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Coca-Cola West

Results briefing for the Fiscal Year ended December 2016

February 7, 2017

Coca-Cola West Company, Limited (2579)

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I. 2016 Review and summary of financial results

II. 2017 Business Plan

III. Commercial strategies

[Reference]
Increase/decrease in full-year financial results (Jan-Dec)
Financial results of Q4 (Oct-Dec)
Trend of OTC market share
Mix by brand/by channel
Sales update on vending machines by segment
Sales volume actual / plan
Performance trend / KBI trend
Coca-Cola System in Japan / Affiliated companies

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- Good morning everyone and thank you for attending our Financial Results Briefing despite your busy schedules. I'm Yoshimatsu, President of CCW.

- From me, you will be briefed on the review of 2016 and its financial summary as well as business plans for 2017.

I. 2016 Review and summary of financial results

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• Now, let’s look back the year 2016.

Coca-Cola business

Sales status of FY2016 ended Dec (Jan-Dec)

Vs. PY

- Jan-Dec accumulative volume was 6.8% positive (including Shikoku CCBC). CCW delivered 3.0% positive volume for Jan-Dec YTD.
- Value share grew ahead of the growth of volume share.

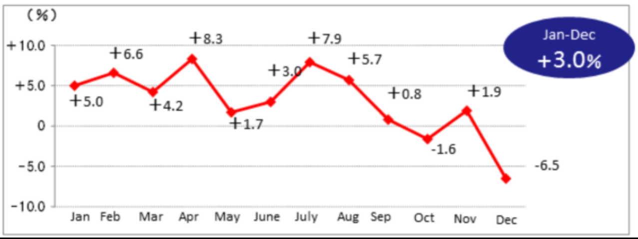
(Unit: K c/s, %)

	2016 Actual	PY*1	Vs. PY Diff	Vs. PY Diff %	[Ref] Plan*2	Vs. Plan Diff	Vs. Plan Diff %
CCW (excl. Shikoku CCBC)	221,603	215,048	+6,555	+3.0	219,751	+1,851	+0.8
Jan-Sep	170,876	163,120	+7,756	+4.8	168,842	+2,033	+1.2
Oct-Dec	50,727	51,928	-1,201	-2.3	50,909	-182	-0.4
CCW+Shikoku CCBC total	241,002	225,634	+15,368	+6.8	239,429	+1,573	+0.7

*1 PY actual does not include actual performances of Shikoku CCBC's Jan-June results.

*2 Plan refers to values based on performance forecasts announced on Aug 12, 2016.

CCW Sales volume trend by month (Vs. PY)



CCW Share (Vs. PY)

(Unit: pts)

	Volume share		Value share
2016 OTC market share	+0.1	<	+0.4

Source: Intage (Supermarket, Drug store and Discounter channels)

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- First is on the sales volume.

- Sales volume in 2016 closed with positive 6.8% compared with the year earlier. Even excluding the impact of Shikoku CCBC, the result shows 3.0% positive against last year.

- The chart on the screen shows year-over-year monthly sales volume.
  You can see outperformances of prior year in almost all months throughout the year.

- As to the market share, both volume and value shares grew from last year. Value share also grew ahead of volume share with positive 0.4 point from prior year. I believe that you see our achievement of steady growth while raising competitive advantages.

Coca-Cola business

Sales volume by channel

Vs. PY

- **Positive results of Supermarket and Convenience Store led the overall growth.**
  - → Sales of new products launched as highly value-added commodities contributed.
- **Sales volume of highly profitable Vending finished at the level of prior year.**
  - → Volume declined along with improvement of unprofitable locations.
  - → On the other hand, volume contribution from new placement of vending machines exceeded PY.
  - → A smartphone app "Coke ON" which rolled out in April also began to deliver impacts.

(Unit: K c/s, %)	2016 Actual	Vs. PY*1		[Ref] Vs. Plan*2	
		Diff	Diff %	Diff	Diff %
Supermarket/Drug/Discounter	70,312	+3,489	+5.2	+504	+0.7
Convenience store	29,134	+1,990	+7.3	+678	+2.4
Chain store total	99,446	+5,479	+5.8	+1,181	+1.2
Vending	68,010	-330	-0.5	-495	-0.7
Retail	11,240	-160	-1.4	-220	-1.9
Food Service	25,668	+455	+1.8	-47	-0.2
Others	17,237	+1,111	+6.9	+1,432	+9.1
CCW total (excl.Shikoku CCBC)	221,603	+6,555	+3.0	+1,851	+0.8
CCW+Shikoku CCBC total	241,002	+15,368	+6.8	+1,573	+0.7

*1 PY actual does not include actual performances of Shikoku CCBC's Jan-June results.

*2 Plan refers to values based on performance forecasts announced on Aug 12, 2016.

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- Now, let's take a look at the sales volume by the channel.

- In terms of year-over-year comparison, Supermarket and Convenience stores closed with positive volume by 5.2% and 7.3% respectively from the year earlier, driven by the sales from new launches including high-value added products.

- Meanwhile, highly profitable Vending remained at the level of last year.
  This is attributable to an impact from volume declines of approximately 500, 000 cases along with improvements of unprofitable locations that we moved forward as "an initiative to enhance profitability".

- On the other hand, the volume grew from previous year by approximately 200, 000 cases thanks to new installations of vending machines and introduction of a smartphone app "Coke ON" that began in April last year.

- "Coke ON" is rolled out with 60,000 vending machines.
  As the results indicated 3.7 point higher volume per machine with the ones enabled with "Coke ON" compared with the ones not enabled in the year-over-year growth rate, we will further scale the deployment this year.

Coca-Cola business

Sales volume by brand

Vs. PY

- **Growth of core 8 brands led the overall volume increase (core 8 brands: ＋5.3%)**
- **By brand, Coca-Cola brand, Georgia, Ayataka and I Lohas made remarkable contributions**

<Coca-Cola, Coca-Cola Zero>
Rollout of promotions linked with the Rio Olympics and introduction of a limited package "ribbon bottle" worked.

<Georgia> Sales of new products such as "Georgia The Premium Bito" contributed.

<Ayataka> "Ayataka Nigorihonoka" which was launched in March contributed.

<I Lohas> New products contributed.

(Unit: K c/s, %)

		2016 Actual	Vs. PY*2		[Ref] Vs. Plan*3	
			Diff	Diff %	Diff	Diff %
Core 8	Coca-Cola	15,621	+635	+4.2	+201	+1.3
	Coca-Cola Zero	6,880	+402	+6.2	+171	+2.5
	Fanta	7,842	-62	-0.8	+67	+0.9
	Georgia	47,103	+1,888	+4.2	-265	-0.6
	Sokenbicha	10,286	+112	+1.1	-8	-0.1
	Aquarius	20,054	+562	+2.9	+691	+3.6
	Ayataka	19,387	+1,745	+9.9	+777	+4.2
	I LOHAS	15,862	+1,868	+13.3	-191	-1.2
	Sub total	143,035	+7,151	+5.3	+1,444	+1.0
	Others	38,194	-1,177	-3.0	-1,118	-2.8
	RTD*1 total	181,229	+5,974	+3.4	+326	+0.2
	Syrup & powder	40,373	+581	+1.5	+1,525	+3.9
	CCW total (excl.Shikoku CCBC)	221,603	+6,555	+3.0	+1,851	+0.8
	CCW＋Shikoku CCBC total	241,002	+15,368	+6.8	+1,573	+0.7

*1 RTD: Packaged products

*2 PY actual does not include actual performances of Shikoku CCBC's Jan-June results.

*3 Plan refers to values based on performance forecasts announced on Aug 12, 2016.

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- Next is on the sales volume by the brand.

- In the year-over-year comparison, core 8 brands delivered 5.3% positive volume leading the overall volume growth.

- By the brand, Coca-Cola and Coca-Cola Zero enjoyed positive volume from the year earlier owing to large-scale promotions linked with the Rio de Janeiro Olympics and implementation of exclusive design bottles.

- "Georgia" saw 4.2% positive volume driven by the sales of 950ml PET primarily launched in Supermarket for capturing new point of connections, as well as new products such as "The Premium Bito" introduced to the growing Bottle CAN market.

- "Ayataka" finished with 9.9% positive volume from prior year, steadily growing sales through efforts to reinforce competitive advantages of the brand with the 2 lineup of "Ayataka" and "Nigorihonoka".

- As to "I Lohas", it continues to deliver high volume growth in 2-digit from the previous year. Particularly the flavor water of "I Lohas Momo" and new products including "I Lohas Cider" and "I Lohas Nashi" contributed to the sales increase.

- With that, I would like to finish my briefing on the sales volume status.

Consolidated

Financial results of FY2016 ended Dec (Jan-Dec) -Consolidated

- Consolidated operating profit closed at 21.1 Billion JPY. (+6.8 Billion JPY Vs. PY)
- On the other hand, Current net profits resulted in 5.2 Billion JPY. (-4.7 Billion JPY Vs. PY)
  → 6.7 Billion JPY was booked as extraordinary loss from impairment of goodwill we executed pertaining to the field of FOSHU out of Healthcare & skincare business.

(Unit: MM JPY, %)

	2016 Actual	PY*1	Vs. PY		Plan*2	Vs. Plan	
			Diff	Diff %		Diff	Diff %
Revenue	460,455	440,476	+19,979	+4.5	460,200	+255	+0.1
Coca-Cola Business	428,394	407,635	+20,758	+5.1	425,600	+2,794	+0.7
Healthcare & Skincare Business	32,061	32,840	-778	-2.4	34,600	-2,538	-7.3
Gross prorfit	238,611	223,951	+14,659	+6.5	239,800	-1,188	-0.5
Operating income	21,143	14,262	+6,881	+48.3	20,500	+643	+3.1
Coca-Cola Business	18,369	11,209	+7,159	+63.9	17,100	+1,269	+7.4
Healthcare & Skincare Business	2,774	3,052	-277	-9.1	3,400	-625	-18.4
Ordinary profit	20,602	13,723	+6,879	+50.1	18,800	+1,802	+9.6
Current net income (attributable to shareholders)	5,245	9,970	-4,725	-47.4	10,800	-5,554	Δ51.4

*1 PY actual does not include actual performances of Shikoku CCBC's Jan-June results.

*2 Plan refers to values based on performance forecasts announced on Aug 12, 2016.

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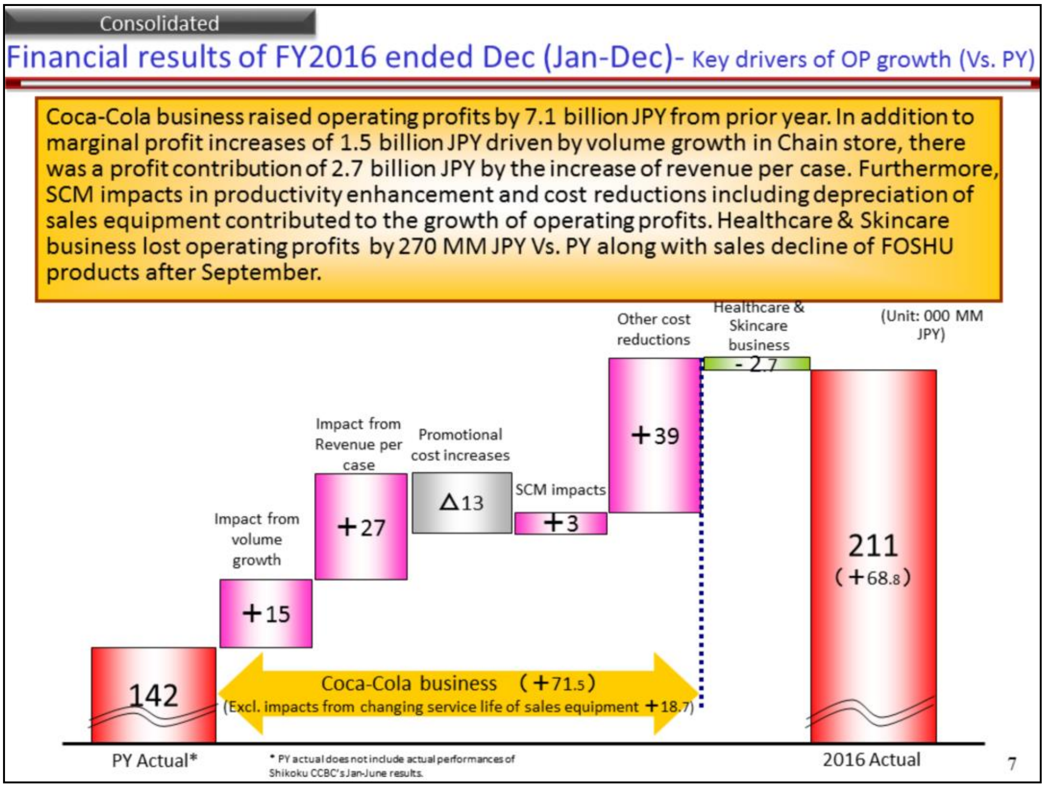
- I now would like to go over the financial summary of the year 2016 from slide 6.

- We booked consolidated revenue at 460.455 billion yen,
  operating profits at 21.143 billion yen,
  ordinary profits at 20.602 billion yen,
  and current net profits at 5.245 billion yen.

- Revenue increased by 19.9 billion yen from the year earlier with Operating profits also rose by 6.8 billion yen from the previous year.

- Note that the current net profit decreases from the previous year by 4.7 billion yen are primarily due to extraordinary profits of 8.3 billion yen booked from gain on negative goodwill associated with making Shikoku CCBC a wholly-owned subsidiary in 2015 as well as extraordinary losses of 6.7 billion yen recorded at the end of 2016 for impairment of goodwill relating to FOSHU field in the healthcare & skincare business.



- The chart on page 7 shows drivers of operating profits against the previous year.

- Coca-Cola business increased marginal profits by 1.5 billion yen from last year contributed by volume growth in Chain store. Revenue per case also jumped from the year earlier with 2.7 positive growth, indicating visible impacts of RGM initiatives in Supermarket.

- While promotional costs rose by 1.3 billion yen from last year, profits were generated exceeding the increase with volume and per-case revenue growth.

- SCM achieved cost saving as well through productivity enhancement initiatives, despite increases of production and logistic costs along with sales volume growth.

- Furthermore, cost reductions from the impact of changing service life of sales equipment and other factors helped operating profits to increase by 7.1 billion yen from last year.

- Also note that operating profits were up by 1.8 billion yen from last year even excluding the impact of changing service life of sales equipment.

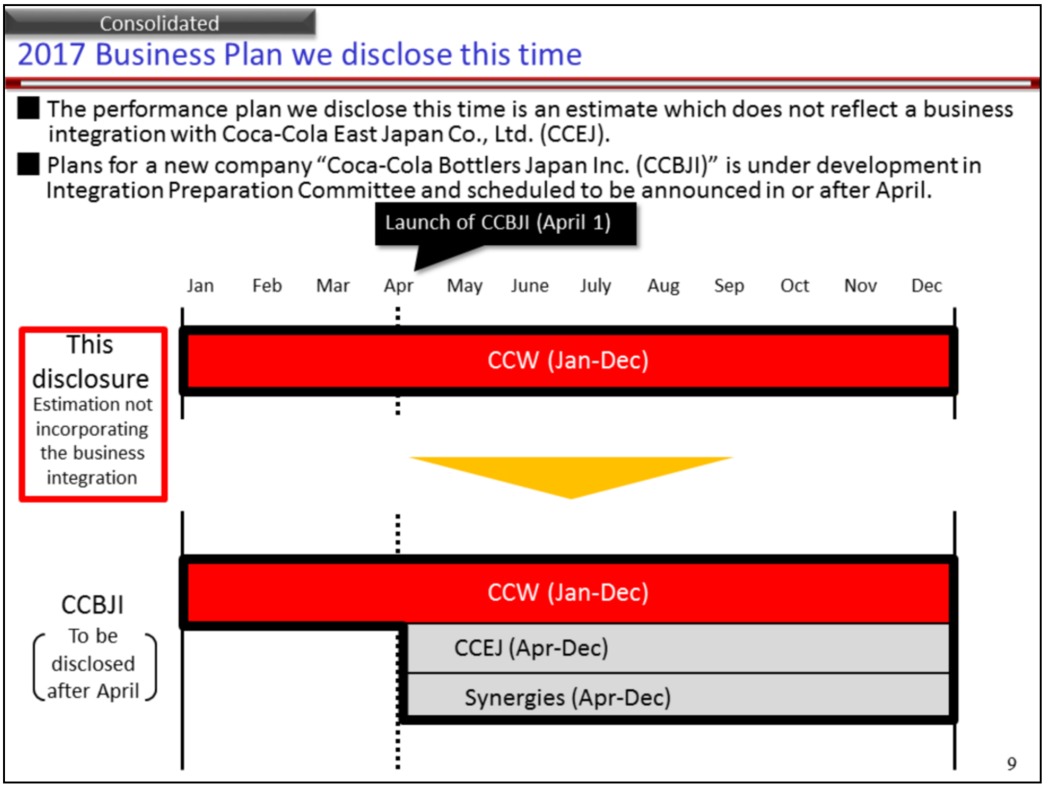
- Healthcare & skincare business in total kept losses of operating profits to 270 million yen against prior year with good sales of highly profitable skincare products, despite 700 million yen year-over-year declines of Nippon Supplement’s operating profits impacted by decreased sales of FOSHU products.

- As a result, we closed consolidated operating profits at 21.1 billion yen, up by 6.8 billion yen from the year earlier.

- These are the performances of 2016.

II. 2017 Business Plan

• Now, I would like to talk about plans for 2017.



- At first, let me give you some comments on the assumptions behind the plans for 2017 we disclose this time.

- CCW plans to launch a new merger company Coca-Cola Bottlers Japan Inc., or CCBJI, as of April 1, 2017 through a business integration with Coca-Cola East Japan.

- The performance plans we disclose this time are annual estimates in the existing Coca-Cola West group not incorporating the business integration.

- Currently, Integration Steering Committee is considering strategies for synergy creation in all sorts of fields including Commercial, SCM, Procurement and In-direct Management.

- Sum total of the synergies to be generated from the business integration, annual plans of Coca-Cola West group and Coca-Cola East Japan's plans from April to December would be the performance plans of CCBJI for this year.

- Please note that we will announce CCBJI plans once determined after April.

- Now, I will take you through our plans for 2017 from the following slide.

Consolidated

Full-year (Jan-Dec) ー Performance Plan (Estimate)

■ Plan for growth in Revenue, Operating income and Current net income from prior year (not reflecting the business integration).

Consolidated

(Unit: MM JPY, %)

	2017 Full-year Plan	Vs. PY	
		Diff	Diff %
Revenue	462,500	+2,044	+0.4
Gross profit	242,600	+3,988	+1.7
Operating income	22,000	+856	+4.0
Ordinary profit	20,600	-2	-0.0
Current net income (attributable to shareholders)	12,500	+7,254	+138.3

By business

[Coca-Cola business (CCW+Shikoku)]

(Unit: K c/s, MMJPY, %)

	2017 Plan	Vs. PY	
		Diff	Diff %
Volume	242,595	+1,595	+0.7
Revenue	428,400	+5	+0.0
Of which, revenue excluding sales to other bottlers	421,705	+4,145	+1.0
Operating income	18,500	+130	+0.7

[Healthcare & skincare business]

(Unit: MM JPY, %)

	2017 Plan	Vs. PY	
		Diff	Diff %
Revenue	34,100	+2,038	+6.4
Operating income	3,500	+725	+26.1

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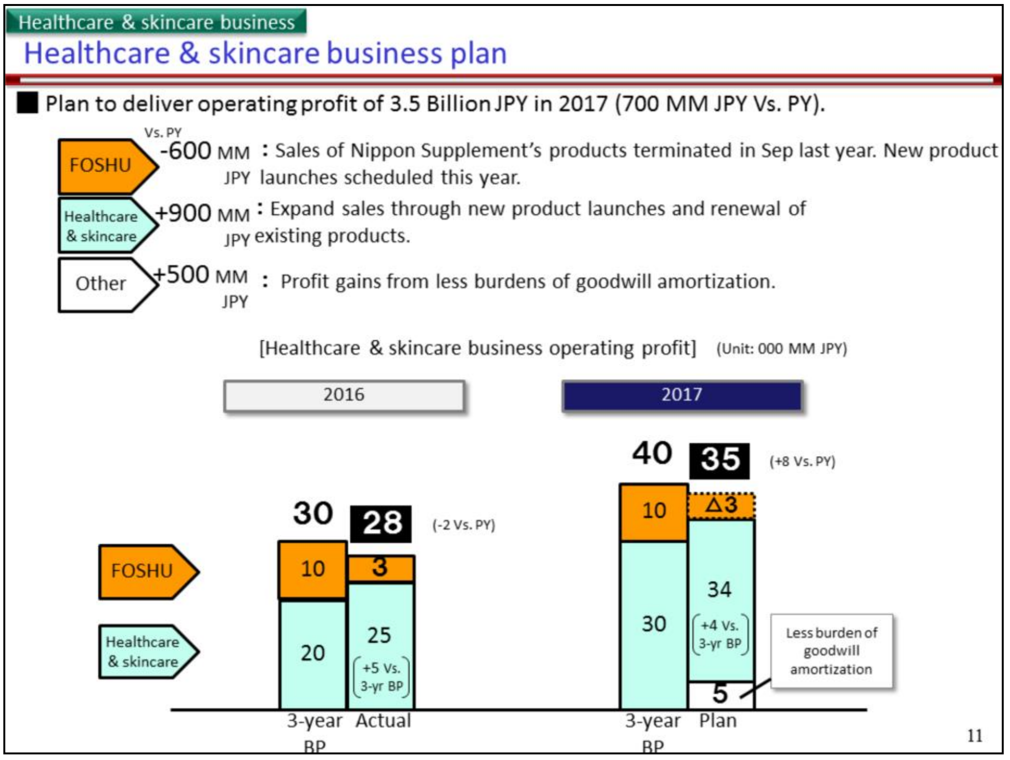
- Here is a full-year consolidated performance plan of Coca-Cola West group.

- We project full-year consolidated revenue at 462.5 billion yen,
  operating profits at 22 billion yen,
  ordinary profits at 20.6 billion yen,
  and current net profits at 12.5 billion yen which correspond to revenue increase and 800 million yen increase of operating profits from prior year.

- By the business, we forecast year-over-year income and profit gains for both Coca-Cola and Healthcare & skincare businesses.

- You will be briefed on strategies by the business from the following slide.
  While Takagi takes the part of Coca-Cola business later on, I would like to cover Healthcare & skincare business.



•As I mentioned earlier, Healthcare & skincare business impaired losses of 6.7 billion yen from the goodwill relating to FOSHU field at the end of last year.

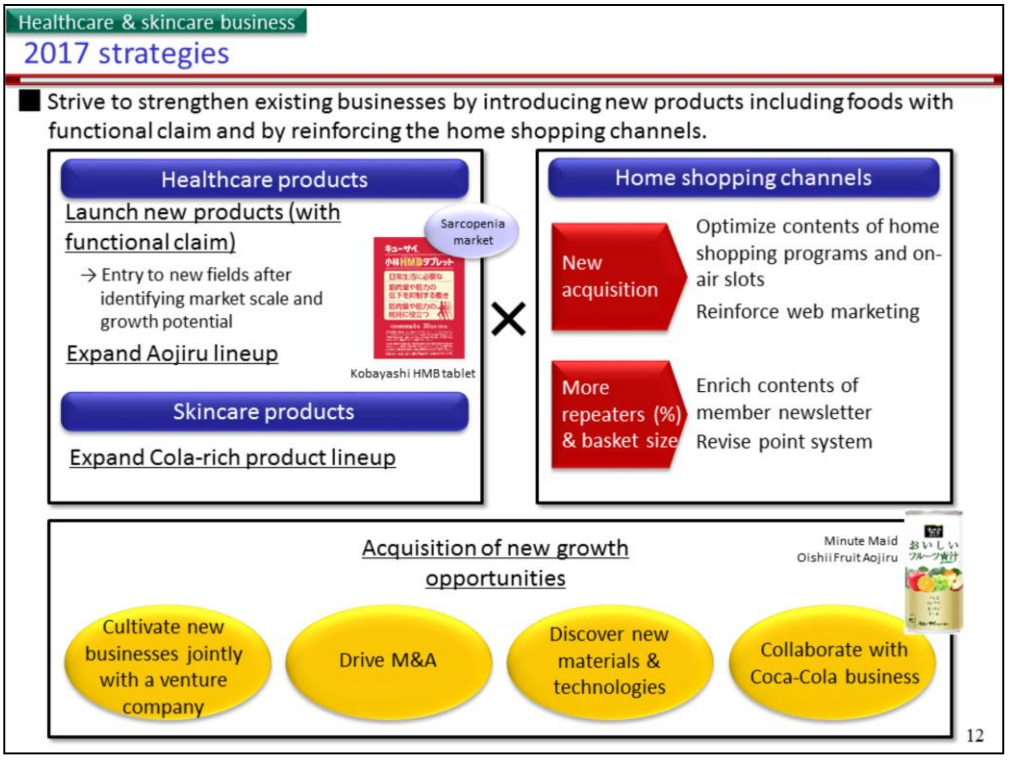
•Last year's operating profits resulted in 300 million yen as shown in the graph, deviating from the target of 3-year plan for FOSHU field along with discontinued sales of FOSHU products.

•However, we plan to launch new FOSHU products by the end of this year in a bid to rebuild the FOSHU field as we believe that this market will continue to grow. As the first year of the launch, we frontload advertisement costs and forecast 300 million yen deficits of operating profits in the FOSHU field for this year.

•On the other hand, other Healthcare & skincare fields beside FOSHU finished last year with operating profits at 2.5 billion yen exceeding far beyond the 3-year target values with steady sales growth. We plan to attain 3.4 billion yen operating profits for this year also as we aim to increase profits through continued sales expansion.

•Note that the burden of goodwill amortization will decrease by 500 million yen from this year along with impairment of goodwill relating to FOSHU field. By taking this into account, the projected operating profits for this year's Healthcare & skincare business would be 3.5 billion yen, up by 700 million yen year-over-year.

•As operating profits of Healthcare & skincare business in total have made progresses according to the initial plan despite the growth of FOSHU field underperformed the assumption at the time Q'sai was acquired in 2010, we will drive the growth.



- Let me now move on to introducing this year's strategies for Healthcare & skincare business.

- Firstly on product strategies. For Healthcare products, we will launch new products mainly with functional claim by identifying promising fields from the perspectives of market scale and growth potential.
  We will introduce a functional claim product in April to sarcopenia market where we can expect growth as a first round. We will also work on extending the lineup of key product "Kale Aojiru".

- For skincare products, we will enrich related products of Cola-rich series which shows steady sales growth.

- Next is on channel strategies. We will further upgrade systems and tools of home-shopping as a key channel in order to enhance repeat rate of existing consumers and drive additional purchase of new items, on top of acquiring new consumers. To this end, we will make solid investments as well.

- We will also strengthen initiatives for "capturing new growth opportunities".
  Led by CQ Ventures established last year, we will aggressively move forward new business development, M&A drive and cultivation of new ingredients and technologies.

- Moreover, we launched "Minute Maid Oishii Fruits Aojiru" in December last year as a first round of collaborations with Coca-Cola business.

- We realized to market a high value-added product through a collaboration between the world leading Coca-Cola brand and Q'sai's iconic brand of Aojiru. We will continue to work on driving the collaborations this year.

- I talked about Healthcare & skincare business and let's move on to a next topic.

Consolidated

Q1 (Jan-Mar) ー Performance Plan

■ Aim to deliver Q1 consolidated operating profit of 2.3 billion JPY, up by 100 MM JPY from PY.

Consolidated

(Unit: MM JPY, %)

	2017 Q1 Plan	Vs. PY Diff	Vs. PY Diff %
Revenue	99,200	-1,345	-1.3
Operating income	2,300	+90	+4.1

By business

[Coca-Cola business (CCW+Shikoku)] (Unit: K c/s, MM JPY, %)

	2017 Q1 Plan	Vs. PY Diff	Vs. PY Diff %
Volume	50,817	+336	+0.7
Revenue	91,600	-780	-0.8
Of which, revenue excluding sales to other bottlers	90,367	+103	+0.1
Operating income	1,500	+99	+7.1

[Healthcare & skincare business] (Unit: MM JPY, %)

	2017 Q1 Plan	Vs. PY Diff	Vs. PY Diff %
Revenue	7,600	-565	-6.9
Operating income	800	-9	-1.2

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- Let me now continue with consolidated performance forecasts for the first quarter.

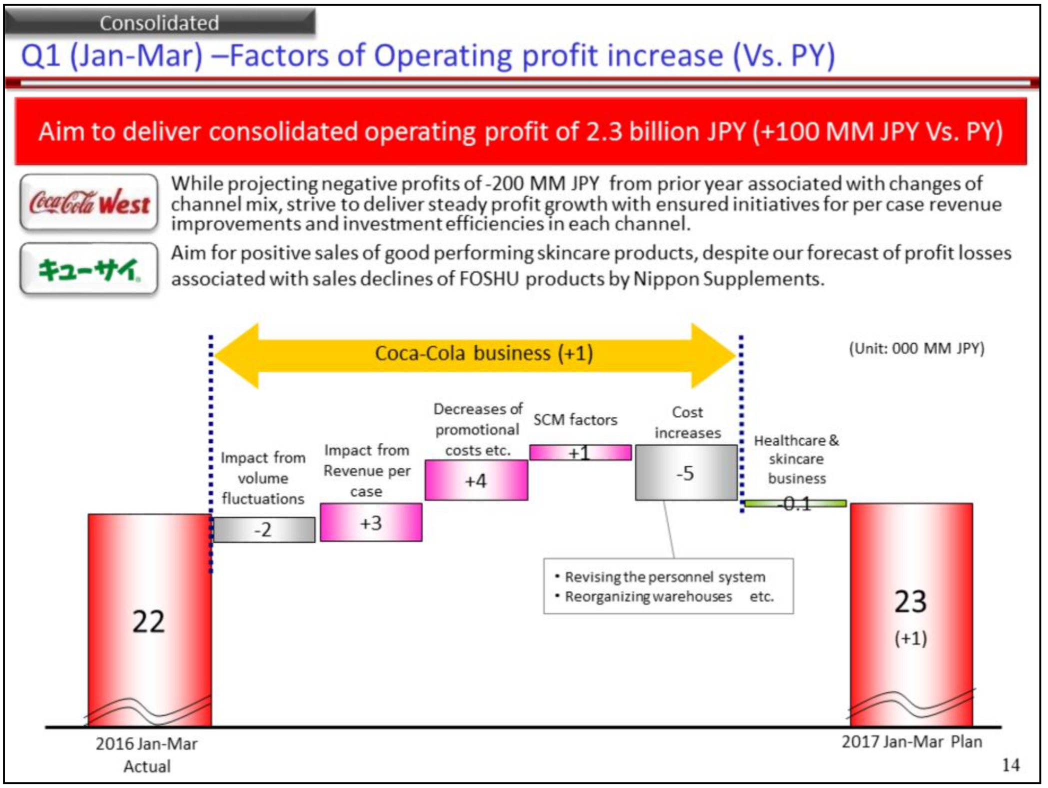
- As I mentioned earlier that our annual forecast does not take into account the business integration, the plan for the first quarter you see is a target to aim for as Coca-Cola West group that we ensure solid activities for achievement.

- We endeavor to gain profits from previous year by setting consolidated operating profits for the first quarter at 2.3 billion yen.

- By the business, we aim to increase operating profits in Coca-Cola business by 100 million yen from last year, while forecasting revenue declines year-over-year reflecting decreased sales to other bottlers and changes in channel mix.

- Note that 0.1% positive revenue as opposed to 0.7% positive volume year-over-year is from the impact of channel mix and revenue per case of each channel is projected to be positive from the year earlier.

- For Healthcare & skincare business, we will strive to attain operating profits of 800 million yen almost at the same level as last year, while projecting revenue declines year-over-year incorporating decreased sales of FOSHU products by Nippon Supplement.



- The chart on page 14 shows drivers of operating profits in the first quarter against the previous year.

- We aim for gaining 1.5 billion yen, up by 100 million yen year-over-year in Coca-Cola business.

- Profits are expected to decrease by 200 million yen from volume declines in the highly profitable Vending, while forecasting volume growth in Chain store. Even so, we are going to gain 300 million yen profits through revenue per case improvements.

- Meanwhile, we intend to continue “investing for future growth” raised in the 3-year plans for this year as well. Costs are expected to increase by 500 million yen for a review of HR system, restructuring of sales centers with objectives to reduce workload and operation efficiency and others.

- Setting operating profits of Healthcare & skincare business close to the level of last year, we aim to attain consolidated profit gains of 2.3 billion yen, up by 100 million yen year-over-year.

- That ends my briefing on performance forecasts for Coca-Cola West group’s first quarter.

- Lastly on CCBJI to be launched on April 1, Integration Steering Committee has moved forward studies on CCBJI’s group organization, synergies to generate, future goals and so on, making good progress at present. We consider making an announcement to you all at an appropriate timing.

- I would like to close my briefing here. Thank you very much for listening.

III. Coca-Cola business commercial strategies

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- Good morning everyone, I'm Takagi.
- I will take you through commercial strategies from here on.

Coca-Cola business

Volume plan for FY2017 ending Dec (Jan-Dec)

■ While incorporating rebound from last year's good weather, we project positive volume Vs. PY.

→ By channel, Supermarket leads overall volume growth.

→ By brand, Georgia, Ayataka and I Lohas make contributions.

Volume plan by channel

(Unit: K c/s, %)	2017 Plan	Vs. PY	
		Diff	Diff %
Supermarket/Drug/Discounter	72,225	+1,913	+2.7
Convenience store	29,241	+107	+0.4
Chain store total	101,466	+2,020	+2.0
Vending	67,060	-950	-1.4
Retail	11,054	-186	-1.7
Food service	26,156	+488	+1.9
Others	17,339	+102	+0.6
CCW total (excl.Shikoku CCBC)	223,075	+1,473	+0.7
CCW+Shikoku CCBC total	242,595	+1,593	+0.7

Volume plan by brand

	(Unit: K c/s, %)	2017 Plan	Vs. PY	
			Diff	Diff %
Core8	Coca-Cola	14,990	-639	-4.1
	Coca-Cola Zero	6,667	-213	-3.1
	Fanta	8,449	+607	+7.7
	Georgia	48,767	+1,664	+3.5
	Sokenbicha	10,108	-177	-1.7
	Aquarius	19,296	-758	-3.8
	Ayataka	20,472	+1,085	+5.6
	I Lohas	17,627	+1,765	+11.1
	Sub total	146,376	+3,334	+2.3
	Other	37,735	-451	-1.2
	RTD* total	184,112	+2,882	+1.6
	Syrup, powder	38,964	-1,410	-3.5
	CCW total (excl. Shikoku CCBC)	223,075	+1,473	+0.7
	CCW + Shikoku CCBC total	242,595	+1,593	+0.7

* RTD: Packaged products

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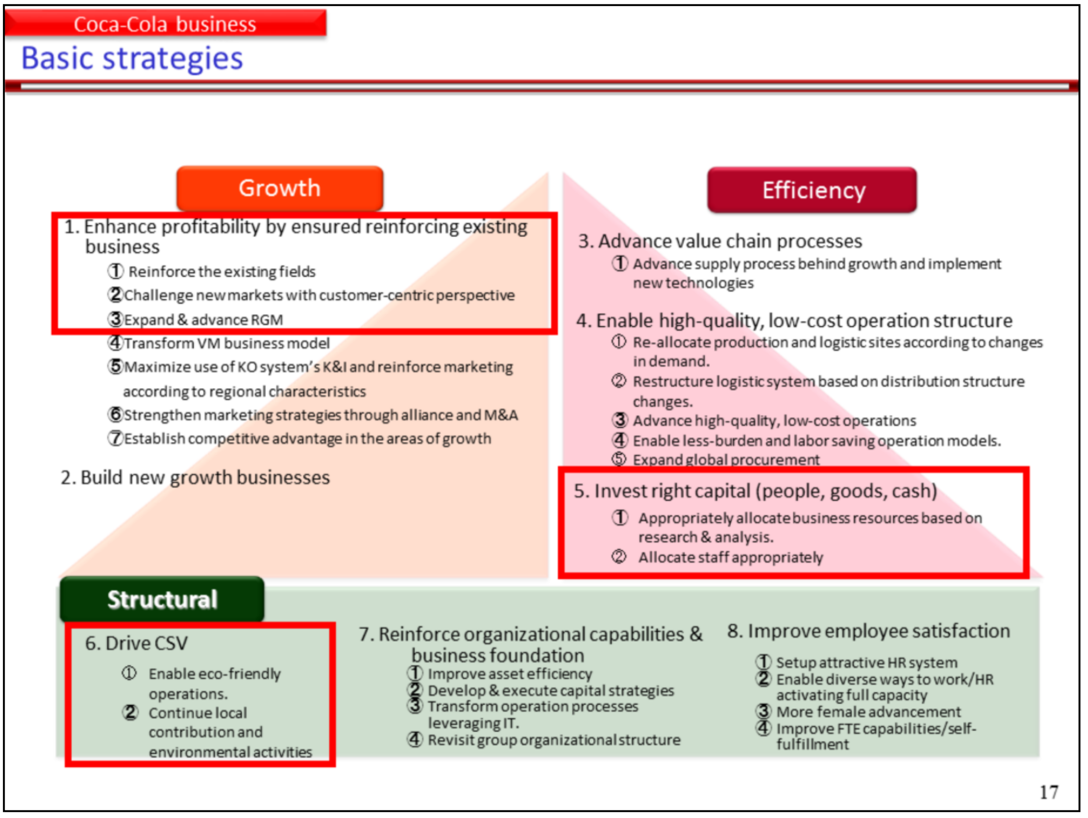
- Firstly on volume plans by the channel and the brand for 2017.

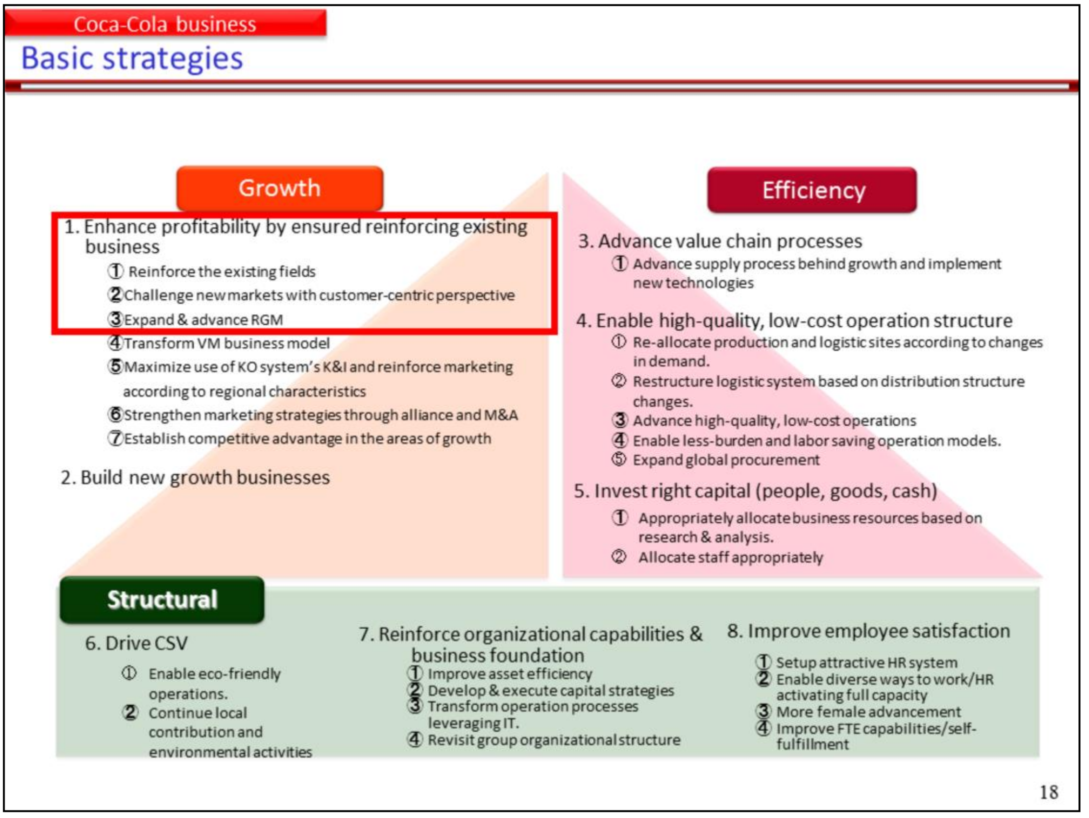
- While incorporating a cyclic effect from last year's good summer weather, we project 0.7% positive volume year-over-year.

- By the channel, we expect growth particularly in Super market, Drug store and Discounter. By the brand, we are going to expand sales by further strengthening "Georgia", "Ayataka" and "I Lohas" which continued to show good performances last year.



- Here is the basic strategies in the 3-year management plan for Coca-Cola business.

- Among these 3 basic strategies for Growth, Efficiency and Structure, I will elaborate you on “Enhance profitability by ensured reinforcing existing business”, “Invest right capital (people, goods, cash)” and “Drive CSV” that would serve as pillars of commercial strategies for 2017.



- Firstly, I would like to brief you on “Reinforce the existing fields”.

- We will ensure not to depend on selling methods to increase volume by lowering prices, as a way of "reinforcing the existing fields".

- In Chain store, we implement initiatives to transform how we offer our products in raising the price point of 2L PET, positioning Aquarius 2L PET as a main package, 1.25L PET as an entry and a trial package, offering the 1.25L at a new price range as a trigger.

- This is an extension of last year's initiative that led to improvements of per case revenue with Coca-Cola brand through deployment of Coca-Cola 1.5L PET as a main package and 1L PET as an entry package.

- We also continue to reinforce price control of highly seasonal Aquarius during peak-season and off-season as it succeeded in raising per case revenue last year.

- Even in non-sugar tea category, we endeavor to rationalize retail prices throughout the year mainly with large-size package by bolstering activities to increase per case revenue.

- In Vending on the other hand, we are going to respond to consumer needs by extending product lineup through deployment of high value-added and vending exclusive products as well as by launching portfolio suitable for various locations.

- Additionally, we will work on expanding "Coke ON" enabled vending machines rolled out last year with 60,000 units. As the 2nd Year, we scale with another 50,000 machines this year to enable 110,000 units in total from last year.

- As another initiative to reinforce the existing fields, we will engage in "expanding regular products", "capturing PoC" and "gaining sales in low share market" with a theme of "expanding valuable PoC through effective use of new products and sales equipment".

- For "expanding regular products", we will scale deployment of products in growth categories such as functional claim foods and FOSHU with "sparkling", "non-sugar tea" and "water", while maintaining coverage of key products.

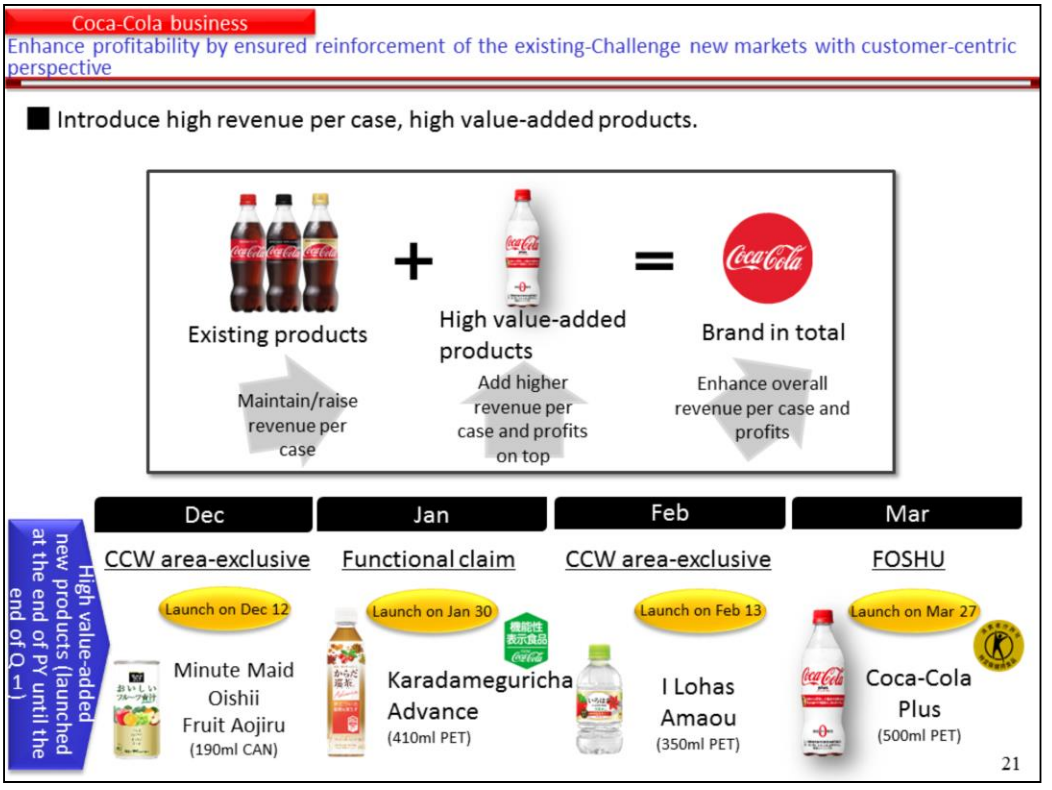
- For "capturing PoC", we will expand in-store spaces focusing on sections with high sales capabilities such as "Checkout", "Deli" and "Liquor" besides regular shelf.

- For "gaining sales in low share market", we will launch new products in areas where we have not offered our products nor captured our share in a market already exists.

- In Vending, we are going to "capture prime locations".

- While reinforcing new placement activities for high potential at work and major corporations, we will strive to strengthen relations with customers headquartered in the metropolitan area in collaborations with Coca-Cola East Japan.

- For targeting, we leverage external data that would lead to reinforcement of new placement and introduce 30,000 new vending machines and 1,500 brewed coffee machines.



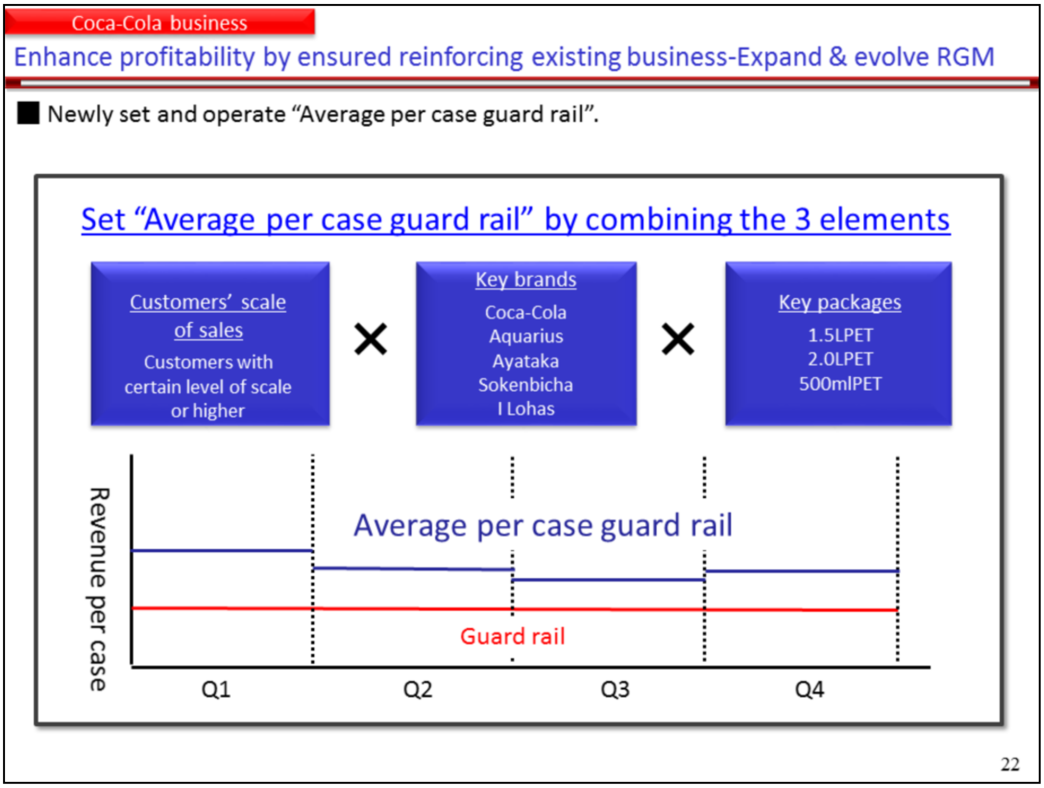
- Next, I would like to brief you on our "challenges to new markets with customer-centric perspective".

- In addition to maintaining and raising per case revenue of existing products, we will increase per case revenue and profits of brands in total by introducing products with high unit price and value addition where consumer needs are growing.

- We offer "Minute Maid Oishii Fruits Aojiru" that came into reality through collaborations with Q'sai last December as a product of high unit price and value addition at 200 yen per CAN, focusing on indoor vending machines.

- The post-launch status after approximately 2 months shows good trend of volume with about 8,000 vending machines deployed, exceeding the plan already in the number of vending installation. We will continue to work on the collaborations with Q'sai for greater profits.

- In addition, we will take on a challenge to gain profitable share gains in new markets by enriching product lineup with high unit price and value addition such as "Karadameguricha Advance" in January, "I Lohas Amaou" in February and "Coca-Cola Plus" in March this year.



- Now, let me give you some details on "expansion & advancement of RGM".

- RGM is abbreviation of Revenue Growth Management and initiatives to expand profits through revenue growth ahead of volume.

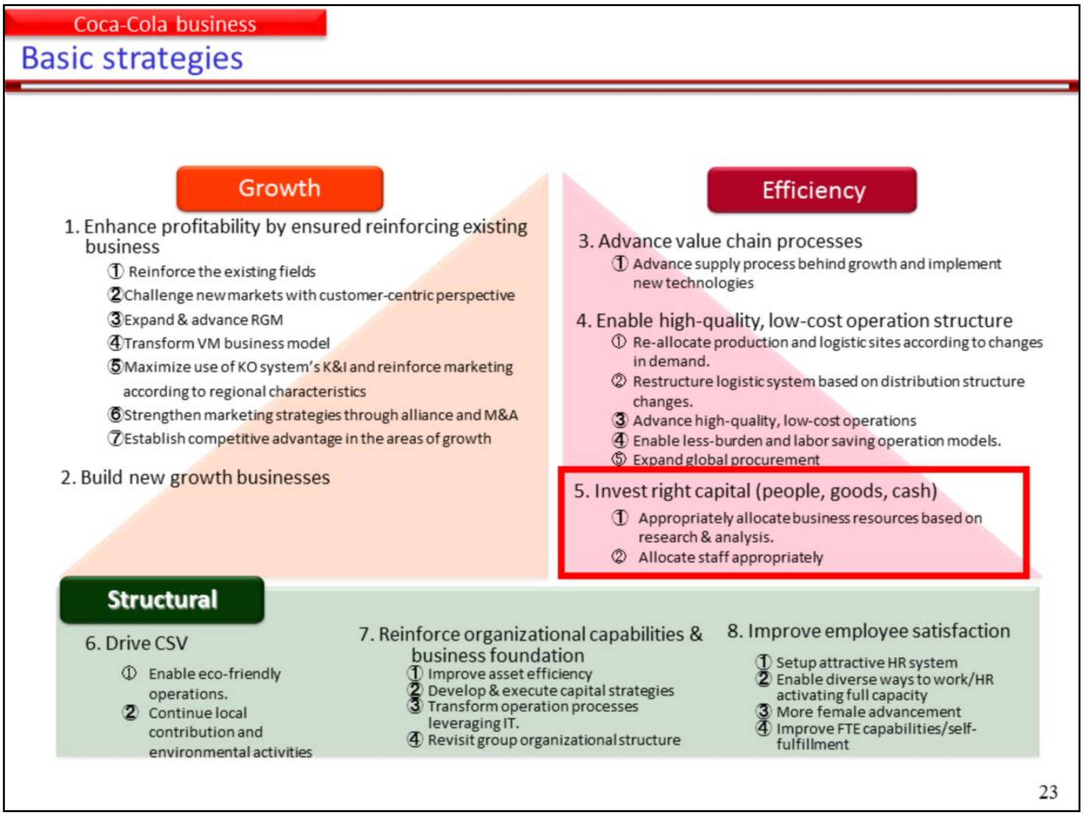
- We worked on this initiative by promoting compliance to "price guideline" and "guard rail as the lowest cap of wholesale price" in Chain store last year.

- It's fair to say that this initiative have taken root as we managed to achieve 100% compliance with our negotiating customers.

- As issues also remained with complexity in conducting sales management by the promotional type per customer and with activity assessment on the monthly basis while we worked on enhancing revenue per case through improvement of mix by the promotional type such as regular, discount and deep discount as a price guideline, we are now going to work on this initiative by advancing the contents of management indicators to match with the reality of sales, that is, from promotional-based configuration to average per case revenue and from monthly tracking to quarterly, as well as newly setting average per case guardrail.

- To be specific, we are going to operate this idea by setting quarterly average lower limit by combining "sales scale of customers", "key brands" and "key packages".

- We aim to have success in raising both per case revenue and share through this initiative.



• Next is on "Investing right capital (people, goods, cash)".

Coca-Cola business

Invest right capital (people, goods, cash)

■ Enhance investment efficiency of promotional costs and sales equipment.

Chain store

Conduct promotions being conscious of ROI

- Make investments to urge customers to take initiatives (volume, revenue achievement conditions/coverage etc).
- Make investments to encourage consumers to purchase (non-price promotions/coupons/events).
- Make investments to areas with high growth (categories etc).

Vending

Improve unprofitable locations

	CAN	CVM	Paper pack
Subject to improvement	83,800 VM	4,580 VM	2,450 VM
2017 plan	18,500 VM	3,360 VM	640 VM

\# of VM withdrawal

22,500

2015 actual 17,500
2016 actual 15,500

■Improve unprofitable trade deals

→ Promotional costs, commissions etc.

- Target # of deals (agreements to be updated this year): 171

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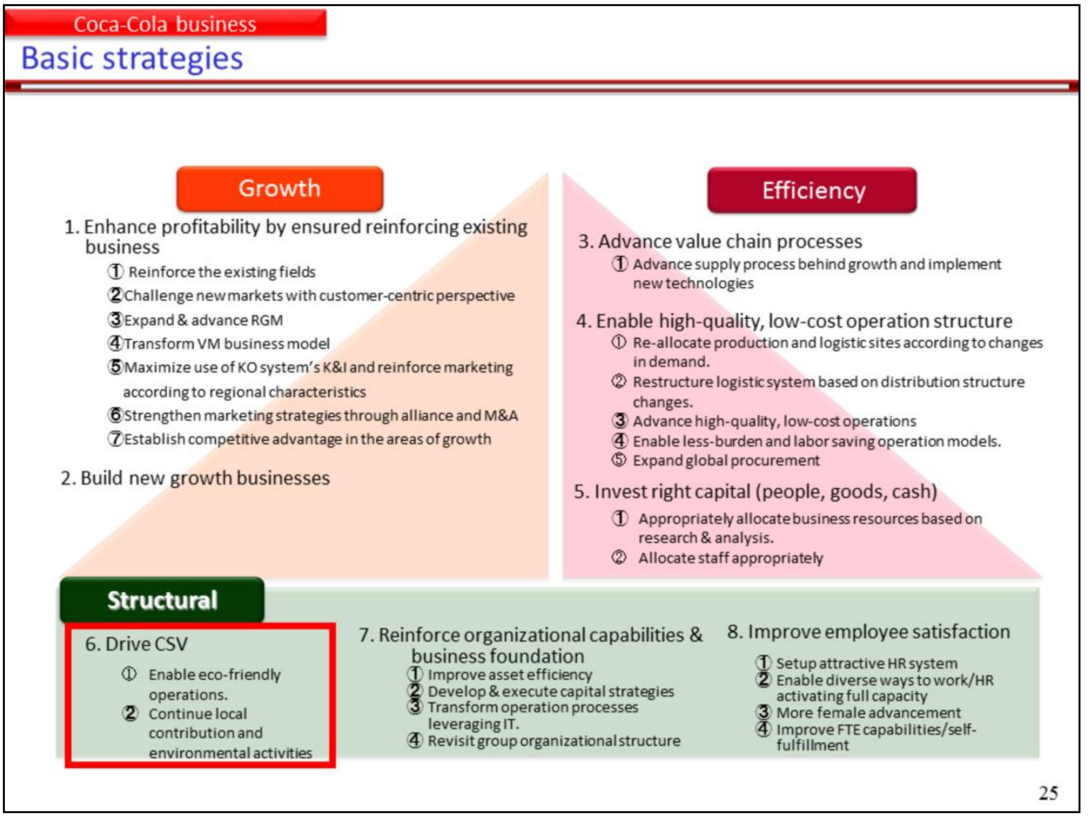
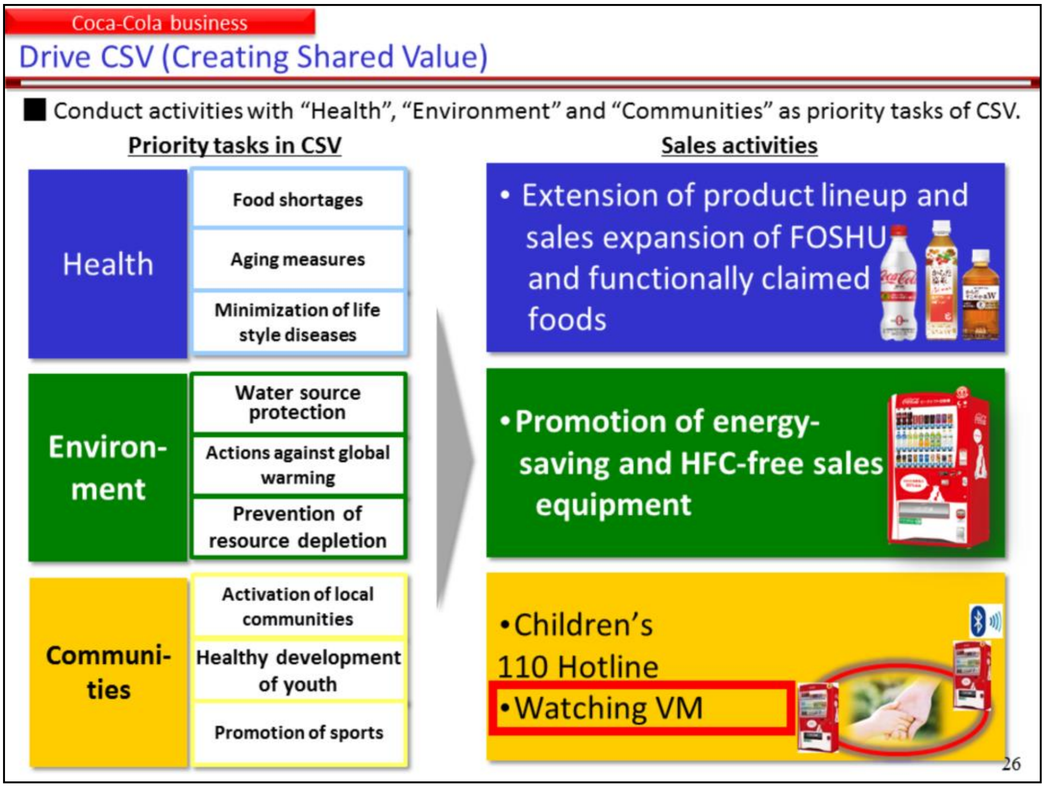
- In Chain store, we are going to plan and conduct promotions by clearly identifying return on investments from the 3 perspectives in making investments, that is “to urge customers to take initiatives”, “to encourage consumers to purchase” and “to areas with high growth”.

- As a contract renewal cycle with customers ends in 3 years for Vending, we thoroughly worked on improving profitability with the 3 year span from 2015 as one of the milestones.

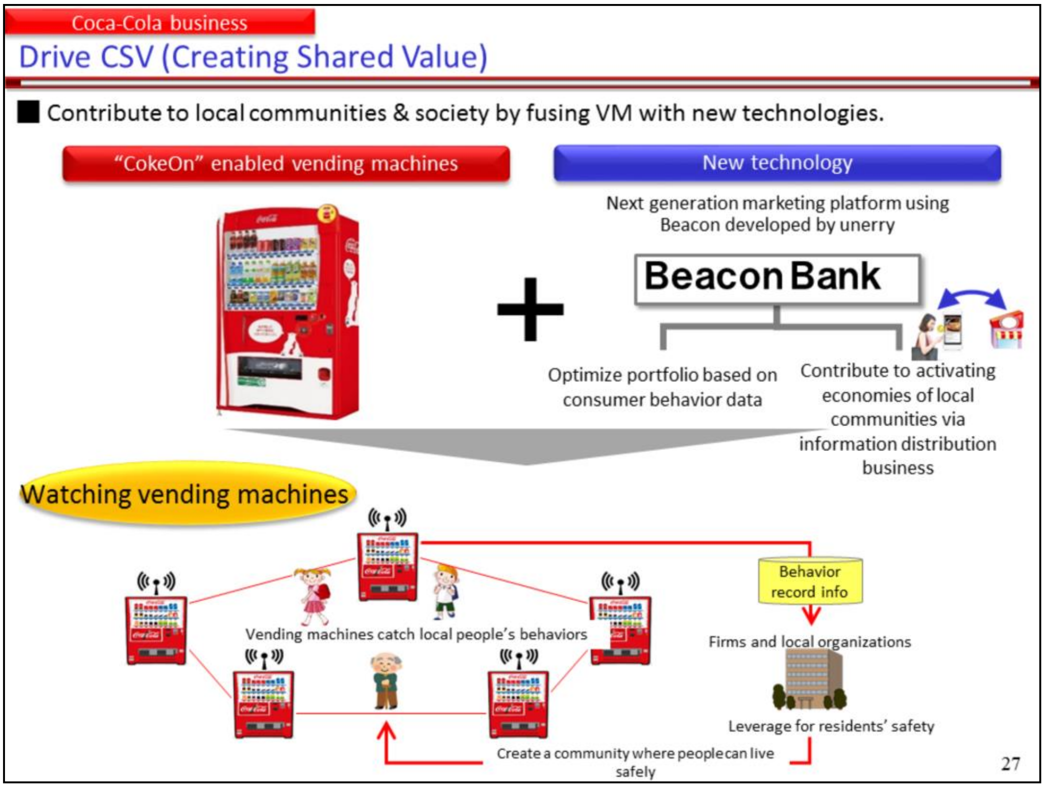
- Since this year marks the 3rd Year, we are going to conduct withdrawal of 22,500 unprofitable vending machines and improve conditions of unprofitable deals scheduled for contract renewal this year as a turning point.



- Lastly, let me take you through "driving CSV".



- CSV is short for Creating Shared Value and means common value creation, that is, to both solve social issues and achieve company growth.
- "Health", "Environment" and "Communities" are set as our priority challenges in CSV.
- As specific sales activities in line with the 3 priorities, we are going to work on 4 areas of "Extension of product lineup and sales expansion of FOSHU and functionally claimed foods", "Promotion of energy-saving and HFC-free sales equipment", "Children's 110 Hotline" and "Watching VM".
- I would like to elaborate you on "Watching VM" among these activities.



- As I have already mentioned, currently we are working on expanding deployment of "Coke ON" enabled vending machines.
- A business alliance is concluded between CQ Ventures invested by Coca-Cola West Group with a next-generation marketing company "Unerry" as a first step of our attempt to add new values to this "Coke ON" enabled vending machines.
- Unerry develops and operates a next-generation platform called "Beacon bank" that utilizes a beacon installed on "Coke ON" enabled vending machines.
- Beacon is a system that realizes data communications with extremely low power between beacon terminals and smartphones using Bluetooth and currently utilized by various companies and organizations.
- With this "Beacon bank" that allows management of networked beacons of companies and organizations on a single platform, we have conducted studies to lead the use of this Beacon bank connecting with consumers, society and vending machines to create new value propositions.

- One of the initiatives is "Watching VM".
- This is to take advantage of vending machines by installing a camera function or leveraging Bluetooth to track movements of children or elderly as a safety measure for residents by corporations or local organizations. We are seeking for other possibilities with "Coke ON" enabled vending machines that would address challenges of local communities and society.
- We wish to make Coca-Cola West indispensable to society by connecting our activities to address social issues.

- I would like to close my briefing here.
- Thank you for listening.

[Reference]

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Financial results of FY2016 ended Dec (Jan-Dec) -Key drivers (Vs. PY)

(Unit: 100MM JPY)

	PY Actual*	2016 Actual	Diff	Key drivers	Diff
Revenue	4,404	4,604	+199	• Coca-Cola Business (CCW + Shikoku CCBC)	+207.5
				• Healthcare & Skincare Business	-7.7
Gross profit	2,239	2,386	+146	• Coca-Cola Business (CCW + Shikoku CCBC)	+154.0
				• Healthcare & Skincare Business	-7.4
Operating income	142	211	+68	• Increase of SG&A Expenses	-77.7
				• Coca-Cola Business (CCW + Shikoku CCBC)	-82.4
				<Key drivers>	
				Increase of labor costs	-53.6
				Increase of promotion/advertising costs	-30.0
				Increase of sales commissions	-13.0
				Decrease of sales equipment costs	+1.8
				Increase of operation outsourcing costs	-28.6
				Increase of repair costs	-4.8
				Decrease of depreciation costs	+59.1
				• Healthcare & Skincare Business	+4.6
Ordinary profit	137	206	+68		
Current net income (attributable to shareholders)	99	52	-47	• Decrease of extraordinary profits (gain on negative goodwill etc)	-70.4
				• Increase of extraordinary losses (due to impairment loss of goodwill, losses from disaster etc)	-23.5
				• Corporate tax	-21.6

*PY actual does not include actual performances of Shikoku CCBC's Jan-June results.

Financial results of FY2016 ended Dec (Jan-Dec) -Key drivers (Vs. Plan)

(Unit:100MM JPY)

	Plan*	2016 Actual	Diff
Revenue	4,602	4,604	+2
Gross profit	2,398	2,386	-11
Operating income	205	211	+6
Ordinary profit	188	206	+18
Current net income (attributable to shareholders)	108	52	-55

*Plan refers to values based on performance forecasts announced on Aug 12, 2016.

Key drivers	Diff
・Coca-Cola Business (CCW＋Shikoku CCBC)	+27.9
・Healthcare & Skincare Business	-25.3
・Coca-Cola Business (CCW＋Shikoku CCBC)	+11.9
・Healthcare & Skincare Business	-23.8
・Decrease of SG&A Expenses	+18.3
・Coca-Cola Business (CCW＋Shikoku CCBC)	+0.7
<Key drivers>	
Increase of labor costs	-4.9
Decrease of promotion/advertising costs	+1.0
Decrease of sales commissions	+3.6
Increase of repair costs	-1.7
Decrease of depreciation costs	+1.1
・Healthcare & Skincare Business	+17.5
・Increase of extraordinary profits (gain on sales of fixed assets etc)	+11.3
・Increase of extraordinary losses (due to impairment loss of goodwill etc)	-83.2
・Corporate tax etc	-2.0

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Financial results of Q4 (Oct-Dec)

(Unit: MM JPY, %)

	2016 Q4 Actual	2015 Q4 Actual	Vs. PY		Plan*	Vs. Plan	
			Diff	Diff %		Diff	Diff %
Revenue	106,745	110,814	-4,069	-3.7	108,900	-2,154	-2.0
Coca-Cola Business	99,132	102,372	-3,239	-3.2	99,700	-567	-0.6
Healthcare & Skincare Business	7,612	8,442	-829	-9.8	9,200	-1,587	-17.3
Gross profit	55,113	56,436	-1,322	-2.3	56,800	-1,686	-3.0
Operating income	2,117	2,754	-636	-23.1	2,300	-182	-7.9
Coca-Cola Business	1,859	1,840	+19	+1.1	1,600	+259	+16.2
Healthcare & Skincare Business	257	914	-656	-71.8	700	-442	-63.2
Ordinary profit	2,281	2,429	-147	-6.1	1,200	+1,081	+90.2
Current net income (attributable to shareholders)	-5,382	-4,376	-1,005	-	500	-5,882	-

*Plan refers to values based on performance forecasts announced on Aug 12, 2016.

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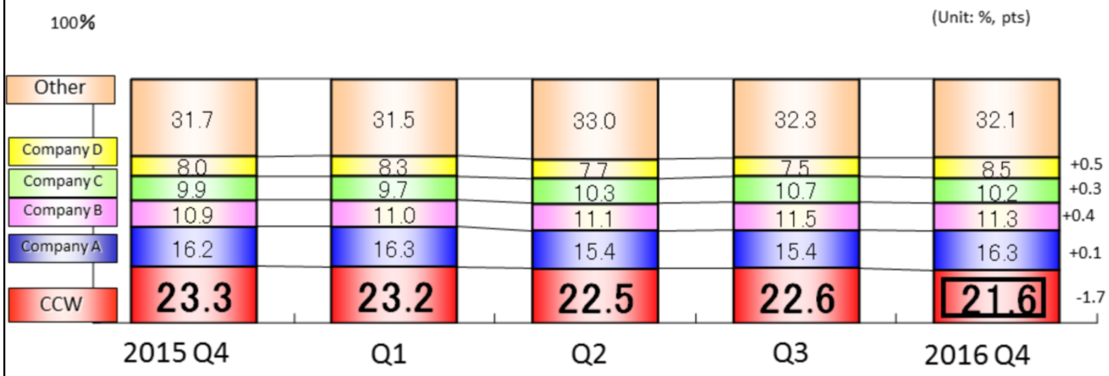
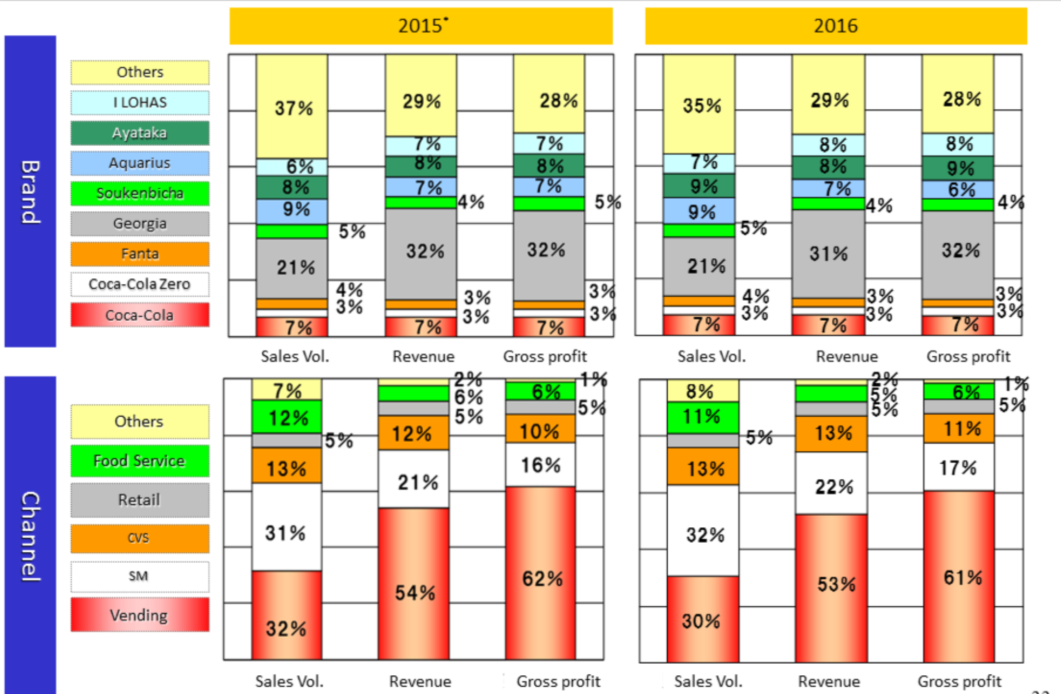
Trend of OTC market share (excl. VM)



• Values outside the graph show year-over-year differences.
• Along with changes in data aggregation targets by the research company, 2015 Q4 Actual was retroactively revised.

(Source: Intage)

2016 (Jan – Dec) – Mix by brand/channel



* Due to some changes in saleschannelcategories, PY actual is retroactively revised

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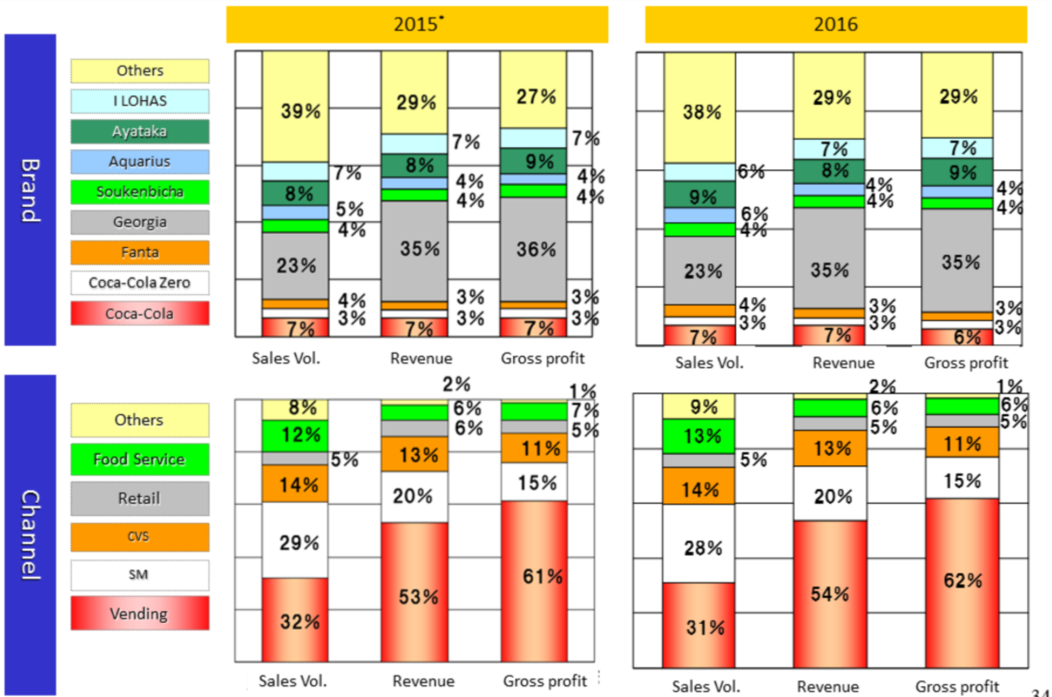
Q4 (Oct – Dec) – Mix by brand/channel



* Due to some changes in sales channel categories, PY actual is retroactively revised

Sales update on vending machines by segment

Vending machine full service CAN VPM* Vs. PY

【CCW area】

	Vs. PY (%)												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
At work (office etc)	-2.2	+2.1	+0.0	-2.5	-1.6	-1.4	-1.3	+4.4	+0.6	-3.8	-0.7	-5.4	-1.0
At work (plant etc)	-2.8	+1.9	+1.8	-3.0	-2.5	-1.4	-2.8	+6.0	+0.8	-4.7	+0.8	-4.7	-0.9
Mass retailers	-2.4	+1.6	-2.6	-4.2	-2.2	-2.9	+1.9	+3.6	-1.6	-2.6	-2.3	-5.7	-1.6
Transportation	+1.2	+3.8	+1.3	+1.1	-0.8	+0.6	+5.2	+6.3	+0.6	-1.3	-1.6	-3.0	+1.2
School	-0.8	+5.7	+3.2	-1.1	-1.6	+3.3	+5.8	+11.3	+6.8	-5.8	-1.7	-7.8	+1.4
Leisure facilities	-3.7	+0.6	-3.4	-4.6	-1.3	-9.1	+3.8	+5.9	-10.8	-2.0	-4.3	-5.9	-2.6
Pachinko	-5.8	-1.8	-6.8	-5.8	-0.9	-3.6	-1.7	-2.6	-2.2	-0.8	-5.8	-4.5	-3.5
Sports facilities	-4.2	+0.6	-1.0	-1.4	-0.9	-4.0	+8.2	+6.1	-1.9	-0.7	-3.6	-3.8	-0.2
Hospitals	-3.0	+3.0	+1.1	-1.4	-1.6	-0.6	+0.4	+4.1	+0.6	-2.9	-0.1	-4.2	-0.3
Accommodations	-4.2	+2.8	-1.9	-4.6	-5.2	-2.9	+0.6	+4.4	-2.0	-1.3	-4.0	-3.3	-1.7
Other (indoor)	-2.7	+0.9	+0.8	-2.3	-3.8	-0.6	+3.6	+7.3	-1.6	-4.6	-2.5	-6.7	-0.8
Outdoor	-1.6	+1.3	+2.6	-0.9	-3.9	-2.1	+4.3	+5.5	-1.9	-4.8	-1.2	-5.1	-0.7
Total	-2.5	+1.5	-0.1	-2.4	-2.3	-1.9	+1.5	+4.7	-0.9	-3.4	-1.9	-5.3	-1.0

*Sales Volume per vending machine

FY2016 ended Dec (Jan-Dec) ー Sales Volume by package

[Ref]

(Unit: K c/s, %)		2016 Actual	Vs. PY		Vs. Plan	
			Diff	Diff %	Diff	Diff %
PET	Small (less than 850 ml)	64,755	+3,625	+5.9	+108	+0.2
	Medium (less than 1,500 ml)	2,967	+1,465	+97.5	+456	+18.2
	Large (1,500 ml or more)	45,632	+628	+1.4	-135	-0.3
	Total	113,354	+5,717	+5.3	+429	+0.4
Can (incl. bottle can)		53,652	-368	-0.7	+41	+0.1
Others		14,223	+625	+4.6	-144	-1.0
Syrup & powder		40,373	+581	+1.5	+1,525	+3.9
CCW total (excl.Shikoku CCBC)		221,603	+6,555	+3.0	+1,851	+0.8
CCW＋Shikoku CCBC total		241,002	+15,368	+6.8	+1,573	+0.7

2016 Q4 (Oct-Dec) – Sales Volume by channel

[Ref]

(Unit: K c/s, %)	Q4 Actual	Vs. PY		Vs. Plan	
		Diff	Diff %	Diff	Diff %
Supermarket/Drug/Discounter	14,320	-632	-4.2	-394	-2.7
Convenience store	6,946	-161	-2.3	+523	+8.1
Chain store total	21,265	-793	-3.6	+129	+0.6
Vending	15,904	-683	-4.1	-577	-3.5
Retail	2,500	-183	-6.8	-317	-11.3
Food Service	6,546	+37	+0.6	-164	-2.5
Others	4,511	+421	+10.3	+747	+19.9
CCW total (excl.Shikoku CCBC)	50,727	-1,201	-2.3	-182	-0.4
CCW＋Shikoku CCBC total	55,209	-1,473	-2.6	-418	-0.8

2016 Q4 (Oct-Dec) ー Sales Volume by brand

(Unit: K c/s, %)

			Q4 Actual	Vs. PY*2		[Ref] Vs. Plan	
				Diff	Diff %	Diff	Diff %
RTD	Core 8	Coca-Cola	3,629	-6	-0.2	+83	+2.3
		Coca-Cola Zero	1,534	-7	-0.5	+13	+0.9
		Fanta	1,752	-74	-4.0	+14	+0.8
		Georgia	11,867	-180	-1.5	-160	-1.3
		Sokenbicha	2,243	-35	-1.5	-138	-5.8
		Aquarius	2,823	+107	+3.9	-264	-8.5
		Ayataka	4,483	+127	+2.9	+372	+9.1
		I LOHAS	3,266	-235	-6.7	+24	+0.8
	Sub total		31,597	-303	-1.0	-54	-0.2
	Others		8,794	-1,099	-11.1	-749	-7.9
RTD*1 total			40,390	-1,403	-3.4	-804	-2.0
Syrup & powder			10,336	+201	+2.0	+622	+6.4
CCW total (excl.Shikoku CCBC)			50,727	-1,201	-2.3	-182	-0.4
CCW+Shikoku CCBC total			55,209	-1,473	-2.6	-418	-0.8

*1 RTD: Packaged products

*2 Along with changes in the scope of data aggregation for actual sales performances, PY Actual was retroactively revised.

2016 Q4 (Oct-Dec) ー Sales Volume by package

(Unit: K c/s, %)

		Q4 Actual	Vs. PY		[Ref] Vs. Plan	
			Diff	Diff %	Diff	Diff %
PET	Small (less than 850 ml)	14,495	-174	-1.2	-170	-1.2
	Medium (less than 1,500 ml)	583	+254	+77.4	+113	+23.9
	Large (1,500 ml or more)	9,133	-888	-8.9	-488	-5.1
	Total	24,212	-808	-3.2	-545	-2.2
Can (incl. bottle can)		12,948	-618	-4.6	-135	-1.0
Others		3,231	+24	+0.7	-124	-3.7
Syrup & powder		10,336	+201	+2.0	+622	+6.4
CCW total (excl.Shikoku CCBC)		50,727	-1,201	-2.3	-182	-0.4
CCW＋Shikoku CCBC total		55,209	-1,473	-2.6	-418	-0.8

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FY2017 ending Dec (Jan-Dec) ー Sales Volume Plan by package

(Unit: K c/s, %)		2017 Plan	Vs. PY Diff	Vs. PY Diff %
PET	Small (less than 850 ml)	67,313	+2,558	+3.9
	Medium (less than 1,500 ml)	3,747	+780	+26.3
	Large (1,500 ml or more)	44,565	-1,067	-2.3
	Total	115,625	+2,271	+2.0
Can (incl. bottle can)		53,615	-37	-0.1
Others		14,872	+649	+4.6
Syrup & powder		38,964	-1,410	-3.5
CCW total (excl.Shikoku CCBC)		223,075	+1,473	+0.7
CCW＋Shikoku CCBC total		242,595	+1,593	+0.7

FY2017 Q1 (Jan-Mar) ー Sales Volume Plan by channel

(Unit: K c/s, %)

	Q1 Plan	Vs. PY	
		Diff	Diff %
Supermarket/Drug/Discounter	13,519	+501	+3.9
Convenience store	6,527	-143	-2.1
Chain store total	20,046	+359	+1.8
Vending	14,912	-628	-4.0
Retail	2,126	-89	-4.0
Food Service	5,630	+139	+2.5
Others	4,097	+521	+14.6
CCW total (excl.Shikoku CCBC)	46,811	+300	+0.6

CCW＋Shikoku CCBC total	50,817	+336	+0.7

FY2017 Q1 (Jan-Mar) － Sales Volume Plan by brand

(Unit: K c/s, %)

			Q1 Plan	Vs. PY Diff	Vs. PY Diff %
RTD* total	Core 8	Coca-Cola	3,045	-72	-2.3
		Coca-Cola Zero	1,342	-64	-4.5
		Fanta	1,649	+128	+8.4
		Georgia	11,798	+126	+1.1
		Sokenbicha	1,861	-3	-0.2
		Aquarius	2,616	+15	+0.6
		Ayataka	4,143	+329	+8.6
		I LOHAS	3,278	+194	+6.3
		Sub total	29,731	+653	+2.2
	Others		8,198	-428	-5.0
RTD* total			37,929	+225	+0.6
Syrup & powder			8,882	+75	+0.9
CCW total (excl.Shikoku CCBC)			46,811	+300	+0.6
CCW＋Shikoku CCBC total			50,817	+336	+0.7

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FY2017 Q1 (Jan-Mar) ー Sales Volume Plan by package

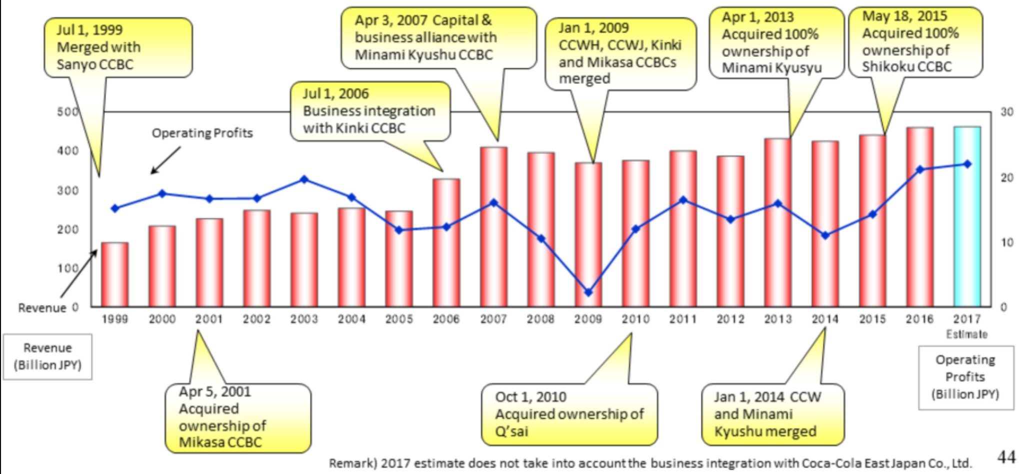
(Unit: K c/s, %)

		Q1 Plan	Vs. PY	
			Diff	Diff %
PET	Small (less than 850 ml)	13,678	+401	+3.0
	Medium (less than 1,500 ml)	632	+263	+71.5
	Large (1,500 ml or more)	8,315	-132	-1.6
	Total	22,625	+532	+2.4
Can (incl. bottle can)		12,211	-379	-3.0
Others		3,094	+72	+2.4
Syrup & powder		8,882	+75	+0.9
CCW total (excl.Shikoku CCBC)		46,811	+300	+0.6
CCW＋Shikoku CCBC total		50,817	+336	+0.7

Performance Trend

(Unit: MM JPY)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Estimate
Revenue	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	440,476	460,455	462,500
Operating Income	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	14,262	21,143	22,000
Ordinary Profit	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	13,723	20,605	20,600
Current net profit	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	9,970	5,244	12,500



Remark) 2017 estimate does not take into account the business integration with Coca-Cola East Japan Co., Ltd.

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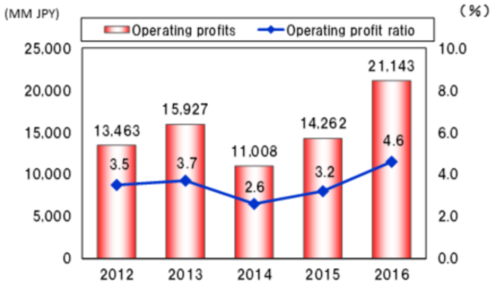
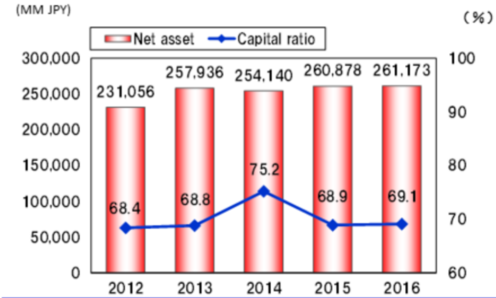
Managerial KPI trend

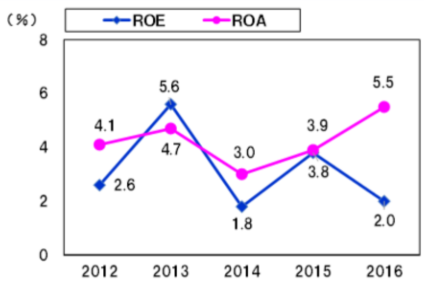
<Operating profits/Operating profit ratio>



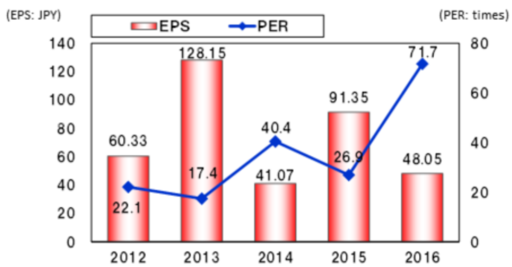
<Net asset/capital ratio>



<ROA/ROE>



<EPS/PER>



EPS＝Current net profits divided by interim ave. # of shares
PER＝Year-end share price divided by EPS

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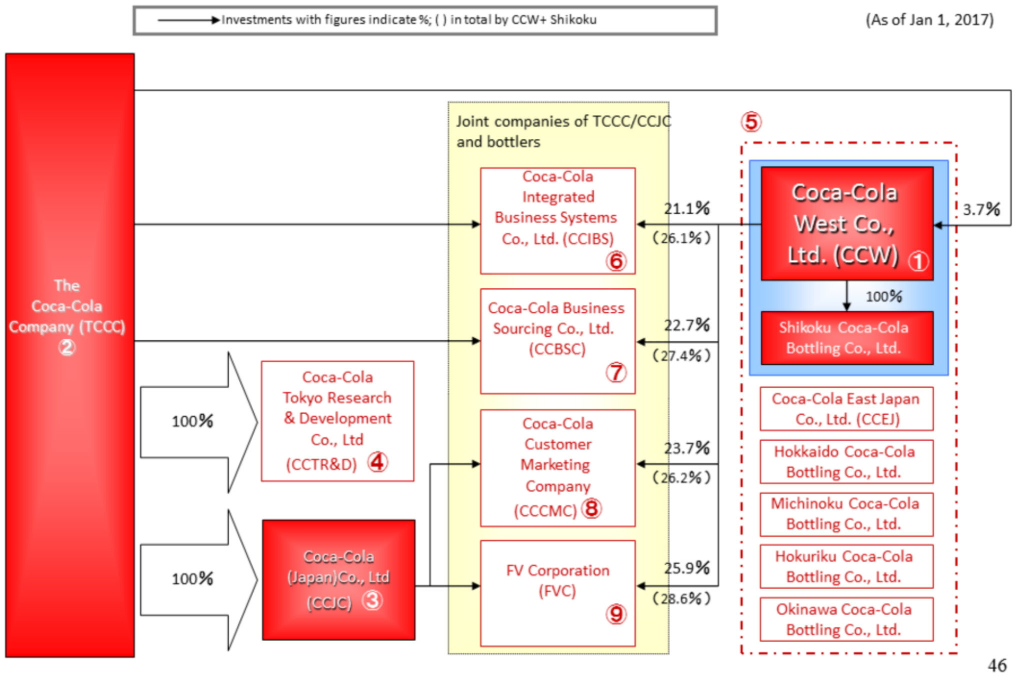
Coca-Cola System in Japan – Capital Relationship



Coca-Cola affiliated 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 in 2013 and merged in 2014. Furthermore, CCW made Shikoku CCBC its wholly-owned subsidiary as of May 18, 2015.
Coca-Cola Bottlers Japan Inc. is to be launched effective April 1, 2017 through business integrations with Coca-Cola East Japan Co., Ltd.

2. **The Coca-Cola Company (TCCC)**

Established in 1892 in Atlanta, Georgia of the U.S.A. It 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 in 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, product planning as well as manufacturing of beverage base 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. After separating and becoming independent from the traditional R&D department that revolved around the headquarters in the U.S., it handles product development and technical support to respond to the needs of Japan.

5. **Coca-Cola bottlers (CCBCs)**

There are 7 bottlers in Japan responsible for manufacturing and selling products in the respective commercial territories.

6. **Coca-Cola IBS Co., Ltd. (CCIBS)**

Established through joint investments by TCCC and all bottlers in Japan in June 1999. It assumes business consulting to the Coca-Cola system in Japan, as well as development of the supporting information systems and the overall maintenance operations.

7. **Coca-Cola Business Service Co., Ltd. (CCBSC)**

Established through joint investments by TCCC and all bottlers in Japan in August 2015. It is in charge of overall procurement operations of raw materials, packaging materials, equipment and indirect materials.

8. **Coca-Cola Customer Marketing Company (CCCMC)**

Established through joint investments by Coca-Cola (Japan) Co., Ltd. and all bottlers in Japan in January 2007. In addition to handling sales negotiations with major retailers such as nationwide supermarkets and convenience stores as a main window, it makes propositions for sales promotions and in-store activities.

9. **FV Corporation Co., Ltd. (FVC)**

Established through joint investments by Coca-Cola (Japan) Co., Ltd. and all bottlers in Japan in May 2001. FVC conducts sales to key accounts in vending machine operation, handling non Coca-Cola products also.

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Glossary

Term	Explanation
Business (segment)	
・Coca-Cola business (soft drink business)	Business to manufacture and sell soft drink beverages including Coca-Cola
・Healthcare & skincare business	Business to manufacture and sell health food and cosmetics operated by Q'sai and their 5 subsidiaries
Channel	
・Vending	Business to deliver products to customers & consumers via vending machines (retail)
・Supermarket/Drug store/Discount store	Business with Supermarket, Drug store and Discount store (wholesale)
・Convenience store (CVS)	Business with Convenience chain store (wholesale)
・Chain store	Collective term for Supermarket, Drug store, Discount store and Convenience store
・Retail	Business with general grocery and liquor stores (wholesale)
・Food service	Business to offer syrup etc. in E&D market (wholesale)
Vending related	
・VPM (Volume Per Machine)	Volume sold per vending machine
・Indoor (market)	Indoor vending machines (whose users are relatively specific)
・Outdoor (market)	Outdoor vending machines (whose users are relatively unspecific)
Other	
・RGM (Revenue Growth Management)	(Initiatives) to raise profits through revenue growth ahead of sales volume
・OBPPC	Occasion, Brand, Package, Price, Channel
・HORECA	Business format of Hotel, Restaurant and Café

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