

October 5, 2020

To whom it may concern:

Name of company Coca-Cola Bottlers Japan Holdings Inc.
 Representative Representative Director & President Calin Dragan
 (Code No. 2579, First Section of the Tokyo Stock Exchange)
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Announcement of Updated Full-Year 2020 Earnings Forecast

Coca-Cola Bottlers Japan Holdings Inc. (the “Company”) announced an update to its full-year 2020 (January 1 to December 31, 2020) earnings forecast, which was previously withdrawn on May 13, 2020, as follows.

1. Revision of full-year forecast

Revision of full-year 2020 (from January 1, 2020 to December 31, 2020) forecast

	Net revenues	Business income	Operating Income (loss)	Net Income (loss)	Net income (loss) attributable to the owners of parent	Earnings (loss) per share
	million yen	million yen	million yen	million yen	million yen	
Forecast as of May 13, 2020 (A)	—	—	—	—	—	—
Revised forecast announced today (B)	819,700	0	(9,700)	(7,000)	(7,000)	(39.03 Yen)
Difference (A-B)	—	—	—	—	—	
Difference (%)	—	—	—	—	—	
(Reference) Full-year 2019 results	914,783	15,042	(55,389)	(57,895)	(57,952)	(322.22 Yen)

*We have introduced “Business Income” as 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

2. Reason for revision

The Company previously withdrew its full-year 2020 earnings forecast on May 13, 2020 due to uncertainty in estimating the expected impact to full-year 2020 earnings amid the ongoing COVID-19 outbreak. The Company has been actively implementing various initiatives to mitigate the impact of COVID-19 on our business, while continuing to prioritize important transformational projects as part of our strategic business plan announced in August 2019.

The Company updated its full-year 2020 earnings forecast, reflecting year-to-date business performance and our best estimate of the rest-of-year outlook, based on the assumption that the COVID-19 situation does not materially worsen and therefore gradual recovery of consumer traffic continues, with no further intensification of the competitive environment. This reflects current mitigation efforts and cost savings as well as ongoing transformation initiatives that are part of our mid- to long-term strategic business plan, including the impact of “Notice for the recording of other expenses (non-recurring) in conjunction with the implementation of voluntary retirement”, details of which were separately disclosed today.

(Reference)

The company will host a webcast with sell-side analyst Q&A at 6:30pm today. The webcast will be available through our website at <https://en.ccbj-holdings.com/ir/>.

The Company will announce third-quarter 2020 results evening of Thursday, November 12, 2020 and will host a webcast earnings call at 1:30pm, Friday, November 13, 2020 (JST).

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Highlights

- Ongoing pressure on topline driven by reduced sales volume amid COVID-19
- Accelerating transformation and driving significant cost savings initiatives to mitigate topline pressure
- Updated full-year forecast reflecting recent business performance, deliverables from transformation and cost savings, assuming stable COVID-19 situation and gradual recovery of consumer traffic, with no intensification of competitive environment
- Full-year core beverage business volume (including alcohol) now expected to decline 9% versus prior year
- No change to year-end dividend plan: 25 yen per share
- Q3 beverage performance better than Q2, but impacted by rainy and cool weather in July and increase in COVID-19 cases. 2H marketing programs revised, with focus on core brands, at home occasions and consumer value
- YTD Q3 results will be announced on November 12, with discussion of specific details of results and outlook at that time

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Updated full-year 2020 forecast vs. 2019

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	-
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	Health Care & Skin Care Business	2020 Forecast	2019 Actual	YoY
Revenue	794,500	890,009	-10.7%	Revenue	25,200	24,774	+1.7%
Business Income (Loss)	(3,600)	11,447	-	Business Income	3,600	3,595	+0.1%

Unit: Million JPY

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