



コカ・コーラ ボトラーズジャパン株式会社

# News Release

April 19, 2019

Dear all,

Coca-Cola Bottlers Japan Inc.

Largest pallet storage and shipping capacities across Coca-Cola system in Japan

## **Saitama Mega DC groundbreaking ceremony**

Construction to be completed in spring of 2021 as a core base to cover the entire Tokyo and Saitama area

Coca-Cola Bottlers Japan (Headquarters in Minato-ku, Tokyo; Representative Director & President Calin Dragan; hereafter "CCBJI") held a groundbreaking ceremony on April 19 (Friday) for the construction of the largest automatic distribution center across the Coca-Cola system in Japan, in the premises of Saitama Plant in Yoshimi-cho, Hiki-gun, Saitama Prefecture (hereafter "Saitama Mega DC").

Since May 2016, we have been working on large-scale projects in an effort to optimize our logistics system so that we can quickly respond to rapidly changing market conditions and diversifying needs of consumers and customers. As one of such projects, we plan to complete the construction of Saitama Mega DC in February 2021 and use it as a core facility that covers the entire Tokyo and Saitama areas with the largest storage capacity across Coca-Cola system in Japan and shipping capacity of 81 million cases per year.

At the press conference after the ceremony, President Calin Dragan explained the purposes, followed by SCM Head and Executive Officer Bruce Herbert who presented the outlines of logistics center projects and Saitama Mega DC.

We will continue to provide high-quality services and added value as a company who has been making steps with the community under the mission of "delivering happy, refreshing moments every day, and in every occasion to enrich the lives of everyone in the community".



Groundbreaking ceremony



From left to right, Representative Director & President Calin Dragan; Yoshimicho Mayor Yoshio Miyazaki; SCM Head & Executive Officer Bruce Herbert; Regional Supply Chain Head Yasushi Moriya

■ Comment by Representative Director and President Calin Dragan

We hereby announce the construction of Saitama Mega DC, a large-scale distribution center that employs the most advanced technology, in the premises of our Saitama Plant.

As one of the strategies to build a firm foundation that supports our sustainable growth, we aim to optimize our logistics network and have launched a project called Shinsei, a name we chose to express our intention to drastically transform our logistics system.

As part of such project, we will construct this Saitama Mega DC in an important marketplace of Saitama as a critical facility to optimize our logistics system. We plan to invest more than 14 billion yen, which is the largest capital expenditure among all we have announced for Shinsei Project.

■ Comments by SCM Head and Executive Officer Bruce Herbert

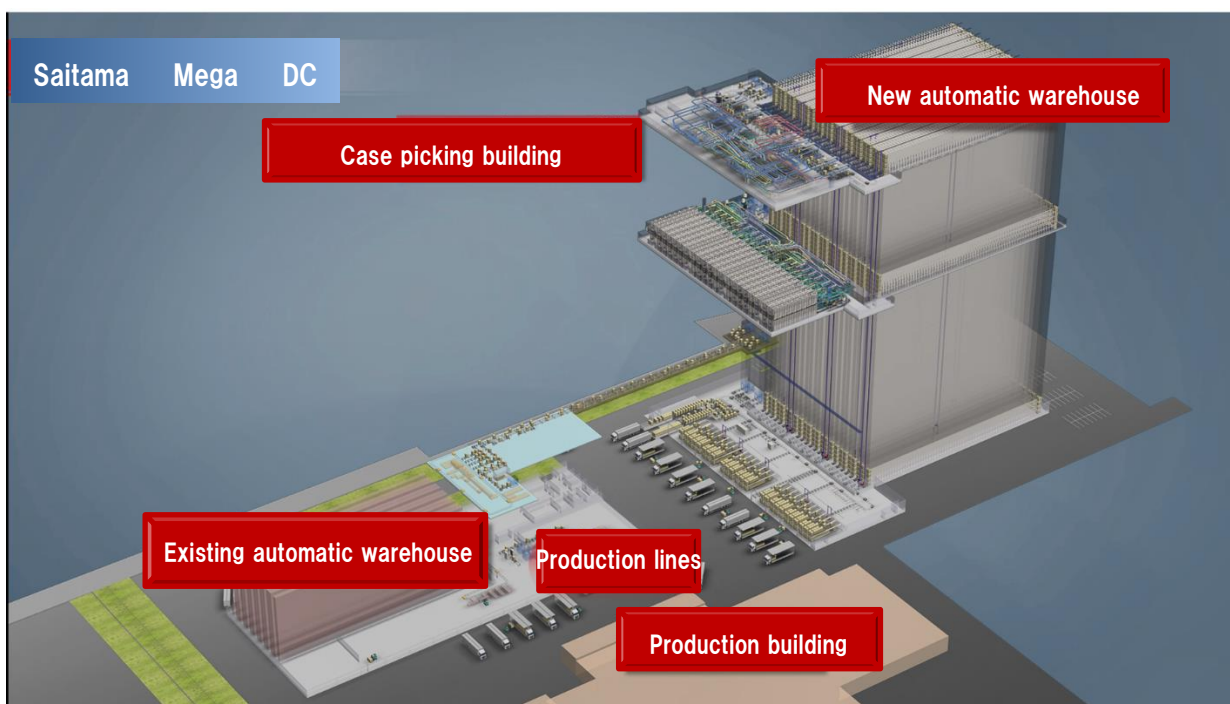
I am happy to announce that the groundbreaking ceremony has successfully finished and that we will begin the construction work in May in the premises of Saitama Plant to build Saitama Mega DC that is equipped with the most advanced technology and serves as an important facility to lead the logistics transformation for the Kanto area.

The main objectives of Shinsei Project are to plan, promote and implement initiatives to achieve “a large-scale transformation of the supply chain network”; recruit talents from both internal and external sources who are capable of leading these transformation initiatives; and build a supply chain system that ensures “well-balanced, continuous kaizen” and “high-quality, low-cost, and stable supplies of products”.

Saitama Mega DC is designed to function as a flagship distribution center for the logistics network covering all of Tokyo and Saitama with an inventory storage space and shipping capacity that would both be the largest in Japan and top-ranking in the global Coca-Cola system. We will also consolidate the sorting/picking operations and inventory/storage spaces of multiple sales centers and hub locations into Saitama Mega DC for better efficiency.

## 【Coca-Cola Bottlers Japan Inc. Saitama Mega DC Outline】

<Planned completion chart>



Address: 943-1 Shimohosoya, Yoshimi-cho, Hiki-gun, Saitama Prefecture

The premises of Coca-Cola Bottlers Japan Inc. Saitama Plant

Building area	14,747 m <sup>2</sup>
Total floor area of the building	23,548 m <sup>2</sup> (3 stories)
Storage volume	60,000 pallets
Shipping capacity	81 million cases
Investment	Over 14 billion yen
Completion	February 2021