

Jump!!!

Financial Results Presentation for the Year Ending December 2008

February 17, 2009

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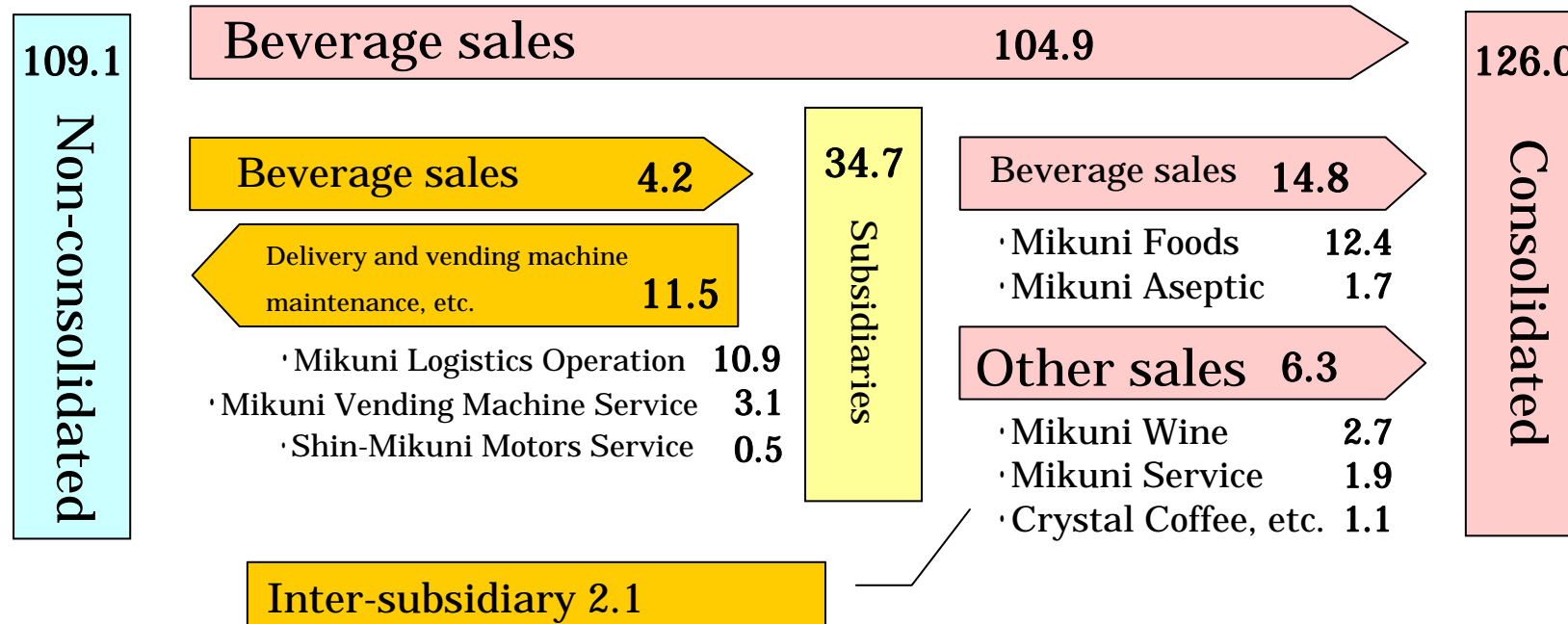
FY 2008 Financial Results

1 . Overview

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Business Overview

(Unit: billion yen)



Non-consolidated results

Consolidated results (Unit: Million yen)

	FY08	FY07	Change	FY08	FY07	Change
Operating profit	2,510	3,735	-1,224	3,796	4,822	-1,026
Recurring profit	3,113	4,518	-1,405	3,768	5,010	-1,242
Net profit	2,201	2,569	-367	2,156	2,755	-599

1 . Overview

Consolidated and non-consolidated performance

Non-consolidated

(Unit: million yen; thousand cases; %)

	FY08 Actual	FY07 Actual	y/y		FY08 Plan*	vs. Plan	
			Change	Ratio		Change	Ratio
Sales volume	56,901	57,570	-669	-1.2	58,167	-1,266	-2.2
Sales	109,189	108,008	1,182	1.1	110,000	-811	-0.7
Operating profit	2,510	3,735	-1,224	-32.8	3,000	-490	-16.3
Recurring profit	3,113	4,518	-1,405	-31.1	3,600	-487	-13.5
Current net profit	2,201	2,569	-367	-14.3	2,200	1	0.0

Consolidated

(Unit: million yen; %)

	FY08 Actual	FY07 Actual	y/y		FY08 Plan*	vs. Plan	
			Change	Ratio		Change	Ratio
Sales	126,096	128,102	-2006	-1.6	125,000	1,096	0.9
Operating profit	3,796	4,822	-1026	-21.3	4,100	-304	-7.4
Recurring profit	3,768	5,010	-1242	-24.8	4,300	-532	-12.4
Current net profit	2,156	2,755	-599	-21.8	2,400	-244	-10.2

Note: FY07 actual sales have been adjusted by 1,491 million yen for comparison with FY08 accounts processing.

* Revised plan announced on October 31, 2008

1 . Overview

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Major reasons for y/y change

 Non-consolidated, full-year

(Unit: billion yen)

	Change	Reason	Change	FY08	FY07
Sales	1.1 (108.0 109.1)	· Fall in sales volume and differences in unit price/structure	-2.2		
		· Advantage of unified inventory management such as sales proceeds from Mikuni Foods	3.4	109	108
Gross Profit on sales	-2.3 (44.2 41.9)	· Fall in gross profit on sales	-2.3	41.9	44.2
		· Fall in sales volume	-0.6		
		· Differences in unit price/structure	-1.1		
		· CCNBC adjustments for cost price differences	-0.6	-0.4	0.2
Operating profit	-1.2 (3.7 2.5)	· Fall in selling, general, and administrative expenses	1.1	39.4	40.5
		· Fall in full service commissions	0.1	7.4	7.5
		· Fall in distribution costs	0.2	8.4	8.6
		· Fall in labor costs	0.1	7.9	8
		· Fall in vending machine costs	0.5	6.4	6.9
		· Rise in advertising and sales promotion costs	-0.1	3.8	3.7
		· Fall in other costs	0.3	5.4	5.8
Recurring profit	-1.4 (4.5 3.1)	· Fall in non-operating profit/loss	-0.2	0.6	0.8
		· Fall in non-operating profit	-0.1		
		· Rise in non-operating costs	-0.1		
Current net profit	-0.4 (2.6 2.2)	· Rise in extraordinary profit/loss	0.6	0.3	-0.3
		· Fall in corporate tax etc.	0.4	-1.2	-1.6

Note: FY07 actual sales have been adjusted by 1,491 million yen for comparison with FY08 accounts processing.

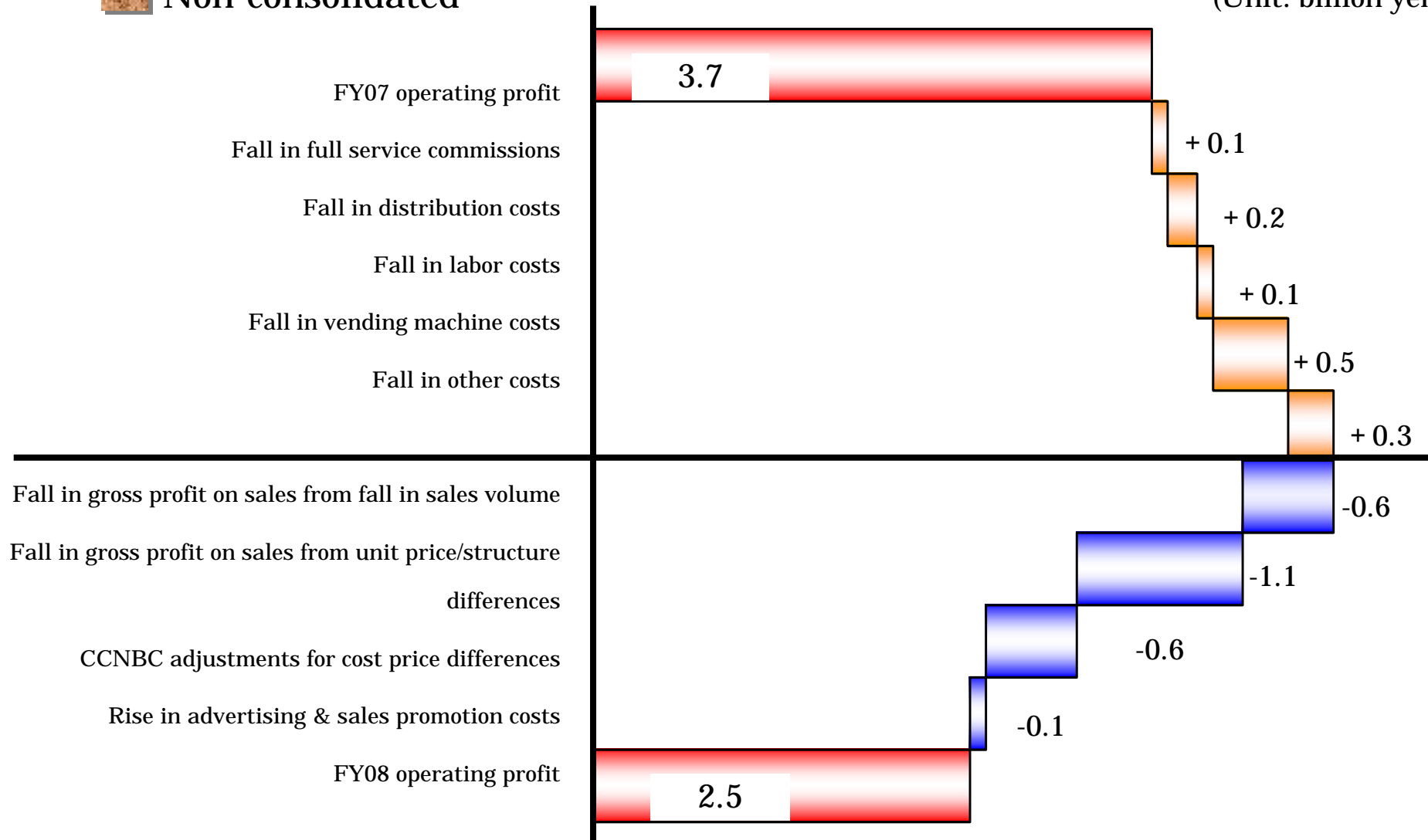
1 . Overview

Jump!!!

Breakdown of y/y change in operating profit

■ Non-consolidated

(Unit: billion yen)



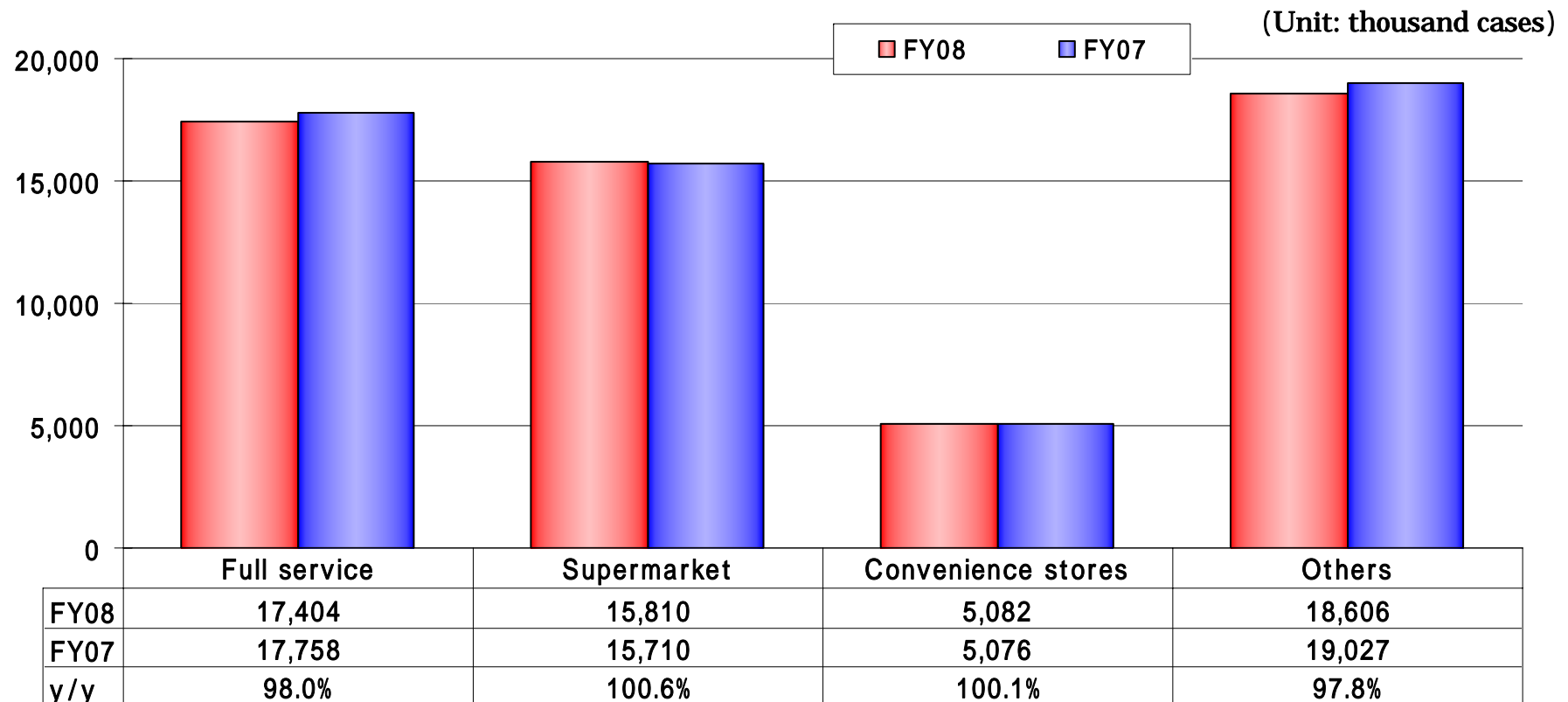
Review of 2008 Activities

1 . Sales Performance for Prime Channels & Brands



Prime channels

- The economic recession and consumption slowdown adversely affected full service and supermarket expansion.

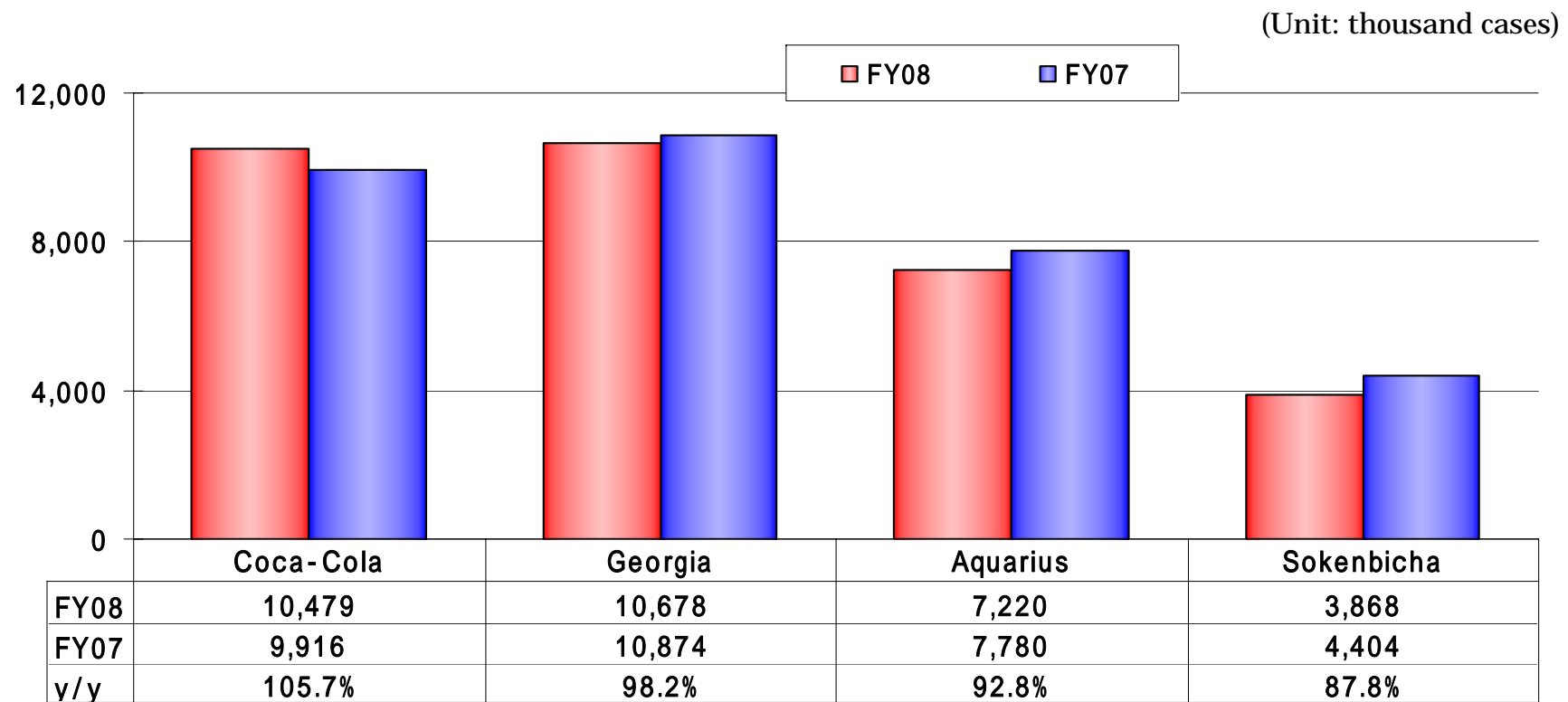


1 . Sales Performance for Prime Channels & Brands



Prime brands

- Coca-Cola Zero contributed to 5% rise in Coca-Cola sales
- Supermarket sales of Aquarius and Sokenbicha fell sharply

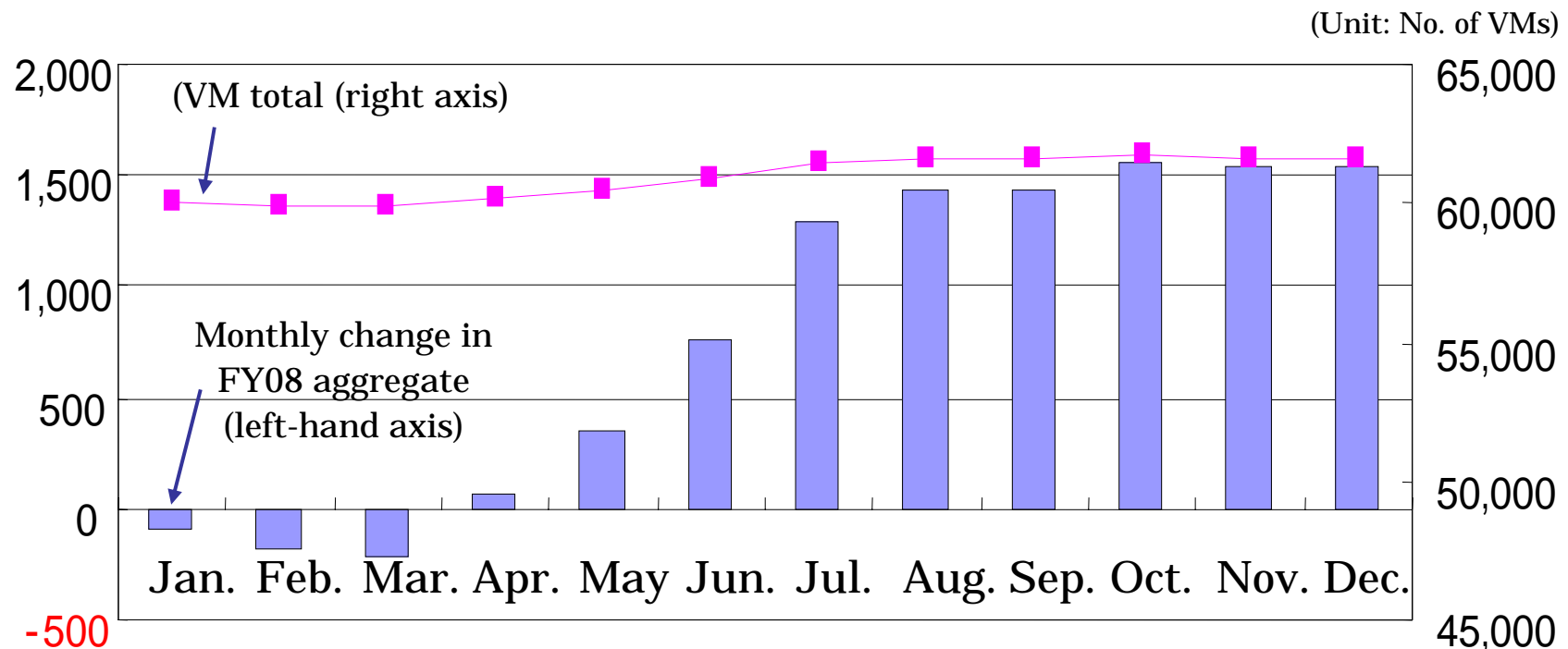


2 . Full Service Channel

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Net increase in vending machines

- VM numbers rose 2.5% to 1,536 units during 2008 despite the economic downturn, which led to fewer machines installed from September onward and failure to achieve plan's H2 net increase.



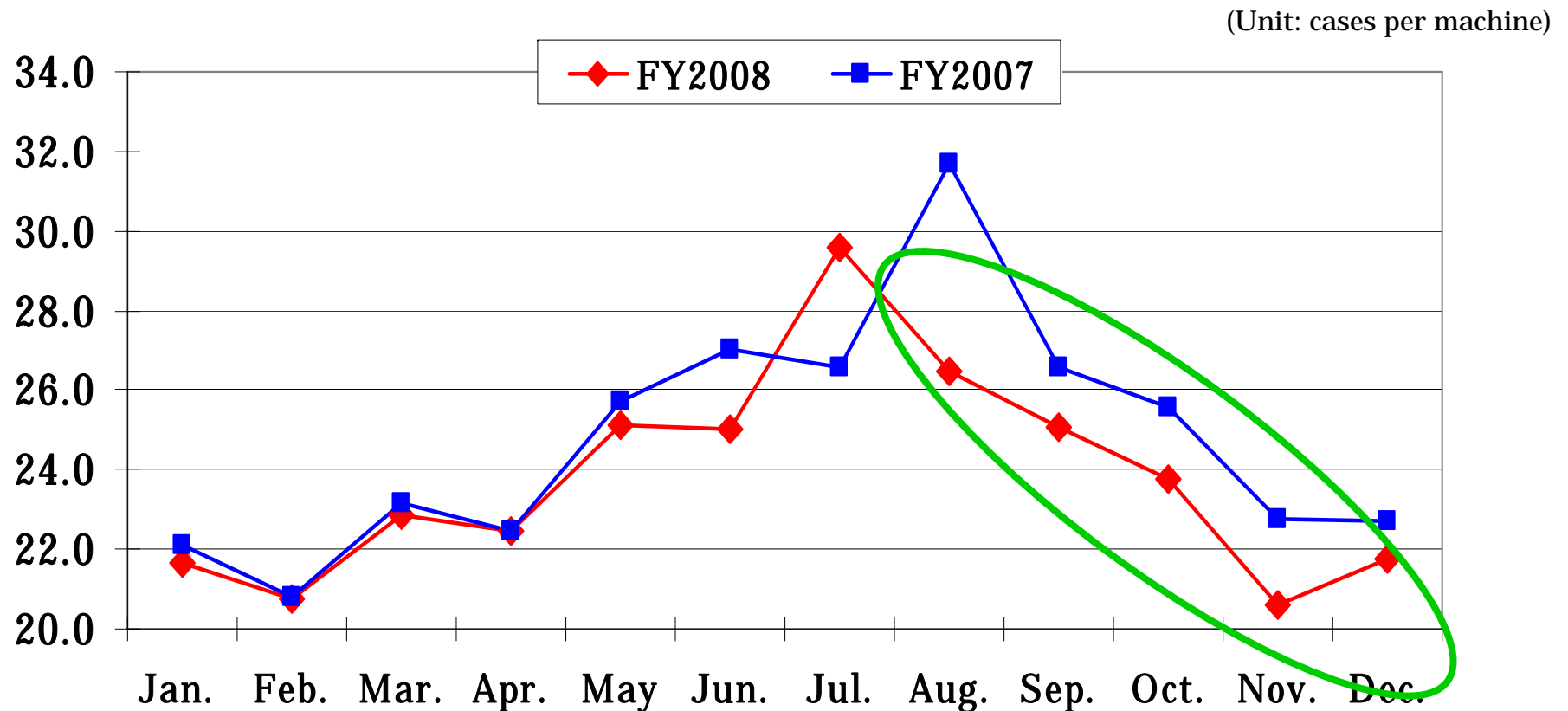
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Aggregate change	-101	-189	-213	67	352	766	1,297	1,438	1,441	1,548	1,532	1,536
No. of units	60,026	59,938	59,914	60,194	60,479	60,893	61,424	61,565	61,568	61,675	61,659	61,663

2 . Full Service Channel

Jump!!!

Sales per vending machine

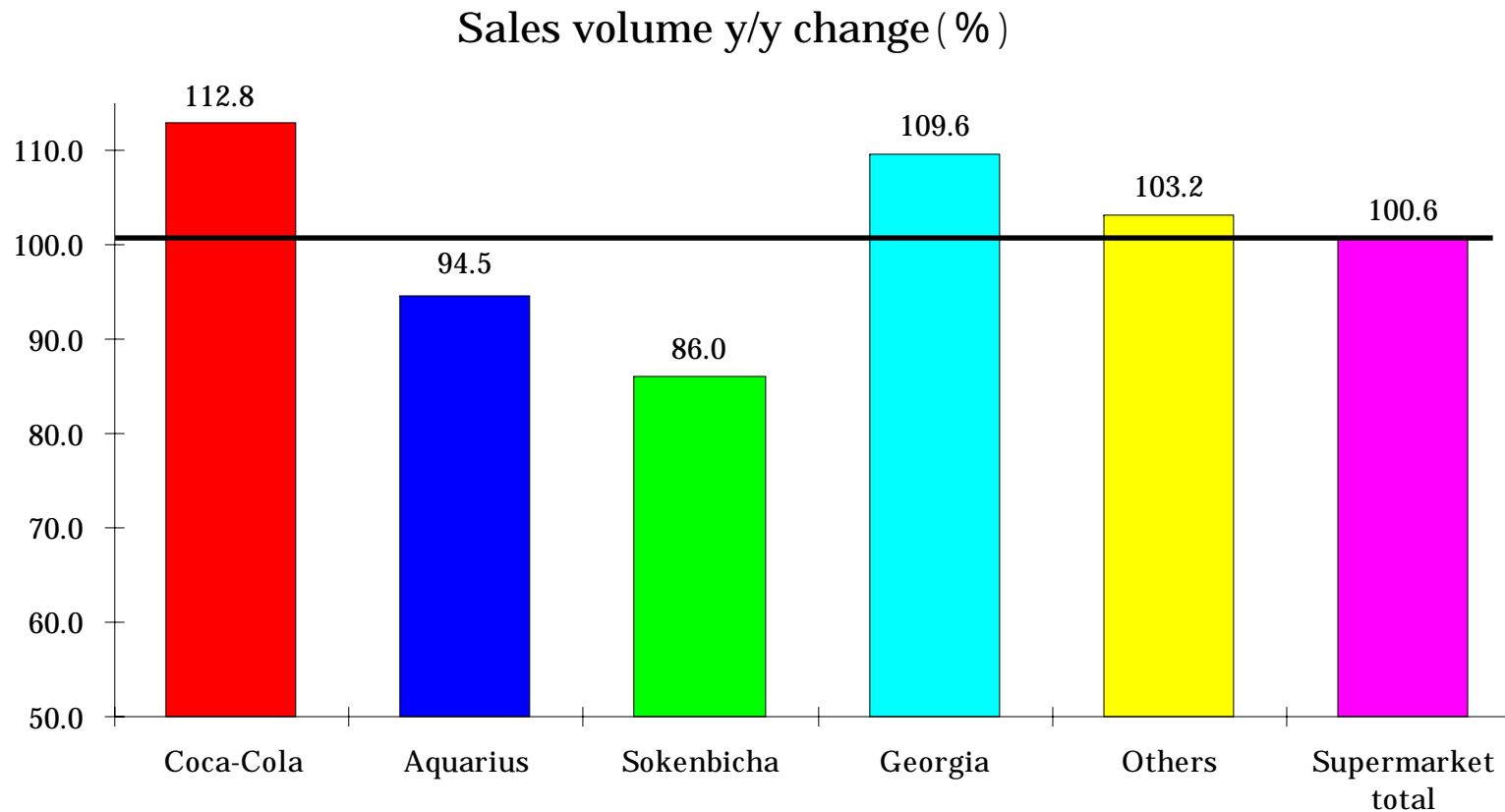
- Sales fell due to unseasonable weather in August.
- Sales fell due to impact of sudden economic downturn from September onward



3 . Supermarket Channel

Sales performance of Prime Brands

- Coca-Cola & Georgia sales volumes rise
- Aquarius & Sokenbicha sales volumes fall sharply



3 . Supermarket Channel

Jump!!!

Sales performance by package

- Sales of large PETS grow due to contribution of low-priced non-sugar tea products
- Sales of cans grew due to contribution of Georgia & Fanta FuruFuru Shaker
- Sharp fall in sales of 500ML PETS

(Units: thousand cases, percent)

Package	FY08	FY07	Change	y/y
Large PETs	10,129	10,045	85	100.8
500ml PETs	3,030	3,204	-174	94.6
Small PETs	349	330	19	105.7
Other bottles	89	122	-34	72.4
Cans	1,923	1,738	185	110.7
Powder	96	102	-7	93.4
Others	194	168	26	115.7
Supermarket total	15,810	15,710	100	100.6

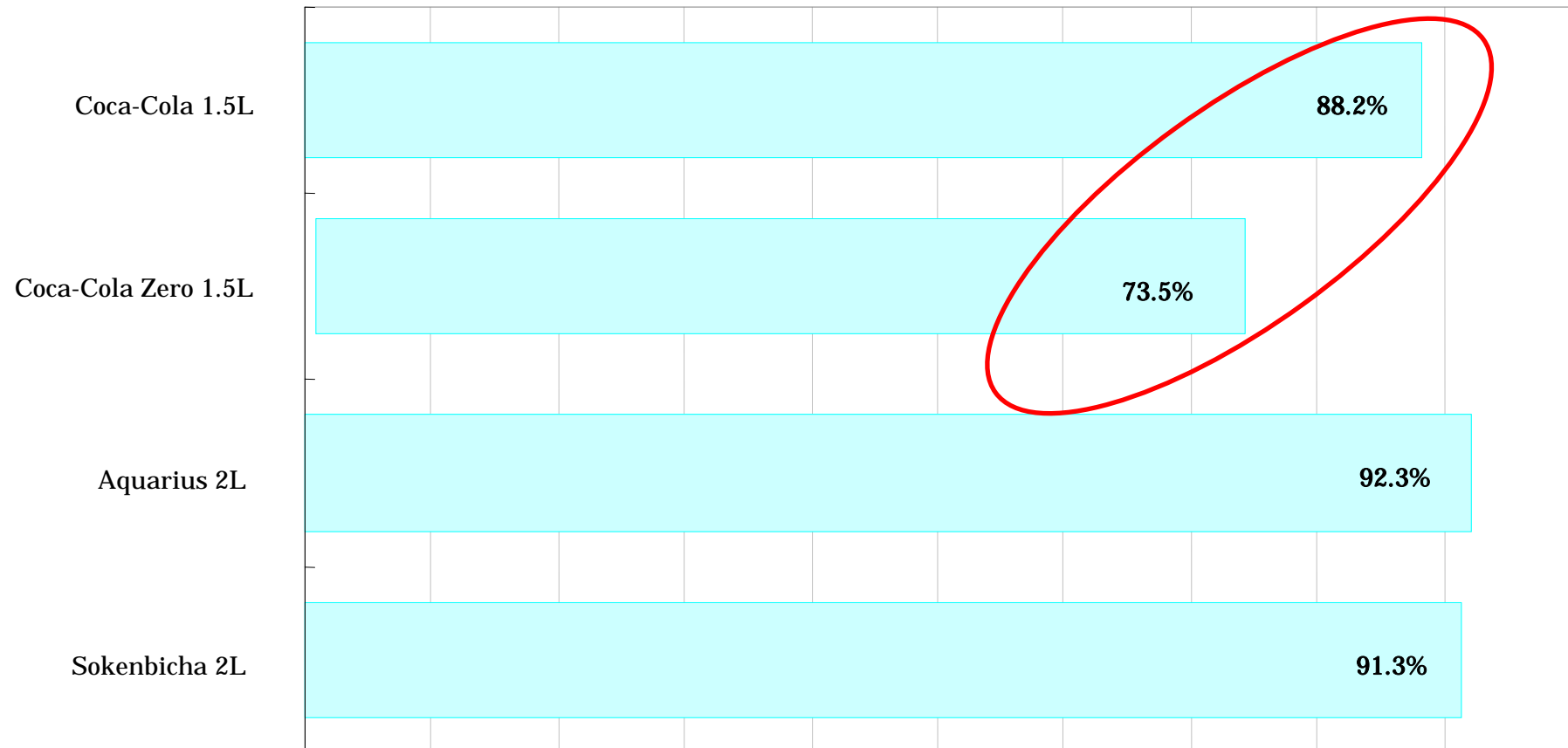
3 . Supermarket Channel

Jump!!!

Penetration of Key Large PETS at end of FY08

- Coca-Cola Zero contributed to rise in Coca-Cola brand sales volumes, and has potential to match Coca-Cola's penetration

(Excluding drug stores)



4 . Summary

Jump!!!

FY08 initiatives based on mid-term plan

Jump in
sales power!

- Additional 12 development managers to bring total to 50
- Exploit mixing equipment to strengthen indoor development
- Implement strategy HQ sales channels & and use sales promotion expenses effectively
- Improve syrup market

Jump in cost
competitiveness!!

- Consolidate Mikuni Foods inventory
- Exploit used VMs and parts

Jump in
human resources!!!

- Personnel exchange within the group
- Education program following new personnel system

4 . Summary

Jump!!!

Environment deteriorated beyond expectations

Falling sales volumes

Factory operating times and employed personnel reduced due to economic downturn

- Consumption mindset grew more conservative
 - Reduced vending machine sales at factories and workplaces
 - Falling sales at retail stores, recreational facilities and elsewhere
 - Fall in syrup market sales as people eat out less

[¥600 million fall in gross profit on sales]

Falling sales units

Consumers increasingly adopt low-price mindset

- Prime-brand prices fall at retail stores
- Price competition with rivals

[Fall in gross profits on sales: ¥1.1 billion]

Rising product costs

- CCNBC unit price difference adjustments

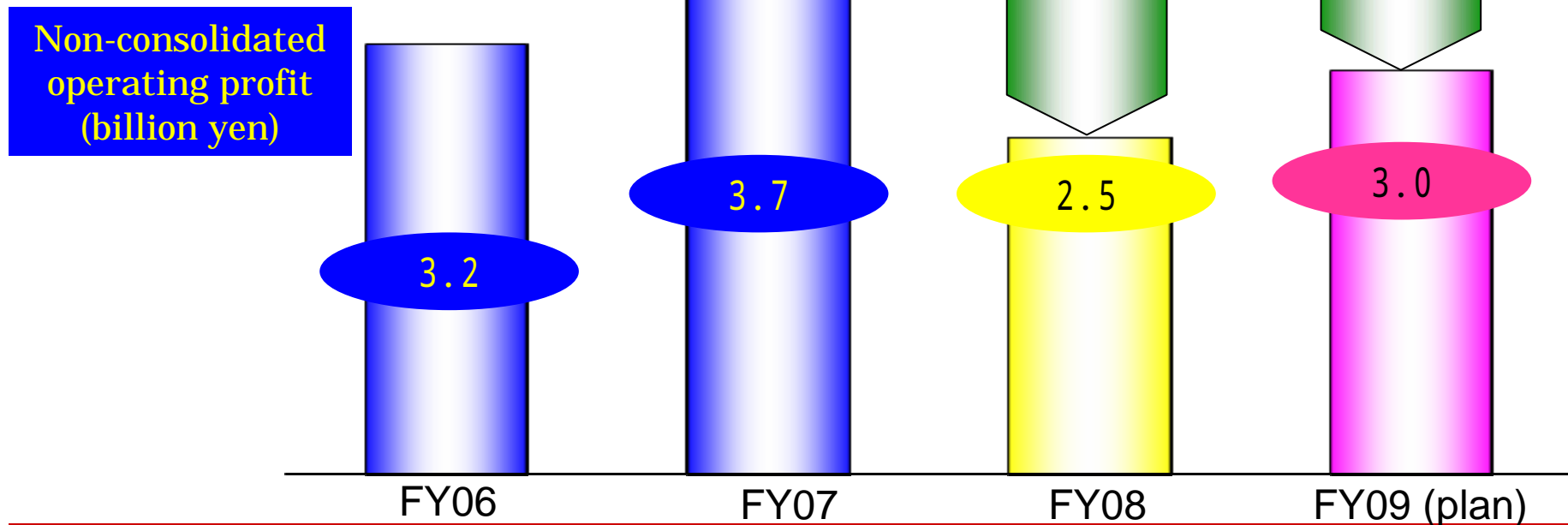
[Fall in gross profits on sales: ¥600 million]

4 . Summary

Progress of mid-term management plan

[Non-consolidated operating profit]

- Level to achieve in FY09: ¥4.5 to ¥5.5 billion
- Level achieved in FY08: ¥2.5
- Worse-than-expected environmental deterioration: ¥1.5 to ¥2.0 billion



FY2009 Business Plan

Vision for mid-term management plan

Appealing bottler with the highest quality in Japan

Invest aggressively and create sound management foundation to realize vision

➤ Invest in strengthening sales base

➤ Strengthen cost competitiveness

➤ Invest in personnel training

2 . Performance Plan

Jump!!!

(1) Profit

Non-consolidated

(Unit: million yen; thousand cases; %)

	H1 plan	H2 plan	Full-year		
			Plan	Change	Ratio
Sales volume	27,210	31,311	58,521	1,620	2.8
Sales	53,500	60,600	114,100	4,910	4.5
Operating profit	1,000	2,000	3,000	489	19.5
Recurring profit	1,500	2,000	3,500	386	12.4
Current net profit	1,000	1,100	2,100	-101	-4.6

Consolidated

(Unit: million yen; %)

	H1 plan	H2 plan	Full-year		
			Plan	Change	Ratio
Sales volume	59,600	67,800	127,400	1,303	1.0
Operating profit	1,300	2,700	4,000	203	5.4
Recurring profit	1,300	2,700	4,000	231	6.1
Current net profit	800	1,500	2,300	143	6.7

2 . Performance Plan

Jump!!!

(2) Main reasons for year-on-year change

 Non-consolidated, full-year

(Unit: billion yen)

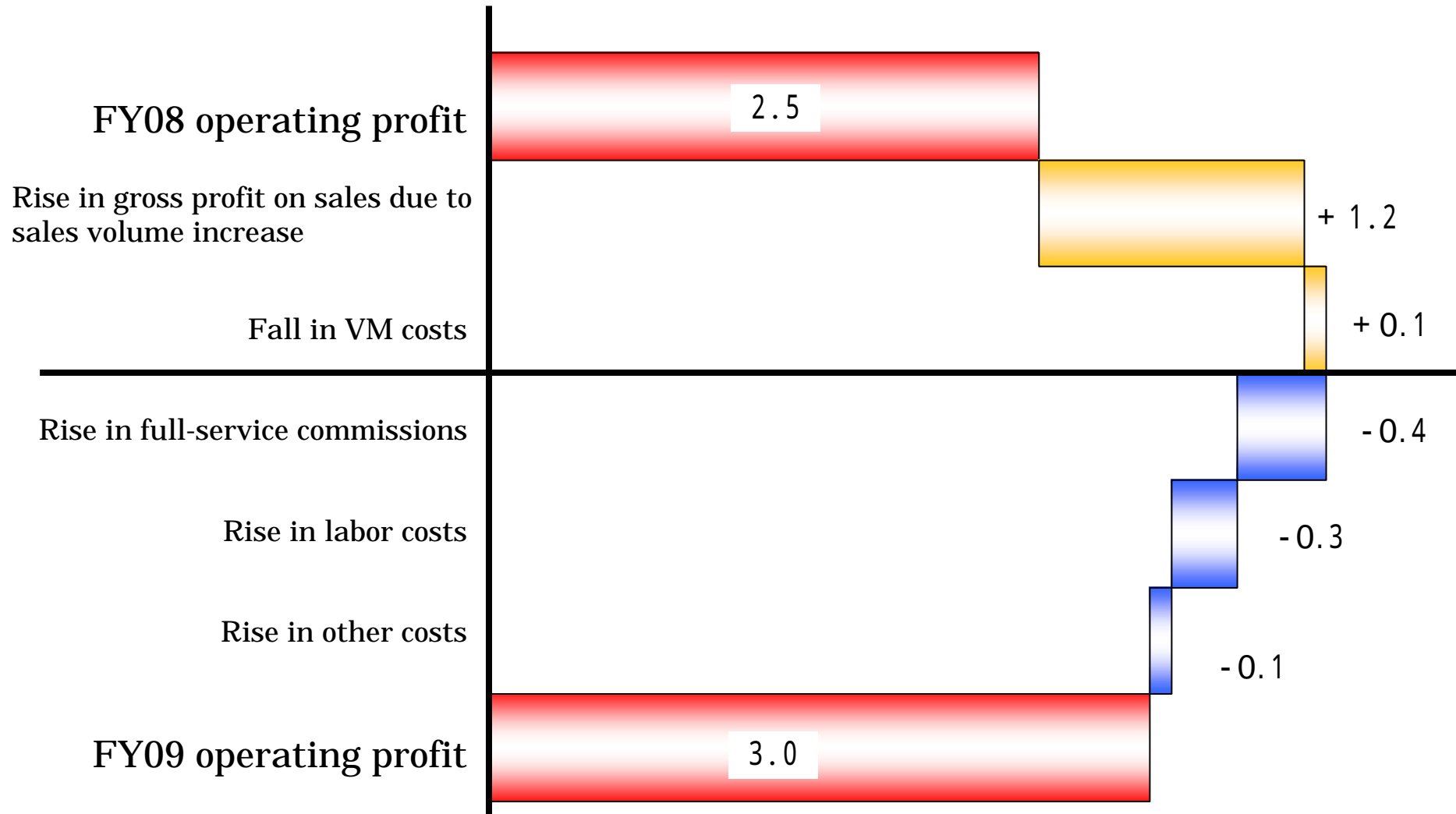
	Change	Reason	Change	Plan	FY08
Sales	+ 4.9 (1,091 1,141)	· Rise in sales volume (1,620 cases), differences in unit price/structure etc.	+ 4.9	114	109
Gross profit on sales	+ 1.2 (419 431)	· Rise in gross profit on sales	+ 1.2	43.1	41.9
		Rise in sales volume	+ 1.2		
Operating profit	+ 0.5 (25 30)	Unit price/structure differences	+ 0.0		
		· Rise in selling, general, and administrative expenses	-0.7	40.1	39.4
		Rise in full service commissions	-0.4	7.8	7.4
		Rise in distribution costs	-0.0	8.4	8.4
		Rise in labor costs	-0.3	8.2	7.9
		Fall in VM-related costs	0.1	6.3	6.4
Recurring profit	+ 0.4 (31 35)	Rise in advertising & sales promotion costs	-0.0	3.8	3.8
		Rise in other costs	-0.1	5.6	5.5
		· Fall in non-operating profit/loss	-0.1	0.5	0.6
Current net profit	-0.1 (22 21)	· Fall in extraordinary profit/loss	-0.3	0	0.3
		· Rise in corporate tax etc.	-0.2	-1.4	-1.2

2 . Performance Plan

Jump!!!

(3) Breakdown of y/y change in planned operating profit (non-consolidated)

(Unit: billion yen)



FY2009 Activity Plan

1 . Key Activities

Jump!!!

Activities based on “Jump!” mid-term management plan

Jump in sales power!

- Strengthen indoor full-service development
- Strengthen cooperative initiatives with customers

Jump in cost competitiveness!!

- Exploit used vending machines
- Promote business process reengineering (BPR) throughout the company

Jump in human resources!!!

- Strengthen personnel exchange within group
- Cultivate own study attitude and corporate culture

1 . Key Activities

Jump!!!

“Jump” Reform Plan

Strengthen sales power

- Introduce two-branch-office system and implement policies adapted to area characteristics
- Revise staff allocation and strengthen customer-oriented sales power

Strengthen cost competitiveness

- Slim down personnel system
- Internal redirection of group outsourcing costs (estimated impact: ¥400 million annually, or ¥700 million over three years)

Cultivate and exploit human resources

- Rise in personnel training budget

2 . Full Service Channel

Jump!!!

Activity plan

Expand indoor market share

Increase indoor locations

Make appealing proposals on environment and other areas

Increase per-machine sales

Support local requirements for VM clusters

Low-energy vending machines



e-40



Non-CFC heat pump



Features of e-40

- “World’s no. 1” low-energy, non-CFC , cashless vending machine (heat-pump device)
- Non-fluorescent LED lighting
- Multi-cashless

Features of heat pump device

- Use heat generated during refrigeration to warm VM’s heated section
- Reduce electrical consumption (down 50% since 2003)
- Reduce CO² discharge (down 50% since 2003)

3 . Supermarket Channel

Jump!!!

Activity plan

Expand share by adding to product lineup

Core products

Expand penetration
Of Coca-Cola Zero



Enhance share by maximizing
J-League sponsorship promotion



Large PETs with
low-price appeal



Support consumers'
low-price needs

3 . Supermarket Channel

Jump!!!

Coca-Cola Zero Promotion Estimates

2/9-

フルリニューアル

3/2-

「コカ・コーラゼロ x サッカー」 Phase

5/中

新フォーミュラ

NEW
保存料ゼロ

デザインパッケージ



Jリーグ協賛



CCZ



新グラフィック



SM大陳コンテ



販売促進
セッション



ローカルFS向け
資材



プリン



新広告 / 新V



マクドナルド
全国展開



3 . Supermarket Channel

Jump!!!

Coca-Cola Zero's Official Sponsorship of J-League



- Targeting 36 teams and 700 matches
- Marketing image use rights for leagues, teams, and players
- Marketing use of goal scenes and match information
- Match tickets and hospitality
- New, large-scale exposure at grounds
- Program participation + player operation

4 . GEORGIA.

Jump!!!

Renewal of Emerald Mountain 1 / 2 6

General development of Max Coffee 2 / 1 6

Sustained development of JODEKI catalog



Continue Emerald Mountain's three-color strategy that contributed greatly to last year's sales, and expand canned coffee market

The plans, performance forecasts, and strategies appearing in this material are based on the judgment of the management in view of data obtained as of the date this material was released. Please note that these forecasts may differ substantially from actual performance due to risks and uncertain factors such as those listed below.

- Intensification of market price competition
- Change in economic trends affecting business climate
- Major rate fluctuations in capital markets
- Uncertain factors other than those above