

Dec 2003 3rd Quarter Financial Results Briefing

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1. Summary of 3rd Quarter



(1) Sales Volume

- -3.2% vs. plan, -4.4% vs. LY due to unseasonable weather etc.

<Weather comparison (vs. LY)>

	Fukuoka		Hiroshima	
	July	August	July	August
Avg temperature	-2.42 degrees C	-0.5 degrees C	-3.2 degrees C	-1.0 degrees C
Daylight hours	-56 hours	-26 hours	-31 hours	-45 hours

(2) Market Share

- 30.2% (-2.1 points vs. LY)

(3) Performance (January - September)...consolidated

- With decrease of sales volume, sales were -3.6% vs. plan, -4.3% vs. LY.
- Operating profit was -5.5% vs. plan, +7.3% vs. LY.

2. Performance Overview



(1) January - September

1. Consolidated

(units: ¥MM, %)

	2002 3rd quarter (Jan-Sep)*	3rd quarter 2003 (Jan-Sep)					
		Plan	Results	vs. Plan		vs. LY	
				difference	ratio	difference	ratio
revenues	188,893	187,500	180,716	-6,783	-3.6	-8,177	-4.3
operating profit	13,917	15,800	14,929	-870	-5.5	1,012	7.3
recurring profit	14,089	16,100	15,164	-935	-5.8	1,075	7.6
quarter net profit	7,225	8,400	8,283	-116	-1.4	1,058	14.6

* reference values

2. Individual

(units: ¥MM, %)

	2002 3rd quarter (Jan-Sep)*	3rd quarter 2003 (Jan-Sep)					
		Plan	Results	vs. Plan		vs. LY	
				difference	ratio	difference	ratio
revenues	129,622	143,600	139,242	-4,358	-3.0	9,620	7.4
operating profit	9,938	13,800	13,568	-232	-1.7	3,630	36.5
recurring profit	10,662	14,300	14,024	-276	-1.9	3,362	31.5
quarter net profit	5,874	7,600	7,848	248	3.3	1,974	33.6

<Sales performance>

(units: 1,000 cases, %)

incl. other bottlers	73,887	72,371	70,526	-1,845	-2.5	-3,361	-4.5
within area	68,043	67,256	65,072	-2,184	-3.2	-2,971	-4.4

(2) Major Causes for Differences vs. Plan (consolidated)

Revenue ¥-6.7B

- Sales volume decrease	¥-3.9B
- Sales mix	¥-600MM
- Consignment processing income etc.	¥+200MM
- For Mikasa	¥-1.6B
- Other affiliated companies	¥-800MM

Operating profit ¥-800MM

Cost of goods sold	¥-3.2B
- Sales volume decrease	¥-1.7B
- Sales mix	¥-300MM
- For Mikasa	¥-700MM
- Other related companies	¥-500MM
Sales costs and general maintenance costs	¥-2.7B
- Labor	¥-500MM
- DME	¥-400MM
- Sales commission fees	¥-400MM
- Service consignment fees	¥-200MM
- Sales equipment fees etc.	¥-600MM
- For Mikasa	¥-400MM
- Other affiliated companies	¥-200MM

Recurring profit ¥-900MM

Incidental profits	¥-100MM
Incidental costs	-

Current net profit ¥-100MM

Special profits	-
Special losses	¥-400MM
- Product disposal losses etc	¥-400MM
Corporate tax, etc.	¥-400MM

(3) Major Causes for Differences vs. LY (consolidated)

Revenue ¥-8.1B

- Sales volume decrease	¥-6.4B
- Sales mix	¥-100MM
- Consignment processing income etc.	¥+1.1B
- For Mikasa	¥-1.5B
- Other affiliated companies	¥-1.2B

Operating profit ¥+1B

Cost of goods sold	¥-4.1B
- Sales volume decrease	¥-3.9B
- Sales mix	¥+700MM
- Consignment processing income decrease	¥+700MM
- For Mikasa	¥-700MM
- Other related companies	¥-900MM
Sales costs and general maintenance costs	¥-5B
- Labor	¥-4.8B
- DME	¥-200MM
- Sales commission fees	¥+500MM
- For Mikasa	¥-300MM
- Other affiliated companies	¥-200MM

Recurring profit ¥+1B

Incidental profits	¥-100MM
Incidental costs	¥-100MM

Current net profit ¥+1B

Special profits	-
Special losses	¥-500MM
- Subsidiary shake-up fees	¥-700MM
- Fixed asset sales losses	¥-400MM
- Product disposal losses etc.	¥+400MM
- Appraisal losses for golf membership etc.	¥+200MM
Corporate tax, etc.	¥+500MM

(4) July - September

1. Consolidated

(units: ¥MM, %)

	2002 3rd quarter (Jul-Sep)*	3rd quarter 2003 (Jul-Sep)					
		Plan	Results	vs. Plan		vs. LY	
				difference	ratio	difference	ratio
revenue	71,682	72,500	67,599	-4,901	-6.8	-4,083	-5.7
operating profit	7,302	8,100	7,270	-830	-10.2	-32	-0.4
recurring profit	7,324	8,200	7,316	-884	-10.8	-8	-0.1
quarter net profit	4,080	4,700	4,131	-569	-12.1	51	1.3

* reference values

2. Individual

(units: ¥MM, %)

	2002 3rd quarter (Jul-Sep) _※	3rd quarter 2003 (July-Sep)					
		Plan	Results	vs. Plan		vs. LY	
				difference	ratio	difference	ratio
revenue	55,294	56,100	52,474	-3,626	-6.5	-2,820	-5.1
operating profit	6,276	6,400	5,901	-499	-7.8	-375	-6.0
recurring profit	6,427	6,500	5,968	-532	-8.2	-459	-7.1
quarter net profit	3,638	3,800	3,388	-412	-10.8	-250	-6.9

<Sales performance>

(units: 1,000 cases, %)

incl. other bottlers	28,833	28,895	27,050	-1,845	-6.4	-1,783	-6.2
within area	26,605	27,040	24,856	-2,184	-8.1	-1,749	-3.0

3. Forecast for Fiscal Year



(1) Consolidated Fiscal Year Forecast

(units: ¥MM, %)

	2002 Results	2003					
		Plan *	Forecast	vs. Plan		vs. LY	
				difference	ratio	difference	ratio
revenue	247,737	249,000	240,200	-8,800	-3.5	-7,537	-3.0
operating profit	16,704	19,700	19,000	-700	-3.6	2,296	13.7
recurring profit	17,005	20,000	19,300	-700	-3.5	2,295	13.5
quarter net profit	7,086	10,500	10,300	-200	-1.9	3,214	45.4

*Plan value: values announced August 6

(2) Individual Fiscal Year Forecast

(units: ¥MM, %)

	2002 Results	2003					
		Plan *	Forecast	vs. Plan		vs. LY	
				difference	ratio	difference	ratio
revenue	174,594	191,000	185,500	-5,500	-2.9	10,906	6.2
operating profit	12,834	18,000	17,800	-200	-1.1	4,966	38.7
recurring profit	13,774	18,500	18,300	-200	-1.1	4,526	32.9
quarter net profit	5,378	10,100	10,100			4,722	87.8

<Sales performance>

(units: 1,000 cases, %)

incl. other bottlers	95,936	95,185	93,340	-1,845	-1.9	-2,596	-2.7
within area	88,450	88,162	85,978	-2,184	-2.5	-2,472	-2.8

(3) Major Causes for Differences vs. Midterm Projection for FY (consolidated)

Revenue ¥-8.8B

- Sales volume decrease	¥-4.8B
- Sales mix	¥-700MM
- For Mikasa	¥-2.3B
- Other affiliated companies	¥-1B

Operating profit ¥-700MM

Cost of goods sold	¥-5.1B
- Sales volume decrease	¥-2.3B
- Sales mix	¥-600MM
- For Mikasa	¥-1.4B
- Other related companies	¥-800MM
Sales costs and general maintenance costs	¥-3B
- Sales commission fees	¥-500MM
- DME	¥-400MM
- Labor	¥-500MM
- Sales equipment fees etc.	¥-1B
- For Mikasa	¥-400MM
- Other affiliated companies	¥-200MM

Recurring profit ¥-700MM

Incidental profits	-
Incidental costs	-

Current net profit ¥-200MM

Special profits	-
Special losses	¥-300MM
- Product disposal losses etc.	¥-300MM
Corporate tax, etc.	¥-200MM

(4) Major Causes for Differences vs. LY for FY (consolidated)

Revenue ¥-7.5B

- Sales volume decrease	¥-6.2B
- Sales mix	¥-1.6B
- Consignment processing income increase	¥+1.2B
- Other affiliated companies	¥-900MM

Operating profit ¥+2.2B

Cost of goods sold	¥-3.9B	
- Sales volume decrease		¥-3.4B
- Sales mix		¥-900MM
- Consignment processing income increase etc.		¥+1.2B
- Other related companies etc.		¥-800MM
Sales costs and general maintenance costs ¥	-5.8B	
- Change in retirement benefit system		¥-6.2B
- Labor		¥-400MM
- Sales commission fees		¥+1.2B
- Statutory benefit costs		¥+500MM
- DME		¥-100MM
- Transport fees		¥-400MM
- Sales equipment fees etc.		¥-400MM

Recurring profit ¥+2.2B

Incidental profits	¥-300MM	-
Incidental costs	¥-300MM	

Current net profit ¥+3.2B

Special profits	¥-4.1B	
- returned profit for representation etc.		¥-4.1B
Special losses	¥-7.8B	
- transfer lump sum		¥-4.5B
- Subsidiary reorganization costs etc.		¥-1.8B
- Fixed asset sales losses etc.		¥-1.5B
Corporate tax etc.	¥+2.7B	

4. Approach for Freshness Management



(1) Positioning for FY 2003

“Year of Laying the Foundation for Future Growth”

- Rotate management cycle for entire group
 - ...Marketing activities centered around clients and customers
- Establish market-in sales framework ...according to business unit
- Restructure organization, place right people in right positions ...implement transfers
- cost-save and trim corporate culture ...reexamine HR system (payroll / bonus / retirement)



2004 - 2005

**Build strong CCWJ group that can
adjust to market changes for high
growth potential**

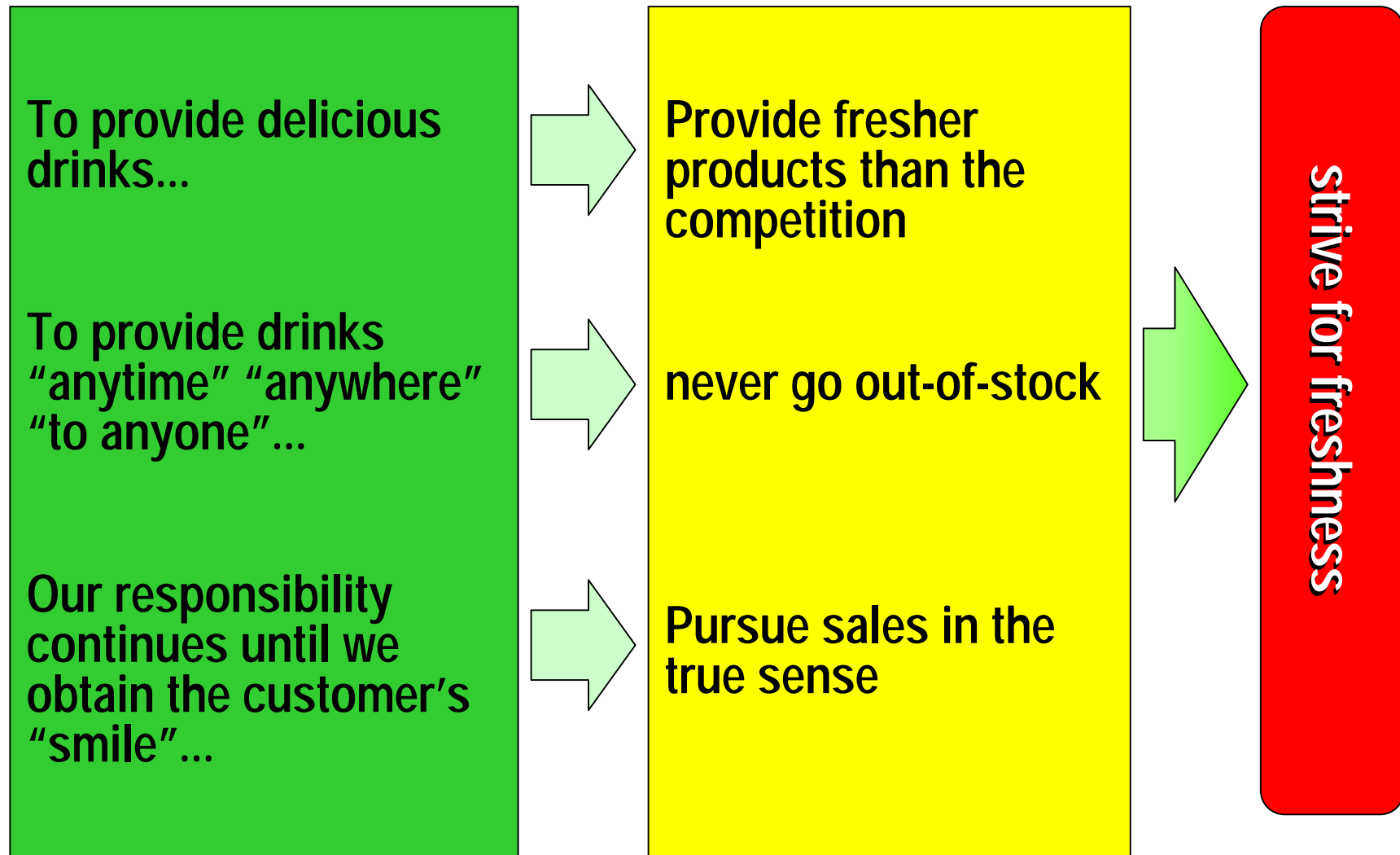
(2) What is constantly repeated to all executives and employees of the group

1. The key of Coca-Cola business

**Provide high-quality products that can
be enjoyed with confidence**

"Anytime" "Anywhere" "by Anyone"

(2) How this can be attained



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(3) Specific Individual Activities

1. Vending

Withdraw machines with slow sales (less than 50 cases annually)

2. Food services

Switch over to package products at accounts with slow sales (less than 250 cases annually)

3. CVS/retail

”Regular visits to Shinsengumi”

Implement shelf life surveys, product rotation of client inventory in vending machines and coolers at warehouse executives, head office

4. Chain stores

Survey 500 store clients every month, starting from April

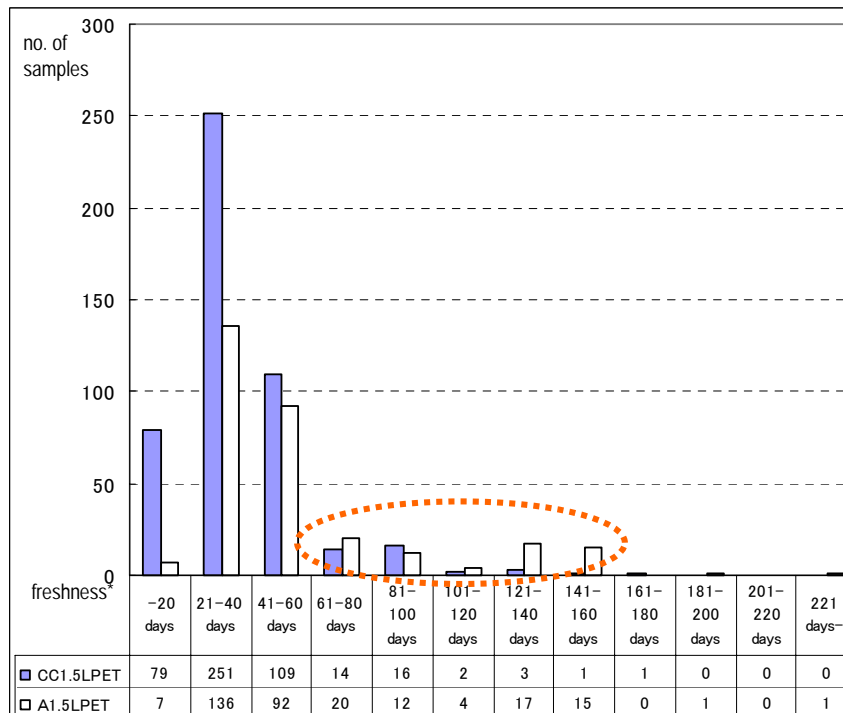
- Implement “ten-round,” meaning regular visits to stores
- Comparative survey of freshness between our and competitors’ products

* Freshness of in-store inventories at chain stores

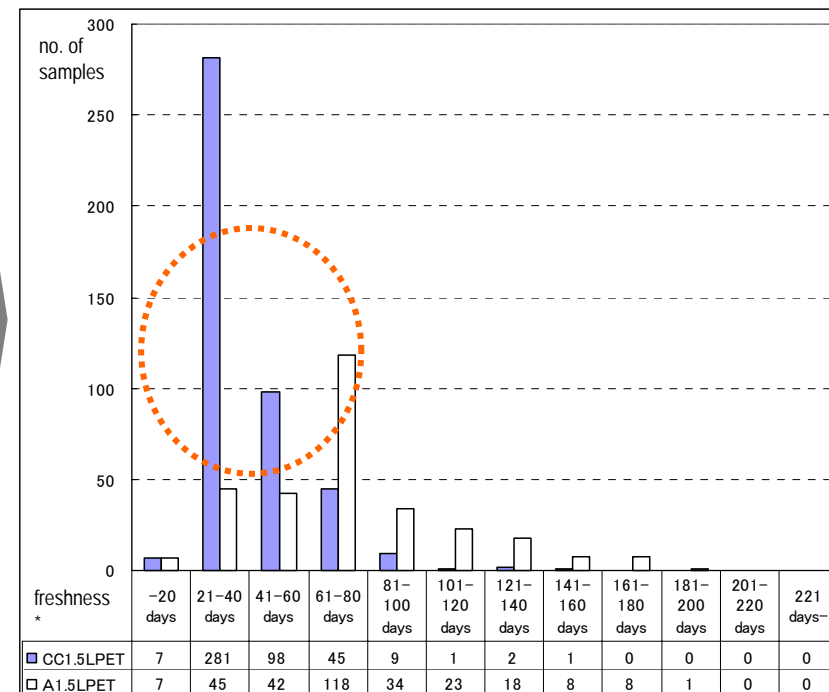
(survey:CCWJ)

Survey results in April

Coca-Cola vs. A

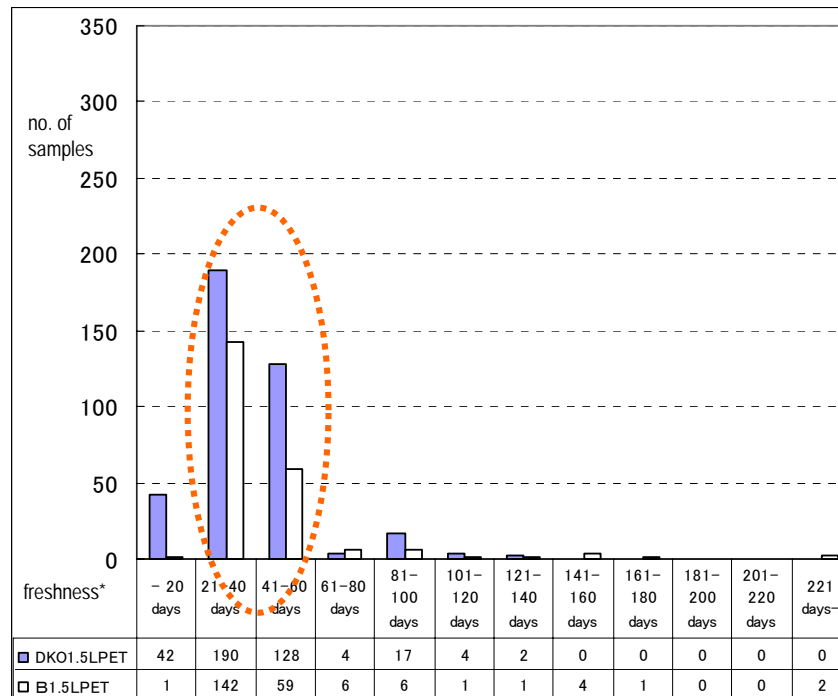


Survey results in August

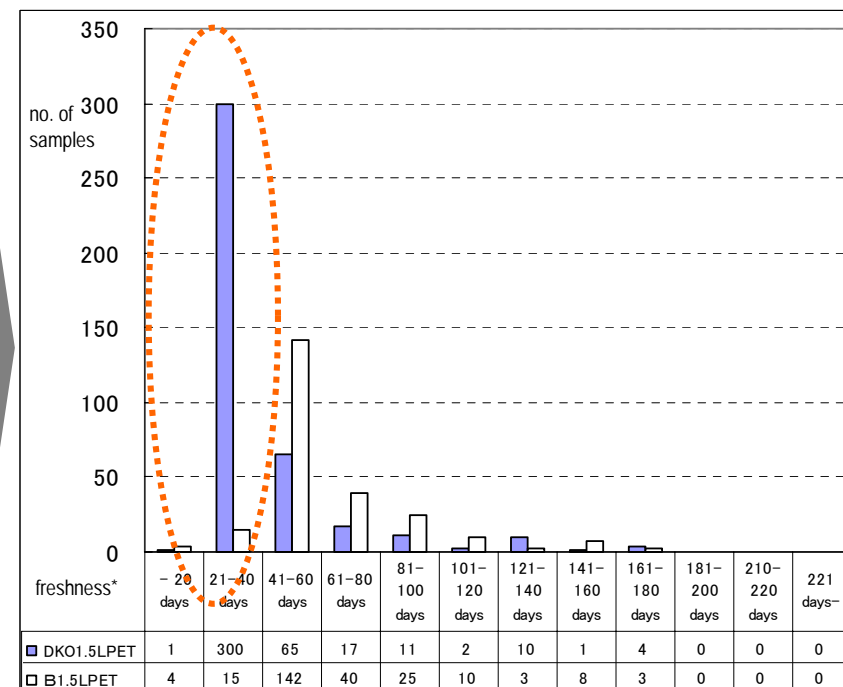


Survey results in April

Diet Coca-Cola vs. B

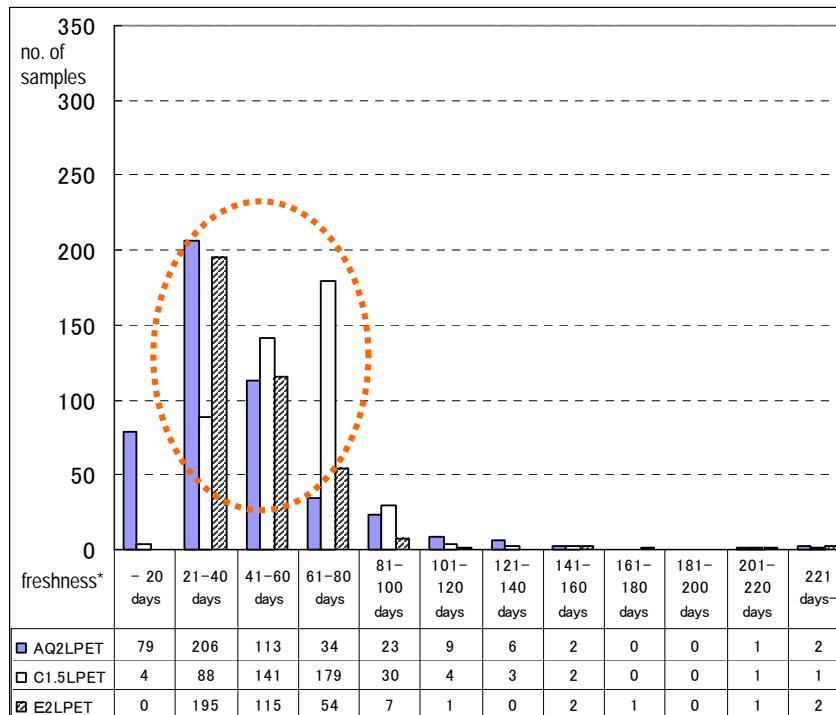


Survey results in August

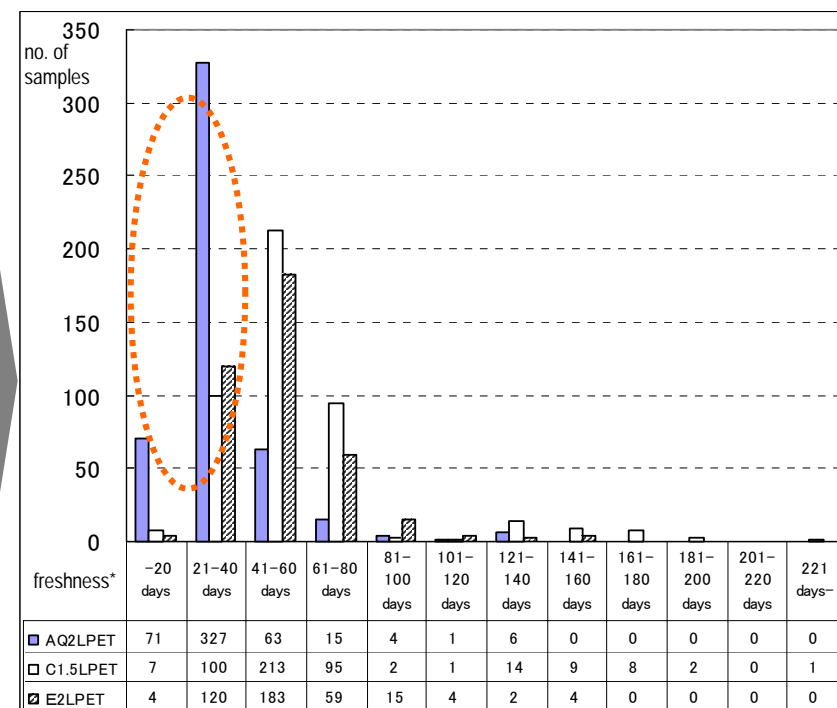


Survey results in April

Aquarius vs. C vs. E

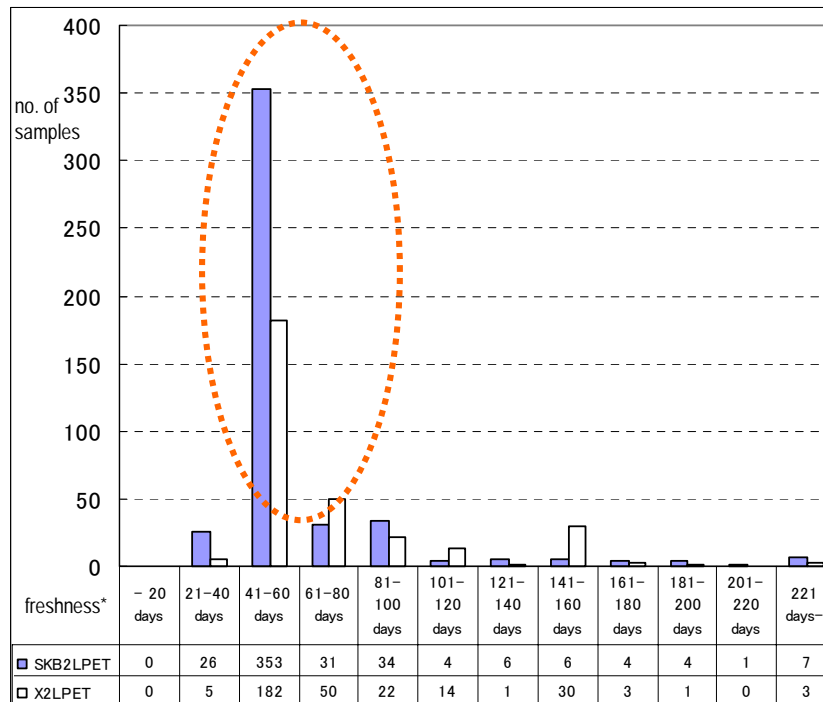


Survey results in August

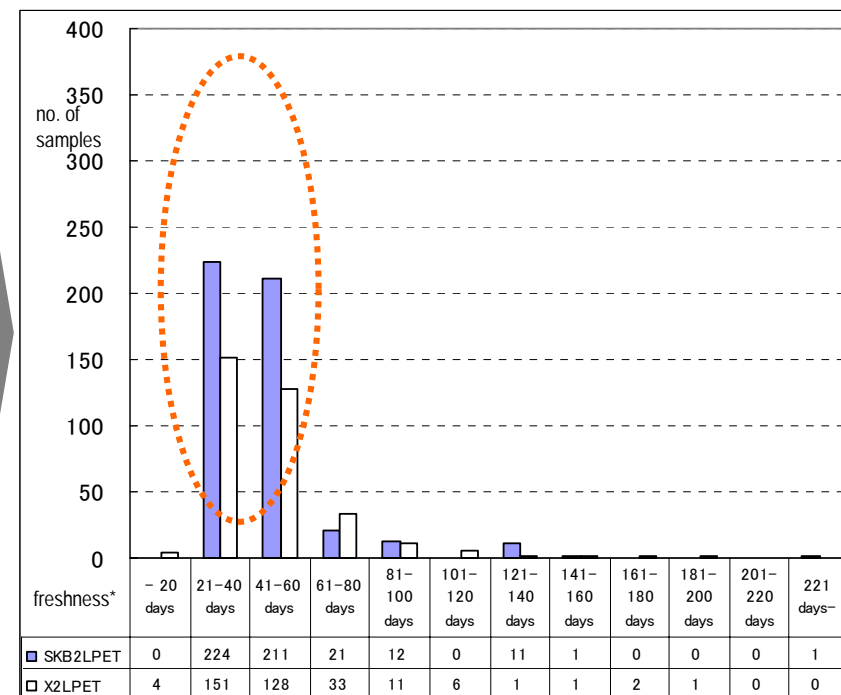


Survey results in April

Sokenbicha vs. X



Survey results in August

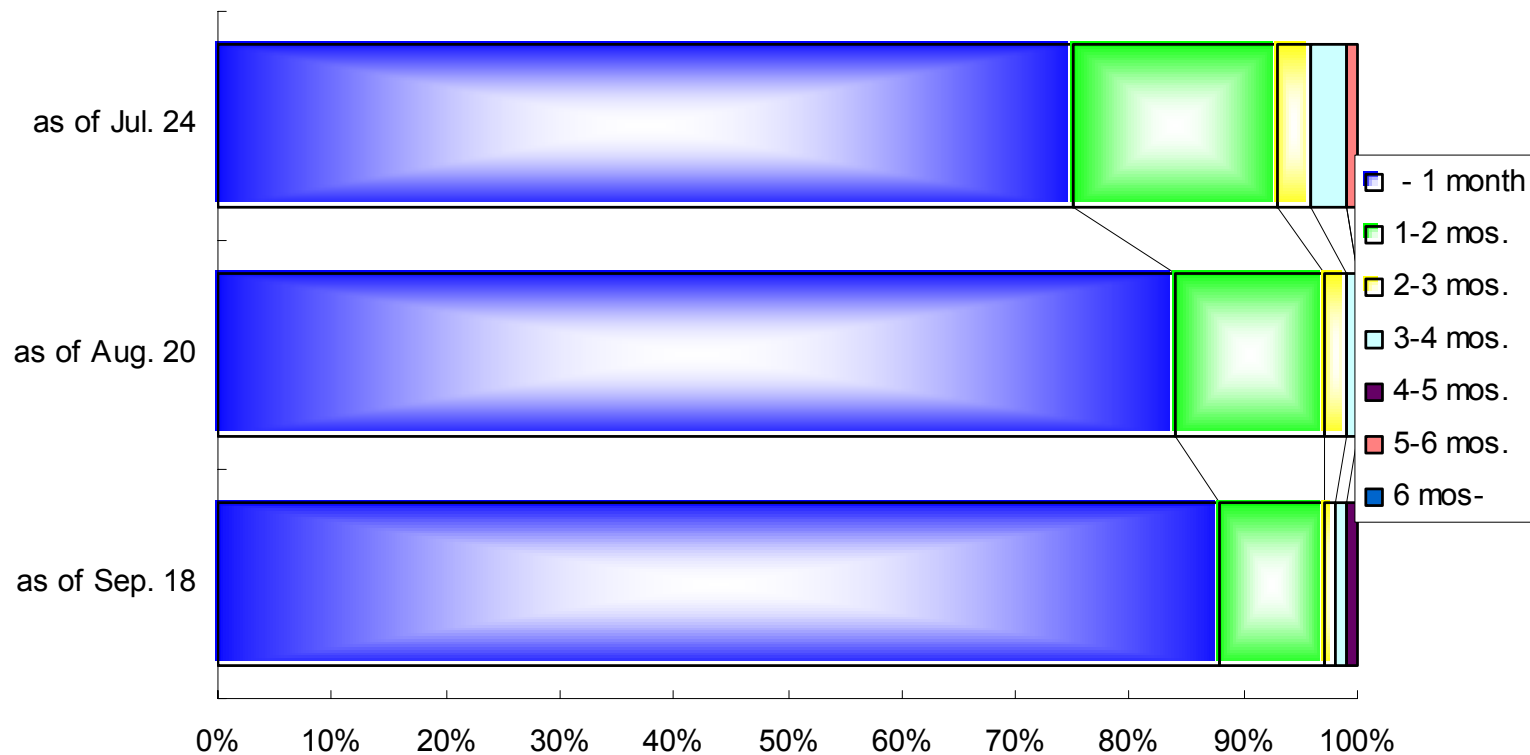


(4) In-house inventory situation

1. Freshness

- Total for entire company: percentage of product within a month of manufacture has improved from 75% to 88% (July vs. September)

Transition of months lapsed after manufacture



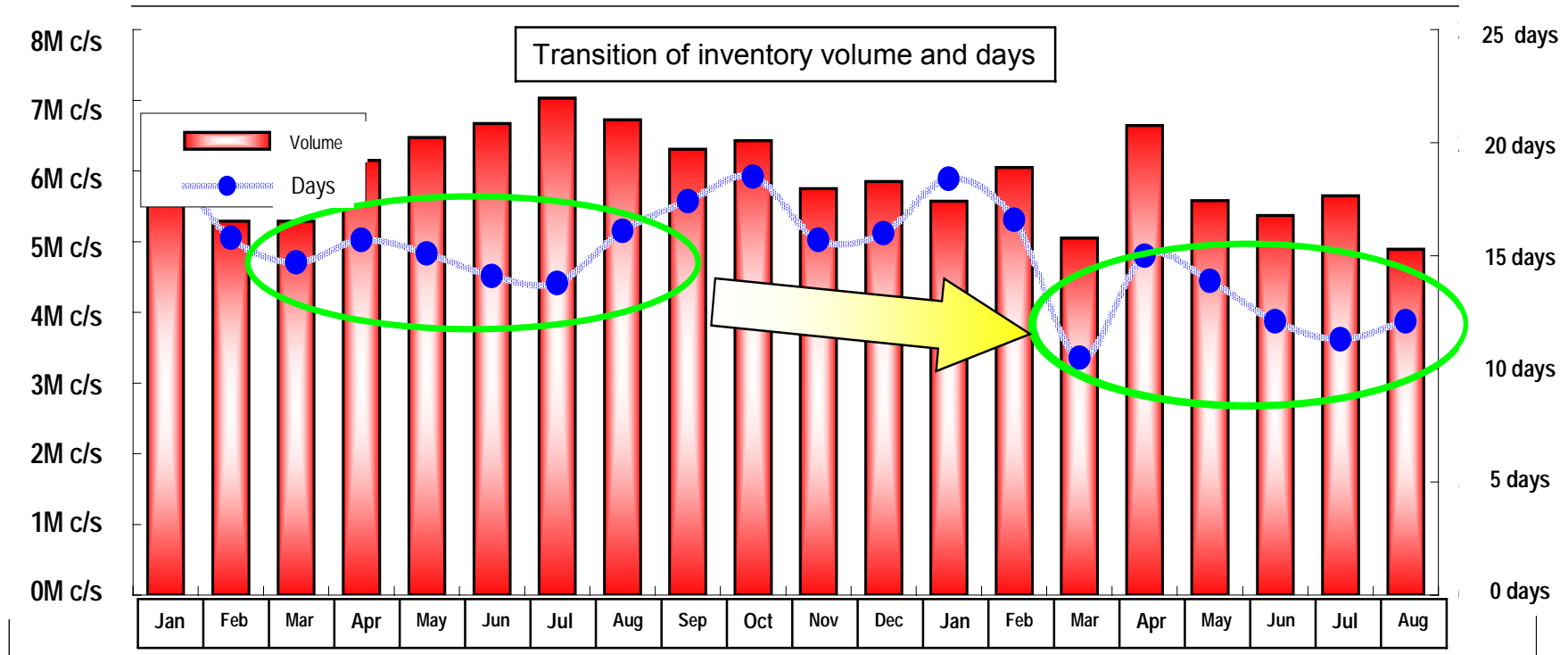
(2) In-house inventory quantities

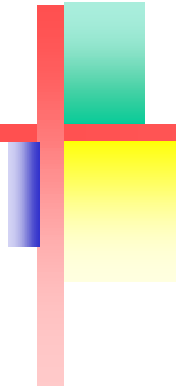
- **Total for entire company:** inventory quantities and no. of days in inventory are steadily declining.

...Aug. 2002: 6.72MM C/S, 16.1 days -> Aug. 2003: 4.89MM C/S, 12.1 days

单位: 万c/s、日

		2002												2003							
		units: 10,000c/s, days																			
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
stock	qty	569	529	529	615	647	667	703	672	631	643	575	585	557	605	505	664	558	537	565	489
	days	19.4	15.8	14.7	15.7	15.1	14.1	13.8	16.1	17.4	18.5	15.7	16.0	18.4	16.6	10.5	15.0	13.9	12.1	11.3	12.1



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*Interviews with chain store buyers

Reference: J.D. Power Asia Pacific
Surveys taken: June -July 2003

- Coca-Cola is a manufacturer that can handle quality control from manufacturing to delivery. Other manufacturers use wholesalers, so they do not follow up with quality control.
- Coca-Cola is the only manufacturer that ensures quality control with emphasis on freshness. Employees come to the stores and check the dates on a regular basis. Drinks past the BBD are collected. Other manufacturers leave it to wholesalers, and the manufacturers are not consciously practicing this.
- Wholesaler generally don't seem to check freshness.
- Lately product placement is done while checking for expired products.
- Coca-Cola uses personnel to check the BBD of their products. Wholesalers do not carry this out, and Coca-Cola's active involvement is worth noting.

(5) Market recall / halting shipments: standards and freshness goals

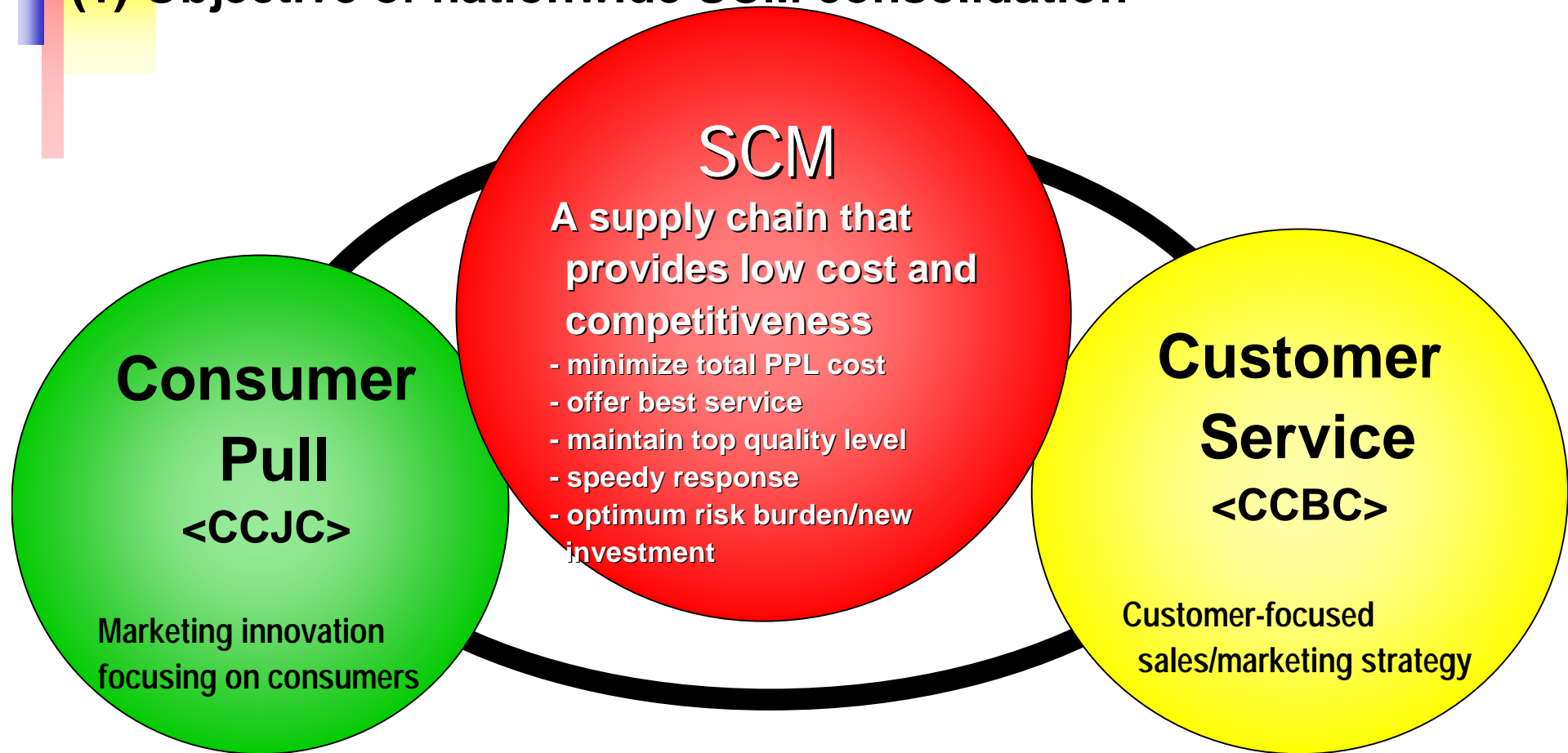


(bottle and can products)

5. Coca-Cola National Beverage

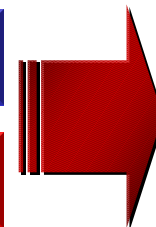


(1) Objective of nationwide SCM consolidation



Top priority given to achieving significant cost savings

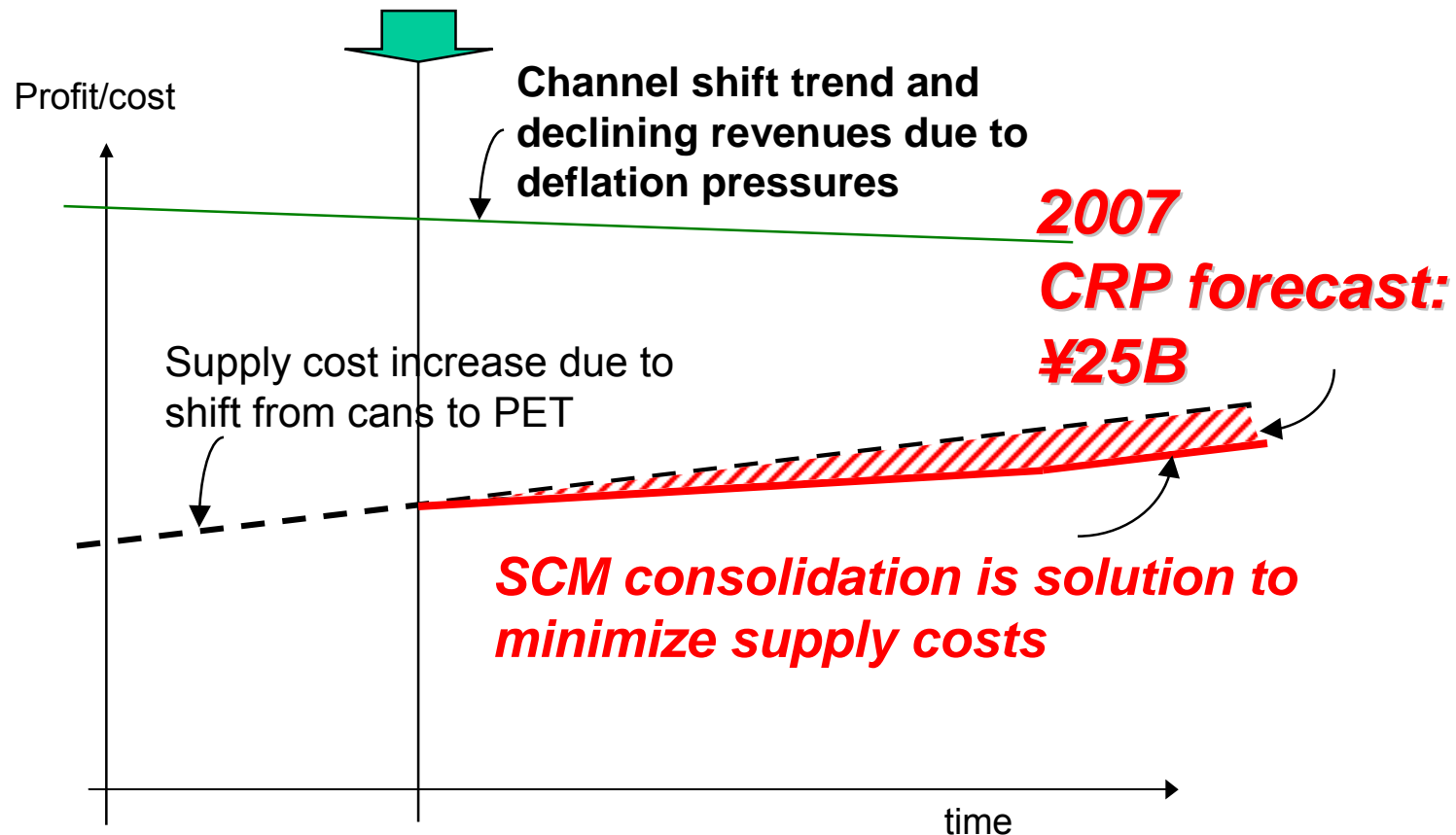
Long-term goal is a competitive and sustainable system



Long-term competitive edge for Coca-Cola system

(2) Reduction of supply costs in PPL

Nationwide SCM operation start



*PPL = Procurement Products Logistics = procurement/manufacturing/logistics

*CRP = Cost Reduction Profit

(3) CCNBC Vision

Procurement

Manufacturing

Logistics

- innovation
- speed

- cost reductions
- further quality improvement
- service enhancement

**Establishment of a long-term competitive edge for
Coca-Cola in Japan**

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(4) CCNBC Basic Strategy

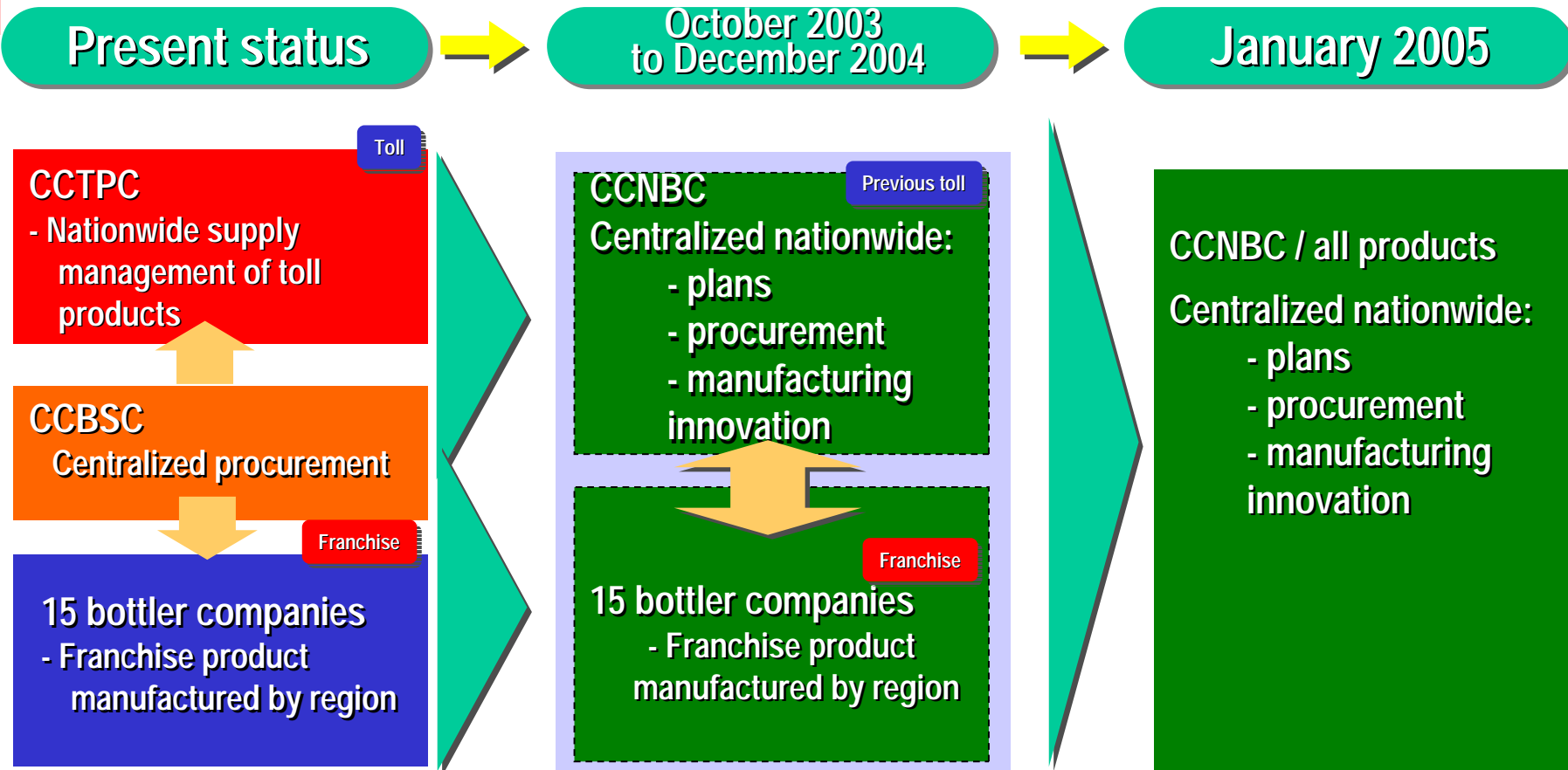
**Practice of Supply Chain Management (SCM)
consolidated nationwide**

- supply and demand plan, procurement, manufacturing, logistics

**Overall optimization of supply network (manufacturing
and distribution points)**

**Construction of a consolidated information system
based on a shared operation process**

(5) Road Map



(6) Business Model Change

	Transitional period		Proposed schedule
	10/2003 to 12/2003	1/2004 to 12/2004	1/2005 -
Handled by CCNBC	former toll products	→	all products
Toll products	transition to franchise	→	→
Line assets	CCNBC leases from CCTPC	→	Purchased by bottlers
Inventory assets	CCNBC purchases from CCTPC, owns	→	CCNBC buys bottlers' FC products
Beverage base price revision			
- carbonates/isotonics	- price increase	→	→
- Georgia	- no change	→	→
- teas	- price cut	→	→
Consignment processing fees			
- consignment of existing toll products	- no change	- Benchmarked fee unit prices	→

(7) Impact Generated by CCNBC

Expansion of central procurement by taking advantage of Coca-Cola system's global scale

Nationwide optimization of supply chain
- Bundle clients from suppliers

Optimization of manufacturing/distribution points

Reduction of raw materials and product inventories

Enhanced efficiency of outsourcing



Annual cost reductions of over ¥2.5B by 2007

Appendix

1. Financial Statement



(1) P&L Statement (3rd quarter consolidated)

(units: ¥million, %)

	January - September				3rd quarter (July - September)			
	2002 *		2003		2002 *		2003	
	results	ratio	results	ratio	results	ratio	results	ratio
Sales revenue	188,893	100.0	180,716	100.0	71,682	100.0	67,599	100.0
Cost of goods sold	103,603	54.8	99,403	55.0	39,917	55.7	37,093	54.9
Gross profit	85,290	45.2	81,312	45.0	31,764	44.3	30,505	45.1
Sales and general maintenance costs	71,372	37.8	66,383	36.7	24,462	34.1	23,235	34.4
Operating profit	13,917	7.4	14,929	8.3	7,302	10.2	7,270	10.8
Incidental profits	936	0.5	833	0.5	232	0.3	233	0.3
Incidental costs	764	0.4	599	0.3	210	0.3	187	0.3
Recurring profits	14,089	7.5	15,164	8.4	7,324	10.2	7,316	10.8
Special profits	267	0.1	231	0.1	13	0.0	0	0.0
Special losses	1,478	0.8	940	0.5	71	0.1	119	0.2
Current net income before tax adjustments etc.	12,877	6.8	14,455	8.0	7,266	10.1	7,197	10.6
Corporate taxes etc.	5,650	3.0	6,233	3.4	3,185	4.4	3,048	4.5
Minority shareholder profits	1	0.0	-62	0.0	0	0.0	17	0.0
Current net profit	7,225	3.8	8,283	4.6	4,080	5.7	4,131	6.1

*reference values

(2) P&L Statement (FY consolidated)

(units: ¥million,%)

	end FY 2001		end FY 2002		end FY 2003	
	results	ratio	results	ratio	forecast	ratio
Sales revenue	226,111	100.0	247,737	100.0	240,200	100.0
Cost of goods sold	122,504	54.2	135,989	54.9	132,000	55.0
Gross profit	103,607	45.8	111,747	45.1	108,200	45.0
Sales and general maintenance costs	86,973	38.5	95,043	38.4	89,200	37.1
Operating profit	16,634	7.4	16,704	6.7	19,000	7.9
Incidental profits	1,342	0.6	1,280	0.5	1,000	0.4
Incidental costs	1,954	0.9	979	0.4	700	0.3
Recurring profits	16,021	7.1	17,005	6.9	19,300	8.0
Special profits	10,351	4.6	4,419	1.8	300	0.1
Special losses	24,234	10.7	9,006	3.6	1,200	0.5
Current net income before tax adjustments etc.	2,138	0.9	12,418	5.0	18,400	7.7
Corporate taxes etc.	1,420	0.6	5,330	2.2	8,100	3.4
Minority shareholder profits	-702	-0.3	1	0		0
Current net profit	1,420	0.6	7,086	2.9	10,300	4.3

(3) Balance Sheet

(units: ¥million)

(units: ¥million)

	2002 December	2003 3rd quarter		2002 December	2003 3rd quarter
Current assets	70,142	61,346	Current liabilities	27,366	26,687
Cash and savings	19,182	13,504	Trade notes and accounts payable	7,787	10,758
Trade notes and accounts receivable	11,664	13,031	Convertible bonds to mature within a year	2,154	-
Securities	16,484	9,449	Short-term debt	180	-
Inventory assets	12,361	12,152	Long-term debt to be paid within a year	334	203
Other	10,566	13,330	Outstanding corporate tax etc.	902	1,885
Allowance for doubtful accounts	-117	-122	Other accounts payable	6,153	6,018
Fixed assets	133,928	142,978	Facility notes payable	1,485	175
Tangible fixed assets	89,367	88,937	Other	8,369	7,645
Buildings and structures	20,187	18,981	Fixed liabilities	7,055	8,412
Machinery and vehicles	15,774	14,864	Allowance for employee retirement benefits	3,683	3,331
Sales equipment	17,487	19,509	Allowance for director retirement benefits	372	308
Land	34,637	34,460	Other	2,998	4,772
Other	1,280	1,121	Total liabilities	34,421	35,100
Intangible fixed assets	3,817	3,317	Minority shareholders' interest	4,990	4,905
Consolidated adjustment account	250	179	Capital	15,231	15,231
Other	3,566	3,138	Capital surplus	35,399	35,399
Investments and other assets	40,743	50,723	Earned surplus	115,771	121,275
Investment securities	31,940	36,631	Other security appraisal difference	341	367
Prepaid pension costs	-	10,643	Reacquired stock	-2,086	-7,956
Other	8,913	3,710	Total capital	164,658	164,319
Allowance for doubtful accounts	-110	-260	Total liabilities, minority shareholder's interest, capital	204,070	204,325

2. Sales Volume Trends



(1) Volume Sold by Brand

(units: 1,000 cases, %)

		January - September			3rd quarter (July - September)		
		2002	2003	03/'02	2002	2003	03/'02
carbonates	Coca-Cola	6,204	5,661	-8.8	2,420	2,285	-5.6
	Vanilla Coca-Cola	—	98	—	—	55	—
	Diet Coca-Cola	1,027	1,042	1.5	402	418	4.0
	Fanta	3,463	3,174	-8.3	1,634	1,310	-19.8
	Sprite	603	405	-32.8	259	165	-36.3
	Real Gold	865	936	8.2	350	380	8.6
	Canada Dry	324	697	115.1	126	278	120.6
	Other	41	36	-12.2	15	13	-13.3
	total	12,527	12,048	-3.8	5,205	4,904	-5.8
non-carbonates	Georgia	19,998	19,434	-2.8	6,715	6,304	-6.1
	Aquarius	6,002	5,253	-12.5	2,801	2,367	-15.5
	Sokenbicha	5,425	5,123	-5.6	2,451	2,251	-8.2
	Chinese teas (Huang/Chaho)	1,776	1,070	-39.8	731	458	-37.3
	Japanese teas (Nagomi/Marocha)	2,797	3,280	17.3	1,113	1,426	28.1
	Kochakaden	1,462	1,416	-3.1	429	401	-6.5
	Love Body	362	330	-8.8	229	152	-33.6
	Qoo, HI-C, etc.	1,943	1,884	-3.0	693	737	6.3
	Mori no Mizudayori	1,520	1,513	-0.5	735	722	-1.8
	boco	—	941	—	—	419	—
	Other	1,727	971	-43.8	649	355	-45.3
	total	43,012	41,215	-4.2	16,546	15,592	-5.8
Other/food products		12,504	11,808	-5.6	4,854	4,360	-10.2
grand total		68,043	65,072	-4.4	26,605	24,856	-6.6

* excludes sales by other bottlers

(2) Volume Sold by Package

(units: thousand cases, %)

		January - September			3rd quarter (July - September)		
		2002	2003	03/'02	2002	2003	03/'02
bottles	returnable	456	438	-3.9	174	165	-5.2
	one-way	1,086	427	-60.7	386	126	-67.4
	total	1543	865	-43.9	561	291	-48.1
PET	to 350 ml	1,236	2,468	99.7	551	989	79.5
	to 500 ml	9,032	8,299	-8.1	3,885	3,578	-7.9
	to 1,000 ml	330	320	-3.0	183	168	-8.2
	to 1,500 ml	3,429	3,181	-7.2	1,344	1,173	-12.7
	to 2,000 ml	6,974	6,786	-2.7	3,175	3,120	-1.7
	total	21,001	21,054	0.3	9,137	9,029	-1.2
cans	to 200 ml	15,942	16,799	5.4	5,202	5,617	8.0
	to 250 ml	2,271	1,904	-16.2	731	702	-4.0
	to 280 ml	6,777	5,436	-19.8	2,662	1,958	-26.4
	to 350 ml	5,232	2,395	-54.2	1,948	741	-62.0
	to 500 ml	1,267	1,376	8.6	511	537	5.1
	total	31,489	27,909	-11.4	11,053	9,555	-13.6
bottle can		1,283	3,235	152.1	878	1,515	72.6
other/food products		12,727	12,010	-5.6	4,977	4,467	-10.2
grand total		68,043	65,072	-4.4	26,605	24,856	-6.6

*excludes sales by other bottlers

(3) Volume Sold by Business Unit

(units: thousand cases, %)

	January - September			3rd quarter (Jul. - Sep.)		
	2002	2003	03/'02	2002	2003	03/'02
Vending	26,254	24,929	-5.0	10,144	9,243	-8.9
Chain stores	13,044	12,886	-1.2	5,601	5,451	-2.7
CVS/Retail	20,073	18,989	-5.4	7,400	6,958	-6.0
CVS	7,134	7,153	0.3	2,590	2,508	-3.2
Retail	12,939	11,835	-8.5	4,810	4,450	-7.5
Food service	6,972	6,647	-4.7	2,785	2,590	-7.0
Distributors	1,323	1,304	-1.4	518	499	-3.7
Other	377	317	-15.9	157	115	-26.8
Total	68,043	65,072	-4.4	26,605	24,856	-6.6

*excludes sales by other bottlers

(4) Sales Status of New Products (including revamped products)

1. Sales status

(units: 1,000 cases)

	2002 Jan.-Sep.	2003 Jan.-Sep.
number of items	86	127
volume sold	14,560	15,004

	2002 3rd quarter	2003 3rd quarter
	32	15
	1,201	552

2. Major new products for 2003

Jan. - Sep.

(units: 1,000 cases)

	Product name	launched	volume sold
1	Georgia European Blend 190g can	Jan.	2,936
2	Marocha 120 500ml PET	Feb.	1,048
3	Huang Oolong tea 2,000ml PET	Mar.	685
4	Marocha 120 340ml can	Feb.	626
5	Georgia Cafe Leche 280g can	Apr.	599
6	Georgia Espresso Mild 190g can	Jan.	490
7	Marocha 120 2,000ml PET	Feb.	488
8	Georgia Morning Coffee 190g can	Mar.	485
9	Marocha 120 280ml PET	Feb.	369
10	Georgia Cafe Leche 280ml PET	Apr.	323

3rd quarter (Jul. - Sep.)

(units: 1,000 cases)

	Product name	launched	volume sold
1	Georgia Royal Blend 180g can	Sep.	245
2	tarumi 500ml PET	Aug.	57
3	tarumi 2,000ml PET	Sep.	46
4	tarumi 300ml bottle can	Aug.	37
5	Qoo pear 500ml PET	Sep.	36
6	Qoo pear 1,500ml PET	Sep.	36
7	Fanta Muscat 500ml PET	Sep.	35
8	Fanta Muscat 1,500ml PET	Sep.	31
9	Shichifukuzen 500ml PET	Sep.	14
10	Fanta Muscat 160ml can	Sep.	8

3. Vending Machine Installation Status



(1) Number of machines installed

(unit: machines)

		CCWJ		Chugoku region		Kyushu region	
		2003 mid-term	2003 end Sep.	2003 mid-term	2003 end Sep.	2003 mid-term	2003 end Sep.
asset machines	regular (cans)	37,146	35,826	18,862	18,162	18,284	17,664
	full service (cans)	85,336	87,427	34,126	35,121	51,210	52,306
	cup machines	7,713	7,609	5,654	5,589	2,059	2,020
	subtotal	130,195	130,862	58,642	58,872	71,553	71,990
machines sold (cans)		4,918	4,498	2,323	2,136	2,595	2,362
grand total		135,113	135,360	60,965	61,008	74,148	74,352

(2) Predatory

(unit: machines)

	CCWJ		Chugoku region		Kyushu region	
	2003 mid-term	2003 end Sep.	2003 mid-term	2003 end Sep.	2003 mid-term	2003 end Sep.
Predatory	1,514	2,861	379	624	1,135	2,237

(3) Share

(unit: %)

	CCWJ		Chugoku region		Kyushu region	
	2002	2003	2002	2003	2002	2003
Share	52.9	52.6	47.1	46.9	59.7	59.2

(Reference: Nielsen Open Market Vending Machine survey)

(Survey conducted: annually in June)

4. Market Share



(1) Market Share by Manufacturer (Jan. - Sep.)

(unit: %)

	CCWJ		Chugoku region		Kyushu region	
	2002	2003	2002	2003	2002	2003
CCWJ	32.3	30.2	30.9	28.7	33.8	31.9
Total for competitors	67.7	69.8	69.1	71.3	66.2	68.1
Suntory/Pepsi	11.9	11.8	11.5	11.7	12.4	11.9
Kirin	7.9	9.2	7.8	9.3	8.0	9.1
Asahi	4.1	4.2	4.1	4.1	4.2	4.4
Sapporo	0.7	0.7	0.6	0.6	0.7	0.8
Otsuka	4.8	4.8	5.0	4.9	4.6	4.7
Itoen	4.4	4.7	4.0	4.4	4.9	5.1
Dy-do	0.7	0.7	1.0	1.0	0.5	0.4
JT	1.1	1.0	1.1	1.1	1.1	0.9
UCC	0.9	1.0	1.3	1.5	0.4	0.6
Calpis	4.3	4.4	4.4	4.4	4.2	4.4
Others	26.9	27.3	28.3	28.3	25.2	25.8

(Source: Intage Store Audits)

(2) Market Share by Category (Jan. - Sep.)

(unit: %)

	CCWJ		Chugoku region		Kyushu region	
	2002	2003	2002	2003	2002	2003
total	32.3	30.2	30.9	28.7	33.8	31.9
Carbonates	57.8	53.6	56.8	53.4	58.8	53.9
Carbonated Cola	81.9	77.3	80.0	76.3	83.7	78.2
Clear carbonates	15.6	8.3	15.0	6.5	16.3	10.3
Flavor carbonates	56.2	56.3	57.5	57.4	54.8	55.0
Juices	16.4	11.9	18.0	13.2	14.5	10.4
Coffees	32.0	30.9	26.0	24.9	39.1	38.1
Canned coffee	69.6	68.1	60.9	58.6	78.4	77.7
Teas	31.2	29.8	31.1	29.7	31.3	29.8
Chinese tea	22.2	15.1	21.0	15.3	23.2	14.9
Black tea	16.8	17.1	16.5	15.5	17.2	19.5
Japanese tea	14.2	16.5	13.5	15.4	14.7	17.4
Blended tea	80.5	77.3	78.3	75.6	82.8	79.2
Sports	56.3	53.2	57.0	53.9	55.3	52.1
Fitness	2.3	10.1	2.0	10.1	2.7	10.1
Lactic	5.0	9.7	3.8	8.8	6.6	11.0
Mineral water	25.4	24.3	16.2	12.2	31.6	33.2

(Source: Intage Store Audits)

(3) Market Share by Industry (Jan. - Sep.)

(unit: %)

	CCWJ		Chugoku region		Kyushu region	
	2002	2003	2002	2003	2002	2003
Total	32.3	30.2	30.9	28.7	33.8	31.9
SM	30.5	27.8	28.5	26.0	32.9	30.2
CVS	24.3	24.3	23.9	25.0	24.6	23.6
Liquor shop	49.6	47.9	45.1	42.9	55.4	54.2
Provision	48.9	47.5	52.0	46.1	46.8	48.5
Drug store	11.2	16.7	9.0	10.6	17.7	29.8

(Source: Intage Store Audits)

(Reference) Market Share by Month and Difference vs. PY (unit: %, points)

		10/2002	11/2002	12/2002	1/2003	2/2003	3/2003	4/2003	5/2003	6/2003	7/2003	8/2003	9/2003
CCWJ	Share	32.6	33.8	34.5	34.1	32.2	32.9	30.7	30.5	28.5	27.8	29.1	29.2
	Diff. vs. PY	—	—	—	+0.2	-0.5	-0.7	-1.9	-1.5	-4.2	-2.9	-2.6	-3.3
Chugoku	Share	30.5	32.0	33.6	32.5	30.4	31.2	29.0	28.5	26.5	26.8	28.1	27.7
	Diff. vs. PY	—	—	—	-0.3	-1.7	-1.6	-2.1	-2.0	-5.3	-2.5	-1.8	-2.5
Kyushu	Share	34.7	35.7	35.5	35.8	34.2	34.7	32.6	32.6	30.8	28.9	30.1	30.8
	Diff. vs. PY	—	—	—	+0.9	+0.8	+0.3	-1.5	-0.8	-3.0	-3.3	-3.6	-4.0
Suntory	Share	10.9	11.2	12.3	11.6	11.6	11.5	12.1	12.1	12.0	11.5	12.0	11.9
	Diff. vs. PY	—	—	—	-0.7	-0.5	-0.5	-0.8	-0.6	+0.8	-0.5	+0.3	+0.8
Kirin	Share	8.6	8.2	7.9	8.2	8.3	9.5	9.9	9.6	9.3	9.5	9.1	8.9
	Diff. vs. PY	—	—	—	+0.9	+1.3	+1.4	+1.8	+1.9	+1.3	+1.6	+1.1	+0.8
Asahi	Share	3.7	3.5	3.6	3.9	4.7	4.8	4.5	4.1	3.9	4.3	4.0	4.1
	Diff. vs. PY	—	—	—	-0.2	+0.5	+0.3	-0.1	-0.3	-0.4	+0.0	+0.2	+0.6
Otsuka	Share	4.2	4.4	4.9	5.7	5.2	4.7	4.2	4.4	4.6	4.5	5.1	5.2
	Diff. vs. PY	—	—	—	+0.6	+0.1	0.0	-0.2	-0.3	+0.2	-0.5	+0.1	+0.7
Itoen	Share	5.0	4.8	4.2	4.5	4.4	4.0	4.1	4.5	5.1	5.1	5.1	5.0
	Diff. vs. PY	—	—	—	-0.3	-0.3	-0.1	+0.1	+0.1	+1.0	+0.5	+0.6	+0.3

(Source: Intage Store Audits)

5. Capital Investment, Depreciation, Cash Flow



(1) Capital Investment, Depreciation (consolidated)

(unit: ¥million)

		2002	2003	
			Jan. - Sep.	Projection for FY
Capital investment amt	Land	1,655	92	762
	Buildings/structures	2,848	329	2,448
	Machinery/equipmt	5,281	923	1,802
	Sales equipment	8,962	8,273	9,680
	Other	2,278	1,584	2,487
	total	21,027	11,204	17,183
Depreciation		15,395	11,295	15,511

(2) Cash Flow (consolidated)

(unit: ¥million)

	Cash flow from sales activities	Cash flow from investment activities	Cash flow from financial activities	End of term balance Cash, cash equivalents
2002	※ 20,885	-17,615	-5,566	35,406
2003 Jan.-Sep.	13,382	-15,177	-11,103	22,507

* Key content

- Sales Activities ¥19.4B
- Temporary payment for transfers ¥-4.3B
- Corporate tax, etc. ¥-1.7B

6. Mikasa CCBC Status



Performance (simple)

(unit: ¥million, %)

	2002 Jan. - Sep. *	3rd quarter (Jan. - Sep.), 2003					
		Plan	Results	vs. plan		vs. PY	
				difference	ratio	difference	ratio
Revenue	23,819	23,695	22,572	-1,123	-4.7	-1,247	-5.2
Operating profit	123	16	-369	-385	-	-492	-400.0
Recurring profit	112	18	-348	-366	-	-460	-410.7
Current net profit	-8	-30	-245	-215	716.7	-237	2962.5

<Sales Performance>

(unit: thousand cases, %)

within area	12,148	12,078	11,566	-512	-4.2	-582	-4.8
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* Reference values

The plans, performance forecasts, and strategies appearing in these materials are based on the judgment of our management in view of the data obtained as of the date this was announced. Please note that these are only forecasts which are subject to major variances due to risks and uncertain factors such as those listed below.

- Intensification of market price competition
- Economic trend variations affecting the business climate
- Major rate fluctuations in capital markets
- Various uncertain factors other than the above