



*Coca-Cola West Japan Company, Limited*

To whom it may concern

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Code No.	2579, listed on the Tokyo Stock Exchange (First Section), the Osaka Securities Exchange (First Section), and the Fukuoka Stock Exchange
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**Announcement of Changes in the Group's Retirement Benefit Scheme and Revised Business Prospects (CCWJ and Consolidated)**

Starting this fiscal year, the Coca-Cola West Japan Group has been reviewing and revising various corporate schemes based on its mid-term management plan. As part of these efforts, it has considered changing the Group's retirement benefit scheme, and proposed changes that were approved by the Minister for Health, Labor and Welfare as of June 1, 2003.

These changes have resulted in a fall in retirement benefit liabilities, creating past service liabilities. As a consequence, CCWJ's and consolidated business performance prospects for fiscal year 2003 ending next December (January 1 through December 31, 2003) have been revised as follows:

**1. Changing to a Group retirement benefit scheme**

The individual retirement benefit schemes which were operated separately by the Group's member companies have been combined into a consolidated Coca-Cola West Japan Group Retirement Benefit Scheme. Also, a points system based on job responsibilities has been introduced into the combined scheme. These changes were approved by the Minister for Health, Labor and Welfare as of June 1, 2003.

The changed scheme has brought about a fall in retirement benefit liabilities, creating past service liabilities (¥9.1 billion for the consolidated Group and ¥9.2 billion for CCWJ only).

This is expected to cut the Group's consolidated retirement benefit expenditure in fiscal 2003 ending next December by ¥7.4 billion (¥2.4 billion for the first six months) and CCWJ's expenditure by ¥6.5 billion (¥2.2 billion).

Because of the performance-based profit sharing system, however, the actual increase in the consolidated operating income is expected to be ¥5.8 billion in the year ending next December (¥1.9 billion for the first six months) and the increase in CCWJ's operating income to be ¥4.9 billion (¥1.7 billion).

The newly consolidated Group Retirement Benefit Scheme includes the six Group companies engaged in Coca-Cola business: Coca-Cola West Japan Co., Ltd., Coca-Cola West Japan Products Co., Ltd., West Japan



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Beverage Co., Ltd., Coca-Cola West Japan Vending Co., Ltd., LOGICOM Japan Co., Ltd., and West Japan Customer Service Co., Ltd.

- Performance-based profit sharing system: A system in which, when the corporate profit exceeds a certain level, part of the profit will be distributed among the employees as a bonus based on a fixed distribution principle.

## 2. Revised business prospects (CCWJ and consolidated)

(1) Revised prospects for the first half of fiscal 2003 (January 1 through June 30, 2003)

### 1 ) Consolidated performance

(In ¥million)

	Sales	Operating income	Ordinary income	First half net income
Previous prospects (A) (Announced on February 18, 2003)	118,500	5,500	5,700	3,300
Revised prospects (B)	115,000	7,700	7,900	3,700
Increase or decrease (B) - (A)	3,500	2,200	2,200	400
Rate of increase or decrease	3.0	40.0	38.6	12.1
Performance in the same period, 2002	117,211	6,614	6,764	3,145

### 2 ) CCWJ's performance

(In ¥million)

	Sales	Operating income	Ordinary income	First half net income
Previous prospects (A) (Announced on February 18, 2003)	90,500	5,800	6,000	3,500
Revised prospects (B)	87,500	7,400	7,800	3,800
Increase or decrease (B) - (A)	3,000	1,600	1,800	300
Rate of increase or decrease	3.3	27.6	30.0	8.6
Performance in the same period, 2002	74,327	3,662	4,234	2,251



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(2) Revised business prospects for fiscal year 2003 (January 1 through December 31, 2003)

1 ) Consolidated performance

(In ¥million)

	Sales	Operating income	Ordinary income	Annual net income
Previous prospects (A) (Announced on February 18, 2003)	254,000	15,000	15,300	9,000
Revised prospects (B)	249,000	19,700	20,000	10,500
Increase or decrease (B) - (A)	5,000	4,700	4,700	1,500
Rate of increase or decrease	2.0	31.3	30.7	16.7
Performance in the previous year (fiscal 2002)	247,737	16,704	17,005	7,086

(Reference) Expected net income per share for fiscal 2003 (full year): ¥128.17

2 ) CCWJ's performance

(In ¥million)

	Sales	Operating income	Ordinary income	Annual net income
Previous prospects (A) (Announced on February 18, 2003)	194,000	14,000	14,900	8,600
Revised prospects (B)	191,000	18,000	18,500	10,100
Increase or decrease (B) - (A)	3,000	4,000	3,600	1,500
Rate of increase or decrease	1.5	28.6	24.2	17.4
Performance in the previous year (fiscal 2002)	174,594	12,834	13,774	5,378

(Reference) Expected net income per share for fiscal 2003 (full year): ¥123.29

(3) Reasons for revision

- Operating and ordinary incomes:
- Although sales will probably fall owing to lower volumes and changes in product mix, both operating and ordinary incomes are expected to rise because of the change in the retirement benefit scheme, which will create past service liabilities (a decrease in debt), lowering retirement benefit expenditures.
- Net income for the half-year period
- The large increases in operating and ordinary incomes are expected to push up the net income for this half-year period, though some extraordinary loss will arise from product disposal.

(Note) The above prospects are based on the data and information available as of the day when this document is published, and the actual performance may differ significantly from these prospects due to a number of factors that may occur or vary in the future.