

Consolidated Financial Summary for the Second Quarter Ended June 30, 2016 (Japanese Standard)

August 12, 2016

Listed company name: Coca-Cola West Company, Limited Listed stock exchanges: Tokyo and Fukuoka
 Code number: 2579 URL: <http://www.ccwest.co.jp/english>
 Delegate: Title: Representative Director, President Name: Tamio Yoshimatsu
 Contact: Title: Department Manager, Finance Department Name: Masakiyo Uike Phone: +81-92-641-8585
 Expected date of quarterly report submission: August 12, 2016 Expected date of the dividend payments: September 1, 2016
 FY 2016 2Q supplementary information: Yes
 FY 2016 2Q financial presentation: Yes

(Fractions of one million yen are round off)

1. Consolidated financial results for the 2nd quarter 2016 (from January 1, 2016 to June 30, 2016)

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

(1) Consolidated financial results

	Net revenues		Operating income		Recurring income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended								
2nd quarter 2016	219,306	9.1	8,883	265.5	8,630	275.9	4,633	(47.7)
2nd quarter 2015	200,994	(1.1)	2,430	(14.9)	2,295	(20.2)	8,857	930.1

Note: Comprehensive income

2Q 2016: 1,299 million yen < (87.2) % > 2Q 2015: 10,128 million yen < 296.8% >

	Earnings per share	Diluted earnings per share
Year ended	yen	yen
2nd quarter 2016	42.45	—
2nd quarter 2015	81.15	—

(2) Consolidated financial position

	Total assets	Net assets	Net assets (excl. minority interests) to total assets
As of	million yen	million yen	%
2nd quarter 2016	375,025	259,854	69.2
Full year 2015	378,105	260,878	68.9

Reference: Net assets (excl. minority interests)

2Q 2016: 259,466 million yen End of 2015: 260,493 million yen

2. Dividends

(Record date)	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
Year ended	yen	yen	yen	yen	yen
Full year 2015	—	20.00	—	21.00	41.00
Full year 2016	—	22.00	—	—	—
Full year 2016 (forecast)	—	—	—	24.00	46.00

Note: Revisions to the cash dividends forecasts most recently announced: Yes

End of 2Q FY 2016 dividend : an ordinary dividend of 21.00 yen, a commemorative dividend of 1.00 yen
 FY 2016 ending dividend (forecast) : an ordinary dividend of 23.00 yen, a commemorative dividend of 1.00 yen

3. Forecast of consolidated financial results 2016 (from January 1, 2016 to December 31, 2016)

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

	Net revenues		Operating income		Recurring income		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Full year 2016	460,200	4.5	20,500	43.7	18,800	37.0	10,800	8.3	98.95

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 : Yes
 - 2) Changes other than those in 1) above : None
 - 3) Changes in accounting estimates : Yes
 - 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):
2Q 2016: 111,125,714 shares FY 2015: 111,125,714 shares
 - 2) Number of treasury shares at the end of period:
2Q 2016: 1,987,992 shares FY 2015: 1,986,911 shares
 - 3) Average number of outstanding shares at end of period (six months):
2Q 2016: 109,138,332 shares 2Q 2015: 109,140,853 shares

* Indication regarding execution of quarterly review procedures

These Consolidated Financial Results are not subject to the quarterly review procedures provided for by the Japanese Financial Instruments and Exchange Act. And at the time of the disclosure of these Consolidated Financial Results, the quarterly review procedures of the Consolidated Financial Statement have been completed.

* 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 Second-Quarter Ended June 30, 2016
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***Coca-Cola* West**

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

August 12, 2016

1. Situation of Consolidated Profit and Loss

(January 1, 2016 to June 30, 2016)

(million yen, %)

	2Q 2015 actual	2Q 2016					
		plan*	actual	vs. plan		vs. last year	
				change	% change	change	% change
Net revenues	200,994	213,500	219,306	5,806	2.7	18,312	9.1
Operating income	2,430	4,500	8,883	4,383	97.4	6,452	265.5
Recurring income	2,295	4,200	8,630	4,430	105.5	6,335	275.9
Profit attributable to owners of parent	8,857	2,200	4,633	2,433	110.6	(4,224)	(47.7)

* The above plan is based on performance forecast announced as of February 3, 2016.

2. Profits Change Factor (vs. plan)

(January 1, 2016 to June 30, 2016)

(million yen)

	2Q 2016		change	Main factors for increase/decrease
	plan*	actual		
Net revenues	213,500	219,306	5,806	Impact from the soft drink business 6,344 Impact from the healthcare and skincare business (537)
Cost of goods sold	103,200	105,821	2,621	
Gross profit	110,300	113,485	3,185	Impact from the soft drink business 3,218 Impact from the healthcare and skincare business (33)
SG&A	105,800	104,602	(1,197)	Decrease of promotion & ad expenses (358) Decrease of sales equipment cost (268) Decrease of repair expenses (111) Decrease of supplies expenses (109) Decrease of fuel expenses (108) Increase in personnel cost 832 Increase of business consignment expenses 293 Increase of transportation expenses 143 Impact from the healthcare and skincare busin (825)
Operating income	4,500	8,883	4,383	
Non-operating income	400	514	114	
Non-operating expenses	700	766	66	
Recurring income	4,200	8,630	4,430	
Extraordinary losses	—	754	754	Loss on disaster 605 Loss on valuation of investment securities 148
Profit before income taxes	4,200	7,876	3,676	
Total income taxes	1,950	3,210	1,260	
Profit	2,250	4,665	2,415	
Profit attributable to non-controlling interests	50	31	(18)	
Profit attributable to owners of parent	2,200	4,633	2,433	

* The above plan is based on performance forecast announced as of February 3, 2016.

3. Profits Change Factor (vs. last year)

(January 1, 2016 to June 30, 2016)

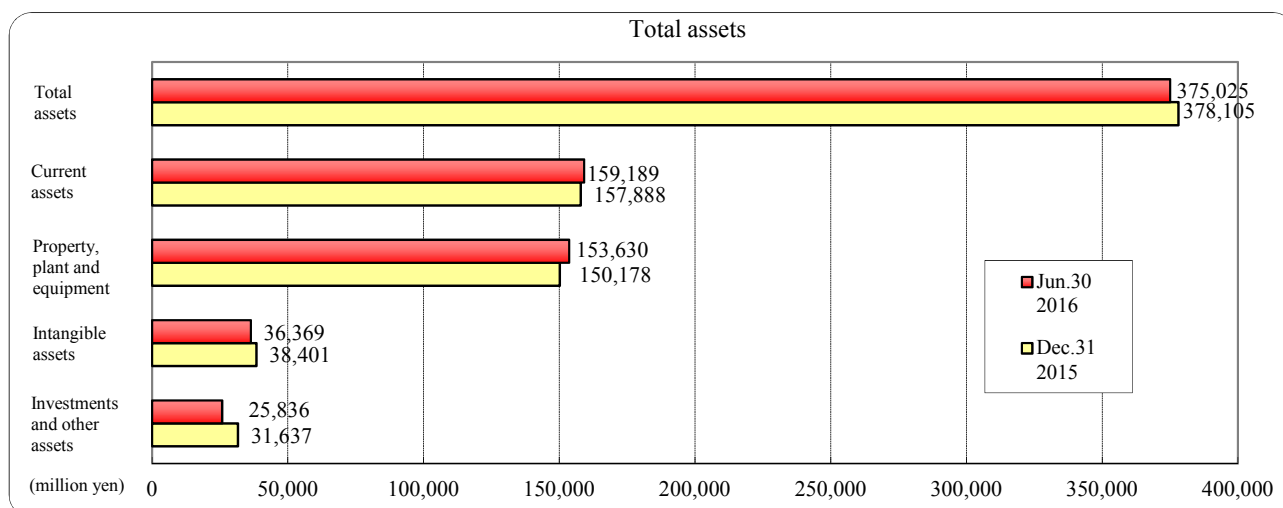
(million yen)

	2Q 2015	2Q 2016	change	Main factors for increase/decrease
Net revenues	200,994	219,306	18,312	Impact from the soft drink business 18,140 Impact from the healthcare and skincare business 171
Cost of goods sold	99,742	105,821	6,079	
Gross profit	101,252	113,485	12,233	Impact from the soft drink business 11,896 Impact from the healthcare and skincare business 336
SG&A	98,821	104,602	5,780	Increase of personnel cost 3,885 Increase of bussiness consignment expenses 1,764 Increase of sales promotion & ad expenses 1,483 Increase of sales commission 1,384 Increase of transportation expenses 360 Increase of repair expenses 108 Decrease of depreciation cost (2,824) Decrease of sales equipment cost (386) Impact from the healthcare and skincare business (293)
Operating income	2,430	8,883	6,452	
Non-operating income	572	514	(57)	
Non-operating expenses	707	766	59	
Recurring income	2,295	8,630	6,335	
Extraordinary income	8,520	—	(8,520)	Gain from negative goodwill (8,445)
Extraordinary losses	475	754	279	Loss on disaster 605 Loss on valuation of investment securities 70 Loss on retirement of fixed assets (396)
Profit before income taxes	10,340	7,876	(2,464)	
Total income taxes	1,469	3,210	1,741	
Profit	8,871	4,665	(4,205)	
Profit attributable to non-controlling interests	13	31	18	
Profit attributable to owners of parent	8,857	4,633	(4,224)	

4. Consolidated Balance Sheet and Change Factor

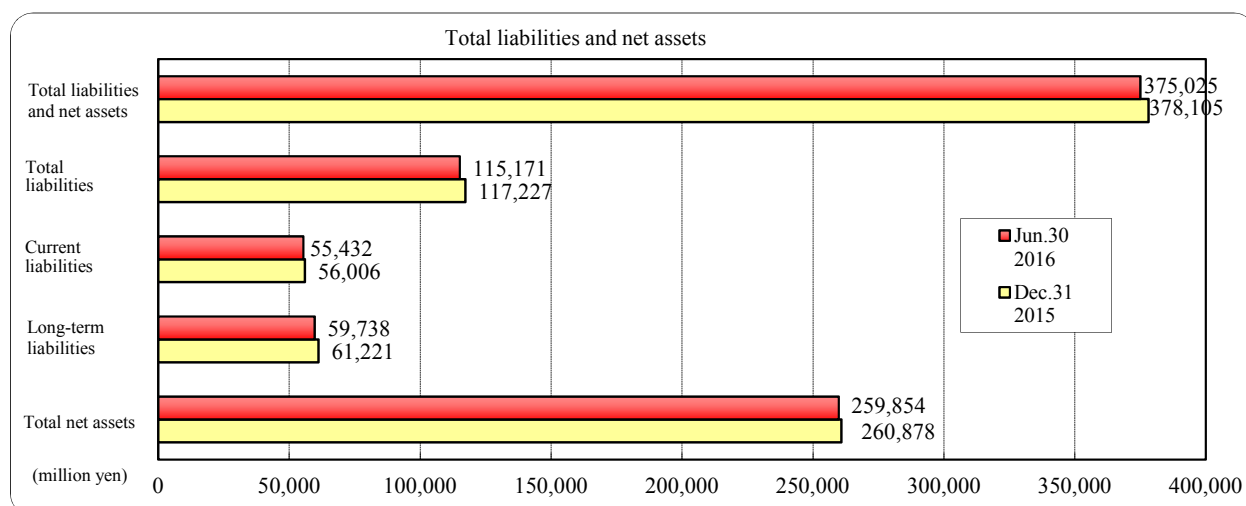
(million yen)

	Dec.31 2015	Jun.30 2016	change	Main factors for increase/decrease
Current assets	157,888	159,189	1,301	
Cash and deposits	49,955	56,960	7,005	
Trade notes and accounts receivable	30,086	31,577	1,490	
Marketable securities	30,001	14,110	(15,890)	Decrease by redemption of marketable securities
Merchandise and finished goods	27,735	31,447	3,712	Increase in inventories for demand season
Work in process	600	651	50	
Raw materials and supplies	2,305	4,580	2,274	
Other	17,575	20,288	2,713	
Allowance for doubtful accounts	(372)	(426)	(53)	
Fixed assets	220,217	215,836	(4,381)	
Property, plant and equipment	150,178	153,630	3,452	
Buildings and structures, net	33,230	32,187	(1,043)	
Machinery, equipment, vehicles, net	21,381	20,653	(728)	
Sales equipment, net	30,313	35,382	5,069	Increase by scaling investments for vending machines
Land	63,204	63,102	(101)	
Construction in progress	69	422	353	
Other, net	1,978	1,881	(96)	
Intangible assets	38,401	36,369	(2,032)	
Goodwill	31,762	30,611	(1,151)	
Other	6,638	5,757	(881)	
Investments and other assets	31,637	25,836	(5,801)	
Investment securities	22,382	17,223	(5,159)	Decrease by the decline of market capitalization of investment securities
Net defined benefit asset	—	57	57	
Other	9,830	9,152	(677)	
Allowance for doubtful accounts	(574)	(597)	(22)	
Total assets	378,105	375,025	(3,079)	



(million yen)

	Dec.31 2015	Jun.30 2016	change	Main factors for increase/decrease
Current liabilities	56,006	55,432	(574)	
Trade notes and accounts payable	19,532	21,028	1,495	
Current portion of long-term loans payable	2,517	1,267	(1,249)	
Accrued income taxes	2,112	2,308	195	
Other accounts payable	21,426	22,466	1,040	
Provision for promotion expenses	355	382	26	
Other	10,061	7,978	(2,082)	
Long-term liabilities	61,221	59,738	(1,482)	
Bonds payable	50,000	50,000	—	
Long-term loans payable	201	192	(8)	
Net defined benefit liability	3,375	3,386	11	
Liabilities for directors' retirement benefits	163	178	15	
Other	7,480	5,980	(1,500)	
Total liabilities	117,227	115,171	(2,056)	
Shareholders' equity	256,569	258,907	2,338	
Capital stock	15,231	15,231	—	
Capital surplus	109,072	109,072	—	
Retained earnings	136,851	139,193	2,341	
Treasury stock	(4,586)	(4,589)	(3)	
Accumulated other comprehensive income	3,924	559	(3,365)	
Net unrealized gains (loss) on other marketable securities	5,217	1,855	(3,362)	Decrease by the decline of market capitalization of investment securities
Deferred gains or losses on hedges	(177)	(594)	(416)	
Foreign currency translation adjustment	17	65	48	
Remeasurements of defined benefit plans	(1,132)	(767)	364	
Non-controlling interests	384	387	3	
Total net assets	260,878	259,854	(1,023)	
Total liabilities and net assets	378,105	375,025	(3,079)	



5. Investment, Depreciation, Cash Flow (consolidated)

(January 1, 2016 to June 30, 2016)

(1) Investment, Depreciation

(million yen)

		2Q 2015	2Q 2016
Investment	Building and construction	301	452
	Machinery & Equipment	1,621	1,643
	Sales equipment	6,226	7,463
	Other	1,112	1,585
	Total	9,261	11,144
Depreciation		11,323	8,269

(2) Cash Flow

(million yen)

	2Q 2015	2Q 2016
Cash flow from operating activities	12,009	4,506
Cash flow from investing activities	(18,940)	(9,807)
Cash flow from financing activities	26,038	(3,737)
Cash and cash equivalents at the end of 2Q	61,089	70,839

6. Projections (consolidated)

(January 1, 2016 to December 31, 2016)

(1) Earnings

(million yen, %)

	2015 actual	2016 plan	change	% change
Net revenues	440,476	460,200	19,723	4.5
Operating income	14,262	20,500	6,237	43.7
Recurring income	13,723	18,800	5,076	37.0
Profit attributable to owners of parent	9,970	10,800	829	8.3

(2) Investment, Depreciation

(million yen)

		2015 actual	2016 plan
Investment	Land	0	4,755
	Building and construction	650	2,127
	Machinery & Equipment	2,887	6,761
	Sales equipment	10,817	16,452
	Other	1,826	4,022
	Total	16,181	34,118
Depreciation		24,048	17,591

7. Sales Information

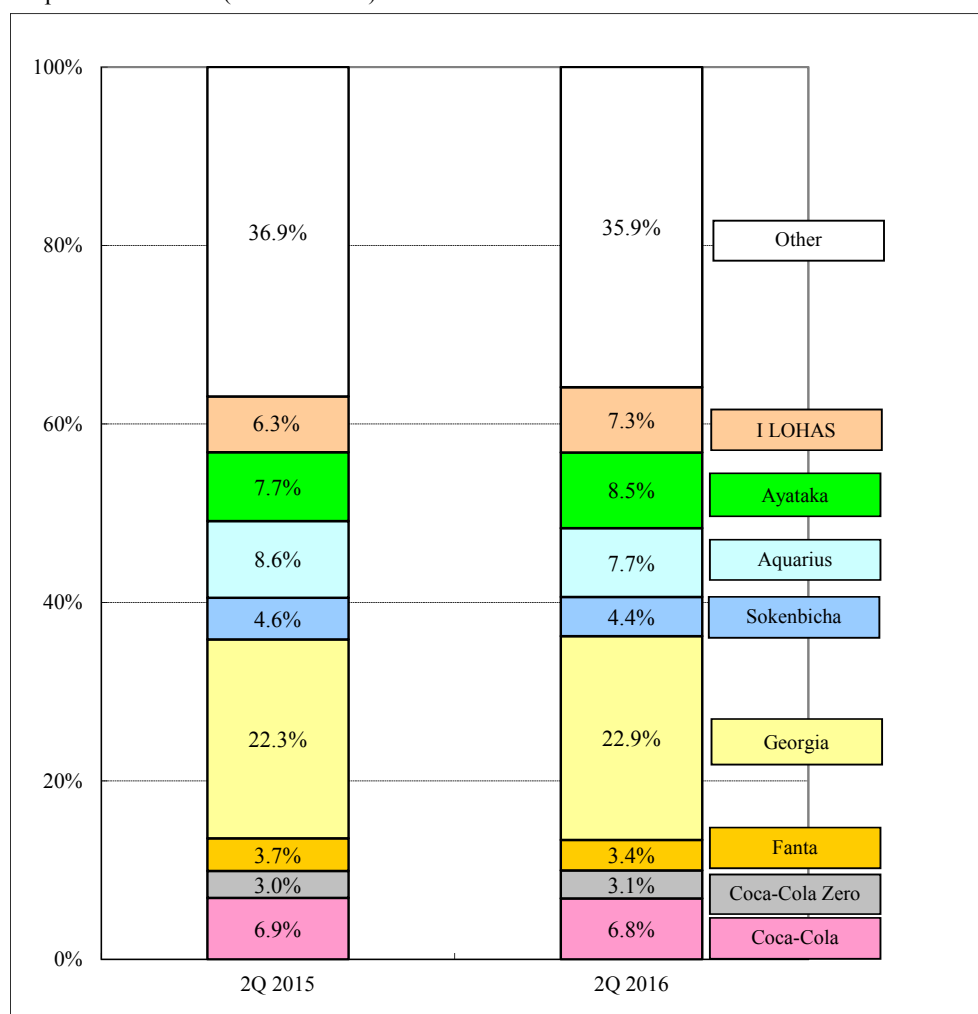
(January 1, 2016 to June 30, 2016)

<Sales volume by brand>

		(thousand cases, %)		
		2Q 2015	2Q 2016	% change
Core 8	Coca-Cola	6,824	7,067	3.6
	Coca-Cola Zero	2,977	3,246	9.0
	Fanta	3,617	3,528	(2.4)
	Georgia	22,101	23,672	7.1
	Sokenbicha	4,605	4,553	(1.1)
	Aquarius	8,515	7,986	(6.2)
	Ayataka	7,642	8,785	14.9
	I LOHAS	6,209	7,583	22.1
Other		36,552	37,160	1.7
Total (excl. Shikoku)		99,042	103,579	4.6
Shikoku		—	8,941	—

Note: Sales volume in 2015 is revised retroactively due to changes of counting segmentation in some products and calculation method in the affiliated company.

<Composition of brand (excl. Shikoku)>



<Sales volume by channel>

(thousand cases, %)

	2Q 2015	2Q 2016	% change
Vending *1	32,765	32,745	(0.1)
Supermarket, etc. *2	29,778	31,987	7.4
CVS *3	12,604	14,022	11.2
Retail *4	5,285	5,235	(0.9)
Food service *5	11,444	11,702	2.3
Other	7,166	7,888	10.1
Total (excl. Shikoku)	99,042	103,579	4.6
Shikoku	—	8,941	—

Note: Sales volume in 2015 is revised retroactively due to changes of calculation method in the affiliated company.

*1 Vending : Retail sales business to distribute products through vending machine to consumers

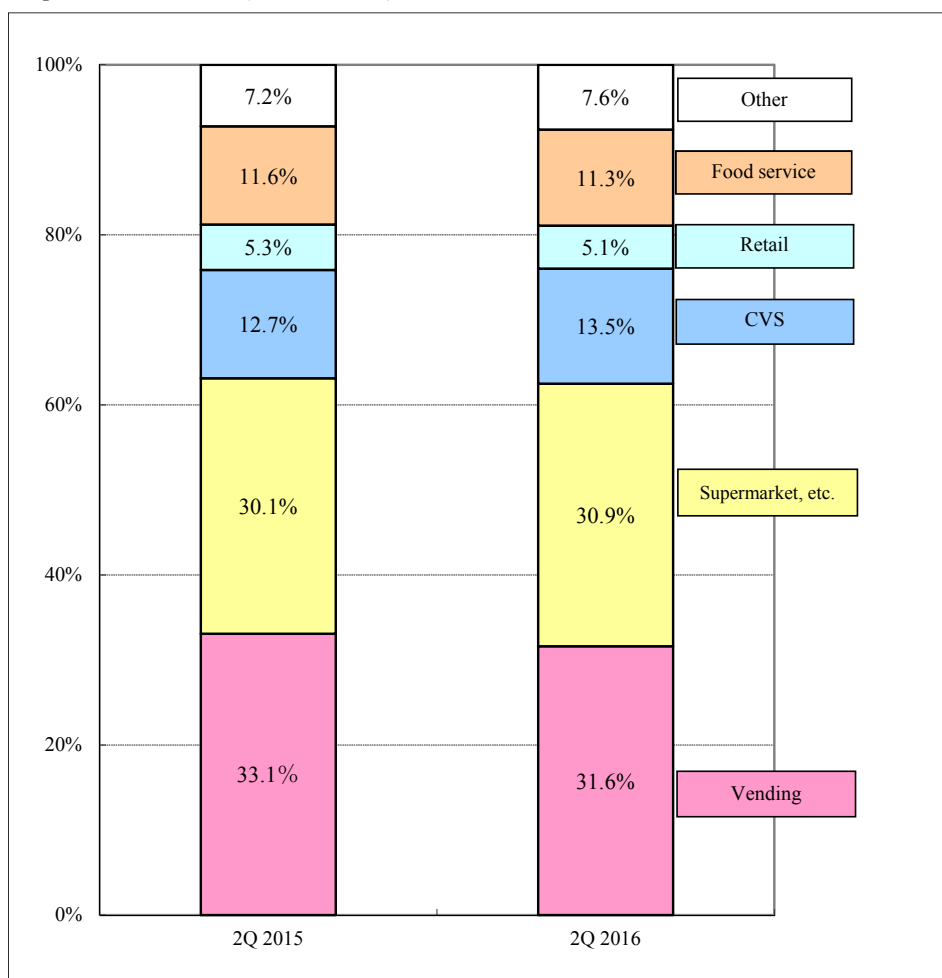
*2 Supermarket, etc. : Wholesale business for supermarket, drug store, discount store, etc.

*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 : Wholesale business in the food-service market such as fast food restaurants, 'family restaurants', etc.

<Composition of channel (excl. Shikoku)>



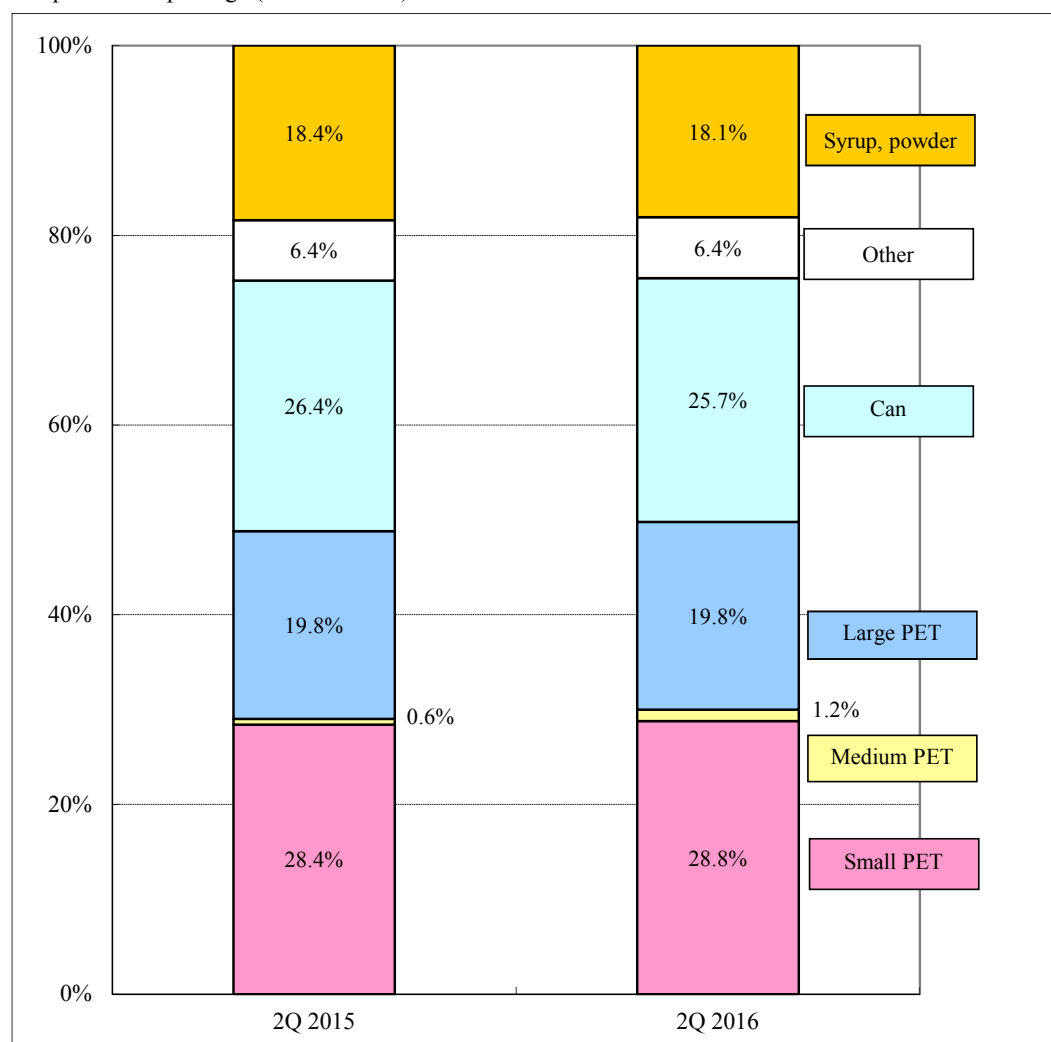
<Sales volume by package>

(thousand cases, %)

		2Q 2015	2Q 2016	% change
PET	Small-sized (less than 1,000ml)	28,120	29,844	6.1
	Medium-sized (less than 1,500ml)	662	1,232	86.2
	Large-sized (1,500ml or more)	19,585	20,519	4.8
	Subtotal	48,367	51,595	6.7
Can		26,167	26,638	1.8
Other		6,311	6,664	5.6
Syrup, powder		18,197	18,682	2.7
Total (excl. Shikoku)		99,042	103,579	4.6
Shikoku		—	8,941	—

Note: Sales volume in 2015 is revised retroactively due to changes of calculation method in the affiliated company.

<Composition of package (excl. Shikoku)>



8. Number of Vending Machines, Market Share

(1) Number of vending machines

(thousand units)

	Dec.31 2015	Jun.30 2016	change
Can vending machine	297	297	0
Cup vending machine	22	20	(1)
Total (excl. Shikoku)	319	317	(1)

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

Shikoku	42	40	(1)
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Note: Figures are the number of can and cup vending machines of Shikoku Coca-cola bottling Co.,Ltd. and its affiliated company Shikoku Canteen Co., Ltd.

(2) Market share of vending machines

(%)

	2015	2016
Out market share (excl. Shikoku)	31.3	—

(Source : McNET Inc., May to June)

9. Home Market Share

(January 1, 2016 to June 30, 2016)

(%)

	2Q 2015	2Q 2016
Total (excl. Shikoku)	22.1	22.8
Supermarkets	21.8	22.4
CVS	23.3	23.2
Retail stores	18.7	17.8
Drug stores	23.2	22.7
Discount stores	22.2	24.8
Shikoku	—	23.7

Note: Market share in 2Q 2015 is revised retroactively due to changes in data acquisition candidates by the research company.

(Source : Intage Inc.)

10. Segment Information

(million yen)

	2Q 2015			2Q 2016		
	Soft drink	Healthcare and skincare	Total	Soft drink	Healthcare and skincare	Total
Net revenues	184,703	16,290	200,994	202,844	16,462	219,306
To outside customers and consumers	184,703	16,290	200,994	202,844	16,462	219,306
Intersegment sales or transfers	—	—	—	—	—	—
Segment profit	1,168	1,262	2,430	6,991	1,892	8,883

Note: Net revenues and segment profit are based on net revenues and operating income reported in the consolidated statements of income.