

March 8, 2007

Company Name	Coca-Cola West Holdings (KK)	Company Name	Minami Kyushu Coca-Cola Bottling (KK)
Representative	Representative Director, CEO: Norio Sueyoshi	Representative	Representative Director and President: Kokichi Honbo
Code Number	2579 (listed on TSE Section 1, OSE Section 1, Fukuoka Securities and Exchange)		
Contact	PR / IR Group Manager: Masahiro Takase	Contact	Director / PR Officer: Katsuya Inoue
TEL	092-283-5718	TEL	096-311-3911

Capital / Business Alliance and 3rd Party Share Allocation Notice

In the Capital and Business Alliance Notice released on February 24th 2007, the Coca-Cola West Holdings Company (HQ: Fukuoka, hereinafter referred to as “CCWH”) and Minami Kyushu Coca-Cola Bottling Company (HQ: Kumamoto, hereinafter referred to as “MK”) announced that both companies executed a basic capital and business alliance agreement. Consequentially, the aforementioned parties have executed a capital and business alliance agreement today, whereby CCWH purchases 3rd party allocation shares issues by MK. The details are as follows.

1. MK: Contents of 3rd Party Share Allocation (Issuance of New Shares)

- | | |
|--|---------------------------|
| (1) Number of New Shares Issued | 637,000 Common Shares |
| (2) Issues Price / Share | 17,000 JPY Per Share |
| (3) Aggregate Issue Price | 10,829,000,000 JPY |
| (4) Increase in Capital Stock / Share | 8,500 JPY |
| (5) Total Increase in Capital Stock | 5,414,500,000 JPY |
| (6) Offer Date | April 3rd, 2007 (Tuesday) |
| (7) Payment Date | April 3rd, 2007 (Tuesday) |
| (8) Allocated Party and Number of Shares | CCWH / 637,000 Shares |

- (9) The matters specified in each of the preceding items shall be subject to approval at the MK general shareholders meeting to be held on March 23, 2007 and the filing under the Securities and Exchange Law coming into effect.

【Reference】

MK: Number of Shares Outstanding	2,548,000 Shares (Current Capital Stock 974 MM JPY)
Increase in Shares Issuance	637,000 Shares (Increased in Capital Stock 5,414 MM JPY)
Post Issuance Shares Outstanding	3,185,000 Shares (Post Issuance Capital Stock 6,388 MM JPY)

After the increase in share, CCWH will retain 20% of MK's outstanding shares, whereby becoming the 3rd largest shareholder of MK.

2. Schedule

March 8, 2007	Execution of Business and Capital Alliance Agreement
March 23, 2007	MK General Annual Shareholders Meeting (Shares Issuance Approval)
April 3 rd , 2007	Offer Date and Payment Date

3. Business Outlook

As a result of these initiatives set forth, MK will be considered as an equity method investee of CCWH. The overall impact of this capital and business alliance to CCWH's financial results for the year ending 2007 will be disclosed as necessary based on the future discussion of the alliance details by both companies

4. Overview of the Parties

(As of December 31, 2006)

(1) Trade Name	Coca-Cola West Holdings KK	Minami Kyushu Coca-Cola Bottling KK
(2) Main Businesses	Manufacturing and Sales of Food and Beverages	Manufacturing and Sales of Food and Beverages
(3) Date of Establishment	December 1960	August 1962
(4) Head Office Address	7-9-66 Hakozaki, Higashi-Ku, Fukuoka City, Fukuoka Prefecture	3-5-1 Minami Takae, Kumamoto City, Kumamoto Prefecture
(5) Representative	Representative Director, CEO: Norio Sueyoshi	Representative Director and President: Kokichi Hombo
(6) Capital	15,231 MM JPY	974 MM JPY
(7) Number of Outstanding shares (excl. Treasury shares)	106,192 thousand	2,548 thousand
(8) Shareholders Equity	243,491 MM JPY	40,513 MM JPY
(9) Total Assets	270,398 MM JPY	51,212 MM JPY
(10) Fiscal Year End	December	December
(11) Number of Employees	268	1,935
(12) Major Shareholders and Equity Percentages	Ricoh Company, Limited 15.11% Kirin Brewery Company, Limited 10.46% The New Technology Development Foundation 4.76% Japan Trustee Services Bank, Limited 4.30% Mellon Bank Treaty Clients Omnibus 3.76%	Satsuma Shuzo KK 27.19% MCA Holdings KK 25.42% Honbo Shuzo KK 10.09% Honbo Shoten KK 7.70%
(13) Main Banks	Nishi-Nippon City Bank, Limited	Mitsubishi UFJ Bank, Limited

	The Sumitomo Trust & Banking Company, Limited Mizuho Corporate Bank, Limited Mitsubishi UFJ Bank, Limited	Higo Bank, Limited Miyazaki Bank, Limited Oita Bank, Limited Kagoshima Bank, Limited Bank of Minami Nippon, Limited
(14) Relationship	Capital	None
	Personal	None
	Trading (Fiscal year ended in December 2006)	MK accounts for 1,156MM JPY of CCWH's total revenues. CCWH accounts for 2MM JPY of MK's total revenues.

(Notice)

- 1 . The above data is based on a non-consolidated basis.
- 2 . The figures for MK are different from the figures released on Feb. 24, and are final. The figures for CCWH are the same as that of the announcement on Feb. 24.

5. Business Performance of the Parties in the last 3 years

(1) CCWH

【Consolidated】

		Year Ended December 2004	Year Ended December 2005	Year Ended December 2006
Revenues	(MM JPY)	253,248	245,874	327,821
Operating Profits	(MM JPY)	16,860	11,830	12,321
Ordinary Profits	(MM JPY)	17,065	12,256	13,225
Net Profits	(MM JPY)	8,564	7,305	7,570
Earnings Per Share	(JPY)	108.80	93.42	82.22
Book Value Per Share	(JPY)	2,149.99	2,228.79	2,358.05

【Non-Consolidated】

		Year Ended December 2004	Year Ended December 2005	Year Ended December 2006
Revenues	(MM JPY)	195,066	186,953	191,632
Operating Profits	(MM JPY)	15,024	11,857	4,581
Ordinary Profits	(MM JPY)	15,545	12,477	5,406
Net Profits	(MM JPY)	8,353	7,938	3,439
Earnings Per Share	(JPY)	106.20	101.73	37.35
Dividends Per share	(JPY)	40.00	40.00	42.00
Book Value Per Share	(JPY)	2,104.59	2,191.59	2,292.91

(2) MK

【Consolidated】

		Year Ended December 2004	Year Ended December 2005	Year Ended December 2006
Revenues	(MM JPY)	111,008	107,201	90,887
Operating Profits	(MM JPY)	6,562	5,435	3,056
Ordinary Profits	(MM JPY)	7,623	7,472	4,031
Net Profits	(MM JPY)	3,548	3,097	(682)
Earnings Per Share	(JPY)	1,667.02	1,453.58	(267.92)
Book Value Per Share	(JPY)	35,244.41	36,416.35	16,742.62

【Non-Consolidated】

		Year Ended December 2004	Year Ended December 2005	Year Ended December 2006
Revenues	(MM JPY)	83,927	80,015	76,757
Operating Profits	(MM JPY)	4,784	3,088	3,436
Ordinary Profits	(MM JPY)	6,154	5,303	4,289
Net Profits	(MM JPY)	2,790	379	1,289
Earnings Per Share	(JPY)	1,314.40	162.77	506.21
Dividends Per Share	(JPY)	320.00	500.00	500.00
Book Value Per Share	(JPY)	32,724.52	32,634.03	15,899.93

(Notice)

1 . The figures for MK are different from that released on February 24, and are final. The figures for CCWH are

the same as that of the announcement on Feb. 24.

2 . Additionally, the decrease in book value per share from December 2006 to December 2007 (Consolidated and Non-Consolidated) for MK is mainly as a result of a de-merger on January 1, 2006. The net losses for December 2006 on a consolidated basis are mainly due to losses from impairments.

3 .Both company's Dec. 2006 dividends per share have not been approved by their annual general shareholders meeting, scheduled in Mar.ch 2007.