

Consolidated Financial Summary for the First Quarter Ended March 31, 2014 (Japanese Standard)

April 30, 2014

Listed company name: Coca-Cola West Company, Limited
Code number: 2579
Delegate: Title: Representative Director, President
Contact: Title: Department Manager, Finance Department
Expected date of quarterly report submission: May 9, 2014
FY 2014 1Q supplementary information: Yes
FY 2014 1Q financial presentation: Yes

Listed stock exchanges: Tokyo and Fukuoka
URL: <http://www.ccwest.co.jp/english>
Name: Tamio Yoshimatsu
Name: Masakiyo Uike Phone: +81-92-641-8585
Expected date of the dividend payments: —

(Fractions of one million yen are round off)

1. Consolidated financial results for the 1st quarter 2014 (from January 1, 2014 to March 31, 2014)

(Percentages indicate changes over the same period in the prior fiscal year)

(1) Consolidated financial results

	Net revenues		Operating income		Recurring income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
1st quarter 2014	94,903	14.8	(1,372)	—	(1,402)	—	(1,074)	—
1st quarter 2013	82,657	(2.4)	(368)	—	613	—	321	—

Note: Comprehensive income

1Q 2014: (1,227) million yen <—%>

1Q 2013: 1,827 million yen <646.4%>

	Earnings per share	Diluted earnings per share
	yen	yen
1st quarter 2014	(9.84)	—
1st quarter 2013	3.21	—

(2) Consolidated financial position

	Total assets	Net assets	Net assets (excl. minority interests) to total assets
	million yen	million yen	%
1st quarter 2014	363,079	248,176	68.3
Full year 2013	374,418	257,936	68.8

Reference: Net assets (excl. minority interests)

1Q 2014: 247,827 million yen

End of 2013: 257,558 million yen

2. Dividends

(Record date)	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	yen	yen	yen	yen	yen
Full year 2013	—	20.00	—	21.00	41.00
Full year 2014	—				
Full year 2014 (Forecast)		20.00	—	21.00	41.00

Note: Revisions to the cash dividends forecasts most recently announced: None

3. Forecast of consolidated financial results 2014 (from January 1, 2014 to December 31, 2014)

(Percentages indicate changes over the same period in the prior fiscal year)

	Net revenues		Operating income		Recurring income		Net income		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
6 months 2014	209,300	6.7	3,200	(33.1)	2,000	(64.7)	300	(97.3)	2.74
Full year 2014	454,300	5.2	16,700	4.8	15,300	(7.9)	7,600	(44.2)	69.63

Note: Revisions to the forecasts of consolidated financial results most recently announced: Yes

Notes

- (1) Changes in significant subsidiaries during the current period (changes in specified subsidiaries resulting in change in scope of consolidation) : None
- (2) Application of special accounting for preparing the quarterly consolidated financial statement : None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- 1) Changes in accounting policies due to revisions to accounting standards and other regulations : None
 - 2) Changes other than those in 1) above : Yes
 - 3) Changes in accounting estimates : None
 - 4) Restatement of prior period financial statements after error corrections : None
- (4) Number of outstanding shares (common share)
- 1) Number of outstanding shares at the end of period (including treasury shares):
1Q 2014: 111,125,714 shares FY 2013: 111,125,714 shares
 - 2) Number of treasury shares at the end of period:
1Q 2014: 1,982,809 shares FY 2013: 1,982,355 shares
 - 3) Average number of outstanding shares at end of period (three months):
1Q 2014: 109,143,167 shares 1Q 2013: 99,970,356 shares

* Indication regarding execution of quarterly review procedures

At the time of disclosure of this quarterly financial summary, the review procedures for quarterly financial statements in accordance with the Financial Instruments and Exchange Act are in progress.

* Explanation regarding appropriate use of the forecast, other special instructions

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

Consolidated Results For The First-Quarter 2014 Appendix

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***Coca-Cola* West**

Coca-Cola West Co., Ltd. (2579)

April 30, 2014

1. Situation of Consolidated Profit and Loss

(January 1, 2014 to March 31, 2014)

(million yen, %)

	1Q 2013 actual	1Q 2014					
		plan*	actual	vs. plan		vs. last year	
				change	% change	change	% change
Net revenues	82,657	95,700	94,903	(796)	(0.8)	12,246	14.8
Operating loss	(368)	(1,600)	(1,372)	227	—	(1,004)	—
Recurring income (loss)	613	(1,900)	(1,402)	497	—	(2,016)	—
Net income (loss)	321	(1,500)	(1,074)	425	—	(1,396)	—

* The above plan is based on performance forecast announced as of February 5, 2014.

2. Profits Change Factor (vs. plan)

(January 1, 2014 to March 31, 2014)

(million yen)

	1Q 2014		change	Main factors for increase/decrease
	plan*	actual		
Net revenues	95,700	94,903	(796)	Impact on the soft drink business (373) Impact on the healthcare and skincare business (422)
Cost of goods sold	46,900	47,681	781	
Gross profit	48,800	47,222	(1,577)	Impact on the soft drink business (1,185) Impact on the healthcare and skincare business (392)
SG&A	50,400	48,595	(1,804)	Decrease of transportation expenses (374) Decrease of sales equipment cost (145) Decrease of repair expenses (107) Decrease of business consignment expenses (102) Decrease of maintenance cost (101) Decrease of depreciation cost (78) Increase of sales promotion & ad expenses 170 Impact on the healthcare and skincare business (545)
Operating loss	(1,600)	(1,372)	227	
Non-operating income	100	224	124	
Non-operating expenses	400	254	(145)	
Rucurring loss	(1,900)	(1,402)	497	
Extraordinary income	—	67	67	
Extraordinary losses	—	186	186	Impact on the healthcare and skincare business 186
Loss before income taxes and minority interests	(1,900)	(1,521)	378	
Income taxes	(425)	(453)	(28)	
Loss before minority interests	(1,475)	(1,068)	406	
Minority interests	25	6	(18)	
Net loss	(1,500)	(1,074)	425	

* The above plan is based on performance forecast announced as of February 5, 2014.

3. Profits Change Factor (vs. last year)

(January 1, 2014 to March 31, 2014)

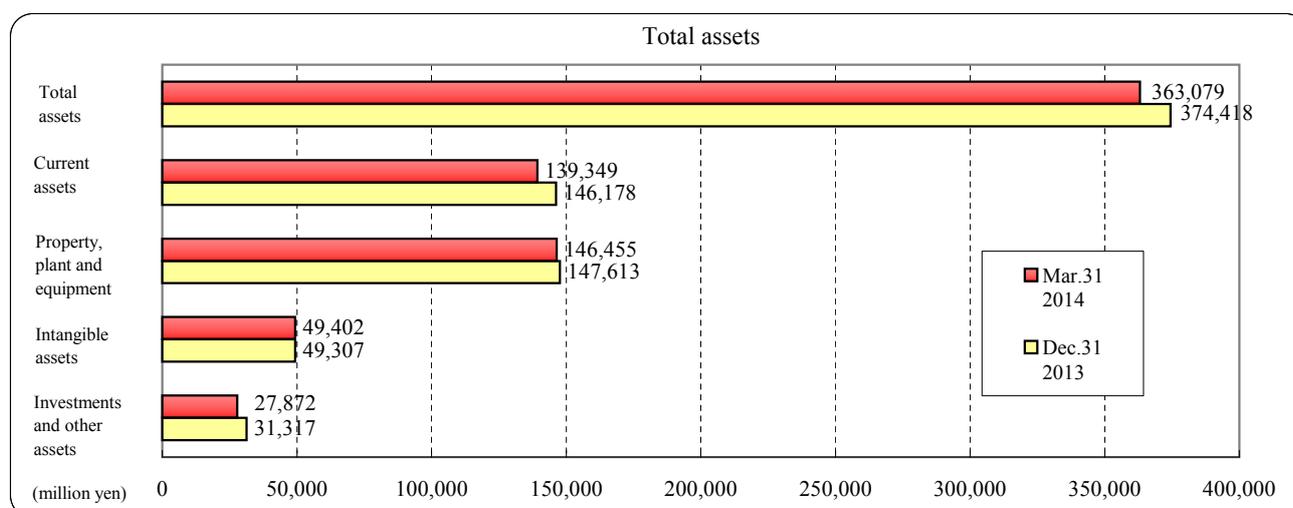
(million yen)

	1Q 2013	1Q 2014	change	Main factors for increase/decrease
Net revenues	82,657	94,903	12,246	Impact on the soft drink business 12,699 Impact on the healthcare and skincare business (452)
Cost of goods sold	41,751	47,681	5,930	
Gross profit	40,905	47,222	6,316	Impact on the soft drink business 6,682 Impact on the healthcare and skincare business (365)
SG&A	41,273	48,595	7,321	Increase in personnel cost 2,156 Increase of sales commission 1,461 Increase of transportation expenses 1,128 Increase of sales promotion & ad expenses 1,071 Increase of business consignment expenses 829 Increase of depreciation cost 563 Impact on the healthcare and skincare business (211)
Operating loss	(368)	(1,372)	(1,004)	
Non-operating income	1,198	224	(973)	Investment gain on equity method (1,049)
Non-operating expenses	216	254	38	
Recurring income (loss)	613	(1,402)	(2,016)	
Extraordinary income	—	67	67	
Extraordinary losses	122	186	64	Loss on retirement of fixed assets (122) Impact on the healthcare and skincare business 186
Income (loss) before income taxes and minority interests	491	(1,521)	(2,013)	
Income taxes	159	(453)	(613)	
Income (loss) before minority interests	331	(1,068)	(1,399)	
Minority interests	9	6	(3)	
Net income (loss)	321	(1,074)	(1,396)	

4. Consolidated Balance Sheet and Change Factor

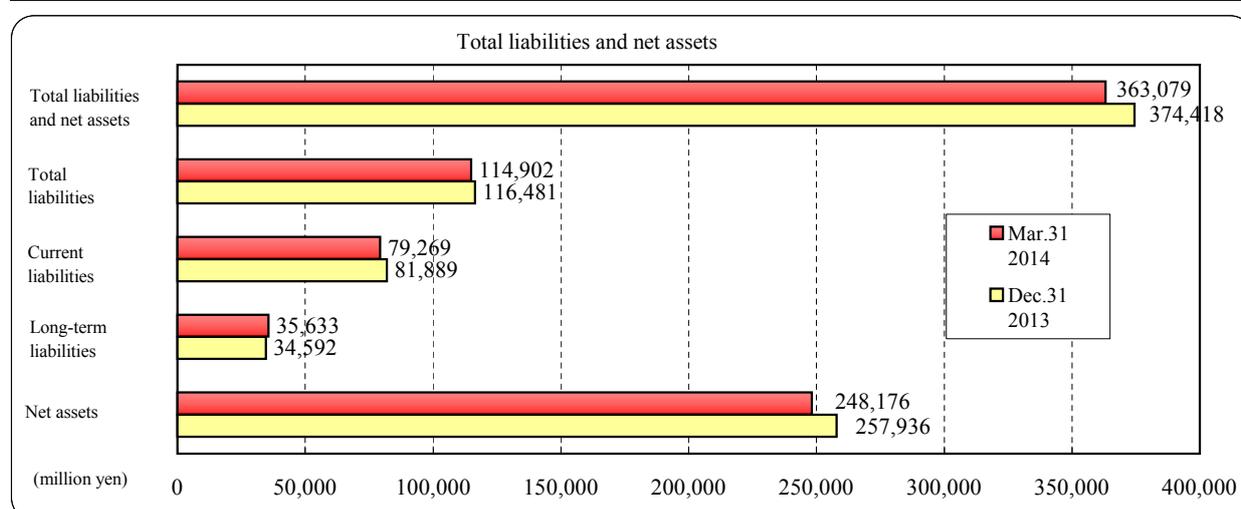
(million yen)

	Dec.31 2013	Mar.31 2014	change	Main factors for increase/decrease
Current assets	146,178	139,349	(6,829)	
Cash and deposits	45,632	43,414	(2,217)	
Trade notes and accounts receivable	26,876	25,019	(1,857)	
Marketable securities	25,132	23,529	(1,602)	Decrease by maturity of marketable securities
Merchandise and finished goods	26,621	24,024	(2,597)	Decrease of inventory
Work in process	566	536	(29)	
Raw materials and supplies	2,071	3,206	1,134	
Other	19,630	19,952	322	
Allowance for doubtful accounts	(352)	(334)	17	
Fixed assets	228,239	223,729	(4,509)	
Property, plant and equipment	147,613	146,455	(1,158)	
Buildings and structures, net	35,826	35,081	(745)	
Machinery, equipment, vehicles, net	24,818	23,514	(1,303)	
Sales equipment, net	25,390	26,158	767	
Land	59,908	59,908	—	
Construction in progress	14	160	145	
Other, net	1,654	1,632	(21)	
Intangible assets	49,307	49,402	94	
Goodwill	42,189	41,526	(662)	
Other	7,118	7,875	757	
Investments and other assets	31,317	27,872	(3,445)	
Investment securities	17,306	16,894	(412)	
Advanced payments for retirement expenses	4,479	—	(4,479)	Impact from the early application of revised accounting standard for retirement benefits
Other	9,950	11,386	1,436	
Allowance for doubtful accounts	(418)	(409)	9	
Total assets	374,418	363,079	(11,338)	



(million yen)

	Dec.31 2013	Mar.31 2014	change	Main factors for increase/decrease
Current liabilities	81,889	79,269	(2,620)	
Trade notes and accounts payable	16,278	19,695	3,416	
Current portion of bonds	30,000	30,000	—	
Current portion of long-term loans payable	2,517	2,517	—	
Accrued income taxes	3,165	291	(2,874)	
Other accounts payable	17,624	18,681	1,056	
Provision for sales promotion expenses	203	220	17	
Other	12,098	7,862	(4,236)	Decrease in accrued expense by payments for restructuring cost (lump-sum allowance for employee transfer, etc.)
Long-term liabilities	34,592	35,633	1,041	
Bonds payable	20,000	20,000	—	
Long-term loans payable	5,237	3,983	(1,254)	
Allowance for employees' retirement benefits	2,048	—	(2,048)	Impact from the early application of revised accounting standard for retirement benefits
Net defined benefit liability	—	6,801	6,801	Impact from the early application of revised accounting standard for retirement benefits
Liabilities for directors' and corporate auditors' retirement benefits	149	153	4	
Other	7,156	4,695	(2,461)	
Total liabilities	116,481	114,902	(1,578)	
Shareholders' equity	255,346	247,707	(7,638)	
Common stock	15,231	15,231	—	
Capital surplus	109,072	109,072	—	
Retained earnings	135,619	127,982	(7,637)	Impact from the early application of revised accounting standard for retirement benefits and decrease by dividend payments
Treasury stock	(4,577)	(4,578)	(0)	
Accumulated other comprehensive income	2,212	120	(2,092)	
Net unrealized gains (loss) on other marketable securities	2,214	1,957	(257)	
Deferred gains or losses on hedges	(1)	(2)	(0)	
Remeasurements of defined benefit plans	—	(1,834)	(1,834)	
Minority interests	377	348	(28)	
Net assets	257,936	248,176	(9,760)	
Total liabilities and net assets	374,418	363,079	(11,338)	



5. Investment, Depreciation, Cash Flow (consolidated)

(January 1, 2014 to March 31, 2014)

(1) Investment, Depreciation

(million yen)

		1Q 2013	1Q 2014
Investment	Buildings	81	48
	Machinery & Equipment	4,086	258
	Sales equipment	2,529	3,275
	Other	916	1,568
	Construction in progress	(2,211)	145
	Total	5,402	5,296
Depreciation		5,151	5,617

(2) Cash Flow

(million yen)

	1Q 2013	1Q 2014
Cash flow from operating activities	9,459	5,272
Cash flow from investing activities	(4,726)	1,207
Cash flow from financing activities	(3,503)	(3,696)
Cash and cash equivalents at end of 1Q	40,724	63,059

6. Projections (consolidated)

(January 1, 2014 to December 31, 2014)

(1) Earnings

(million yen, %)

	2013 actual	2014 plan	change	% change
Net revenues	431,711	454,300	22,588	5.2
Operating income	15,927	16,700	772	4.8
Recurring income	16,606	15,300	(1,306)	(7.9)
Net income	13,625	7,600	(6,025)	(44.2)

(2) Investment, Depreciation

(million yen)

		2013 actual	2014 plan
Investment	Buildings	770	1,645
	Machinery & Equipment	6,368	6,908
	Sales equipment	9,501	14,507
	Other	3,602	4,209
	Total	20,242	27,270
Depreciation		23,758	24,653

7. Sales information

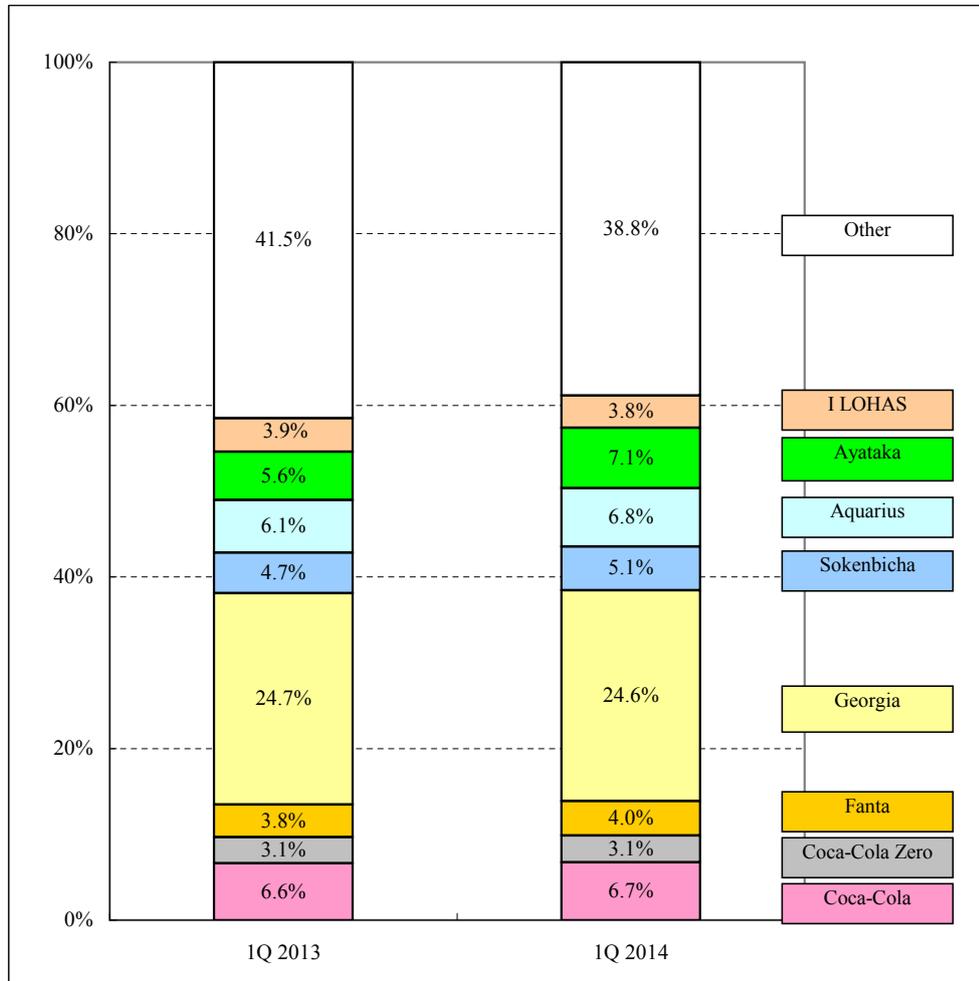
(January 1, 2014 to March 31, 2014)

<Sales volume by brand>

		(thousand cases, %)		
		1Q 2013	1Q 2014	% change
Core 8	Coca-Cola	2,535	3,204	26.4
	Coca-Cola Zero	1,172	1,484	26.6
	Fanta	1,446	1,903	31.6
	Georgia	9,444	11,666	23.5
	Sokenbicha	1,801	2,432	35.0
	Aquarius	2,351	3,224	37.1
	Ayataka	2,163	3,358	55.2
	I LOHAS	1,486	1,785	20.1
Other		15,893	18,450	16.1
Total		38,292	47,505	24.1

Notes : Sales volume in 2013 is revised retroactively due to standardization of counting method in the affiliated company.

<Composition of brand>



<Sales volume by channel>

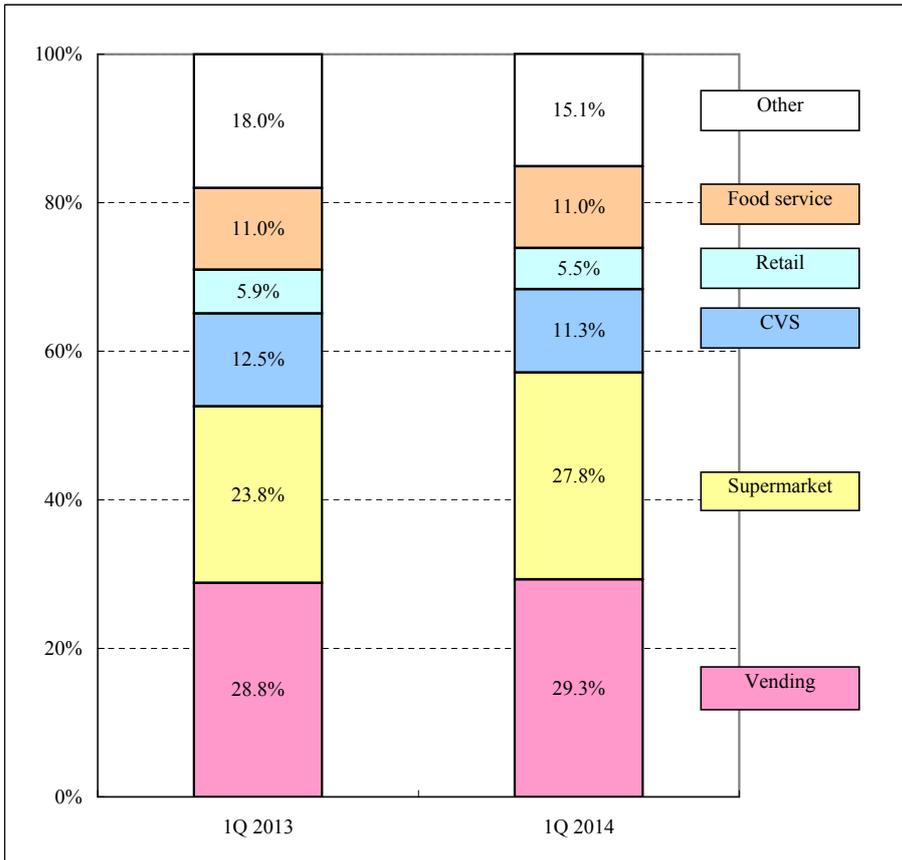
(thousand cases, %)

		1Q 2013	1Q 2014	% change
Vending	*1	11,030	13,903	26.0
Supermarket	*2	9,106	13,230	45.3
CVS	*3	4,790	5,347	11.6
Retail	*4	2,248	2,631	17.0
Food service	*5	4,227	5,202	23.1
Other		6,891	7,193	4.4
Total		38,292	47,505	24.1

Notes : Sales volume in 2013 is revised retroactively due to standardization of counting method in the affiliated company.

- *1 Vending : Retail sales business to distribute products through vending machine to consumers
- *2 Supermarket : Wholesale business for supermarket, drug store, discount store, home center chains
- *3 CVS : Wholesale business for convenience store chains
- *4 Retail : Wholesale business for grocery stores, liquor shops and other over-the-counter outlets
- *5 Food service : Syrup sale business for fast food restaurants, movie theaters, sports arena, 'family restaurants,' and theme parks

<Composition of channel>



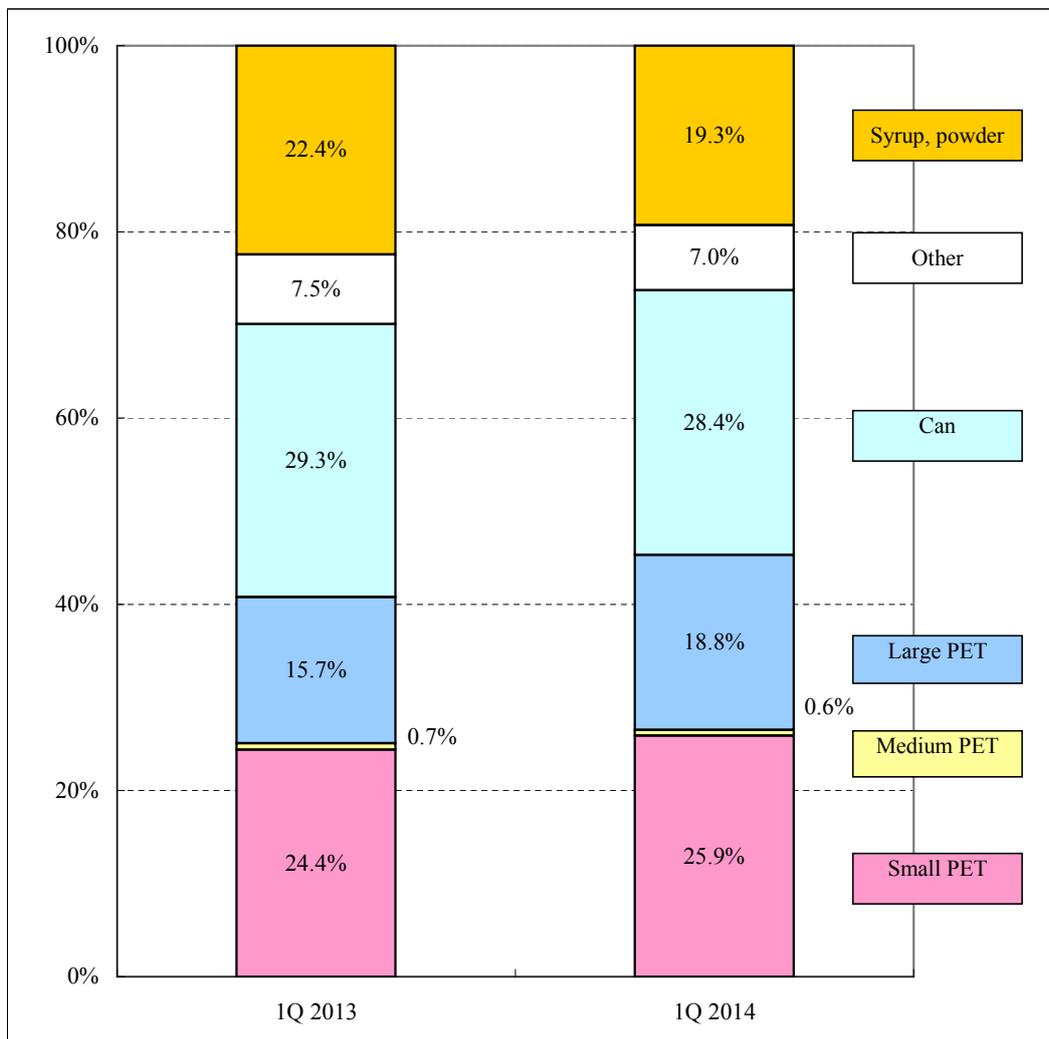
<Sales volume by package>

(thousand cases, %)

		1Q 2013	1Q 2014	% change
PET	Small-sized (less than 1,000ml)	9,342	12,292	31.6
	Medium-sized (less than 1,500ml)	263	298	13.1
	Large-sized (1,500ml or more)	6,010	8,938	48.7
	Subtotal	15,616	21,527	37.9
Can		11,224	13,494	20.2
Other		2,870	3,327	15.9
Syrup, powder		8,582	9,156	6.7
Total		38,292	47,505	24.1

Notes : Sales volume in 2013 is revised retroactively due to standardization of counting method in the affiliated company.

<Composition of package>



8. Number of Vending Machines, Market Share

(1) Number of vending machines

	(thousands units)		
	End of 2013	End of 1Q 2014	change
Can vending machine	309	306	(3)
Cup vending machine	25	24	(1)
Total	333	330	(4)

Notes: Figures are the combined total of Coca-Cola West Co., Ltd. and its affiliated company Nishinon Beverage Co., Ltd.

(2) Market share of vending machines

	(%)	
	2013	2014
Out market share	30.8	—

(Source : Survey of vending machines conducted by McNET Inc., June to July in 2013.)

9. Home Market Share

(January 1, 2014 to March 31, 2014)

	(%)	
	1Q 2013	1Q 2014
Total	21.5	23.4
Supermarkets	21.8	24.5
CVS	22.2	21.7
Retail stores	20.0	21.7
Drug stores	23.5	23.0
Discount stores	19.3	23.6

(Source : Store Audit conducted by Intage Inc.)

10. Segment Information

	(million yen)					
	1Q 2013			1Q 2014		
	Soft drink	Healthcare and skincare	Total	Soft drink	Healthcare and skincare	Total
Net revenues	73,426	9,230	82,657	86,126	8,777	94,903
To outside customers and consumers	73,426	9,230	82,657	86,126	8,777	94,903
Intersegment sales or transfers	—	—	—	—	—	—
Segment profit (loss)	(1,175)	806	(368)	(2,026)	653	(1,372)

Notes: Net revenues and segment profit (loss) are based on net revenues and operating loss reported in the consolidated statements of income.