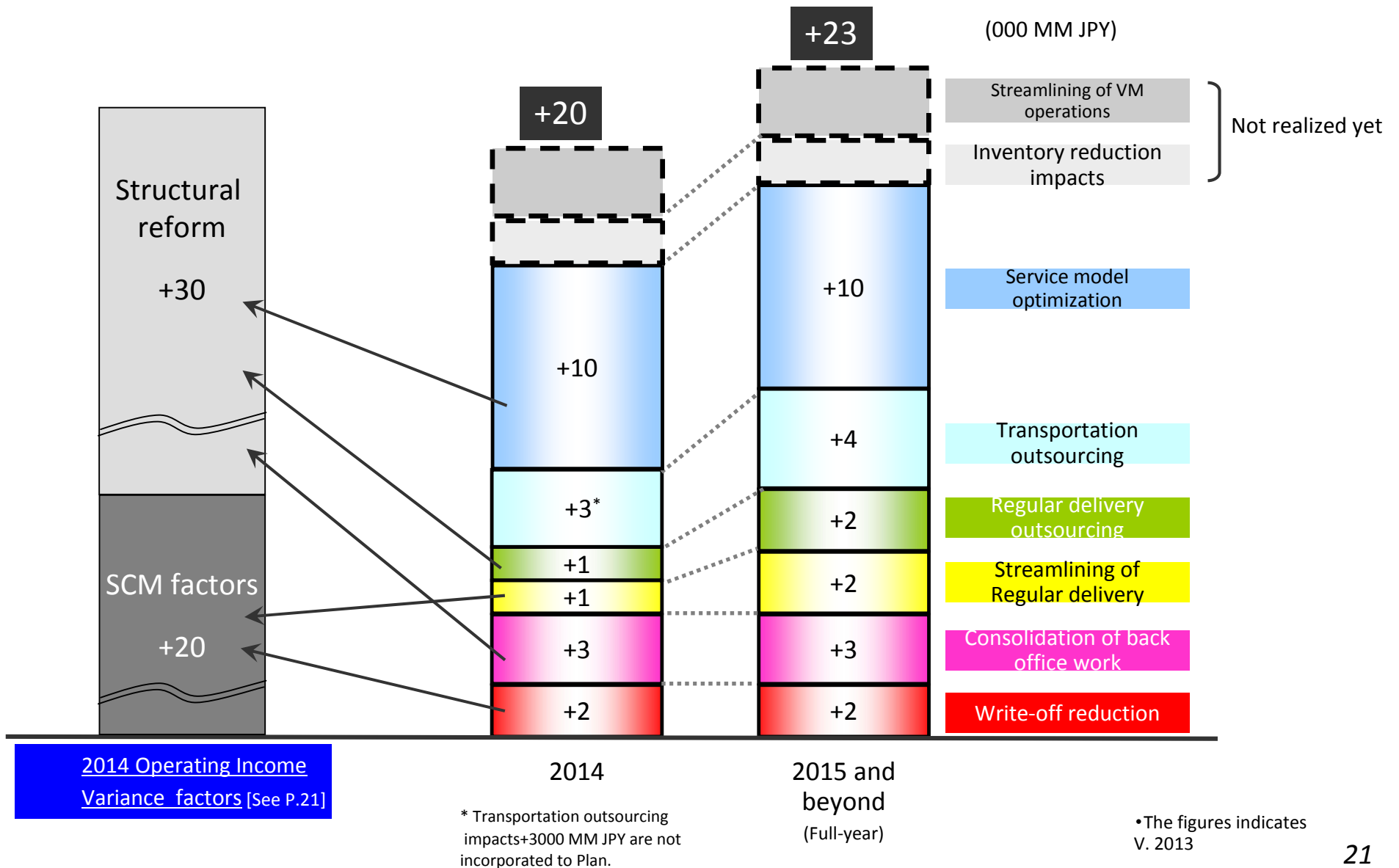
Strive to raise marginal profits in Coca-Cola business by ensuring to execute segmentation strategies. Invest strategic costs (system related) in addition for future growth, while expecting to deliver benefits by Structural reform and SCM initiatives. Operating income is expected to grow by 1.7 billion JPY V. PY.

On the other hand, Healthcare & Skincare business is expected to lose profit by 900 MM JPY V. PY with a plan to reinforce strategic investments for long-term growth such as in R&D of new products.



Business Model Innovation (Logistic process innovation, Service model optimization)

■ Business Model Innovation will deliver impacts from 2014.



Summary

- While competitive environment further intensifies, we will establish our superiority in the market by ensuring to execute specifically segmented strategies and gain solid market share.
- We will also invest strategic costs in Coca-Cola business and Healthcare & Skincare business to raise up the topline extending towards the future.
- Maximize the impacts of merger with Minami Kyushu CCBC mainly on SCM and reduce costs through productivity improvement.
- Now that the foundation for becoming a highly profitable company is set in place through Structural reform, we make 2014 the year of beginning by delivering the topline growth.

III. 2014 Sales Strategy

FY ending Dec 2014 (Jan-Dec) Volume plan by the brand

Focus investments on Coffee, SSD and NST categories
 ① New product launch ② PoC creation linked with media ③ Ensured coverage

(Unit:K c/s, %)		2014 Plan	V. PY		[Ref] Real comparison	
			Diff	%	Diff	%
Core 8	Coca-Cola	15,955	+722	+4.7	+219	+1.4
	Coca-Cola Zero	7,782	+394	+5.3	+146	+1.9
	Fanta	9,409	+360	+4.0	+67	+0.7
	Georgia	47,318	+3,119	+7.1	+706	+1.5
	Sokenbicha	12,333	+508	+4.3	+261	+2.2
	Aquarius	24,773	+1,896	+8.3	+1,408	+6.0
	Ayataka	16,375	+1,971	+13.7	+1,219	+8.0
	I-Lohas	11,545	+2,009	+21.1	+1,743	+17.8
	Subtotal	145,490	+10,979	+8.2	+5,769	+4.1
Other	42,994	+4,595	+12.0	+3,533	+9.0	
RTD ^{*1} Total		188,485	+15,574	+9.0	+9,302	+5.2
Syrup, powder		43,844	+902	+2.1	-455	-1.0
Total		232,329	+16,476	+7.6	+8,847	+4.0

*1 Packaged products

*2 PY actual figures include Jan-Mar performance of Minami Kyushu CCBC.

Brand strategy

	Key activities	New launch/renewal, communication
--	----------------	-----------------------------------

Coffee



- ▶ Key product reinforcement
 - Emerald mountain blend
 - Black full renewal
- ▶ "Weekly Georgia" campaign
 - Conduct nation-wide campaign to win weekly premium
 - Campaign linked with Vending & Supermarket
- ▶ Introduce new launch
 - Key new products to be launched (Q2)



Emerald mountain blend
Black full renewal



"Weekly Georgia" campaign



Non sugar tea



- ▶ Sokenbicha 20 Anniv. campaign (from Feb 17)
 - Re-launch Sokenbicha (revival version) launched in 1994 together with the campaign.
- ▶ Ayataka new campaign, Taiyono matcha campaign start (after mid Mar)



20 Anniv. campaign



Sokenbicha
Fukkoku blend

Brand strategy

SSD

Key activities	New launch/renewal, communication
----------------	-----------------------------------



- ▶ Leverage FIFA World Cup
 - Conduct large-scale campaign as a sponsor.
- ▶ Design package to promote drink for both
 - Attach messages on Coca-Cola & Coca-Cola zero of each characteristics to promote drink for both and trials.
- ▶ Zero Limit campaign
 - EXILE-starring campaign chapter 2 (from Jan)
 - Sell limited multi-pack attached with music card.
 - Present campaign to win tickets of "Coca-Cola zero" limited special live event



Design Package to promote drink for both



limited multi-pack (with music card attached)



Zero Limit campaign



- ▶ Launch seasonal limited product
- ▶ Renew core product package graphic



Fanta Hojun Muscat

FY ending Dec 2014 (Jan-Dec) Volume plan by the channel

Each channel to execute further segmented strategies.

(Unit:K c/s, %)

	2014 Plan	V. PY	
		Diff	%
Supermarket ^{*1}	75,082	+10,498	+16.3
Convenience store	26,361	+2,700	+11.4
Chain store total	101,443	+13,199	+15.0
Vending	60,640	+1,007	+1.7
Retail	14,643	-369	- 2.5
Food Service	21,986	+612	+2.9
Other	33,617	+2,027	+6.4
Total	232,329	+16,476	+7.6

*1 Drug store/Discounter/Home center are included in supermarket

[Ref] Real comparison

V. PY ^{*2}	
Diff	%
+8,469	+12.7
+1,763	+7.2
+10,232	+11.2
-1,550	- 2.5
-1,160	- 7.3
+17	+0.1
+1,307	+4.0
+8,847	+4.0

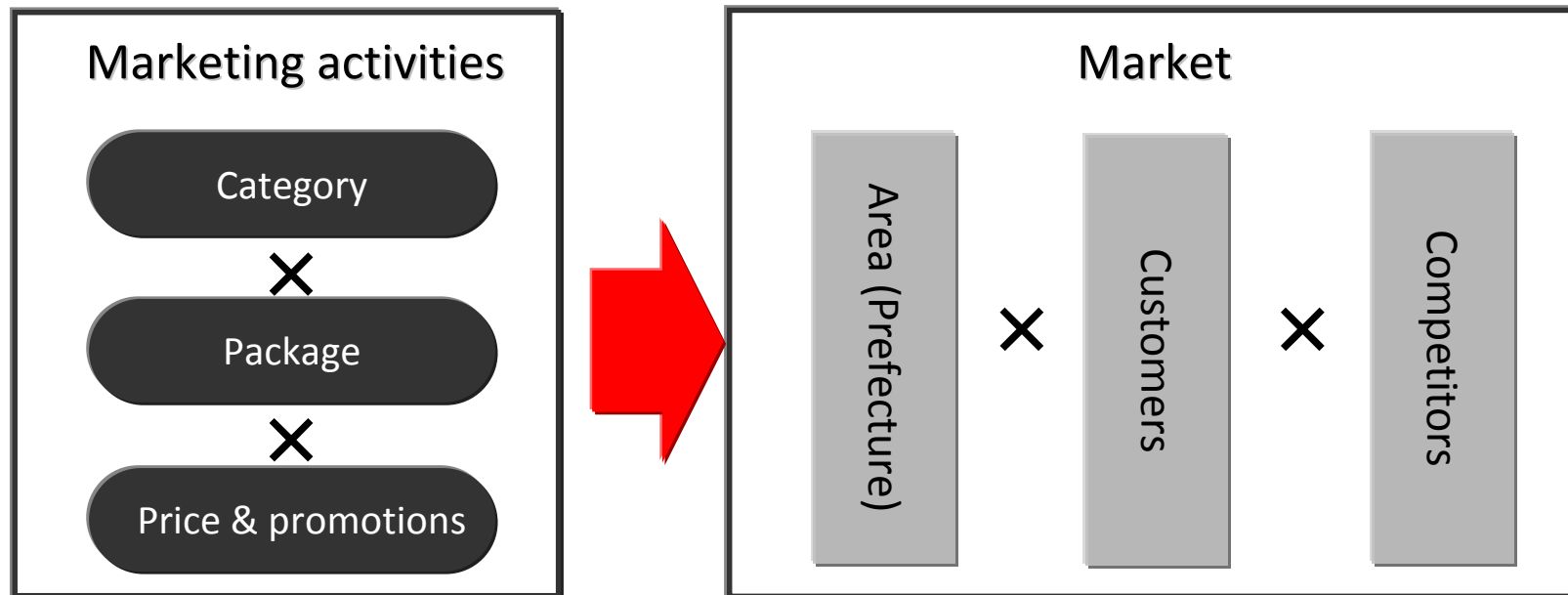
*2 PY actual figures include Jan-Mar performance of Minami Kyushu CCBC.

Channel strategy — Chain Store

[Segmentation]

Strengthen environmental analysis by the Prefecture and execute marketing activities according to outlet sub-channel or competitor situations.

Basic idea



Channel strategy — Chain Store

[Initiatives to boost Sales volume, Revenue and gain Market share

- Increase Sales volume by expanding the number of product handled by outlet and by capturing the point of contact.

Expand the number of product

- Introduce new products. (key new launch: coverage in all outlets)
- Category captancy (expand our facing share)
- Product portfolio suitable for the point of availability
 - [Regular PoC] Ensure lineup of Core brand(regular package)
 - [Checkout] Lineup 300ml PET for Instant Consumption



Expand Point of Availability

- Campaign linked with media
- Implementation coolers & racks
 - Sales of products of Category fit to the PoC.



Coca-Cola zero
Zero Limit campaign



Equipment/tool introduction plan

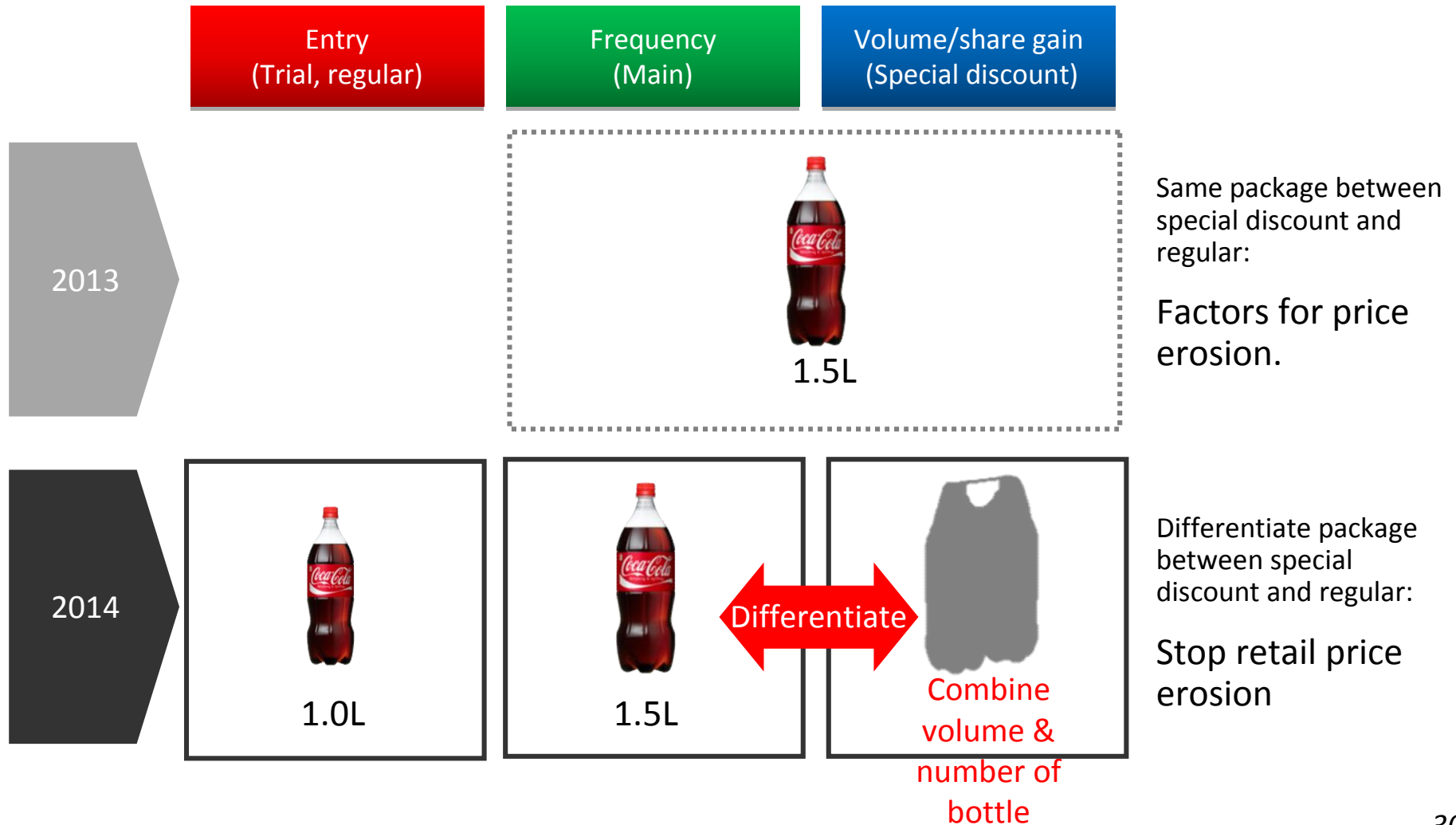
+22,000 units

(Active number of unit as of end of 2013: 47,000)

Channel strategy — Chain Store

[Initiatives to raise per-case revenue]

- Stop retail price erosion of large-size package by combining sales of volume & price.



Channel strategy — Vending

[Segmentation]

- Focus resources on "Indoor market" having high potentials.
- Invest resources by focusing areas by Indoor & Outdoor market.

	Target	Area of focus
Indoor market		<p>9 Prefectures</p> <p>(areas with numerous untapped locations)</p>
Outdoor market		<p>5 Cities</p> <p>(central sections such as downtown)</p>

Channel strategy — Vending

[Initiatives for boosting Sales volume & Revenue]

- Thoroughly engage in new placement and retention to increase number of VM.

New placement	<ul style="list-style-type: none">• Increase the number of developers dedicated to new openings.• Reinforce organizational approach. ⇒ Take advantage of Contact Center• Leverage Peak-shift machines (16,000 units)• Drive M&A of operators. ⇒ Assign dedicated persons in charge.	<p>New placement plan</p> <p><u>26,000</u> units</p> <p>(+2,000 V. PY)</p>
Retention	<ul style="list-style-type: none">• Fortify activities to existing customers.• Renew vending machines (15,000 units)	



Net incremental growth

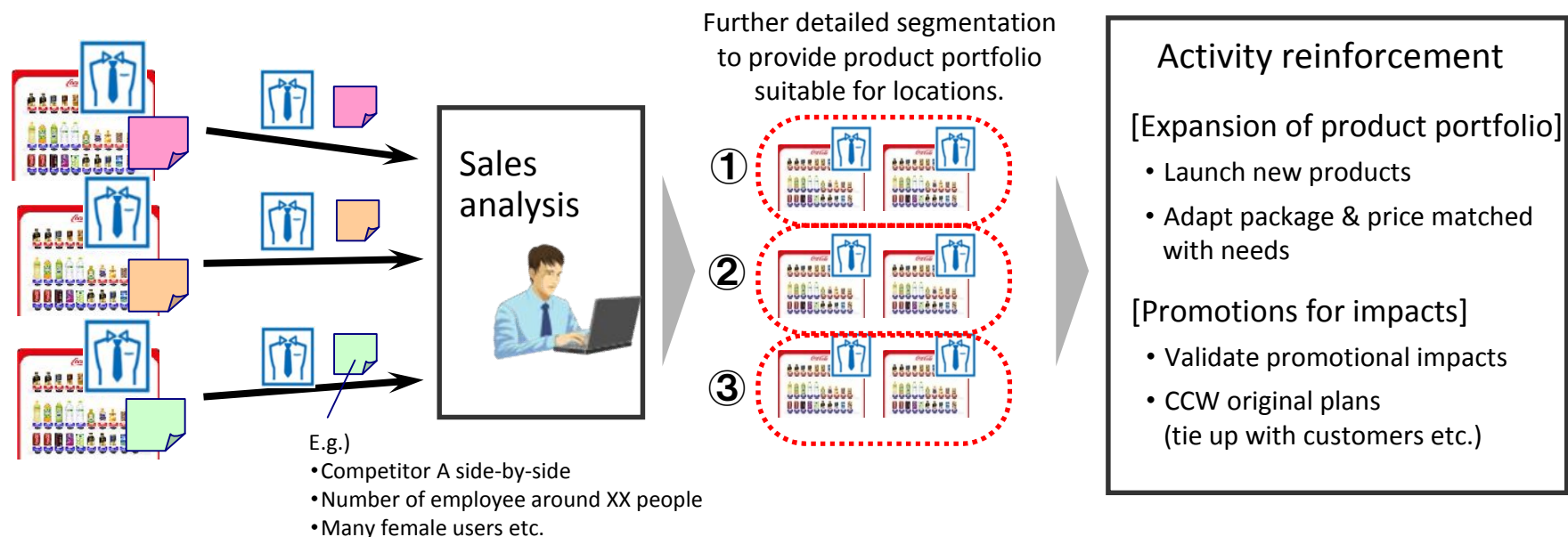
+3,000 units

Channel strategy — Vending

[Initiatives to raise VPM*]

- Provide optimum product portfolio for locations by machine based on sales analysis to develop winning vending machines.

Expand areas to put in place a scheme of sales analysis by machine



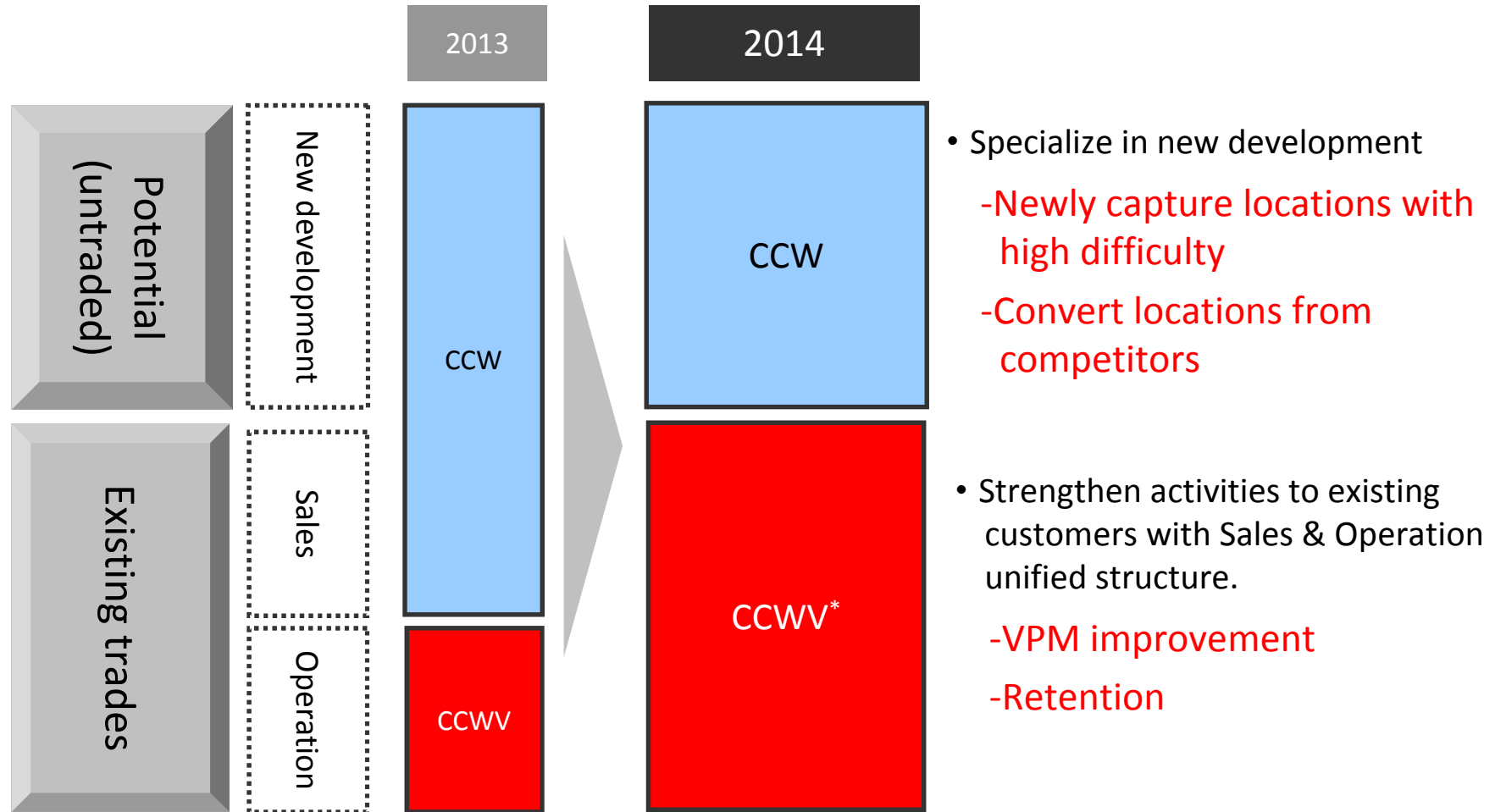
Roll out to all areas

* Sales volume per vending machine

Channel strategy — Vending

[Transformation of sales organization]

■ Transform sales organization to the one that can improve “quality of sales activities.”



* CCWV: Abbreviated form of Coca-Cola West Vending Co., Ltd.

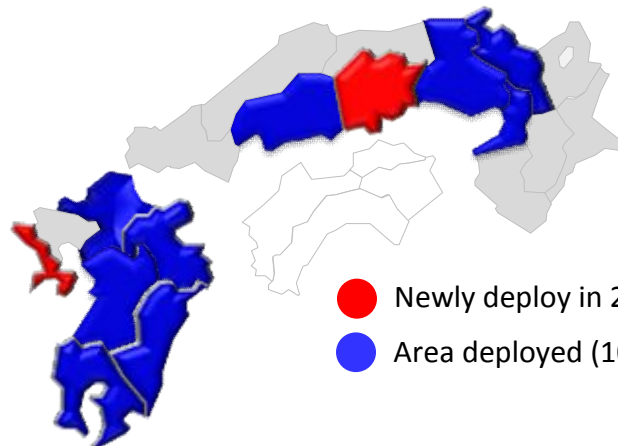
Channel strategy — Retail & Food Service

[Initiatives for boosting Sales volume & Revenue]

- Efficiently maneuver to numerous small-size outlets in the market in collaboration with partner liquor stores.
- Extend deployment to Nagasaki & Okayama areas and reinforce new development activities in the areas already deployed as well.

Extended rollout of collaboration model with partner liquor stores

Collaboration model with partner liquor stores



HORECA **3,000** outlets
New development

Areas deployed (2013)	
Sales volume	Revenue
+11.1% (V. 2012)	+13.6% (V. 2012)

* 9 Cities Actual excluding Hiroshima area under outlet survey status at this point.

[Reference]

Account settlement for the FY ended Dec 2013 (Jan-Dec)

– Factors for increase/decrease (comparison with plan *)

	Plan*	2013 Actual	Gap		(Unit: 000 MM JPY)
Revenue	4,406	4,317	-88	Key factors	Gap
Gross profit on sales	2,224	2,152	-71	▪ Coca-Cola business	-78.6
Operating profit	178	159	-18	▪ Healthcare & Skincare business	-10.2
				▪ Coca-Cola business	-61.8
				▪ Healthcare & Skincare business	-9.2
				Increase/decrease of SG&A	
				• Labor cost decrease	+12.2
				• promotion/advertisement cost decrease	+3.5
				• Sales equipment cost increase	-4.1
				• Sales commision decrease	+7.9
				• Operational consignment fee decrease	+10.9
				• Tranporation cost increase	-11.6
• Maintenance cost decrease	+1.4				
• Depreciation cost decrease	+4.7				
• Healthcare & Skincare business	+9.6				
Ordinary profit	179	166	-12		
Net profit for the year	177	136	-40	• Increase in extraordinary loss (lump-sum payment for transfer/shift and additional lump-sum for retirement etc)	-55.6
				• Corporate tax etc decrease	+25.3

* Plan refers to the figures based on the performance forecast published on July 26, 2013

Account settlement for the FY ended Dec 2013 (Jan-Dec)

– Factors for increase/decrease (comparison with PY)

	2012	FY 2013 actual	Gap		(Unit: 000 MM JPY)
Revenue	3,866	4,317	+450	Key factors	Gap
Gross profit on sales	1,907	2,152	+244	• Coca-Cola business	+446.2
Operating profit	134	159	+24	• Healthcare & Skincare business	+4.5
				• Coca-Cola business	+239.2
Ordinary profit	138	166	+27	• Healthcare & Skincare business	+5.6
				• Increase in non-operating income (gain in equity method investment etc)	+4.8
Net profit for the year	60	136	+75	Increase/decrease of SG&A	
				• Labor cost increase	-59.8
				• promotion/advertisement cost increase	-15.9
				• Sales equipment cost increase	-20.1
				• Sales commision increase	-42.7
				• Operational consignment fee increase	-12.9
				• Tranporation cost increase	-42.9
				• Depreciation cost increase	-13.9
				• Healthcare & Skincare business	-4.2
				• Increase in extraordinary profit (profit generated from negative goodwill etc)	+146.2
				• Increase in extraordinary loss (loss caused by gradual acquisition, lump-sum payment for transfer/shift and additional lump-sum for retirement etc)	-108.3
				• Decrease in corporate tax etc	+10.5

Account settlement for FY2013 Q4 (Oct-Dec)

(K c/s, MM JPY, %)

	FY 2013 Q4 actual	Plan*	V. Plan		FY 2012 Q4 actual	V. PY	
			Diff	%		Diff	%
Revenue	104,492	110,000	-5,507	-5.0	90,237	+14,255	+15.8
Gross profit on sales	51,832	55,700	-3,867	-6.9	44,483	+7,348	+16.5
Operating income	2,625	3,500	-874	-25.0	3,006	-381	-12.7
Ordinary profit	2,589	3,000	-410	-13.7	3,384	-794	-23.5
Current net profit	-2,206	1,400	-3,606	-257.6	1,523	-3,729	-244.8

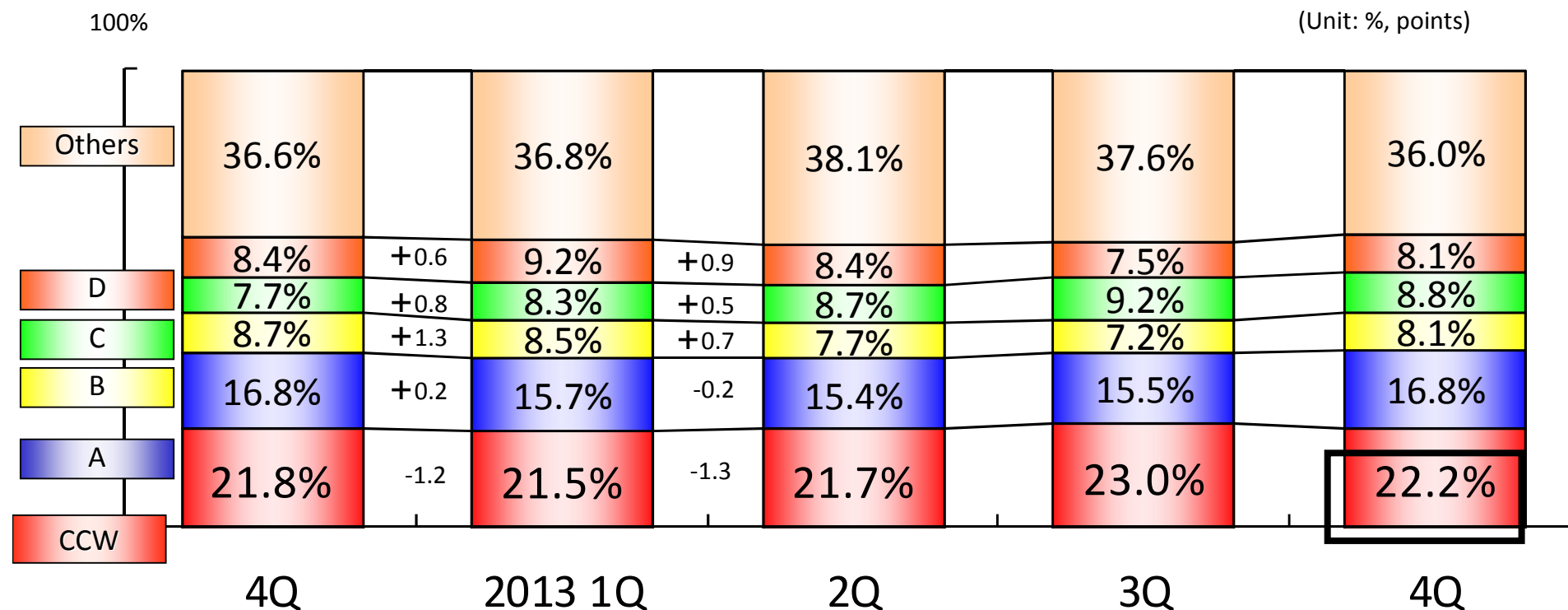
[Reference] Coca-Cola business sales volume

(Unit: k c/s, %)

	FY 2013 Q4 actual	Plan*	V. Plan		FY 2012 Q4 actual	V. Plan	
			Diff	%		Diff	%
Sales volume	52,560	52,626	-66	-0.1	43,769	+8,791	+20.1

* Plan refers to the figures based on the performance forecast published on July 26, 2013

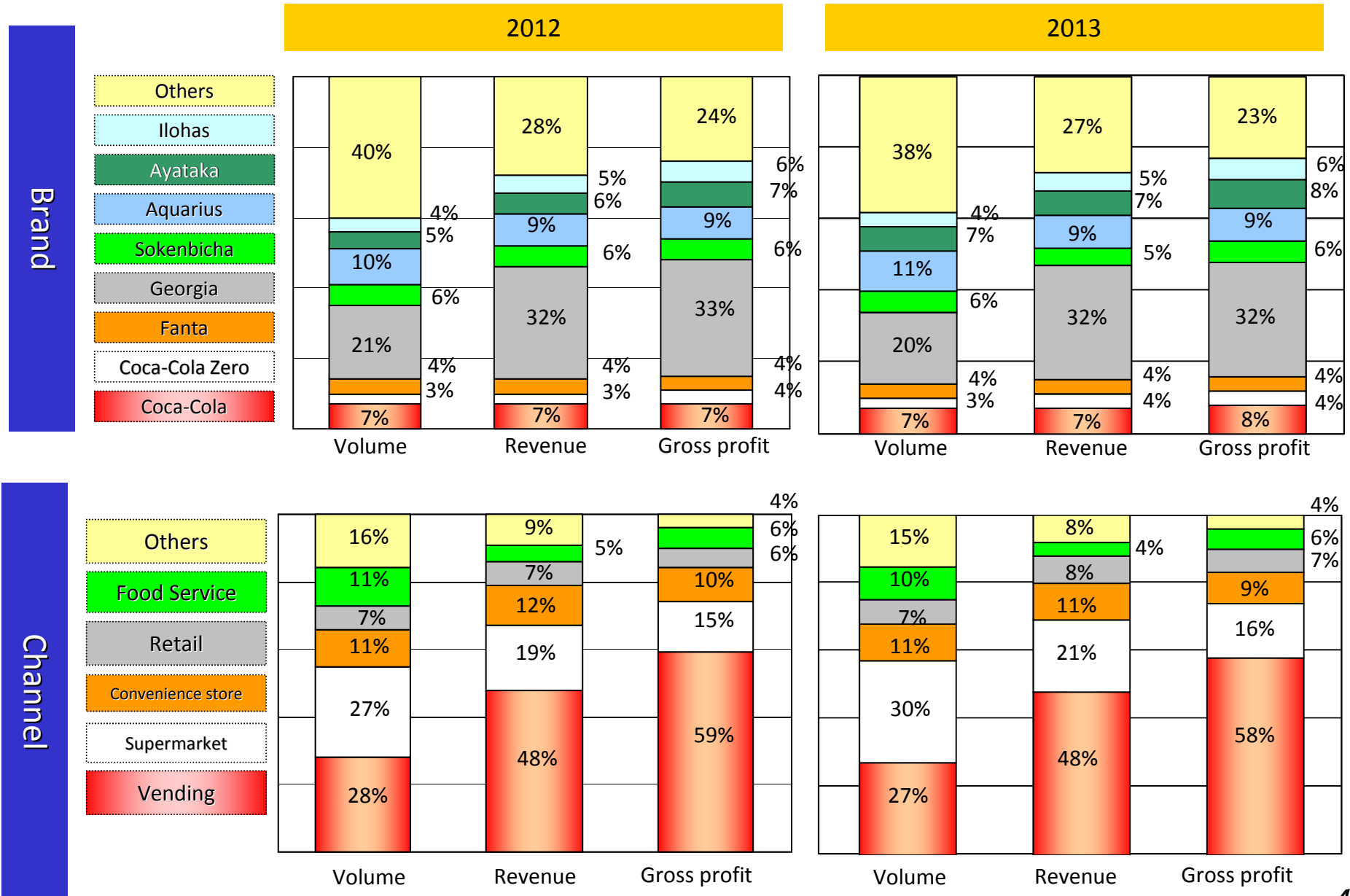
OTC Market share trend (except vending machines)



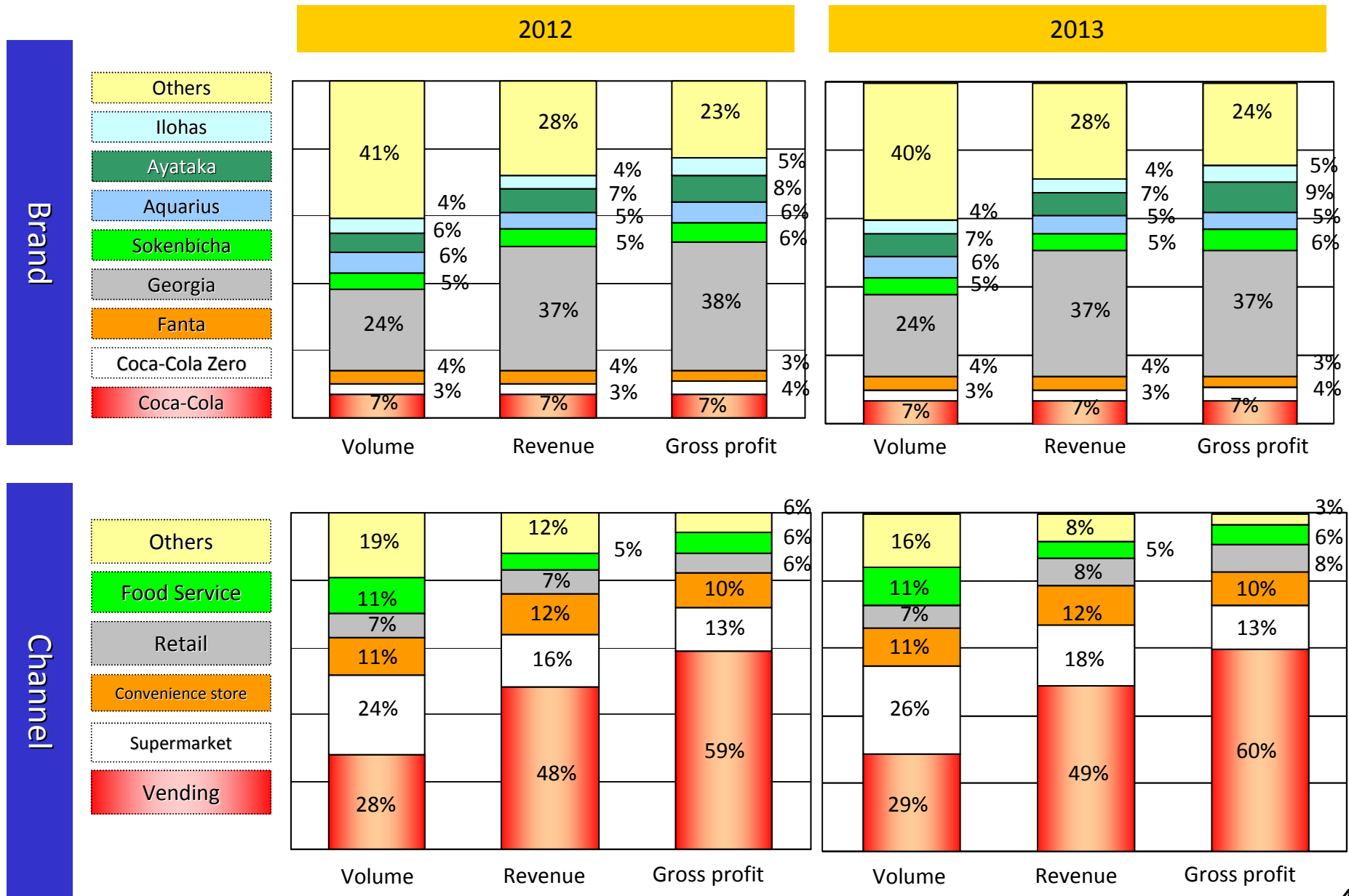
- Values put outside of the graph show YTY gap
- Data acquisition method of research company has changed since 2013 Q1. Gap between 2013 Q1 and PY is accordingly revised tracking back to PY.
- Market share includes Minami Kyushu from 2013 Q2.

(Source: Intage)

FY2013 (Jan-Dec) – Mix by brand/by channel



FY 2012 Q4 (Oct-Dec) – Mix by brand/by channel



Vending machine sales performance by sub channel

Vending machine full service CAN VPM* V. PY

[CCW]

Sub channel	V. PY (%)												
	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	YTD
At-work white	-4.7	-10.3	-4.7	-3.4	-2.7	-5.2	-0.6	-6.3	-3.9	+0.4	-2.5	-1.5	-3.8
At-work blue	-5.8	-10.6	-7.6	-4.2	-3.4	-7.0	-2.3	-6.9	-3.7	+1.5	-1.2	-0.4	-4.3
Mass retailer	-5.0	-6.7	-2.6	-4.7	-4.3	-3.0	-2.6	-4.7	-4.6	-3.2	-4.6	-5.0	-4.2
Transport	-2.4	-6.1	-0.6	-2.9	-0.6	-0.6	+0.8	-2.1	-2.3	+0.5	+0.8	+1.3	-1.1
School	-2.6	-8.8	+1.1	-3.5	+2.4	+0.8	+4.3	-6.4	-2.9	+3.3	+2.4	+1.8	-0.3
Amusement	-2.4	-6.1	-1.4	-1.9	-4.6	-2.7	-1.0	-3.4	-0.4	-4.9	-2.0	+0.5	-2.6
Pachinko	-5.1	-8.1	-6.7	-6.8	-5.8	-4.6	-5.7	-2.8	-6.2	-5.3	-7.0	-4.6	-5.7
Sports facility	-3.8	-1.1	+0.9	-5.2	-1.3	-0.9	-1.1	-0.7	-2.7	-2.9	-1.3	+1.8	-1.5
Hospital	-2.8	-8.2	-3.7	-2.7	-1.1	-2.1	+0.3	-3.2	-3.5	+0.1	-2.6	-1.2	-2.5
Accomodation	-0.3	-3.9	-1.5	-0.9	+0.5	+0.2	+0.5	+0.4	-0.1	+1.8	-0.3	+1.9	-0.1
Other indoor	-4.9	-9.9	-3.9	-4.2	-3.2	-4.3	-0.2	-4.2	-4.4	+1.2	-1.8	-2.1	-3.5
Outdoor	-6.3	-8.5	-2.7	-6.0	-3.2	-3.1	+0.1	-4.1	-4.2	+2.3	+1.2	+1.7	-2.7
Total	-4.9	-8.4	-3.9	-4.7	-3.0	-3.7	-1.1	-4.4	-3.9	-0.1	-1.6	-0.8	-3.3

[Minami Kyushu]

Total	-4.5	-0.4	-4.5	-4.3	-6.9	-2.6	+4.0	-1.3	+2.9	-4.6	-1.6	-0.0	-2.0
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* Sales volume per vending machine

FY 2013 Q4 (Oct-Dec) - Volume by channel

(Unit: K C/S, %)		Q4 Actual	V. Plan* ¹		V. PY		[Ref] Real comparison	
			Diff	%	Diff	%	V. PY* ³	
			Diff	%	Diff	%	Diff	%
	Supermarket* ²	13,919	+191	+1.4	+3,445	+32.9	+1,062	+8.3
	Convenience store	6,043	-30	-0.5	+1,093	+22.1	+98	+1.7
	Chain Store Total	19,962	+161	+0.8	+4,538	+29.4	+1,161	+6.2
	Vending	14,990	-552	-3.6	+2,911	+24.1	+180	+1.2
	Retail	3,837	-41	-1.1	+925	+31.8	-90	-2.3
	Food Service	5,546	+8	+0.1	+532	+10.6	-258	-4.4
	Others	8,225	+359	+4.6	-114	-1.4	-860	-9.5
	Total	52,560	-66	-0.1	+8,791	+20.1	+133	+0.3

*1 Plan refers to the figures based on the performance forecast published on July 26, 2013

*2 Drug store/Discounter/Home center are included in supermarket

*3 PY actual includes Oct-Dec of Minami Kyushu.

FY2013 Q4 (Oct-Dec) - Volume by package

[Ref] Real comparison

(Unit: K C/S, %)		Q4 Actual	V. Plan* ¹		V .PY		V. PY* ²	
			Diff	%	Diff	%	Diff	%
PET	Small (<1,000ml)	13,696	+204	+1.5	+3,549	+35.0	+1,201	+9.6
	Medium (<1,500ml)	376	-88	-19.0	+94	+33.4	+42	+12.7
	Large (>=1,500ml)	9,223	+291	+3.3	+2,058	+28.7	+626	+7.3
Total		23,295	+407	+1.8	+5,701	+32.4	+1,869	+8.7
Can (incl. bottle can)		15,035	-913	-5.7	+1,906	+14.5	-1,212	-7.5
Others		3,113	-242	-7.2	+195	+6.7	+8	+0.3
Syrup, powder		11,117	+683	+6.5	+989	+9.8	-533	-4.6
Total		52,560	-66	-0.1	+8,791	+20.1	+133	+0.3

*1 Plan refers to the figures based on the performance forecast published on July 26, 2013

*2 PY actual includes Oct-Dec of Minami Kyushu.

FY 2013 Q4 (Oct-Dec) - Volume by brand

(Unit: K C/S, %)		Q4 Actual	V. Plan* ¹		V. PY		[Ref] Real comparison	
			Diff	%	Diff	%	Diff	%
Core 8	Coca-Cola	3,538	-76	-2.1	+589	+20.0	+9	+0.2
	Coca-Cola Zero	1,692	-238	-12.3	+201	+13.5	-59	-3.4
	Fanta	2,175	+132	+6.5	+580	+36.4	+250	+13.0
	Georgia	12,714	-567	-4.3	+2,070	+19.4	-701	-5.2
	Sokenbicha	2,690	+9	+0.3	+511	+23.4	+223	+9.1
	Aquarius	3,105	-263	-7.8	+563	+22.2	+49	+1.6
	Ayataka	3,670	+413	+12.7	+1,076	+41.5	+220	+6.4
	I-Lohas	2,003	-298	-12.9	+334	+20.0	+45	+2.3
	Subtotal	31,586	-887	-2.7	+5,923	+23.1	+36	+0.1
	Others	9,857	+138	+1.4	+1,879	+23.6	+629	+6.8
	RTD* ² products	41,443	-749	-1.8	+7,802	+23.2	+665	+1.6
	Syrup, powder	11,117	+683	+6.5	+989	+9.8	-533	-4.6
	Total	52,560	-66	-0.1	+8,791	+20.1	+133	+0.3

*1 Plan refers to the figures based on the performance forecast published on July 26, 2013

*2 Packaged product

*3 PY actual includes Oct-Dec of Minami Kyushu.

FY2013 (Jan-Dec) - Volume by channel/by package

■Chain Store (Unit: K C/S, %)

	2013 Actual	V. Plan* ¹		V. PY	
		Diff	%	Diff	%
Small PET (<1,000ml)	28,305	+709	+2.6	+6,196	+28.0
Medium PET (<1,000ml)	1,643	-212	-11.4	+479	+41.2
Large PET (>=1500ml)	40,880	+360	+0.9	+7,148	+21.2
Can	14,493	-122	-0.8	+1,687	+13.2
Others	2,922	-163	-5.3	+364	+14.2
Total	88,244	+573	+0.7	+15,875	+21.9

[Ref] Real comparison

V. PY* ²	
Diff	%
+2,663	+10.4
+314	+23.7
+1,884	+4.8
-886	-5.8
-183	-5.9
+3,784	+4.5

■Vending (Unit: K C/S, %)

	2013 Actual	V. Plan* ¹		V. PY	
		Diff	%	Diff	%
Small PET (<1,000ml)	22,801	+4	+0.0	+5,345	+30.6
Medium PET (<1,500ml)	13	+5	+74.4	+9	+223.2
Large PET (>=1500ml)	283	+66	+30.5	+74	+35.2
Can	31,559	-1,610	-4.9	+1,428	+4.7
Others (Bottle can, etc.)	3,913	+310	+8.6	+595	+17.9
Syrup, powder	1,064	+28	+2.7	+386	+57.0
Total	59,632	-1,197	-2.0	+7,836	+15.1

V. PY* ²	
Diff	%
+2,273	+11.1
+7	+125.1
+57	+25.0
-2,724	-7.9
+41	+1.1
-484	-31.3
-831	-1.4

■Retail & Food Service (Unit: K C/S, %)

	2013 Actual	V. Plan* ¹		V. PY	
		Diff	%	Diff	%
Small PET (<1,000ml)	6,481	-54	-0.8	+1,239	+23.6
Medium PET (<1,000ml)	145	-3	-1.8	-5	-3.1
Large PET (>=1500ml)	2,492	+40	+1.6	-59	-2.3
Can	3,893	-246	-5.9	+929	+31.3
Others	2,338	-45	-1.9	+314	+15.5
Syrup, powder	21,037	+73	+0.3	+1,584	+8.1
Total	36,386	-234	-0.6	+4,002	+12.4

V. PY* ²	
Diff	%
-43	-0.7
-20	-12.1
-382	-13.3
-430	-9.9
-37	-1.6
-713	-3.3
-1,624	-4.3

*2 PY actual includes Apr-Dec of Minami Kyushu.

*1 Plan refers to the figures based on the performance forecast published on July 26, 2013

FY2013 Q4 (Oct-Dec) - Volume by channel/by package

[Ref] Real comparison

■Chain Store (Unit: K C/S, %)	2013 Q4	V. Plan* ¹		V. PY		V. PY* ²	
		Diff	%	Diff	%	Diff	%
Small PET (<1,000ml)	6,662	+292	+4.6	+1,832	+37.9	+833	+14.3
Medium PET (<1,000ml)	341	-88	-20.4	+106	+44.8	+59	+20.7
Large PET (>=1500ml)	8,573	+268	+3.2	+1,975	+29.9	+640	+8.1
Can	3,841	-133	-3.4	+647	+20.3	-185	-4.6
Others	545	-178	-24.7	-22	-3.9	-186	-25.5
Total	19,962	+161	+0.8	+4,538	+29.4	+1,161	+6.2

■Vending (Unit: K C/S, %)	2013 Q4	V. Plan* ¹		V. PY		V. PY* ²	
		Diff	%	Diff	%	Diff	%
Small PET (<1,000ml)	5,207	-70	-1.3	+1,311	+33.6	+437	+9.2
Medium PET (<1,500ml)	3	+2	+152.9	+2	+364.3	+2	+186.3
Large PET (>=1500ml)	66	+33	+101.2	+11	+21.1	+2	+3.8
Can	8,294	-899	-9.8	+1,085	+15.1	-287	-3.3
Others (Bottle can, etc.)	1,126	+358	+46.6	+328	+41.2	+136	+13.8
Syrup, powder	294	+25	+9.2	+173	+142.0	-111	-27.4
Total	14,990	-552	-3.6	+2,911	+24.1	+180	+1.2

■Retail & Food Service (Unit: K C/S, %)	2013 Q4	V. Plan* ¹		V. PY		V. PY* ²	
		Diff	%	Diff	%	Diff	%
Small PET (<1,000ml)	1,539	-90	-5.5	+359	+30.4	-16	-1.1
Medium PET (<1,000ml)	32	-2	-5.7	-14	-30.4	-18	-36.5
Large PET (>=1500ml)	583	-9	-1.6	+71	+13.9	-17	-2.8
Can	1,113	-55	-4.7	+379	+51.5	-76	-6.4
Others	645	-25	-3.7	+134	+26.3	+10	+1.6
Syrup, powder	5,472	+148	+2.8	+528	+10.7	-230	-4.0
Total	9,384	-33	-0.4	+1,457	+18.4	-348	-3.6

*1 Plan refers to the figures based on the performance forecast published on July 26, 2013

*2 PY actual includes Oct-Dec of Minami Kyushu.

FY2014 (Jan-Dec) - Volume plan by package

[Ref] Real comparison

(Unit: K C/S, %)		2014 Plan	V. PY	
			Diff	%
PET	Small (<1,000ml)	69,482	+11,024	+18.9
	Medium (<1,500ml)	1,679	-122	-6.8
	Large (>=1,500ml)	44,890	+1,230	+2.8
	Subtotal	116,050	+12,131	+11.7
Can (incl. bottle can)		57,817	+1,890	+3.4
Others		14,618	+1,553	+11.9
Syrup, powder		43,844	+902	+2.1
Total		232,329	+16,476	+7.6

V. PY*	
Diff	%
+8,953	+14.8
-167	-9.1
-45	-0.1
+8,741	+8.1
-845	-1.4
+1,406	+10.6
-455	-1.0
+8,847	+4.0

* PY actual includes Jan-Mar of Minami Kyushu.

FY2014 (Jan-Dec) - Volume target by channel/by package

■Chain Store (Unit: K C/S, %)	2014 Plan	V. PY	
		Diff	%
Small PET (<1,000ml)	37,473	+9,168	+32.4
Medium PET (<1,500ml)	1,545	-98	-5.9
Large PET (>=1,500ml)	41,930	+1,049	+2.6
Can	16,321	+1,828	+12.6
Others	3,924	+1,002	+34.3
Total	101,443	+13,199	+15.0

■Vending (Unit: K C/S, %)	2014 Plan	V. PY	
		Diff	%
Small PET (<1,000ml)	23,938	+1,137	+5.0
Medium PET (<1,500ml)	0	-12	-99.4
Large PET (>=1,500ml)	409	+126	+44.5
Can	31,881	+322	+1.0
Other (Bottle Can, etc.)	3,294	-619	-15.8
Syrup, powder	1,118	+54	+5.1
Total	60,640	+1,007	+1.7

■Retail Food Service (Unit: K C/S, %)	2014 Plan	V. PY	
		Diff	%
Small PET (<1,000ml)	6,845	+364	+5.6
Medium PET (<1,500ml)	133	-12	-8.5
Large PET (>=1,500ml)	2,551	+59	+2.4
Can	3,402	-490	-12.6
Others	2,132	-205	-8.8
Syrup, powder	21,565	+528	+2.5
Total	36,629	+243	+0.7

[Ref] Real comparison

V. PY*	
Diff	%
+8,250	+28.2
-138	-8.2
-144	-0.3
+1,143	+7.5
+872	+28.6
+10,232	+11.2

V. PY*	
Diff	%
+342	+1.5
-13	-99.5
+114	+38.6
-965	-2.9
-801	-19.6
-228	-16.9
-1,550	-2.5

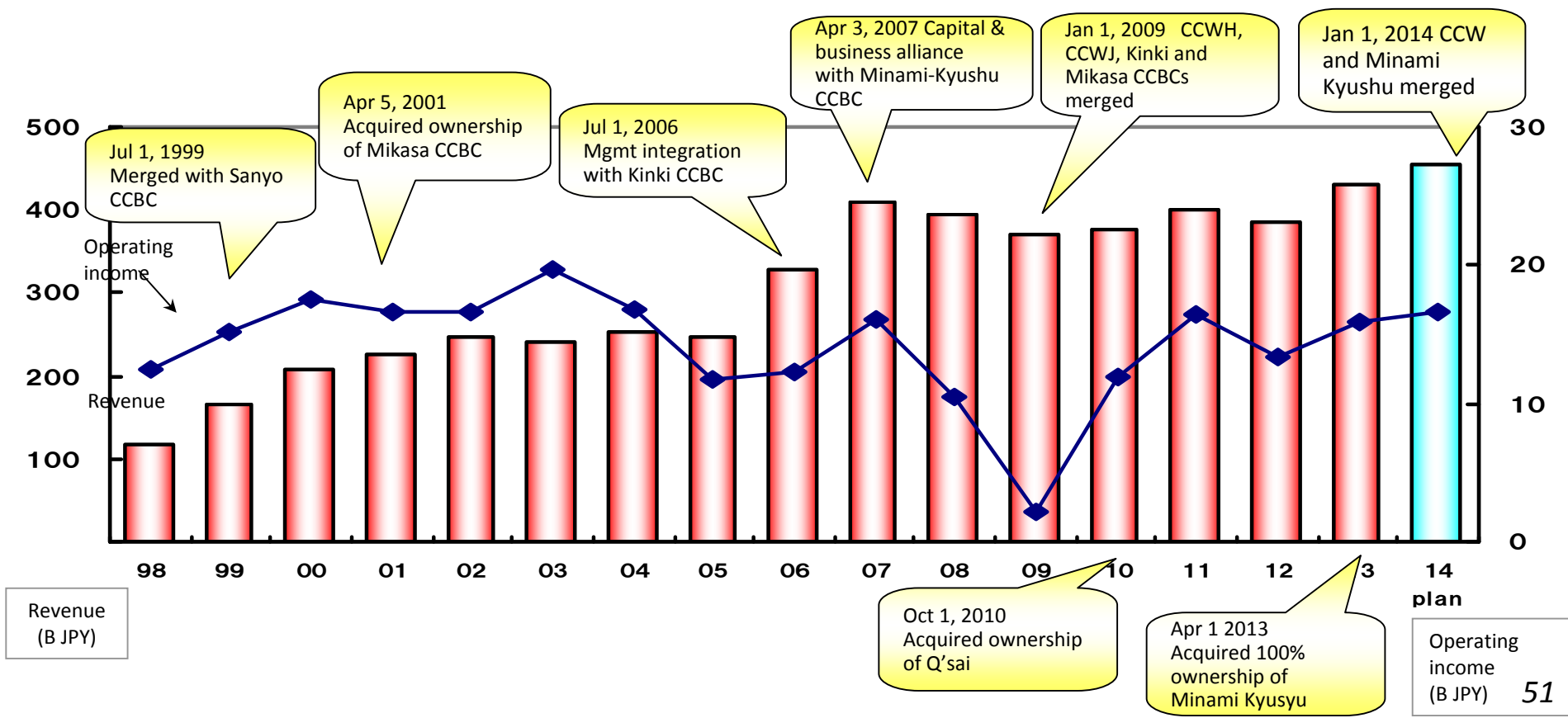
V. PY*	
Diff	%
+76	+1.1
-16	-10.8
-11	-0.4
-848	-20.0
-301	-12.4
-42	-0.2
-1,143	-3.0

* PY actual includes Jan-Mar of Minami Kyushu.

Performance trend

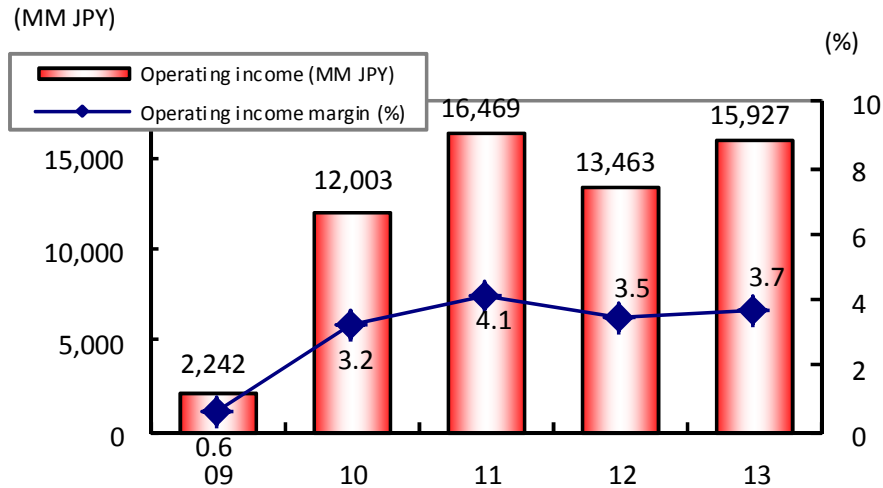
(Unit: MM JPY)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 plan
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	386,637	431,711	454,300
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	13,463	15,927	16,700
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	13,845	16,606	15,300
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	6,031	13,625	8,000

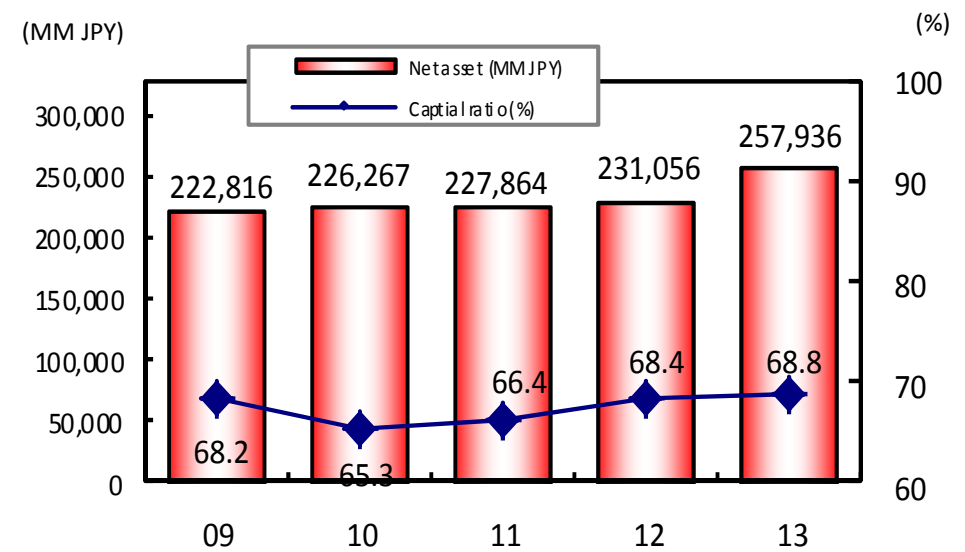


KBI trend

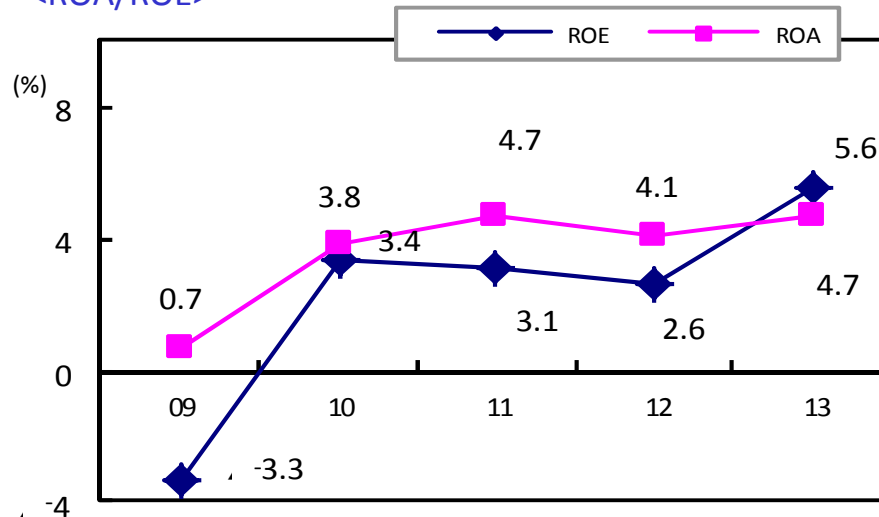
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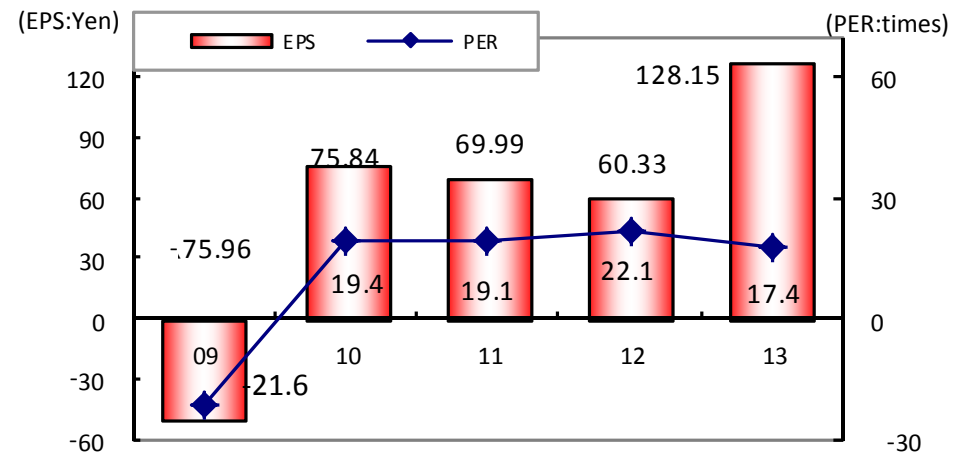
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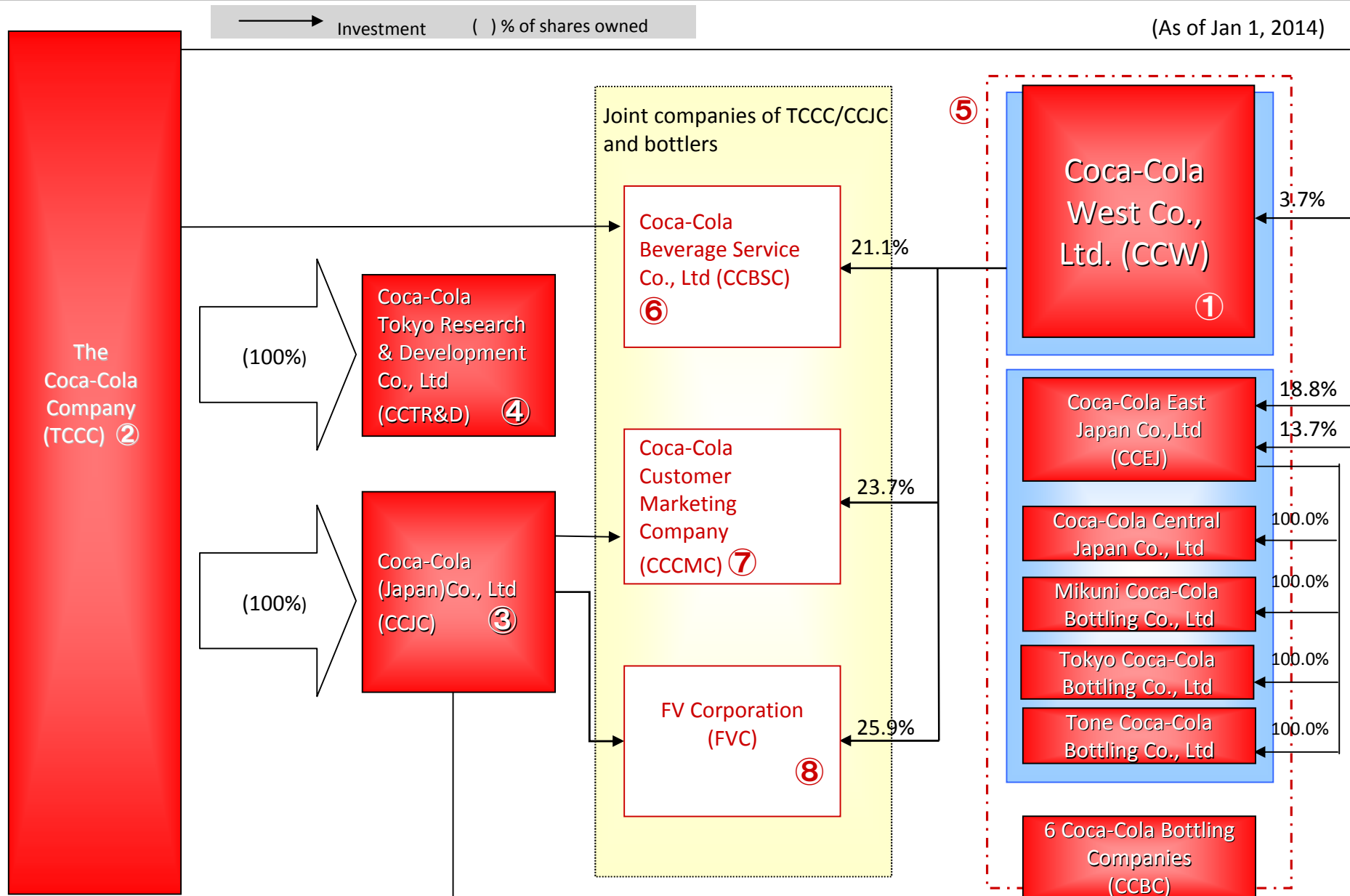
<EPS/PER>



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

Coca-Cola System in Japan – Capital Relationship

(As of Jan 1, 2014)



Coca-Cola related companies and their roles

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

Coca-Cola West Japan (CCWJ) was established in 1999 by merging Kitakyushu CCBC and Sanyo CCBC. CCWJ acquired ownership of Mikasa CCBC in 2001. In 2006, CCWJ and Kinki CCBC merged the management of both companies, and in 2009 Coca-Cola West Co., Ltd. was established. CCW acquired 100% ownership of Minami Kyushu CCBC on April 1 2013 and merged on January 1 2014.

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 8 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, Café, 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