Coca-Cola Expands Capacity in Fast-Growing Indonesian Market with Opening of Two New Production Lines

Company Reaffirms US $500 Million Investment to Accelerate Growth in Indonesia

JAKARTA, Indonesia--(BUSINESS WIRE)-- The Chairmen of The Coca-Cola Company and Coca-Cola Amatil (CCA) today officially commemorated the expansion of the Coca-Cola Amatil Indonesia (CCAI) Cikekodan Plant in Bekasi, West Java. This marks the first of several major investments being made as the Coca-Cola system in Indonesia invests US $500 million to accelerate growth in the next three to four years. This incremental investment builds on the US $1.2 billion the Coca-Cola system has invested in Indonesia in the last 25 years.

“We consider Indonesia a dynamic and promising market and one of the growth engines to achieve our long-term vision,” said Muhtar Kent, Chairman and CEO, The Coca-Cola Company. “Our Company’s US $500 million investment reaffirms our belief in Indonesia and will help us capture the growth opportunity in one of the largest and most dynamic countries in the world as we enable our system to be even more responsive to consumer and customer needs. We believe by creating more jobs and where possible sourcing locally, we can promote the local economy and contribute to economic growth in Indonesia.”

The Coca-Cola Company last October announced plans to create a joint venture with Coca-Cola Amatil’s local Indonesia subsidiary to invest US $500 million in return for an ordinary equity ownership interest of 29.4%, with the funds invested into CCAI operations in
Indonesia to support accelerated expansion of production, warehousing and cold-drink infrastructure. This investment will have a multiplier effect on local jobs, taking the Coca-Cola system’s total direct and indirect employment in Indonesia from approximately 60,000 to a total of 135,000 within three to four years. The investment is subject to CCA non-associated shareholder and Indonesian regulatory approvals.

In the past three years alone, CCAI commissioned 18 new production lines, deployed 150,000 coolers and built three mega distribution centers to increase capacity and build local capability with total investments exceeding US $300 million.

CCA’s Group Chairman David Gonski said: “These two new production lines commissioned today are an excellent example of how the US $500 million cash injection is being invested. Coca-Cola Amatil is committed to building a future hand-in-hand with our partners, customers and consumers in Indonesia. The upcoming joint venture is an important step for us in accelerating our efforts to create a strong future for our communities and businesses in the areas in which we operate.”

Between now and 2020 the global nonalcoholic ready-to-drink beverage category is expected to grow in retail value by approximately $300 billion. Indonesia represents one of the fast-growing segments of this global opportunity. With a population of more than 240 million people, the country boasts the world’s fourth largest population and a large, emerging middle class with underdeveloped consumption rates of nonalcoholic ready-to-drink beverages.

The Coca-Cola system has been operating in Indonesia for 88 years. Currently, the Coca-Cola system markets 16 brands, operates 10 bottling plants across the country, directly employs more than 12,000 Indonesians with more than 200 sales and distribution centers, and serves directly more than 520,000 large and small retail outlets every week.

About The Coca-Cola Company

The Coca-Cola Company (NYSE: KO) is the world's largest beverage company, refreshing consumers with more than 500 sparkling and still brands. Led by Coca-Cola, one of the world’s most valuable and recognizable brands, our Company's portfolio features 20 billion-dollar brands including, Diet Coke, Fanta, Sprite, Coca-Cola Zero, vitaminwater, POWERADE, Minute Maid, Simply, Georgia, Dasani, FUZE TEA and Del Valle. Globally, we are the No. 1 provider of sparkling beverages, ready-to-drink coffees, and juices and juice drinks. Through the world's largest beverage distribution system, consumers in more than 200 countries enjoy our beverages at a rate of 1.9 billion servings a day. With an enduring commitment to building sustainable communities, our Company is focused on initiatives that reduce our environmental footprint, support active, healthy living, create a safe, inclusive work environment for our associates, and enhance the economic development of the communities where we operate. Together with our bottling partners, we rank among the world’s top 10 private employers with more than 700,000 system associates. For more information, visit Coca-Cola Journey at www.coca-colacompany.com, follow us on Twitter at twitter.com/CocaColaCo, visit our blog, Coca-Cola Unbottled, at www.coca-colablog.com or find us on LinkedIn at www.linkedin.com/company/the-coca-cola-company.

About Coca-Cola in Indonesia
Coca-Cola was first introduced to Indonesia in 1927, and was produced locally for the first time in 1932. Since the 1960s, a range of The Coca-Cola Company’s products have been introduced to the Indonesian market: Sprite in 1961, Fanta in 1973, Diet Coke in 1986, Frestea in 2002, Powerade Isotonic in 2006, Coca-Cola Zero and Minute Maid Pulpy in 2008, Aquarius and Minute Maid Nutriboost in 2013, and Minute Maid Pulpy Fruitbite in 2014. Coca-Cola also acquired a local bottled water brand, Ades, in 2002. Today, Coca-Cola products are produced in 10 bottling plants in Indonesia. For more information, please visit www.coca-cola.co.id or follow us on Twitter at twitter.com/CocaCola_ID.

About Coca-Cola Amatil Indonesia (CCAI)

Coca-Cola Amatil Indonesia (CCAI) is a leading beverage sales, manufacturing, and distribution company that was established in January 1992 and has been operating in Indonesia for 23 years. CCAI is a subsidiary of Coca-Cola Amatil (CCA), one of the top 10 independent Coca-Cola bottlers in the world, which is headquartered in Sydney, Australia, and publicly listed on the Australian Securities Exchange. CCAI operates ten manufacturing facilities in Sumatra, Java and Bali and over 200 sales and distribution centers across Indonesia, employing a direct workforce of more than 12,000 people, and distributing million cases of refreshing drinks to more than 520,000 outlets across the nation. For more information about CCAI, visit www.coca-colaamatil.co.id.

About Coca-Cola Amatil (CCA)

CCA is one of the largest bottlers of nonalcoholic ready-to-drink beverages in the Asia-Pacific region and one of the world’s top 10 independent Coca-Cola bottlers. CCA operates in six countries – Australia, New Zealand, Indonesia, Papua New Guinea, Fiji and Samoa. CCA employs 14,900 people across the region and serves 270 million consumers through more than 700,000 customer outlets.

CCA’s diversified portfolio of products includes carbonated soft drinks, spring water, sports and energy drinks, fruit juices, iced tea, flavoured milk, coffee, tea and SPC Ardmona and Goulburn Valley packaged ready-to-eat fruit and vegetable snacks and products.

CCA produces the Australian market's No. 1 cola brand, Coca-Cola, the No. 1 bottled water brand, Mount Franklin, and the No. 1 sports beverage, Powerade Isotonic, and is the market leader in non-sugar colas with Diet Coke and Coca-Cola Zero. Low- and no-sugar beverages are a high growth part of the CCA portfolio growing at more than three times the rate of sugar-sweetened beverages in 2012.

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