



November 6, 2024

To whom it may concern,

Company name Coca-Cola Bottlers Japan Holdings, Inc.
 Representative Representative Director & President Calin Dragan
 (Code No. 2579 TSE Prime Market)
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**Announcement of Revision of earnings forecasts,
 Change in dividend policy and Revision of dividend forecasts**

Coca-Cola Bottlers Japan Holdings Inc. (the “Company”) announces that its Board of Directors, at a meeting held on November 6, 2024, revised its full-year earnings forecast for the fiscal year ending December 31, 2024, which was announced on February 14, 2024, in light of the recent trends in its business performance, as follows.

In addition, as part of a comprehensive shareholder return policy based on our Strategic Business Plan “Vision 2028”, the Company also resolved to review its dividend policy and to revise upward (increase) the dividend forecast for the fiscal year ending December 31, 2024, which was announced on February 14, 2024.

1. Revision of earnings forecast

Revision of consolidated financial forecast for the fiscal year ending December 31, 2024
 (January 1, 2024 through December 31, 2024)

	Revenue	Business income	Operating income	Income before tax	Net income	Net income attributable to the owners of parent	Basic earnings per share
Previous forecast (A)	million yen 882,400	million yen 10,000	million yen 11,900	million yen 11,100	million yen 6,900	million yen 6,900	yen 38.45
This time forecast (B)	888,000	11,500	13,600	13,000	7,500	7,400	41.28
Difference (B-A)	5,600	1,500	1,700	1,900	600	500	
Difference (%)	0.6%	15.0%	14.3%	17.1%	8.7%	7.2%	
(Reference) Full-year 2023 results	868,581	2,025	3,441	3,224	1,903	1,871	10.43

(Note) As disclosed in the “Announcement of decision on matters related to Repurchase and Cancellation of treasury shares” dated November 6, 2024, the Company has resolved to repurchase and cancel its treasury shares. The basic earnings per share forecast announced this time takes into account the impact of the repurchase of treasury shares.



(Reasons for revision of full-year earnings forecast)

In the cumulative third quarter period (from January 1, 2024 to September 30), sales volume grew more than expected driven by the contribution of new product launch and effective sales measures under the circumstances of increased demand due to the continued recovery in traffic and the heat wave. In addition, accelerated initiatives such as improvement of manufacturing efficiency in peak demand period contributed to the result higher than initially expected revenue and profits. In the fourth quarter period (from October 1, 2024 to December 31), profitability improvement impact through the price revision implemented in October 1 has been reflected to the revised forecast. As a result, the Company has announced an upward revision of the full year forecast previously announced on February 14, 2024.

*Figures in the above forecast are based on information available to management at the time of announcement. Due to inherent uncertainties in the forecast, actual results may differ materially from the forecast.

2. Change in dividend policy

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Regarding the dividends, <u>the Company's basic policy is to carry out active redistribution of profits while placing the highest priority on paying stable dividends, by comprehensively reviewing the Company's business performance and level of retained earnings. The Company has set a payout ratio target of 30% or more of net profit for the year attributable to owners of the parent company and pays interim and year-end dividends of surplus.</u>	Regarding the dividends, <u>our basic policy is to actively and stably return profits to shareholders, and we will pay interim and year-end dividends after comprehensive consideration of business performance, investment for growth, and internal reserves. Under our Strategic Business Plan "Vision 2028", we aim to achieve a consolidated dividend payout ratio of 40% or more and a consolidated dividend on equity (DOE) ratio of 2.5% or more in 2028, and during the relevant period we will introduce a progressive dividend, with the annual dividend per share to be maintained or increased each year over the previous year.</u>

3. Revision of dividend forecast

	Dividends per share		
	2nd quarter	Fiscal year end	Annual
	yen	yen	yen
Previous forecast		25.00	50.00
Revised forecast		28.00	53.00
Full-year 2024 results	25.00		
Full-year 2023 results	25.00	25.00	50.00



(Reasons for change in dividend policy and revision of dividend forecast)

Over the past several years, the Company has placed the highest priority on stable dividend payments in order to maximize returns to shareholders, even though the Company continued to record losses in net income for the year attributable to owners of the parent under the challenging business environment. After such a period of time, the Company announced its Strategic Business Plan “Vision 2028” in August 2023, and is currently working toward sustainable business growth, aiming to achieve a business income margin of 5% or more and ROIC (return on invested capital) of 5% or more in 2028. Our business performance has been progressing steadily, and on the occasion of this upward revision of our full-year forecast for the fiscal year ending December 31, 2024, we have reviewed our dividend policy as part of our comprehensive shareholder return policy in “Vision 2028”. Specifically, in order to increase shareholder value, we have decided to raise the consolidated dividend payout ratio from the current target of 30% or more to 40% or more and set the consolidated dividend on equity (DOE) ratio as a new target, aiming for the DOE of 2.5% or more in 2028, during the period of “Vision 2028”, we will introduce a progressive dividend, with the annual dividend per share to be maintained or increased each year over the previous year.

In light of this review of our dividend policy, the Company has decided to increase the year-end dividend (planned) by 3 yen per share for 2024, compared to our previous forecast.

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