



Coca-Cola HBC

**CAPITAL
MARKETS DAY**

3 JUNE 2019

Forward looking statements

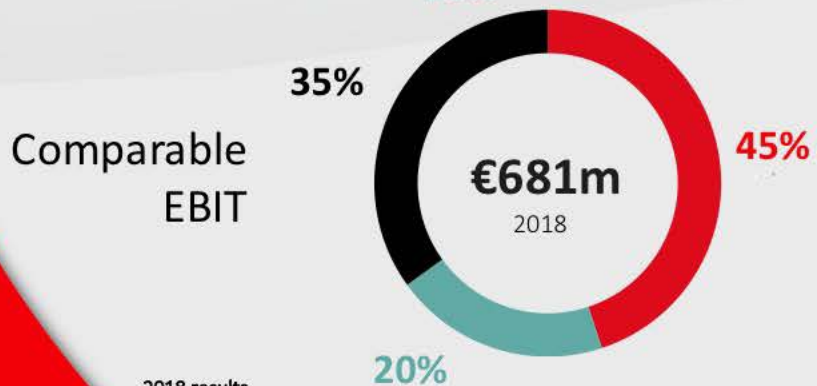
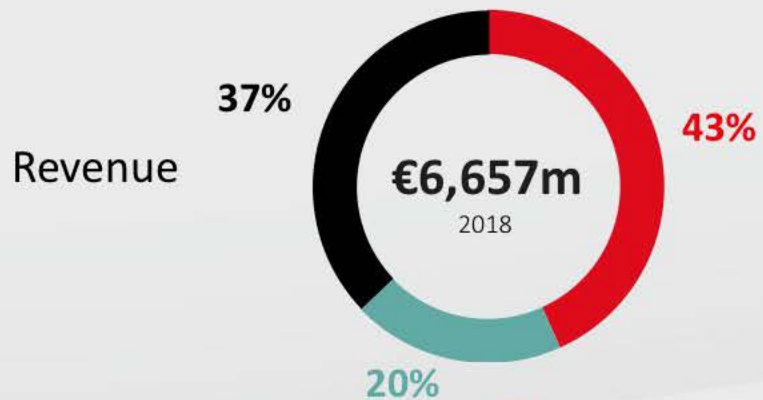
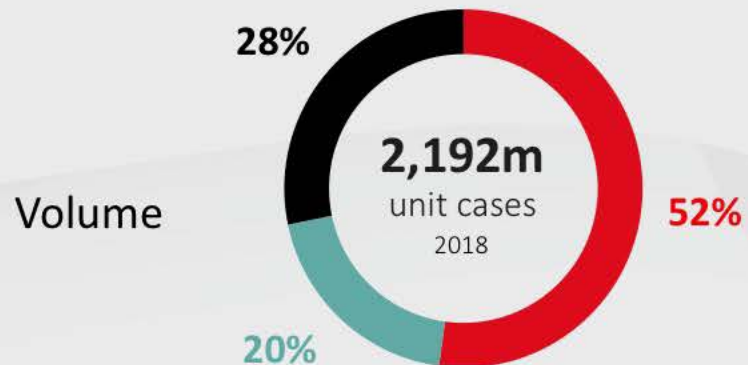
Unless otherwise indicated, the condensed consolidated interim financial statements and the financial and operating data or other information included herein relate to Coca-Cola HBC AG and its subsidiaries (“Coca-Cola HBC” or the “Company” or “we” or the “Group”).

This document contains forward-looking statements that involve risks and uncertainties. These statements may generally, but not always, be identified by the use of words such as “believe”, “outlook”, “guidance”, “intend”, “expect”, “anticipate”, “plan”, “target” and similar expressions to identify forward-looking statements. All statements other than statements of historical facts, including, among others, statements regarding our future financial position and results, our outlook for 2019 and future years, business strategy and the effects of the global economic slowdown, the impact of the sovereign debt crisis, currency volatility, our recent acquisitions, and restructuring initiatives on our business and financial condition, our future dealings with The Coca-Cola Company, budgets, projected levels of consumption and production, projected raw material and other costs, estimates of capital expenditure, free cash flow, effective tax rates and plans and objectives of management for future operations, are forward-looking statements.

By their nature, forward-looking statements involve risk and uncertainty because they reflect our current expectations and assumptions as to future events and circumstances that may not prove accurate. Our actual results and events could differ materially from those anticipated in the forward-looking statements for many reasons, including the risks described in the 2018 Integrated Annual Report for Coca-Cola HBC AG and its subsidiaries.

Although we believe that, as of the date of this document, the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we, nor our Directors, employees, advisors nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. After the date of the condensed consolidated interim financial statements included in this document, unless we are required by law or the rules of the UK Financial Conduct Authority to update these forward-looking statements, we will not necessarily update any of these forward-looking statements to make them conform either to actual results or to changes in our expectations.

Our Company



Established markets
Austria, Cyprus, Greece, Italy, Northern Ireland, Republic of Ireland, Switzerland

Developing markets
Czech Republic, Croatia, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia

Emerging markets
Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, Moldova, Montenegro, Nigeria, North Macedonia, Romania, Russia, Serbia, Ukraine

Accelerating growth

Zoran Bogdanovic
CEO

Winning in the marketplace with customers

Naya Kalogeraki
Group Chief Customer and Commercial Officer

Fuelling growth through competitiveness and investments

Nikos Kalaitzidakis
Regional Director

Stronger than ever for accelerated growth and superior shareholder returns

Zoran Bogdanovic
CEO

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Leveraging our unique 24/7 portfolio

Minas Agelidis
Regional Director



Coke Break

Delivering strong financial results

Michalis Imellos
CFO

Q&A

Accelerating growth



Zoran Bogdanovic
CEO



Coca-Cola
Marchio Registrato

A unique business with a strong growth profile

68 years of history

Industry leader in sustainability with deep roots in our communities

Diverse geographic footprint: 28 countries across 3 continents

Broad, differentiated product offering: 29% of revenues from non-Sparkling

Committed to, and delivering, strong financial growth and shareholder returns: 23% TSR CAGR since 2015

Passionate, dedicated and engaged people

Strategic partner of The Coca-Cola Company








Distinct competitive advantages and growth opportunities

- **Leader** in the dynamic, growing NARTD industry
- **Favourable demographics:** growing population with very low per-capita consumption
- **Diverse, balanced country portfolio** mitigates risk
- **Strongest, broadest, most flexible portfolio of brands** in the industry

- **Exceptional growth opportunities** across high-value occasions and categories, 24/7
- **Significant share** in profitable, growing channels
- **Relentless focus on cost and efficiency** to fuel investments for growth
- **People** with high-performance, winning mindset

No. 1
in SSDs in
22 of 23
measured
markets

Leader in the dynamic, growing NARTD industry

		2018 value share of category in total industry	2018 CCH category value share	2016-2020 industry CAGR	2021-2025 industry CAGR
 SSDs	23 2 5	33%	56%	3.7%	3.9%
 Hydration*	20 2 4	30%	10%	3.8%	3.6%
 Juice	10 01	15%	15%	1.5%	2.5%
 Energy	4 1 2	6%	15%	8.9%	7.8%
 RTD tea	201	4%	23%	3.5%	4.4%
 Other	9 1 3	13%	0.2%	4.4%	5.7%
 NARTD	69 6 17	100%	26%	3.8%	4.1%

● 2018 (€bn)

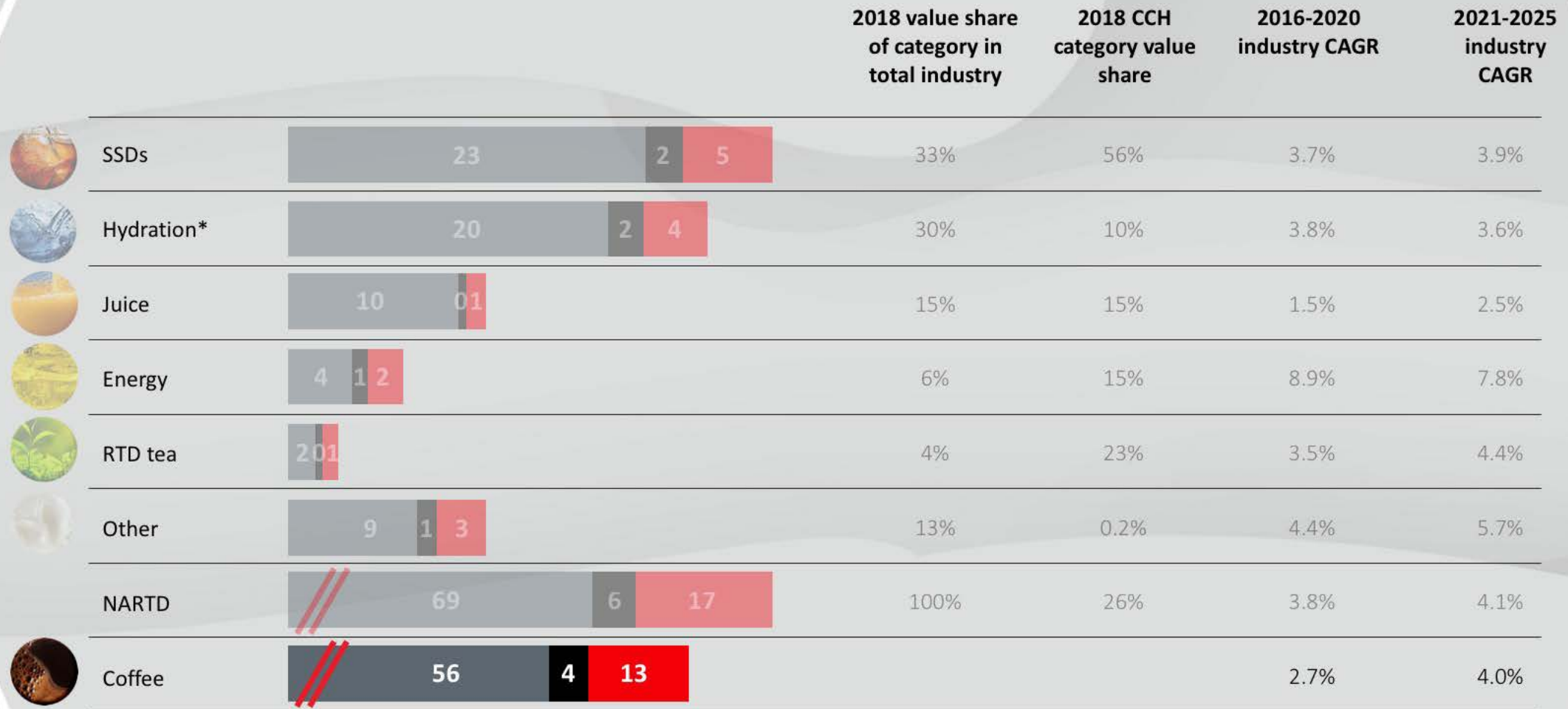
● 2019-2020 projected
increase (€bn)

● 2021-2025 projected
increase (€bn)

*Hydration includes Water and Sports drinks

Source: 2018 GlobalData and value extrapolated based on Nielsen and internal estimates. 2018-25 Forecast based on internal estimates.

Future opportunity in Coffee



● 2018 (€bn)

● 2019-2020 projected increase (€bn)

● 2021-2025 projected increase (€bn)

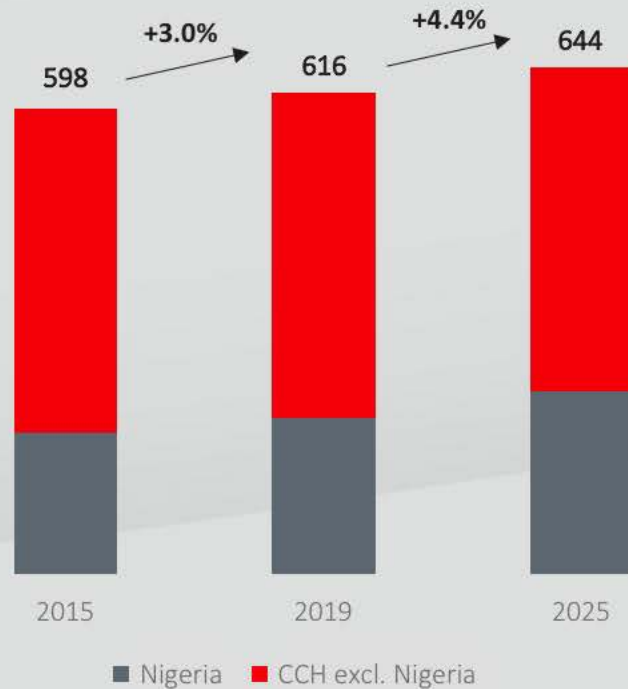
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Favourable demographics - growing population with very low per-capita consumption

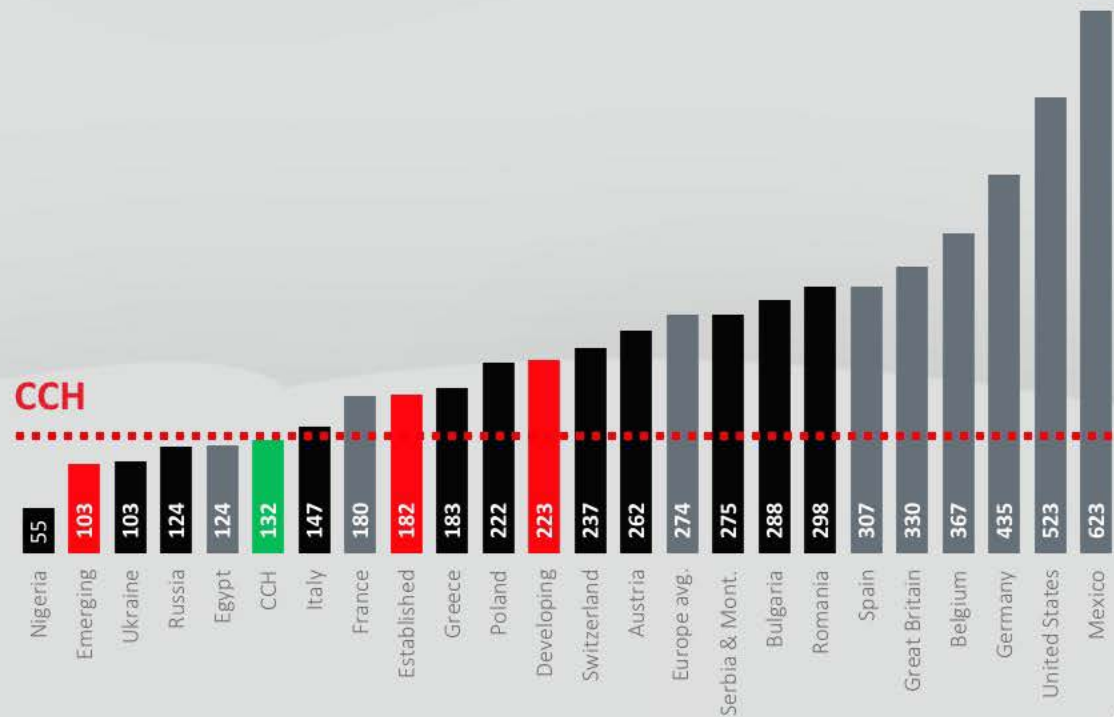
54% of Nigeria's population is less than 19 years old

Population (m)



2018 industry SSDs servings per-capita

CCH



Sources: IHS, internal estimates
Serving is 8oz or 237ml

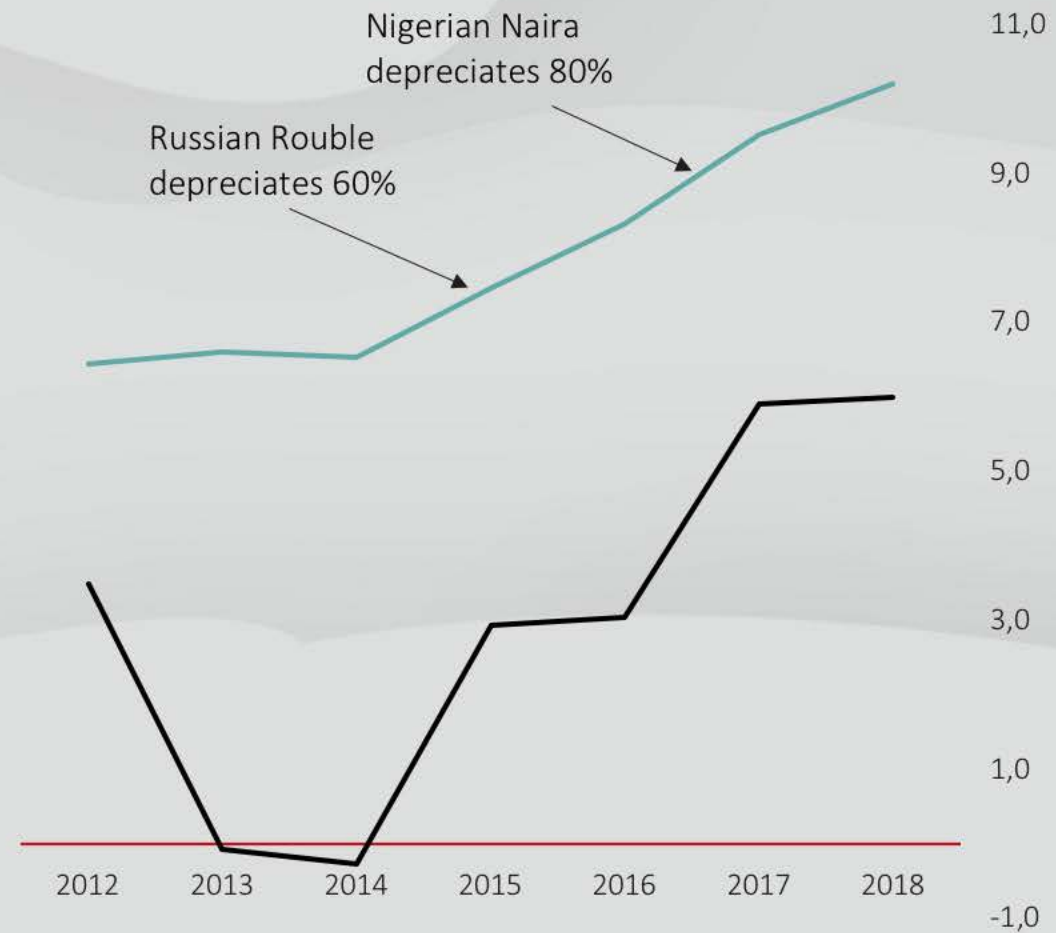
Diverse, balanced country portfolio mitigates country-specific risks

Diverse geographical source of EBIT

3 countries
with >10% of
EBIT contribution
each

7 countries
with 5-10% of
EBIT contribution
each

18 countries
with <5% of EBIT
contribution
each



● Currency-neutral revenue growth (%) ● EBIT margin (%)

The strongest, broadest, most flexible portfolio

8 categories, over 100 brands, c. 4,000 SKUs

% in CCH revenue

Categories

Brands

71%



Sparkling



9%



Hydration (Water & Sports)



8%



Juices



4%



Ready-to-drink tea



3%



Energy



<1%



Plant-based beverages



3%



Premium spirits



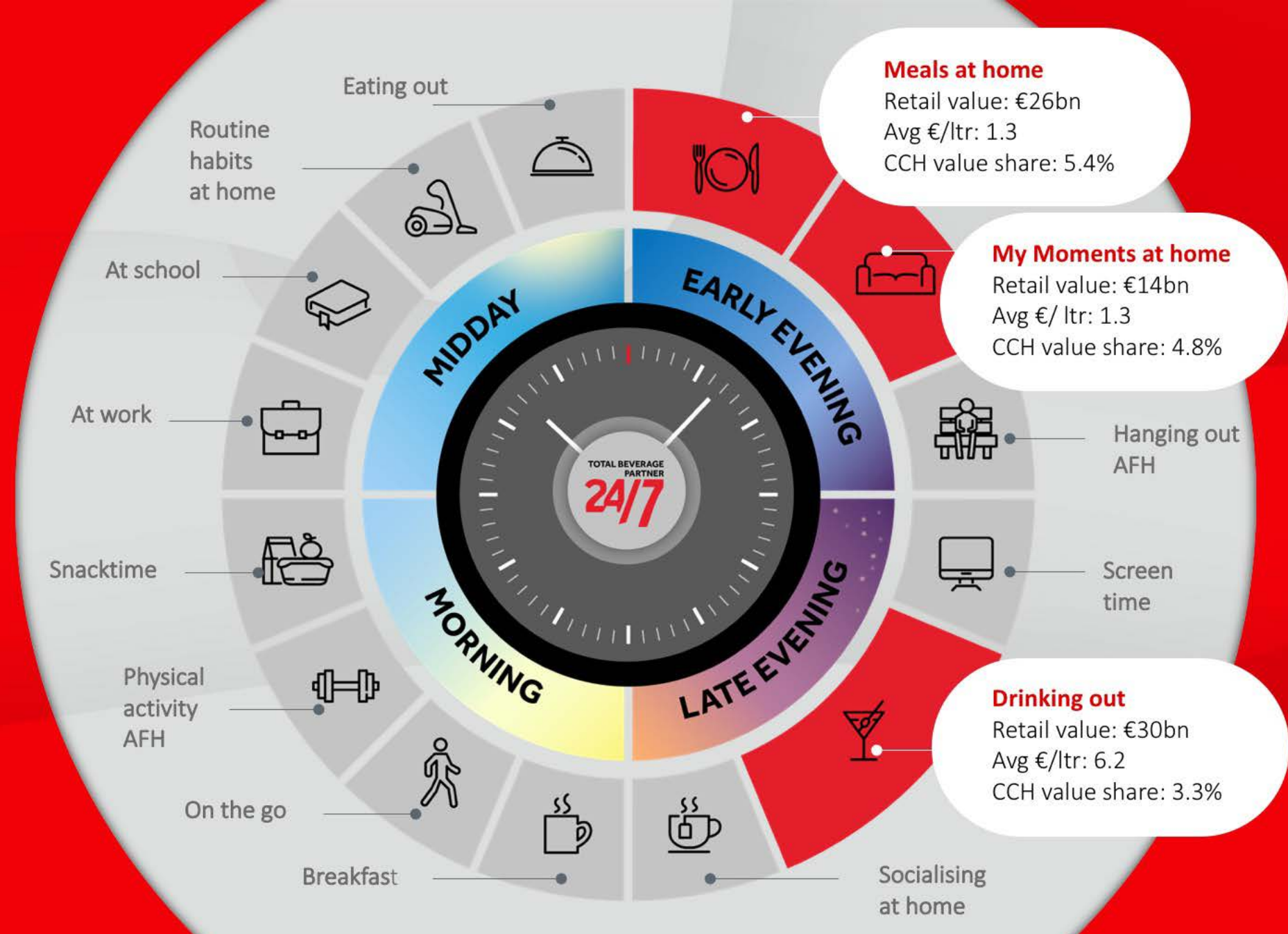
1%



Coffee



Growth opportunity in commercial beverages within the largest and most valuable occasions



Occasion figures refer to total commercial beverages: including NARTD alcohol and hot beverages

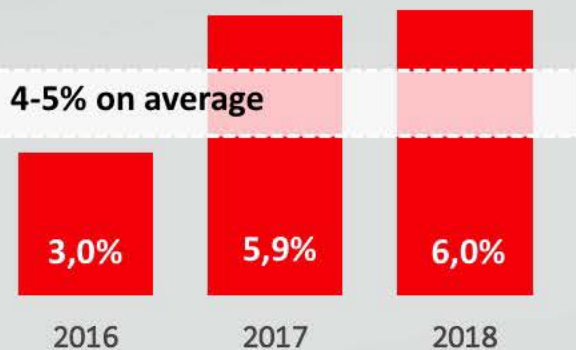
In 2016 we set
ambitious
targets for
2020

Targets	Drive volume growth	Focus on value	Improve efficiency	Invest in the business
Scorecard	<p>4-5% p.a. Average currency-neutral revenue growth</p>		<p>26-27% by 2020 comparable OpEx as % of revenue</p>	<p>Capital expenditure 5.5%-6.5% of revenue*</p>
	<p>11% by 2020 comparable EBIT margin</p>		<p>Working capital less than €-100m</p>	



We are delivering on our 2020 targets

Currency-neutral revenue growth

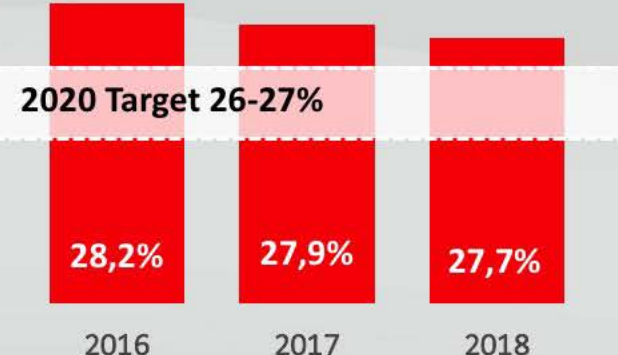


Comparable EBIT margin

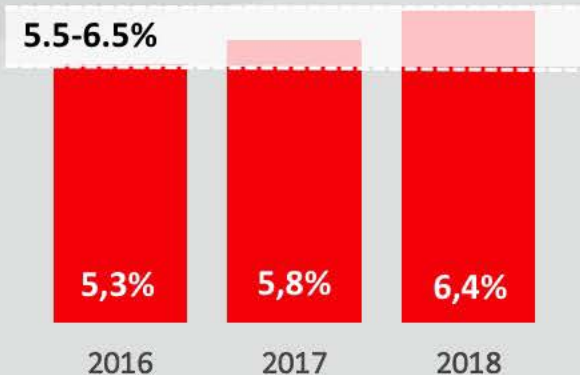
2020 Target 11%



Operating expenses as a % of revenue



CAPEX as a % of revenue



Working capital (€ mn)

Consistently triple-digit negative

Our growth will be driven by
a crystal clear vision

THE LEADING



Coca-Cola
Hellenic Bottling Company

24/7

BEVERAGE PARTNER



Coca-Cola
Hellenic
Bottling
Company

Each of our **growth pillars** is a core strength or competitive advantage

Leverage our unique 24/7 portfolio

Win in the marketplace with our customers

Fuel growth through competitiveness and investment

Cultivate the potential of our people

Earn our licence to operate

Growth Capabilities



We know what brought us here

- Strong **talent identification & accelerated development**
- Deep **management bench strength**
- Committed to drive **leadership development**

Cultivate the potential of our people

And we know what will take us to 2025

- **High performance** mindset
- **Customer partnership** culture
- **Agile organisation** and processes
- **Talent development** and personal growth

70%
TOP 300 leaders internally promoted

600
Active mentors

8 / 10
'High potential' employees promoted one year after acceleration programme

86%
Key positions with nominated successors

950
Participants in 'high potential' programmes

80,000
Training hours;
34% digital



Talent development is our lighthouse capability

Earning our licence to operate

Clear roadmap to 2025 commitments



30%

Reduction in carbon emissions in direct operations

75%

Packaging recovered (from 45% in 2018)

20%

Water reduction in plants in water risk areas

1 MIL

Young people trained

Recognised as a leader in ESG

Ranked among the top sustainability performers in ESG benchmarks

- Dow Jones Sustainability Indices – 6 years in top 3*
- FTSE4GOOD – member since 2002
- MSCI ESG – AAA score for the last 3 years
- Carbon Disclosure Project (CDP) – leadership score in the last 3 years in climate change

Towards a World Without Waste

- 100% rPET** for key water brands
- 50% rPET for Coca-Cola and Coke Zero - Austria, Switzerland



*DJSI - 6 years in top 3, 4 of which at the top of both European and Global Beverage Industry ranking
**Recycled PET

5-6%

Annual organic revenue growth

We aim to deliver another step up in **performance**

20-40bps

EBIT margin expansion p.a. on average

Accomplish our **2025 sustainability commitments**

Leverage our unique 24/7 portfolio

Win in the marketplace with our customers

Fuel growth through competitiveness and investment

Cultivate the potential of our people

Earn our licence to operate

Greater than high performing norm **Employee engagement score**

Growth Capabilities



We have the strategy, portfolio and competitive advantage to deliver

Diversified business with strong growth profile

Distinct competitive advantages and growth opportunities

Track record of delivering growth

Next phase of growth is driven by a **clear vision**

Growth strategy leverages our unique strengths

We will cultivate the **potential of our people** and maintain our **sustainability leadership**

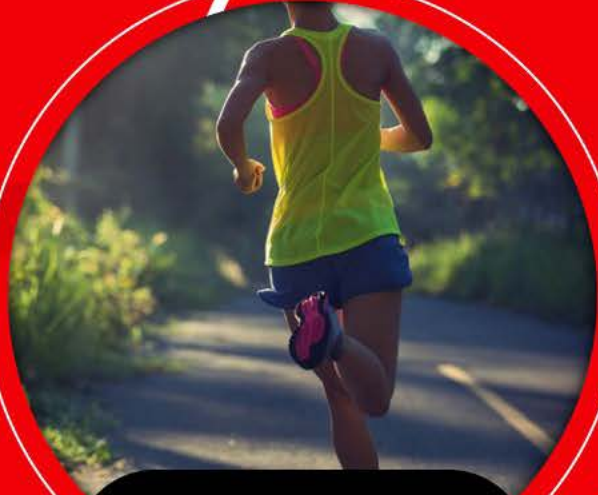


**Leveraging
our unique
24/7 portfolio**



Minas Agelidis
Regional Director

Consumer dynamics are changing



**Better for me,
better for the planet**



Living out



Double youth



Closer to me



Screen it all

We are well positioned to address them



Better for me,
better for the planet



Living out



Double youth



Closer to me



Screen it all

This is
creating real
opportunity
around our
24/7
portfolio



We have a clear **category strategy**



Sparkling

Drive category
value growth



Water

Expand and premiumise



Juices



RTD Tea



Energy

Innovate and
expand



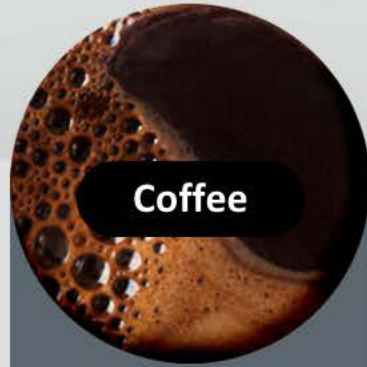
Plant-based

Establish
right to win



Premium Spirits

Unlock total
portfolio growth in
HoReCa



Coffee

Unlock total
portfolio growth
in AtWork &
HoReCa

Sparkling is where our right to win is the strongest

LIGHTS & ZEROES DRIVING CATEGORY GROWTH



- New flavours in Zero formula (Lemon, Ginger, Cherry, ...)
- No-sugar variants grew +14% in 2017 and +26% in 2018, spurring category growth
- Coke Zero: 8 consecutive quarters of growth >20%
- Share of Lights & Zeroes from 9.8% in 2016 to 13.1% in 2018

SINGLE-SERVES

DRIVING REVENUE/CASE ACROSS OCCASIONS AND CONSUMERS

- Single-serve revenue per case: 1.7x vs. multi-serve
- Single-serve mix: from 43% in 2015 to 45% in 2018
- Building habits of single-serves for future consumption through multi-packs
- Innovations primarily in single-serves



PREMIUMISATION FOCUS ON GLASS BOTTLE AND NEW PRODUCTS



- Limited & collectible editions for glass
- “Romancing” iconic glass bottle through perfect serve experience
- Premium innovations with functional benefits (Coke plus Coffee)
- Glass revenue* +8% in 1y

*Glass packs up to 350 ml

ADULTS

CAPTURING GROWTH VIA PREMIUM MIXERS AND INNOVATIONS

- 2x faster growth in adult sparkling vs. average sparkling
- 43% category share in adult sparkling (+2pp vs. 2017)
- Premium price range: from 15% (Russia) to 55% (Ireland)





Romania: Schweppes **growth** fuelled by innovation

NEW PACKS



250 ml sleek can



250 ml glass

NEW FLAVOURS



Mandarin



Spritz Aperitivo



Spritz Jazzy

PRICING*

2016: parity to Coca-Cola

2018: +30% vs. Coca-Cola

2019: +40% vs. Coca-Cola

EXECUTION



MIXABILITY



REVENUE

2.1x

vs.

2015

*Average per litre

Adria*: Coca-Cola growth fuelled by package premiumisation

2016

“Dubrovnik” limited edition aluminium bottle



Revenue per case: +120% premium vs. regular glass

+1.2%

+0.9pp

vs. 2015

2018

“Sarajevo Film Festival” collectible sleeved glass bottle



Revenue per case: +7% premium vs. regular glass

+6.4%

+3.0pp

vs. 2015

“50 years anniversary” collectible sleeved glass bottle



Revenue per case: +23% premium vs. regular glass

SSD revenue / case

Single-serve mix

*The Adria cluster includes Slovenia, Croatia, Bosnia & Herzegovina

Drive value growth in **non-sparkling** via scale and premiumisation

WATER

TEA

JUICE

HYDRATION PORTFOLIO STRATEGY

PORTFOLIO STRATIFICATION TO ENTER HIGHER PRICE POINTS

Strategic Water map for every market

	STILL	SPARKLING	FUNCTIONAL
SUPER-PREMIUM	BUILD EQUITY		ENTER
PREMIUM	EXPAND		
MAINSTREAM		ELEVATE VALUE	

Successfully re-entering Tea category



- #1 brand in 11 of our countries
- FUZETEA: volume in first year already ahead of target and prior year

Russia as innovation leader



- 36% value share in Russia
- Innovation hub for new products and packaging

Roles per segment

- Premium water:** develop and scale
- Mainstream water:** profitably grow
- Flavoured water:** lead category growth
- Sports drinks:** capture share

Portfolio stratification



- “FUZETEA Premium” flavours
- 25% premium in price per litre

Capturing higher price points



- “Corners of Russia”
- 10% premium in revenue per case
- Approach scaled in SER, GR, CYP

Pushing the boundaries **beyond the core** by leveraging fast-growing and new categories

ENERGY

INNOVATE AND EXPAND TO GROW AHEAD OF CATEGORY



- 3 years of >20% growth
- Innovations: 25% contribution to growth
- Portfolio expansion with new brands

PREMIUM SPIRITS

UNLOCKING HORECA POTENTIAL

- Already in 19 markets with intention to expand
- Driving incidence and share with mixability programmes



PLANT-BASED

ESTABLISH RIGHT TO WIN IN EMERGING CATEGORY



- Launched in 17 markets: up to 9% share in first year
- Emerging revenue pool: revenue per case is 2x vs. NARTD

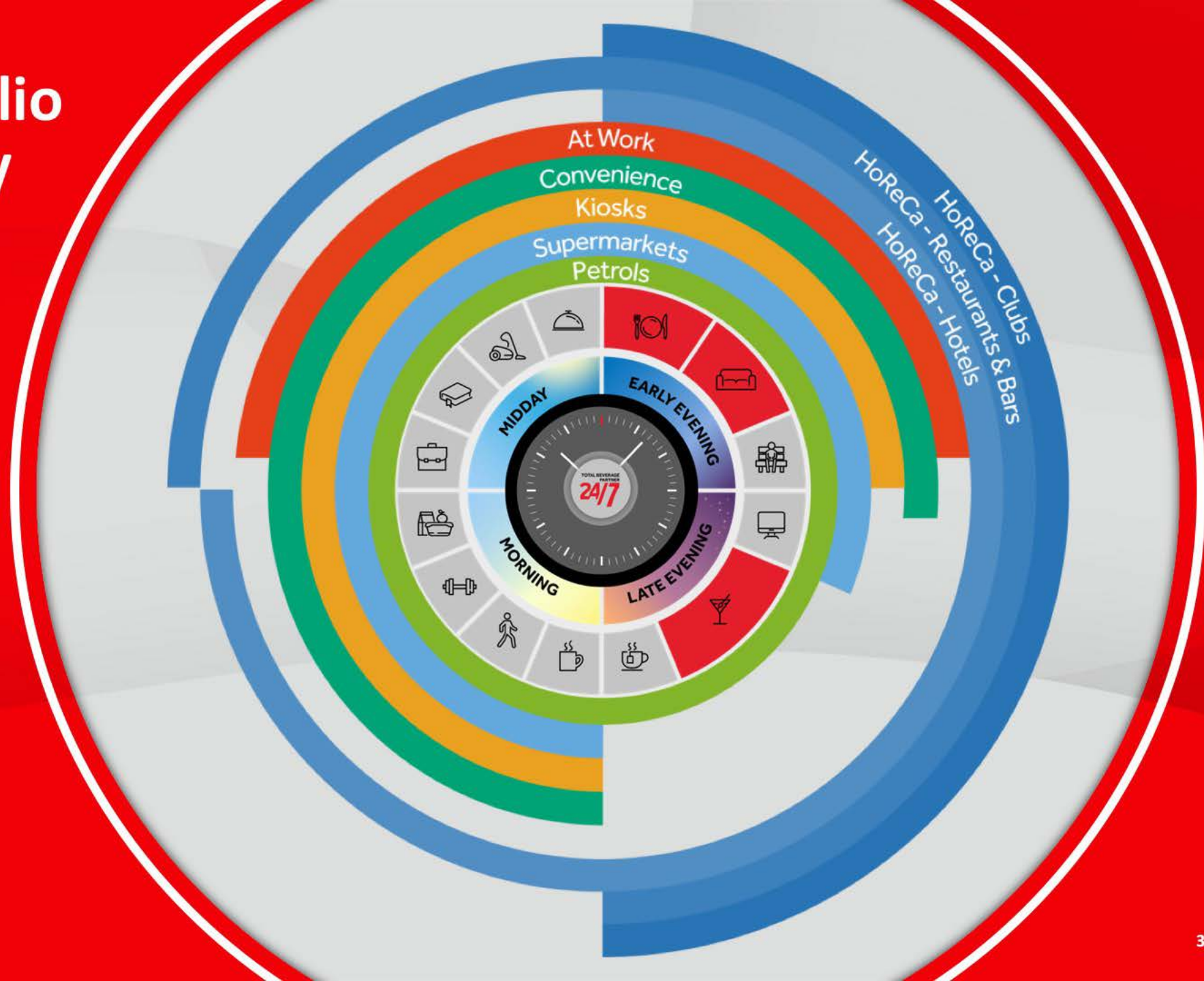
COFFEE

ENABLING PORTFOLIO PENETRATION IN AT WORK AND HORECA

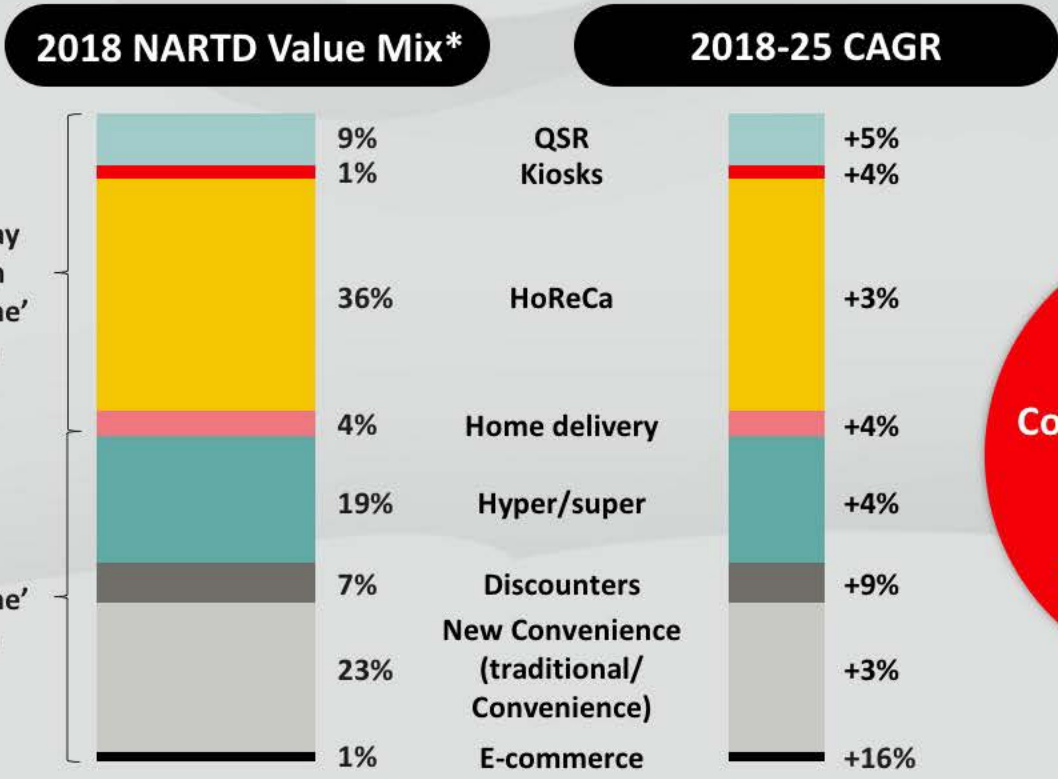
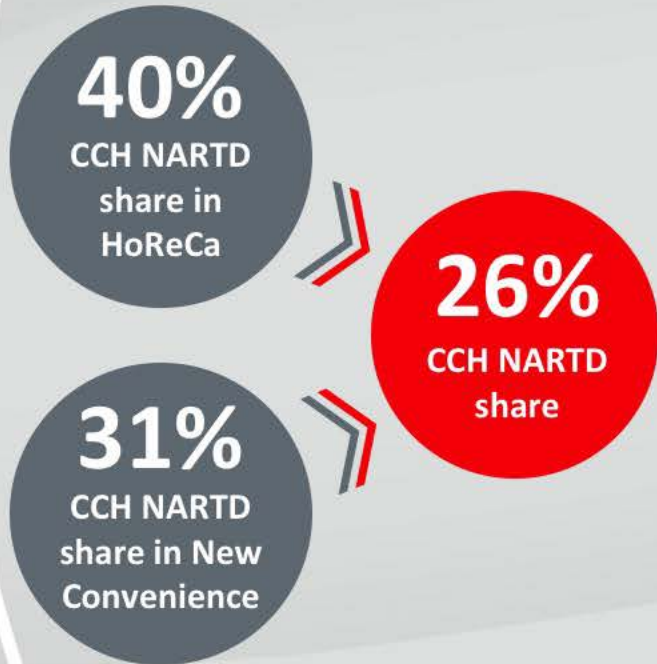
- Established coffee experience
- Ready for Costa Coffee



Our 24/7 portfolio allows us to stay relevant for every outlet in every channel



Strong presence in **HoReCa** and **New Convenience**



HoReCa is the biggest value contributor

Away from home and New Convenience will drive **c.60%** of NARTD growth

*Source: Hyper/Super/Discounters based on Nielsen 2018, rest channels contribution based on Euromonitor 2016 and updated for the following years based on Internal Estimates 2018-25 Forecast based on internal estimates. Data refer to CEE area

HoReCa and New Convenience drive significant value creation

HORECA

26% OF NARTD INCREMENTAL VALUE GENERATED*

NEW CONVENIENCE

14% OF NARTD INCREMENTAL VALUE GENERATED*

Meals at home

Drink out

Eat out

1.3

6.2

7.5

€ / ltr

(Average 1.8)***

+20%**

New Convenience revenue per litre premium vs. Hypers/Supers

*Channels contribution based on Euromonitor 2016 and updated for the following years based on Internal Estimates /2018-25 Forecast based on internal estimates

** Internal management reporting

***EUR/ltr: refers to total commercial beverages for CCH Top 12 countries: including NARTD alcohol and hot beverages



Greece: **Winning in HoReCa** Through **24/7** total beverage partnership

Example of how our 24/7 portfolio transformed our penetration of an actual HoReCa outlet

2016



c. 8% of outlet turnover

2017



c. 50% of outlet turnover

2018



c. 75% of outlet turnover

NARTD SUPPLIER

24/7 BEVERAGE PARTNER

From:



To:



Leveraging our unique 24/7 portfolio

Key takeaways

Consumer
preferences
are **changing**

This is creating
**real
opportunity**
across our
24/7 portfolio

We are clear
about our
**category
strategies**

We have roles
for our portfolio
and channels to
create value

The results
prove **our
right to win**

Winning in the marketplace with customers

Naya Kalogeraki
Chief Customer and Commercial Officer



Winning in the marketplace with customers

Next generation
customer
approach
driven
by insights

**JOINT
VALUE
CREATION**

Industry
leading
commercial
capabilities



Creating joint value requires **insights** and continuous **listening**

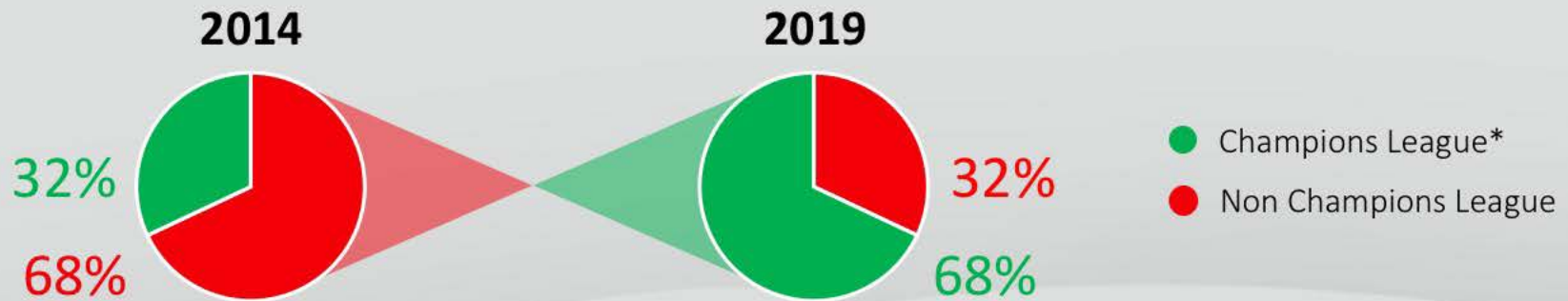
Pulsing

Annual Customer Satisfaction Survey

Quarterly Pulsing Surveys

Ongoing cross-functional Interaction

Results



Revenue & profit tools



Promo Management Tools



Commercial Policy Tools

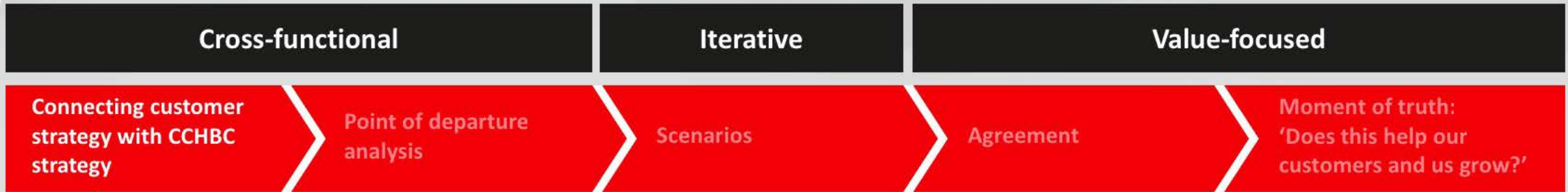


Profit Pool Simulation Tools

*Champions League position in each country defines the best beverage supplier for the customer both in terms of relationship and performance elements such as sales personnel, order & delivery, marketing support, commercial policy etc.



We have a proprietary methodology to create **joint value with customers** (Established market Key Account example)



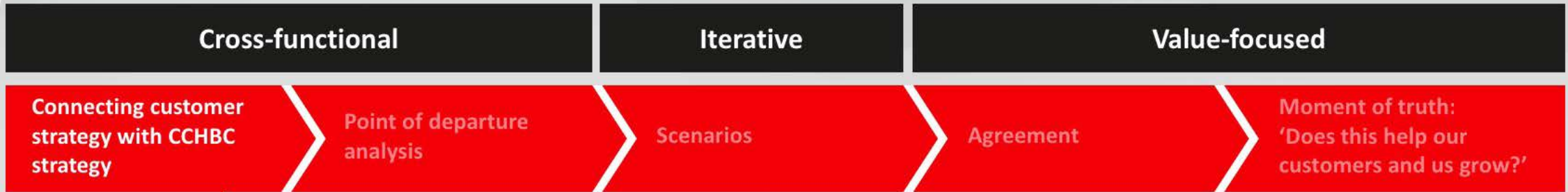
We listened to our customer and understood their needs

- Traffic and revenue growth via competitive promo
- A differentiated product and package lineup
- Improved margin on promoted products



We have a proprietary methodology to create **joint value with customers**

(Established market Key Account example)

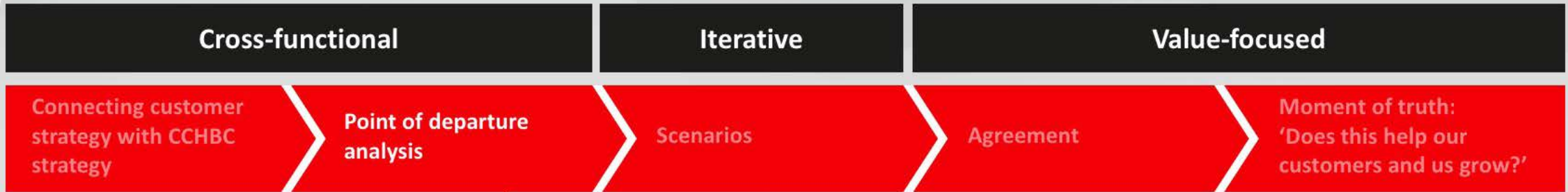


We defined our strategic goals with this customer

- Grow single-serve and Zeroes
- Gain out-of-shelf space
- Grow the energy category
- Increase FUZETEA assortment



We have a proprietary methodology to create **joint value with customers** (Established market Key Account example)



We looked at opportunities with the customer's shoppers

- Upsize shoppers with single-serve multi-packs
- Energy category growth opportunity



We have a proprietary methodology to create **joint value with customers** (Established market Key Account example)



To capture win-win opportunities

- Competitive promo with customised packs
- Improve single-serve mix
- Accelerate new, high revenue categories



Coca-Cola HBC
KAM

We have a proprietary methodology to create **joint value with customers**

(Established market Key Account example)

Cross-functional

Iterative

Value-focused

Connecting customer strategy with CCHBC strategy

Point of departure analysis

Scenarios

Agreement

Moment of truth: 'Does this help our customers and us grow?'

Agreed a customised plan with accelerated timing

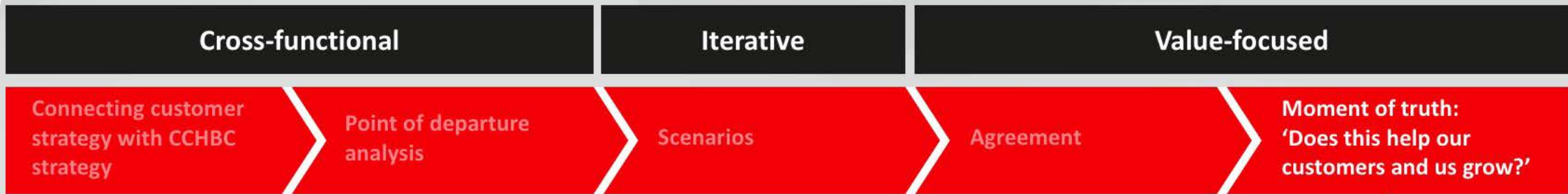
- Launch Coke 0.66L in permanent extra displays
- Upsize 0.66Lx4 to dedicated 0.66Lx6 multi-pack
- 1 new Energy SKU
- 3 new FUZETEA SKUs





We have a proprietary methodology to create **joint value with customers**

(Established market Key Account example)



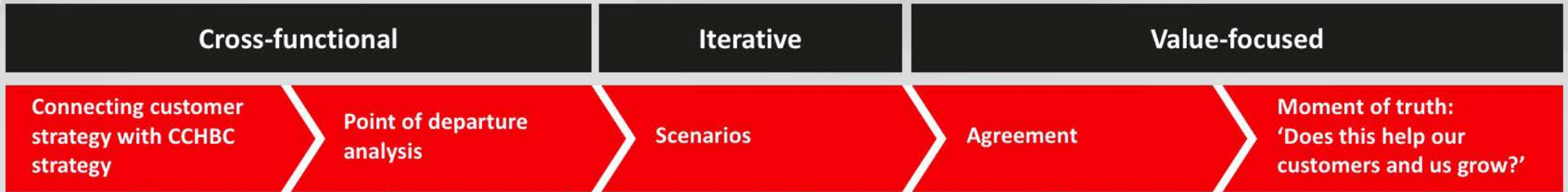
CLEAR DELIVERABLES

+7% Revenue
+8% Profit
+1.2pp Share



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(Established market Key Account example)



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Moment of truth: 'Does this help our customers and us grow?'

CLEAR DELIVERABLES

+7% Revenue **+8% Profit**

+1.2pp Share

Our partnership principles and execution capabilities bring customer plans to life

Partnership principles

Listening to act

Cross-functional approach & mindset

Daily conversations in revenue and profit terms

15,000 salesforce servicing our customers every day

1.2M Stores visited across 28 countries

84% Top outlet cooler coverage

1.5M coolers placed (+120K annual 3Y average)

Execution capabilities

Moving to experiential execution

Average past 3-year improvement vs. RED* benchmark

+9pp

Average past 3-year increase in displays per store

+9%



Russia: Store of the future

Activation based on **customer-specific** shopper insights

Tailored execution for relevant drinking occasions

Cross-category activation to maximize **win-win value creation**

Intuitive & **digitised** shopper solutions

Winning in the marketplace with customers

Next generation
customer
approach
driven
by insights

**JOINT
VALUE
CREATION**

Industry
leading
commercial
capabilities



Our capabilities are **catalysts for growth** and drivers of **competitive advantage**



Growth-focused Big Data and Advanced Analytics



CCH BDAA blueprint

3 Value creation areas:

- Top-line acceleration
- Cost optimisation
- Improved service and operations (Supply Chain and Human Resources)

CCH approach:

- Develop in-house capability
- Monetise data through value creation opportunities in targeted outlets
- Agile rollout (test, learn, adapt)

*Right Execution Daily

Nigeria: BDAA example of segmented execution



Outlet-specific execution priorities



Tailored suggested order for each visit



End-to-end (order & execution) responsibility



+32% Volume uplift in test outlets

+3pp Distribution increase

up to 2x Improvement in execution as measured by RED



Value-led Revenue Growth Management

TCCC and CCH joint proprietary RGM blueprint

3 Value lenses



Consumer
(TCCC)



Shopper
(TCCC +
CCH)



Channel /
Customer
(CCH)

10-step framework

- Insights
- OBPPC:
 - O - occasions
 - B - brand
 - P - pack
 - P - price
 - C - channel/customer
- Commercial Policy
- Promo

Key opportunities

- Pricing
- Accretive mix (category, brand, pack)
- New pack & flavour launches
- Assortment optimisation
- Whitespace revenue pools
- Promo optimisation



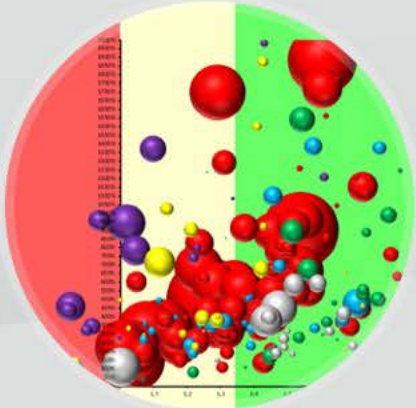
Value-led Revenue Growth Management



Russia: RGM example

Improving promo ROI

% of negative ROI promos
-10pp



Average volume uplift:
+44%

New 0.9L pack driving household penetration

Incremental revenue
+5 M EUR



+15 M
Incremental transactions

New 330ml NRGB* premiumising and driving single-serve growth

Incremental revenue
+0.7 M EUR



+0.5 M
Incremental transactions

*Non Returnable Glass Bottle
**Figures are estimates of 2019 results vs 2018

Tech-enabled **Route to Market**



TCCC & CCH joint RTM blueprint

3 Value lenses

- Sales
- Logistics
- Execution

12-step framework including: coverage expansion, order generation and cost to serve

Key opportunities:

- Coverage & prospecting
- Execution & merchandising
- Indirect channel management
- Cold drink equipment
- Emerging channels (at work, e-commerce)
- Cost to serve optimisation

*2019 estimated results vs. 2017

** 2019 estimated results vs. 2018

Italy: RTM example



Increased market coverage in OOH*



Coverage growth
+20pp

Revenue growth
+1.5%

Increased specialisation and merchandising**



Salesperson weighted coverage
+1.1pp

Merchandiser coverage
+2.5pp



Technology enables **RTM efficiency** and improves customer focus



Salesforce automation

- Enabling salesforce efficiency
- Outlet-specific recommendations
- Available to internal & external staff



Connected coolers

- 320K connected coolers
- Targeting 560K by end 2019
- Data analytics & shopper interaction



Image recognition

- Successful Italy pilot
- Increasing RED discipline
- Increasing customer-facing time

*Right Execution Daily



Coca-Cola HBC
Innovation

Disciplined **innovation**

Revenue-accretive innovations

Accelerated launch of new products drove volume growth of **4.4%** in 2018, up from **2.3%** in 2017



NSR/UC:
+20% -30% vs. core



More single-serve
choices



NSR/UC:
+30% vs. glass



NSR/UC:
4.7x vs. NARTD
average



NSR/UC:
2.6x vs. NARTD
average



NSR/UC:
+30% vs. Cappy
single-serve

Internal innovation platform



- 34% of employees engaged*
- **2500 innovation ideas**, 500 implemented*

External partnerships



- Partnering with **leading universities**
- Consumer **crowdsourcing**
- Engaging with **startups**

*2018 Results



Assess and accelerate key account capabilities

Assess

Assessment

Supported
by industry
experts

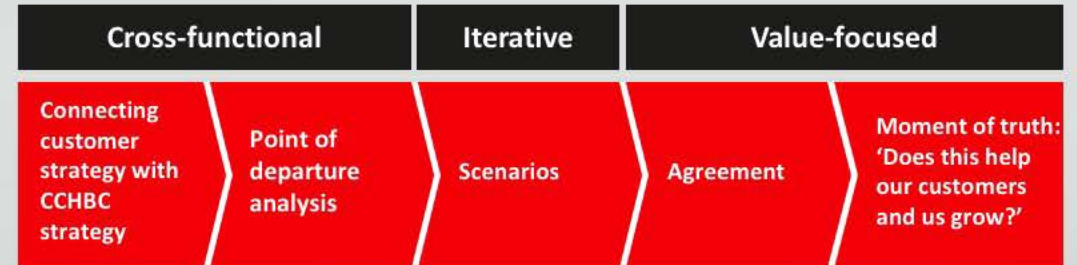
- Fact-based selling
- Negotiation
- Insights oriented
- Strategic planning
- Customer P&L
- Outlet activation
- Builds effective teams

Assessment output

- Readiness and potential
- Gaps & development plan

Accelerate

Proprietary methodology to create
joint value with customers



Comprehensive curriculum to accelerate
KAM capability

- Foundations: KAM* Diamond (cross-functional)
- End-to-end customer management (cross-functional)
- Critical capabilities (sales)

*Key Account Management

Winning in the marketplace with customers

Key takeaways

We live and breathe **partnerships with our customers**

The retail landscape is changing dramatically. **We are ready to capture the opportunity**

Improved insights and a unique methodology allow us to plan and execute more smartly and create joint value

Our growth capabilities combine for a **clear competitive advantage**



Coke
Break

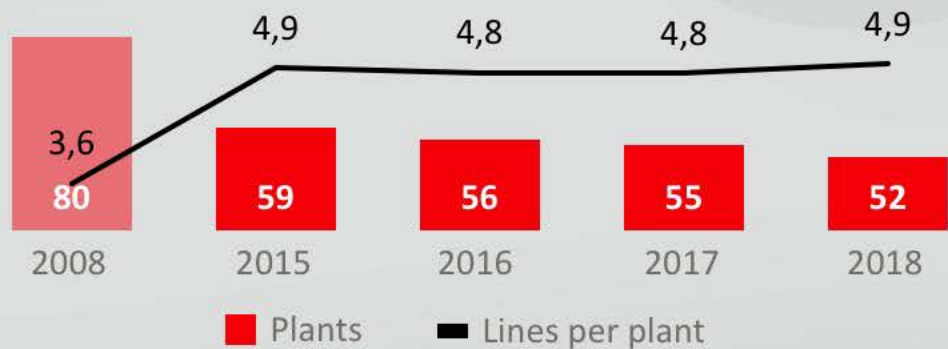
Fuelling growth through competitiveness and investments

Nikos Kalaitzidakis
Regional Director

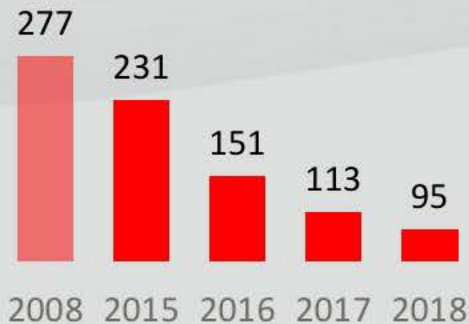


Track record of delivering cost reduction

Fewer, larger plants are more efficient



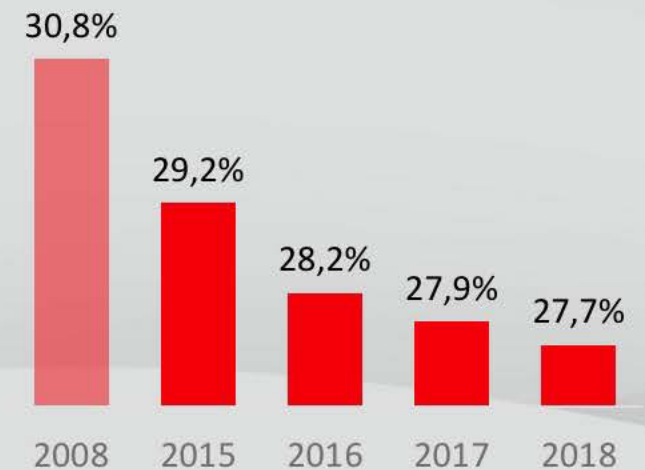
Distribution centres



Warehouses



OPEX as % of revenue



We continue to drive supply chain efficiencies



Logistics

- **Warehouse automation** (including vehicles)
- **Virtual reality product picking** (for reliability and speed)
- **Transportation control tower** (end-to-end transportation flow management)

Manufacturing

- Production lines **automatic changeover** (idle time reduction)
- **Real-time predictive line maintenance**
- **Smart glasses** use for virtual reality remote assistance to engineers

Quality assurance and sustainability

- **Statistical process control**
- **Elimination of plastic film** for cans packaging
- Ongoing **PET lightweighting**

2025 Targets

Production overheads as % of revenue
(beginning – end of period)

40 bps improvement

Cost to supply as % of revenue
(beginning – end of period)

40 bps improvement



Efficiencies allow us to accelerate investment for growth



Cold drink equipment

- Accelerated investment programme to drive **full cooler coverage** in top outlets
- **Connected coolers**

Production & logistics infrastructure

- **Capacity expansion** in targeted markets
- **New technologies** to expand product portfolio
- **Automated high-bay** warehouses
- **Automated forklifts** (AGV)

Customer service

- **Big Data Advanced Analytics** and **integrated demand planning** tool to improve customer service
- **Direct deliveries** (from production line to the customer warehouse)
- **Shelf-ready** product packaging



2025 Targets

Capex as % of revenue
(average p.a. – restated for impact of IFRS 16 adoption)

6.5% to 7.5%

Share of Capex in revenue-generating and customer service initiatives

Over 75%



Nigeria: Efficiencies allow us to accelerate investment for growth



**42 distribution
centres closed
(-74%)**

**5 plants
closed
(-38%)**

**4x
Productivity
increase**

**8pp
improvement
in supply chain
cost as % of
revenue**

**12 new lines
installed**

**Production
line efficiency
increase of
over 15pp**

**Mega plants
expansion by
60%**



Our efficiency and investment for growth scorecard

	2016-20	2021-25
Production overheads as % of revenue (beginning – end of period)	140 bps improvement	40 bps improvement
Cost to supply as % of revenue (beginning – end of period)	60 bps improvement	40 bps improvement
Capex as % of revenue (average p.a. – restated for impact of IFRS 16 adoption)	7%	6.5% to 7.5%
Production line efficiency (average p.a.)	69%	72%
	Europe	78%
Capacity utilisation (average p.a.)	Russia	77%
	Nigeria	78%

Delivering strong financial results

Michalis Imellos
CFO



We continue to transform the business to reach our 2025 growth ambition

2008-14
Restructuring

2015-20
Recovery and operating leverage

2021-25
Acceleration of top-line growth

We continue to transform the business to reach our 2025 growth ambition



2020 growth story

Recovering the lost volume growth of the crisis era

Achieving **scale and efficiency**

Rationing marketing investments **to fuel leverage**

Optimising route-to-market

Pricing to recover FX depreciation in Emerging markets

Filling the spare **production capacity**

Aggressively recovering margins on the back of operating leverage

Strong balance sheet & **solid free cash flow generation**

2025 growth story

Fuelling growth by expanding to new categories

Accelerating innovation across categories

Accelerating marketing & capabilities **investments to fuel growth**

Expanding route-to-market to existing & new channels

Pricing guided by inflation developments

Investing in **incremental capacity and new technologies**

Expanding absolute revenue and profit, while growing margins at a slower pace

Strong balance sheet & **solid free cash flow generation**

We aim to deliver superior organic top-line growth

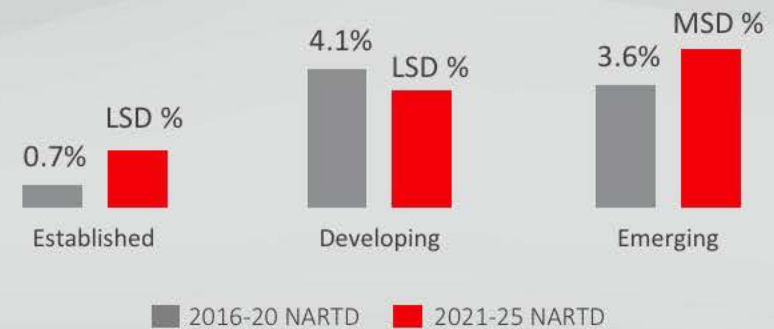
- Underlying market volume growth rate expected to **expand** for both **Sparkling** and **NARTD**
- We expect that we will **gain market share**
- Volume growth expected **to be driven by Russia and Nigeria** while **Europe will continue to grow at a similar pace**

Currency-neutral revenue will grow faster than volume in every segment, reaching **5-6% p.a.**

NARTD Volume CAGR %



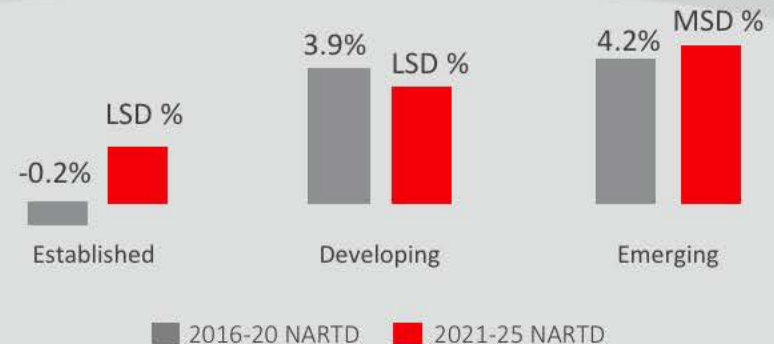
CCH NARTD Volume CAGR %



SSDs Volume CAGR %



CCH SSDs Volume CAGR %

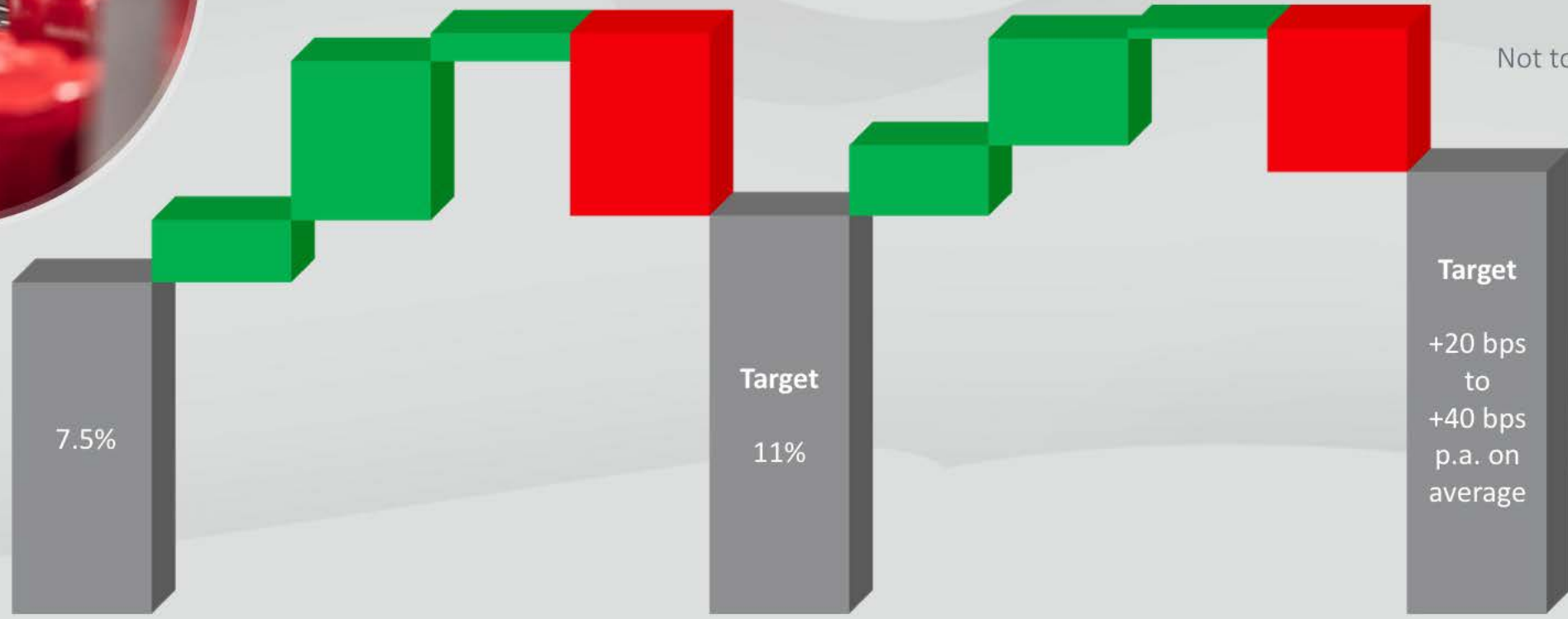


We continue to transform the business to reach our 2025 growth ambition

2021-25 margin drivers	Margin impact on YOY growth	Accelerating/ Decelerating impact vs. 2016-20 growth pace
Faster volume expansion	▲	▼
Category mix: accelerating Sparkling growth and expanding to new categories	▲	Similar
Pack mix: growing single-serve packs across categories and channels	▲	Similar
Channel mix: Modern Trade growth acceleration, partly offset by HoReCa opportunity	▼	Similar
Pricing: follows moderating inflation and more competitive pressure, FX less negative	▲	▼
Input cost and FX impact moderating (but still growing)	▼	▲
Accelerated marketing & capex investments to fuel 24/7 expansion and innovation	▼	▼
Net result on 2021-25 margin expansion	▲	▼



Margin expansion continues



2015
EBIT
margin

Volume
leverage

Revenue
leverage

Net cost
efficiency

FX & Input
costs

2020
EBIT
margin

Volume
leverage

Revenue
leverage

Net cost
efficiency

FX & Input
costs

2025
EBIT
margin

We have a strong, deliverable financial scorecard

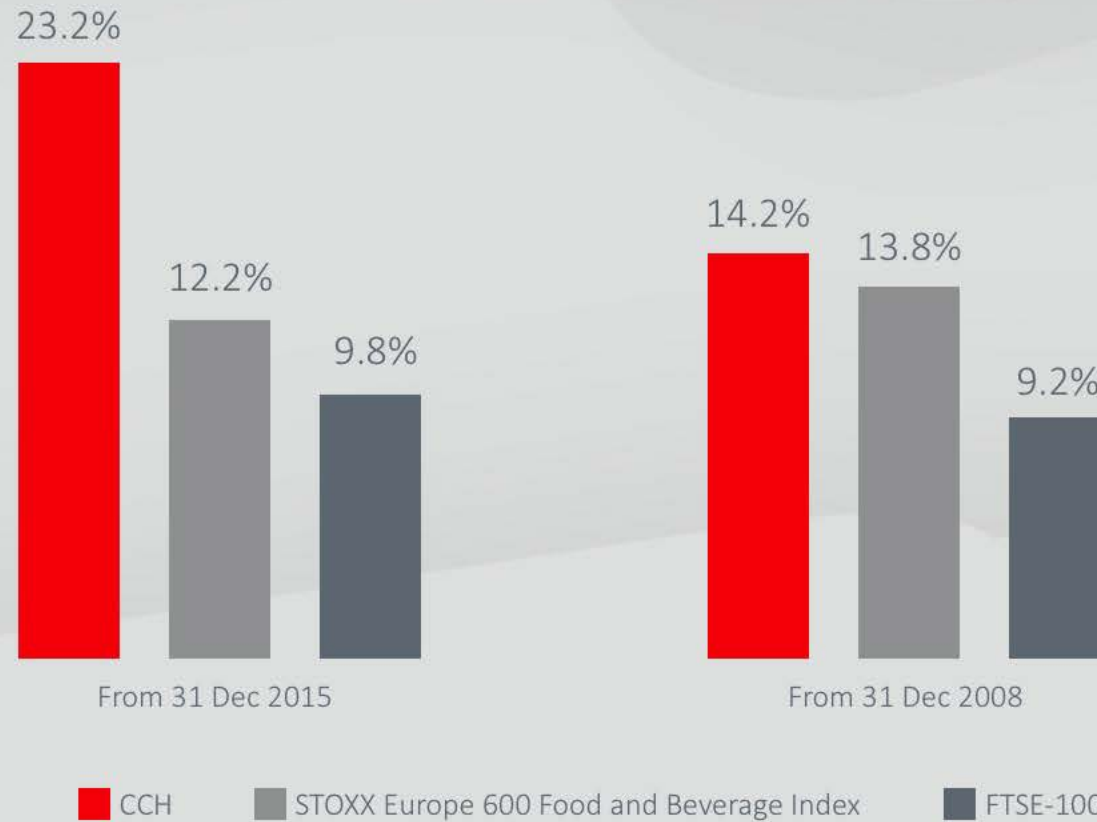
2021-25 Targets

Organic* revenue growth p.a.	5% to 6%
Comparable EBIT margin (average annual growth)	+20 bps to +40 bps
Capex as % of revenue**	6.5% to 7.5%
Net debt to comparable EBITDA target	1.5x to 2.0x



Our total shareholder return is above sector average, and has accelerated

Total shareholder return CAGR



Source: Refinitiv Datastream
To 30 April 2019
Excluding ordinary and special dividends proposed for payment in 2019



**Stronger
than ever for
accelerated
growth and
superior
shareholder
returns**



Zoran Bogdanovic
CEO

The relationship with The Coca-Cola Company is stronger than ever, with a shared vision

THE COCA-COLA COMPANY
beverages for life



Brand Ownership
Portfolio Development
Consumer Marketing
Concentrate Supply

Data & Insights
Portfolio Strategy
Investments in Revenue Growth
Capabilities Plans
Talent Exchange
World without Waste

Brand Manufacturing
Portfolio Sales & RTM
Customer Marketing, Execution & Management
Bottling Capex Investments



5-6%

Annual organic revenue growth

We aim to deliver another step up in **performance**

20-40bps

EBIT margin expansion p.a. on average

Accomplish our **2025 sustainability commitments**

Leverage our unique 24/7 portfolio

Win in the marketplace with our customers

Fuel growth through competitiveness and investment

Cultivate the potential of our people

Earn our licence to operate

Greater than high performing norm **Employee engagement score**

Growth Capabilities



We have the strategy and competitive advantage

Leader in the dynamic, **growing** NARTD industry

Strongest, broadest, most flexible, **24/7 portfolio of brands**

Relentless focus on **cost and efficiency** to fuel **investments for growth**

Diverse, balanced **country portfolio** with **very low per-capita consumption**

Significant **growth opportunities** across **high-value occasions and categories**

To deliver superior shareholder returns

Superior organic revenue growth of 5 to 6% p.a.

Cash-generative business that invests 6.5 to 7.5% of revenue in capex for profitable growth

Total shareholder returns above industry average

Strong balance sheet with opportunity to leverage for:

Bolt-on acquisitions of strong local brands in still drinks

Geographic opportunities with a growth profile, where we can create value

Consistent margin expansion of 20 to 40 bps p.a. on average

A hand is pouring Coca-Cola from a red can into a glass filled with ice. The can has the Coca-Cola logo and the words "GREAT TASTING AND ORIGINAL TASTE" on it. The glass is a cut-crystal tumbler. The background is a blurred image of a person in a white shirt. The entire scene is framed within a large white circle on a red background.

Q&A