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Coca-Cola **West**

Results briefing for the Fiscal Year ended December 2014

February 5, 2015

Coca-Cola West Company, Limited (2579)

[Contact] Planning Department (IR team)

TEL 092-641-8774

FAX 092-641-9128

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

I . 2014 Review and summary of account settlement

II . 2015 Plan

[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 . 2014 Review and summary of account settlement

2014 management policy

- Our market share expanded from last year in terms of both volume and revenue.

By executing right segmentation strategy against the target competitor, we will grow to gain “stable No.1 market share in the industry.”

2014 share (OTC)

Missed the initial plan but outperformed last year

- Coca-Cola business operating income fell short of the initial plan and underperformed last year.

With realigned group operating structure, business model transformation project completion, we will take steps forward to becoming a highly profitable company (excellent company.)

2014 operating income

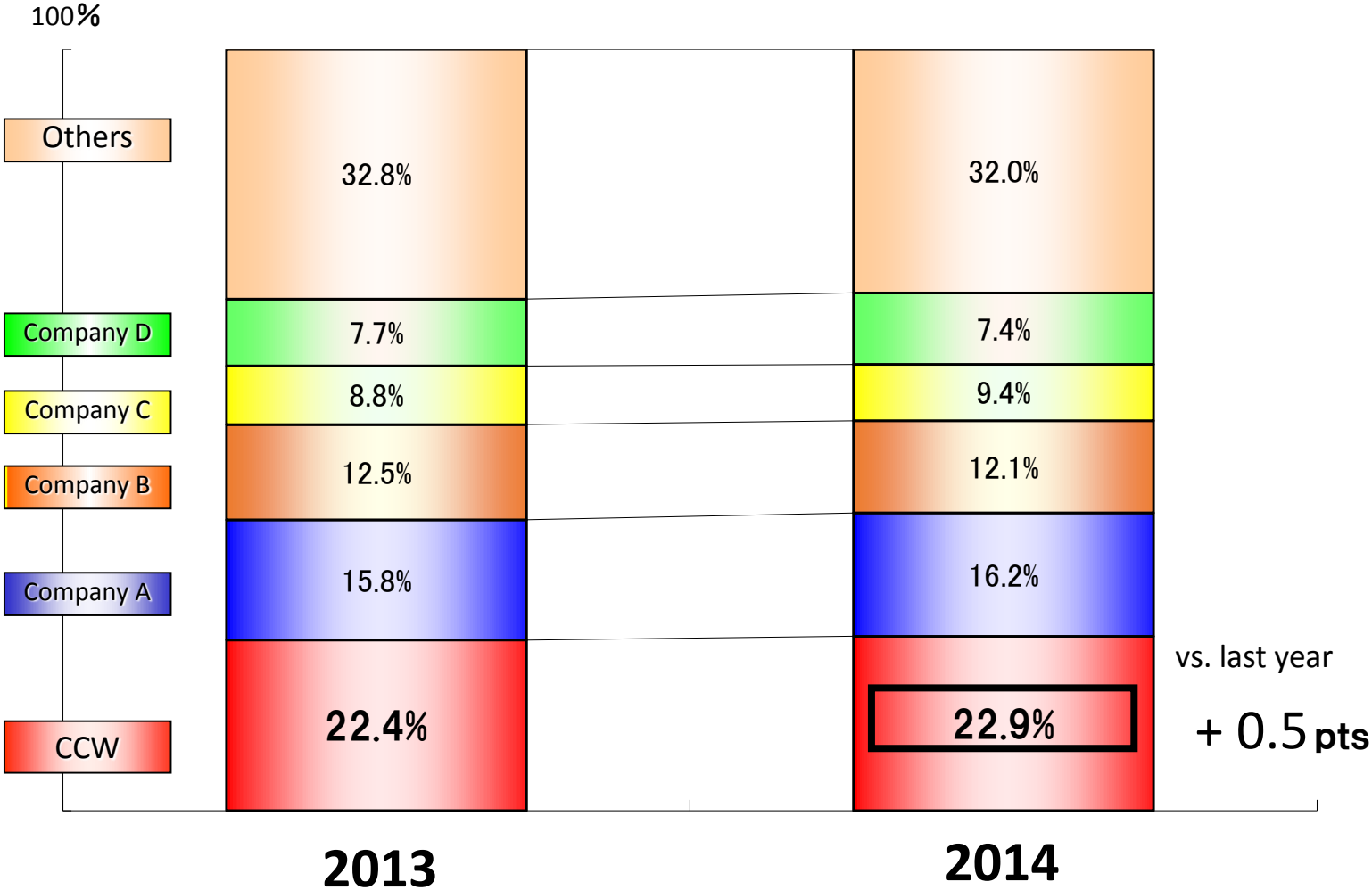
Missed the initial plan but underperformed last year

Review of 2014 key challenges

		2014 actual	
Market share (OTC channel)	<p><u>Missed the initial plan but outperformed last year</u></p>	<p><u>Chain store sales volume</u></p> <ul style="list-style-type: none"> •Vs. Initial Plan : Underperformed • Vs. 2013 : Slightly outperformed <p><u>Vending sales volume</u></p> <ul style="list-style-type: none"> •Vs. Initial Plan : Underperformed •Vs. 2013 : Underperformed <p><u>Retail sales volume</u></p> <ul style="list-style-type: none"> •Vs. Initial Plan : Underperformed •Vs. 2013 : Underperformed <p><u>Food service sales volume</u></p> <ul style="list-style-type: none"> •Vs. Initial Plan : Underperformed •Vs. 2013 : Outperformed 	<p>[Causes]</p> <ol style="list-style-type: none"> ① Market contraction (driven by consumption tax hike, unseasonable weather etc) ② Channel shift due to budget conscious consumer behaviors (Vending sales declined while chain store sales grew.) ③ Delayed vending placement and declined VPM of newly placed machines (Vending sales decline)
Operating income	<p><u>Fell short of the initial plan and underperformed last year</u></p>	<ol style="list-style-type: none"> ① Reduced labor and other cost resulting from structural reform ② Volume decline in profitable vending channel ③ Revenue per case erosion in supermarket channel <ul style="list-style-type: none"> •Vs. Initial Plan : Underperformed •Vs. 2013 : Underperformed 	

OTC market share for the year ended Dec 2014 (Jan to Dec)

■ Our market share grew vs. last year but underperformed the plan.



(Source: Intage)

Sales volume for the year ended Dec 2014 (Jan to Dec)

■ With significant sales volume decline in July and August driven by consumption tax hike and unusual summer weather, full year sales volume underperformed the plan and last year.

[Sales volume]

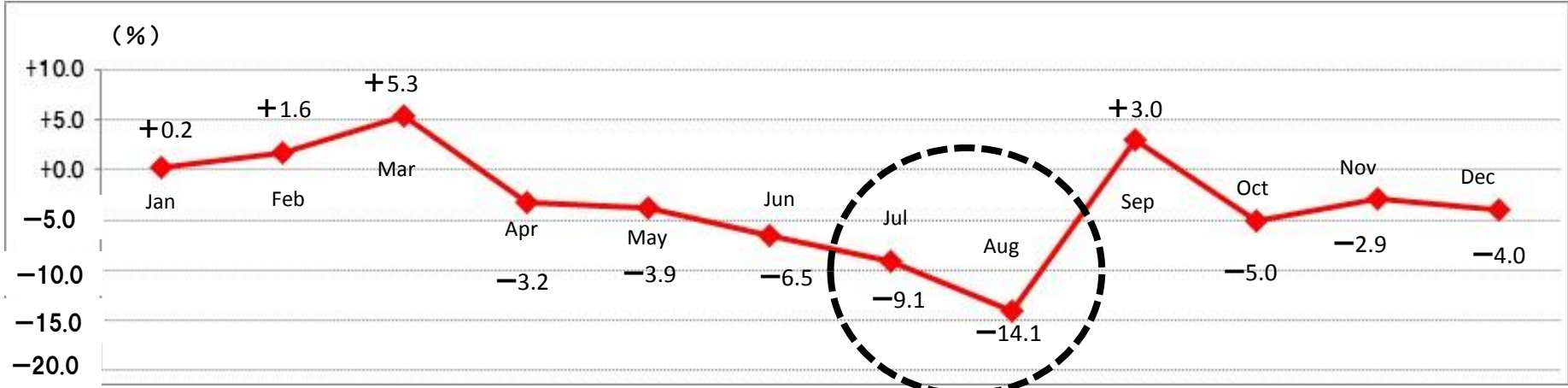
[Reference] Apple to apple comparison

(Unit: K c/s, %)	Sales volume	Vs. Plan ※1		Vs. PY		Vs. PY ※2	
		Diff	Diff %	Diff	Diff %	Diff	Diff %
2014 actual	216,675	-11,649	-5.1	-684	-0.3	-8,677	-3.9

※1 Plan announced on Aug 4

※2 PY actual includes Minami Kyushu actuals from Jan to Mar.

Sales volume trend by month (vs. PY ※2)



Sales volume by channel

- Sales volume fell below the plan across all channels due to severe market environment.
- Channel mix deteriorated from last year as chain store volume grew vs. LY while vending fell short.
 - In vending channel, tax hike and unseasonable weather drove VPM ^{※1} down especially in outdoor locations.
 - With positive contributions from new products, convenience store sales volume grew year on year.

※1 VPM (Volume per machine) : sales volume per 1 vending machine

[Reference] Apple to apple comparison

(unit: K c/s, %)		2014 actual	Vs. Plan ^{※3}		Vs. PY		Vs. PY ^{※4}	
			Diff	Diff %	Diff	Diff %	Diff	Diff %
Super market ^{※2}		66,871	-5,560	-7.7	+2,287	+3.5	+259	+0.4
	Convenience store	25,176	-441	-1.7	+1,515	+6.4	+578	+2.3
Chain store total		92,047	-6,001	-6.1	+3,803	+4.3	+836	+0.9
Vending		58,585	-3,054	-5.0	-1,048	-1.8	-3,605	-5.8
Retail		12,321	-284	-2.3	-2,691	-17.9	-3,482	-22.0
Food Service		23,377	-516	-2.2	+2,003	+9.4	+1,408	+6.4
Others		30,346	-1,794	-5.6	-2,751	-8.3	-3,835	-11.2
Total		216,675	-11,649	-5.1	-684	-0.3	-8,677	-3.9

※2 Supermarket includes drug store, discounter and home center.

※3 Plan announced on Aug 4

※4 PY actual includes Minami Kyushu actuals from Jan to Mar.

Sales volume by package

■ As single serve PET and can volume fell behind the plan and last year, package mix worsened vs. the plan and last year, adversely affecting the profitability.

→ Negatively impacted by volume decline in single serve PET and can sales volume in vending channel

■ On the other hand, in supermarket channel, single serve PET sales volume grew ahead of multi serve PET growth, improving the package mix from last year.

→ Driven by launch of Karada Sukoyakacha W and promotional activities centering on single serve PET

[Reference] Apple to apple comparison

(unit: K c/s, %)		2014 actual	Vs. Plan※1		Vs. PY		Vs. PY※2	
			Diff	Diff %	Diff	Diff %	Diff	Diff %
PET	Small (less than 1,000ml)	60,030	-4,497	-7.0	+1,531	+2.6	-553	-0.9
	Medium (less than 1,500ml)	1,697	+13	+0.8	-104	-5.8	-149	-8.1
	Large (less than 1,500ml)	45,262	-2,310	-4.9	+1,603	+3.7	+329	+0.7
	Total	106,989	-6,794	-6.0	+3,030	+2.9	-373	-0.3
Can (incl. bottle can)		55,380	-2,064	-3.6	-817	-1.5	-3,560	-6.0
Otherse		13,900	-424	-3.0	-1,634	-10.5	-2,039	-12.8
Syrup & powder		40,406	-2,367	-5.5	-1,263	-3.0	-2,706	-6.3
Total		216,675	-11,649	-5.1	-684	-0.3	-8,677	-3.9

※1 Plan announced on Aug 4

※2 PY actual includes Minami Kyushu actuals from Jan to Mar.

Sales volume by brand

■ The core 8 brands underperformed vs. Plan.

→ Within the core 8, Sales Volume of “Ayataka” and “I LOHAS” NPD launch contributed and outperformed vs. PY.

■ Furthermore, by reinforcing sales of NPD “Karada Sukoyakacha W” by launching warm products in Q4, sales increased well.

→ Since launch in April last year, sales volume has become 1350 K c/s.

[Reference] Apple to apple comparison

(unit: K c/s, %)		2014 actual	Vs. Plan ^{※2}		Vs. PY		Vs. PY ^{※3}	
			Diff	Diff %	Diff	Diff %	Diff	Diff %
Core 8	Coca-Cola	15,313	-934	-5.8	+32	+0.2	-469	-3.0
	Coca-Cola Zero	6,928	-591	-7.9	-121	-1.7	-339	-4.7
	Fanta	8,761	-855	-8.9	-307	-3.4	-600	-6.4
	Georgia	45,351	-1,216	-2.6	+605	+1.4	-1,823	-3.9
	Sokenbicha	11,005	-886	-7.5	-830	-7.0	-1,078	-8.9
	Aquarius	20,321	-3,037	-13.0	-2,575	-11.2	-3,063	-13.1
	Ayataka	16,205	-870	-5.1	+1,772	+12.3	+1,016	+6.7
	I LOHAS	11,852	-148	-1.2	+2,309	+24.2	+2,045	+20.9
	Sub total	135,736	-8,538	-5.9	+885	+0.7	-4,311	-3.1
Others	40,533	-744	-1.8	-306	-0.7	-1,661	-3.9	
RTD ^{※1} Total		176,269	-9,282	-5.0	+579	+0.3	-5,972	-3.3
Syrup & powder		40,406	-2,367	-5.5	-1,263	-3.0	-2,706	-6.3
Total		216,675	-11,649	-5.1	-684	-0.3	-8,677	-3.9

※1 PKG products

※2 Plan announced on Aug 4

※3 PY actual includes Minami Kyushu actuals from Jan to Mar.

2014 account settlement (Jan – Dec)

■ Q4 operating profits outperformed vs. Plan landing at 0.3 BN JPY.

(unit: MM JPY, %)

	2014 actual	Plan*	Vs. Plan		2013 actual	Vs. PY	
			Diff	Diff %		Diff	Diff %
Revenue	424,406	425,700	-1,293	-0.3	431,711	-7,304	-1.7
Gross profit	212,881	213,800	-918	-0.4	215,287	-2,406	-1.1
Operating income	11,008	10,700	+308	+2.9	15,927	-4,919	-30.9
Ordinary profit	10,609	10,600	+9	+0.1	16,606	-5,997	-36.1
Net income	4,482	5,000	-517	-10.3	13,625	-9,142	-67.1

* Plan refers to the figures based on the performance forecast published on October 31, 2014

[Reference] Apple to apple comparison (PY Actual incl. Minami Kyushu PY Jan – Mar Actual)

(Unit: MM JPY, %)

	2014 actual	Vs. PY	
		Diff	Diff %
Revenue	424,406	-20,475	-4.6
Operating income	11,008	-4,410	-28.6

2014 account settlement (Jan – Dec) gap factors (vs. PY)

(Unit: 100MM JPY)

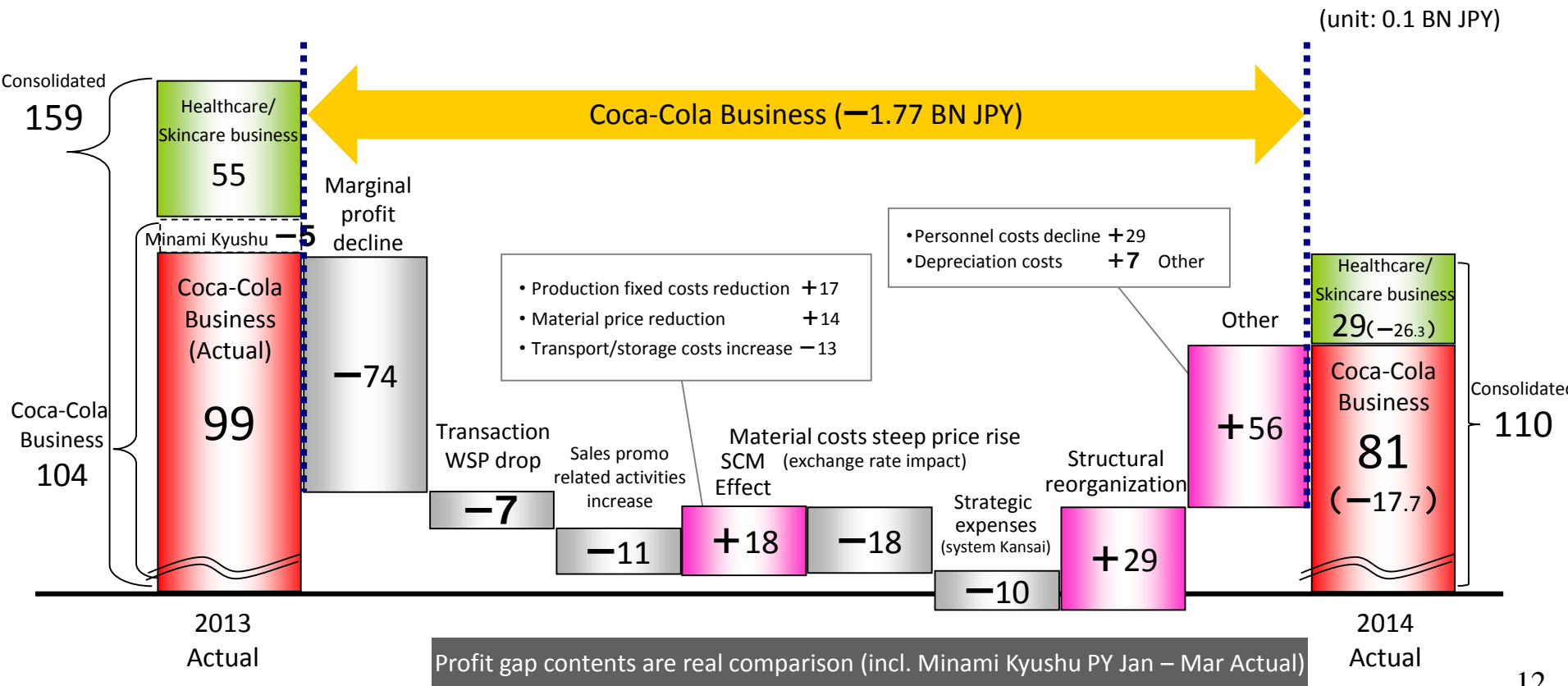
	PY	2014 actual	Diff
Revenue	4,317	4,244	-73
Gross profit	2,152	2,128	-24
Operating income	159	110	-49
Ordinary profit	166	106	-59
Net income	136	44	-91

Key factors	Diff
▪ Coca-Cola Business	-41.1
▪ Healthcare & Skincare Business	-31.9
▪ Coca-Cola Business	+0.2
▪ Healthcare & Skincare Business	-24.2
SG&A Expenses Increase / Decrease	
• Labor cost decrease	+58.0
• Sales Promotion/Advertising Expenses increase	-31.4
• Sales equipment expense decrease	+6.5
• Consignment fee increase	-31.2
• Transportation expense increase	-34.3
• Fuel expense decrease	+2.4
▪ Healthcare & Skincare Business	-2.1
• Non-operating income decrease (Decreased investment gain from equity method application etc)	-7.0
• Extraordinary profit decrease (gain from negative goodwill etc)	-140.7
• Extraordinary loss decrease (loss from phased acquisition etc)	+97.5
• Corporate tax decrease	+11.6

2014 account settlement (Jan – Dec) – causes for operating profits decline (vs. PY)

The decline in profits of the Coca-Cola Business operating profits up until Q3 vs. LY by 3.1 BN JPY had an impact, and despite Q4 operating profits increasing by 1.4 BN JPY, it resulted in a yearly decline of 1.7 BN JPY.

In the healthcare/Skincare business, in addition to Key SKU sales declining, strategic investment to realize long-term growth resulted in a 2.6 BN JPY decline in profits vs. PY.



2014 account settlement (Jan – Dec) – causes for gap (vs. Plan*)

(Unit: 100MM JPY)

	Plan*	2014 actual	Diff
Revenue	4,257	4,244	-12
Gross profit	2,138	2,128	-9
Operating income	107	110	+3
Ordinary profit	106	106	+0
Net income	50	44	-5

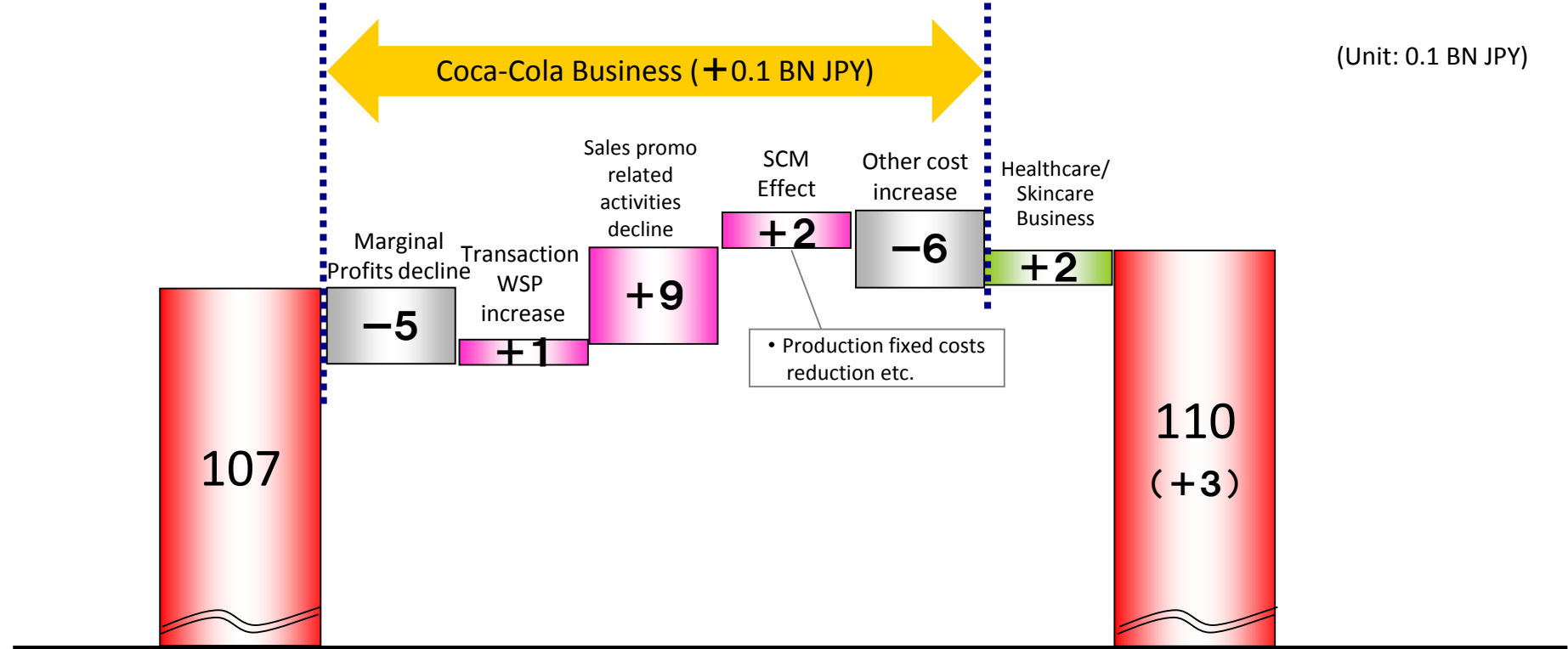
Key factors	Diff
▪ Coca-Cola Business	-13.7
▪ Healthcare & Skincare Business	+0.8
▪ Coca-Cola Business	-9.6
▪ Healthcare & Skincare Business	+0.4
SG&A Expenses Increase / Decrease	
• Labor cost decrease	+2.4
• Sales Promotion/Advertising Expenses decrease	+6.0
• Sales commission decrease	+3.0
• Sales equipment expense increase	-6.6
• Maintenance expense increase	+2.4
• Depreciation expense decrease	+1.5
• Healthcare & Skincare Business	+1.5
• Non-operating expense increase	-3.1
• Extraordinary loss increase	-3.1
• Corporate tax increase	-2.2

* Plan refers to the figures based on the performance forecast published on October 31, 2014

2014 account settlement (Jan – Dec) – operating profits gap causes (vs. Plan)

The Coca-Cola Business and Healthcare/Skincare Business both had operating profits outperforming the planned value presented at October 31, and the consolidated operating profits vs. plan increased by 0.3 BN JPY.

For the Coca-Cola Business, owing to curtailing sales promotion expenses and such, operating profits vs. plan increased by 0.1 BN JPY. For the Healthcare/Skincare Business, Key SKU sales outperformed vs. plan and in addition, sales promotion expenses were lower than planned, resulting in a increase of 0.2 BN JPY vs. plan.



* Plan refers to the figures based on the performance forecast published on October 31, 2014

- Due to bad weather in the summer and the sales-tax increase impact, profits declined greatly vs. PY up until Q3. Owing to thorough cost cuts, Q4 profits increased vs. PY, but yearly operating profits vs. PY resulted in a 1.7 BN JPY loss.

- Causes for profit loss
 - ① As competition in SM intensified, CCW revenue per case dropped vs. PY.
 - ② VPM (volume per machine) dropped and a pillar of profits, vending, experienced worsening profitability.

- Make an effort in 2015 to improve SM revenue per case and vending profitability.

II . 2015 Plan

The “company must be rebuild from zero”,
drastically re-examine all work,
and make it a expenses/investment/personnel structure matching the company’s
capabilities.

At the customer’s starting point,
area and channel specific thorough market execution fitted to the customers, and
aim to meet all numerical targets in revenue, sales profit, sales volume, and
market share.

2015 market estimate and CCW sales volume plan formulation concept

2015 Soft drink market

vs. 2014 +2.2%* estimated.

- Estimated that the market will recoil largely from 2014.
- It is estimated that low profitable chain store will tow the market, and it is estimated that the channel mix will worsen.

*within CCW area (CCW estimate)

2015 CCW Sales Volume plan

Formulate with a growth rate in line with the market growth.

↓

Curtail excessive discounts/sales promotions aimed at expanding share

2015 (Jan – Dec) Sales Volume plan

■ Sales volume is set at 2.2% vs. PY in line with market growth (+ 2.2%).

- Channel specifically, Chain Store with sales volume vs. PY +4.8% will tow overall.
On the other hand, Vending is estimated to be similar as previous year having underperformed vs. PY in Q1 due to sales-tax increase impact.
- Brand specifically, GA sales volume is impacted by Q1 Vending minus, and is planned to decline vs. PY but planned to outperform vs. PY after Q2.

Channel specific sales plan

(unit: K d/s, %)		2015 plan	Vs. PY ^{※2}	
			Diff	Diff %
	Supermarkt ^{※1}	70,858	+3,987	+6.0
	Convenience store	25,567	+392	+1.6
Chain store total		96,426	+4,379	+4.8
Vending		70,964	-104	-0.1
Retail		12,012	-292	-2.4
Food service		24,215	+838	+3.6
Others		17,786	-94	-0.5
Total		221,403	+4,728	+2.2

※1 Supermarket includes drug store, discounter and home center.
 ※2 due to a partial change in sales channel categories, PY actual is retroactively revised

Brand specific sales plan

(unit: K c/s, %)		2015 plan	Vs. PY		
			Diff	Diff %	
Core 8	Coca-Cola	15,535	+222	+1.4	
	Coca-Cola Zero	7,520	+592	+8.6	
	Fanta	8,345	-416	-4.8	
	Georgia	44,400	-952	-2.1	
	Sokenbicha	10,973	-32	-0.3	
	Aquarius	21,574	+1,254	+6.2	
	Ayataka	16,343	+138	+0.9	
	I LOHAS	15,029	+3,176	+26.8	
	Sub total		139,719	+3,983	+2.9
	Others		40,573	+40	+0.1
RTD ^{※3} Total		180,292	+4,023	+2.3	
Syrup & powder		41,111	+704	+1.7	
Total		221,403	+4,728	+2.2	

※3 PKG product

2015 Sales Strategy main points

Channel

■ Focus on profitability improvement

[Chain Store]

- Increase revenue per case

[Vending]

- Profitability improvement per VM
- VM new placement

Brand

■ Reinforce Key brand/category competitiveness

[Coca-Cola Brand]



- Deploy large-size campaign, launch NPD

[NST]



- NPD, new PKG launch (large PET)

[I LOHAS]



- PKG renewal

Sales Strategy – Chain Store

[Initiative in SM]

- Through seeing through sales with the optimal portfolio and price aligned with the customer, increase revenue per case.
- Together with setting a price guideline per product aligned with the channel and customer status, set a lower cap WSP, and see through sales activities based on the guideline.

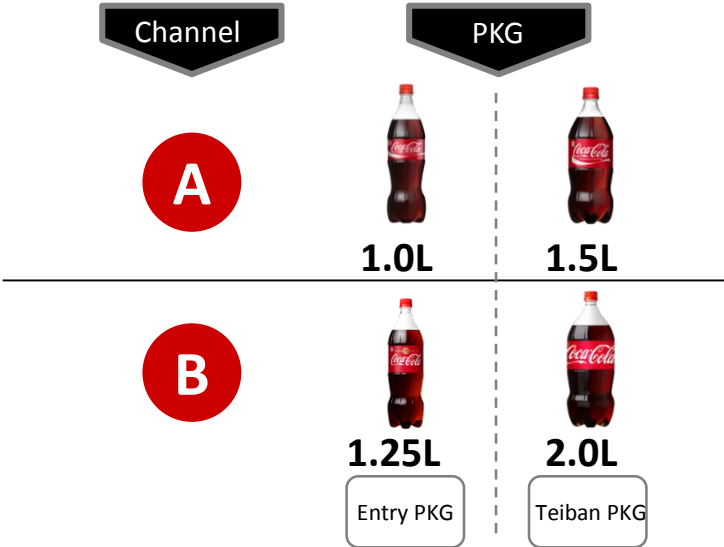
Portfolio



Price

- Curtail large teiban PKG price erosion
 - entry PKG (middle PET) thorough coverage
 - Aligned with customer channel, differentiate PKG

- Aligned with channel or customer, set price guideline per product
- Set price point/sales vol. per selling method (teiban/special discounts)
 - Raise sales mix at teiban price




■ Together with improving profitability reinforce placement at good locations.

Profitability improvement


- Low-profit VM profitability improvement
 - Portfolio aligned with placement location
 - Review trade contents with customer
- Efficient investment sales activities
 - Utilize used VM to the maximum, increase investment efficiency.

New placement

- Reinforce new placement at good locations
 - Increase targeting precision
 - Reinforce external information and CCW data coordination
 - Launch VM aligned with placement location's status
 - peak-shift VM, cashless VM, regular coffee VM (CVM)

A red vending machine with multiple rows of beverage cans, including Coca-Cola and other brands.

Peak-shift VM

A black vending machine with a see-through front panel, displaying coffee capsules and a coffee cup.

Regular Coffee VM (see-through)

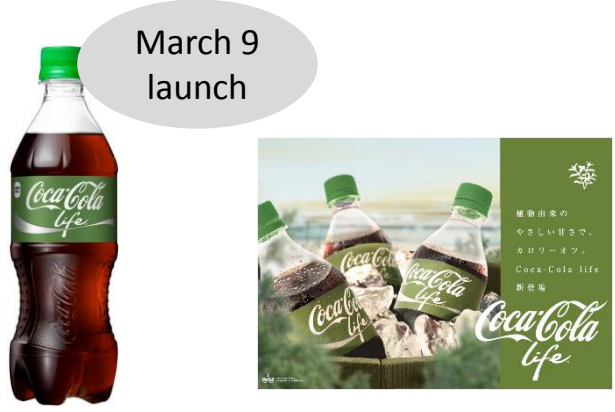
Sales Strategy – reinforce brand competitiveness

Coca-Cola Brand

- "Coca-Cola" Bottle 100th Year Anniversary Campaign



- NPD "Coca-Cola Life" launch



NST

- NPD "Japan's Oolongcha Tsumugi" launch
- "Pekoraku Bottle" expanded deployment (2LPET)



I LOHAS

- PKG renewal



Initiatives in SCM

■ In production and logistics, establish an SCM system with a competitive advantage that can increase productivity/efficiency and adapt to changes in the fierce management environment.

	Initiatives contents	2015 Effect (vs. PY)
Production	<ul style="list-style-type: none"> • Reduce product disposal by constructing value chain processes coupled with sales activities <ul style="list-style-type: none"> → Synchronize sales plan and production plan (improve demand plan precision) → efficient NPD deployment • Reduce production costs by introducing new techniques <ul style="list-style-type: none"> → Review materials (switch to GA aluminum CAN) → Reduce used materials → In-house production PET containers (in-line blow launch) 	+1.7 BN JPY
Logistics	<ul style="list-style-type: none"> • Reduce logistics costs by evolving supply network (reduce external warehouse costs, optimize delivery, reduce product stock) <ul style="list-style-type: none"> → Utilize bases close to where the demand is → Optimal placement of logistics bases (use CCW base/placement) 	+0.5 BN JPY
Funding	<ul style="list-style-type: none"> • Examine cost reduction by funding cooperatively with CCEJ (indirect materials etc.) 	—

2015 (Jan – Dec) – Performance Plan (consolidated/by business)

■ Consolidated yearly performance is vs. PY increased revenue per case, decreased operating profits plan.

Consolidated

(Unit: MM JPY, %)	2015 Plan		
	Full year plan	Vs. PY	
		Diff	Diff %
Revenue	427,100	+2,693	+0.6
Gross profit	217,300	+4,418	+2.1
Operating income	10,000	-1,008	-9.2
Ordinary profit	9,600	-1,009	-9.5
Net income	4,700	+217	+4.8

Coca-Cola Business

(Unit: MM JPY, %)	2015 plan		
	Full year plan	Vs. PY	
		Diff	Diff %
Revenue	393,700	+3,079	+0.8
Operating income	7,000	-1,102	-13.6

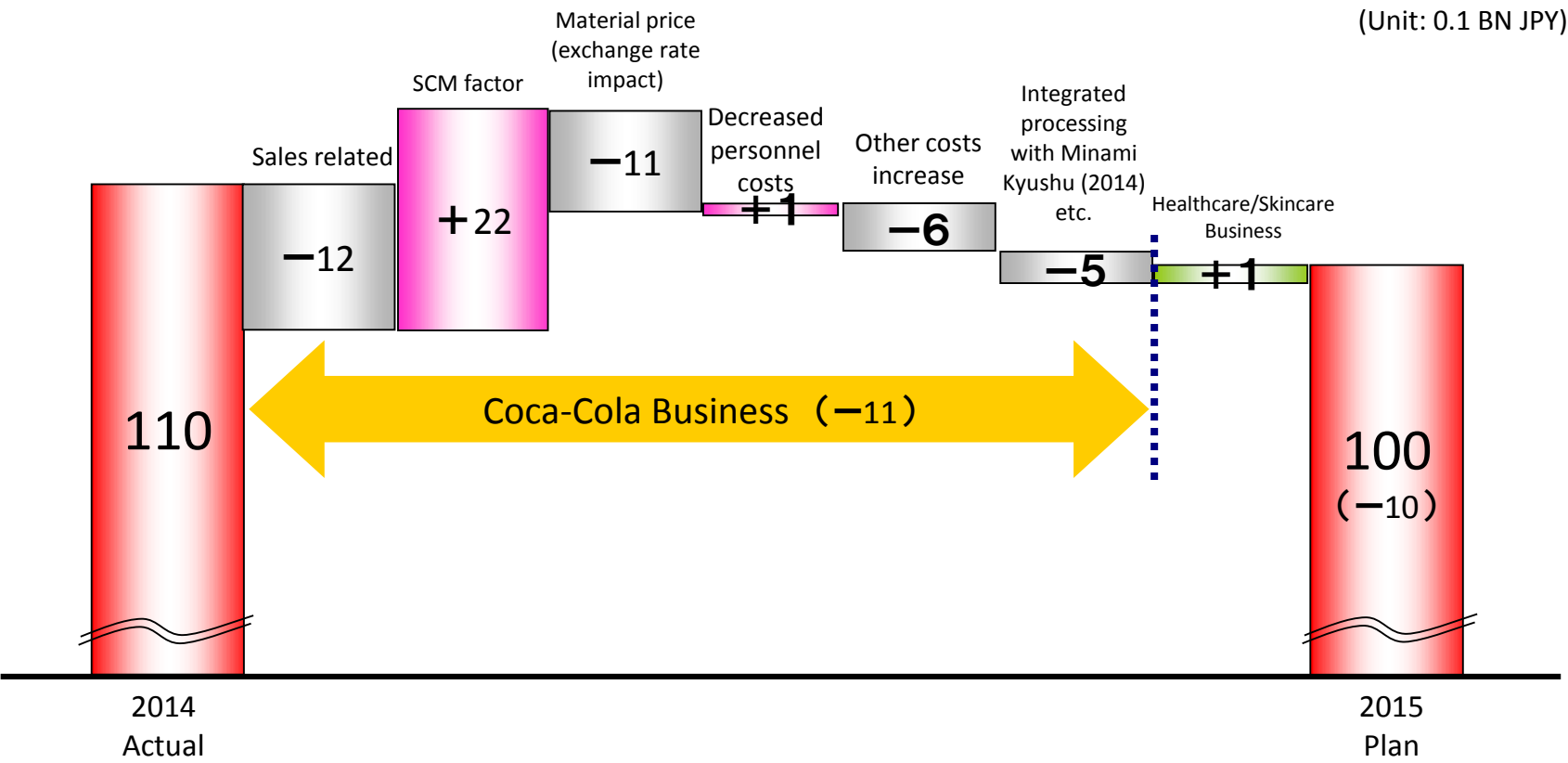
Healthcare/Skincare Business

(Unit: MM JPY, %)	2015 plan		
	Full year plan	Vs. PY	
		Diff	Diff %
Revenue	33,400	-386	-1.1
Operating income	3,000	+94	+3.2

Financial Year (Jan – Dec) – operating profits meeting targets scenario (vs. PY)

See through sales activities connecting to profitability improvement/increase and aim to definitely meet targets in the Coca-Cola Business without investing in excessive sales promotion expenses to increase share.

On the other hand, although it is expected that the harsh environment will continue in the Healthcare/Skincare Business, seek to invest in NPD and increase Key SKU sales, and the plan for operating profits is to increase vs. PY.



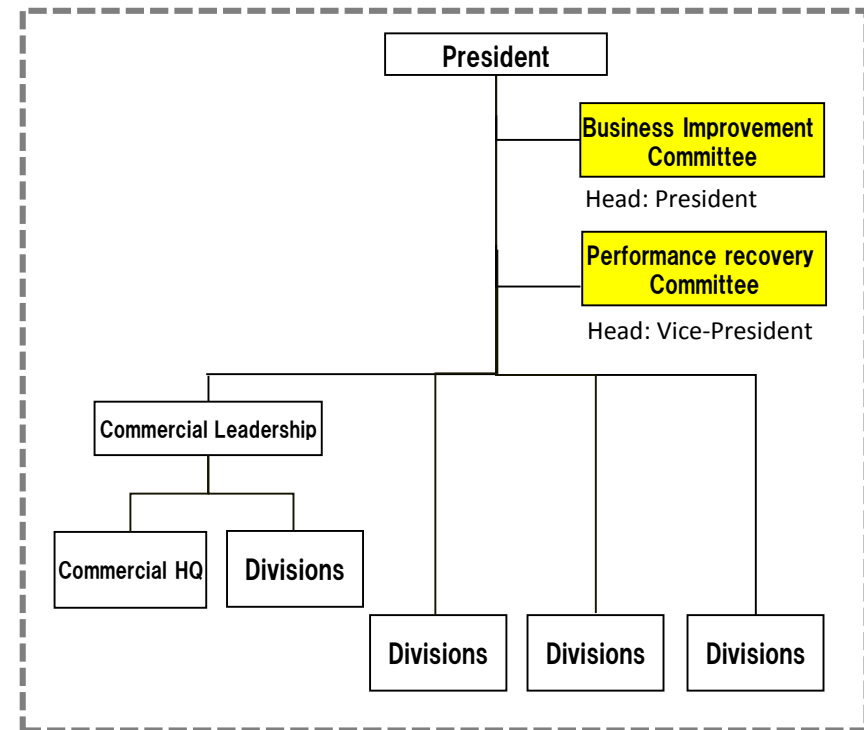
Review

■ Newly establish the “Business Improvement Committee” and “Performance Recovery Committee” per January 1, and the chairman positions for the committees is to be carried by the Management top.

[Committee roles]

- Business Improvement Committee
 - Solve common problems in the Coca-Cola System
- Performance Recovery Committee
 - Drastically review all work, and seek to improve productivity and work quality.
 - Strive for further structural reorganization

[Committee installment]



[References]

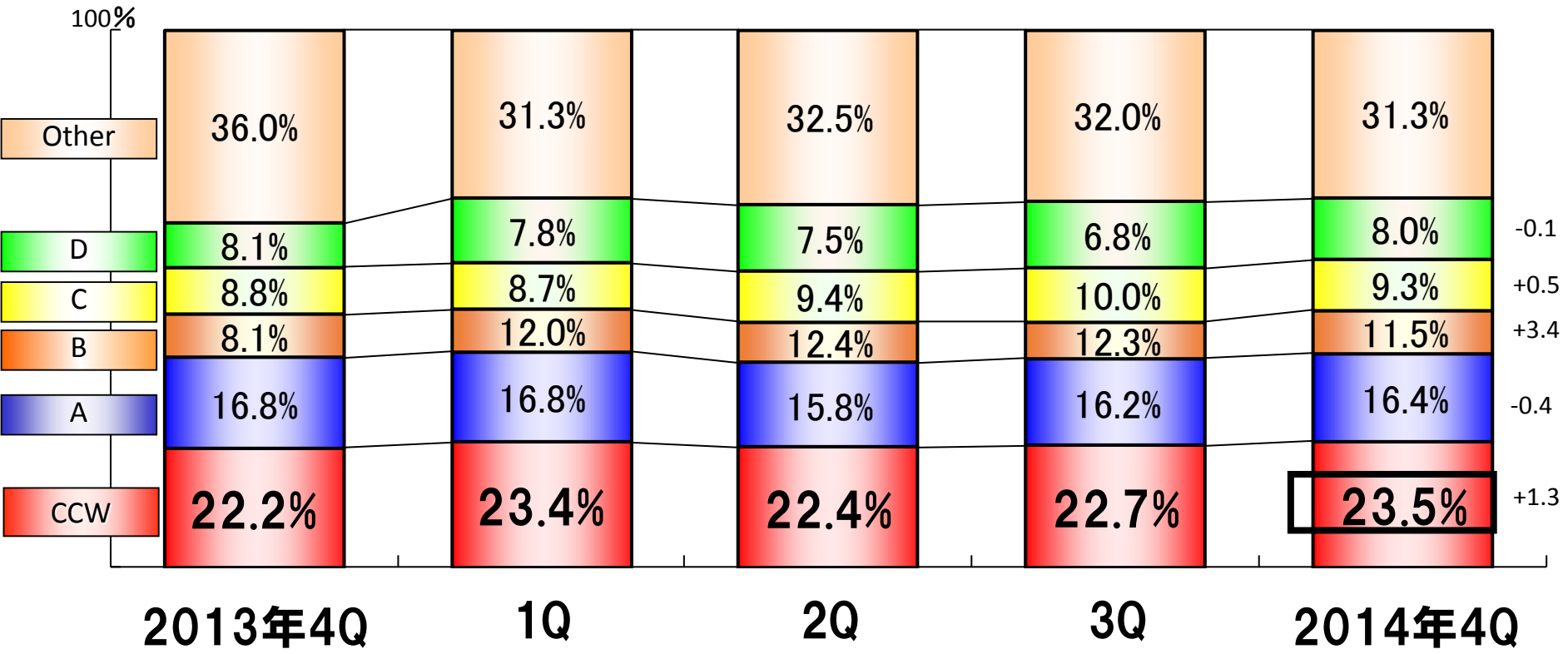
2014 account settlement Q4 (Oct – Dec)

(unit: MM JPY, %)

	2014 Q4 actual	Plan	Vs. Plan		2013 Q4 actual	Vs. PY	
			Diff	Diff %		Diff	Diff %
Revenue	100,591	101,884	-1,293	-1.3	104,492	-3,901	-3.7
Gross profit	50,836	51,755	-918	-1.8	51,832	-995	-1.9
Operating income	3,012	2,704	+308	+11.4	2,625	+387	+14.8
Ordinary profit	2,593	2,584	+9	+0.4	2,589	+4	+0.2
Net income	819	1,336	-517	-38.7	-2,206	+3,026	-137.1

OTC market share trends (excl. VM)

(Unit: %, pts)



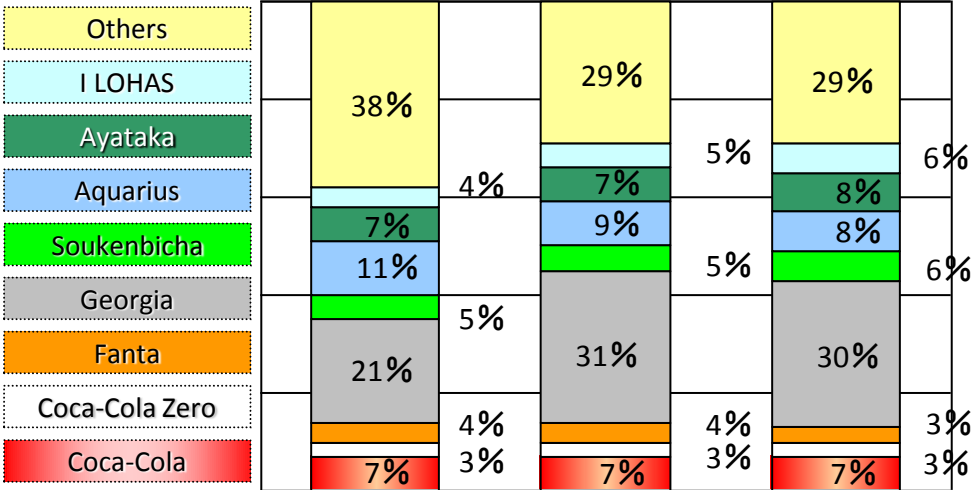
•Values outside the graph show gap vs. PY same period

(Source: Intage)

2014 (Jan – Dec) – Mix by brand/channel

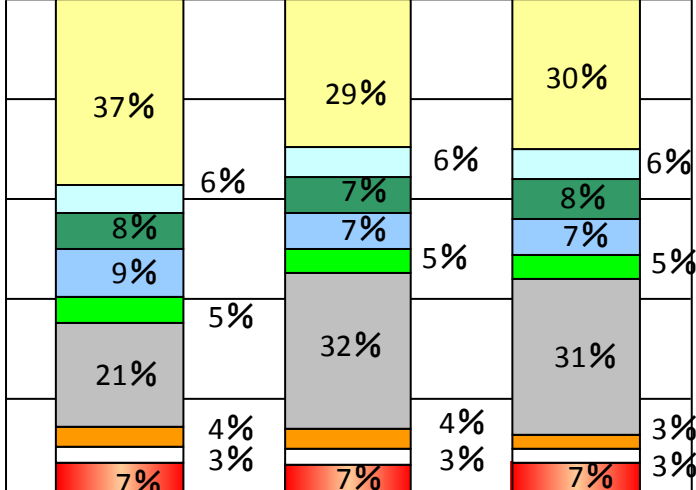
Brand

2013*



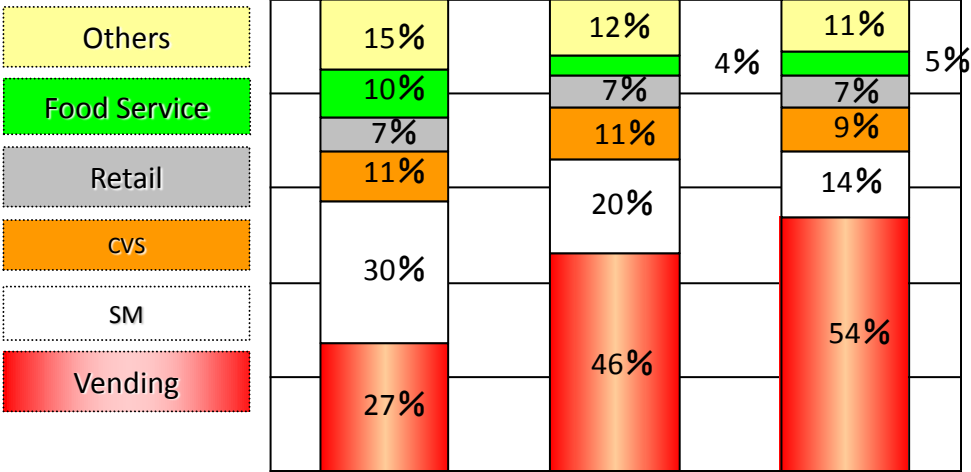
Sales Vol. Revenue Gross profit

2014

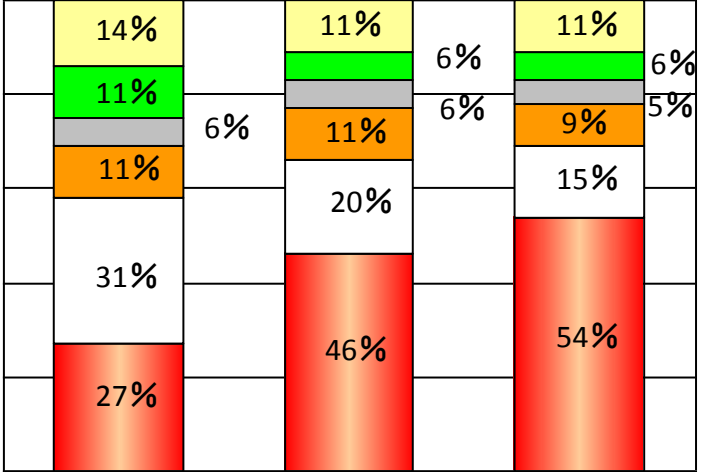


Sales Vol. Revenue Gross profit

Channel



Sales Vol. Revenue Gross profit



Sales Vol. Revenue Gross profit

※*With a change in counting subsidiaries sales Actual, PY actual is revised tracing back.

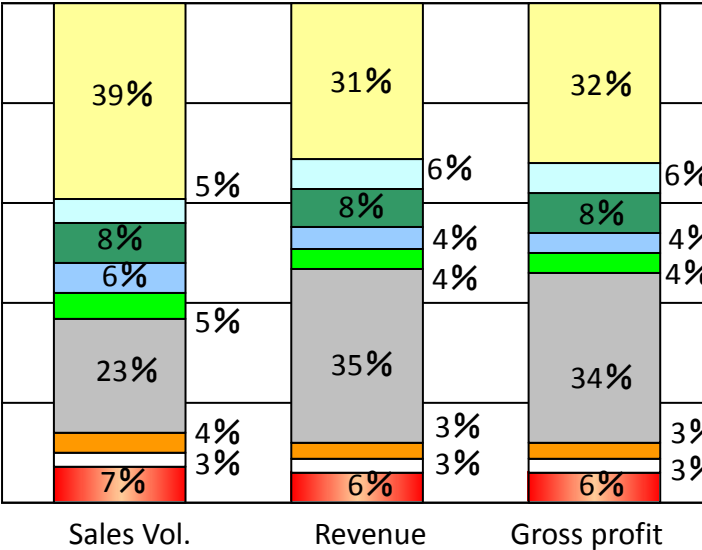
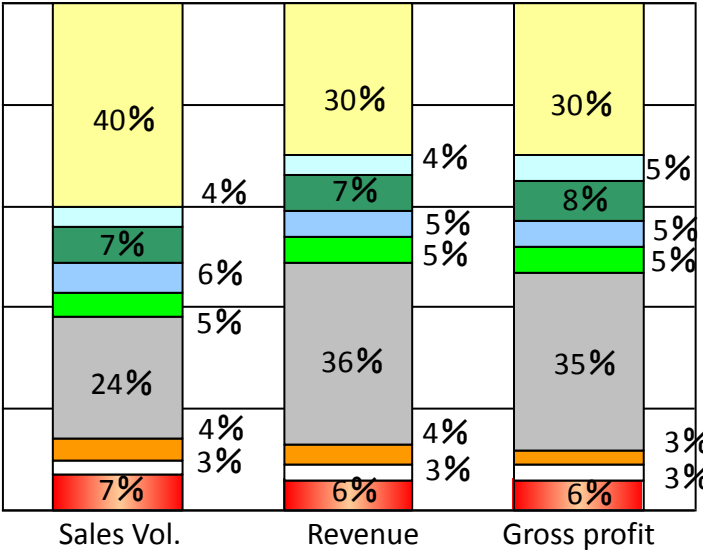
2014 Q4 (Oct – Dec) – Mix by brand/channel

Brand

2013*

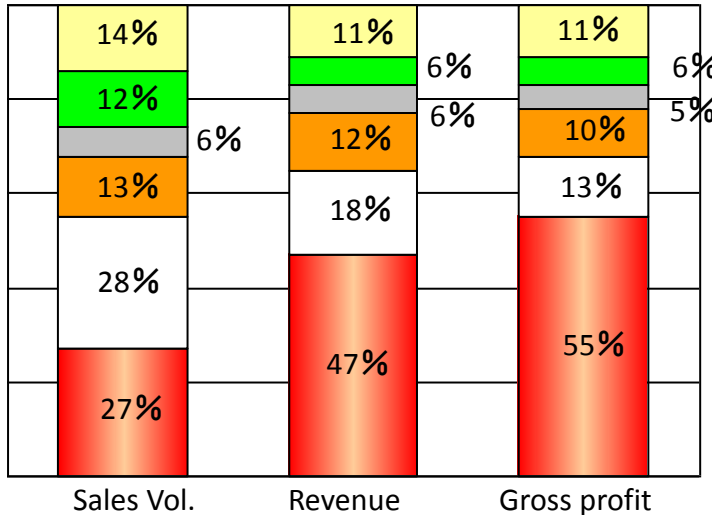
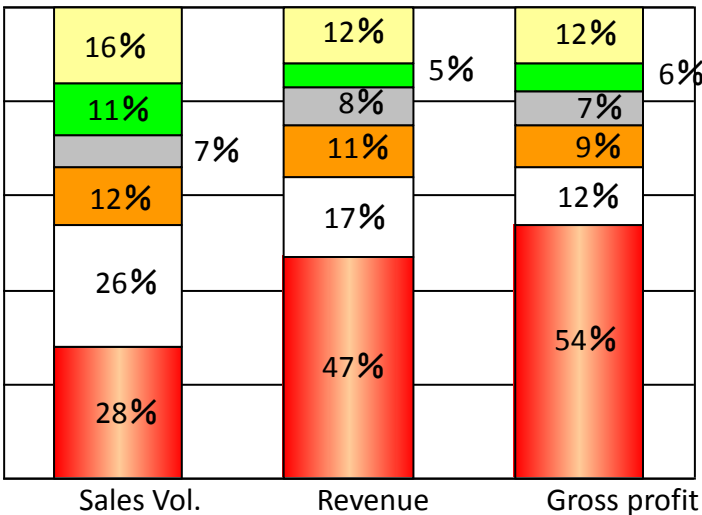
2014

- Others
- I LOHAS
- Ayataka
- Aquarius
- Soukenbicha
- Georgia
- Fanta
- Coca-Cola Zero
- Coca-Cola



Channel

- Others
- Food Service
- Retail
- CVS
- SM
- Vending



※*With a change in counting subsidiaries sales Actual, PY actual is revised tracing back.

Vending machine sales performance by sub channel

Vending machine full service CAN VPM* V. PY

	Vs. PY (%)												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
At-work White	-2.6	-1.6	-2.9	-2.5	-7.7	-4.5	-8.4	-15.3	-3.9	-9.9	-9.8	-4.2	-6.3
At-work Blue	+0.8	+0.7	-0.9	+0.9	-5.9	-3.2	-5.4	-15.2	-2.3	-6.6	-8.5	-2.2	-4.3
Mass retailer	-5.1	-3.3	-2.9	-6.9	-10.0	-8.0	-16.0	-23.0	-8.7	-13.5	-9.1	-7.0	-10.0
Transportation	+0.1	+0.7	+0.4	-4.9	-7.9	-6.4	-11.5	-19.7	-6.5	-11.0	-7.2	-7.6	-7.5
School	+2.5	+1.1	-2.7	+1.0	-8.8	-4.7	-12.5	-22.9	-5.9	-9.2	-10.1	-3.8	-7.2
Leisure	-1.7	-3.9	-1.8	-10.1	-7.2	-3.9	-14.3	-19.9	-6.2	-13.0	-3.5	-7.5	-8.3
Pachinko	-4.4	-4.7	-4.6	-6.6	-6.4	-8.1	-9.9	-11.8	-7.4	-10.3	-7.6	-7.8	-7.5
Sports	-0.4	-2.8	-4.9	-5.6	-7.3	-6.3	-15.8	-23.2	-5.1	-12.3	-4.5	-9.0	-9.1
Hospital/Welfare	-2.7	-1.1	-3.0	-4.1	-9.5	-7.7	-11.1	-17.5	-6.3	-10.8	-9.1	-5.7	-7.7
Accommodation	-1.0	-1.3	+1.6	-2.9	-8.0	-6.0	-12.7	-20.7	-6.1	-10.8	-6.5	-5.1	-7.5
Other (Indoor)	-3.2	-1.5	-2.9	-3.6	-9.4	-6.4	-9.8	-20.7	-3.4	-13.8	-11.5	-7.1	-8.3
Outdoor	-1.6	+0.6	-4.3	-4.3	-13.2	-10.6	-16.9	-27.1	-8.3	-16.7	-11.3	-10.7	-11.2
Total	-1.8	-1.0	-2.9	-3.6	-9.0	-6.8	-11.9	-20.2	-5.9	-11.9	-9.1	-6.9	-8.1

※ Vending machine sales performance by sub channel

2014 (Jan – Dec) – Sales Volume by channel/package

Chain Store

(Unit : K cases, %)

	2014 actual	Vs. Plan		Vs. PY	
		Diff	Diff %	Diff	Diff %
SS PET (less than 1,000ml)	31,592	-2,383	-7.0	+3,299	+11.7
MS PET (less than 1,500ml)	1,559	+14	+0.9	-84	-5.1
Chain Store Total	42,186	-2,218	-5.0	+1,306	+3.2
Vending	13,376	-1,460	-9.8	-1,122	-7.7
Other	3,334	+46	+1.4	+405	+13.8
Total	92,047	-6,001	-6.1	+3,803	+4.3

Vs. PY*	
Diff	Diff %
+2,380	+8.1
-124	-7.4
+113	+0.3
-1,807	-11.9
+274	+9.0
+836	+0.9

Vending

(Unit : K cases, %)

	2014 actual	Vs. Plan		Vs. PY	
		Diff	Diff %	Diff	Diff %
SS PET (less than 1,000ml)	21,451	-2,002	-8.5	-1,352	-5.9
LS PET (1,500ml or larger)	212	+9	+4.6	-71	-24.9
CAN	31,054	-1,268	-3.9	-505	-1.6
Other (Bottle CAN)	4,792	+408	+9.3	+882	+22.6
Syrup/Powder	1,076	-201	-15.8	+12	+1.1
Total	58,585	-3,054	-5.0	-1,048	-1.8

Vs. PY*	
Diff	Diff %
-2,146	-9.1
-83	-28.0
-1,793	-5.5
+687	+16.7
-270	-20.1
-3,605	-5.8

Retail & Food service

(Unit : K cases, %)

	2014 actual	Vs. Plan		Vs. PY	
		Diff	Diff %	Diff	Diff %
SS PET (less than 1,000ml)	6,205	-521	-7.8	-280	-4.3
MS PET (less than 1,500ml)	129	-4	-2.9	-16	-11.1
LS PET (1,500ml or larger)	2,750	+341	+14.2	+258	+10.4
CAN	3,305	-55	-1.6	-588	-15.1
Other	2,393	-18	-0.7	+65	+2.8
Syrup/Powder	20,916	-543	-2.5	-127	-0.6
Total	35,698	-800	-2.2	-688	-1.9

Vs. PY*	
Diff	Diff %
-568	-8.4
-20	-13.4
+189	+7.4
-946	-22.3
-30	-1.2
-698	-3.2
-2,074	-5.5

*PY Actual includes Minami Kyushu PY Jan – Mar Actual

2014 Q4 (Oct – Dec) Sales Volume by channel

(unit: K d/s, %)		Q4 actual	Vs. Plan		Vs. PY	
			Diff	Diff %	Diff	Diff %
	Supermarket ※1	14,096	-1,274	-8.3	+177	+1.3
	Convenience store	6,397	-88	-1.4	+354	+5.9
Chain store total		20,494	-1,362	-6.2	+532	+2.7
Vending		13,815	-975	-6.6	-1,175	-7.8
Retail		2,827	-138	-4.6	-1,010	-26.3
Food service		6,146	-152	-2.4	+600	+10.8
Others		7,325	-503	-6.4	-1,052	-12.6
Total		50,607	-3,130	-5.8	-2,106	-4.0

※ Supermarket includes drug store, discounter and home center.

2014 Q4 (Oct – Dec) – Sales Volume by brand

		Q4 actual	Vs. Plan		Vs. PY	
			Diff	Diff %	Diff	Diff %
(unit: K c/s, %)						
Core 8	Coca-Cola	3,462	-250	-6.7	-79	-2.2
	Coca-Cola Zero	1,550	-212	-12.0	-56	-3.5
	Fanta	1,926	-291	-13.1	-253	-11.6
	Georgia	11,850	-981	-7.6	-916	-7.2
	Sokenbicha	2,381	-335	-12.3	-298	-11.1
	Aquarius	2,853	-352	-11.0	-257	-8.3
	Ayataka	3,931	-50	-1.3	+279	+7.6
	I LOHAS	2,667	+19	+0.7	+669	+33.4
Sub total		30,621	-2,452	-7.4	-912	-2.9
Others		9,808	+137	+1.4	-587	-5.6
RTD* Total		40,429	-2,315	-5.4	-1,499	-3.6
Syrup & powder		10,178	-815	-7.4	-607	-5.6
Total		50,607	-3,130	-5.8	-2,106	-4.0

*PKG product

2014 Q4 (Oct – Dec) – Sales Volume by package

		Q4 actual	Vs. Plan		Vs. PY	
			Diff	Diff %	Diff	Diff %
(unit: K c/s, %)						
PET	Small (less than 1,000ml)	13,915	-871	-5.9	+267	+2.0
	Medium (less than 1,500ml)	340	+4	+1.2	-35	-9.4
	Large (less than 1,500ml)	9,393	-411	-4.2	+170	+1.8
	Total	23,648	-1,278	-5.1	+402	+1.7
Can (incl. bottle can)		13,567	-1,006	-6.9	-1,378	-9.2
Otherse		3,213	-31	-1.0	-523	-14.0
Syrup & powder		10,178	-815	-7.4	-607	-5.6
Total		50,607	-3,130	-5.8	-2,106	-4.0

2014 Q4 (Oct – Dec) – Sales Volume by channel/package

Chain Store (Unit : K cases, %)	Q4 actual cumulative	Vs. Plan		Vs. PY	
		Diff	Diff %	Diff	Diff %
SS PET (less than 1,000ml)	7,403	-401	-5.1	+742	+11.1
MS PET (less than 1,500ml)	308	-1	-0.5	-33	-9.7
Chain Store Total	8,729	-384	-4.2	+157	+1.8
Vending	3,193	-839	-20.8	-648	-16.9
Other	861	+263	+44.1	+314	+57.6
Total	20,494	-1,362	-6.2	+532	+2.7

Vending (Unit : K cases, %)	Q4 actual cumulative	Vs. Plan		Vs. PY	
		Diff	Diff %	Diff	Diff %
SS PET (less than 1,000ml)	4,864	-489	-9.1	-343	-6.6
LS PET (1,500ml or larger)	42	-6	-12.9	-24	-36.6
CAN	7,349	-648	-8.1	-944	-11.4
Other (Bottle CAN)	1,298	+267	+25.9	+169	+15.0
Syrup/Powder	262	-99	-27.5	-32	-11.0
Total	13,815	-975	-6.6	-1,175	-7.8

Retail & Food service (Unit : K cases, %)	Q4 actual cumulative	Vs. Plan		Vs. PY	
		Diff	Diff %	Diff	Diff %
SS PET (less than 1,000ml)	1,419	-172	-10.8	-120	-7.8
MS PET (less than 1,500ml)	31	+5	+17.4	-1	-2.8
LS PET (1,500ml or larger)	621	+154	+33.0	+38	+6.5
CAN	829	-72	-7.9	-284	-25.5
Other	642	-10	-1.5	+3	+0.5
Syrup/Powder	5,431	-195	-3.5	-46	-0.8
Total	8,973	-289	-3.1	-410	-4.4

2015 (Jan – Dec) – Sales Volume Plan by package

		2015 plan	Vs. PY	
			Diff	Diff %
(unit: K c/s, %)				
PET	Small (less than 1,000ml)	65,096	+5,067	+8.4
	Medium (less than 1,500ml)	2,048	+352	+20.7
	Large (less than 1,500ml)	46,148	+885	+2.0
	Total	113,292	+6,304	+5.9
Can (incl. bottle can)		53,068	-2,312	-4.2
Otherse		13,931	+32	+0.2
Syrup & powder		41,111	+704	+1.7
Total		221,403	+4,728	+2.2

2015 (Jan – Dec) – Sales Volume Plan by channel/package

Chain Store (Unit : K cases, %)	2015 plan	Vs. PY	
		Diff	Diff %
SS PET (less than 1,000ml)	34,291	+2,698	+8.5
MS PET (less than 1,500ml)	1,919	+360	+23.1
Chain Store Total	43,292	+1,106	+2.6
Vending	15,402	+107	+0.7
Other	1,522	+108	+7.6
Total	96,426	+4,379	+4.8

Vending (Unit : K cases, %)	2015 plan	Vs. PY	
		Diff	Diff %
SS PET (less than 1,000ml)	24,483	+2,138	+9.6
LS PET (1,500ml or larger)	124	-91	-42.2
CAN	34,062	-2,154	-5.9
Other (Bottle CAN)	8,779	-373	-4.1
Syrup/Powder	3,516	+376	+12.0
Total	70,964	-104	-0.1

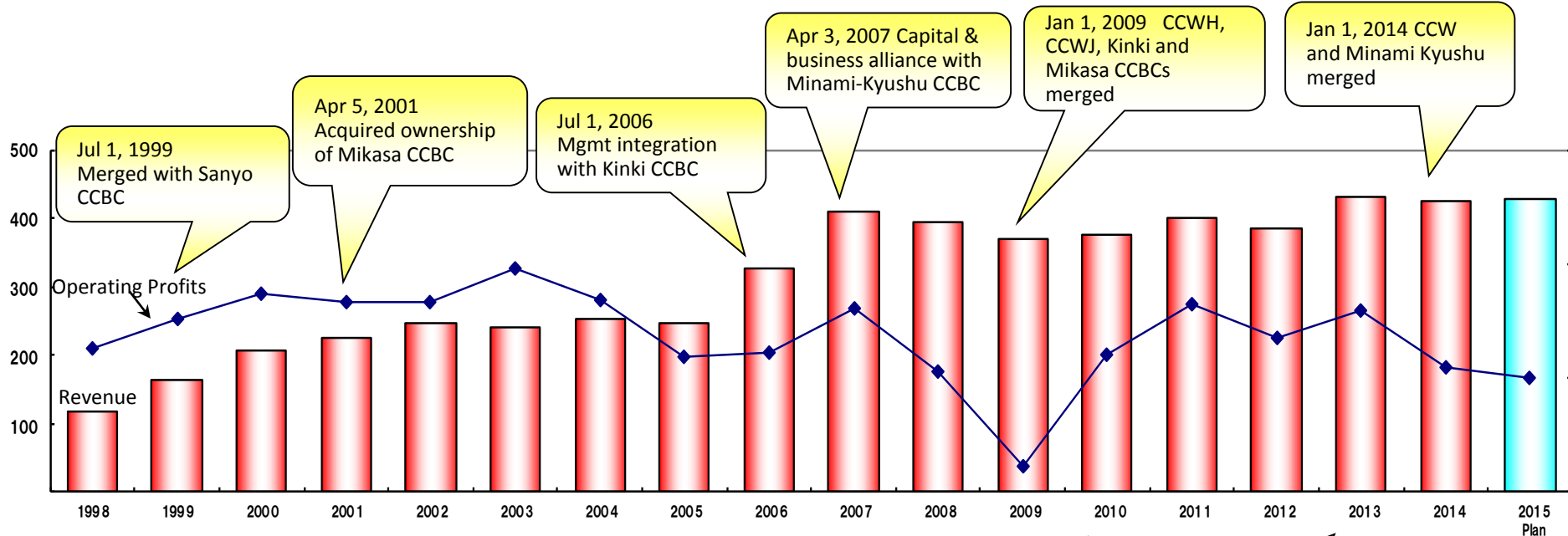
Retail & Food service (Unit : K cases, %)	2015 plan	Vs. PY	
		Diff	Diff %
SS PET (less than 1,000ml)	6,323	+119	+1.9
MS PET (less than 1,500ml)	127	-2	-1.4
LS PET (1,500ml or larger)	2,731	-19	-0.7
CAN	3,604	-265	-6.9
Other	2,068	+255	+14.1
Syrup/Powder	21,374	+458	+2.2
Total	36,227	+546	+1.5

*With a revision of package categorization, PY Actual is revised tracking back.

Performance Trends

(Unit: MM JPY)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 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	424,406	427,100
Operating income	12,533	15,160	17,449	16,634	16,704	19,638	16,860	11,830	12,321	16,056	10,521	2,242	12,003	16,469	13,463	15,927	11,008	10,000
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	10,609	9,600
Net income	5,872	6,823	5,700	1,420	7,086	9,380	8,564	7,305	7,570	9,375	129	-7,594	7,582	6,997	6,031	13,625	4,482	4,700



Revenue (BN JPY)

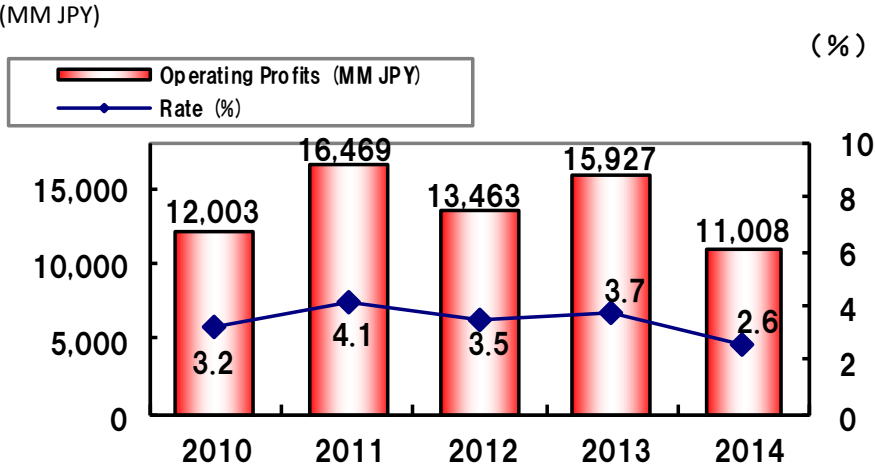
Oct 1, 2010
Acquired ownership of Q'sai

Apr 1 2013
Acquired 100% ownership of Minami Kyusyu

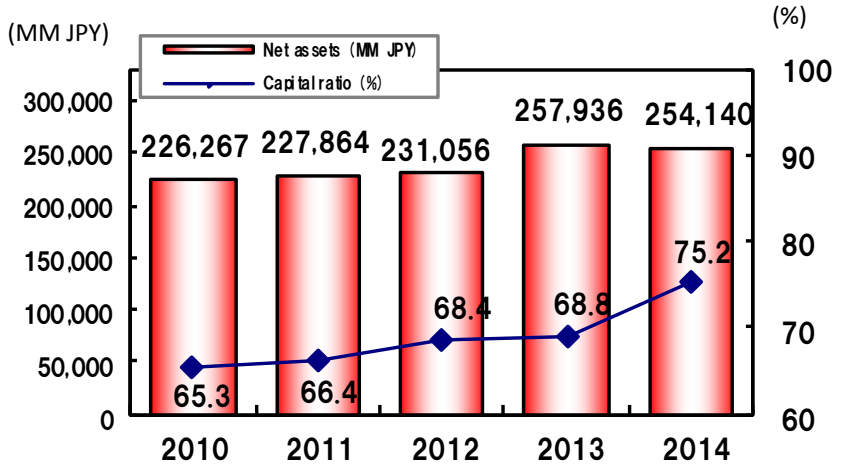
Operating Profits (BN JPY)

KBI Trend

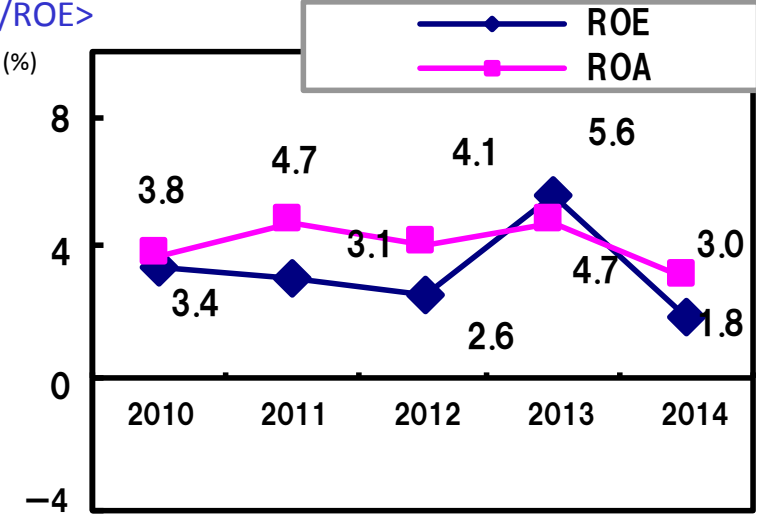
<Operating income & its ratio>



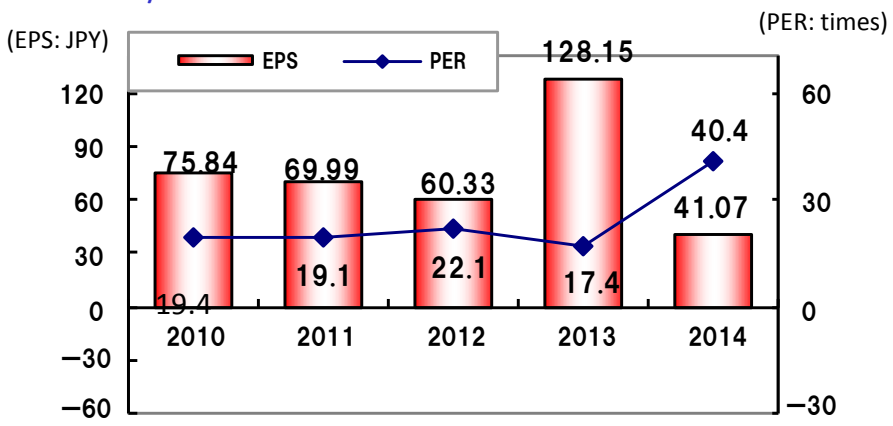
<Net asset/capital ratio>



<ROA/ROE>

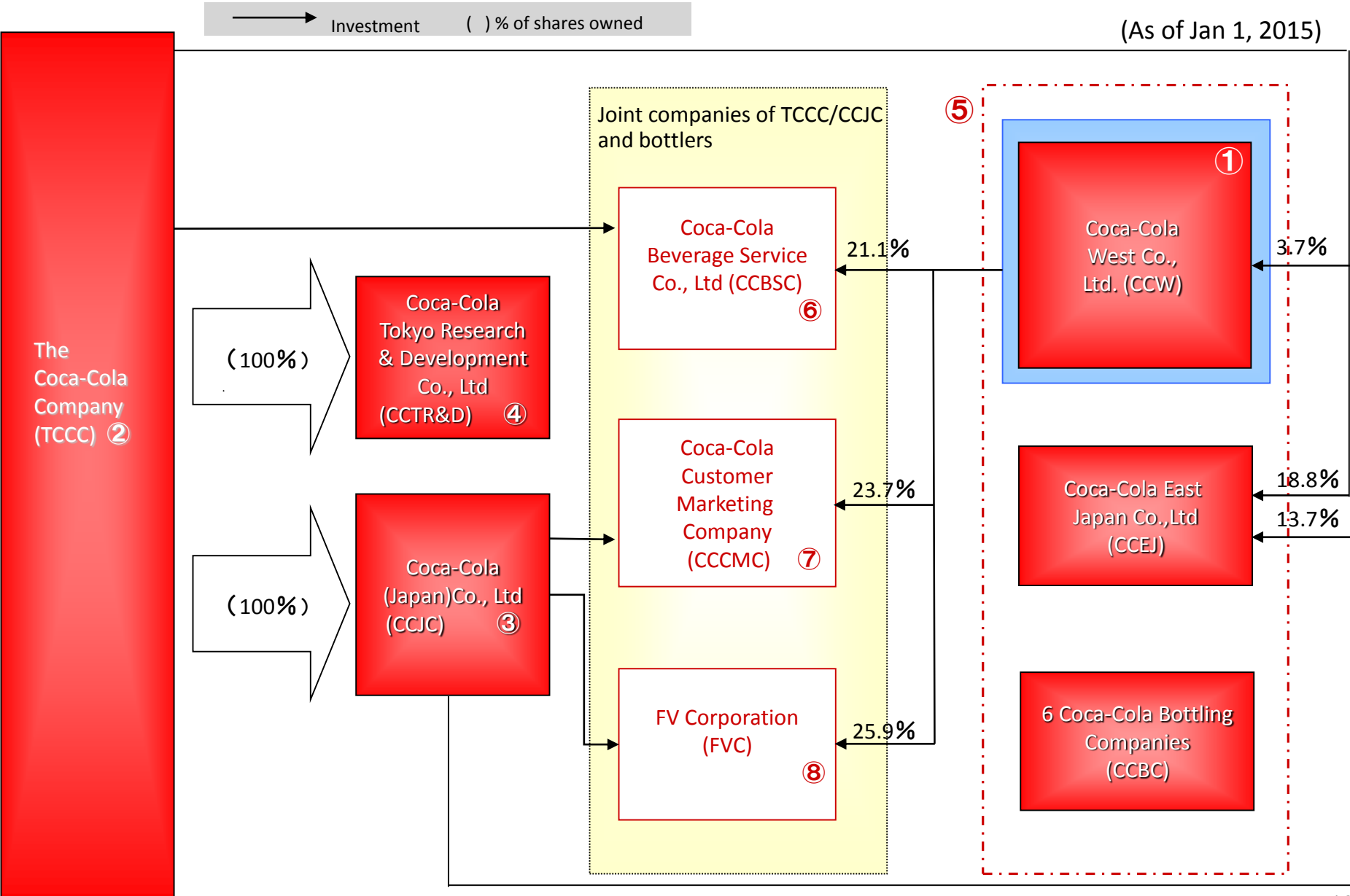


<EPS/PER>



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



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