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Coca-Cola **West**

Results briefing for the 3rd quarter of Fiscal Year ending December 2014

November 4, 2014

Coca-Cola West Company, Limited (2579)

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Today's Agenda

I . Account Settlement for Q3 Year to Date

II . Plan for 4Q and Full Year

[Reference]

Financial closing for Q3 (Jul-Sep)

Trend of OTC market share

Mix by brand/by channel

Sales update on vending machines by channel

Q3 Actual sales volume (by channel and by package)

Q4 Volume target

Performance trend / managerial KPI trend

Coca-Cola System in Japan / Affiliated companies

I . Account Settlement for Q3 Year to Date

Sales Volume

■ Due to bad weather and consumption tax increase, Q3 sales volume fell below the plan and last year.

[Sales Volume]

[Ref.] Real Comparison

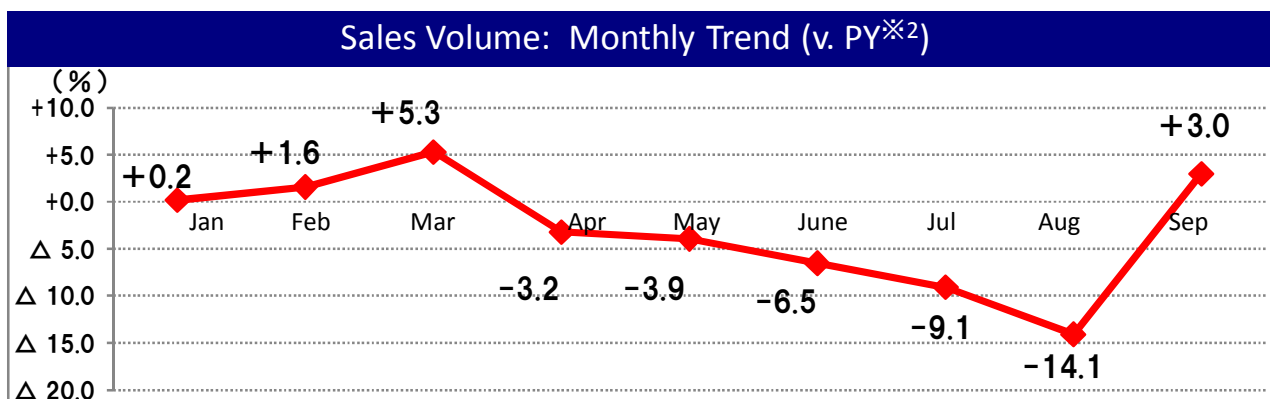
[Market Share (OTC)]

Unit : K cases, %)	Actual	Vs. plan※1		vs. PY		vs. PY ※2	
		Diff	%	Diff	%	Diff	%
2014 Jan-Sep total	166,068	-8,519	-4.9	+1,422	+0.9	-6,572	-3.8
Jan-Jun	101,942	—	—	+6,543	+6.9	-1,451	-1.4
Jul-Sep	64,126	-8,519	-11.7	-5,121	-7.4	-5,121	-7.4

(Unit: pts)	vs. PY※2	
	Volume	Value
2014 Jan-Sep total	+0.3	+0.2

※1 Plan announced on Aug 4

※2 Last year's actual include 2013 Jan-Mar Minami Kyushu actual.



Poor weather impact (Jul-Sep)

v. PY -6,685 K c/s
(-9.7%)

Consumption tax increase impact

(Jul-Sep)

v. PY -759 K c/s
(-1.1%)

[Ref: Weather in Aug]

<v. PY>

	Fukuoka	Hiroshima	Osaka	Tokyo
Average temperature (°C)	-3.5	-2.6	-2.2	-1.5
Sunshine duration (hours)	-167	-154	-109	-30
Precipitation (mm)	-39	+100	+213	+6
Extremely hot day (35°C and more)(days)	-20	-13	-18	-1

<v. average year>

	Fukuoka	Hiroshima	Osaka	Tokyo
Average temperature (°C)	-1.6	-1.3	-1.0	+0.3
Sunshine duration (hours)	-122	-126	-70	+6
Precipitation (mm)	+291	+227	+250	-63

Sales Volume: By Channel

- Due to bad weather, the market shrank and sales volume fell below the plan across all channels.
- In chain store, sales volume remained almost flat as last year, while vending volume fell from a year earlier.
 - Convenience store sales volume grew 1.2% from last year. Customer-exclusive products and promotions made a positive impact.
 - For Vending, VPM fell due to poor weather especially in outdoor locations. Net increment fell short of the plan.

[Ref.] Real Comparison

(Unit : K cases, %)		2014 Jan-Sep actual	Vs. plan※2		vs. PY		vs. PY※3	
			Diff	%	Diff	% ※2	Diff	%
	Supermarket ※1	52,775	-4,286	-7.5	+2,110	+4.2	+81	+0.2
	Convenience store	18,778	-353	-1.8	+1,161	+6.6	+223	+1.2
Chain Store total		71,553	-4,639	-6.1	+3,271	+4.8	+305	+0.4
Vending		44,770	-2,079	-4.4	+127	+0.3	-2,430	-5.1
Retail		9,494	-146	-1.5	-1,681	-15.0	-2,472	-20.7
Food Service		17,230	-364	-2.1	+1,403	+8.9	+808	+4.9
Other		23,021	-1,290	-5.3	-1,699	-6.9	-2,783	-10.8
Total		166,068	-8,519	-4.9	+1,422	+0.9	-6,572	-3.8

※1 Super Market includes Drug Store, Discount, Home Center.

※2 Figures announced on Aug 4.

※3 Last year's actual include 2013 Jan-Mar Minami Kyushu actual.

Sales Volume: By Package

■ For Single Serve PET and CAN, sales volume fell below the plan and last year. From a profitability standpoint, package mix worsened vs. the plan and last year.

→ For SS PET and CAN, vending sales volume notably fell behind the plan and last year.

→ For Multi Serve PET, sales volume missed the plan but outperformed last year driven by increased focus on capturing points of connection in supermarket.

[Ref.] Real Comparison

		2014 Jan-Sep actual	Vs. plan※1		vs. PY		vs. PY※2	
			Diff	%	Diff	vs. PY ※2	Diff	%
PET	SS (smaller than 1,000ml)	46,115	-3,626	-7.3	+1,264	+2.8	-820	-1.7
	MS (smaller than 1,500ml)	1,356	+9	+0.7	-69	-4.8	-114	-7.7
	LS (1,500ml or larger)	35,870	-1,899	-5.0	+1,433	+4.2	+158	+0.4
total		83,341	-5,516	-6.2	+2,628	+3.3	-775	-0.9
CAN (incl.bottle CAN)		41,813	-1,058	-2.5	+561	+1.4	-2,183	-5.0
Other		10,686	-393	-3.5	-1,111	-9.4	-1,516	-12.4
Syrup/Powder		30,228	-1,552	-4.9	-656	-2.1	-2,099	-6.5
Total		166,068	-8,519	-4.9	+1,422	+0.9	-6,572	-3.8

※1 Figures announced on Aug 4.

※3 Last year's actual include 2013 Jan-Mar Minami Kyushu actual.

Sales Volume: By Brand

■ For Sparkling soft drink, Non-sugar tea and Sports, which usually peak in demand during summer, the market in Q3 contracted due to poor weather.

→ For Coca-Cola, Coca-Cola Zero, Fanta, Sokenbicha, and Aquarius, sales volume underperformed the plan and last year.

■ Ayataka and I Lohas, where new products were added, fell below the plan but outperformed last year.

→ For AYTK, its sub-brand AYTK Maroyaka launched in June made a positive impact.

→ For I Lohas, I Lohas Sparkling made contributions in sales.

[Ref.] Real Comparison

	(Unit : K cases, %)	2014 Jan-Sep actual	Vs. plan※2		vs. PY		vs. PY※3	
			Diff	%	Diff ※2	%	Diff	%
Core 8	Coca-Cola	11,851	-684	-5.5	+111	+0.9	-390	-3.2
	Coca-Cola Zero	5,377	-379	-6.6	-66	-1.2	-283	-5.0
	Fanta	6,835	-564	-7.6	-53	-0.8	-347	-4.8
	Georgia	33,501	-235	-0.7	+1,522	+4.8	-907	-2.6
	Sokenbicha	8,624	-552	-6.0	-533	-5.8	-780	-8.3
	Aquarius	17,467	-2,685	-13.3	-2,318	-11.7	-2,806	-13.8
	Ayataka	12,274	-820	-6.3	+1,493	+13.9	+737	+6.4
	I-Lohas	9,185	-168	-1.8	+1,641	+21.7	+1,376	+17.6
Subtotal	105,115	-6,086	-5.5	+1,797	+1.7	-3,399	-3.1	
Other	30,725	-881	-2.8	+281	+0.9	-1,074	-3.4	
RTD ※1 total	135,840	-6,967	-4.9	+2,078	+1.6	-4,473	-3.2	
Syrup/Powder	30,228	-1,552	-4.9	-656	-2.1	-2,099	-6.5	
Total	166,068	-8,519	-4.9	+1,422	+0.9	-6,572	-3.8	

※1 Package product

※2 Figures announced on Aug 4

※3 Last year's actual include 2013 Jan-Mar Minami Kyushu actual.

Account Settlement for Q3 Year to Date (Jan-Sep)

(Unit : MM JPY, %)

	2014 Jan-Sep actual	Plan ※	Vs. plan		2013 Jan-Sep actual	vs. PY	
			Diff	%		Diff	%
Revenue	323,815	345,800	-21,984	-6.4	327,218	-3,403	-1.0
Gross profit	162,044	175,800	-13,755	-7.8	163,455	-1,410	-0.9
Operating income	7,995	13,100	-5,104	-39.0	13,302	-5,306	-39.9
Ordinary income	8,015	11,700	-3,684	-31.5	14,017	-6,001	-42.8
Net income	3,663	5,600	-1,936	-34.6	15,832	-12,168	-76.9

※ Plan shown here is based on the performance forecast announced on April 30.

[Ref.] Real Comparison (Last year's actual includes 2013 Jan – Mar Minami-Kyushu actual)

(Unit : MM JPY, %)

	2014 Jan-Sep actual	vs. PY	
		Diff	%
Revenue	323,815	-16,573	-4.9
Operating income	7,995	-4,797	-37.5

Account Settlement for Q3 Year to Date (Jan-Sep) - Factors of variance (v. Plan※)

	Target※	2014 Jan-Sep actual	Diff
Revenue	3,458	3,238	-219
Vending	1,758	1,620	-137
Operating income	131	79	-51
Ordinary income	117	80	-36
Net income	56	36	-19

(Unit : 100MM JPY)

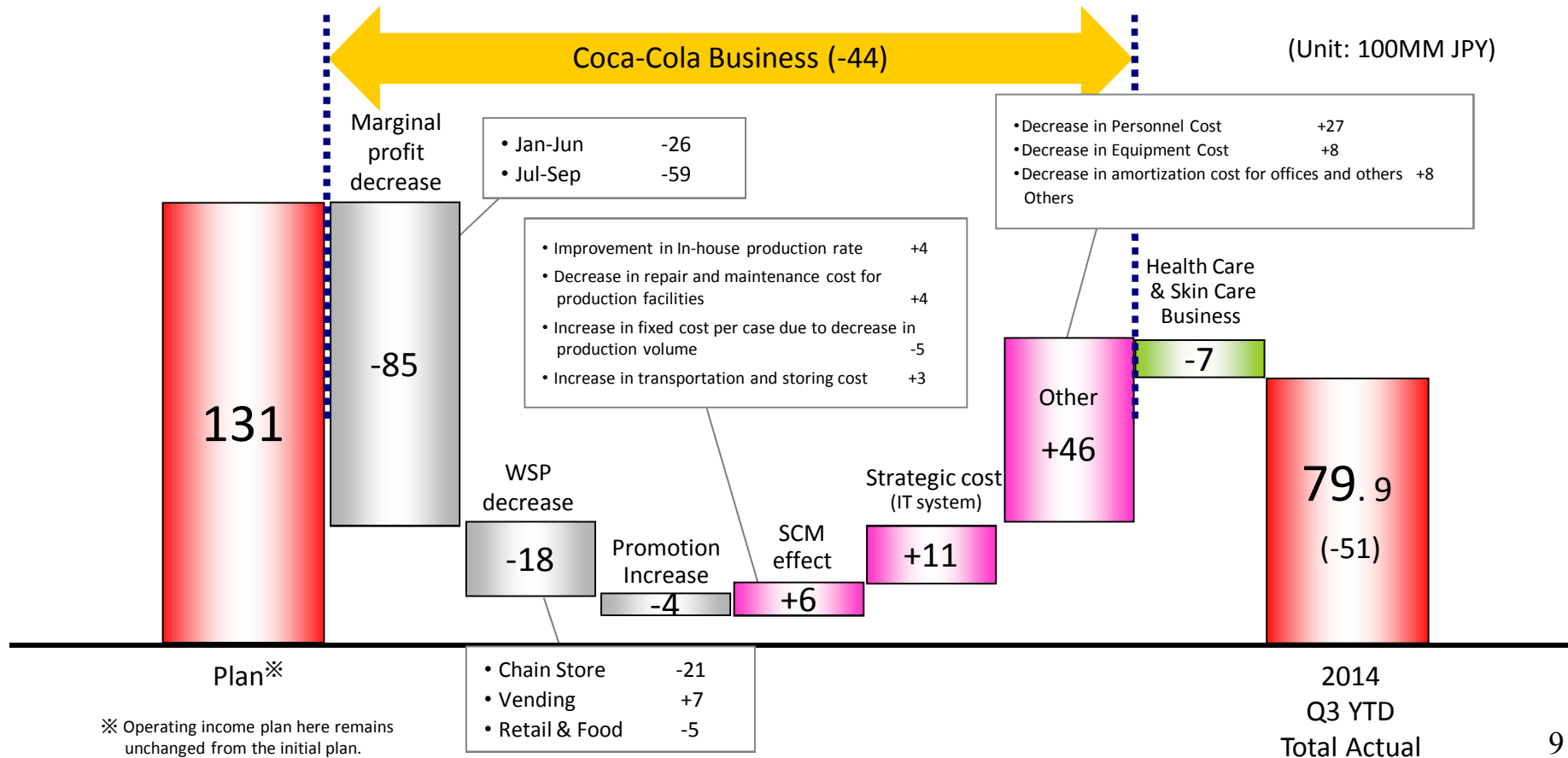
Key Factors	Diff
•Coca-Cola Business	-189.3
•Healthcare & Skincare Business	-30.4
•Coca-Cola Business	-112.8
•Healthcare & Skincare Business	-24.6
SG&A Expenses Increase / Decrease	
•Personnel Expenses (D)	+27.7
•Sales Promotion/Advertising Expenses (I)	-5.2
•Selling Equipment Expenses (D)	+8.1
•Outsourcing Expenses (D)	+6.5
•Logistic Expenses (D)	+1.1
•Repairing Expenses (D)	+2.3
•Maintenance Expenses (D)	+1.8
•Rental expenses (D)	+2.1
•Fuel expenses (D)	+2.0
•Depreciation Expenses (D)	+7.8
•Healthcare & Skincare Business (D)	+16.6
•Non-operating Income (I)	+4.8
•Non-operating Expenses (D) (retirement of fixed asset)	+9.3
•Extraordinary Income (I) (Gain on sale of investment securities)	+2.6
•Extraordinary Losses (I) (Healthcare & Skincare Business)	-14.2
•Corporate tax (D)	+28.6

※ Plan here is based on the performance forecast announced on April 30.

Account Settlement for Q3 Year to Date (Jan-Sep) – Factors of Operating Profit Decrease (v. Plan)

Faced with unusual weather in Q3, Coca-Cola business underperformed the plan in sales volume and saw deterioration in wholesale price and package mix, resulting in marginal profit shortfall by 5.9 billion yen vs. plan in Q3. Q3 YTD operating income fell behind the plan by 4.4 billion JPY.

Healthcare & skincare business Q3 YTD operating income missed the plan by 700MM, caused by sluggish sales recovery of Peptide-Ace.



Account Settlement for Q3 Year to Date (Jan-Sep) - Factors of variance (v. PY※)

(Unit : 100MM JPY)

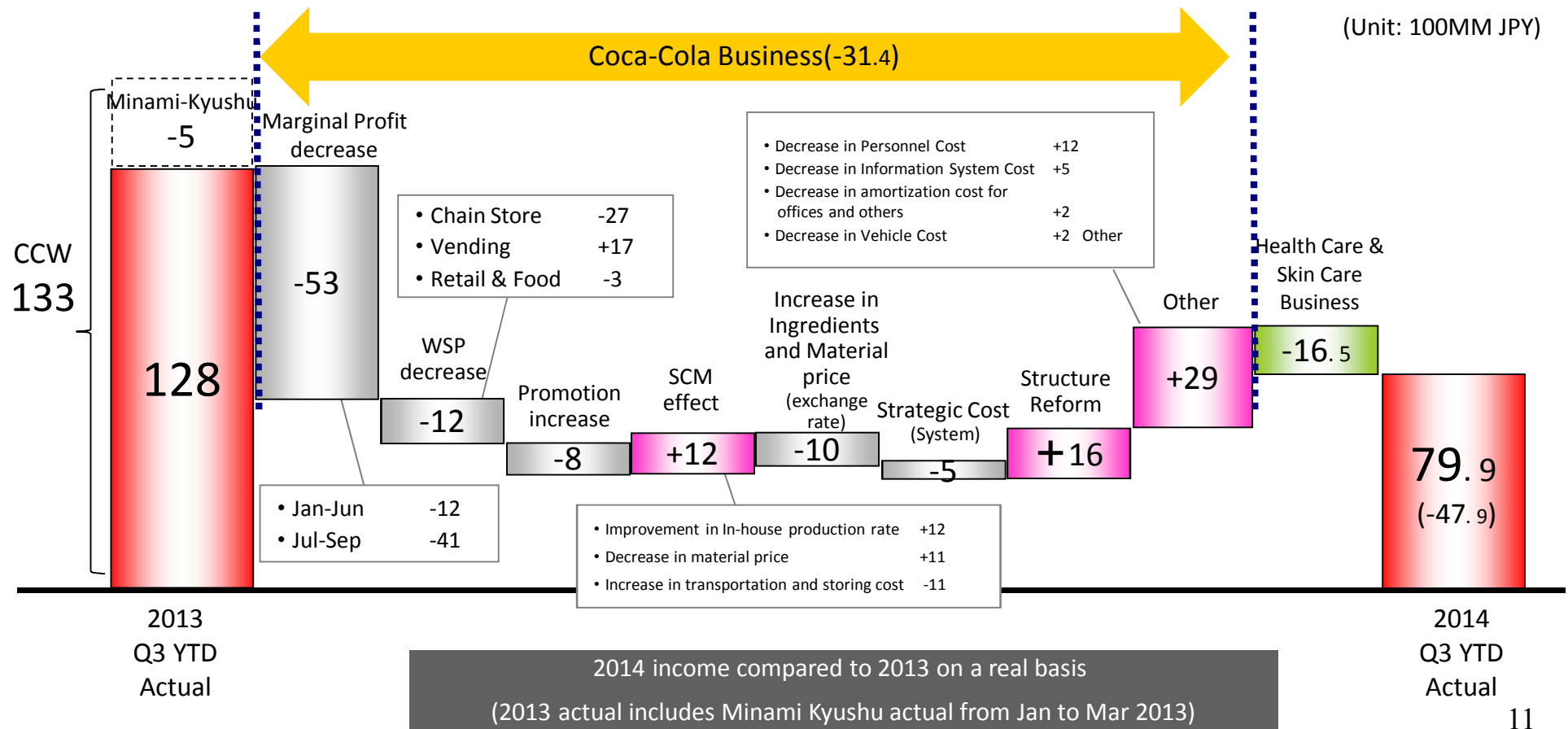
	PY	2014 Jan-Sep actual	Diff
Revenue	3,272	3,238	-34
Vending	1,634	1,620	-14
Operating Income	133	79	-53
Ordinary income	140	80	-60
Net income	158	36	-121

Key Factors	Diff.
•Coca-Cola Business	-8.6
•Healthcare & Skincare Business	-25.3
•Coca-Cola Business	+5.5
•Healthcare & Skincare Business	-19.6
SG&A Expenses Increase / Decrease	
•Personnel Expenses (D)	+21.6
•Sales Promotion/Advertising Expenses (I)	-20.0
•Sales Commision (I)	-3.6
•Selling Equipment Expenses (D)	+8.7
•Outsourcing Expenses (I)	-22.8
•Logistic Expenses (I)	-27.8
•Healthcare & Skincare Business (D)	+3.1
•Non-operating Income (D) (Equity in net income of affiliates)	-6.4
•Extraordinary profits (D) (Gain on Negative Goodwill and others)	-141.7
•Extraordinary Loss (D) (Loss on Step Acquisition)	+46.6
•Corporation Tax (D)	+33.3

Account Settlement for Q3 Year to Date (Jan-Sep) - Factors of Operating Profit Decrease (v. PY)

Faced with unusually bad weather in Q3, Coca-Cola business marginal profit declined by 4.1 billion JPY. Despite structural reform benefit and company wide cost savings, Q3 YTD operating income fell by 3.1 billion from a year earlier.

Healthcare & Skincare business Q3 YTD operating income fell from last year by 1.6 billion JPY, resulting from slower sales of key products.



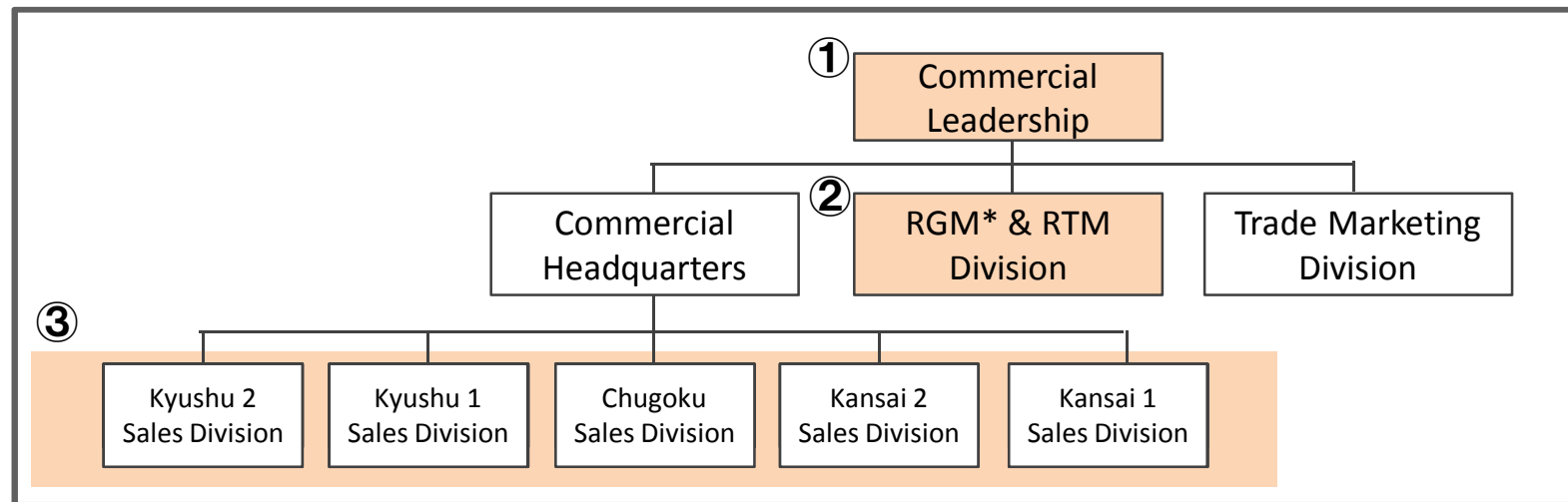
Structural reorganization (as of Sep 1) - for performance recovery in Q4 and beyond

- Organizational changes were made as of Sep 1 to reinforce “commercial strategic planning function” and “frontline execution function.”

Key points of commercial function realignment

- ① The head of the senior management (the president) directly leads the commercial function, accelerating decision-making in a rapidly changing market environment.
- ② “RGM* & RTM Division” is newly created to reinforce the strategic planning function to ensure revenue and operating income growth ahead of volume growth.
- ③ Three regional sales divisions are now broken into five for improved precision of regional marketing strategy execution.

[Commercial structure (effective as of Sep 1)]



※ RGM (Revenue Growth Management): Ensure revenue growth ahead of volume growth for profit expansion

Summary

- As the market contracted in Q3 due to unusual weather and other factors, our sales volume fell short of the plan and last year. With increasingly fierce competition driving down our revenue per case especially in supermarket, our financial performance in the quarter came significantly below expectations.
- Given the Q3 underperformance, we have decided to revise down our full-year performance forecast.
- As of September 1, we carried out organizational changes to reinforce the commercial structure. In addition to creating a dedicated function to RGM initiatives, regional sales divisions were further broken down to a more granular level. Under the renewed structure, we will reinforce and fully execute our commercial strategy in Q4 and beyond for revenue and profit expansion with an aim to deliver a turnaround in 2015.

II . Plan for 4Q and Full Year

Full Year (Jan-Dec) - Performance Plan

- Full-year performance plan has been revised in view of Q3 YTD performance.

Consolidated

(Unit: MM JPY, %)

	2014 FY Plan	Vs. PY	
		Diff	%
Revenue	425,700	-6,011	-1.4
Operating income	10,700	-5,227	-32.8
Ordinary income	10,600	-6,006	-36.2
Net income	5,000	-8,625	-63.3

[Ref.] v. plan announced on Apr 30

Vs. plan (of Apr. 30)	
Diff	%
-28,600	-6.3
-6,000	-35.9
-4,700	-30.7
-2,600	-34.2

Full Year (Jan-Dec) - Performance Plan (By Business)

KO Business

[Ref.] v. plan announced on Apr30

(Unit: MM JPY, %)	2014 FY Plan	Vs. PY	
		Diff	%
Revenue	392,000	-2,731	-0.7
Operating income	8,000	-2,383	-23.0

Vs. plan (of Apr. 30)	
Diff	%
-24,100	-5.8
-4,000	-33.3

Health Care and Skin Care Business

[Ref.] v. plan announced on Apr30

(Unit: MM JPY, %)	2014 FY Plan	Vs. PY	
		Diff	%
Revenue	33,700	-3,279	-8.9
Operating income	2,700	-2,844	-51.3

Vs. plan (of Apr. 30)	
Diff	%
-4,500	-11.8
-2,000	-42.6

Q4 (Oct-Dec) Sales Volume Plan

■ Sales Volume Plan assumes +1.9% up from PY. (No change from Aug 4 announcement)

Sales Plan by Channel

(Unit : K cases, %)		Q4 target	vs. PY	
			Diff	%
Supermarket ※1		15,370	+1,451	+10.4
Convenience store		6,486	+443	+7.3
Chain store total		21,856	+1,894	+9.5
Vending		14,790	-200	-1.3
Retail		2,965	-872	-22.7
Food Service		6,298	+751	+13.5
Other		7,828	-549	-6.5
Total		53,737	+1,024	+1.9

※1 Supermarket includes Drug Store, Discount, Home Center.

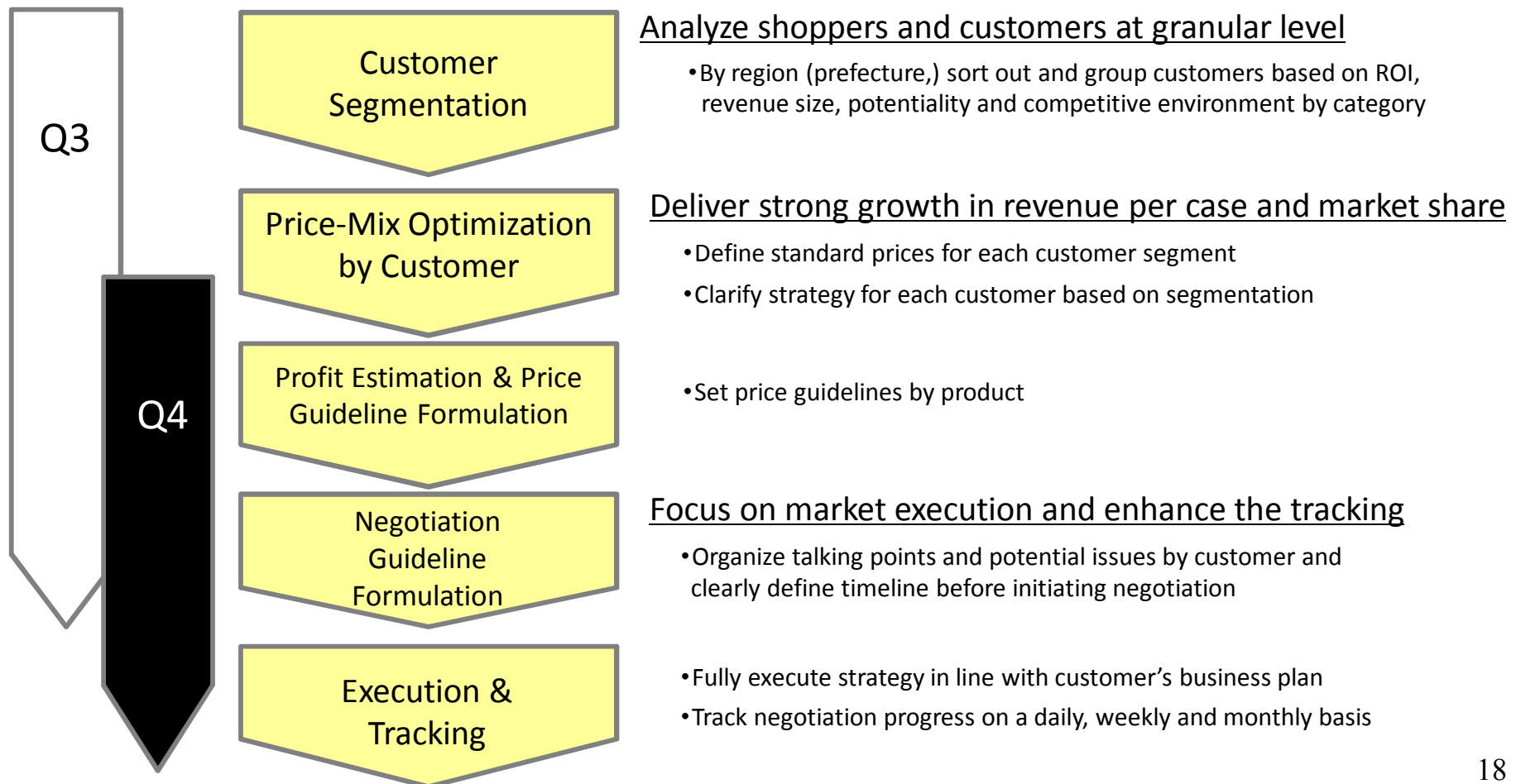
Sales Plan by Brand

(Unit : K cases, %)		Q4 target	vs. PY	
			Diff	%
Core 8	Coca-Cola	3,712	+171	+4.8
	Coca-Cola Zero	1,763	+157	+9.8
	Fanta	2,218	+38	+1.7
	Georgia	12,831	+64	+0.5
	Sokenbicha	2,715	+37	+1.4
	Aquarius	3,205	+95	+3.0
	Ayataka	3,981	+328	+9.0
	I-Lohas	2,648	+649	+32.5
	Subtotal	33,073	+1,540	+4.9
	Other	9,671	-724	-7.0
RTD ※2 total	42,744	+816	+1.9	
Syrup/Powder	10,993	+208	+1.9	
Total	53,737	+1,024	+1.9	

※2 Package products.

Q4 Commercial strategy – Improve profitability and market share in supermarket

- In Q3, we drew up product-specific strategy by customer after deep-dive shopper and customer analyses and kicked off negotiation with selected customers.
- For Q4, we will negotiate with more customers while focusing strongly on executing the strategy in outlets to drive our market share and profitability in supermarket.



Q4 Commercial strategy – Improve profitability and market share in supermarket

■ We plan to launch value-added products and activate points of connection to grow market share and profitability in supermarket

▶ Launch a new multi-serve package “Pekoraku-Bottle”(Crushable) communicating value-add (in Kyushu)

- Meet customer needs and creating new demand.



▶ Leverage campaigns to activate PoCs.

- Winter campaign X Coca-Cola Orange
- Autumn NST campaign X AYTK Maroyaka



KO TM
Winter campaign



Autumn
NST campaign







▶ Reinforce Karada Sukoyakacha-W sales

- Launch hot PET
- Stronger activation in deli section
- Roll out multi-pack (5 + 1 bottles)



Q4 commercial strategy – Grow revenue in vending

- Drive incremental machines while improving VPM to achieve a strong growth in sales volume and revenue in Q4 and beyond

Incremental machines	<ul style="list-style-type: none"> ▶ Mobilize entire group for prospecting ▶ Take over locations run by third party operators ▶ Strengthen retention <ul style="list-style-type: none"> • Renew and refurbish old VMs (2,000 VMs) 		Q4 increment VMs +500 units
VPM* growth	<ul style="list-style-type: none"> ▶ Reinforce Georgia <ul style="list-style-type: none"> • Optimized category to location type ▶ Expand hot portfolios ▶ VM exclusive promotions <ul style="list-style-type: none"> • Georgia value promotion (Indoor & outdoor/ side-by-side 60,000 VMs) • Georgia National campaign (Indoor & Outdoor 48,000 VMs) • Mileage promotion (Indoor 2,000 VMs) 	<div style="display: flex; justify-content: space-around; margin-bottom: 10px;"> <div style="border: 1px solid black; padding: 2px 5px;">Standard X NPD</div> <div style="border: 1px solid black; padding: 2px 5px;">Bito X NPD</div> <div style="border: 1px solid black; padding: 2px 5px;">Black X Bottle-CAN</div> </div> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;">  <p>Gohobi Lounge 185gCAN</p> </div> <div style="text-align: center;">  <p>EM Blend Shifukuno Bito 185gCAN</p> </div> <div style="text-align: center;">  <p>European Kaoru Black 400ml Bottle-CAN</p> </div> </div> <div style="display: flex; justify-content: center; margin-top: 10px;">  </div> <div style="text-align: right; margin-top: 20px;">  <p>Georgia National campaign</p> </div>	

※ VPM (Volume per machine) : Sales Volume per one vending machine

Q4 commercial strategy - Sales growth in CVS channel

- We will launch customer exclusive Georgia products along with expanded hot portfolio and stronger promotions to drive sales of key products and realize overall revenue growth.

Georgia exclusive for customers

Georgia
On-switch / Off-switch



Launched on
Oct 7

Launched on
Oct 28

Georgia
Craftsman Coffee series



Georgia
K's Break series



Reinforce key products

- ▶ Hot product portfolio expansion
 - Karada Sukoyakacha W, Georgia 400ml bottle CAN
- ▶ Customer specific promotional programs
 - Reward points, coupons, set-selling and others



Q4 commercial strategy - Revitalize brands

- We will galvanize our key brands and channels by running stronger promotions with Coca-Cola, whose demand increases in party occasions like Christmas and new year as well as with Georgia which will see the peak demand in winter.

Coca-Cola



Christmas campaign



Happy message
Bottle



Coca-Cola Orange

Georgia



Winter national
campaign

SM programs



Gift bag &
Fuwamoko socks



Christmas
ornament

VM programs



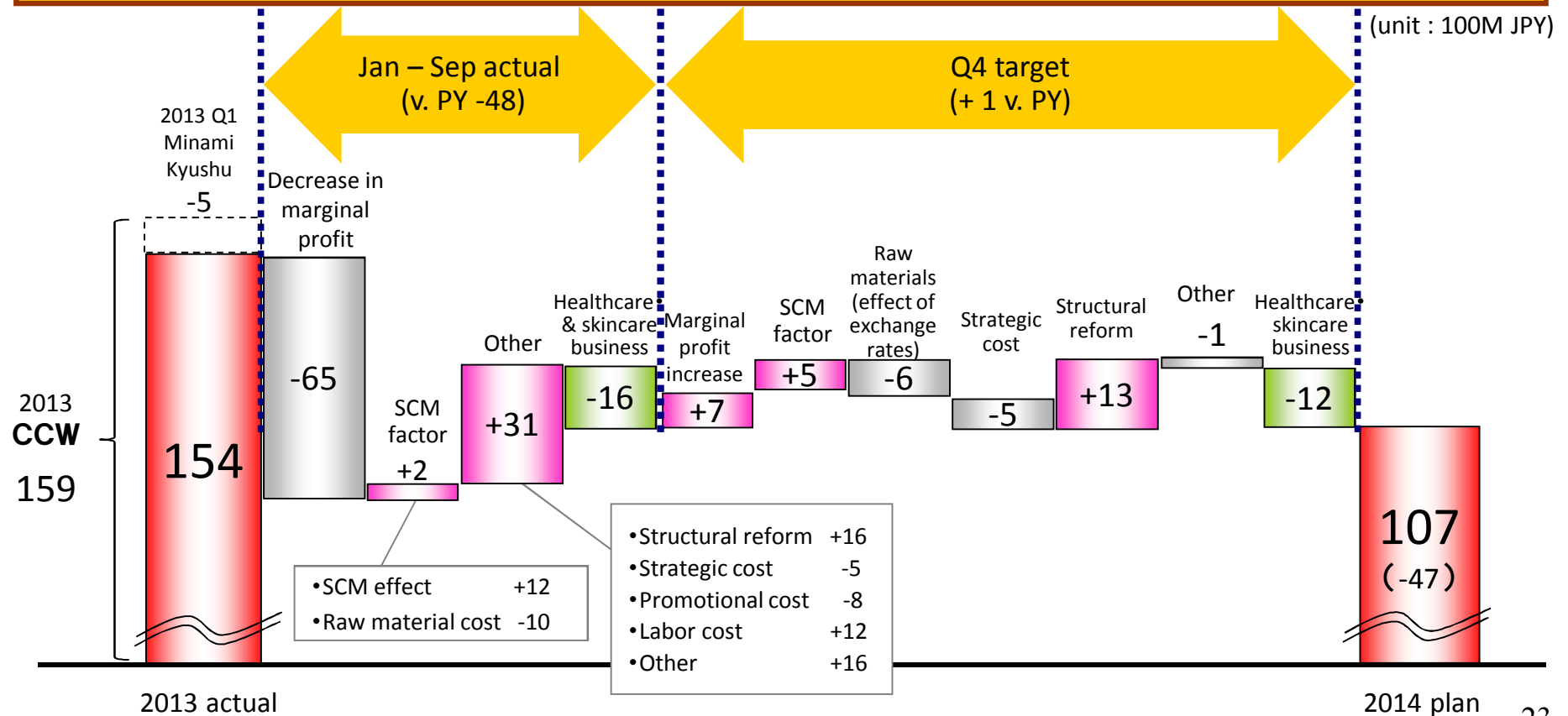
CAN shape speaker



Smartphone cleaner

Full year (Jan-Dec) - Scenario for operating income delivery (v. PY)

For Coca-Cola business, we shall deliver full-year operating income of 8 billion JPY, while beating 2013 Q4 actual by 1.3 billion JPY. We expect 2.9 billion JPY in annualized structural reform benefits and plan to spend 1 billion JPY for the full year to ensure future growth. On a consolidated basis, full-year operating income is expected to be 10.7 billion JPY, down 4.7 billion JPY from a year ago, due to Q3 YTD profit shortfall of 4.8 billion JPY.



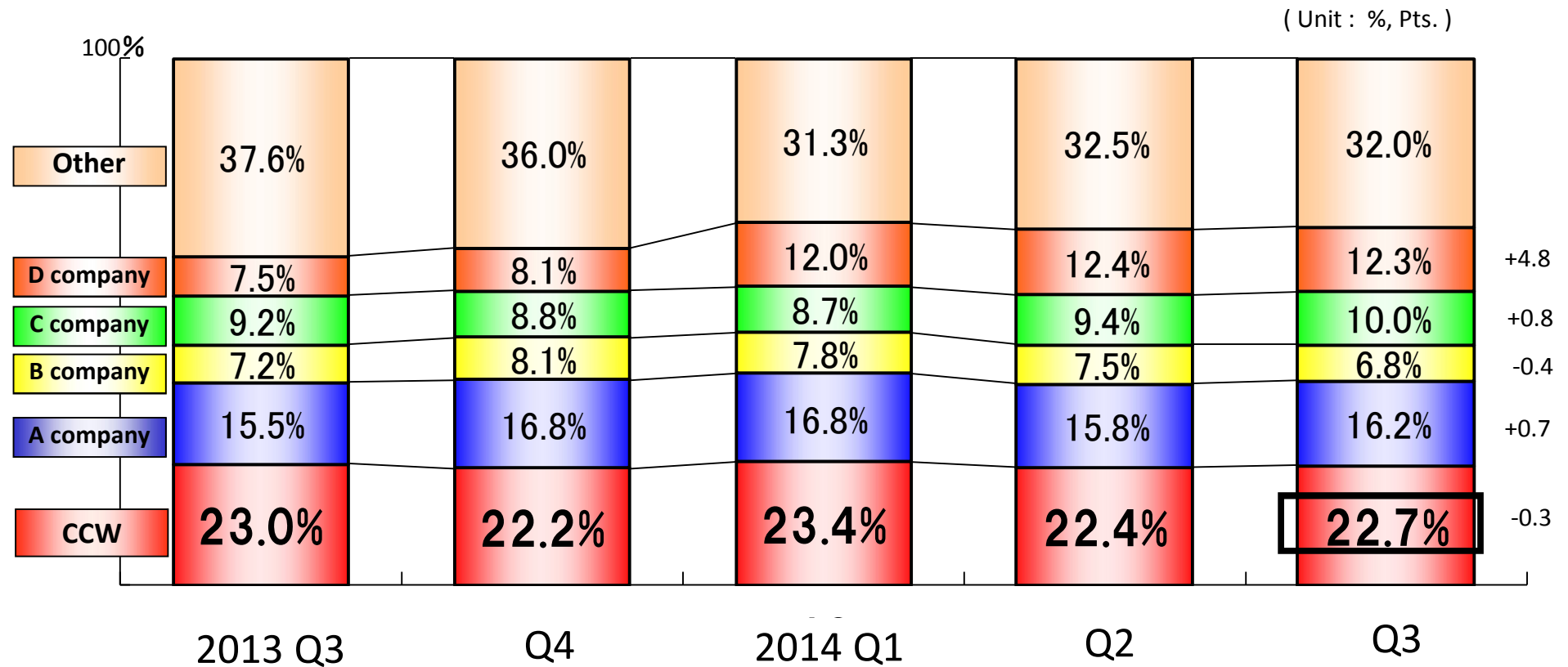
[Reference]

Q3 (Jul-Sep)-- Performance overview

(Unit: MM JPY, %)

	2014 Q3 actual	Target	Vs. plan		2013 Q3 actual	Vs. PY	
			Diff	%		Diff	%
Revenue	120,670	136,500	-15,829	-11.6	130,993	-10,323	-7.9
Gross profit	59,784	69,500	-9,715	-14.0	65,227	-5,443	-8.3
Operating income	5,140	9,900	-4,759	-48.1	8,519	-3,379	-39.7
Ordinary income	5,136	9,700	-4,563	-47.0	8,344	-3,208	-38.4
Net income	2,803	5,300	-2,496	-47.1	4,775	-1,972	-41.3

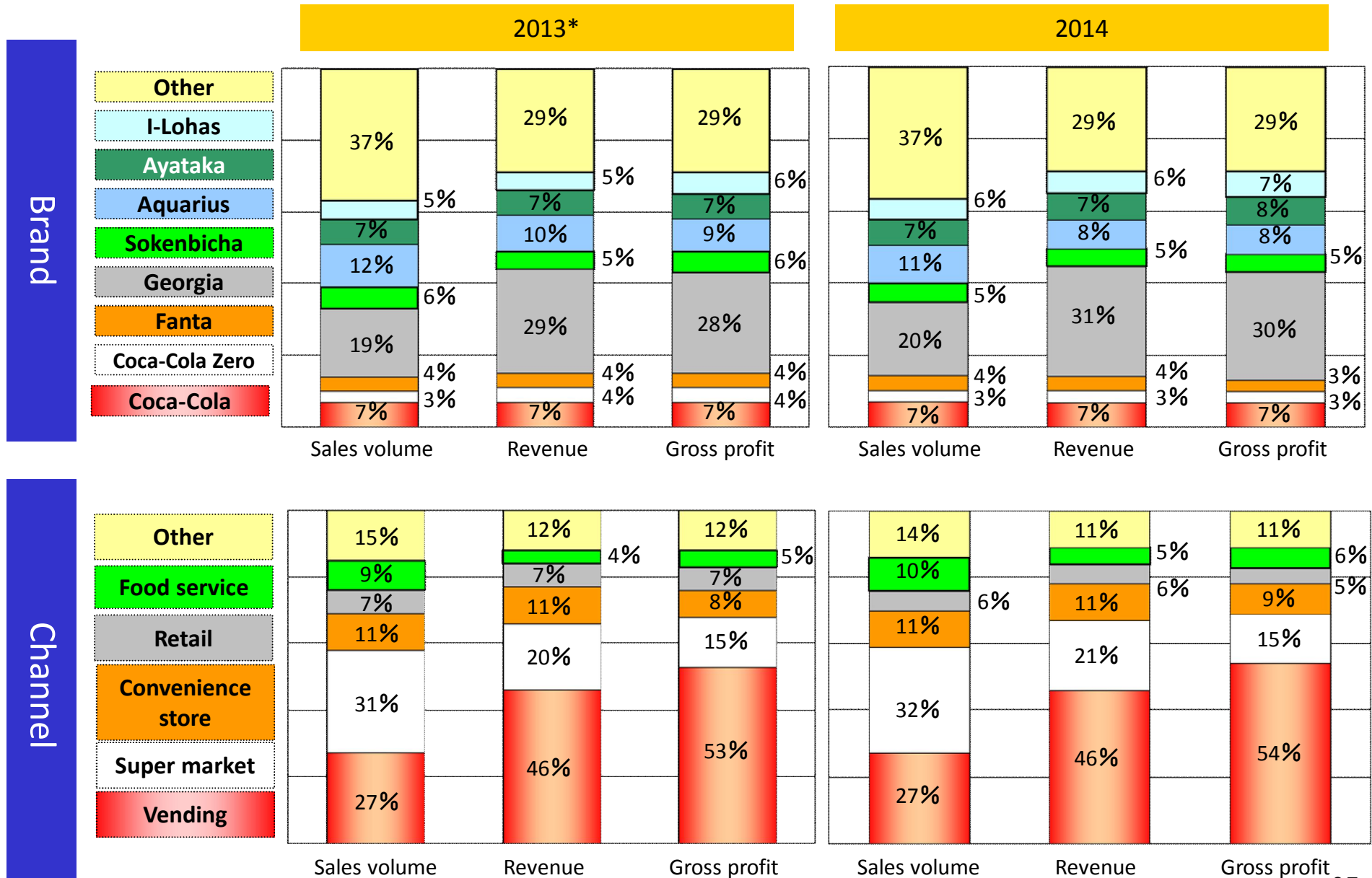
OTC Market share trend (except vending machines)



• Values on the right side of the bar shows diff. v. PY

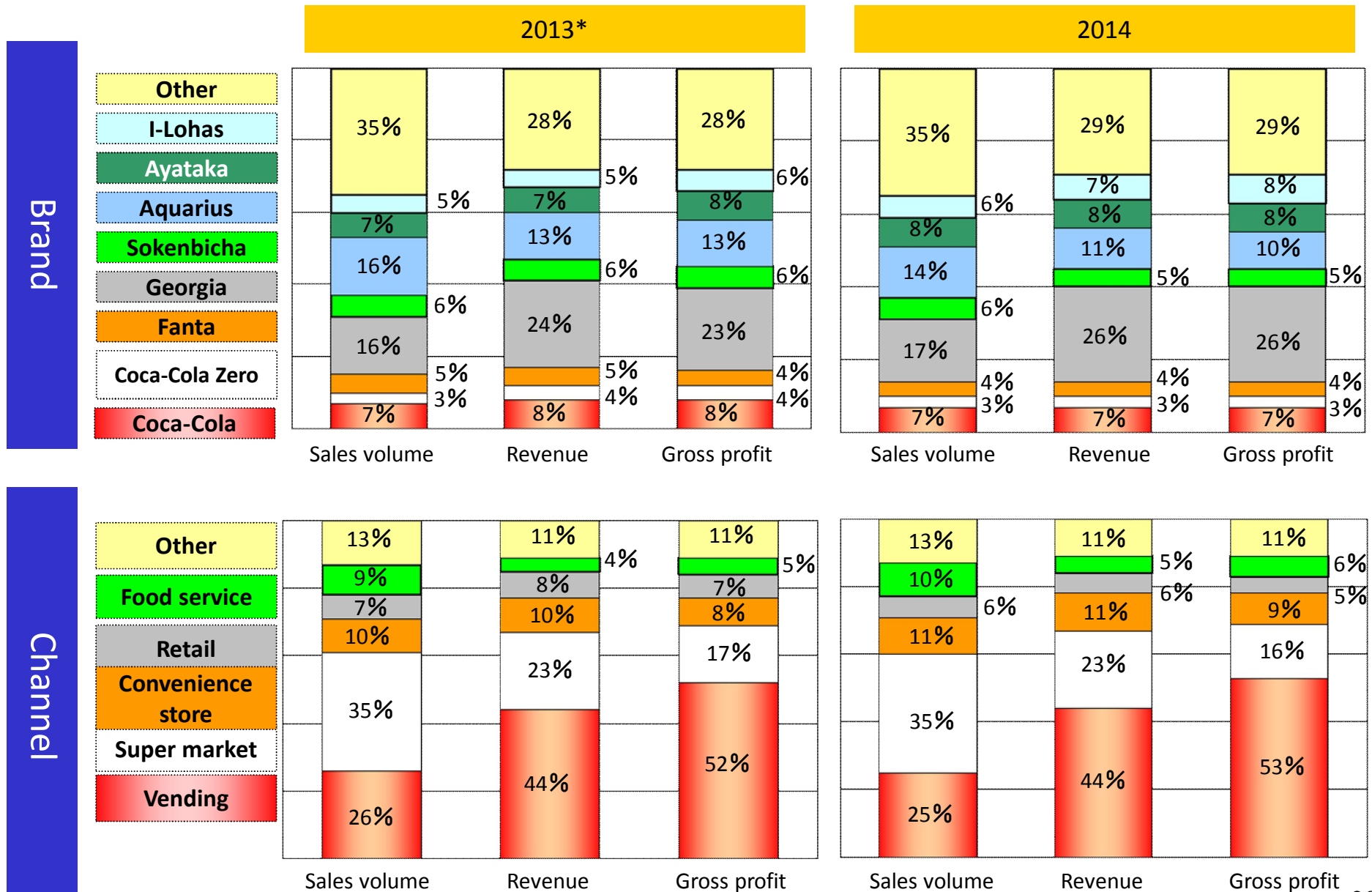
Source: intage

YTD (Jan-Sep) brand / channel component ratio



*Sales volume in 2013 is revised retroactively due to standardization of counting method in the affiliated company.

Q3 (Jul-Sep) brand / channel component ratio



*Sales volume in 2013 is revised retroactively due to standardization of counting method in the affiliated company.

Vending machine sales performance by sub channel

VM full-service CAN VPM* v. PY

	vs. PY (%)									
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Jan-Sep total
At-work White	-2.6	-1.6	-2.9	-2.5	-7.7	-4.5	-8.4	-15.3	-3.9	-5.7
At-work Blue	+0.8	+0.7	-0.9	+0.9	-5.9	-3.2	-5.4	-15.2	-2.3	-3.8
Mass retailer	-5.1	-3.3	-2.9	-6.9	-10.0	-8.0	-16.0	-23.0	-8.7	-10.0
Transportation	+0.1	+0.7	+0.4	-4.9	-7.9	-6.4	-11.5	-19.7	-6.5	-7.2
School	+2.5	+1.1	-2.7	+1.0	-8.8	-4.7	-12.5	-22.9	-5.9	-6.9
Leisure	-1.7	-3.9	-1.8	-10.1	-7.2	-3.9	-14.3	-19.9	-6.2	-8.3
Pachinko	-4.4	-4.7	-4.6	-6.6	-6.4	-8.1	-9.9	-11.8	-7.4	-7.2
Sports	-0.4	-2.8	-4.9	-5.6	-7.3	-6.3	-15.8	-23.2	-5.1	-9.2
Hospital/Welfare	-2.7	-1.1	-3.0	-4.1	-9.5	-7.7	-11.1	-17.5	-6.3	-7.4
Accommodation	-1.0	-1.3	+1.6	-2.9	-8.0	-6.0	-12.7	-20.7	-6.1	-7.5
Other (Indoor)	-3.2	-1.5	-2.9	-3.6	-9.4	-6.4	-9.8	-20.7	-3.4	-7.5
Outdoor	-1.6	+0.6	-4.3	-4.3	-13.2	-10.6	-16.9	-27.1	-8.3	-10.7
Total	-1.8	-1.0	-2.9	-3.6	-9.0	-6.8	-11.9	-20.2	-5.9	-7.6

* VPM : Volume per machine

YTD (Jan-Sep) – sales volume by channel / by package

Chain Store (Unit : K cases, %)	2014 Jan-Sep actual	Vs. plan		vs. PY	
		Diff	%	Diff	%
SS PET (smaller than 1,000ml)	24,190	-1,982	-7.6	+1,638	+7.3
MS PET (smaller than 1,500ml)	1,251	+15	+1.2	-91	-6.8
LS PET (1,500ml or larger)	33,457	-1,835	-5.2	-44	-0.1
CAN	10,183	-621	-5.8	-1,159	-10.2
Other	2,473	-216	-8.0	-39	-1.6
Total	71,553	-4,639	-6.1	+305	+0.4

Vending (Unit : K cases, %)	2014 Jan-Sep actual	Vs. plan		vs. PY	
		Diff	%	Diff	%
SS PET (smaller than 1,000ml)	16,587	-1,513	-8.4	-1,803	-9.8
LS PET (1,500ml or larger)	170	+15	+9.9	-59	-25.6
CAN	23,705	-620	-2.5	-848	-3.5
Other (Bottle CAN)	3,493	+141	+4.2	+518	+17.4
Syrup/Powder	814	-102	-11.1	-238	-22.6
Total	44,770	-2,079	-4.4	-2,430	-5.1

Retail & Food service (Unit : K cases, %)	2014 Jan-Sep actual	Vs. plan		vs. PY	
		Diff	%	Diff	%
SS PET (smaller than 1,000ml)	4,786	-349	-6.8	-448	-8.6
MS PET (smaller than 1,500ml)	98	-8	-7.9	-19	-16.2
LS PET (1,500ml or larger)	2,129	+187	+9.6	+151	+7.6
CAN	2,476	+16	+0.7	-662	-21.1
Other	1,751	-8	-0.5	-34	-1.9
Syrup/Powder	15,484	-348	-2.2	-652	-4.0
Total	26,724	-511	-1.9	-1,664	-5.9

※ Actual volume of PY include Jan-Mar Minami-Kyushu sales volume

Q3 (Jul-Sep) - Volume by channel

(Unit : K cases, %)		Q3 actual	Vs. plan		Vs. PY	
			Diff	%	Diff	%
	Supermarket ※	22,601	-4,286	-15.9	-1,686	-6.9
	Convenience store	7,152	-353	-4.7	+278	+4.0
	Chain Store total	29,753	-4,639	-13.5	-1,408	-4.5
	Vending	15,965	-2,079	-11.5	-1,954	-10.9
	Retail	3,748	-146	-3.8	-1,099	-22.7
	Food Service	6,574	-364	-5.2	+427	+7.0
	Other	8,086	-1,290	-13.8	-1,088	-11.9
	Total	64,126	-8,519	-11.7	-5,121	-7.4

※ Super market include drug store/discount store/home center

Q3 (Jul-Sep) - Volume by brand

(Unit : K cases, %)		Q3 actual	Vs. plan		vs. plan	
			Diff	%	Diff	%
Core 8	Coca-Cola	4,583	-684	-13.0	-518	-10.1
	Coca-Cola Zero	2,053	-379	-15.6	-269	-11.6
	Fanta	2,651	-564	-17.5	-466	-15.0
	Georgia	10,880	-235	-2.1	-242	-2.2
	Sokenbicha	3,456	-552	-13.8	-656	-16.0
	Aquarius	8,614	-2,685	-23.8	-2,398	-21.8
	Ayataka	5,193	-820	-13.6	+212	+4.2
	I-Lohas	4,062	-168	-4.0	+767	+23.3
	Subtotal	41,491	-6,086	-12.8	-3,571	-7.9
Other	11,730	-881	-7.0	-985	-7.7	
RTD※ total		53,221	-6,967	-11.6	-4,555	-7.9
Syrup/Powder		10,905	-1,552	-12.5	-565	-4.9
Total		64,126	-8,519	-11.7	-5,121	-7.4

※ Package products

Q3 (Jul-Sep) - Volume by package

		Q3 actual	Vs. plan		Vs. PY	
			Diff	%	Diff	%
(Unit : K cases, %)						
PET	SS (smaller than 1,000ml)	18,390	-3,626	-16.5	-1,755	-8.7
	MS (smaller than 1,500ml)	605	+9	+1.5	-106	-14.9
	LS (1,500ml or larger)	16,007	-1,899	-10.6	-883	-5.2
Total		35,002	-5,516	-13.6	-2,743	-7.3
CAN (incl. bottle CAN)		12,566	-1,235	-8.9	-1,306	-9.4
Other		5,654	-216	-3.7	-506	-8.2
Syrup/Powder		10,905	-1,552	-12.5	-565	-4.9
Total		64,126	-8,519	-11.7	-5,121	-7.4

Q3 (Jul-Sep) - Volume by channel / by package

Chain Store (Unit : K cases, %)	Q3 actual	Vs. plan		Vs. PY	
		Diff	%	Diff	%
SS PET (smaller than 1,000ml)	9,652	-1,982	-17.0	+189	+2.0
MS PET (smaller than 1,500ml)	561	+15	+2.8	-90	-13.8
LS PET (1,500ml or larger)	14,998	-1,835	-10.9	-926	-5.8
CAN	3,504	-621	-15.1	-492	-12.3
Other	1,037	-216	-17.2	-90	-8.0
Total	29,753	-4,639	-13.5	-1,408	-4.5

Vending (Unit : K cases, %)	Q3 actual	Vs. plan		Vs. PY	
		Diff	%	Diff	%
SS PET (smaller than 1,000ml)	6,527	-1,513	-18.8	-1,545	-19.1
LS PET (1,500ml or larger)	68	+15	+29.4	-13	-16.2
CAN	7,795	-620	-7.4	-551	-6.6
Other (Bottle CAN)	1,306	+141	+12.1	+214	+19.6
Syrup/Powder	270	-102	-27.4	-58	-17.7
Total	15,965	-2,079	-11.5	-1,954	-10.9

Retail & Food service (Unit : K cases, %)	Q3 actual	Vs. plan		Vs. PY	
		Diff	%	Diff	%
SS PET (smaller than 1,000ml)	1,957	-349	-15.1	-316	-13.9
MS PET (smaller than 1,500ml)	41	-8	-17.2	-13	-24.4
LS PET (1,500ml or larger)	940	+187	+24.8	+56	+6.4
CAN	873	+16	+1.9	-216	-19.8
Other	657	-8	-1.2	-18	-2.7
Syrup/Powder	5,854	-348	-5.6	-165	-2.7
Total	10,321	-511	-4.7	-671	-6.1

Q4 (Oct-Dec) - Volume plan by package

		Q4 target	vs. PY	
			Diff	%
(Unit : K cases, %)				
PET	SS (smaller than 1,000ml)	14,785	+1,138	+8.3
	MS (smaller than 1,500ml)	336	-40	-10.5
	LS (1,500ml or larger)	9,804	+581	+6.3
total		24,925	+1,679	+7.2
CAN (include bottle CAN)		13,284	-408	-3.0
Other		4,534	-455	-9.1
Syrup/Powder		10,993	+208	+1.9
Total		53,737	+1,024	+1.9

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

Chain Store (Unit : K cases, %)	Q4 target	vs. PY	
		Diff	%
SS PET (smaller than 1,000ml)	7,803	+1,143	+17.2
MS PET (smaller than 1,500ml)	310	-32	-9.3
LS PET (1,500ml or larger)	9,113	+541	+6.3
CAN	4,032	+191	+5.0
Other	598	+51	+9.4
Total	21,856	+1,894	+9.5

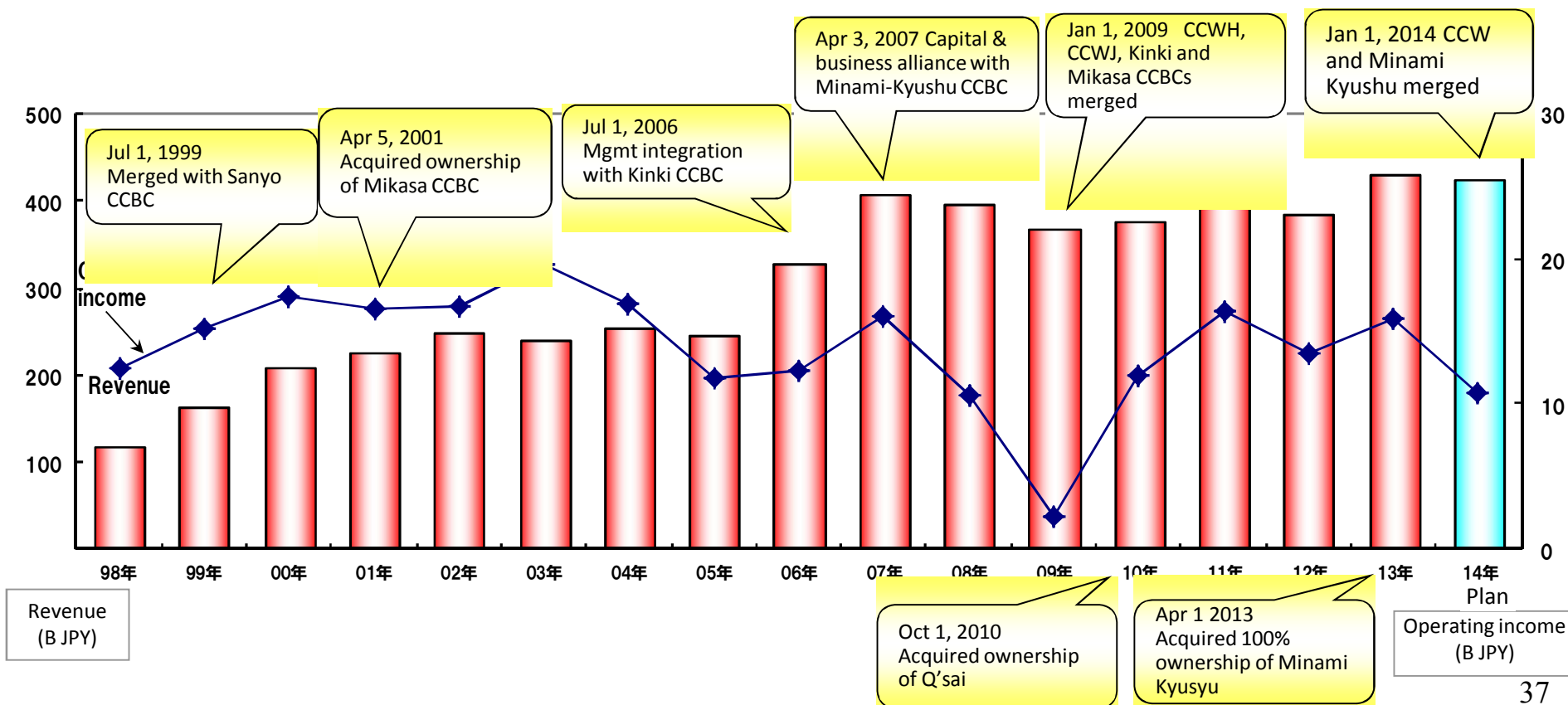
Vending (Unit : K cases, %)	Q4 target	vs. PY	
		Diff	%
SS PET (smaller than 1,000ml)	5,353	+146	+2.8
LS PET (1,500ml or larger)	48	-18	-27.2
CAN	7,997	-297	-3.6
Other (Bottle CAN)	1,031	-98	-8.7
Syrup/Powder	361	+67	+22.8
Total	14,790	-200	-1.3

Retail & Food service (Unit : K cases, %)	Q4 target	vs. PY	
		Diff	%
SS PET (smaller than 1,000ml)	1,591	+52	+3.4
MS PET (smaller than 1,500ml)	26	-5	-17.2
LS PET (1,500ml or larger)	467	-116	-19.9
CAN	901	-213	-19.1
Other	651	+13	+2.1
Syrup/Powder	5,627	+149	+2.7
Total	9,262	-121	-1.3

Performance trend

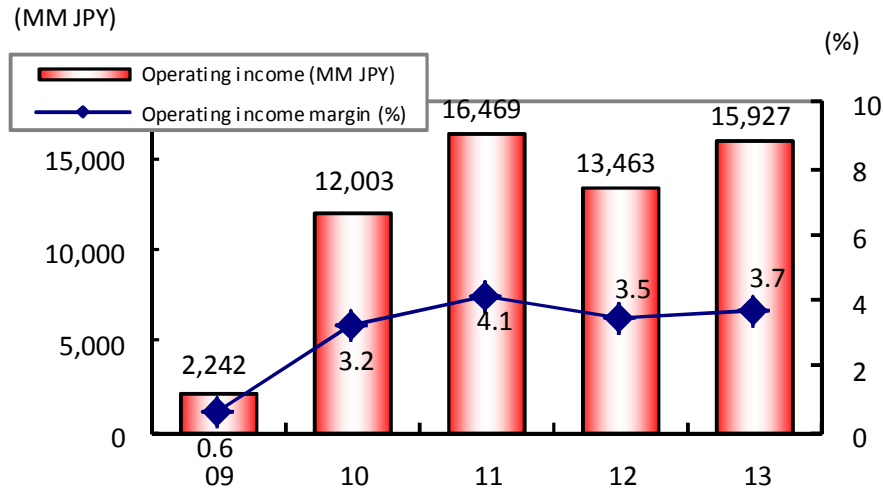
(Unit: MM JPY)

	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	425,700
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	10,700
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	10,600
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	Δ7,594	7,582	6,997	6,031	13,625	5,000

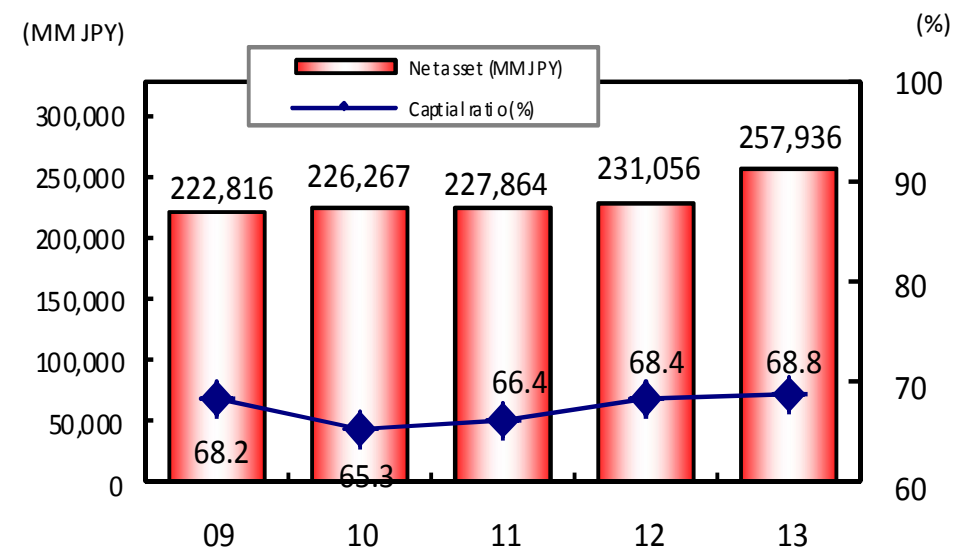


KBI trend

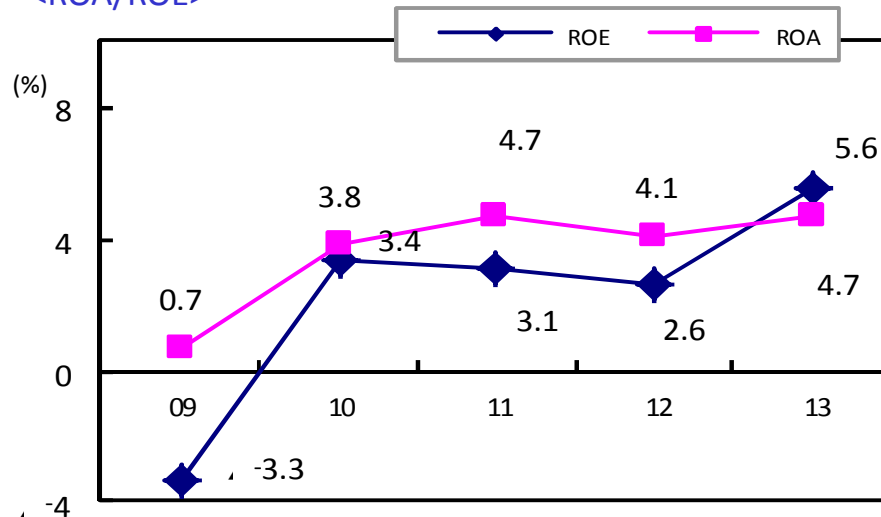
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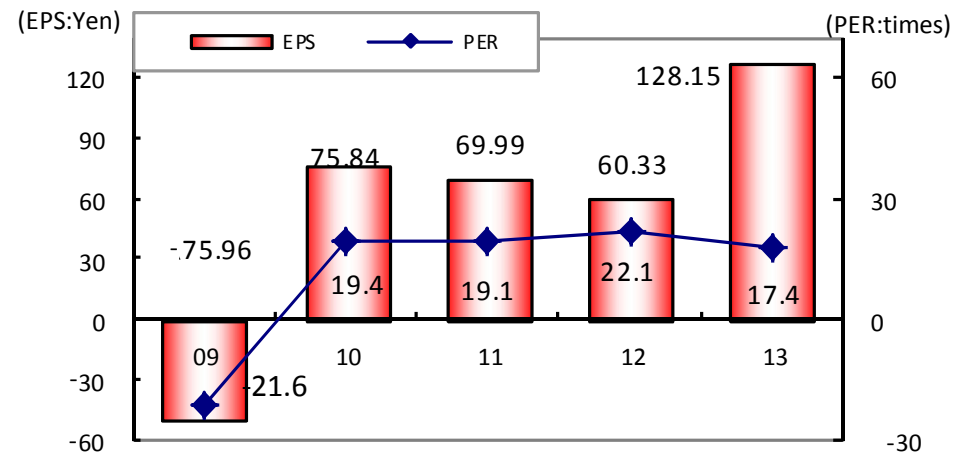
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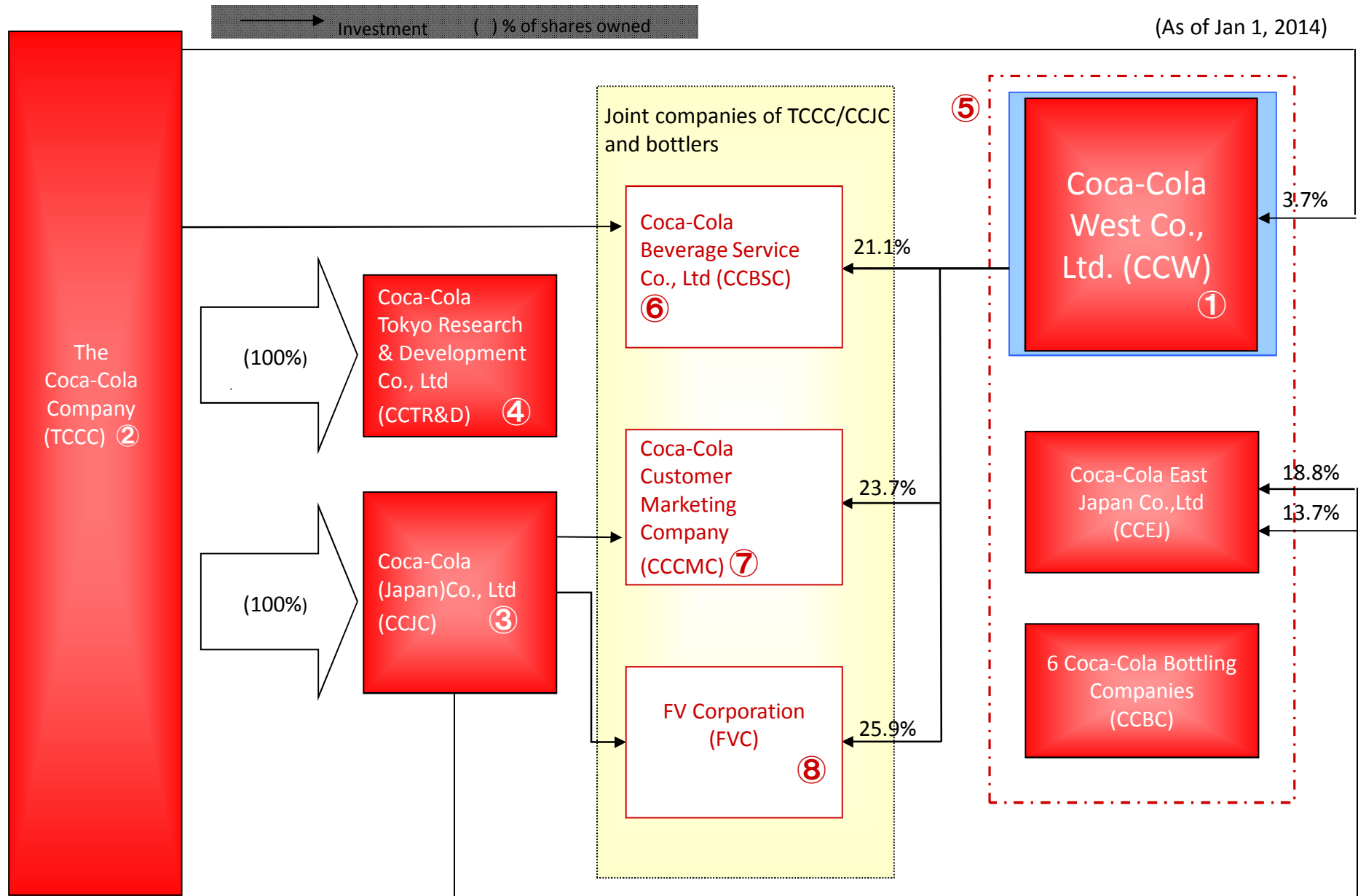
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EPS= net profit for the year/average # of shares in the term
 PER = term-end stock price/EPS

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