

First Quarter 2006 Financial Results

April 26, 2006



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I. 2006 First Quarter Results

< Sales growth by maker – All Japan >

Source: Inryo Soken

- Total industry showed no growth
- Negative growth for KO and Suntory
- Strong growth for Itoen and Asahi

(%)

	Jan	Feb	Mar	Q1
Total	+1	+1	±0	±0
KO	-2	-1	-4	-2
Suntory	-3	±0	-1	-1
Kirin Bev	+5	+8	+2	+4
Itoen	+13	+13	+20	+15
Asahi	+6	+8	+11	+9

Sales growth: -3.6% vs. plan -0.5% vs. PY

<Performance by brand>

- **Coca-Cola: slight increase vs. PY**
- **Georgia: weak sales continued, causing profit decline**
 - package graphics and ad. failed to appeal to consumers
 - core users lowered confidence for Georgia
- **Sokenbicha: sign of recovery from Feb after makeover**
- **Hajime: big increase in Jan & Feb vs. PY**
 - declined in Mar due to recycling of PY launch, positive growth for YTD
- **Aquarius: continued growth, however below budget**
- **Water (Mori-no-mizudayori): double digit growth continued**
- **Other: positive growth for HOT PET products, Sprite, Canada Dry, and Ambasa**
 - HOT PET products: +248.3% vs. plan +371.4% vs. PY
 - Sprite/Canada Dry/Ambasa: +28.3% vs. plan +21.3% vs. PY

	(%)	
	vs. plan	vs. PY
Coca-Cola	-4.3	+0.9
Georgia	-8.0	-7.1
Sokenbicha	-12.1	-6.2
Hajime	-16.2	+5.0
Aquarius	-12.5	+14.0
Water	+49.5	+18.7
Other	+4.9	+2.7
Total	-3.6	-0.5

<Performance by Channel>

- All channel except Food Service failed to meet the plan
- Vending, Chain Store and Food Service beat the prior year actual
- Due to weak sales of Georgia, Vending sales decreased vs. plan, resulting in profit decline
- Chain Store's profitability improved by executing CBPPP strategy

*BCPPP:Channel,Brand,Package,Price,Promotion

(%)

	vs. Plan	vs. PY
Vending	-3	+3
Chain Store	-6	+5
CVS	-2	-3
Retail	-7	-10
Food Service	+1	+4
Distributor	-9	-2
Other	-2	-6
Total	-4	-1

Q1 Monthly Sales & Market Share



(1) Monthly Sales Volume

- Sales for each month decreased vs. plan
- Compared to PY actual, Feb sales showed positive growth, though Mar sales dropped

(000-case, %)

	2005 Q1 Actual	Q1-2006					
		Plan	Actual	vs. Plan		vs. PY	
				vol.	%	vol.	%
January	5,878	6,003	5,863	-140	-2.3	-14	-0.2
February	5,427	5,856	5,593	-263	-4.5	+165	+3.0
March	7,257	7,285	7,007	-279	-3.8	-250	-3.4
Q1	18,562	19,145	18,462	-682	-3.6	-99	-0.5

* There is a change in conversion factor for part of syrup and powder products, and an adjustment was made retroactively.

(2) Home Market Share (excluding vending machines)

*Source: Intage store audit (% , %point)

- Decline continued for Jan-Mar

	Market Share	Change vs. PY
January	29.1%	-1.5
February	28.3%	-0.6
March	27.5%	-1.7
Q1	28.3%	-1.3

(1) Consolidated

(Million yen, %)

	2005 Q1 Actual	Plan *	Actual	Q1-2006			
				vs. Plan		vs. PY	
				amount	%	amount	%
Revenues	54,165	53,600	51,720	-1,879	-3.5	-2,444	-4.5
Op. income	1,789	1,700	1,442	-257	-15.1	-346	-19.4
Rec. income	1,914	1,700	1,583	-116	-6.8	-330	-17.3
Net income	827	900	892	-7	-0.8	64	7.8

(2) Non-Consolidated

(Million yen, %)

	2005 Q1 Actual	Plan *	Actual	Q1-2006			
				vs. Plan		vs. PY	
				amount	%	amount	%
Revenues	40,944	41,400	39,624	-1,775	-4.3	-1,319	-3.2
Op. income	2,366	2,200	1,878	-321	-14.6	-488	-20.6
Rec. income	2,672	2,500	2,215	-284	-11.4	-456	-17.1
Net income	1,495	1,500	1,363	-136	-9.1	-131	-8.8

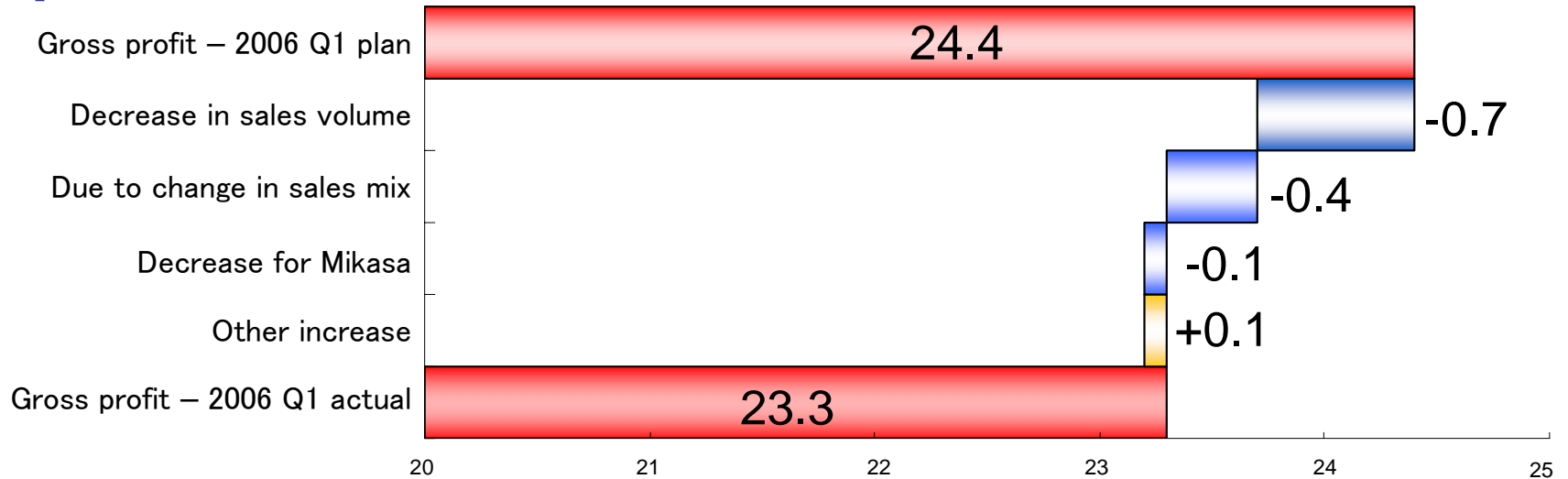
* Plan numbers above are based on the announcement made on February 8, 2006.

Profit Reconciliation – Q1 Actual vs. Plan



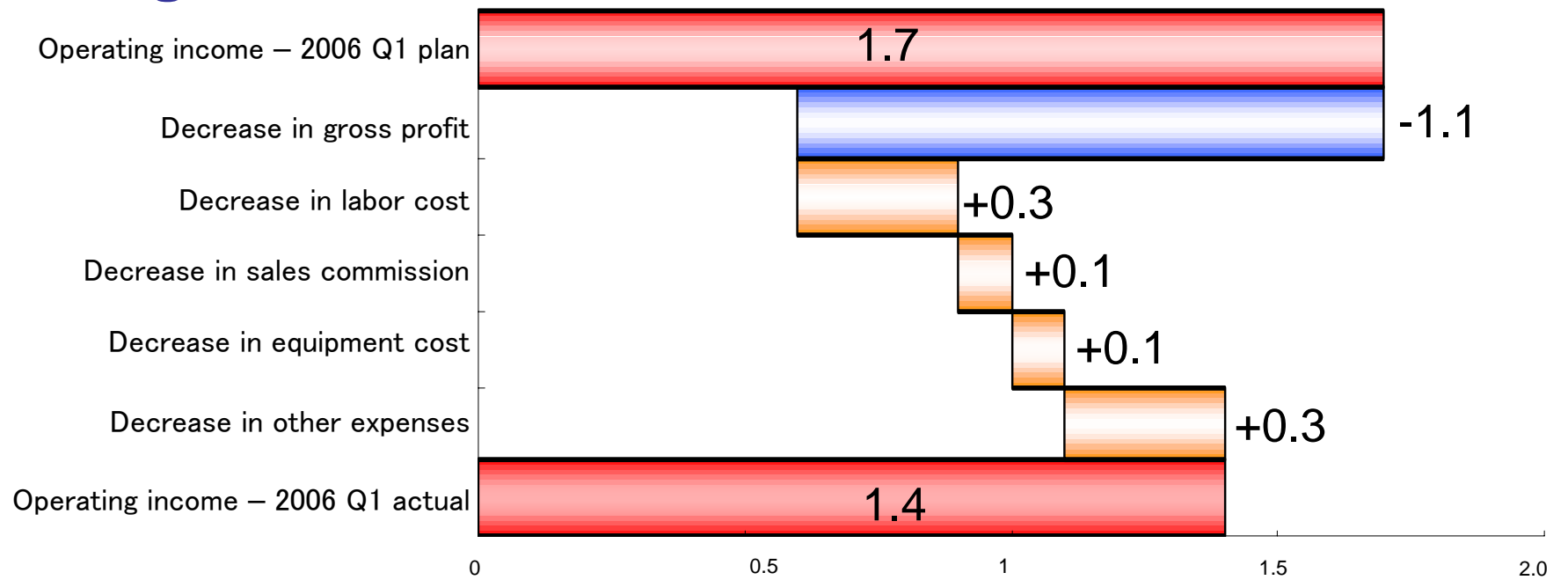
<Gross profit>

(billion yen)



<Operating income>

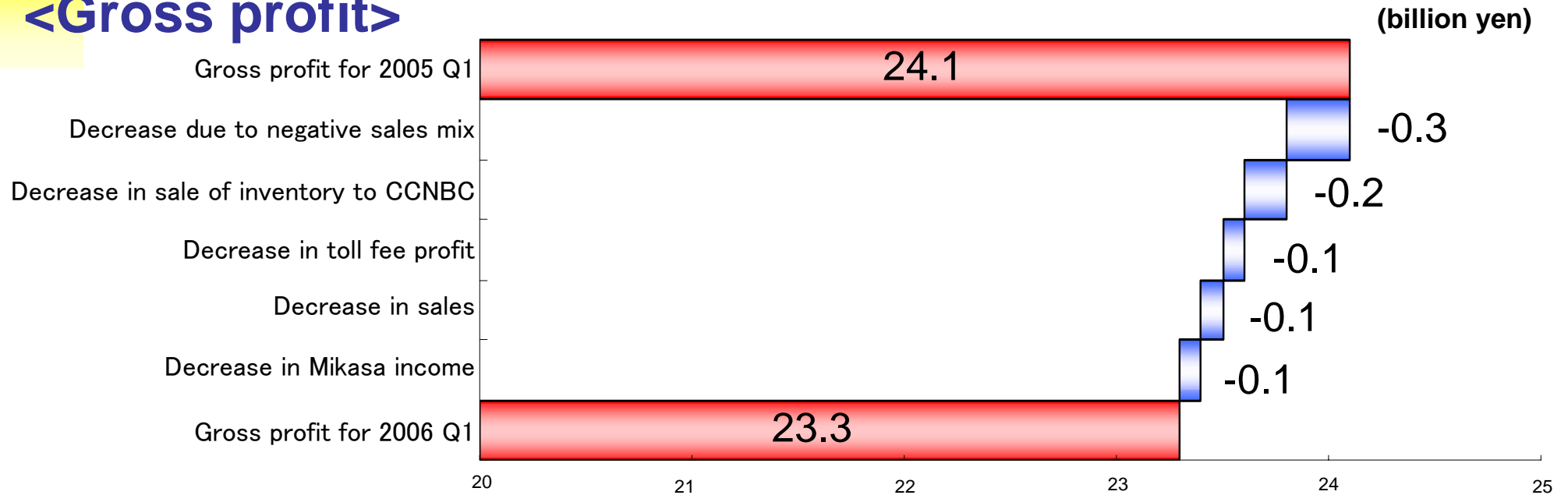
(billion yen)



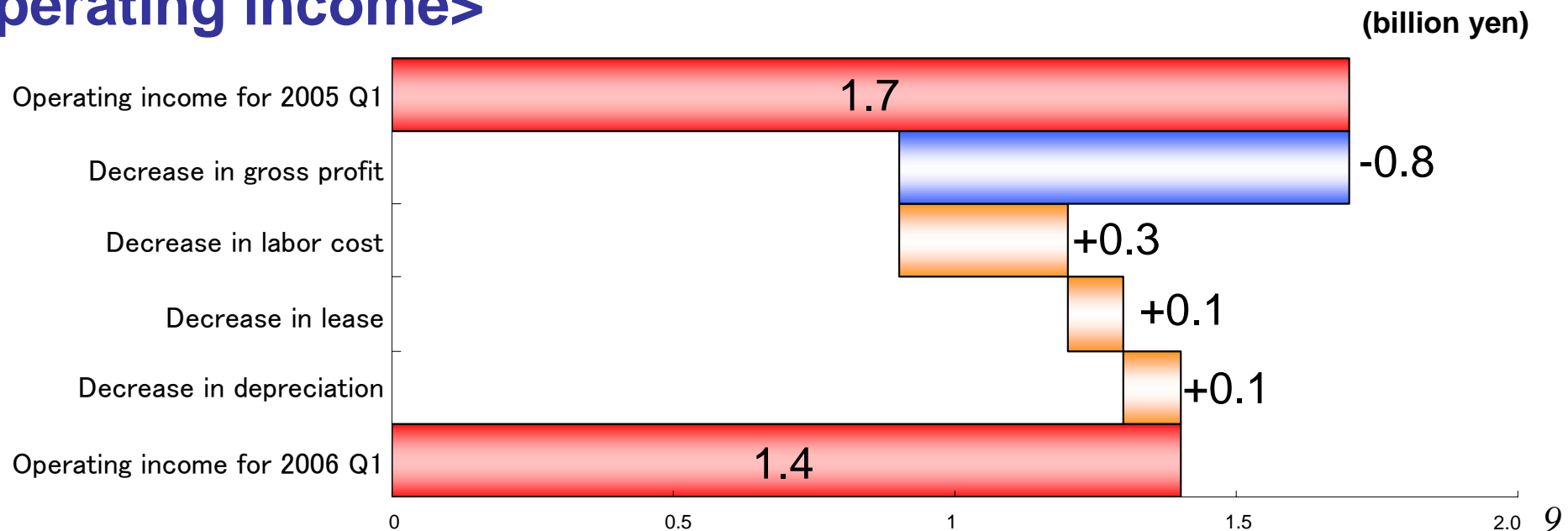
Profit Reconciliation – 2006 Q1 Actual vs. PY Actual



<Gross profit>



<Operating income>



Group Companies Results for 2006 Q1

Mikasa Coca-Cola Bottling Co.

(million yen, 000-case, %)

	2005 Q1 Actual	Q1-2006					
		Plan *	Actual	vs. Plan		vs. PY	
				amount	%	amount	%
Sales volume	3,167	3,200	3,102	-98	-3.1	-65	-2.1
Revenues	5,970	5,800	5,693	-107	-1.8	-277	-4.6
Operating income	-175	-100	-179	-79	—	-4	—

Nishi-Nihon Beverages

Revenues	4,720	4,260	4,237	-23	-0.5	-483	-10.2
Operating income	52	-20	80	100	—	27	52.6

Coca-Cola West Japan Products

Revenues	1,484	1,430	1,375	-55	-3.8	-109	-7.4
Operating income	-99	-90	-103	-13	—	-4	—

Coca-Cola West Japan Logistics

Revenues	2,083	1,870	1,963	93	5.0	-120	-5.8
Operating income	-1	-160	-108	52	—	-107	—

* The plan figures above are based on the full-year projection announced on February 8, 2006.

II. 2006 Second Quarter Plan

Consolidated P&L

(million yen, %)

	Q2-2005	Q2-2006		
	Actual	Plan	inc(dec)	%
Revenues	63,193	65,000	1,807	2.9
Operating income	3,523	3,600	77	2.2
Recurring income	3,594	3,700	106	2.9
Net income	1,715	2,500	785	45.8

1. Full recovery of core brands

(1) Revitalize Georgia

- Makeover of core flavors
- Focused and continuous investment in growing taste segment
→ new products launch

(2) Strengthen Coke brand

- 120th anniversary campaign
- World Cup campaign

(3) Increase consumer awareness of makeover for Hajime & Sokenbicha

(4) Strengthen Aquarius brand

- New product launch: AQ Freestyle, AQ Real-Pro

2. Strengthen market development

- (1) Increase # of vending machines toward peak season**
 - Increase high-selling locations by using various development programs**

- (2) Improve development skills through OJT**

- (3) Monitor progress of business negotiations with potential customers**

3. Start-up of Coca-Cola West Holdings (CCWHD)

- Aiming further expansion of corporate value
- Structure after management integration
- Future structure to realize synergy effect

Fundamental policy of management integration

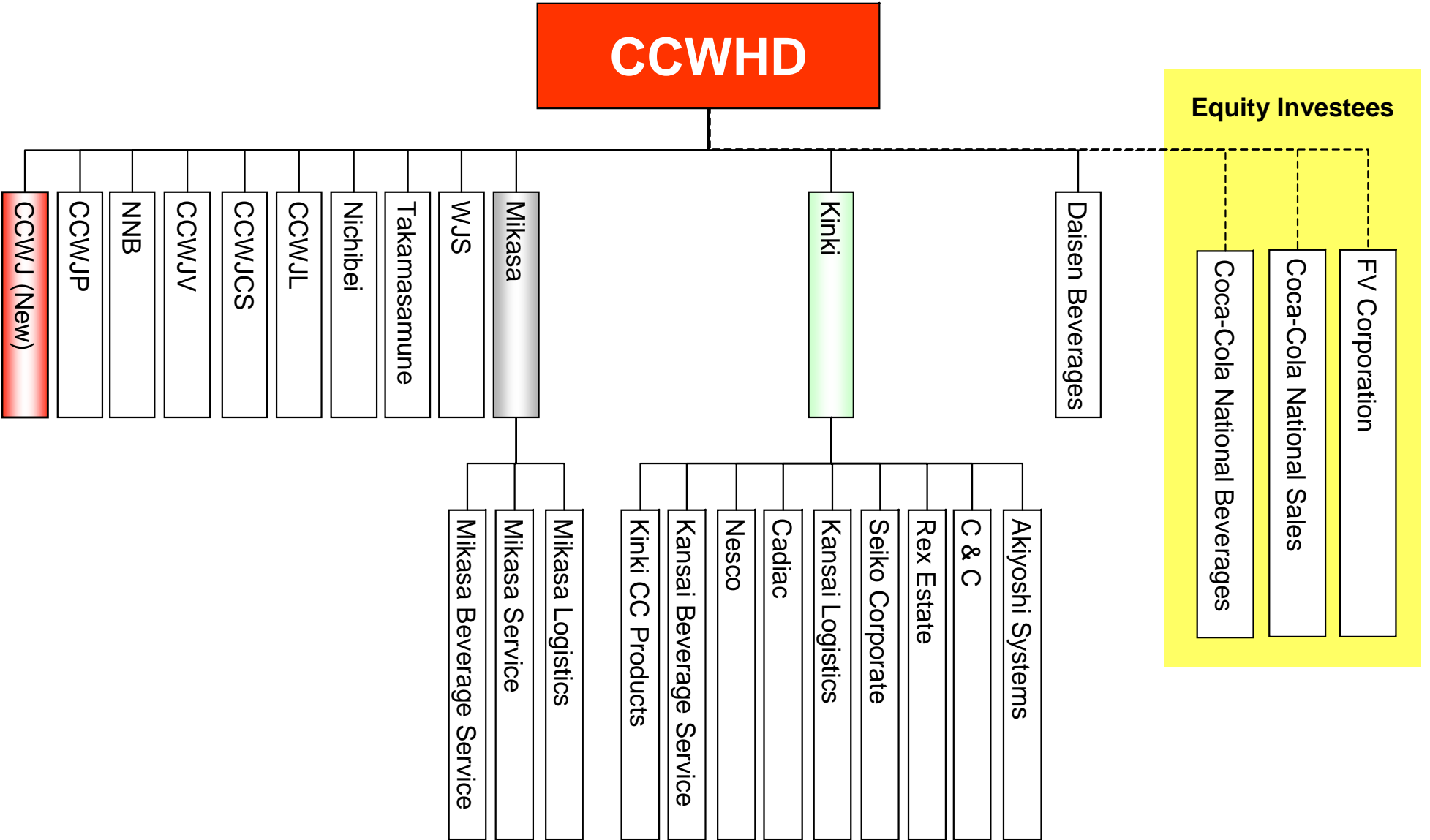
- (1) Enable smooth start-up from July 1
- (2) Design corporate structure from the long-term perspective
- (3) Avoid functional duplication between CCWHD and operation companies

Key assumptions for the business model

- (1) Not being a simple holding company, CCWHD plays a role of planning and executing a group strategy as well as being a entity to hold contractual relationships with the Coca-Cola System companies
- (2) Operation companies will focus on beverage sales in the future
- (3) CCWHD becomes a strategic partner with TCCC/CCJC, and strengthens collaborative relationships with the functionally integrated companies
- (4) The model realizes a group-oriented strategy as well as an IT strategy

Expand performance of CCWHD group

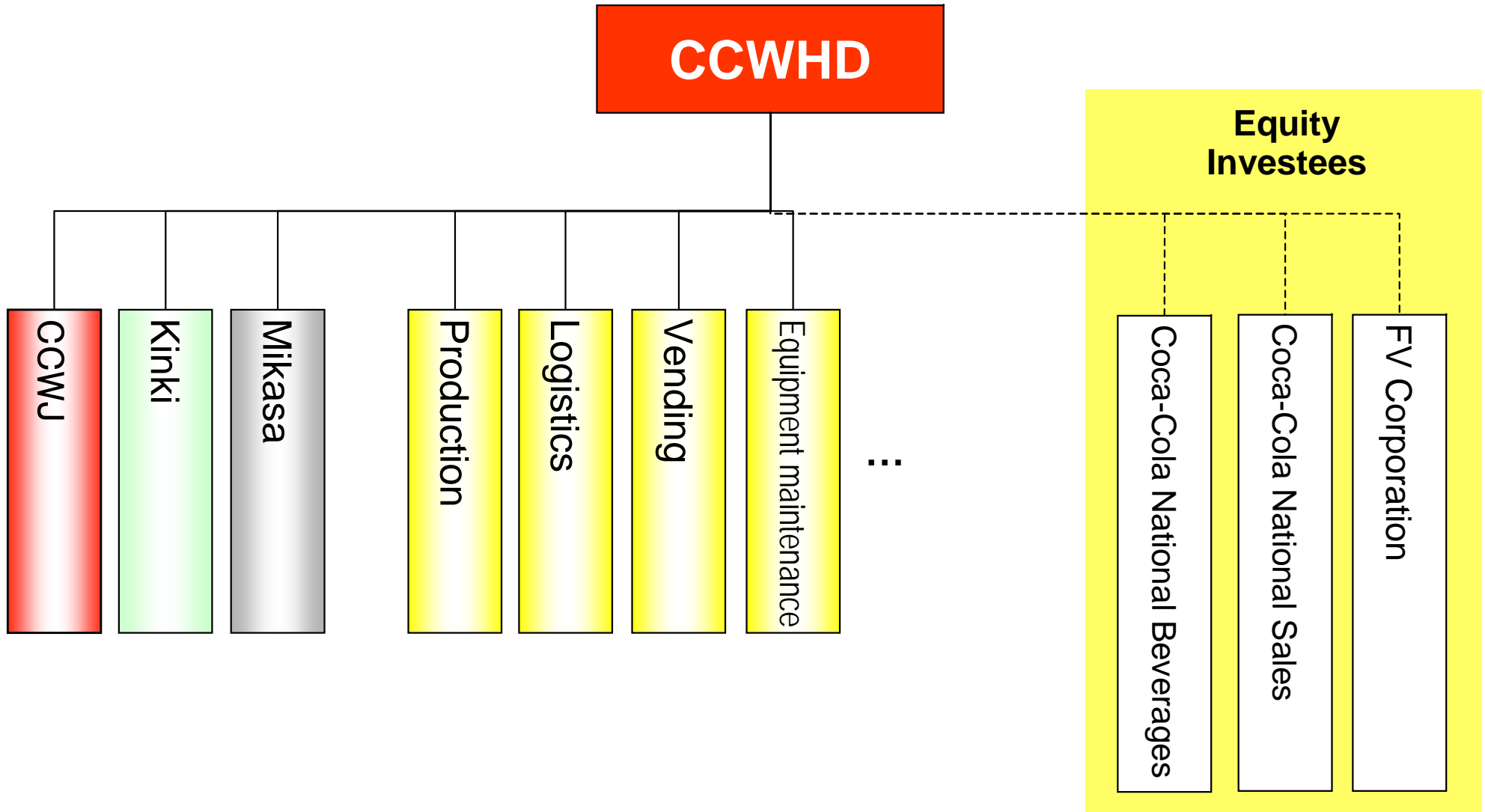
Structure after Integration (as of July 1, 2006)



Future Direction to Realize Synergy Effect



- Integrate group companies by function, i.e. production, logistics, vending, equipment maintenance, etc. → improve performance through effective operation and skill enhancement
- Lead the Coca-Cola System functional companies as CCWHD's equity investees



III. Q1 Marketing Activities

(1) Sales growth by category – All Japan

Source: Inryo Soken

- Total industry showed no growth
- Water, Japanese Tea, and Black Tea showed positive growth
- Oolong Tea, Sports, and Coffee declined

(%)

	Total	Carb.	Coffee	Black Tea	Oolong Tea	Japanese Tea	Sports	Water
Q1	±0	+1	-1	+2	-13	+2	-4	+24

(2) Sales growth by maker - All Japan

- Negative growth for KO and Suntory
- Strong growth for Itoen and Asahi

(%)

	Jan	Feb	Mar	Q1
Total	+1	+1	±0	±0
KO	-2	-1	-4	-2
Suntory	-3	±0	-1	-1
Kirin Bev	+5	+8	+2	+4
Itoen	+13	+13	+20	+15
Asahi	+6	+8	+11	+9

<Growing products>

◆ Kirin Bev: Gogo no kocha

Water

◆ Itoen: Oi ocha, Jujitsu yasai

◆ Asahi: Mitsuya soda, Wakamusha

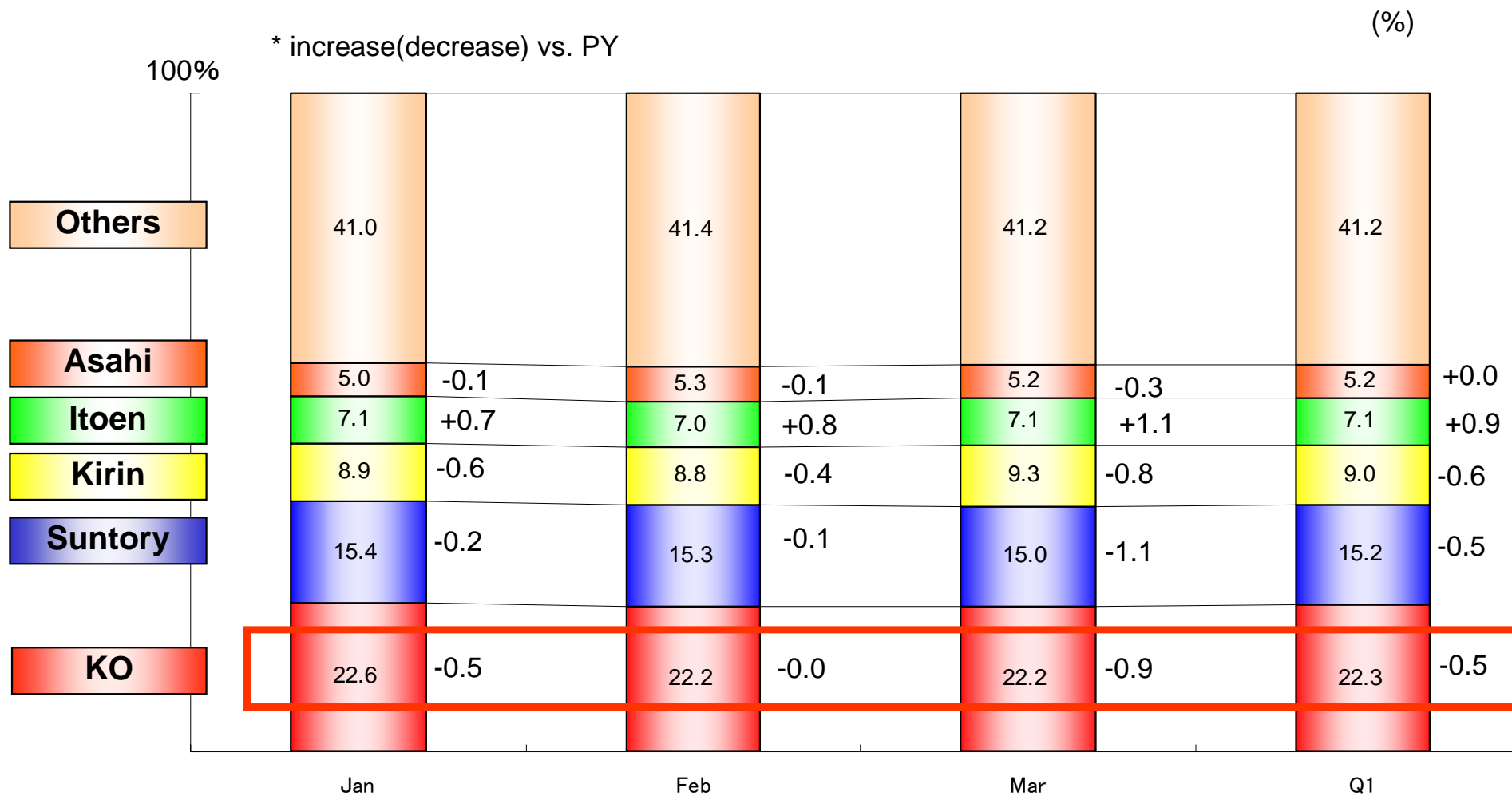
Market Share – All Japan



<OTC Market Share (excluding vending machines)>

Source: Intage

- KO lost share vs. PY Q1
- Suntory and Kirin lost share, Itoen gained share



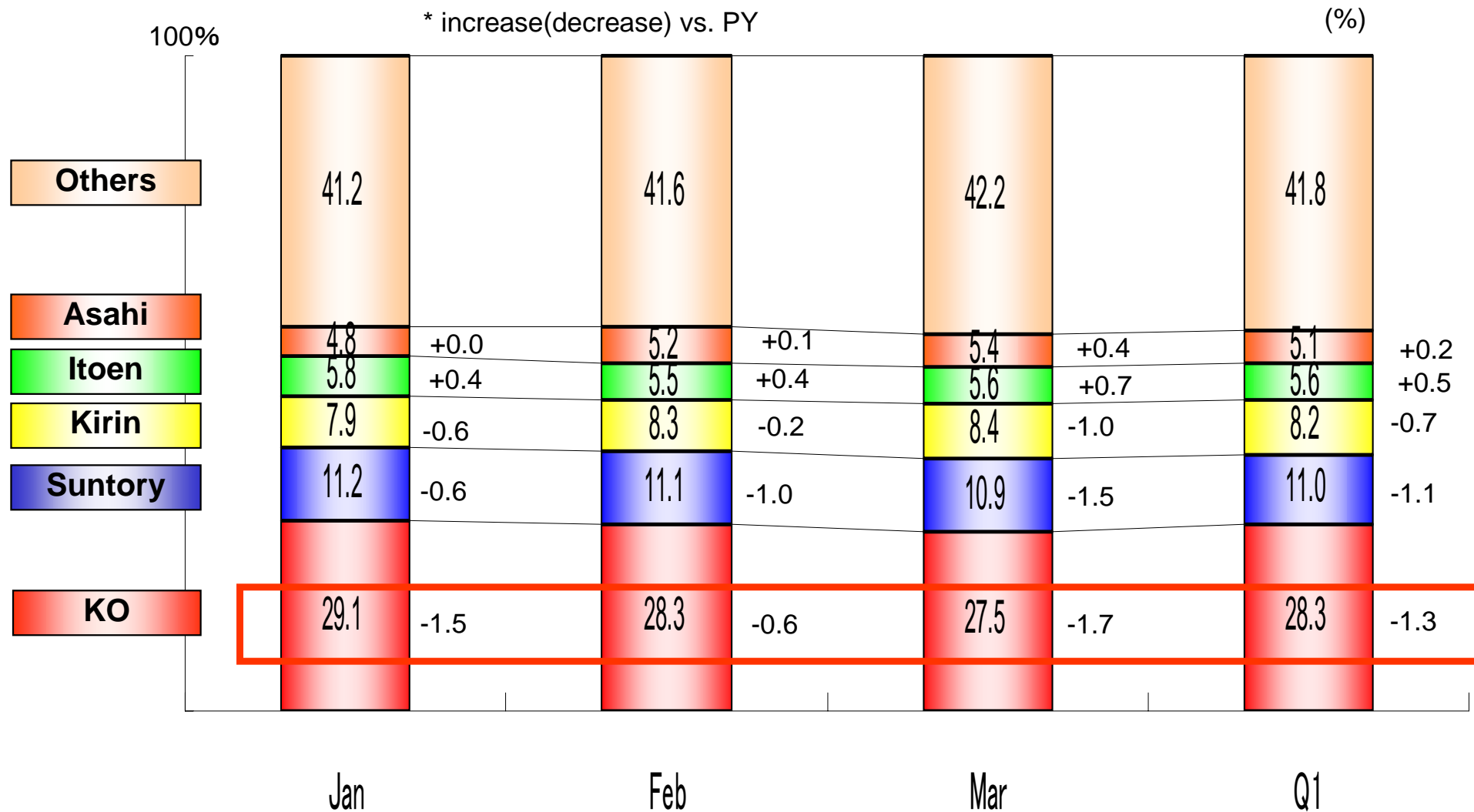
Market Share – CCWJ Area



<OTC Market Share (excluding vending machines)>

Source: Intage

- CCWJ lost share vs. PY Q1
- Suntory and Kirin lost share, Itoen and Asahi gained share



Q1 Sales by Brand



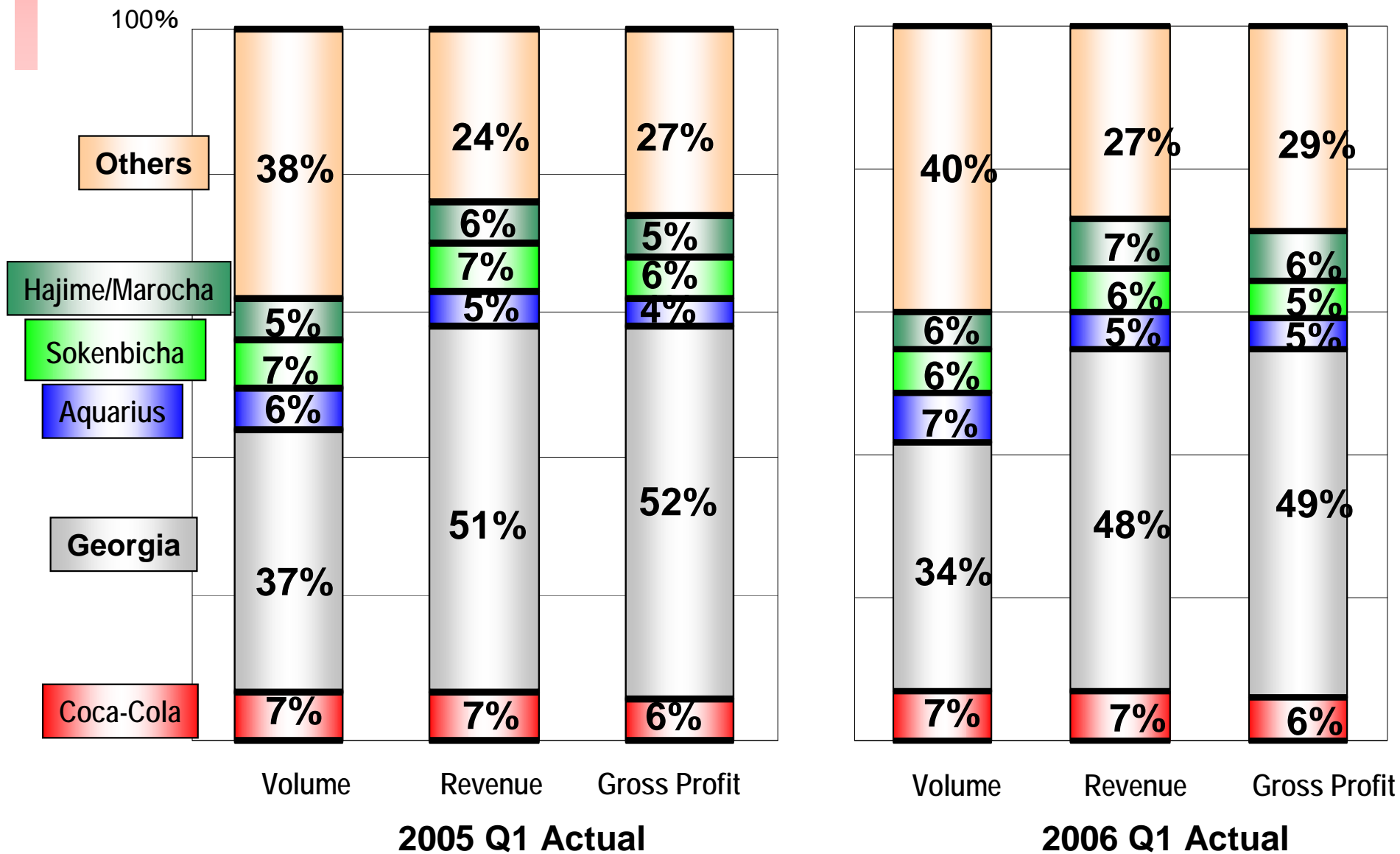
- Georgia drop impacted total sales down
- Increase over PY for Mori-no-Mizu, Aquarius, Hajime, and Coca-Cola
- Sokenbicha showed recovery from February due to makeover
- Other increase includes HOT products and carb.(Sprite, Canada Dry, Ambasa)

HOT products: +248.3% vs. plan +371.4% vs. PY

Sprite, Canada Dry, Ambasa: +28.3% vs. plan +21.3% vs. PY

	2006		2005		Change vs. plan		Change vs. PY		All Japan vs.PY
	Q1 Actual	Q1 Actual	%	Q'ty	%	Q'ty			
	(000-case, %)								
★ Coca-Cola	1,331	1,319	-4.3	-60	0.9	+12		-1.0	
★ Georgia	6,382	6,873	-8.0	-556	-7.1	-491		-7.3	
★ Sokenbicha	1,151	1,228	-12.1	-158	-6.2	-76		-1.0	
★ Hajime	1,070	1,019	-16.2	-207	5.0	+51		-8.8	
★ Aquarius	1,226	1,076	-12.5	-175	14.0	+151		14.3	
Mori-no-Mizu	472	397	49.5	+156	18.7	+74		12.1	
Others	6,830	6,650	4.9	+319	2.7	+180		-3.7	
Total	18,462	18,562	-3.6	-682	-0.5	-99		-2.4	
★ Core brands total	11,160	11,514	-9.4	-1,157	-3.1	-354		-5.2	

Brand Share - Volume/Revenue/Gross Profit

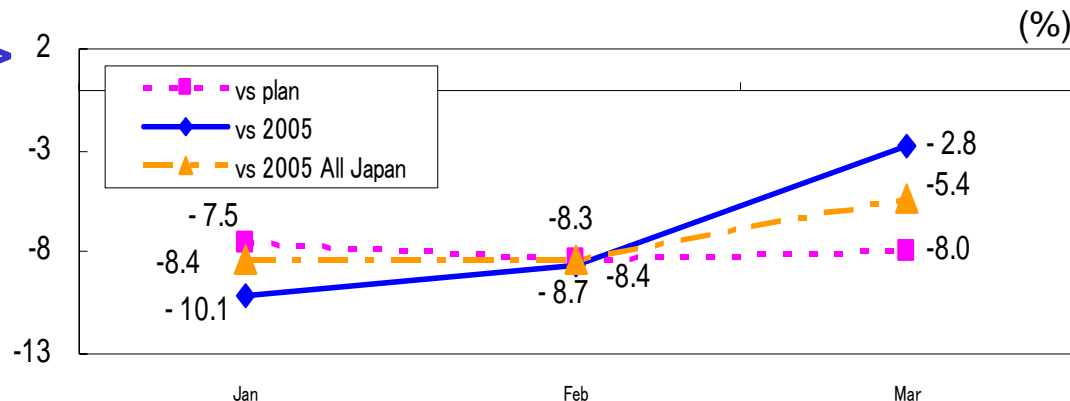


Georgia Update



- Georgia Q1 sales declined vs. PY, however, there's a sign of recovery
- UCC and Asahi gained share

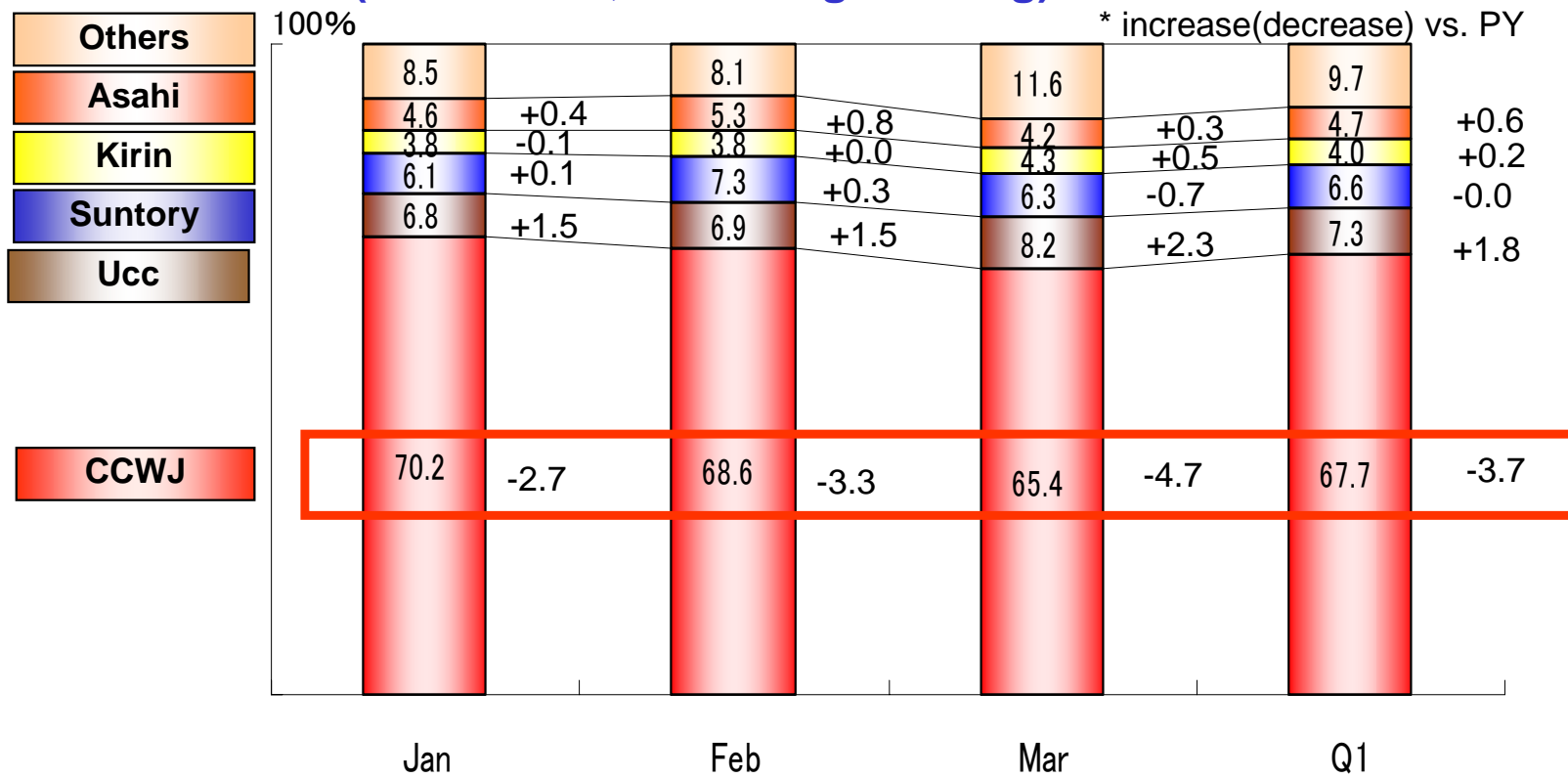
<Sales growth>



<Q1 total>

CCWJ vs. plan -8.0%
 CCWJ vs. PY -7.1%
 All Japan vs. PY -7.3%

<OTC market share (CCWJ area, excluding vending)>



Source: Intage

Products

- “Wanda”
- “Fire”
- “Boss”
- “UCC”

“Georgia”

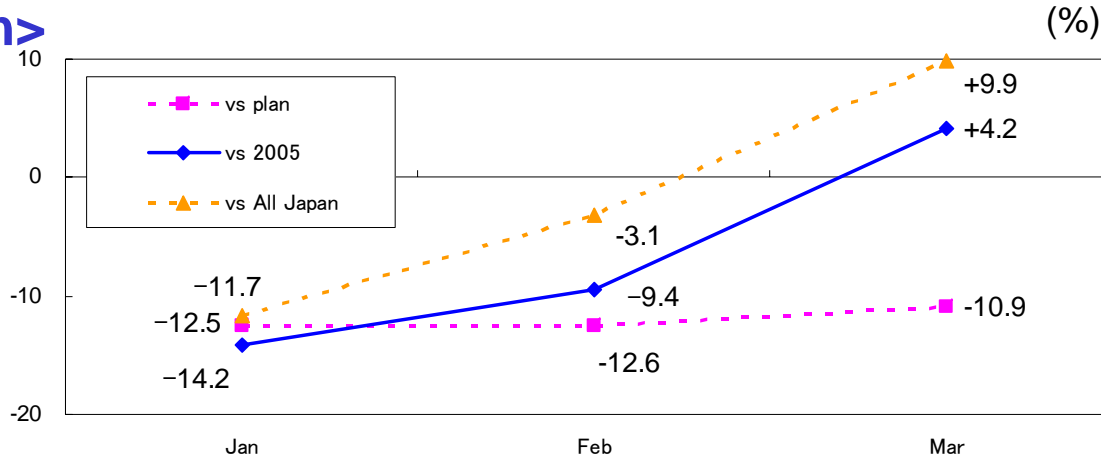


Sokenbicha Update



- Recovery started in February due to “Fit Bottle” introduction
- Share increased in the category

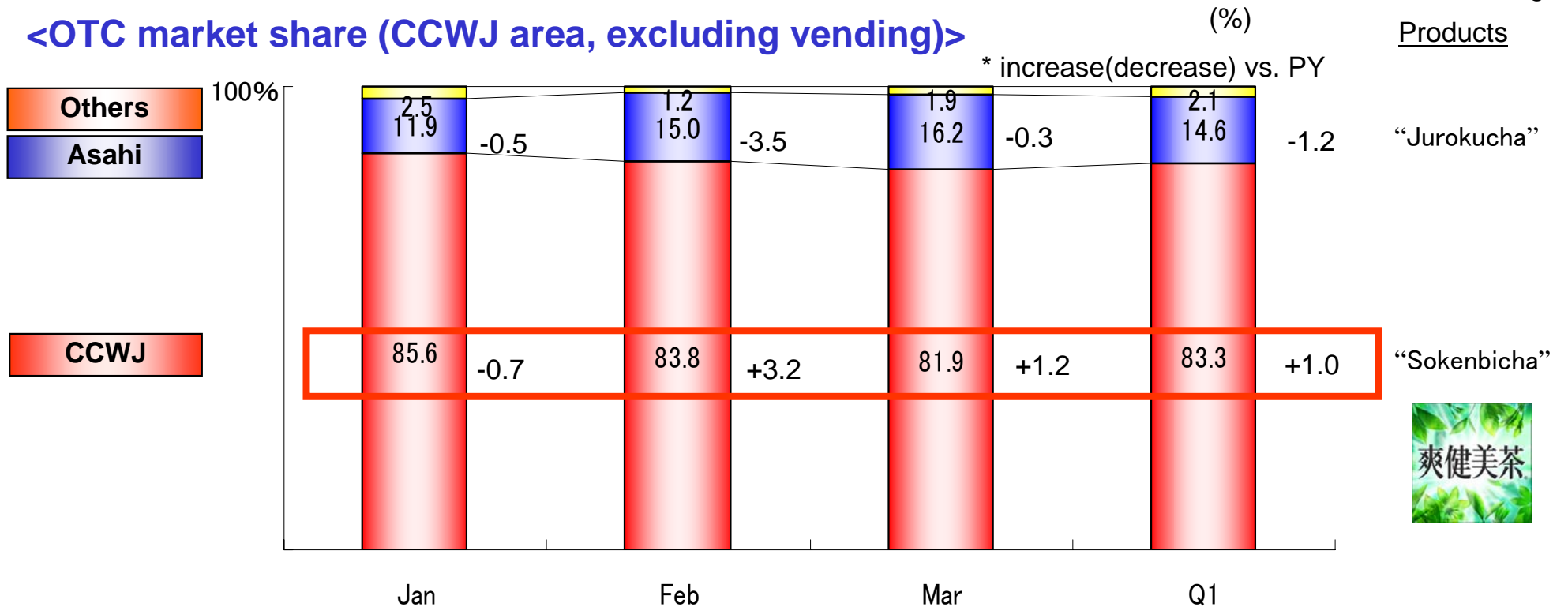
<Sales growth>



<Q1 total>

CCWJ vs. plan -12.1%
 CCWJ vs. PY -6.2%
 All Japan vs. PY -1.0%

<OTC market share (CCWJ area, excluding vending)>

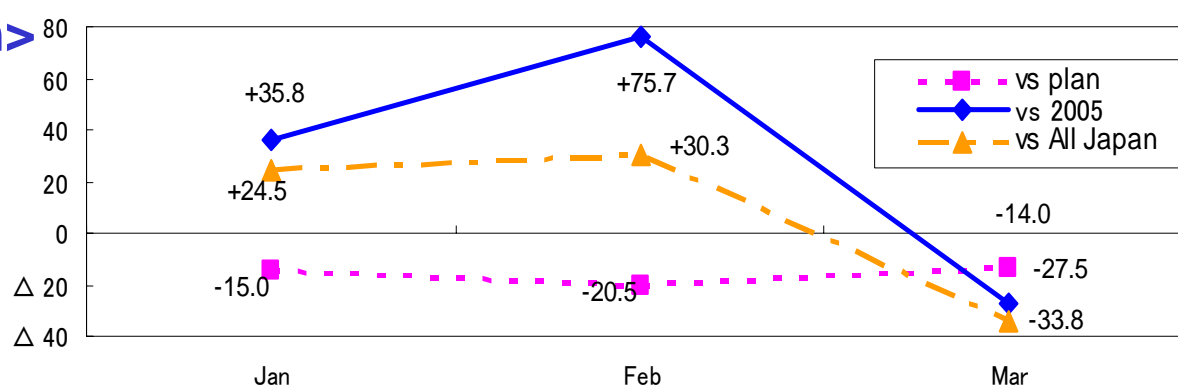


Hajime Update



- Big increase in Jan & Feb, a drop in Mar because of PY recycling of market launch
- Share gain in Jan & Feb, share lost in Mar, even for the quarter
- Share gain for Itoen and Asahi, share lost for Suntory and Kirin

<Sales growth>



(%)

<Q1 total>

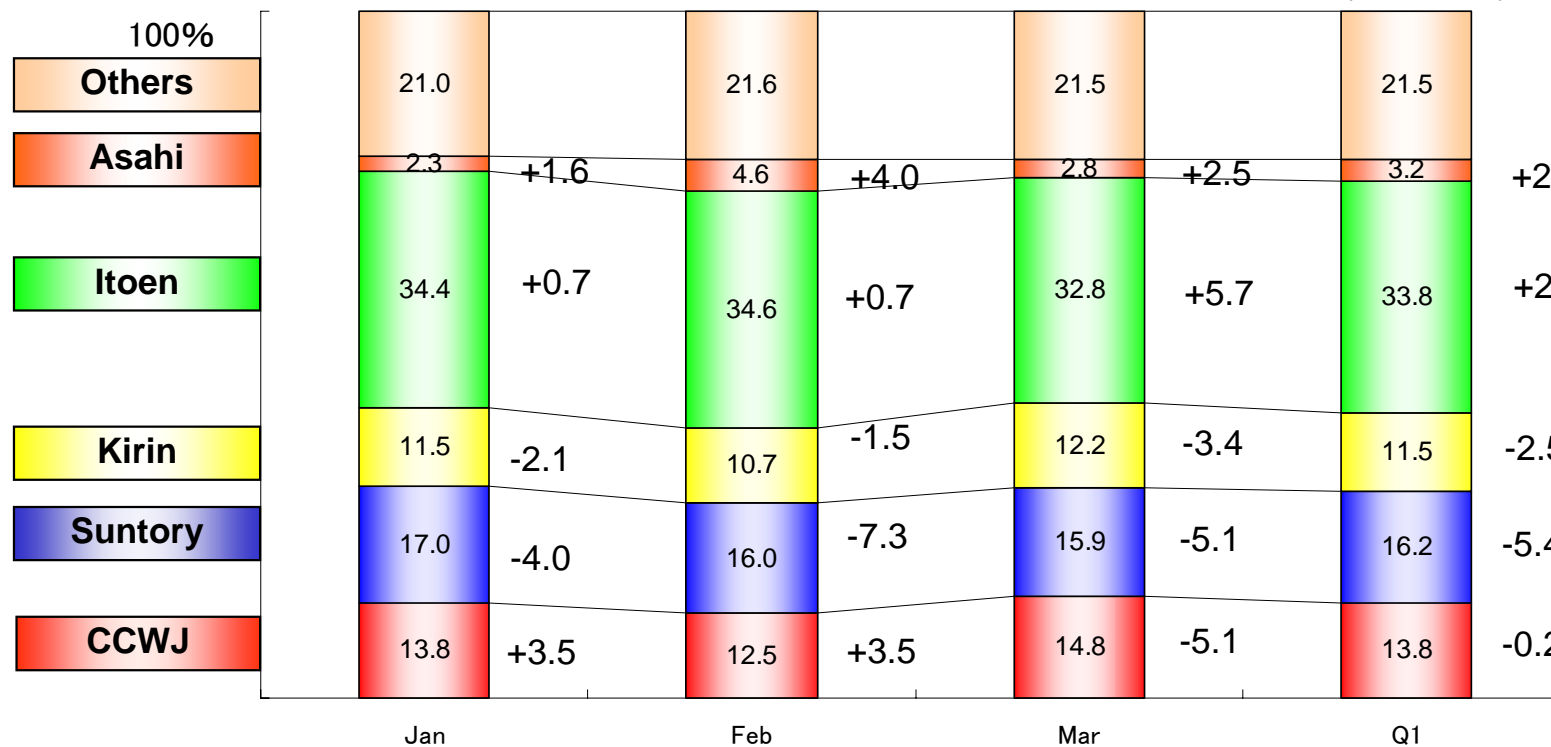
CCWJ vs. plan -16.2%
 CCWJ vs. PY +5.0%
 All Japan vs. PY -8.8%

<OTC market share (CCWJ area, excluding vending)>

(%)

Source: Intage

* increase(decrease) vs. PY



Products

+2.7 “Wakamusya”

+2.8 “Oi-ocha”

-2.5 “Namacha”

-5.4 “Iemon”

-0.2 “Hajime”



Q1 Sales by Channel

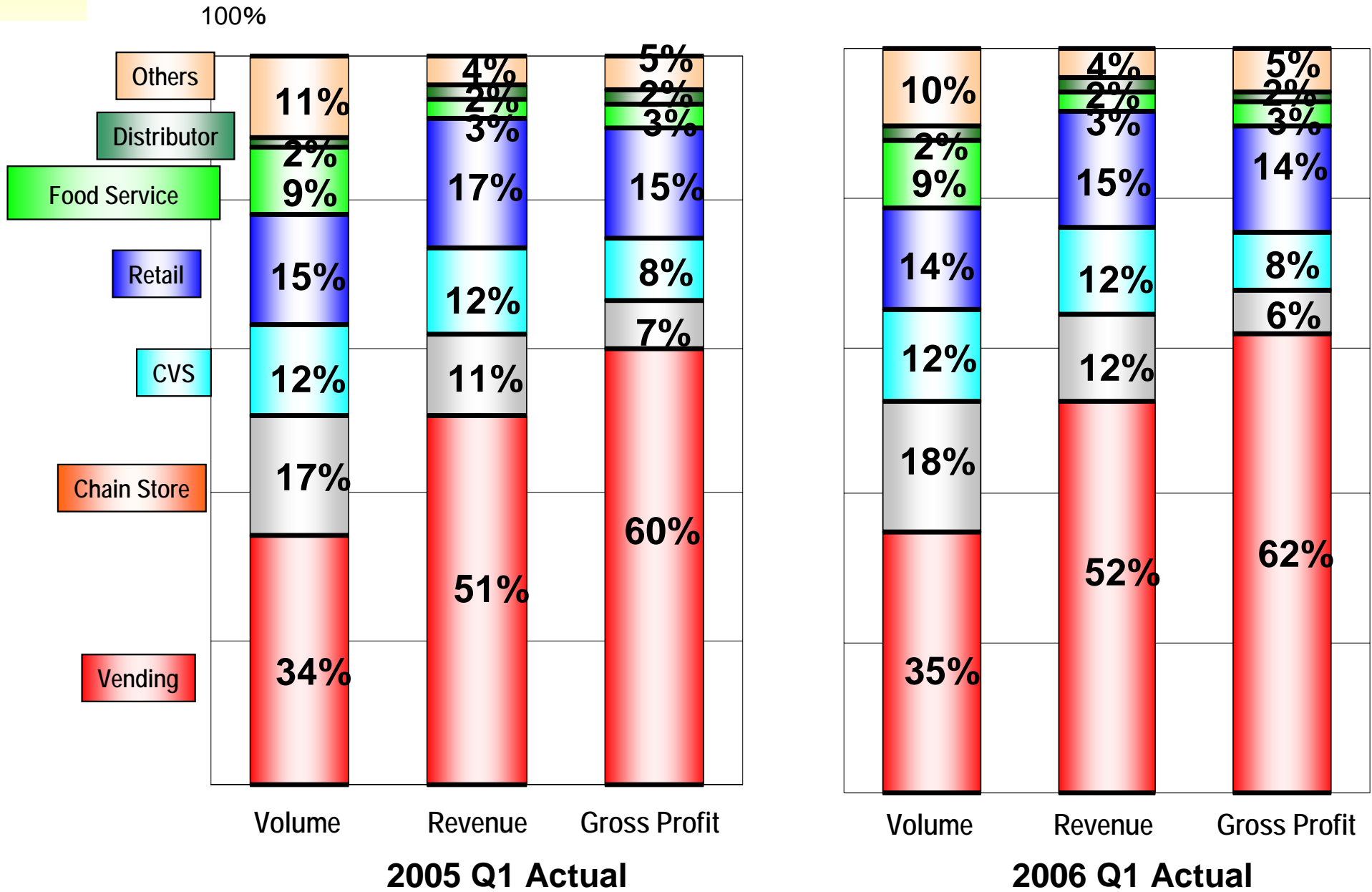


- Only Food Service achieved the target
- Vending, Chain Store, and Food Service exceeded PY actual

(000-case, %)

	2006	2005	Change vs.plan		Change vs.PY	
	Actual	Actual	%	Q'ty	%	Q'ty
Vending	6,495	6,314	-2.8	-187	+2.9	+180
Chain Store	3,224	3,083	-5.7	-196	+4.6	+142
CVS	2,274	2,335	-2.0	-45	-2.6	-61
Retail	2,539	2,826	-7.1	-195	-10.1	-287
Food Service	1,687	1,630	+0.9	+15	+3.5	+57
Distributor	344	350	-9.3	-35	-1.6	-6
Others	1,899	2,024	-2.0	-39	-6.2	-126
Total	18,462	18,562	-3.6	-682	-0.5	-99

Channel Share - Volume/Revenue/Gross Profit



Q1 Sales by Brand – Vending Channel



➤ Sluggish sales for Georgia vs. plan was the major reason for total sales drop

→VPM decreased by approx. 1 case due to Georgia – a major product sold through vending

Vending Sales by Brand

(000–case, %)

	2005 Q1 Actual	Q1-2006					
		Plan *	Actual	vs. Plan		vs. PY	
				vol.	%	vol.	%
Coca-Cola	319	341	312	-29	-8.5	-8	-2.4
Georgia	3,368	3,607	3,225	-382	-10.6	-143	-4.2
Sokenbicha	348	323	273	-51	-15.6	-75	-21.6
Hajime	418	519	506	-13	-2.4	+88	+21.0
Aquarius	225	255	238	-17	-6.5	+13	+5.9
Water	52	45	75	+30	+65.9	+23	+45.1
Others	1,583	1,591	1,865	+274	+17.2	+281	+17.8
Total	6,314	6,682	6,495	-187	-2.8	+180	+2.9

VPM for Full Service Vending Machine

(cases,%)

VPM... Volume Per Machine

	Q1-2005	Q1-2006	%
Georgia	38.3	34.7	-3.6
Total	60.5	59.8	-0.7

- Number of newly installed machines increased vs. PY for indoor and priority areas
- Number of machines in the market was even due to increased pullout from the market

<No. of machines newly installed>

(unit, %)

		2005 Q1 Actual	Q1-2006		
			Actual	vs. PY	
				inc(dec)	%
Indoor	Priority area	301	450	+149	+49.5
	Other area	340	347	+7	+2.1
Outdoor	Priority area	169	300	+131	+77.5
	Other area	196	125	-71	-36.2
Total		1,006	1,222	+216	+21.5

<No. of machines in the market>

(unit, %)

	2005 end	March end - 2006		
		Balance	inc(dec)	%
Regular vending machine	32,610	32,125	- 485	- 1.5
Full service vending machine	96,652	96,966	+314	+0.3
Total	129,262	129,091	- 171	- 0.1

Q1 Sales by Package – Chain Store Channel



➤ Large PET decreased vs. plan

(000-case, %)

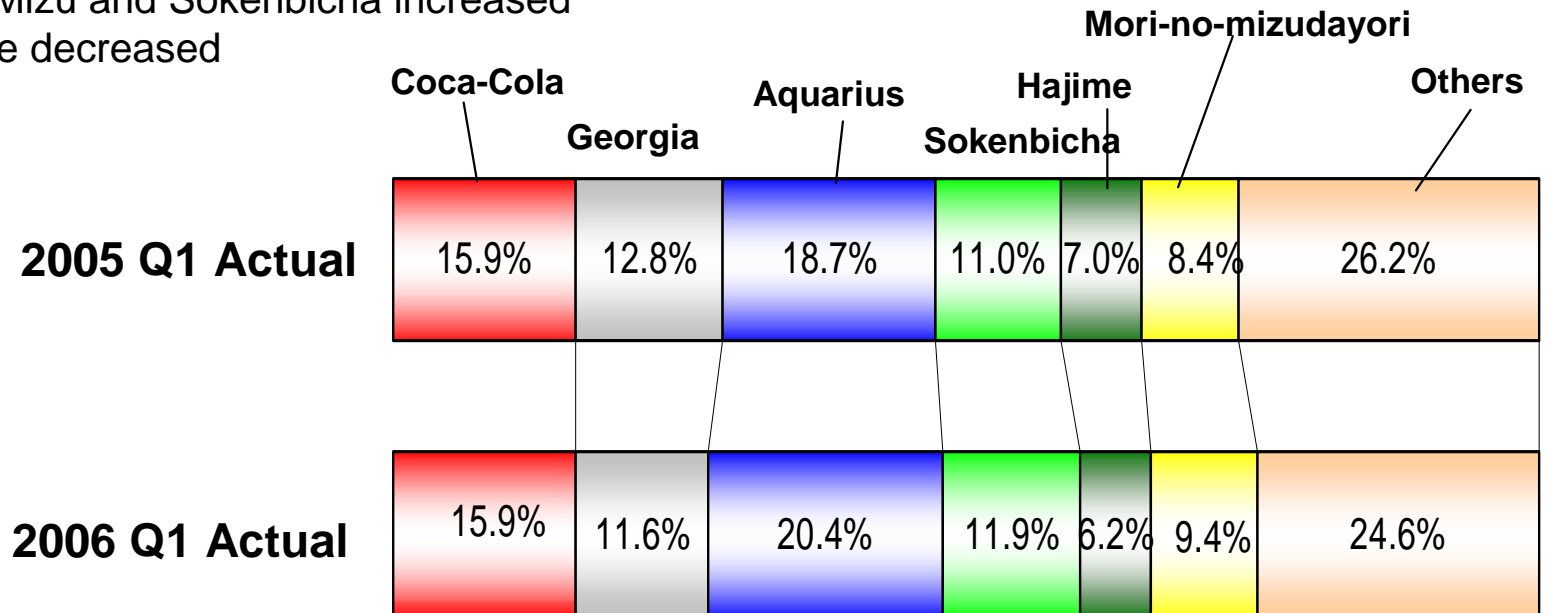
			2005 Q1 Actual	Q1-2006					
				Plan	Actual	vs. Plan		vs. PY	
						vol.	%	vol.	%
P	S	- 350ml	53	46	61	+15	+31.8	+8	+16.1
		- 500ml	503	597	554	-44	- 7.3	+51	+10.1
		Sub-total	555	644	615	-29	- 4.5	+59	+10.6
P	L	- 1000ml	45	67	34	-32	- 48.3	-10	- 22.7
		- 1500ml	730	781	706	-75	- 9.6	-24	- 3.4
		- 2000ml	1,181	1,321	1,291	-30	- 2.2	+110	+9.3
		Sub-total	1,956	2,168	2,031	-137	- 6.3	+75	+3.9
PET total			2,511	2,812	2,646	-166	- 5.9	+134	+5.4
Can			526	562	524	-38	- 6.7	-2	- 0.4
Others			45	47	55	+8	+16.9	+10	+21.1
Total			3,083	3,420	3,224	-196	-5.7	142	+4.6

Q1 Sales Mix Change - Chain Store Channel



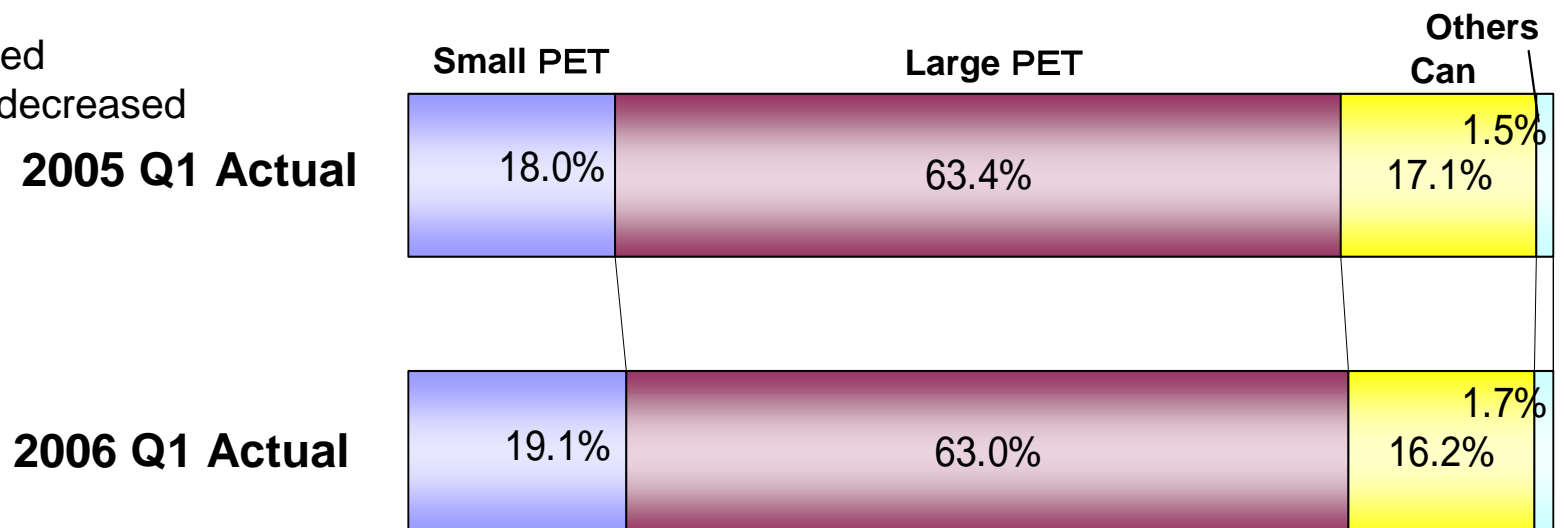
Brand

- Aquarius, Mori-no-Mizu and Sokenbicha increased
- Georgia and Hajime decreased



Package

- Small PET increased
- Large PET & Can decreased

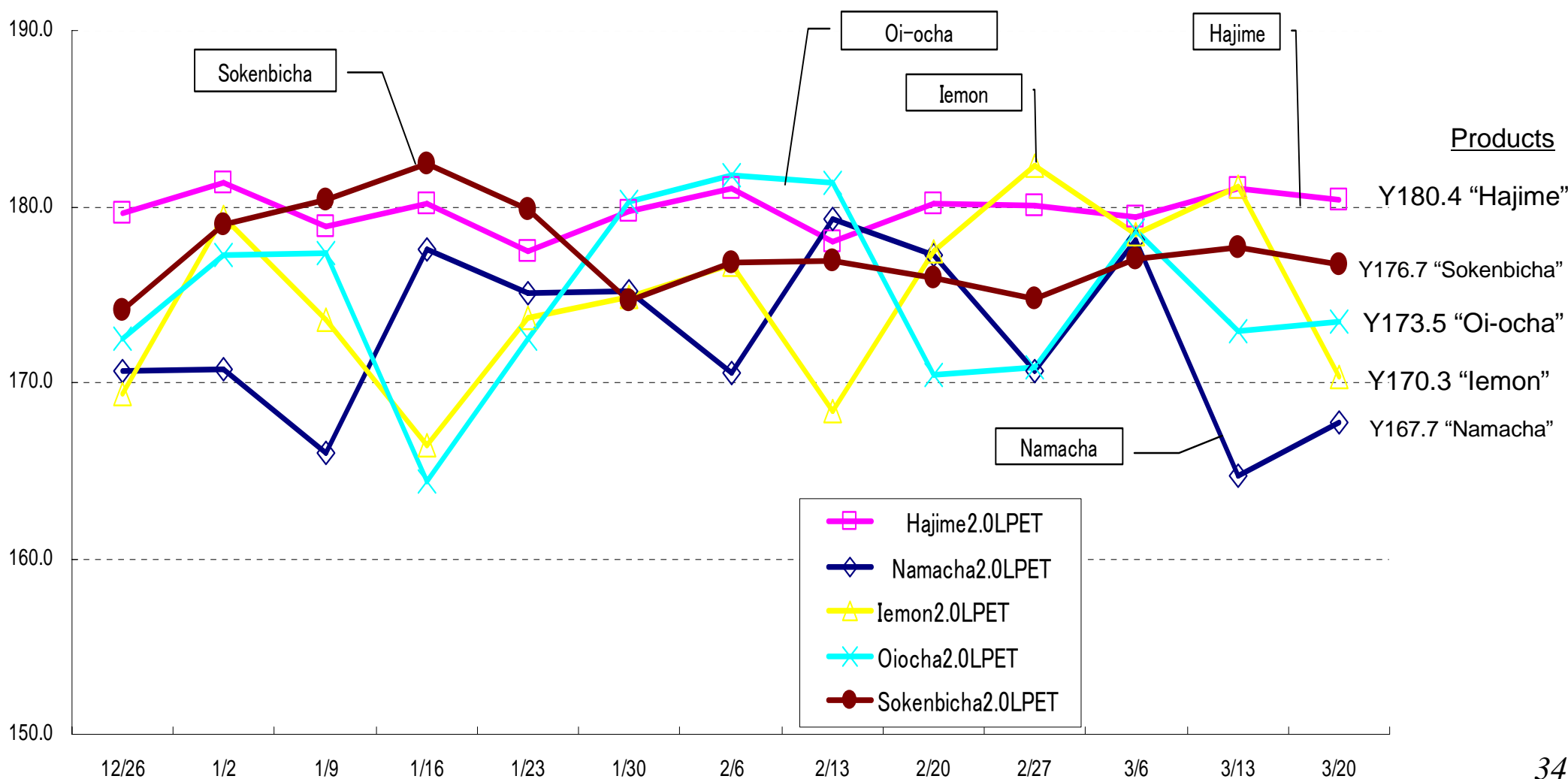


- Higher retail price relative to competitors resulted in improved profitability as well as lower sales volume
- Competitors apply high & low pricing strategy

<Retail price for 2L non-tea in supermarket (CCWJ area)>

Average price per bottle (yen)

Source: Intage



■ Revitalize Georgia

- ✓ Lower sales of core flavors – Emerald Mountain, Tasty, and European Blend
- ✓ Market share decline
 - Not coping with taste category change
 - from café-au-lait and standard to standard bitter and black
 - New package graphics and ad did not appeal to core consumers

■ Maximize makeover effect of Sokenbicha & Hajime

■ Improve package mix for chain store

IV. Q2 Marketing Plan

Basic Policy

Strengthen market development

Marketing transformation

Improve productivity

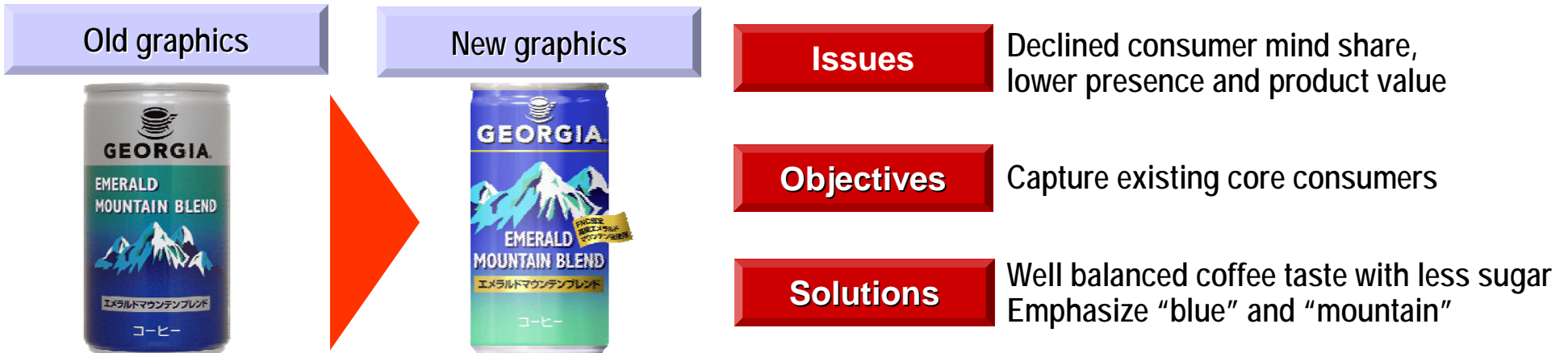
Q2 Sales Budget by Brand

(000-case, %)

	2005 Q2 Actual	Q2-2006		
		Budget	Inc(Dec)vs. PY	
			Q'ty	%
Coca-Cola	2,291	2,510	+219	+9.6
Georgia	6,285	6,602	+316	+5.0
Sokenbicha	1,718	1,851	+133	+7.7
Hajime	1,644	1,805	+161	+9.8
Aquarius	2,420	2,587	+167	+6.9
Water	612	617	+5	+0.9
Others	7,922	8,000	+78	+1.0
Total	22,892	23,972	+1,080	+4.7

Basic policy: focus on activities targeting core consumers

- Main activity: Emerald Mountain makeover
 - Makeover in May is the first priority
 - TV ad featuring renewed product, activation by channel



New products	Promotions
<ul style="list-style-type: none"> ■ GABA 280 PET ■ French Café 280 Can ■ Espresso Latte ■ Triple Star 190 Can ■ Ice Coffee ■ Non-sugar Black <p><Makeover></p> <ul style="list-style-type: none"> ■ Emblem Café-au-lait 190 Can ■ Emerald Mountain 190 Can <div style="text-align: center; margin-top: 20px;">  </div>	<ul style="list-style-type: none"> ■ Lucky cap promotion ■ Open promotion ■ On-pack promotion <div style="text-align: center; margin-top: 20px;">  </div>

Basic policy: Marketing plan centered on Coke 120th anniversary

Coca-Cola EXPO

“Coke, please!” campaign

120th birthday party

Sampling station

Channel promotion

Design package

New flavor launch “Citra”

World Cup promotion

120th ANNIVERSARY

Basic policy: Expand sales/share through effective launch of new products

Brand	New product/Makeover	Package design
<p>Aquarius</p> 	<ul style="list-style-type: none"> ■ Aquarius Freestyle ✓ Carbonated sports drink ■ Aquarius Real-Pro ✓ Powder product for athletes ■ 500ml square PET 	
<p>Hajime</p> 	<ul style="list-style-type: none"> ■ Two new products 	
<p>Others</p>	<ul style="list-style-type: none"> ■ Karada Meguricha ■ Canada Dry Sparkling Dry Lemon (non-sugar carbonated) ■ Coenzyme Q10 ■ Yokuasa Purun ■ Qoo Purun Purun Qoo ■ Two Kocho Kaden new products <p><Makeover></p> <ul style="list-style-type: none"> ■ Canada Dry Ginger Ale ■ KK Royal Milk Tea 	

Q2 Sales Budget by Channel

(000–case, %)

	2005 Q2 Actual	Q2–2006		
		Budget	Inc(Dec)vs. PY	
			Q'ty	%
Vending	7,586	7,918	+332	+4.4
Chain Store	4,624	4,932	+309	+6.7
CVS	2,530	2,698	+168	+6.7
Retail	3,683	3,689	+5	+0.1
Food Service	1,964	2,048	+84	+4.3
Distributor	466	480	+14	+2.9
Others	2,038	2,207	+168	+8.3
Total	22,892	23,972	+1,080	+4.7

Second quarter focused areas and activities

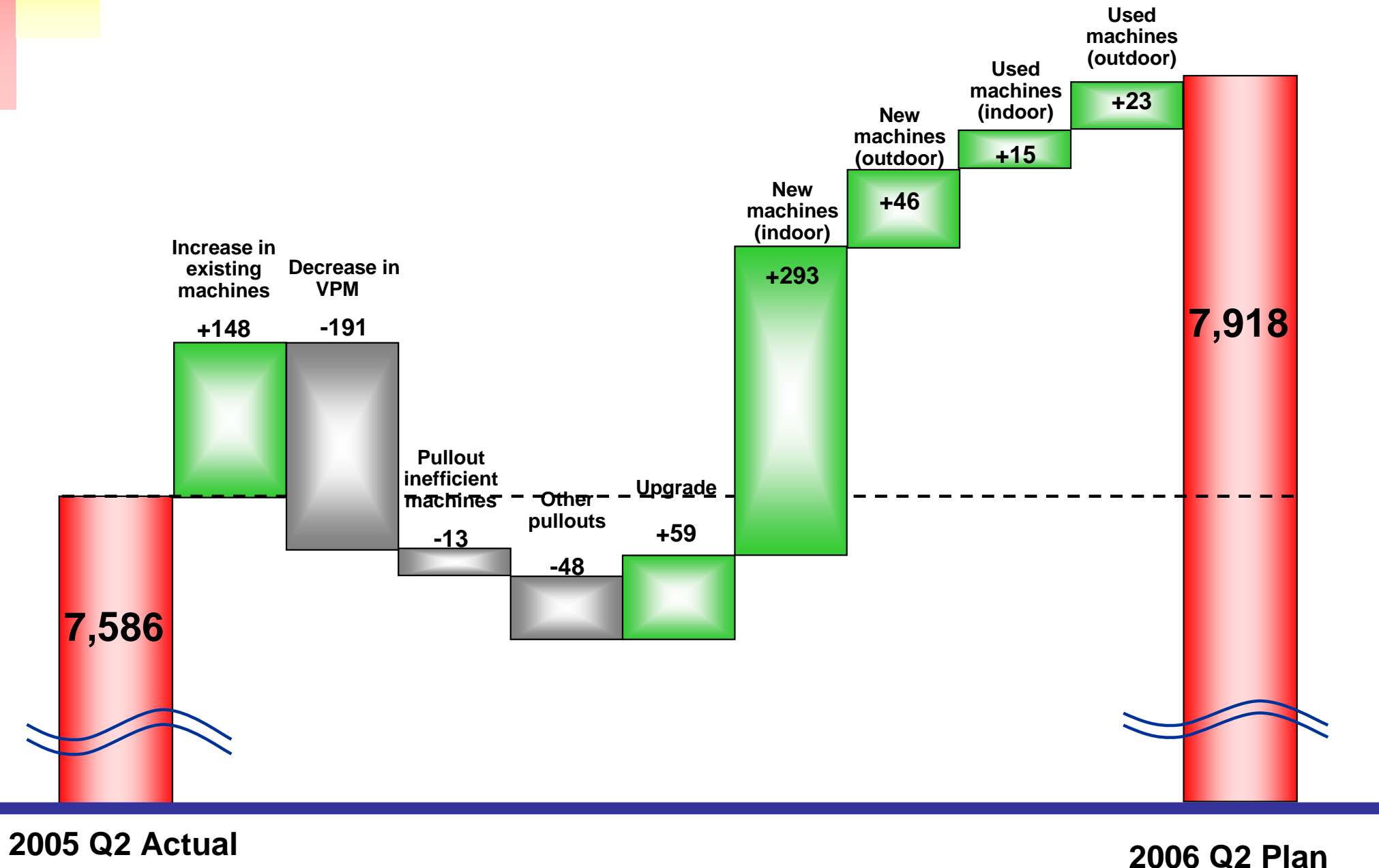
Focused areas	Main activities
Increase in number of machines	<ul style="list-style-type: none"> ■ Strengthen market development ■ Control number of machine pullout from the market
VPM improvement	<ul style="list-style-type: none"> ■ Optimize vending column management <ul style="list-style-type: none"> - IT-enabled management system ■ Strengthen core brands <ul style="list-style-type: none"> - Coca-Cola 120th anniversary - Georgia: core flavors makeover, new products, promotions - Drive Sokenbicha/Hajime 500 PET - Aquarius new products launch ■ Switch to summer display of machines <ul style="list-style-type: none"> - Expand mineral water - Coke/Aquarius 500 can

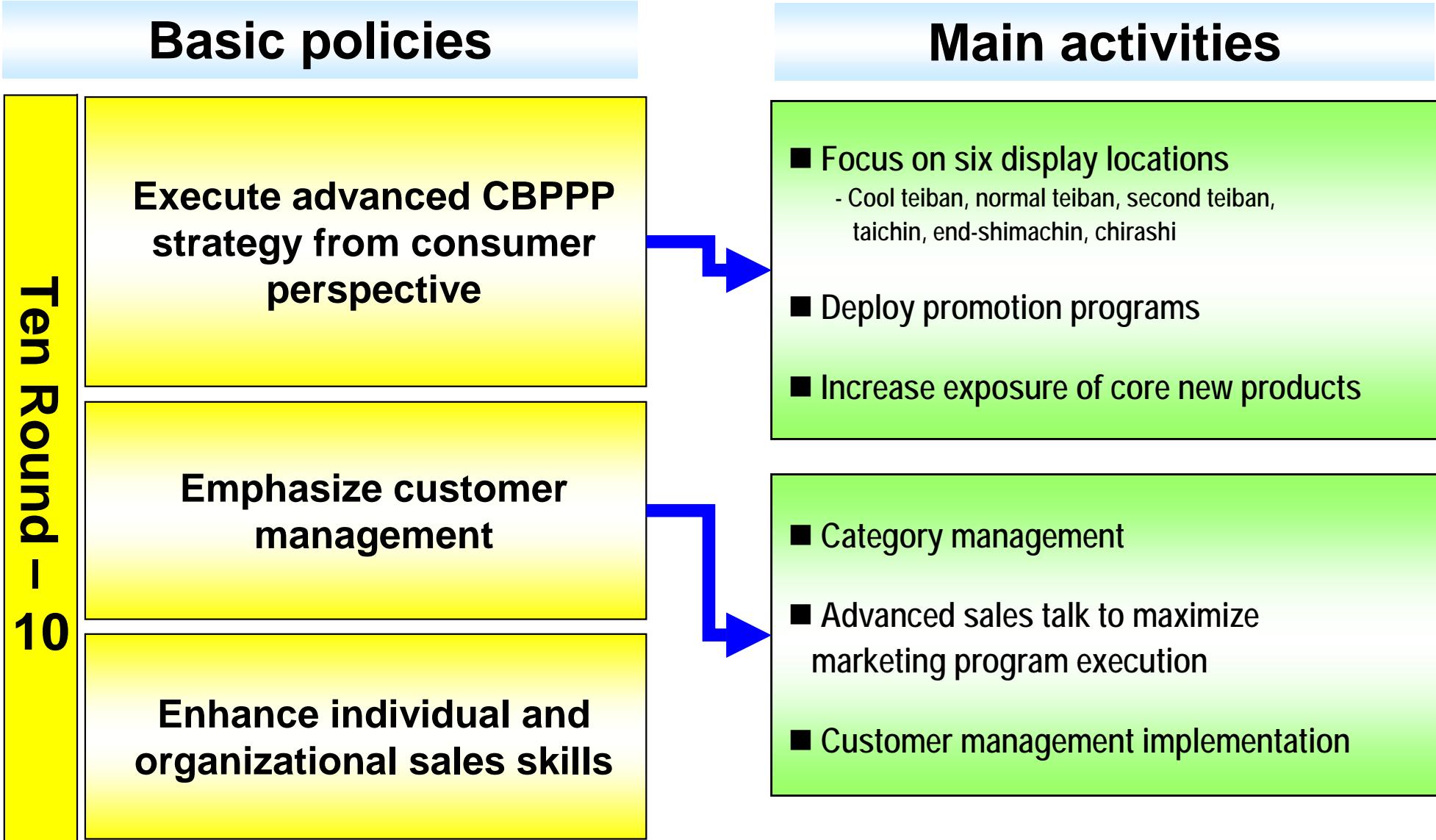
* VPM: volume per machine

Q2 Sales Volume Achieving Scenario - Vending



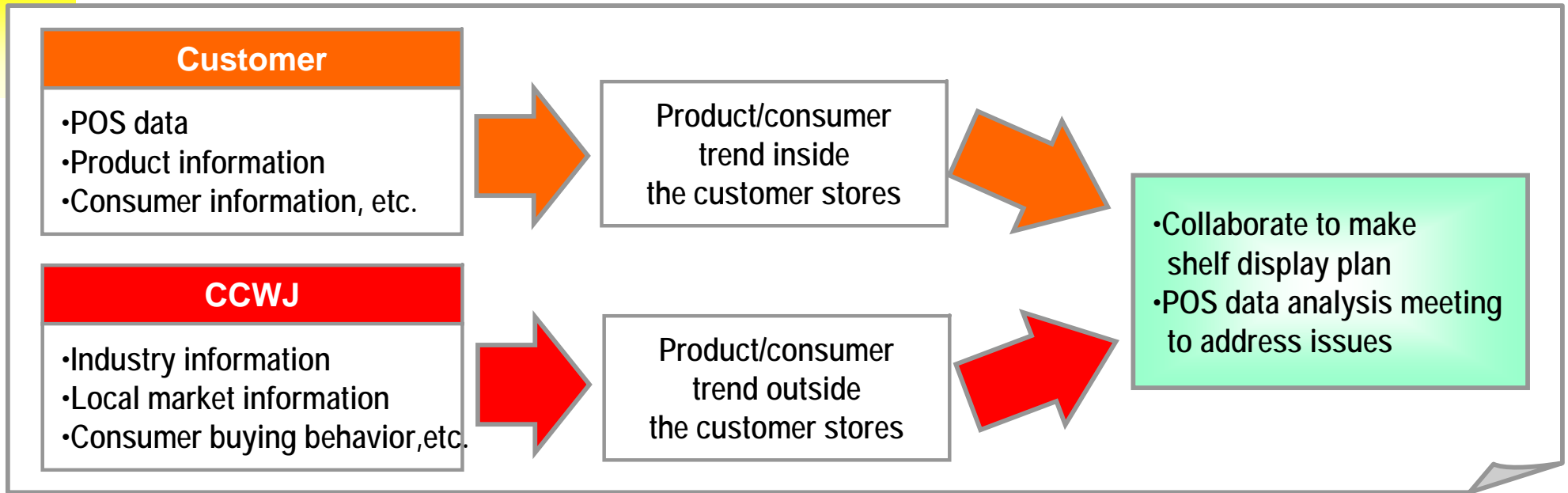
(000-case)





※CBPPP: Channel, Brand, Package, Price, Promotion

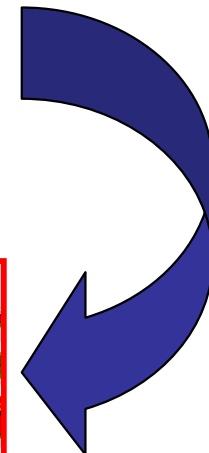
Category Management



Spring/summer 2005



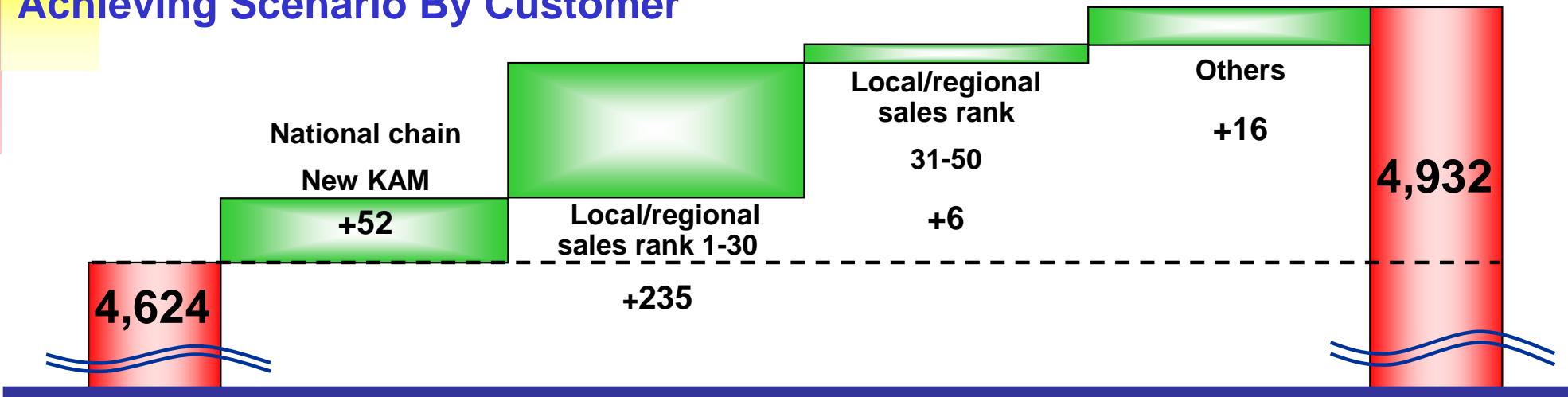
Autumn/winter 2005



Display products attractive to consumers

Achieving Scenario By Customer

(000-case)

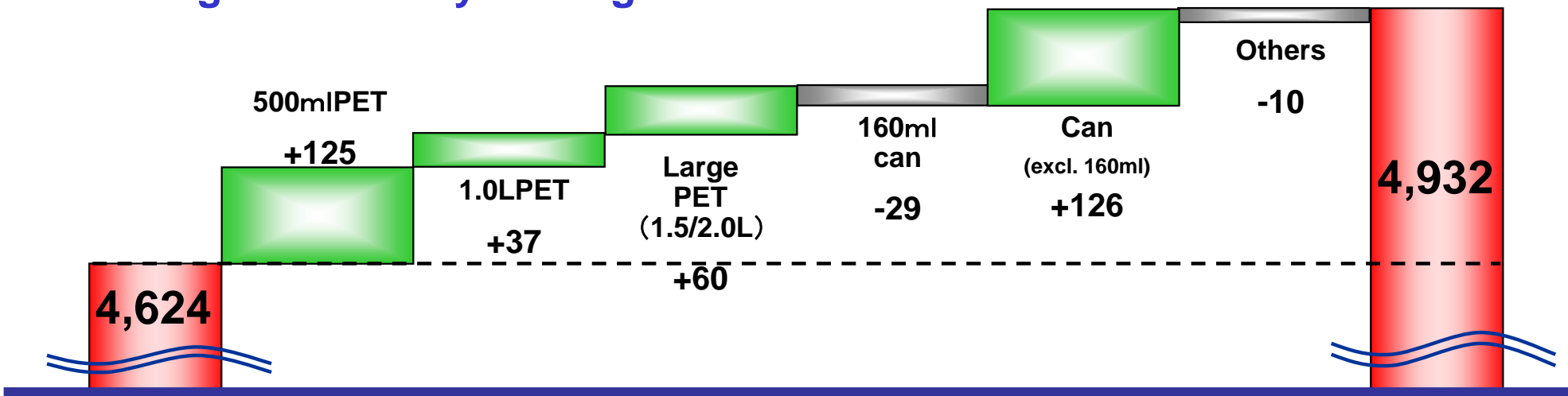


2005 Q2 Actual

2006 Q2 Plan

- National chain: national supermarket chain handled by Coca-Cola National Sales
- New KAM: supermarket chain handled jointly by CCJC and bottler

Achieving Scenario By Package

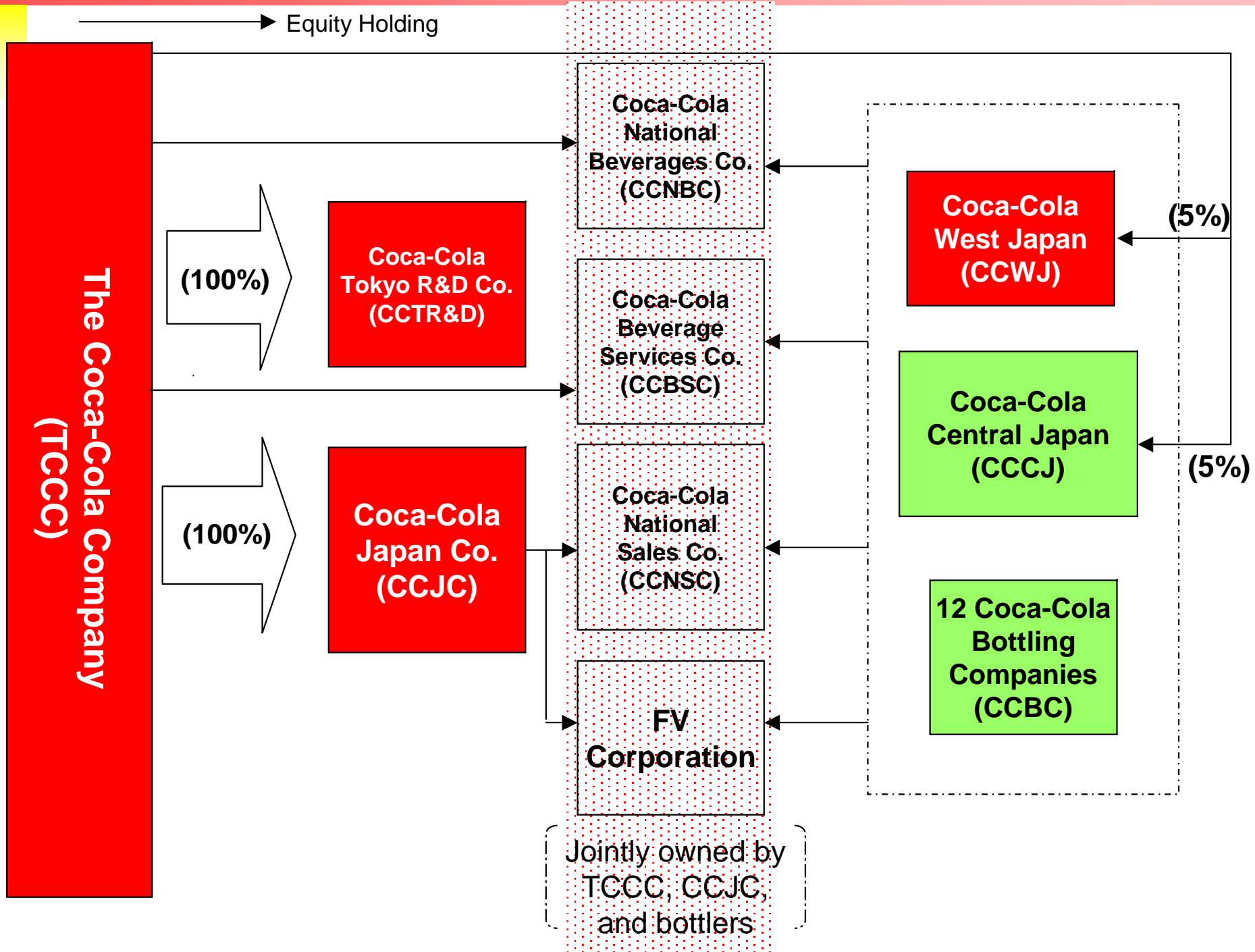


2005 Q2 Actual

2006 Q2 Plan 47

Appendix

Coca-Cola System in Japan



Coca-Cola Group Companies and Their Roles



1. Coca-Cola West Japan Co., Ltd. (CCWJ)

In July 1999, Sanyo Coca-Cola Bottling Co., Ltd. and Kita Kyushu Coca-Cola Bottling Co., Ltd. merged with a capital injection from The Coca-Cola Company to form Coca-Cola West Japan Company Limited (CCWJ). CCWJ is the first Coca-Cola Anchor Bottler in Japan.

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 14 bottlers in Japan, which are responsible for selling Coca-Cola products in the respective territories.

6. Coca-Cola National Beverages Co., Ltd. (CCNBC)

Jointly established in April 2003 by TCCC and CCBCs for the purpose of creating an optimal nationwide supply chain. It started operation in October 2003. CCNBC procures raw materials, coordinates manufacturing and supply/demand plans on a nationwide basis, and supply products to the bottlers.

7. Coca-Cola Beverage Services Co., Ltd (CCBSC)

Jointly established in June 1999 by TCCC and CCBCs and started operation in September 1999. Transferred procurement operations to CCNBC as of October 2003, CCBSC currently carries out activities to reform Japan’s Coca-Cola information system.

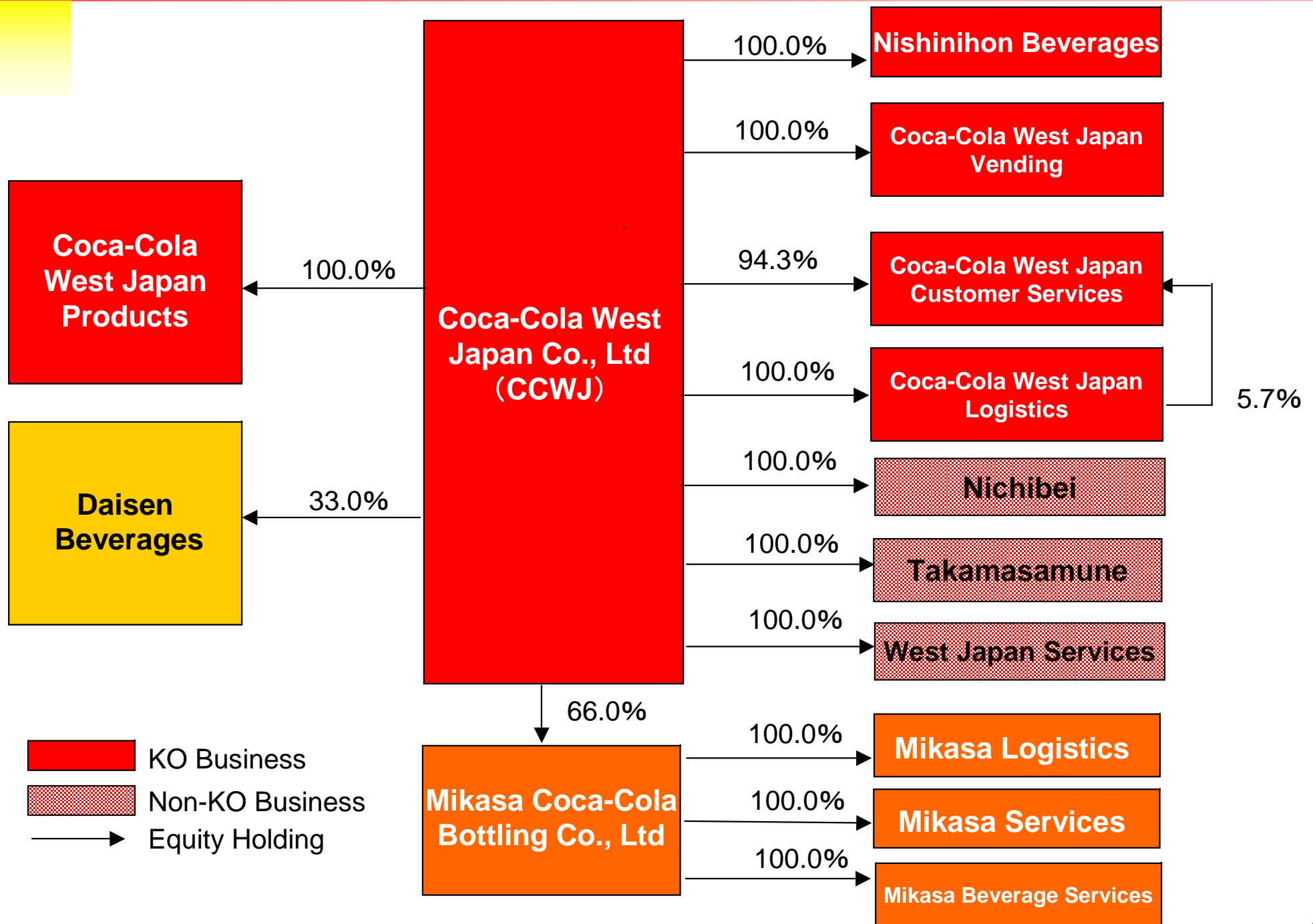
8. Coca-Cola National Sales Co., Ltd. (CCNSC)

Jointly established in October 1995 by CCBCs and CCJC. Carries out sales activities for national chain customers.

9. FV Corporation (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.

CCWJ Group Companies



- 1) Nishinohon Beverages Co., Ltd.: Vending machine operator business focusing on Coca-Cola products
- 2) Coca-Cola West Japan Products Co., Ltd.: Manufacturing beverage products
- 3) Coca-Cola West Japan Vending Co., Ltd.: Vending machine operation business
- 4) Coca-Cola West Japan Customer Service Co., Ltd: Vending machine-related business including installment, repairs & maintenance, and quality management
- 5) Coca-Cola West Japan Logistics Co., Ltd.: Truck transport business
- 6) Nichibei Co., Ltd.: Food processing
- 7) Takamasamune Co., Ltd.: Manufacturing and sale of liquor
- 8) West Japan Services Co., Ltd.: Insurance agency, leasing, and real estate-related businesses.
- 9) Mikasa Coca-Cola Bottling Co., Ltd.: Sale of beverages and food
- 10) Mikasa Logistics Co., Ltd.: Truck transport business
- 11) Mikasa Service Co., Ltd.: Vending machine-related business including installment, repairs & maintenance, and quality management
- 12) Mikasa Beverage Services Co., Ltd.: Vending machine operator business focusing on Coca-Cola products
- 13) Daisen Beverage Co., Ltd.: Manufacturing beverage products

1. Channel (Business Unit)

Vending:

Retail sale business to distribute products through vending machines to consumers

Chain store:

Wholesale business for supermarket chains

Convenience Store:

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 fast food restaurants, movie theaters, sports arenas, “family restaurants,” and theme parks

Distributor:

Middleman who work for Coca-Cola to handle our products in remote areas and islands.

2. 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 (product supply, collection of proceeds etc.). Fees are paid to the location proprietors.

In-market vending machine:

An indoor machine whose users are relatively specific

Out-market vending machine:

An outdoor machine whose users are relatively unspecific

Predatory:

To replace or hold exclusively the locations occupied by competitors' vending machines

Upgrade

To replace an existing vending machine with another type which better meets customer needs and responds to changes in demand. For example, the replacement might fit better or be adaptable for PET bottles.

VPM

Sales volume per vending machine

3. Chain Store

National chain:

National chain supermarket that CCNSC are responsible for negotiating

New KAM:

Chain supermarket that CCJC and CCBCs jointly deal with

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

CBPPP strategy:

To apply the most appropriate strategy of channel, brand, package, price and promotion to each of the different type of chain stores grouped based on consumers' buying habit

4. Other

Sales mix

Composite of products by brand, channel, package, etc. The difference between budget and actual sales or cost of sales might be affected by a change in product sales mix as well as a change in unit price

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