



***Third quarter year-to-date 2020
Earnings Presentation
November 13, 2020***

Coca-Cola Bottlers Japan Holdings Inc.

Calin Dragan, President

Bjorn Ulgenes, Vice President & Chief Financial Officer

(Posted to CCBJH website on November 12, 2020)

Forward-looking statements

The plans, performance forecasts, and strategies appearing in this material are based on the assumptions and judgment of the management of Coca-Cola Bottlers Japan Holdings Inc. (CCBJH or Company) in view of data obtained as of the date this material was released. These forecasts may differ materially from actual performance due to risks and uncertain factors such as those listed below.

Risks and uncertain factors are not limited to the items listed below. They are also included in our annual securities report, or “Yuka Shoken Houkokusho”.

- Agreements with The Coca-Cola Company and Coca-Cola (Japan) Company Limited.
- The quality and safety of products
- Market competition
- Natural environment, such as climate, disaster, water resources, etc.
- Legal environment
- Leakage or loss of information
- Change of economic conditions, such as personal consumption, currency exchange rates, prices of raw materials, fair value of assets, etc.
- Business integration, streamlining and optimization of business processes, etc.
- Uncertain factors other than those above

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CCBJH undertakes no duty to update any statement in light of new information or future events. You should rely on your own independent examination of us before investing in any securities issued by our company.

Coca-Cola Bottlers Japan Holdings Inc. (CCBJH)

Third quarter (Q3) year-to-date 2020 earnings presentation

Overview and situational analysis

Q3 YTD results and outlook

Q&A

Overview and Situational Analysis

Q3 Year-to-Date Overview

- † YTD beverage market continues negative, moderating trend versus Q2 as restrictions lifted
- † CCBJH Q3 volume, revenue and Business Income show gradual recovery versus prior quarters this year. Q3 Business Income almost even versus prior year.
- † Continued growth in vending market share. Focus on recovering OTC market share with selective marketing reinvestment in Q4.
- † Significant cost savings, faster transformation efforts, including early completion of vending and sales route transformation.
- † Alcohol business continues to perform well. Expect to sell 8 million cases in 2020; New alcohol manufacturing line installed in Kyoto to meet growing demand.
- † Announced updated full-year 2020 outlook on October 5, targeting even Business Income in spite of topline pressure. No change to 25 yen-per-share year-end dividend forecast.
- † Continue to drive fundamental business transformation guided by our mid-term strategic plan amid the current COVID-19 driven challenges.

Market Environment Update; “with COVID-19”

Initial traffic recovery with Japan “GO-TO” campaign; Selective investment to recover share



Vending

Industry situation YTD

Uncertainty during “with COVID-19”

- Foot traffic still low in indoor locations, such as train stations, schools, leisure venues & offices.
- “Low-touch” consumer interactions increasing



OTC (Over the counter) channels

- Some traffic recovery, primarily larger package transactions in SM & DD channels
- Continued traffic declines in urban locations, CVS channel
- Affordability and value focus



Online

Strong sales growth since COVID outbreak; Increase in demand for case sales and home delivery.

Guiding principles for market execution

- Extra focus on strategic priorities
 - ✓ Strengthen the core
 - ✓ Grow at-home consumption
 - ✓ Deliver value to consumers
- Leverage new consumer demand trends
- Review portfolio and promotional initiatives

Our quick actions

Setting a foundation for 2021

Customer centric plans & support programs

Mitigation initiatives delivering strong cost savings

People, processes and systems to address high fixed-cost base

Accelerating transformation, enhancing supply capacity & network

Revised marketing initiatives and investment to recover market share

Cost savings & optimized capital allocation

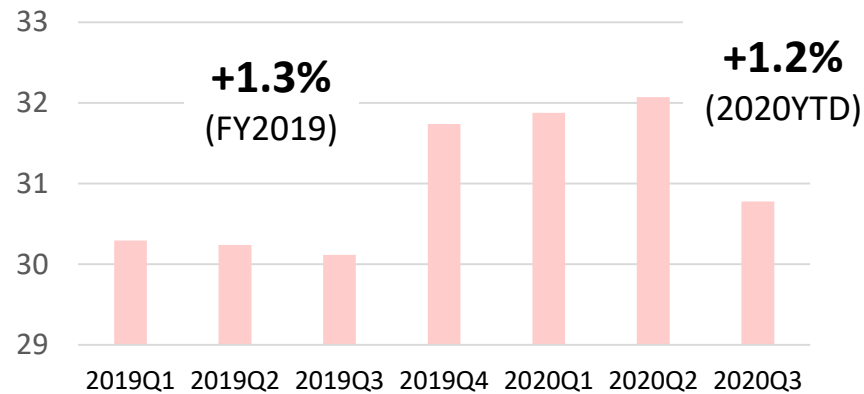
Strict focus on managing what we can control; Building a foundation for recovery

- ✓ **Beverage market contraction, stabilizing for now at lower levels.**
- ✓ **Mitigating short-term revenue contraction with significant cost and capital reduction. Making good progress to reduce heavy fixed cost base.**
- ✓ **Transformation of vending channel operations complete; 18 months' consecutive vending market share growth and reduced cost to serve.**
- ✓ **Flexible, high-spec manufacturing capacity in place to supply evolving consumer demand.**
- ✓ **Selective marketing reinvestment in Q4 to recover growth into 2021.**

Vending transformation is yielding results

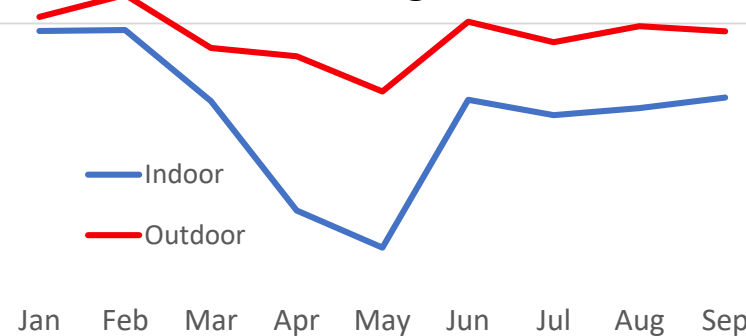
Share momentum, better volume-per-machine, transforming to lower cost base

Vending value share growing



Source: Intage SCI

Vending volume-per-machine recovering vs. PY



20%

Vending service route reduction

10%

Vending fixed cost savings*

Strong foundation for profitable growth

*annualized

- 🔥 Vending value share growth 18 months in a row. Momentum continues in October, supported by coffee and tea share growth and Coke ON smartphone app campaign
- 🔥 Volume-per-machine recovering. Positive versus prior year in October in outdoor locations
- 🔥 Coke ON welcome-back campaign in October attracted 1 million new consumers, driving traffic growth
- 🔥 Accelerated vending transformation; 20% vending service route reduction, 10% annualized cost savings to address high legacy fixed cost structure and drive future profit growth as traffic recovers

Market share pressure in OTC channels on pullback in investment

Value share growth in coffee, cola, black tea; Strong progress in Online channel

- Continuous wholesale pricing and promotional discipline
- Market share impacted by postponed Olympics programs, especially in CVS channel
- Volume recovery in supermarket, drug & discounter supported by selective investment in marketing activities
- Coca-Cola & Coca-Cola Zero 350/700ml packages contributing volume and sales growth in target outlets
- 950ml PET offering in the convenience store channel driving share growth in sports category

Online Channel

- Achieved #1 market share in major online retail site
- Launch of sustainable, label-free SKUs to drive traffic

OTC NARTD Market Share

Market Share (vs. PY, PP)	Value	Volume
YTD Q3 (Jan. to Sep.)	-0.5	-0.5
Q3 (Jul. to Sep.)	-1.1	-0.6

NARTD OTC Retail Price

OTC Retail Price (Jan. to Sep. 2020, JPY per bottle)	Vs. Market Average	Vs. PY
Small PET	+2.5	-1.2
Large PET (2L PET)	+21.0	-2.8

NARTD: Non-alcoholic ready-to-drink OTC: Over-the-counter channels

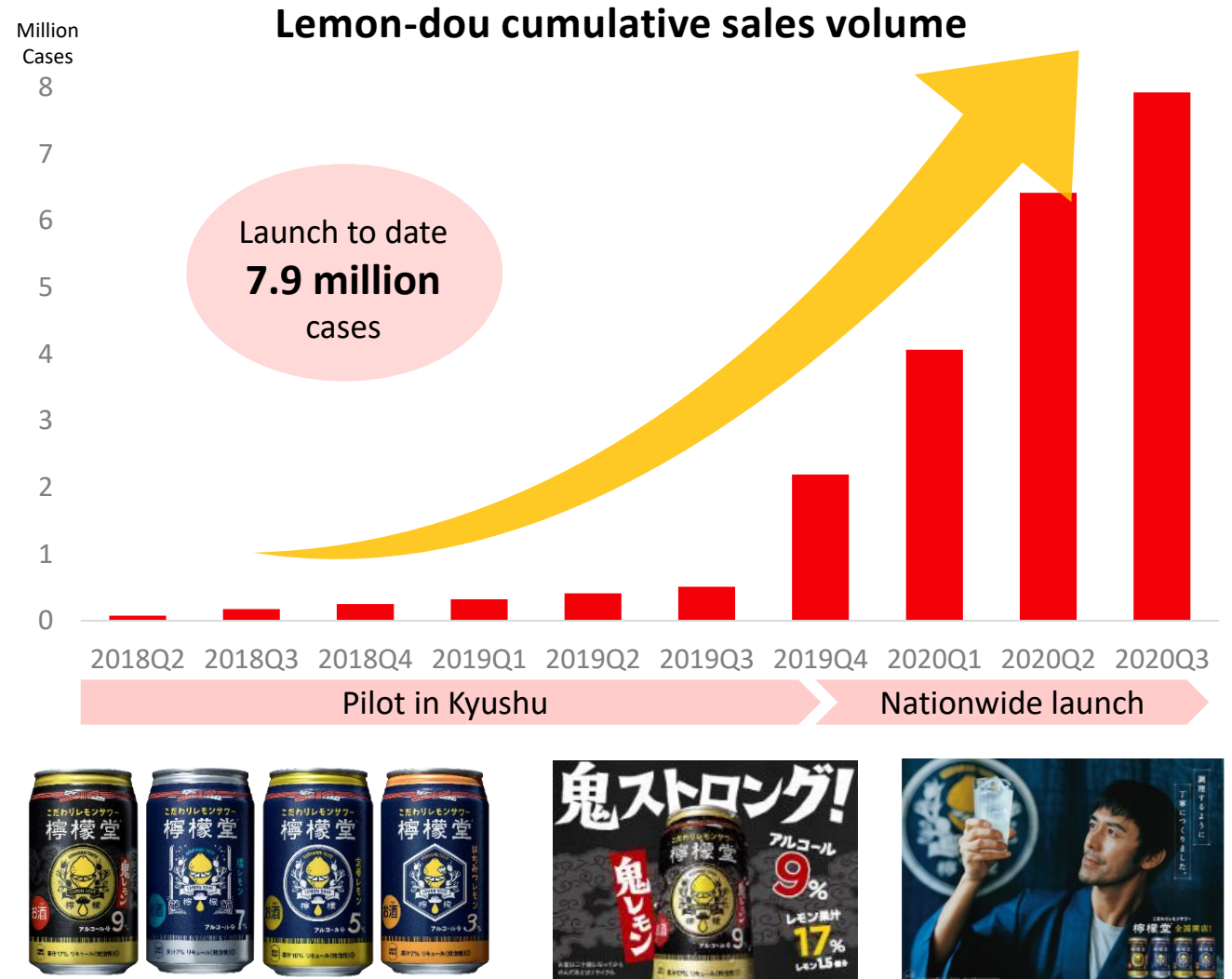
Source: Intage

Successfully expanding to new consumption occasions

Alcohol business contributing revenue and profit

- 🚩 Lemon-dou pilot started in May 2018 as first Coca-Cola Company alcohol brand
- 🚩 Nationwide launch in October 2019, consistently outperforming initial plan
- 🚩 Added in-house manufacturing capacity to meet growing demand; Saitama in 2019 and Kyoto in 2020
- 🚩 Teiban Lemon SKU #1 value share in lemon sour category. Premium retail pricing versus competition
- 🚩 Good model market for global Coca-Cola Company initiatives

Market share source: Intage SRI, Jan. to Sep. 2020
Each case contains 24 x 350ml can



Resilient and flexible infrastructure in place

Building a foundation for recovery

- Completion of world-leading Hiroshima plant – Fully up and running. Total seven new manufacturing lines nationwide, 20% growth in aseptic production capacity versus 2018.
- Continuing to add manufacturing capacity of growing alcohol business. Started production at the Kyoto plant in October, with additional capacity planned in 2021.
- Shinsei logistics/distribution network optimization project
 - 14 sales/distribution centers closed in 2020, six sales regions reduced to three
 - Saitama (Eastern Japan) Mega DC construction on track; completion in February 2021
 - Akashi (Western Japan) Mega DC construction started



Hiroshima virtual plant opening
celebrated with The Coca-Cola Company



Lemon-dou production in Kyoto



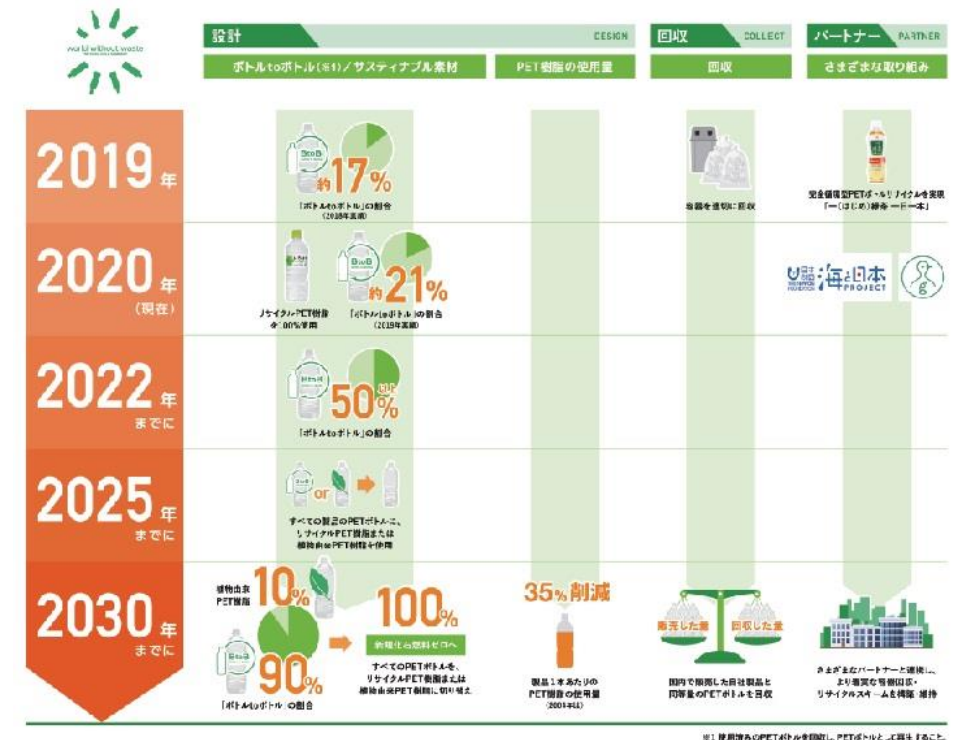
Akashi Mega DC new warehouse

Sustainability as one driver of growth

Making progress in sustainable packaging toward WWW goals

- Expand “label-free” products offerings
- “iLOHAS eco ACTION” campaign with Uniqlo
- Launching pilot project for PET bottle recycling with Welcia Holdings in Tochigi
- Agreement with municipalities such as Higashiyamato City on PET bottle collection
- Pilot sales of product started in November using chemically recycled PET raw materials developed together with Far Eastern New Century (FENC) Company

Helps support achievement of
World Without Waste

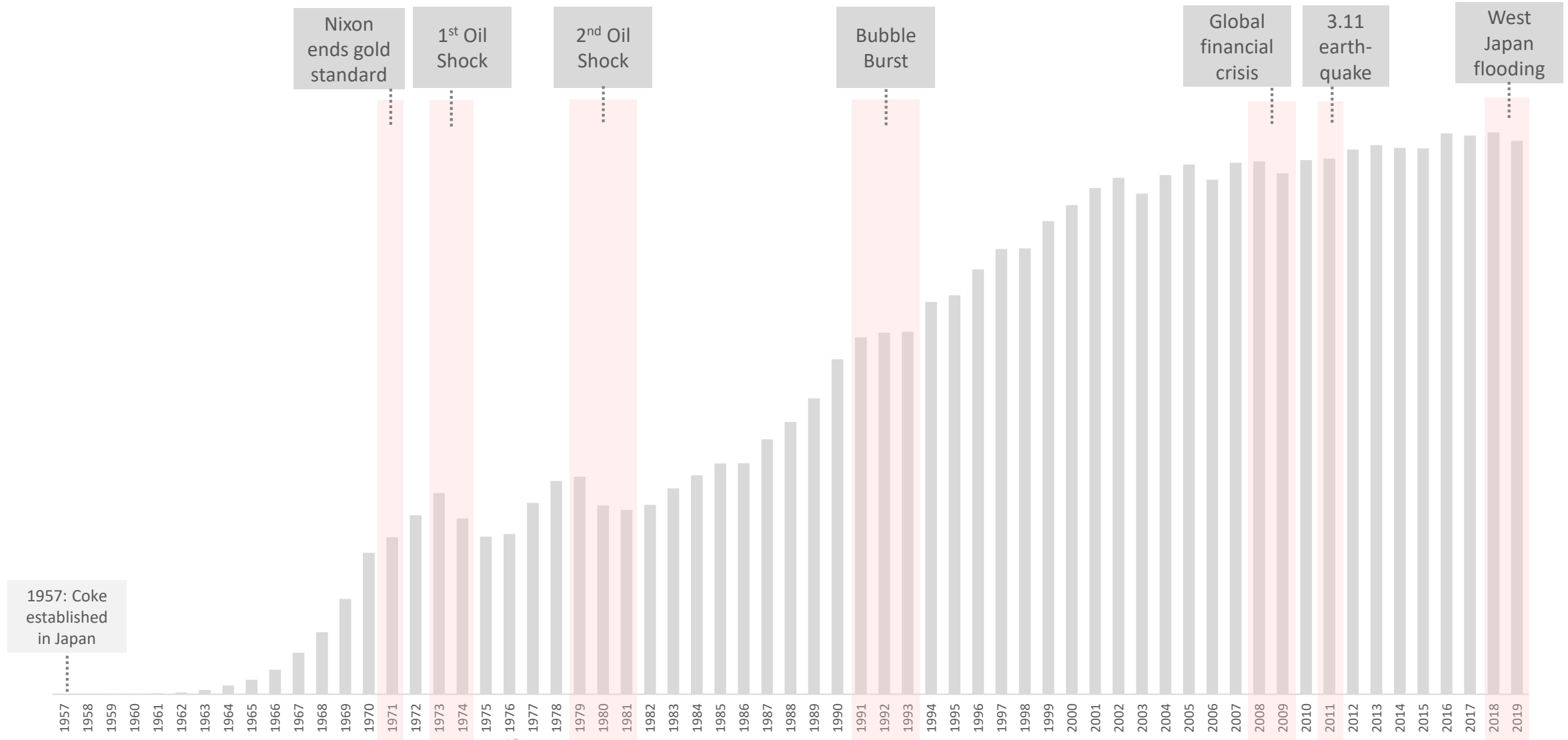


*“Business as usual is
not an option”*

- *Actively Reducing fixed cost and increasing flexibility across the business*
- *Crisis is a driver to accelerate transformation*
- *COVID-19 outlook uncertain, but clear focus on returning to growth*

Emerging stronger:

In the past 60 years, Coca-Cola business in Japan has withstood many crises



Paint it RED! 未来を塗りかえろ。

Coca-Cola BOTTLETS JAPAN HOLDINGS INC.

Q3 YTD 2020 results

Q3 YTD 2020 results vs. 2019

Moderating Business Income decline, partially offset by significant cost savings.

Operating income improved versus prior year, cycling one-time expenses.

	2020	2019	YoY (%)
Revenue	616,774	694,763	-11.2
Beverage Business Sales Volume (Million Cases)	344	384	-11
NARTD (Non-alcoholic ready to drink) Beverage Volume	338	384	-12
COGS	326,746	357,499	-8.6
Gross Profit	290,027	337,265	-14.0
SG&A	281,883	318,810	-11.6
Business Income	6,958	17,103	-59.3
Operating Income (Loss)	(6,334)	(51,880)	-
Net income (loss) attributable to owners of parent	(4,644)	(55,693)	-

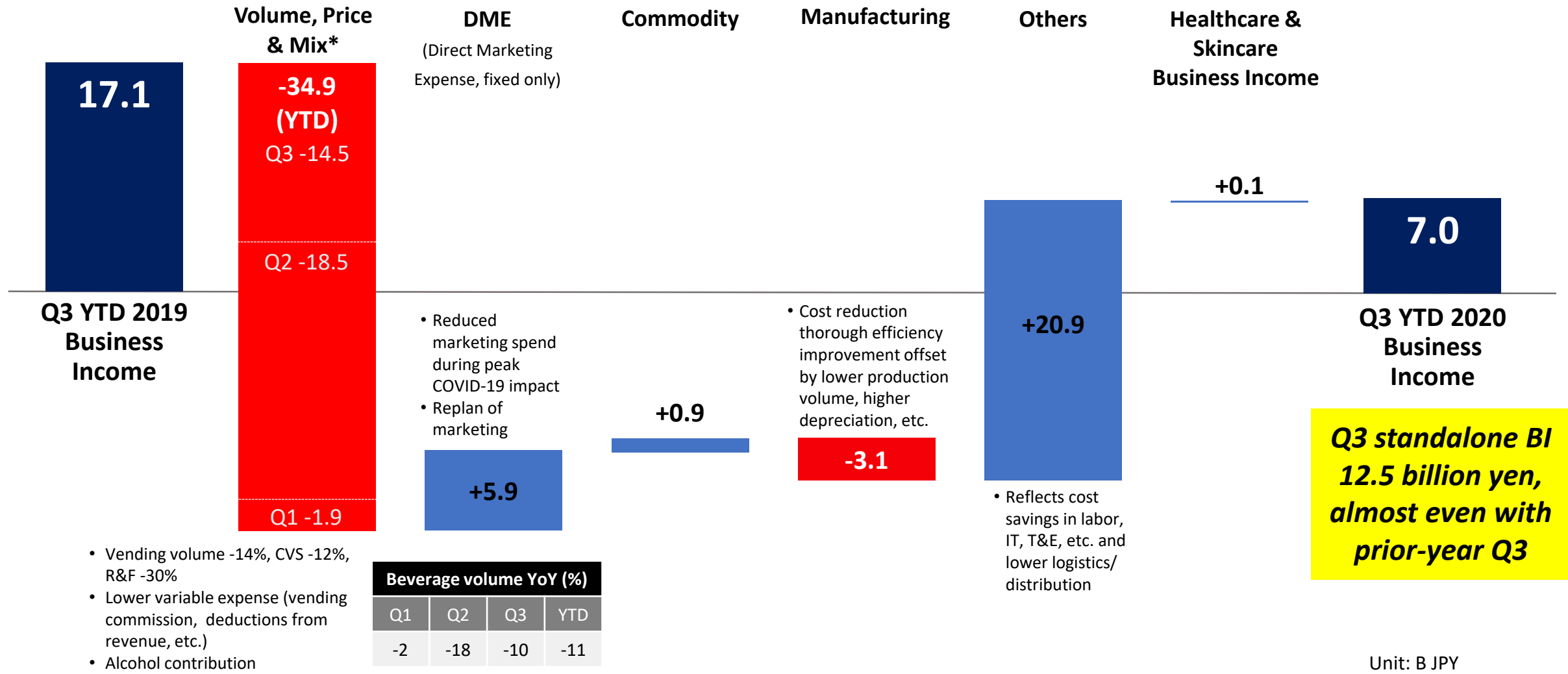
Beverage Business	2020	2019	YoY (%)
Revenue	598,547	676,015	-11.5
Business Income (Loss)	4,336	14,613	-70.3

Health Care & Skin Care Business	2020	2019	YoY (%)
Revenue	18,227	18,748	-2.8
Business Income	2,622	2,489	+5.3

Unit: Million JPY

Q3 YTD 2020 Drivers of Business Income

Moderating trend vs Q2. Strong progress in cost-savings to partially offset topline pressure



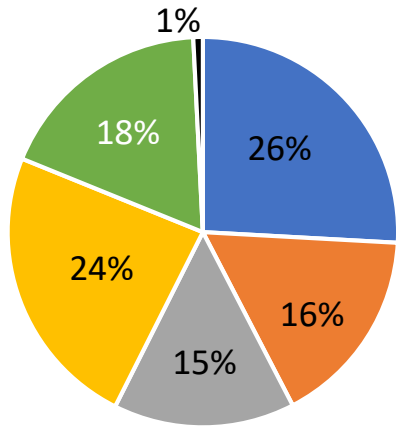
*Volume, Price & mix represent marginal profit of our commercial activities including variable costs and deduction from revenue in IFRS.

Unit: B JPY
(Rounding off less than unit)

2020 Q3 YTD NARTD channel & category volume performance

Growth in Drug & Discounter, Online channels; Package mix impacting revenue per case

By channel



	Vs. PY	Volume	Wholesale revenue per case
Supermarket (SM)		-1%	-38 Yen
Drug & Discounter (D&D)		+7%	-33 Yen
Convenience Store (CVS)		-12%	-13 Yen
Vending (VM)		-14%	-50 Yen
Retail & Food (R&F) Includes Online		-30%	+54 Yen

SM Adapting to consumers' behavior change; Sparkling & water growth offset by decline in sports & NST.

D&D grew across most categories except sports, led by increased shopper traffic, demand for home consumption

CVS decline on pullback in marketing programs, including Olympics despite newly launched Georgia Latte Nista, etc.

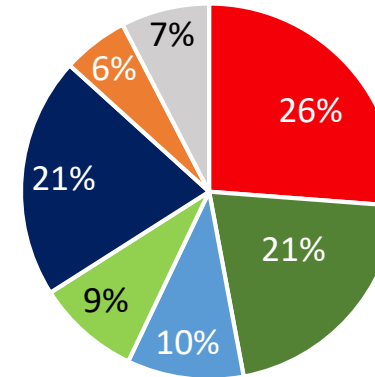
VM decline on lower traffic, especially indoor locations.

Online grew double digits across categories, now 2% of total NARTD

Revenue per case: Reflects package-mix shift, cycling of prior-year April large PET wholesale price increase. Also value pricing of small can and bottle can in VM to drive traffic

NARTD: Non-alcoholic ready-to-drink

By category



	Vs. PY	Volume
Sparkling		-12%
Non-sugar tea (NST)		-10%
Sports		-11%
Water		-6%
Coffee		-8%
Juice		-25%

Sparkling driven by decline in R&F and VM, partly offset by Coca-Cola Zero renewal launch of Fanta Premier

NST decline driven by R&F and VM. Slight decline in green tea partially offset by newly-launched Ayataka Koi Ryokucha.

Sports impacted by category decline & weak large PET. Includes contribution of newly-launched 950ml PET

Water decline driven by small PET as immediate consumption channels declined despite growth of large PET in SM and D&D

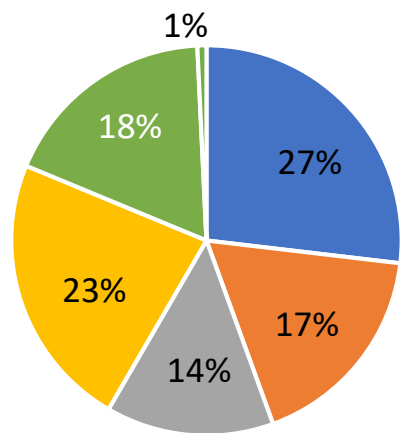
Coffee decline of can & bottle can offset growth in PET packages driven by Georgia Latte Nista and Japan Craftsman

Juice declined due to sharp drop in R&F demand

NARTD channel/category/package volume performance

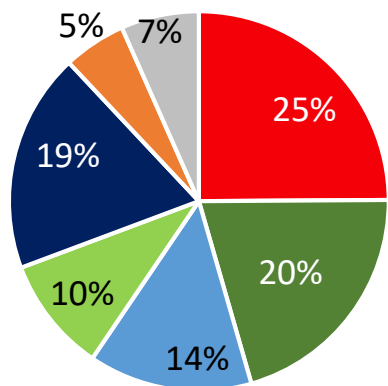
Q3 2020 volume: -11%

By channel



	Vs. PY	Volume	Wholesale revenue per case
Supermarket (SM)		-1%	-78 Yen
Drug & Discounter (D&D)		+7%	-67 Yen
Convenience Store (CVS)		-17%	-50 Yen
Vending (VM)		-13%	-47 Yen
Retail & Food (R&F) Includes Online		-28%	+43 Yen

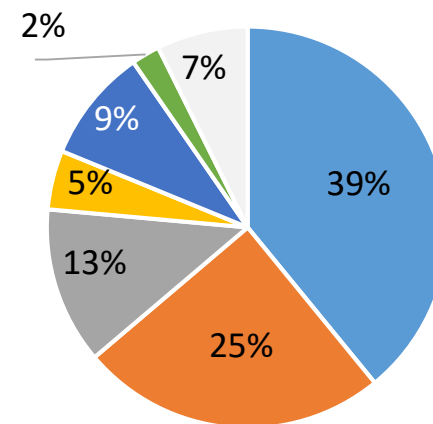
By category



	Vs. PY	Volume
Sparkling		-15%
Non-sugar tea (NST)		-11%
Sports		-2%
Water		+1%
Coffee		-6%
Juice		-25%

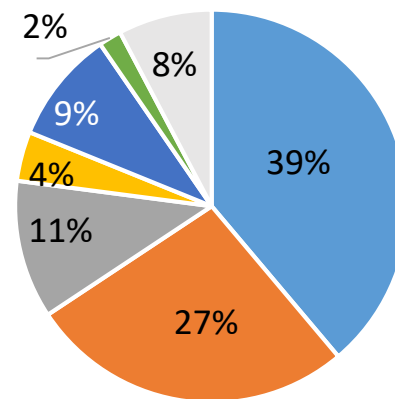
By package

Q3 YTD 2020



	vs PY	Volume
S-PET		-11%
L-PET		+4%
Can		-17%
Bottle Can		-5%
Syrup		-37%
Powder		-28%

Q3 2020



	vs PY	Volume
S-PET		-14%
L-PET		+6%
Can		-17%
Bottle Can		+3%
Syrup		-33%
Powder		-31%

S-PET: PET under 600ml/L-PET: PET above 1.5L

Outlook

Updated Full-year 2020 guidance (Announced on Oct. 5, 2020)

Unit: Million JPY

Consolidated	2020 Forecast	2019 Actual	YoY (%)
Revenue	819,700	914,783	-10.4
Beverage Business Sales Volume (Million Cases)	459	505	-9
NARTD (Non-alcoholic ready to drink) Beverage Volume	451	503	-10
Business Income	0	15,042	-100.0
Operating Income (Loss)	(9,700)	(55,389)	-
Net income (loss) attributable to owners of parent	(7,000)	(57,952)	-

Revenue and Business Income by segment

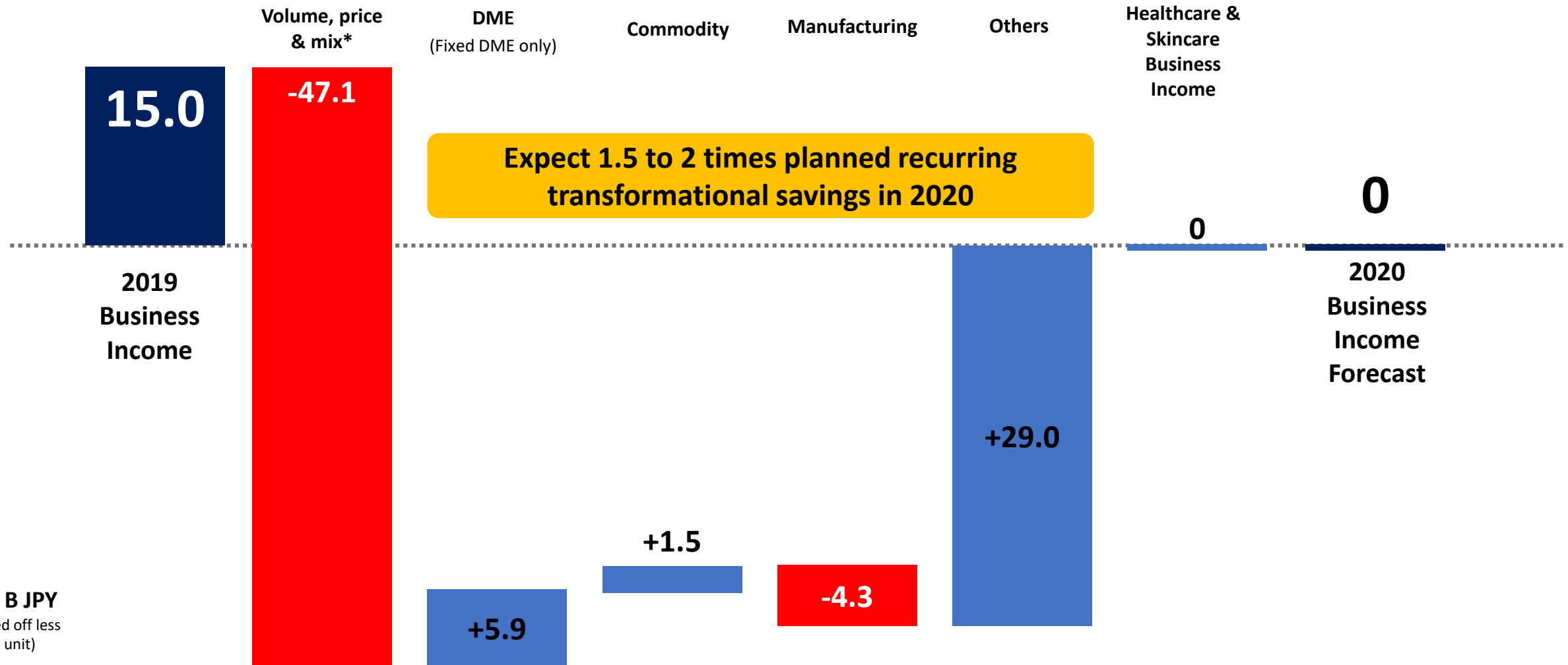
Beverage Business	2020 Forecast	2019 Actual	YoY (%)
Revenue	794,500	890,009	-10.7
Business Income (Loss)	(3,600)	11,447	-

Health Care & Skin Care Business	2020 Forecast	2019 Actual	YoY (%)
Revenue	25,200	24,774	+1.7
Business Income	3,600	3,595	+0.1

Updated full-year 2020 guidance: Drivers of Business Income

Establishing “New Normal” cost structure to be more resilient and agile

Selective reinvestment in marketing programs in Q4 as solid foundation for 2021



*Volume, Price & mix represent marginal profit of our commercial activities including variable costs and deduction from revenue in IFRS.

Continued priority on good stewardship of capital

Dividend

- No change to reinstated year-end dividend plan of 25 yen per share
- Focus on return to stable dividend payout during transformation

Year-end Dividend
25
yen/share

Balance Sheet and Cash Flow

- Identified ~12 billion yen cash-in opportunities throughout this year by selling idle assets of land and office space
- Sold ~800 million yen in cross-held shares YTD and sales ongoing
- Maintaining solid financial position: 51.0% equity ratio as of end of Q3

Capex and Depreciation

- Full-year capex plan reduced ~21 billion yen versus plan
- Further opportunities in mid-term capex outlook

(Billion JPY)	Q3 YTD actual	FY 2020 plan
CAPEX	57.4	~75.0
Depreciation	44.3	~60.0

Update from Coca-Cola (Japan) Company

2020 Highlights

Q4 Highlights

2020 Business Plan: Planning with Agility & Flexibility

Plan to maximize TOKYO 2020



Revised plan with gradual and selective activity increase in 2H

At Home



Platform Innovation



Lemon-dou



Innovative Marketing



Vending Recovery



Winter Campaign



2020 Year-to-date Highlight

Coca-Cola Zero Sugar Full renewal

Attracting new users and
with high repeat purchase



Georgia Test Your Luck campaign

With 1.5 million participants
Georgia TM
Contributing to market
share growth



ILOHAS × UNIQLO Eco ACTION campaign

Working with partners to
promote recycling and
environmental
sustainability



2020 Year-to-date Highlight

Kochakaden Craftea New flavors and package renewals

Lemonade added to the lineup, contributing to the expansion of the Black Tea Category



Fanta Premier Peach introduction

Establishing a position as
Adult sparkling beverage



Q4 Highlights : Lemon-Dou

Established as a teiban brand one year after nationwide launch.

Steadily rolling out initiatives to spark consumer interest and drive further growth.



**No. 5 in hit products
in Nikkei Trendy rankings
2020**

Source: December 2020 issue of Nikkei Trendy

Q4 Highlights: Vending Welcome Back Program to drive traffic

Buy One Get One Free Promotion
Oct.



Shopper recruitment ~1 MM

Transaction@ Coke ON VM 3.1MM

Coke ON Downloads: ~800K

Coke ON Pay Promotion
Dec.



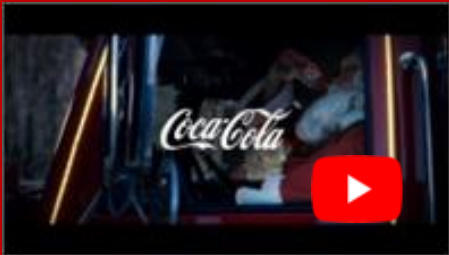
50% cash back when
purchasing with CokeON pay
(up to 200 JPY)

Q4 Highlight : Winter campaign

TVCM



Youtube



OOH



Digital



Online live



*The time together
is the best gift you can give.*



Store merchandise



Cake promotion



November
16

Pay promotions



December
1

McDonald's promotion



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Q4 Highlight: Shibuya Coke Vision

At about 40 meters above the Shibuya Scramble intersection

"Shibuya Coke Vision"

Started at 17:00, October 26 on the rooftop of QFRONT building



Wrap up

Managing what we can control; Building a foundation for GROWTH

- ✓ **Agile and resilient** cost structure in place to match new reality
 - **30 billion yen** cost savings expected in 2020; recurring savings up **1.5X-2.0X** vs. initial plan (pre-coronavirus)
 - **20% reduction** in number of vending service routes, **14** sales/distribution centers to be closed by year-end, **900** headcount reduction
 - **New** workstyles, **flexible** office space, **digitally-enabled** employees
- ✓ Actively working toward **growth** in 2021 despite COVID-19 uncertainty
 - **20% additional** aseptic production capacity to meet consumer demand growth
 - **18 months in a row**. Vending value share growth momentum
 - Selectively **reinvesting** in marketing as foundation for volume growth in 2021
 - **Additional** recurring cost savings in 2021 to help offset 2020 cycling

Q & A

Appendix

We are part of the global Coca-Cola system

An enduring and effective partnership

The Coca-Cola Company
Coca-Cola (Japan) Company

- Brands
- Innovation
- Global perspective
- Consumer focus
- Superior insight

Coca-Cola

BOTTLERS JAPAN INC.

- Customer focus
- Local expertise
- Best-in-class execution
- Finished goods production
- Logistics and distribution
- Cost optimization

Glossary of key terms

Business Income	A measure of our underlying or recurring business performance after the adoption of IFRS. Business Income deducts cost of goods and SG&A from revenue, and includes other income and expenses which we believe are recurring in nature.
DME	Abbreviation of Direct Marketing Expenses . Sales promotion-related expenses, including advertisement, rebates, sales commissions, etc.
FC	Abbreviation of Future Consumption . Purchase or sell beverage for future consumption in home, etc. It also means the products / SKUs for FC (for example, single packages 1L or more and multi-pack of IC packages) and channels that consumers purchase the beverages for FC. (for example, supermarket, drug & discounter channels, etc.).
HORECA	Abbreviation of Hotel, Restaurants and Cafeteria . Generally means sales channels of these kinds.
IC	Abbreviation of Immediate Consumption . Purchase or sell beverage for consuming it immediately. It also means the products / SKUs for IC (for example, single packages less than 1L as well as fountain) and channels that consumers purchase the beverages for IC (for example, vending machines, convenience store channel, etc.).
PTC	Abbreviation of Price, Terms and Conditions , an internal guideline for setting appropriate transaction conditions with customers, frequently used in conjunction with RGM.
RGM	Abbreviation of Revenue Growth Management , an overall strategy and process to achieve profitable revenue growth.
RTM	Abbreviation of Route-to-Market . A framework, a process, a philosophy, a proven approach for driving profitable growth.

Channel definitions



Vending	Retail sales to consumers through vending machine
Supermarket	Wholesale to supermarket chains customers
Drugstore & Discounter	Wholesale to drugstore and discounter chains customers
Convenience Store	Wholesale to convenience store chains customers
Retail & Food	Wholesale to grocery store, liquor store, eating & drinking establishments (HORECA), online sales channels customers, etc.
Others	Wholesale to customers other than above

THANK YOU

Investor Relations

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