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Coca-Cola **West**

Results briefing for the 1st quarter of Fiscal Year ending December 2014

May 1, 2014

Coca-Cola West Company, Limited (2579)

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Agenda

I. Overview of account settlement for the 1st quarter

II. Activity Plan for the 2nd quarter

[Reference]

Trend of OTC market share

Mix by brand/by channel

Sales update on vending machines by channel

Q1 Actual sales volume (by channel and by package)

Q2 Volume target

Performance trend / managerial KPI trend

Coca-Cola System in Japan / Affiliated companies

I. Overview of account settlement for the 1st quarter

Account settlement for Q1 (Jan-Mar) - Sales Volume

■ Sales volume surpassed PY and delivered as planned. Market share also expanded.

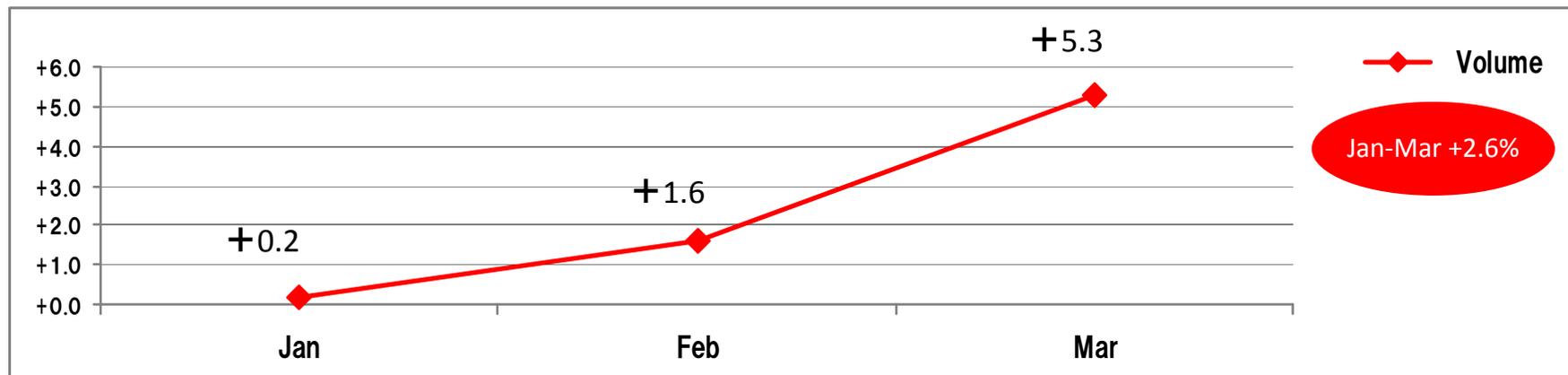
(Unit: K cases, %)	2014 Q1 actual	Vs. Target		Vs. PY		[Ref] Real-term comparison	
		Diff	%	Diff	%	Vs. PY *	
Volume	47,505	-146	-0.3	+9,212	+24.1	+1,219	+2.6

(Unit: pts)	vs. PY *	
	Volume	Value
Market share	+0.8	-0.0

(OTC)

(Source: Intage)

Monthly volume trend (v. PY*)



* PY actual includes Jan-Mar of Minami Kyushu.

Account settlement for Q1 (Jan-Mar) – Sales volume by channel

- Led by Supermarket in Chain store, sales volume exceeded both plan & PY.
 - Sales volume and market share of supermarket grew from PY due to the implementation of further segmented marketing strategies based on each prefecture and also the impact by rush demand before consumer tax raise.
 - On the other hand, convenience store underperformed v. plan/PY, impacted by the declined sales volume of canister coffee.
- VPM*1 showed a sign of recovery in Vending, and sales volume turned positive vs. plan/PY.
 - On the other hand, number of active vending machines decreased from PY, which remained as an issue to be addressed.

[Ref] Real-term comparison

(Unit: K cases, %)		Q1 actual	vs. target		vs. PY		vs. PY ※3	
			Diff	%	Diff	%	Diff	%
	Supermarket ※2	13,230	+683	+5.4	+4,124	+45.3	+2,095	+18.8
	Convenience store	5,347	-322	-5.7	+557	+11.6	-380	-6.6
Chain Store total		18,577	+360	+2.0	+4,681	+33.7	+1,715	+10.2
Vending		13,903	+368	+2.7	+2,873	+26.0	+316	+2.3
Retail		2,631	-526	-16.7	+382	+17.0	-408	-13.4
Food Service		5,202	+368	+7.6	+974	+23.1	+379	+7.9
Other		7,193	-717	-9.1	+302	+4.4	-783	-9.8
Total		47,505	-146	-0.3	+9,212	+24.1	+1,219	+2.6

*1 Sales volume per unit of vending machine

*2 Supermarket includes drugstore/discount/home center.

*3 PY actual includes Jan-Mar of Minami Kyushu.

Account settlement for Q1 (Jan-Mar)–Sales volume by package

- Sales of both small and large PET was positive as the sales volume exceeded plan & PY.
 - Small PET favorably grew in Supermarket and Vending.
 - Large PET grew in Supermarket in March. (Impact by rush demand before consumer tax raise)
- On the other hand, conversion to resealable products (PET) was promoted, which caused sales volume of can products to turn negative v. Plan and PY.

[Ref] Real-term comparison

(Unit: K cases, %)		Q1 actual	vs. target		vs. PY		vs. PY ※	
			Diff	%	Diff	%	Diff	%
PET	SS (1,000ml or smaller)	12,292	+48	+0.4	+2,949	+31.6	+866	+7.6
	MS (smaller than 1,500ml)	298	+3	+1.1	+34	+13.1	-10	-3.3
	LS (1,500ml or larger)	8,938	+571	+6.8	+2,928	+48.7	+1,653	+22.7
	Total	21,527	+622	+3.0	+5,912	+37.9	+2,509	+13.2
	Can (incl. bottle can)	13,494	-127	-0.9	+2,270	+20.2	-474	-3.4
	Others	3,327	+272	+8.9	+457	+15.9	+53	+1.6
	Syrup, powder	9,156	-913	-9.1	+574	+6.7	-869	-8.7
	Total	47,505	-146	-0.3	+9,212	+24.1	+1,219	+2.6

* PY actual includes Jan-Mar of Minami Kyushu.

Account settlement for Q1 (Jan-Mar) – Sales volume by brand

- Sales volume of Sparkling in total surpassed plan & PY.
 - Coca-Cola and Coca-Cola zero grew from PY. Fanta and Schweppes turned positive v. PY.
- Sales volume of NST in total exceeded plan & PY.
 - Reproduced blend of Sokenbicha, launched to commemorate its 20th anniversary, made a contribution.
 - Ayataka soared by capturing PoC at supermarkets and expanding loading of vending machines.
- Sales volume of Georgia delivered as planned, even though behind PY.
 - Expanding product portfolio in each vending machine, which led sales volume to exceeded plan/PY.

(Unit: K cases, %)		Q1 actual	vs. target		vs. PY		[Ref] Real-term comparison	
			Diff	%	Diff	%	Diff	%
Core 8	Coca-Cola	3,204	-120	-3.6	+668	+26.4	+167	+5.5
	Coca-Cola Zero	1,484	-154	-9.4	+311	+26.6	+94	+6.7
	Fanta	1,903	+171	+9.8	+456	+31.6	+163	+9.4
	Georgia	11,666	-88	-0.7	+2,222	+23.5	-207	-1.7
	Sokenbicha	2,432	-68	-2.7	+630	+35.0	+383	+18.7
	Aquarius	3,224	+199	+6.6	+873	+37.1	+386	+13.6
	Ayataka	3,358	+131	+4.0	+1,195	+55.2	+439	+15.0
	I-Lohas	1,785	-68	-3.7	+299	+20.1	+34	+2.0
	Subtotal	29,055	+2	+0.0	+6,655	+29.7	+1,459	+5.3
Other	9,294	+765	+9.0	+1,984	+27.1	+629	+7.3	
RTD ^{※1} Total		38,349	+767	+2.0	+8,639	+29.1	+2,088	+5.8
Syrup, powder		9,156	-913	-9.1	+574	+6.7	-869	-8.7
Total		47,505	-146	-0.3	+9,212	+24.1	+1,219	+2.6

*1 Packaged product *2 PY actual includes Jan-Mar of Minami Kyushu.

Account settlement for Q1 (Jan-Mar)

(Unit:MM JPY,%)

	2014 Q1 actual	Target	Vs. target		2013 Q1 actual	Vs. PY	
			Diff	%		Diff	%
Revenue	94,903	95,700	-796	-0.8	82,657	+12,246	+14.8
Gross profit on sales	47,222	48,800	-1,577	-3.2	40,905	+6,316	+15.4
Operating income	-1,372	-1,600	+227	-	-368	-1,004	-
Ordinary profit	-1,402	-1,900	+497	-	613	-2,016	-
Current net profit	-1,074	-1,500	+425	-	321	-1,396	-

[Ref] Real-term comparison (PY actual includes Jan-Mar of Minami Kyushu.)

(Unit:MM JPY,%)

	2014 Q1 actual	Vs. PY	
		Diff	%
Revenue	94,903	-923	-1.0
Operating income	-1,372	-495	-

Account settlement for Q1 (Jan-Mar) – Causes of Difference (comparison with Target)

(Unit: 000 MM JPY)

	Target	2014 Q1 actual	Diff
Revenue	957	949	-7
Gross profit on sales	488	472	-15
Operating income	-16	-13	+3
Ordinary profit	-19	-14	+4
Current net profit	-15	-10	+4

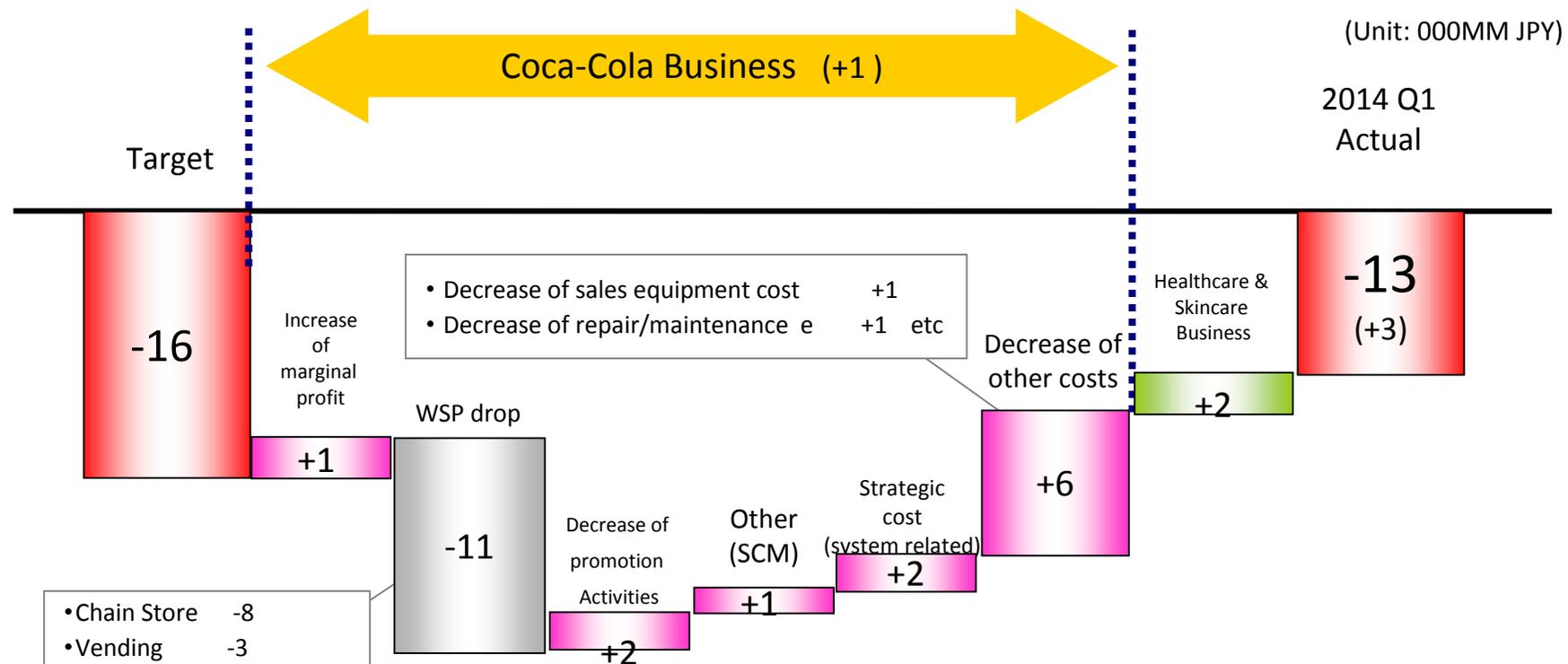
Key causes	Diff (value)
•Coca-Cola business	-3.7
•Healthcare & Skincare business	-4.2
•Coca-Cola business	-11.8
•Healthcare & Skincare business	-3.9
Increase/decrease of SG & A	
•Increase of promotion/advertisement cost	-1.7
•Decrease of sales equipment	+1.4
•Decrease of outsourcing cost	+1.0
•Decrease of transportation cost	+3.7
•Decrease of Repair cost	+1.0
•Decrease of maintenance cost	+1.0
•Decrease of depreciation cost	+0.7
•Healthcare & Skincare business	+5.4

Account settlement for Q1 (Jan-Mar)

– Causes of Difference in operating income (Comparison with Target)

In Coca-Cola business, marginal profit turned positive as sales volume of Vending made a contribution by surpassing plan. However, in a tough environment of continuous competition, profit decline by 1.1 B JPY due to wholesale price declined. On the other hand, operating income increased by 100MM JPY v. plan due to the effort in cost reduction across entire company including SCM impact.

In Healthcare & Skincare business, revenue underperformed v. plan. However, operating income delivered positive v. plan due to the investment on advertising cost which aims at efficiency in attracting customers.



Account settlement for Q1 (Jan-Mar) – Causes of Difference (Comparison with PY)

(Unit: 000 MM JPY)

	PY	2014 Q1 actual	Diff	Key causes	Diff (value)
Revenue	826	949	+122	•Coca-Cola business •Healthcare & Skincare business	+126.9 -4.5
Gross profit on sales	409	472	+63	•Coca-Cola business •Healthcare & Skincare business	+66.8 -3.6
Operating income	-3	-13	-10	Increase/decrease of SG & A •Increase of labor cost •Increase of sales promotion and advertising •Increase of sales commission •Increase of outsourcing cost •Increase of transportation cost •Increase of depreciation cost •Healthcare & Skincare business	-21.5 -10.7 -14.6 -8.2 -11.2 -5.6 +2.1
Ordinary profit	6	-14	-20	•Decrease of Non-Operating Income (decrease of equity method investment gain etc)	-9.7
Current net profit	3	-10	-13	•Decrease of corporate tax etc	+6.1

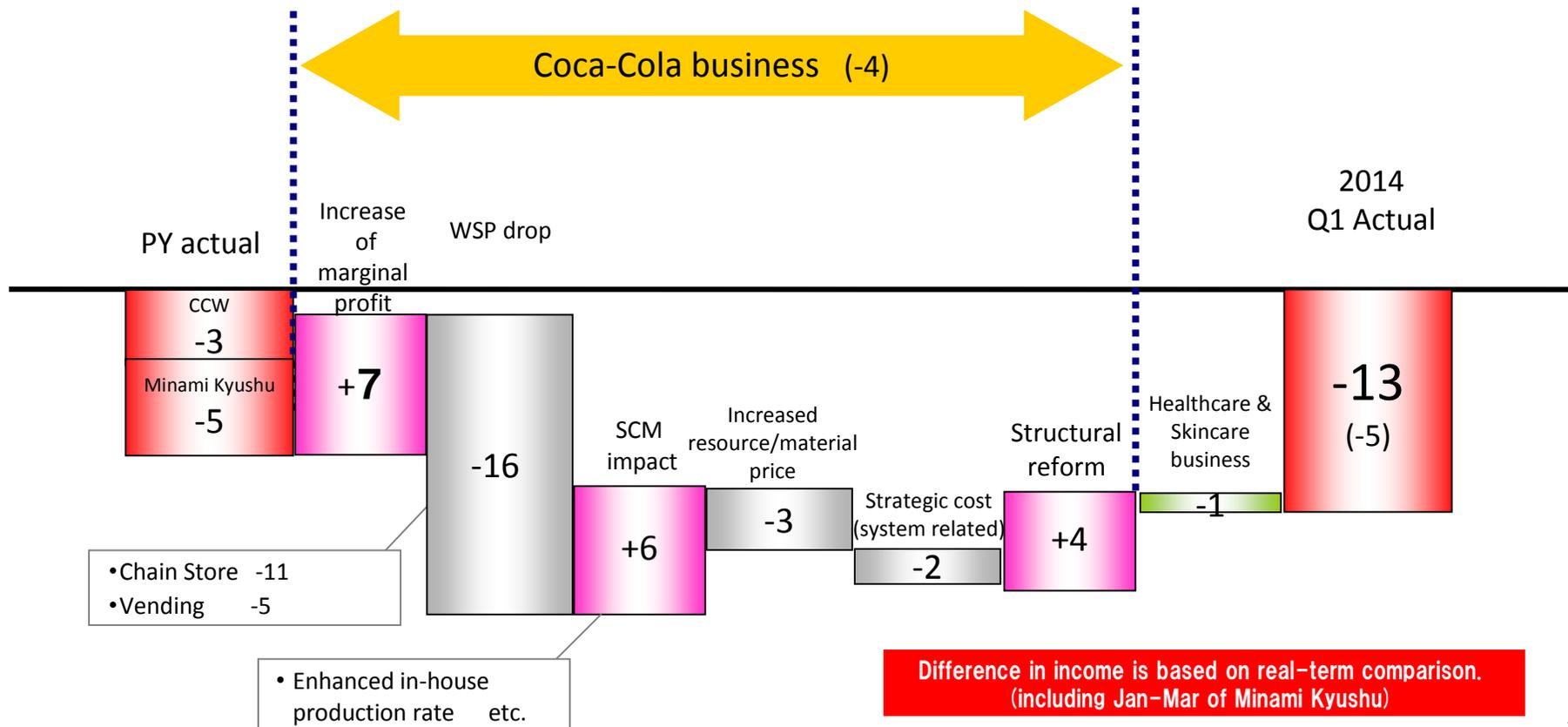
Account settlement for Q1 (Jan-Mar)

– Causes of Difference in operating income (Comparison with PY)

In Coca-Cola business, marginal profit grew due to the increase of sales volume in Vending and Chain Store. However, declined wholesale price causes profit decrease, which remained as an issue to be addressed. In spite of impact by structural reform and SCM, operating income decreased by 400MM JPY v. PY.

Healthcare & Skincare business reduced the revenue by 100MM JPY vs. PY, being impacted by the declined profit.

(Unit: 000MM JPY)



Q1 Summary

- Sales volume mostly reaching targets and operating income exceeded plan. Market share also expanded from PY.
- Sales volume of Vending as the profit mainstay exceeded plan/PY and made a contribution to achievement of Operating income target.
- On the other hand, the issues to be addressed remained and focus on these issues in Q2.
 - Improve sales at Convenience Store.
 - Increase active number of vending machines.
 - Improve revenue per case for Supermarket.

II. Activity Plan for the 2nd quarter

New category products

■ Boost Revenue by introducing high value-added new products.

Karadasukoyakacha W



消費者庁許可
特定保健用食品

Apr 7
launch

特定保健用食品
からだすこやか茶.W

1本で2つの働きがあるブレンド茶
1. 脂肪の吸収を抑える
2. 糖の吸収をおだやかにする

350 mL

FOSHU that has 2 effects

I Lohas Sparkling



May 19
launch

Plain Lemon

Crushable
Environment-friendly new
bottle

515 mL

Environment-friendly new bottle with
Least weight * among sparkling beverages

* Research done by Coca-Cola (Japan) Co., Ltd. 14

New category products

- Launch new 400ml Bottle Can Coffee.

Georgia European



Apr 7
launch



Kokuno Bito
185g CAN

Jukuren Blend
270 mL Bottle
CAN

Kaoru Black
290 mL Bottle
CAN

Kaoru Black
400 mL Bottle CAN

New
Package

High quality coffee jointly revamped its manufacturing method (beans, roast and brewing) with the specialty coffee shop “Sarutahiko Coffee”

Boost sales in Convenience store

■ Launch new products with high needs.

Georgia
-Against competitors & for counter-top coffee-

- ▶ Expand portfolio focusing on Bottle CAN
- ▶ Appeal on the uncompromised manufacturing method and the good taste
- ▶ Provide trial coupons & sampling to drive trial & repeat.



I Lohas 1,555 mL
-Differentiation from competitors appealing to added-value-

- ▶ Respond to increasing need for at-home consumption
- ▶ Differentiate from competitors by appealing on convenience & environmental consideration of I Lohas (Lightest Bottle in Japan*)

* Research done by Coca-Cola (Japan) Co., Ltd.
(Subject to 1,451 ml- 1,600 ml size PET Bottle manufactured in Japan, as of Feb, 2014)



Improve sales at Vending machines

- Increase active number of Vending machines and strengthen implementation of VPM improvement.

New Placement

- Reinforce activities in indoor (high potentials)
 - Leverage Peak-shift vending machines (Revised Energy Saving Law enforced on April 1)
- Focus on key areas
 - indoor : 9 prefecture / outdoor : 5 cities
- Drive M&A (operators & locations)



Q2 Net Increment **+3,000vms**

Improvement

VPM

- Input a new product and expand early.
 - Karadasukoyakacha W /Georgia European/ I Lohas Sparkling
- Ensure optimal lineups for locations
 - lineup resealable products
- Implement promotions limited for vending machines.
 - Accumulating points "Mileage Promotion"



Georgia mileage promotion

Initiatives to raise per case revenue in Supermarket

■ Improve per-case revenue by executing marketing strategies by Prefecture and Customer.

Stop retail price erosion by introducing highly value-added products as well as differentiating packages.

- Offer highly value-added products

- Launch Karadasukoyakacha W and make it regular assortment

- Focus on Georgia Bottle CANS

- Evolution of CSS+RTM*

- Implement precise customer segmentation by ROI matrix analysis



Multi-pack



Deployment at End-cap space

* CSS+RTM (Customer Service System + Route to Market)
: Framework to evaluate/design/deploy service system for shopper/customers in the market



Invigorate Channel & Brand by execution of FIFA World Cup promotion

■ By fully taking advantage of FIFA World Cup, execute promotions in each Channel.

Supermarket



Closed promotion



Near pack promotion

Convenience store



Closed promotion



Original T-shirt set sales

Vending



Happy CAN promotion

■ Deploy Limited packages for Coca-Cola, Coca-Cola Zero and Aquarius.

Coca-Cola/Coca-Cola Zero



Name bottle package



World Cup design package

Aquarius



Player Honda design package

Q2(Apr-Jun) Volume target

- Launch new products in key categories (Coffee, NST, Sparkling)
- Executing marketing strategies for each Prefecture by Channel.

Target by Brand

(Unit:K cases,%)		Q2 Target	V. PY	
			Diff	%
Core 8	Coca-Cola	4,201	+97	+2.4
	Coca-Cola Zero	2,077	+129	+6.6
	Fanta	2,422	+97	+4.2
	Georgia	11,073	-341	-3.0
	Sokenbicha	3,408	+165	+5.1
	Aquarius	6,258	-164	-2.5
	Ayataka	4,024	+387	+10.6
	I-Lohas	3,085	+321	+11.6
	Subtotal	36,549	+692	+1.9
Other	10,975	+556	+5.3	
RTD※1 Total		47,523	+1,248	+2.7
Syrup, powder		10,414	-418	-3.9
Total		57,937	+829	+1.5

*1 Packaged products

Target by Channel

(Unit:K cases,%)		Q2 Target	V. PY	
			Diff	%
Supermarket ※2		19,699	+2,428	+14.1
Convenience store		5,971	+17	+0.3
Convenience store total		25,670	+2,445	+10.5
Vending		15,275	-419	-2.7
Retail		3,646	-435	-10.6
Food Service		5,085	-369	-6.8
Other		8,261	-393	-4.5
Total		57,937	+829	+1.5

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

FY ending Dec 2014(Jan-Dec)/Q2(Apr-Jun)Consolidated Plan

- Revise Coca-Cola business performance plan as Extraordinary Loss is booked associated with Structural reform.

(Performance plan for Healthcare & Skincare business is as initially planned.)

Consolidated

[Full-year]

(Unit:MM JPY, %)

	2014 full year plan	vs. PY		vs. Initial plan	
		Diff	%	Diff	%
Revenue	454,300	+22,588	+5.2	—	—
Gross profit on sales	231,200	+15,912	+7.4	—	—
Operating income	16,700	+772	+4.8	—	—
Ordinary profit	15,300	-1,306	-7.9	—	—
Current net profit	7,600	-6,025	-44.2	-400	-5.0

[Q2]

(Unit:MM JPY, %)

	2014 Q2 plan	vs. PY		vs. Initial plan	
		Diff	%	Diff	%
Revenue	113,600	+32	+0.0	—	—
Gross profit on sales	57,500	+177	+0.3	—	—
Operating income	4,800	-351	-6.8	—	—
Ordinary profit	3,900	-1,158	-22.9	—	—
Current net profit	1,800	-8,934	-83.2	-400	-18.2

FY ending Dec 2014(Jan-Dec)/Q2(Apr-Jun)Performance plan by Business

Coca-Cola business

[Full-year]

(Unit:MM JPY, %)

	2014 full year plan	vs. PY	
		Diff	%
Revenue	416,100	+21,368	+5.4
Operating income	12,000	+1,616	+15.6

[Q2]

(Unit:MM JPY, %)

	2014 Q2 plan	vs. PY	
		Diff	%
Revenue	104,000	+1	+0.0
Operating income	3,500	-234	-6.3

Healthcare & Skincare business

[Full-year]

(Unit:MM JPY, %)

	2014 full year plan	vs. PY	
		Diff	%
Revenue	38,200	+1,220	+3.3
Operating income	4,700	-844	-15.2

[Q2]

(Unit:MM JPY, %)

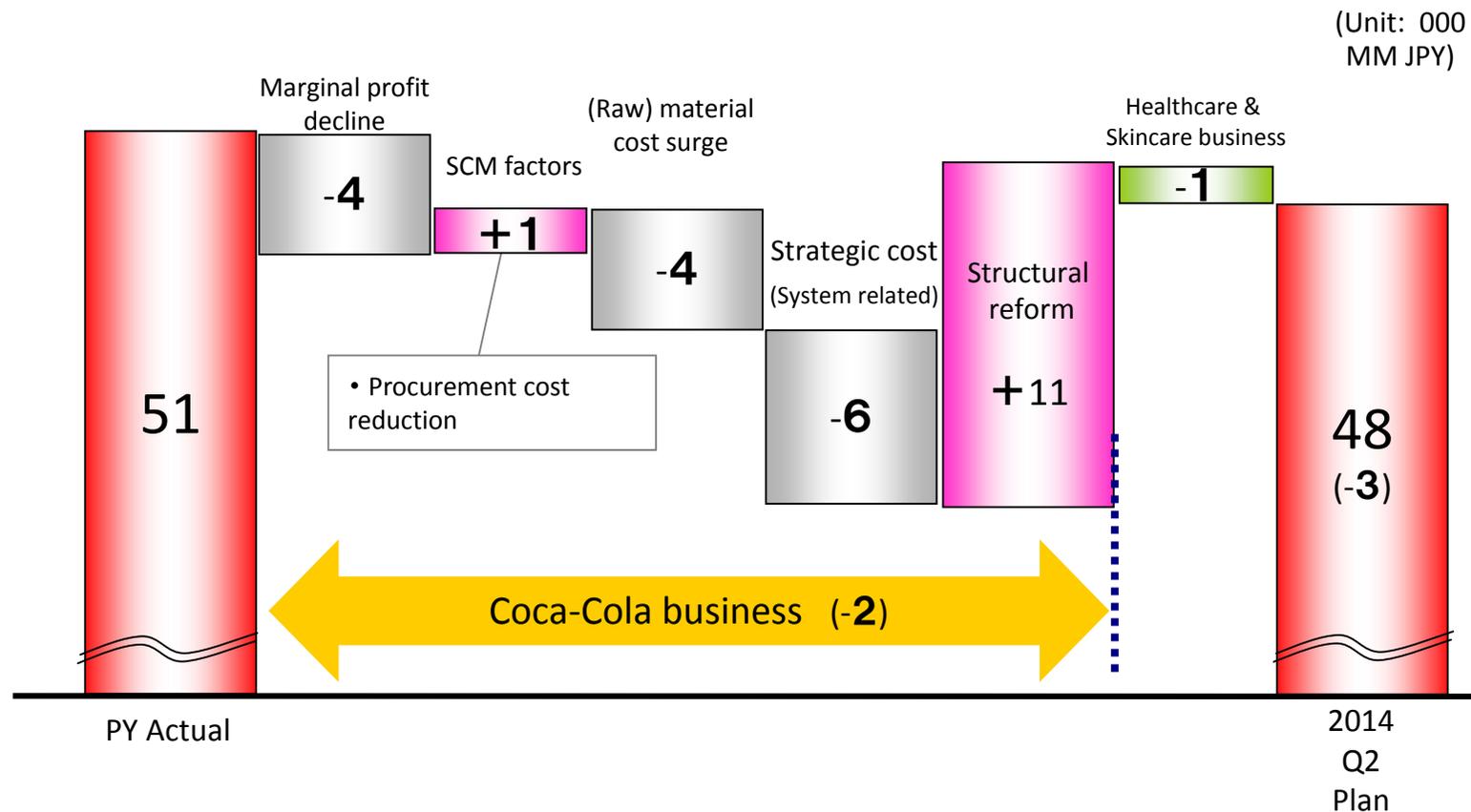
	2014 Q2 plan	vs. PY	
		Diff	%
Revenue	9,600	+30	+0.3
Operating income	1,300	-116	-8.2

Q2 (Apr-Jun) – Scenario to attain Operating Income (comparison with PY)

We expect to see a temporal volume decline Coca-Cola business conservatively in Vending or Retail & Food Service (away from home) due to impacts from consumption tax raise.

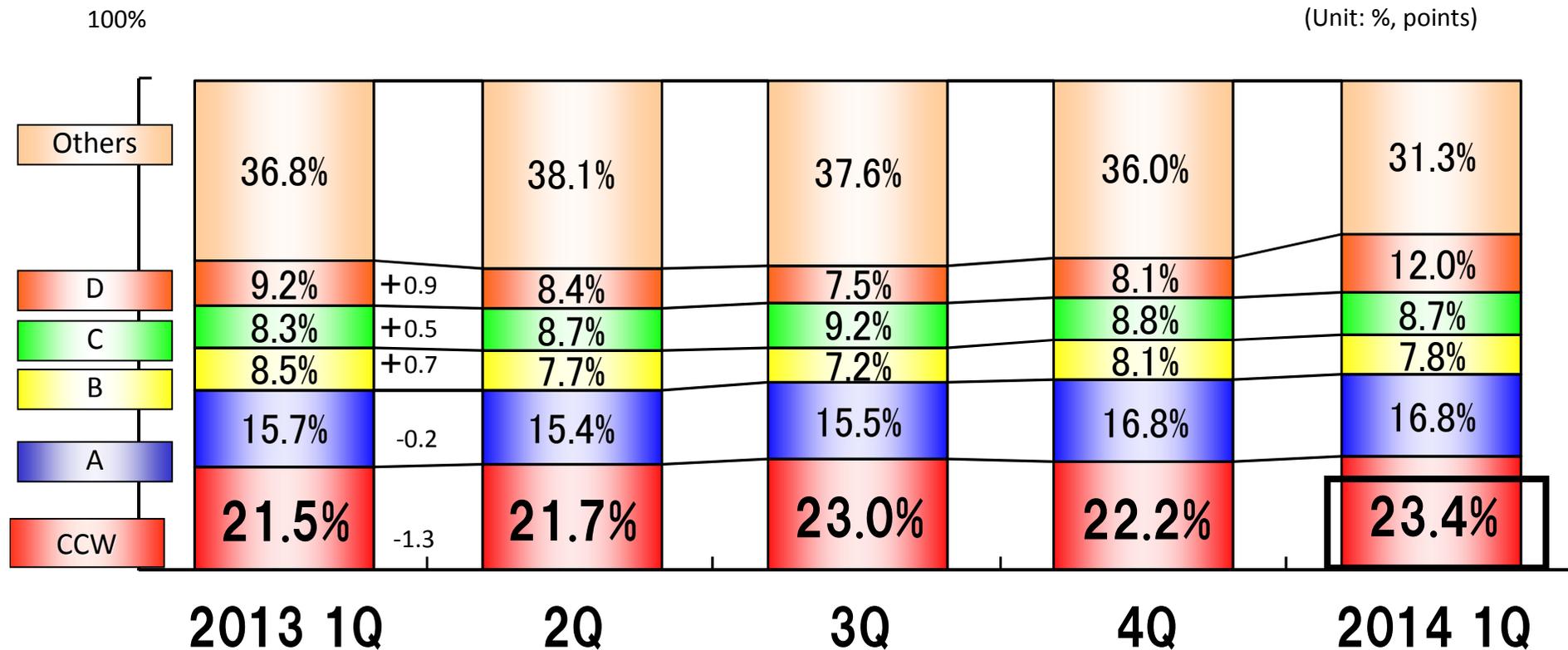
Expecting increase profit by Structural reform, operating Income is planned to be -200 MM JPY v. PY. due to strategic cost for long-term growth.

Healthcare & Skincare business is projected to be 100 MM JPY v. PY.



[Reference]

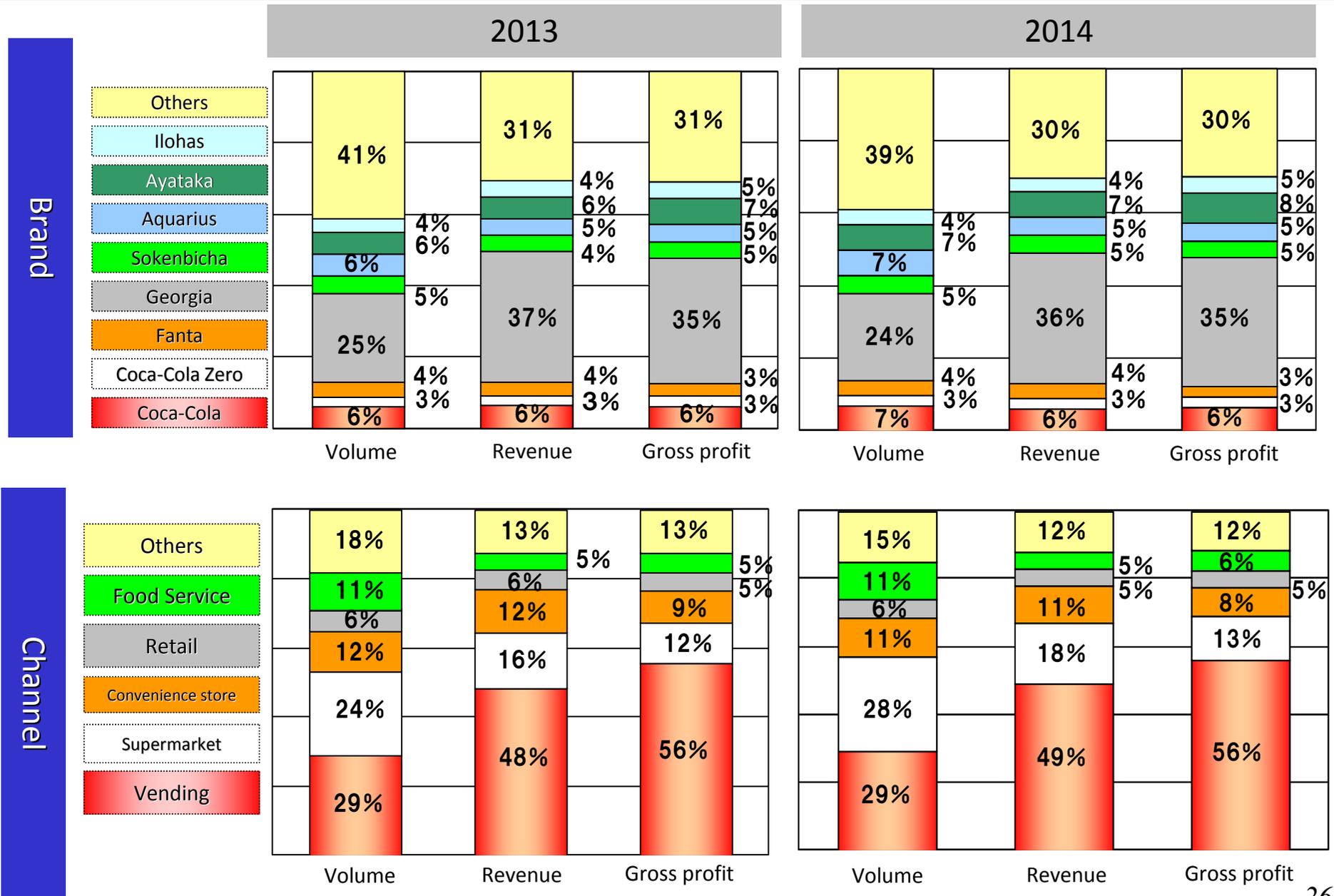
OTC Market share trend (except vending machines)



- 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)

Q1 (Jan-Mar) – Mix by brand/by channel



Vending machine sales performance by sub channel

	vs. PY (%)			
	Jan	Feb	Mar	Total
At work white	-2.6	-1.6	-2.9	-2.4
At work blue	+0.8	+0.7	-0.9	+0.2
Mass retailer	-5.1	-3.3	-2.9	-3.8
Transportation	+0.1	+0.7	+0.4	+0.4
School	+2.5	+1.1	-2.7	+0.5
Leisure	-1.7	-3.9	-1.8	-2.4
Pachinko	-4.4	-4.7	-4.6	-4.5
Sports facility	-0.4	-2.8	-4.9	-2.8
Hospital	-2.7	-1.1	-3.0	-2.3
Accommodation	-1.0	-1.3	+1.6	-0.2
Other (Indoor)	-3.2	-1.5	-2.9	-2.6
Outdoor	-1.6	+0.6	-4.3	-1.9
Total	-1.8	-1.0	-2.9	-1.9

* Sales volume per vending machine

Q1 (Jan-Mar) - Volume by channel/by package

[Ref] Real-term comparison

■ Chain Store (Unit: K cases,%)	Q1 Actual	Vs. target		Vs. PY		Vs. PY**	
		Diff	%	Diff	%	Diff	%
SS PET (smaller than 1,000ml)	6,138	-35	-0.6	+1,433	+30.4	+514	+9.1
MS PET (smaller than 1,500ml)	272	+3	+0.9	+31	+12.6	-10	-3.6
LS PET (1,500ml or larger)	8,383	+623	+8.0	+2,747	+48.7	+1,554	+22.8
Can	3,321	-125	-3.6	+465	+16.3	-220	-6.2
Other	462	-106	-18.6	+5	+1.2	-124	-21.2
Total	18,577	+360	+2.0	+4,681	+33.7	+1,715	+10.2

■ Vending (Unit: K cases,%)	Q1 Actual	Vs. target		Vs. PY		Vs. PY**	
		Diff	%	Diff	%	Diff	%
SS PET (smaller than 1,000ml)	4,732	+274	+6.2	+1,143	+31.8	+348	+7.9
LS PET (1,500ml or larger)	33	-60	-64.8	-1	-3.3	-13	-28.9
Can	7,782	-126	-1.6	+1,186	+18.0	-101	-1.3
Other (bottle can etc.)	1,083	+306	+39.5	+361	+50.0	+179	+19.8
Syrup/Powder	273	-26	-8.8	+184	+206.5	-98	-26.4
Total	13,903	+368	+2.7	+2,873	+26.0	+316	+2.3

■ Retail & Food service (Unit: K cases,%)	Q1 Actual	Vs. target		Vs. PY		Vs. PY**	
		Diff	%	Diff	%	Diff	%
SS PET (smaller than 1,000ml)	1,222	-144	-10.5	+277	+29.3	-12	-0.9
MS PET (smaller than 1,500ml)	24	-0	-1.4	+3	+15.9	-0	-1.8
LS PET (1,500ml or larger)	522	+7	+1.4	+182	+53.7	+113	+27.6
Can	820	-17	-2.1	+234	+39.8	-124	-13.2
Other	512	+37	+7.9	+106	+26.1	+11	+2.1
Syrup/Powder	4,732	-41	-0.9	+555	+13.3	-16	-0.3
Total	7,832	△158	-2.0	+1,357	+21.0	-29	-0.4

* PY actual includes Jan-Mar of Minami Kyushu.

Q2 (Apr-Jun) - Volume plan by package

		Q2 target	Vs. PY	
			Diff	%
(Unit : K cases, %)				
PET	SS (smaller than 1,000ml)	18,271	+2,906	+18.9
	MS (smaller than 1,500ml)	405	-46	-10.2
	LS (1,500ml or larger)	11,175	-362	-3.1
	Total	29,851	+2,498	+9.1
Can (incl. bottle can)		14,026	-830	-5.6
Other		3,646	-421	-10.3
Syrup, powder		10,414	-418	-3.9
CCW total		57,937	+829	+1.5

Q2 (Apr-Jun) - Volume target by channel/by package

Chain Store (Unit: K cases,%)	Q2 target	vs. PY	
		Diff	%
SS PET (smaller than 1,000ml)	10,311	+2,846	+38.1
MS PET (smaller than 1,500ml)	372	-37	-9.0
LS PET (1,500ml or larger)	10,390	-358	-3.3
Can	3,988	+183	+4.8
Other	610	-189	-23.7
Total	25,670	+2,445	+10.5

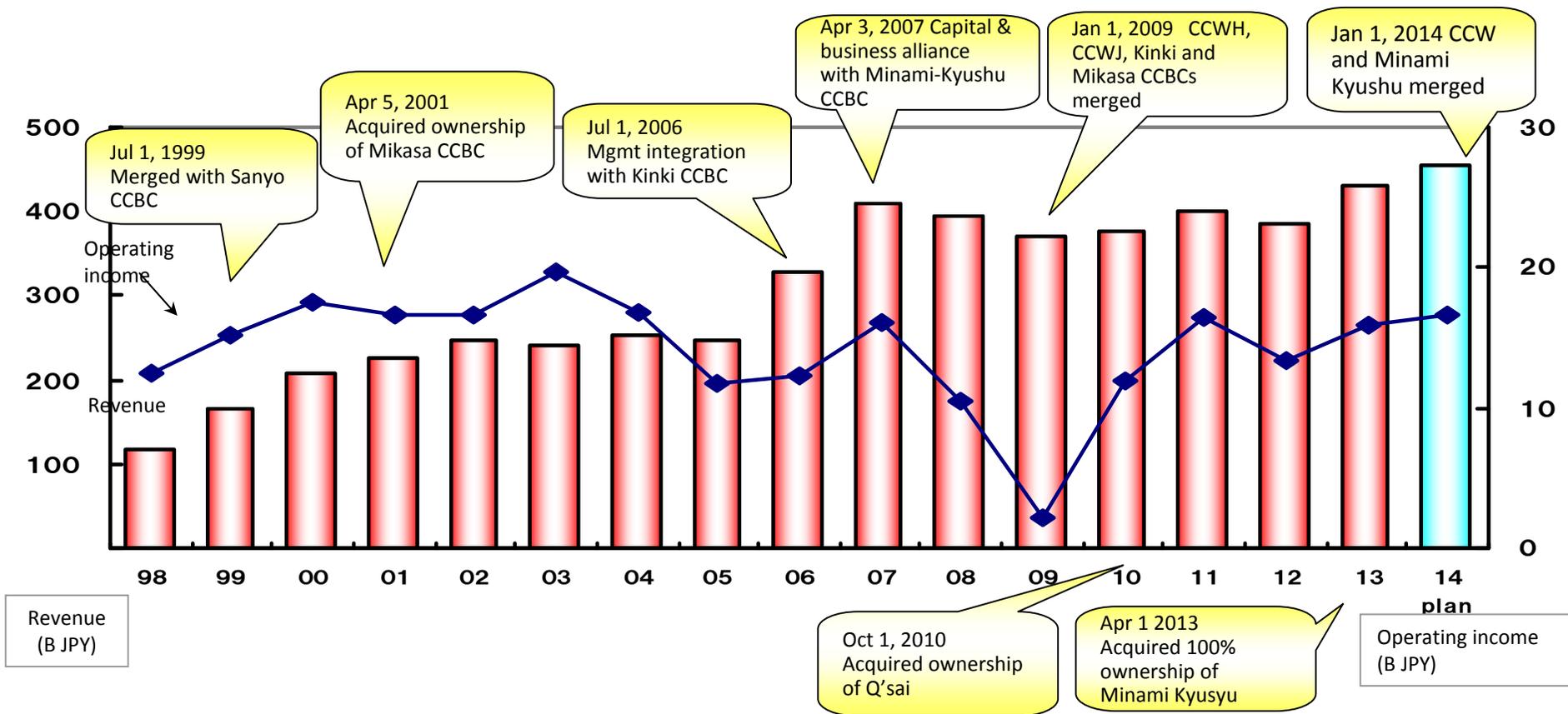
Vending (Unit: K cases,%)	Q2 target	vs. PY	
		Diff	%
SS PET (smaller than 1,000ml)	5,985	+50	+0.8
LS PET (1,500ml or larger)	119	+17	+16.6
Can	7,691	-633	-7.6
Other (bottle can etc.)	1,200	+220	+22.5
Syrup/Powder	280	-73	-20.7
Total	15,275	-419	-2.7

Retail & Food service (Unit: K cases,%)	Q2 target	vs. PY	
		Diff	%
SS PET (smaller than 1,000ml)	1,671	-56	-3.2
MS PET (smaller than 1,500ml)	33	-6	-15.3
LS PET (1,500ml or larger)	666	-20	-2.9
Can	833	-272	-24.6
Other	523	-85	-14.0
Syrup/Powder	5,004	-364	-6.8
Total	8,731	-803	-8.4

Performance trend

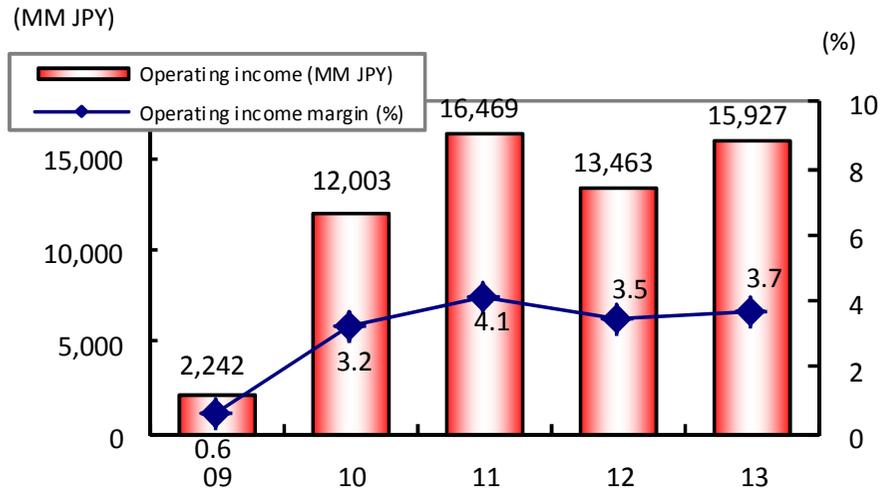
(Unit: MM JPY)

	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	7,600

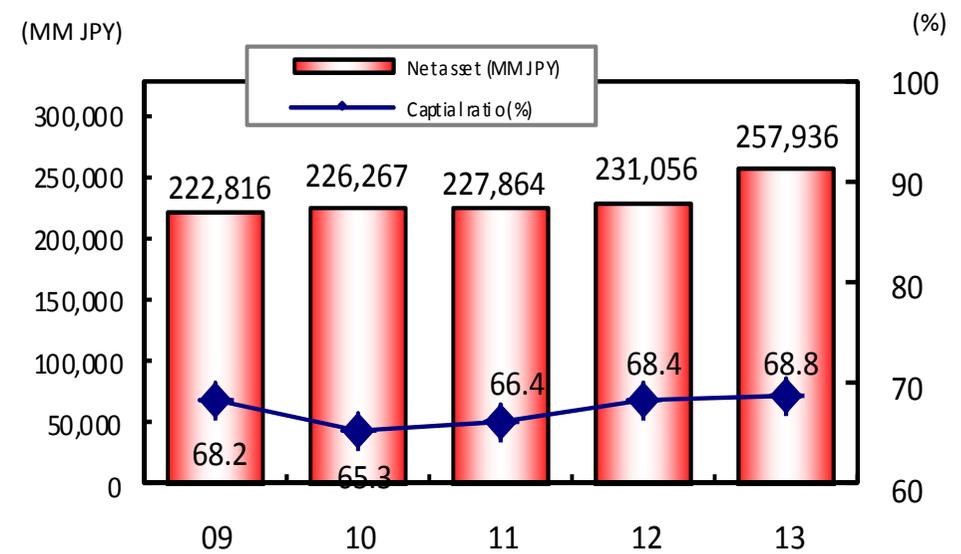


KBI trend

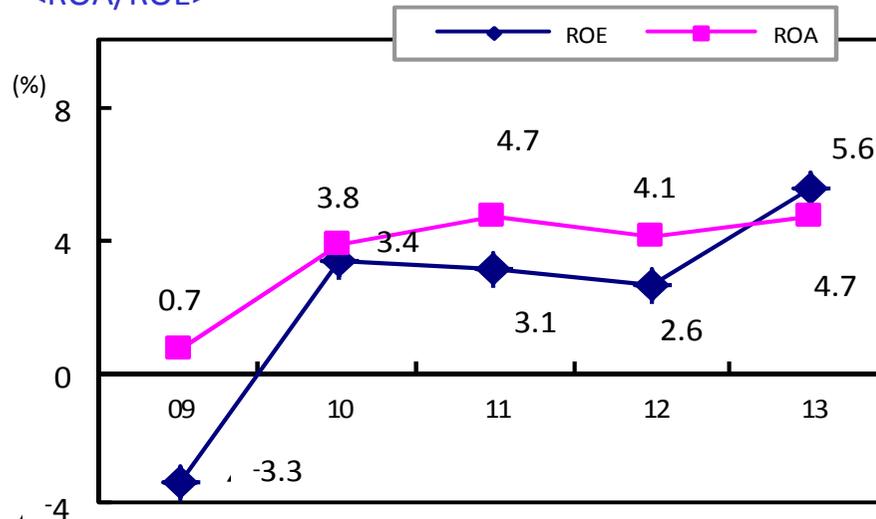
<Operating income & its ratio>



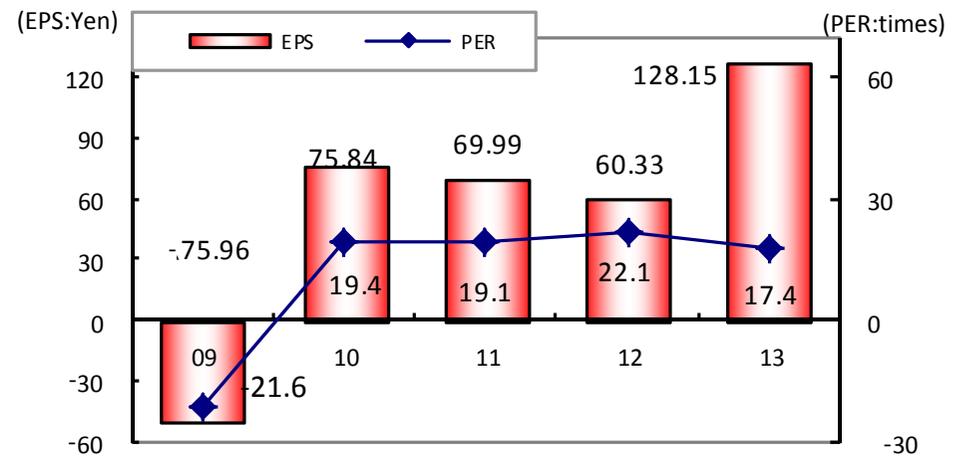
<Net asset/capital ratio>



<ROA/ROE>



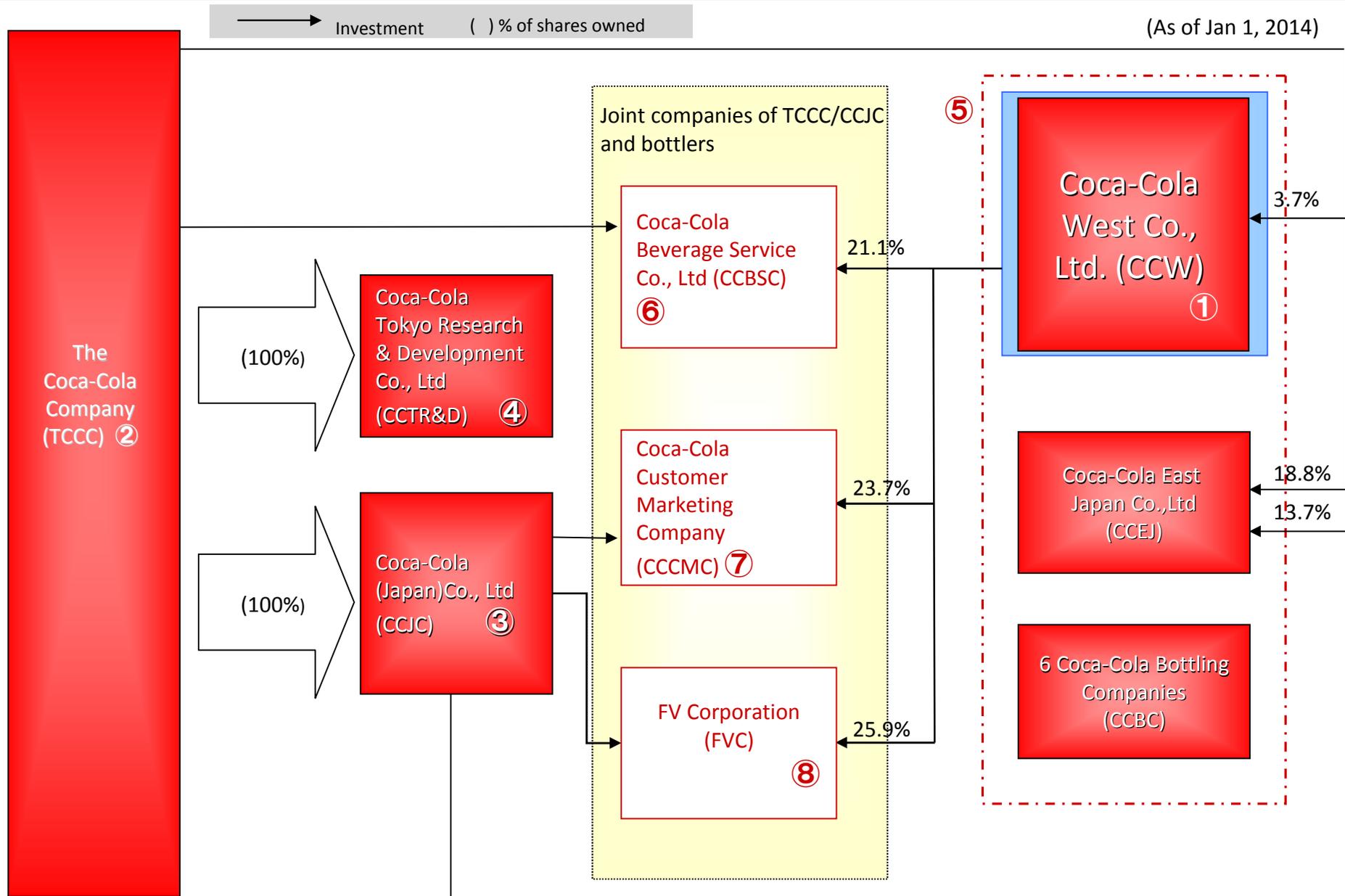
<EPS/PER>



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

Coca-Cola System in Japan – 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