1992 ANNUAL REPORT

The Coca-Cola Company

Cover: Scouts share a laugh and Coca-Cola in Indonesia.

...NEW WORLDS OF OPPORTUNITY...

Contents

Financial Highlights

Year Ended December 31,	1992[1]	1991[2]	Percent Change
(In millions except per share data and ratios)			
Excluding effects of adopting SFAS 106 and 109			
Net operating revenues	**$13,073.9**	$11,571.6	13.0%
Operating income	**$ 2,790.3**	$ 2,319.0	20.3%
Net income available to common share owners	**$ 1,905.3**	$ 1,617.5	17.8%
Net income per common share	**$ 1.45**	$ 1.21	19.8%
Including effects of adopting SFAS 106 and 109			
Net operating revenues	**$13,073.9**	$11,571.6	13.0%
Operating income	**$ 2,770.1**	$ 2,319.0	19.4%
Net income available to common share owners	**$ 1,664.4**	$ 1,617.5	2.9%
Net income per common share	**$ 1.26**	$ 1.21	4.1%
Cash dividends per common share	**$ .56**	$ .48	16.7%
Average common shares outstanding	**1,316.8**	1,332.9	(1.2)%
Common share-owners' equity at year-end	**$ 3,888.4**	$ 4,238.9	(8.3)%
Return on common equity	**46.4%**	41.3%	—
Closing market price per common share	**$ 41.88**	$ 40.13	4.4%

[1] 1992 includes a one-time, noncash after-tax catch-up adjustment of $219 million ($.17 per common share) and a recurring after-tax expense of $21 million ($.02 per common share) resulting from the adoption of Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (SFAS 106).

[2] 1991 includes a $69 million pretax gain ($.03 per common share after income taxes) on the sale of property in Japan, a $27 million pretax gain ($.01 per common share after income taxes) on the sale of a bottling investment to Coca-Cola Enterprises Inc., a nonrecurring pretax charge of $21 million ($.01 per common share after income taxes) for potential future costs, including interest, related to bottler litigation and a reduction to equity income of $44 million ($.03 per common share after income taxes) related to restructuring charges recorded by Coca-Cola Enterprises.

As huge as our world of Coca-Cola is today, it is just a tiny sliver of the world we can create...10 years from now...20 years from now...50 years from now. There are still many new worlds of opportunity waiting to be discovered.

ROBERTO C. GOIZUETA
Chairman, Board of Directors,
and Chief Executive Officer (left), and
DONALD R. KEOUGH
President and Chief Operating Officer

To Our Share Owners: For The Coca-Cola Company, the year 1992 was turbulent, testing and, ultimately, reassuring.

The *turbulence* came in the form of global economic malaise, as virtually every one of our major markets experienced economic slowdown or recession. The *test* came in the challenge to continue doing in this difficult environment what we have done so well over the past decade: increase the long-term value of this enterprise.

Our results indicate we were able to do just that, passing the test of 1992 by virtually any standard. Nothing reflects this more clearly than our 20 percent gains in earnings per share and operating income, excluding the effects of adopting SFAS 106 and 109 last year. Impressive on their own, these numbers take on even more luster when we remind ourselves that they followed 1991's strong 19 percent earnings per share and operating income gains. Along with the rapid earnings growth, we increased our return on equity to 46.4 percent.

Based on these results and confidence in solid future performance, our Board of Directors this February approved a 21 percent increase in the quarterly dividend to $0.17 per share, or an annual rate of $0.68 per share, the 31st consecutive year in which the dividend has been increased.

Although we don't like to spend much time pondering history, a quick glimpse back at 1992 is *reassuring*. It was, in hindsight, a year when we proved to ourselves that we do indeed have the capabilities and resources to create value amidst a very difficult environment.

Not that the year went exactly as we had wished. It did not. Tough economic times hit consumers first and hardest, and they are the people who buy our products. In many markets, particularly Brazil, one of our five largest volume markets, consumer purchasing power took a heavy beating. Subsequently, the Coca-Cola system's worldwide unit case volume growth of 3 percent fell well short of our pace of recent years and our own goal. Even so, we ended 1992 with a remarkably strong worldwide unit volume gain of 9 percent in December, which brought us into 1993 with accelerated momentum and augurs well for the current year. Last year's moderate growth, however, pushed us for the first time beyond the 10 billion level in annual unit case volume and further expanded our leadership share of worldwide carbonated soft drink sales to a new high of 45 percent.

Despite the overall unit case volume softness, we used our resources to cope and even capitalize. By pricing our products strategically, controlling costs carefully and applying our marketing investments flexibly, while keeping them in line with gross profit growth, we pushed our operating and net profits to new highs. Also, strong brands and effective management helped Coca-Cola Foods report solid growth and robust earnings far superior to any of its competitors, an achievement accomplished in spite of the weak U.S. economy in which it, by and large, operates. Overall, our net earnings available to common share owners increased 18 percent to

$1.9 billion, excluding non-cash adjustments made as a result of adopting SFAS 106 and 109. Including these adjustments, the figures are 3 percent and $1.7 billion, respectively.

The strong 1992 financial and market share results were not matched by the performance of our common stock. Within the confines of a sluggish U.S. stock market which in the main was especially unkind to large capitalization growth company stocks, our own appreciated a very modest 4.4 percent in the year, exactly in line with the overall market, combining with dividends to produce a total return of 5.8 percent to our share owners.

We are well aware these numbers followed our very tough act of 1991's outstanding 75 percent total return to our share owners, but are we satisfied with them? Of course not. In fact, we are downright unhappy. Nevertheless, in 1992 the market value of The Coca-Cola Company increased by, and the share-owner wealth created was, $1.4 billion. Over the last three and five years, this market and share-owner value increase has been $29 billion and $41 billion, respectively. We exited 1992 as, once again, the sixth-largest public company in the U.S. in terms of market value, at $55 billion.

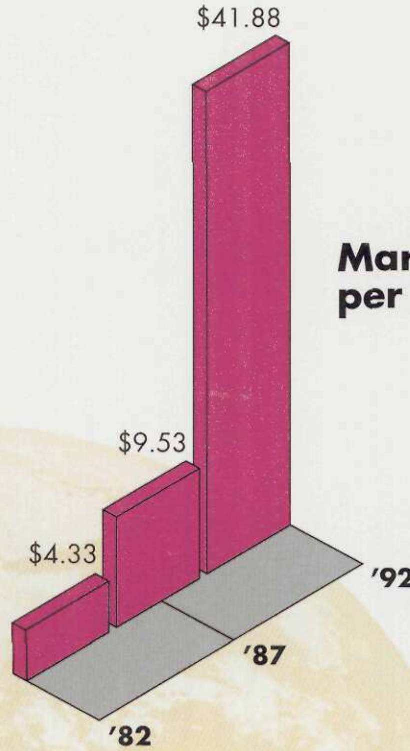
It is in difficult environments, however, that we are best able to display the decisiveness, resources and staying power essential to building our business for the long term. The fundamental strength of our business, coupled with disciplined management in the face of tough times, will serve us even better as the global economic climate turns brighter. Recognizing this, *Fortune* magazine's most recent survey of corporate reputations not only found us among the nation's five most admired companies, but also the number one most admired company for long-term investment value.

Where does our fundamental strength come from? It comes from the geographically diversified nature of our various operating units. By this, we mean that a downturn in some markets is almost invariably offset by the strength of others. In 1992, when our operations in Brazil, Australia, Great Britain and other markets were hit by economic hard times, the load was carried by other of our well-developed businesses like those in Germany and Argentina and by rapidly growing new businesses like our fledgling East Central Europe operations.

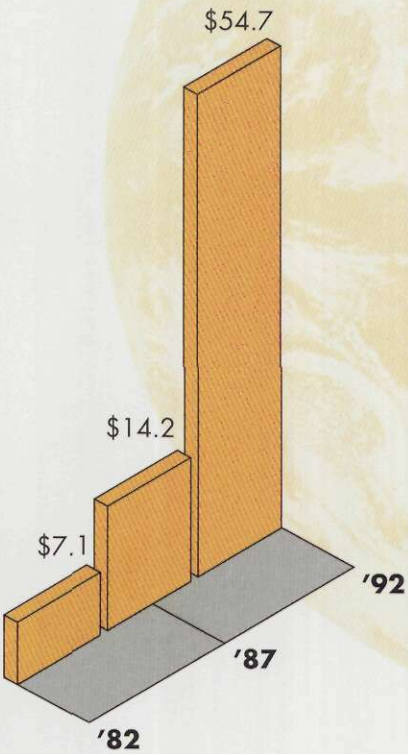
This balance steadies us not only for the short term of quarterly or annual results, but also for our long-term development. Accordingly, we tend to view each market and its operating unit as a separate investment opportunity in our overall "portfolio." We look at markets like the United States, Germany and Japan, for instance, as well-established, blue chip investments. Our operations in these countries generate large amounts of cash and produce steady growth from large unit volume and revenue bases. They are reliable, if somewhat "conservative," investments.

At the other end of the spectrum are our "New Worlds of Opportunity," the potential of which is presented in the following pages of this report.

Market Price per Common Share

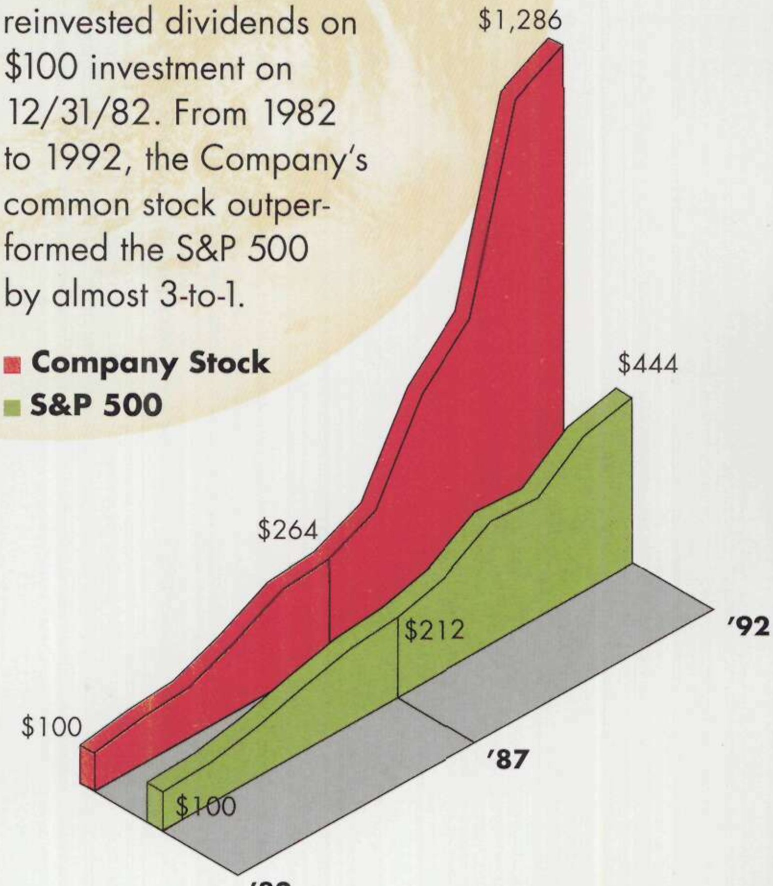


Total Market Capitalization
(In billions)

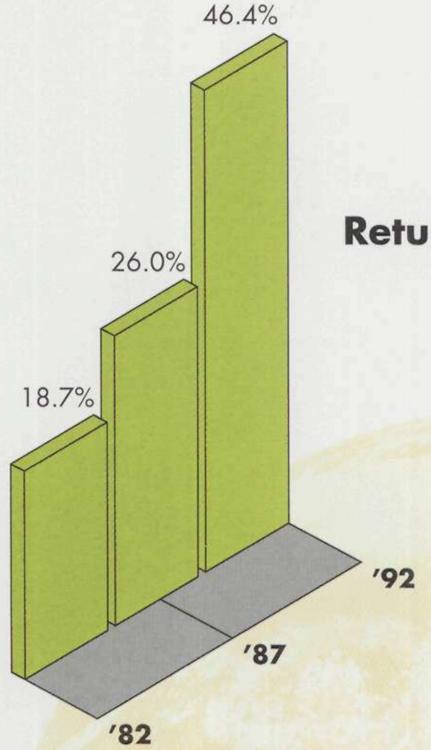


Total Return vs. S&P
Appreciation plus reinvested dividends on $100 investment on 12/31/82. From 1982 to 1992, the Company's common stock outperformed the S&P 500 by almost 3-to-1.

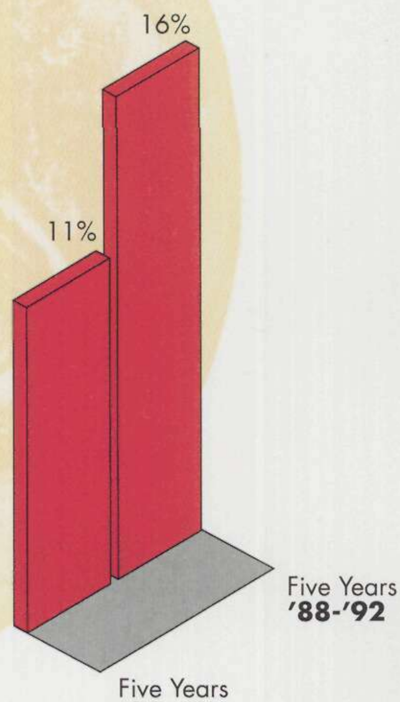
- Company Stock
- S&P 500



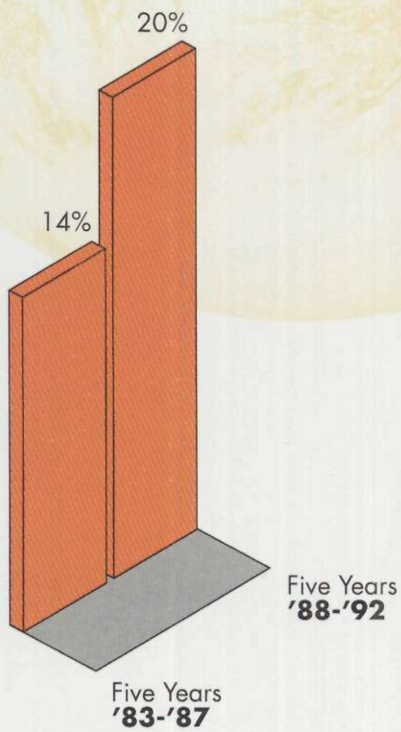
Return on Common Equity



Compound Growth Rates Operating Income



Compound Growth Rates Income per Common Share*



*from Continuing Operations before Changes in Accounting Principles

These new worlds come in various stages of underdevelopment. For example, we consider our businesses in Indonesia and Eastern Europe as high-growth ventures demanding substantial investment. Our operations in China and our re-entry into India, on the other hand, are viewed as "start-up" enterprises of virtually limitless long-term potential.

This overall diversity gives us a basic formula for creating profitable long-term growth: *Use existing strengths to create future strengths.* We do that by using part of the substantial financial resources generated by our developed markets to invest in building our less developed markets. We also do it by using those developed markets as the training grounds for our people, instilling in them the lessons of our business that can ultimately be applied with great success in the less developed markets.

As a result, our primary challenge is managing the allocation of resources among our investment opportunities so that we maximize the returns to our share owners. In meeting this challenge, we are guided by our sharply focused and clearly articulated strategy. This strategy gives us unclouded direction as we develop specific plans, which are converted by aggressive execution into tangible accomplishment. And while we are always careful not to make promises, we can assure you our execution will always be grounded in time-tested fundamentals. After all, we have been at this for some time now, and with each passing year we are much more experienced and effective at doing what needs doing.

At the end of every day and every year, two things remain unshakable at The Coca-Cola Company: our constancy of purpose and our continuous discontentment with the immediate present. This hybrid perspective has served us very well thus far, and we are confident it will serve us well as we move ahead in these uncertain times.

Tough times are said to make the strong even stronger, and we believe that to be particularly true of The Coca-Cola Company today. We could not have recorded such a performance last year without the unflappable loyalty and dedication of all of our associates around the world and the support and guidance of our distinguished Board of Directors, to all of whom we express our gratitude. We value highly our bottling partners and are ever thankful to our customers through whom we reach our consumers. Always appreciative of your support, we thank you, our valued share owners, for sharing in our confidence.

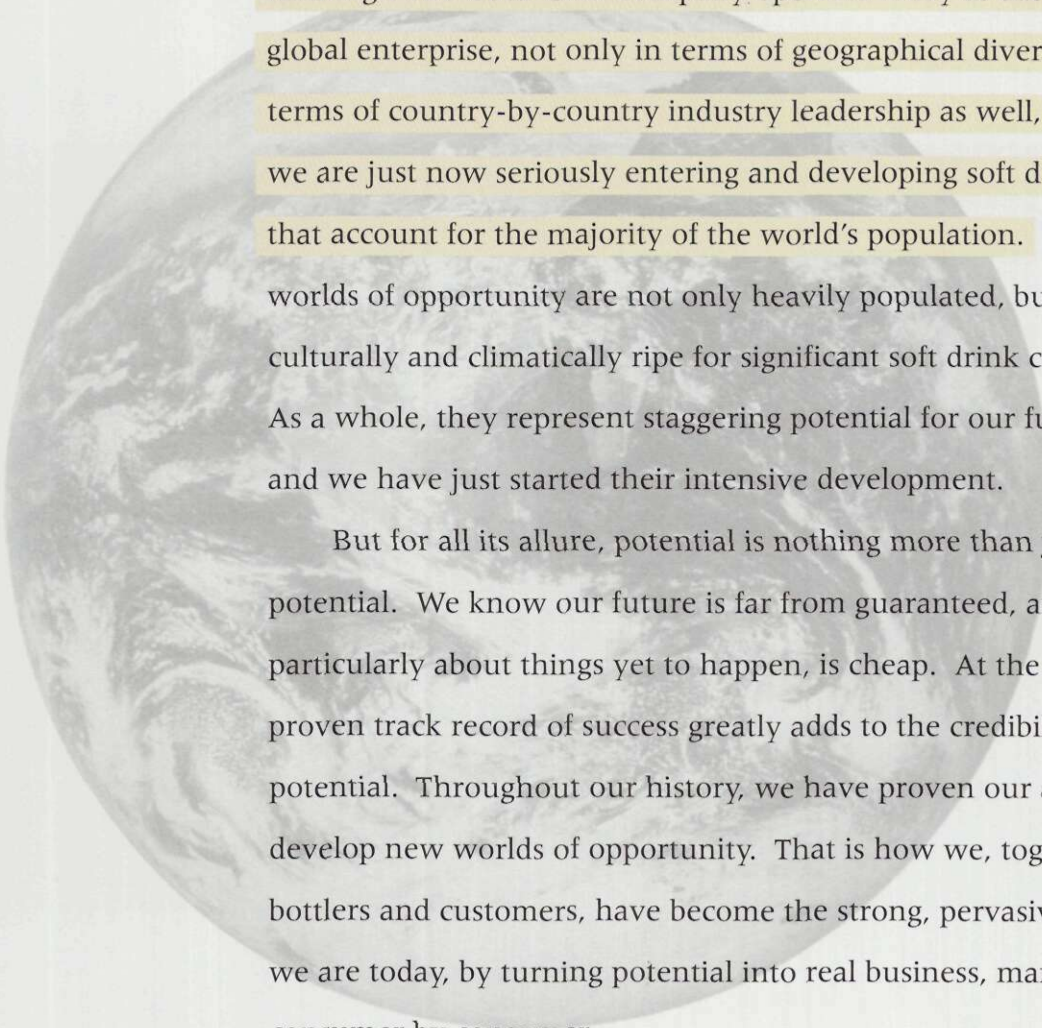
Roberto C. Goizueta
Chairman, Board of Directors,
and Chief Executive Officer

Donald R. Keough
President and
Chief Operating Officer

February 18, 1993

...new worlds of opportunity...

An Evaluation of Growth Potential



Although The Coca-Cola Company operates today as the world's most global enterprise, not only in terms of geographical diversity but in terms of country-by-country industry leadership as well, the fact is that we are just now seriously entering and developing soft drink markets that account for the majority of the world's population. These new worlds of opportunity are not only heavily populated, but also often culturally and climatically ripe for significant soft drink consumption. As a whole, they represent staggering potential for our future growth, and we have just started their intensive development.

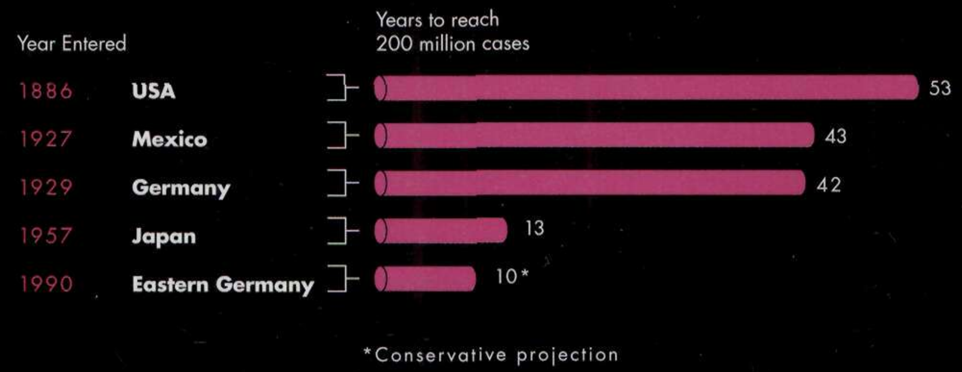
But for all its allure, potential is nothing more than just that — potential. We know our future is far from guaranteed, and talk, particularly about things yet to happen, is cheap. At the same time, a proven track record of success greatly adds to the credibility of potential. Throughout our history, we have proven our ability to develop new worlds of opportunity. That is how we, together with our bottlers and customers, have become the strong, pervasive enterprise we are today, by turning potential into real business, market by market, consumer by consumer.

What were once untouched new worlds of opportunity are now huge, thriving businesses with ample growth opportunities of their own. Our flagship business, our operations in the United States, began more than a century ago as the fanciful whim of an Atlanta pharmacist. Today, 107 years later, every man, woman and child in the United States drinks an average of 296 servings of our products annually.

As we have expanded our operations throughout the world, we have sharpened our ability to create powerful business systems. We entered Mexico in 1927, and 65 years later the Coca-Cola system was selling more than 1 billion cases of our soft drinks annually in that country. The rate of development has been even faster in Germany and Japan, where we committed ourselves to investing heavily in war-ravaged economies. Today, those two mammoth businesses operate as two of our top four unit case volume contributors. And, in a very recent

OUR PROVEN ABILITY TO CAPITALIZE

We continue to accelerate the rate at which we develop markets. The bars indicate the number of years it took us after entry to break the 200 million case level in annual sales.



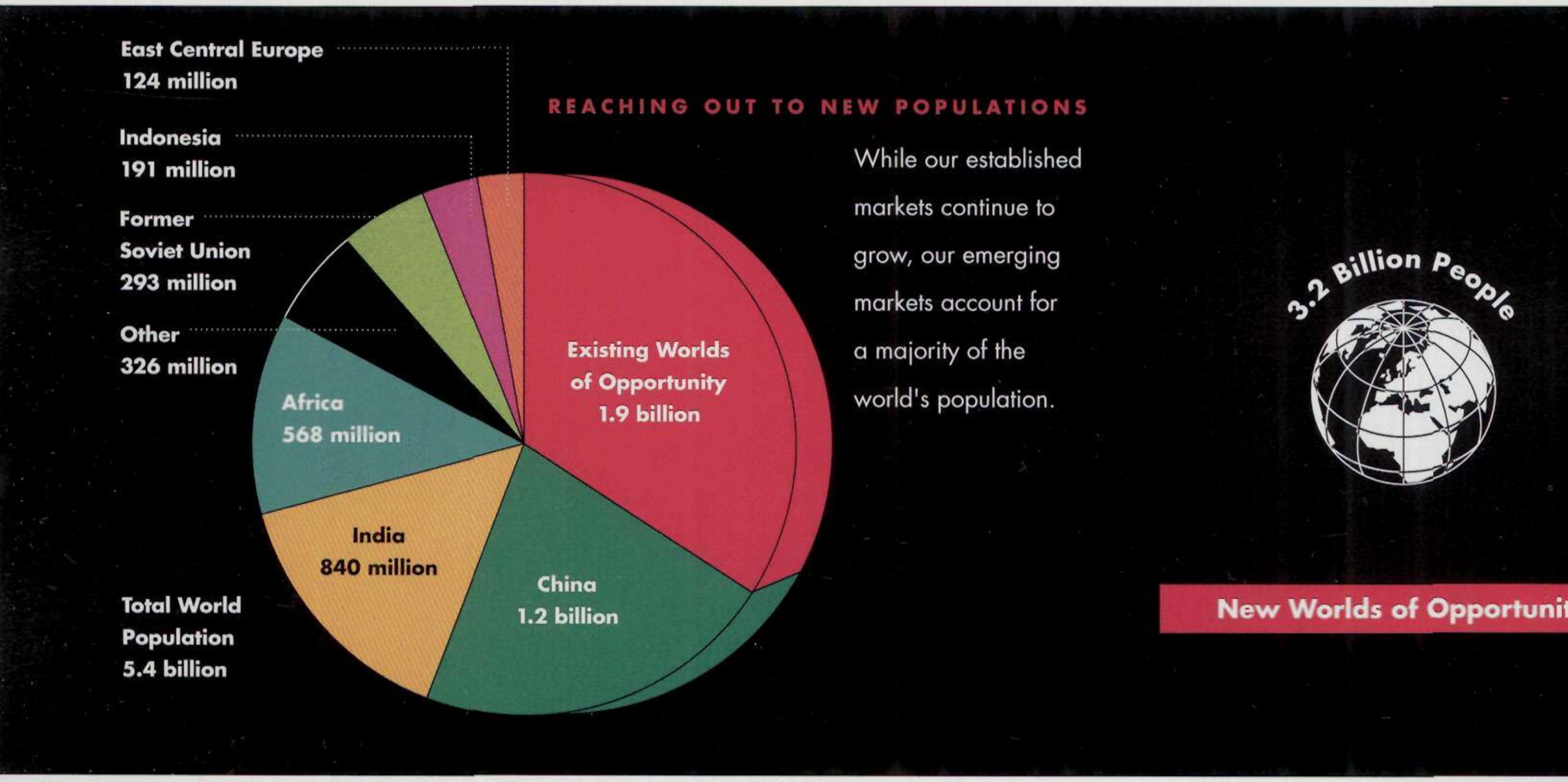
example, two years ago we moved with great speed into eastern Germany, where in 1993, we will raise the annual per capita consumption of our products to the level of West Germany at the time of unification.

That kind of growth has roughly doubled our overall business in each of the last two decades, creating an existing world of Coca-Cola best defined by our system's 1992 unit case volume total: more than 10 billion cases. In fact, since 1980, our Company has sold more than

20 billion gallons of soft drink syrups and concentrates to bottlers and customers, 4 billion more than we had sold in our entire history before that.

That record is not only impressive, it is somewhat daunting. Some obvious questions beg for answers. How long can a company of our scope keep doubling its size? Where will the next 10 billion unit cases come from? And the 20 billion after that?

To us, the answers are obvious. Those cases are out there, in our existing markets and particularly in our new markets. In evaluating



our new worlds of opportunity, as we have done in the following pages, the sheer arithmetic of populations and soft drink per capita consumption levels inspires great confidence. Understanding the dynamics of our business as we do, we are convinced that those additional cases will be sold. However, we know they will not be sold through some magical turn of events, but simply through our own disciplined hard work and that of our bottling partners and valued customers around the world.

–Roberto C. Goizueta

The recently opened markets of the former Eastern Bloc are home to more than 124 million people who already drink an average of 120 soft drinks per year. Until recently, virtually all those soft drinks were the products of the various state-

East Central Europe

owned beverage companies, thereby creating considerable opportunity for the superior product quality and highly admired trademark of Coca-Cola.

In Warsaw, school children touring the city's Old Town refresh themselves.

Strong desire for quality Western brands

Primary competition: state-produced beverages

Well-established soft drink consumption habits

By building consumption of our products to the current industry-wide level, we would then be serving those 124 million people 120 servings of Coca-Cola a year, a total of 620 million cases annually. And by raising per capita consumption to 189, the level we already enjoy in nearby Germany, we would raise the annual total to nearly 1 billion cases.

In East Central Europe, swift, massive investment is converting opportunity into real business. Allowed little growth by restrictive governments just two years ago, our operations in the former Eastern Bloc countries — Albania, Bosnia-Hercegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Poland, Romania, Slovakia, Slovenia and Yugoslavia — sold more than 110 million unit cases in 1992, up 82 percent over 1991. Over the next few years, we expect dramatic growth to continue.

In Budapest, a waitress serves cold Coca-Cola at Halászbástya, a popular cafe overlooking the Danube River.

While growth has been rapid, we are building for the long haul by creating a solid infrastructure. With the Coca-Cola system investing $1 billion over four years, our bottling partners will have more than 40 production plants and 60 distribution centers up and running by 1995. This investment has already helped us become the carbonated soft drink industry leader in every one of these countries except the Czech Republic and Slovakia, where we plan to take leadership in 1993.

1

CZECH REPUBLIC AND SLOVAKIA:
Coca-Cola Amatil producing 200-ml and 1-liter glass returnables in Prague; soon producing 2-liter PET. Ten sales/distribution centers planned by December. New Slovakia bottling plant by 1994.
Population: 16 million.

2

HUNGARY:
Coca-Cola Amatil in operation in five plants and nine distribution centers, serving three-fourths of Hungary. Canning plant at Györ in production.
Population: 11 million.

3

POLAND:
Company-owned bottling plant in operation in Gdynia. Four other production/distribution centers operating, including joint venture between Ringnes and local partner at Bydgoszcz. Four depot/distribution centers in operation with bottling lines being added, including Ringnes-Company Warsaw JV. Brau A.G. to open plant in 1993.
Population: 38 million.

4

SLOVENIA, CROATIA, BOSNIA-HERCEGOVINA AND YUGOSLAVIA:
Successful bottling system in place, targeted for more investment when territorial/political tension subsides.
Population: 24 million.

5

ALBANIA:
Negotiations underway for the first international soft drink bottling plant. Coca-Cola already on sale in cans.
Population: 3 million.

6

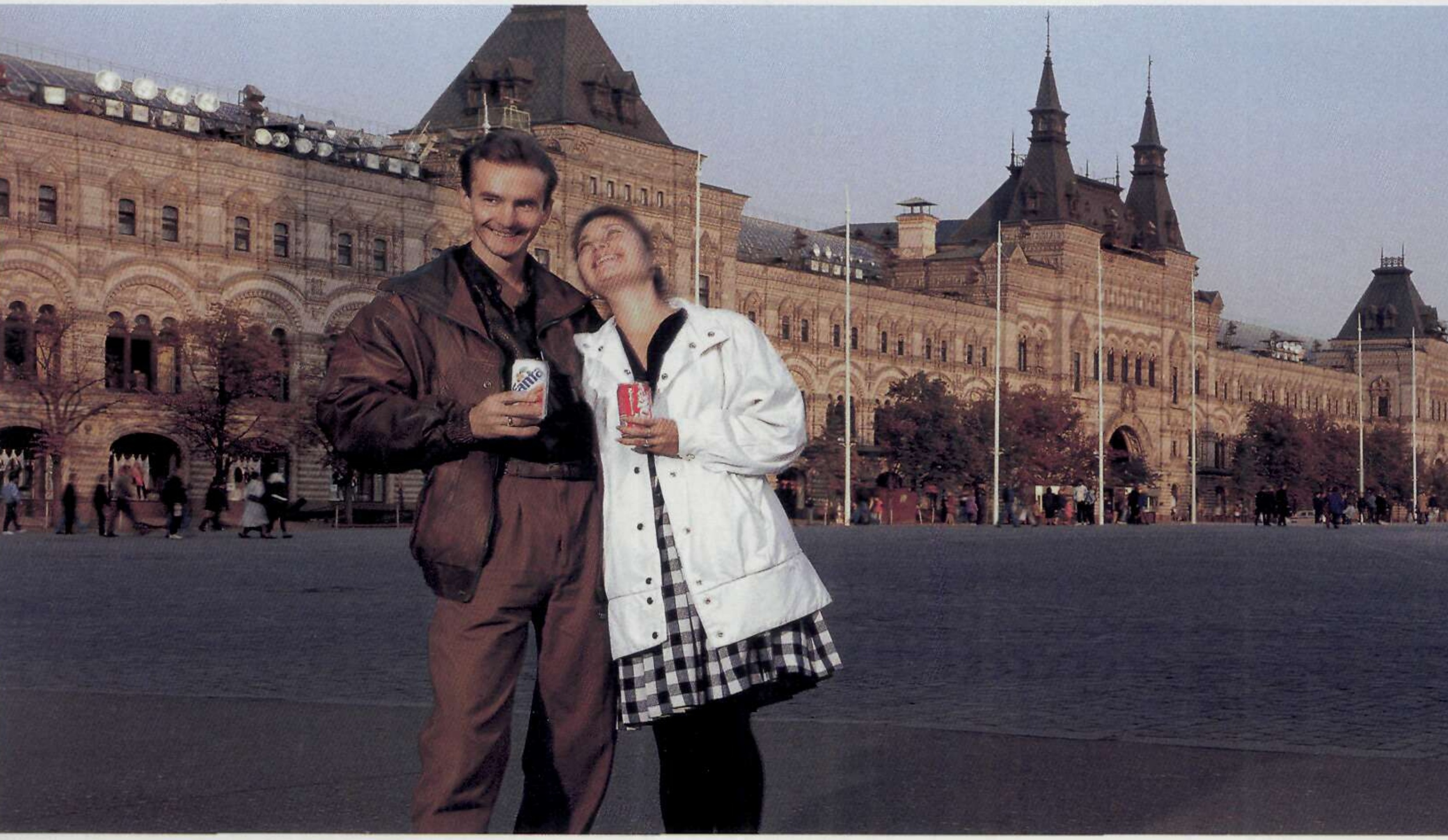
BULGARIA:
Leventis Group in five JVs: four with local partners, one with Company and local partner in Sofia. 1.5-liter PET launched in August.
Population: 9 million.

7

ROMANIA:
Three bottling facilities in operation: Bucharest and Brasov, in JV between Compar local CI-CO and Leventis; and Constant majority owned by IMBAT, which will also open a plant in Brăila. Leventis also has JVs in Iasi and Oradea; construction underway
Population: 23 million.

The Former Soviet Union

The 15 countries of the former Soviet Union are home to 293 million people, who at the beginning of the decade were already drinking an average of 79 servings of soft drinks per year. As in East Central Europe, virtually all of those servings were products of various state-owned beverage companies.

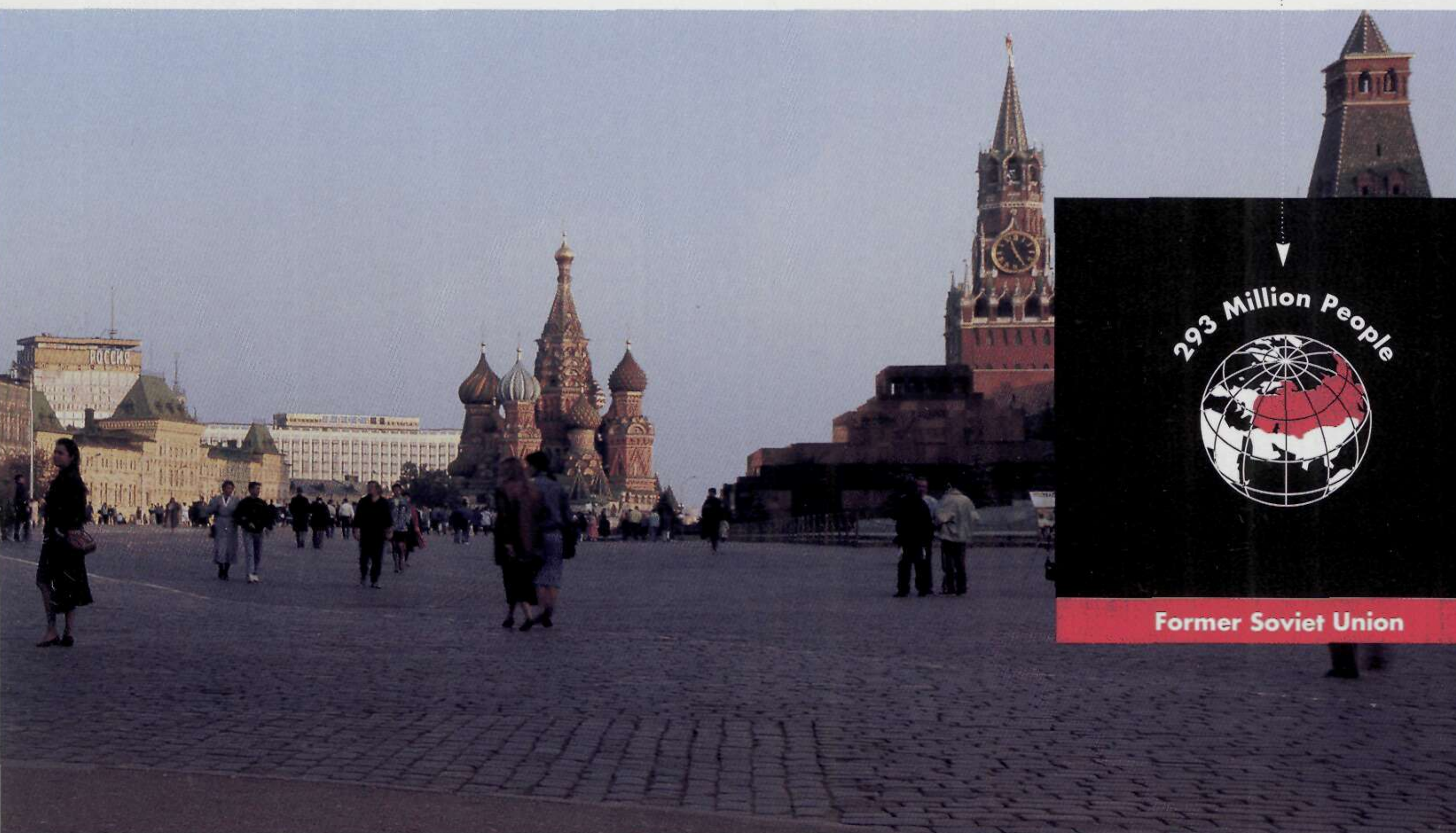


Making products readily available at an affordable price is our challenge in these countries, and we have already begun doing that through our post-mix business investment under construction in Moscow. Over the long term, we will continue working to raise Coca-Cola consumption to the current industry-wide level. In doing so, we would create nearly an additional 1 billion unit cases in annual volume.

Well-established soft drink consumption habits

Primary competition: state-produced beverages

Strong demand for high-quality trademarks and products



Like this couple in Moscow's Red Square, Russians find the product quality and trademark cachet of Coca-Cola very attractive.

Indonesia, with its tropical climate, is home to more than 191 million people. Although Coca-Cola products are the leading soft drinks in Indonesia by a wide margin, tea is the current dominant beverage, with its per capita consumption reaching more than 234 servings in 1992.

Indonesia

Realistically, we will not match tea consumption in Indonesia in the near future. But societies that have traditionally consumed beverages like tea have historically made the transition to sweeter beverages like Coca-Cola. By investing aggressively, we intend to eventually raise per capita consumption of our products to 117 servings, half the country's current tea consumption level. That would translate into nearly 900 million additional cases of soft drinks annually.

Coca-Cola products already soft drink leader

Tea consumption declining slightly

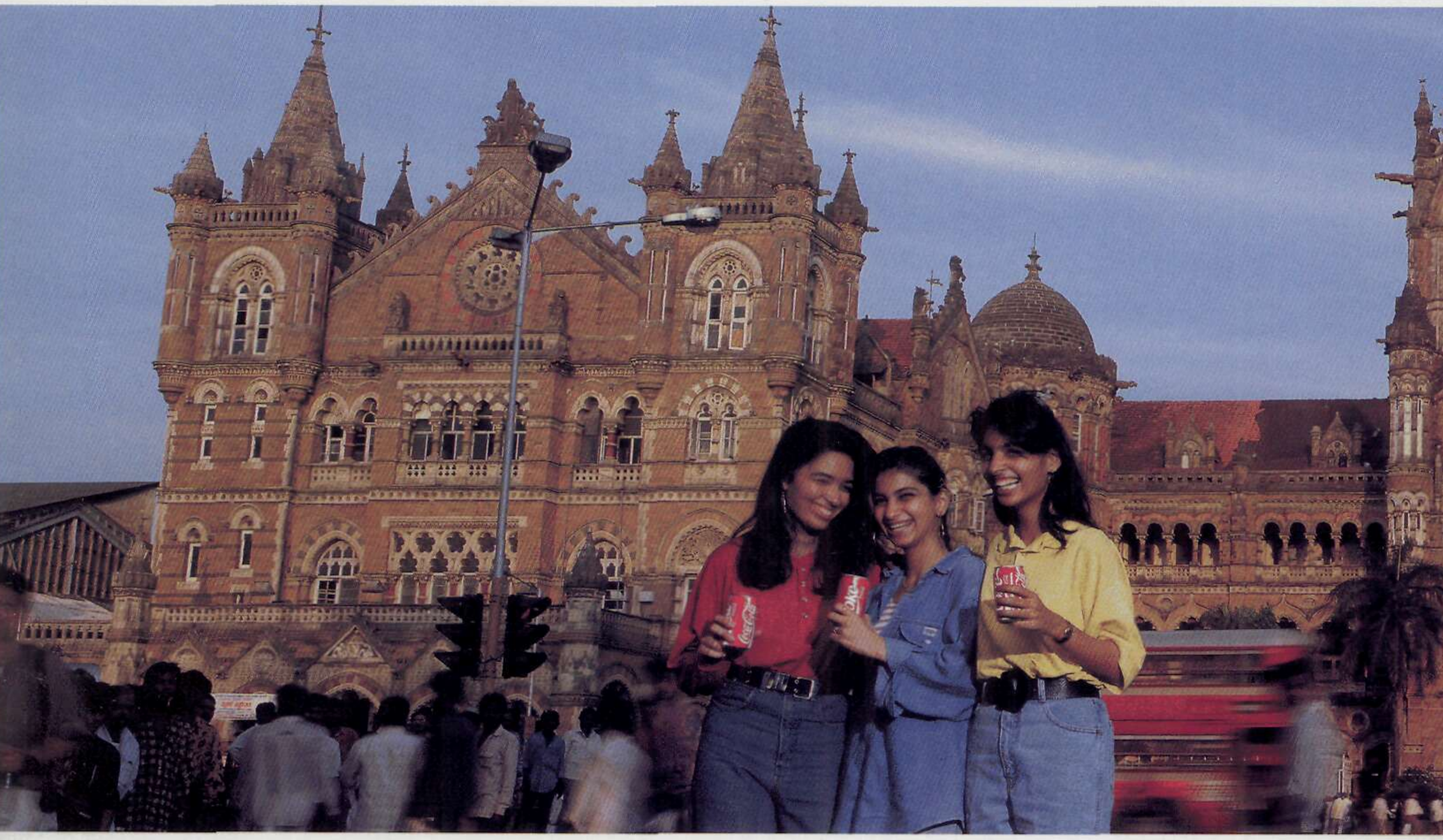
Youthful populations

Indonesia

At a Hindu temple in Bali, traditionally dressed men refresh themselves while celebrating the full moon.

With 840 million citizens and a rapidly growing middle class, the world's largest democracy offers us a remarkable opportunity. India has a relatively small soft drink industry, mostly consisting of local products. Once again, this represents an environment of competitive advantage for the superior trademark appeal and product quality of Coca-Cola.

India



In terms of warm climate and average personal income, India is similar to the Philippines. By bringing consumption of our products in India up to the same level we have created in the Philippines, 87 servings per year, we would create an additional 3 billion incremental cases. Production is planned in several cities in 1993.

Rapidly growing middle class

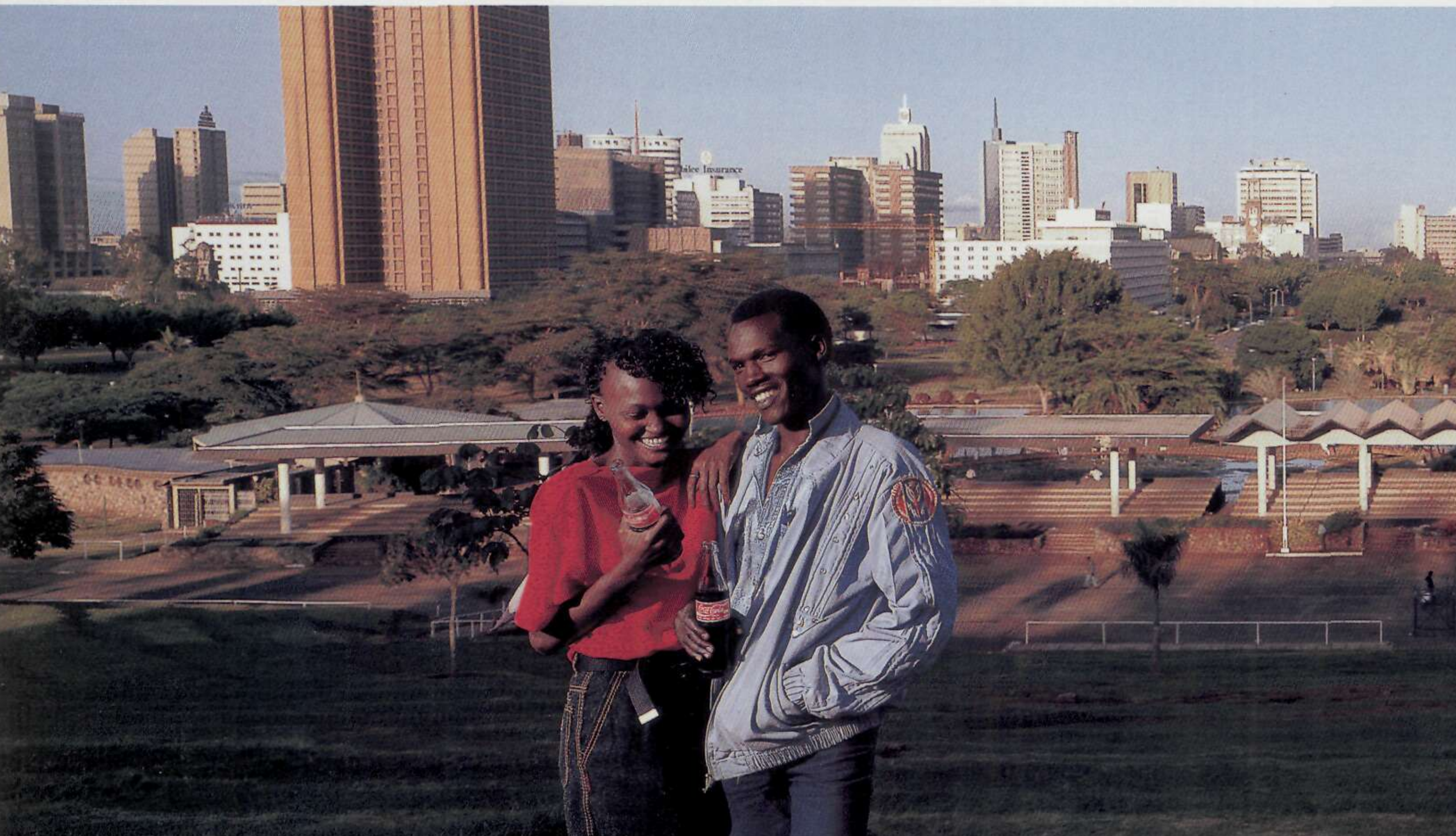
Soft drink industry relatively undeveloped

High regard for Coca-Cola trademark already established

In Bombay and throughout the country, many Indians look forward to the upcoming return of Coca-Cola.

Africa

In many ways, the soft drink potential of Africa resembles that of Latin America 15 or 20 years ago. Both regions feature warm climates and youthful populations. Also, many African nations are moving toward market economies, which are greatly improving many of the business environments in which we operate.

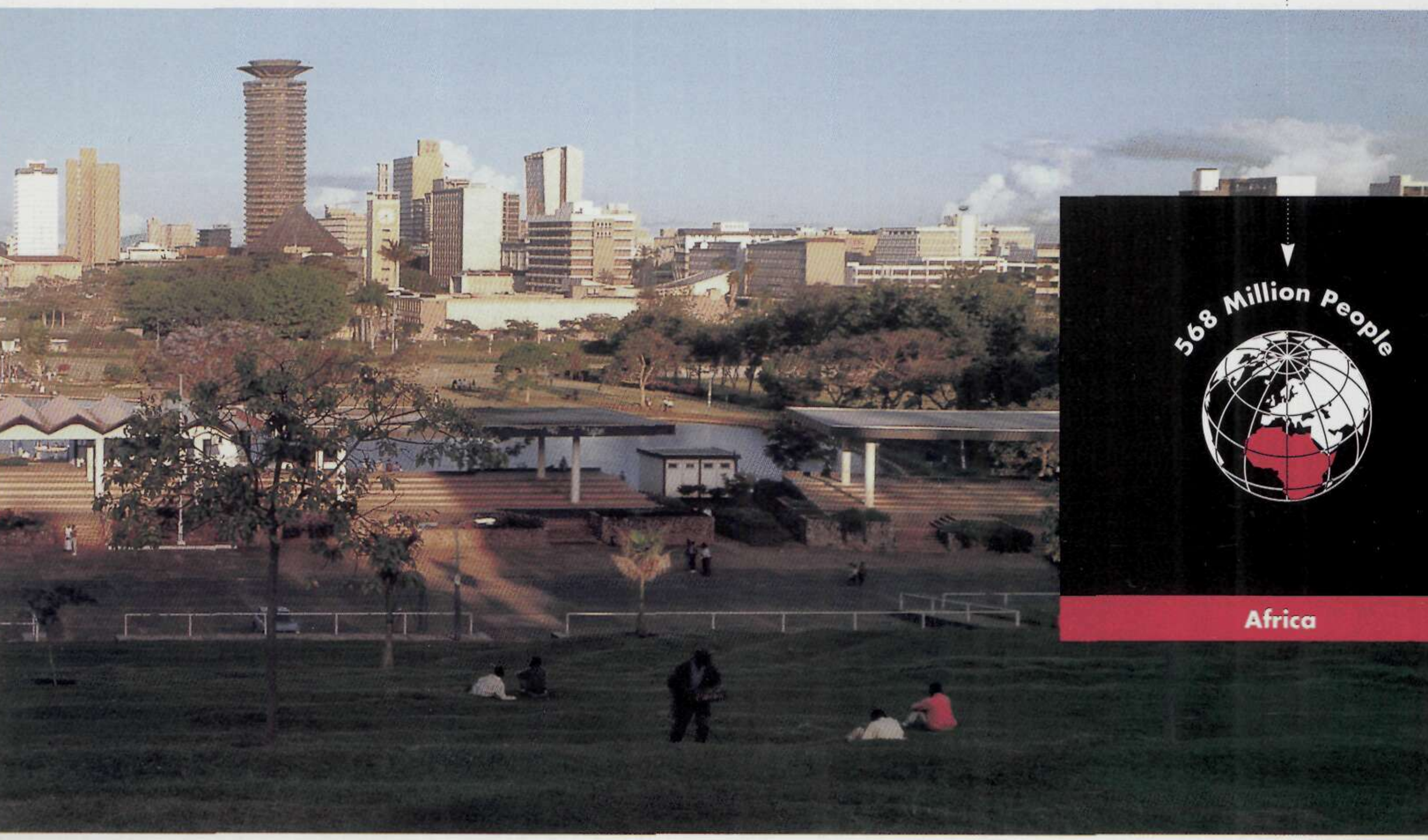


A young couple in Nairobi, Kenya, takes a break with cold Coca-Cola.

Warm climates

Youthful populations

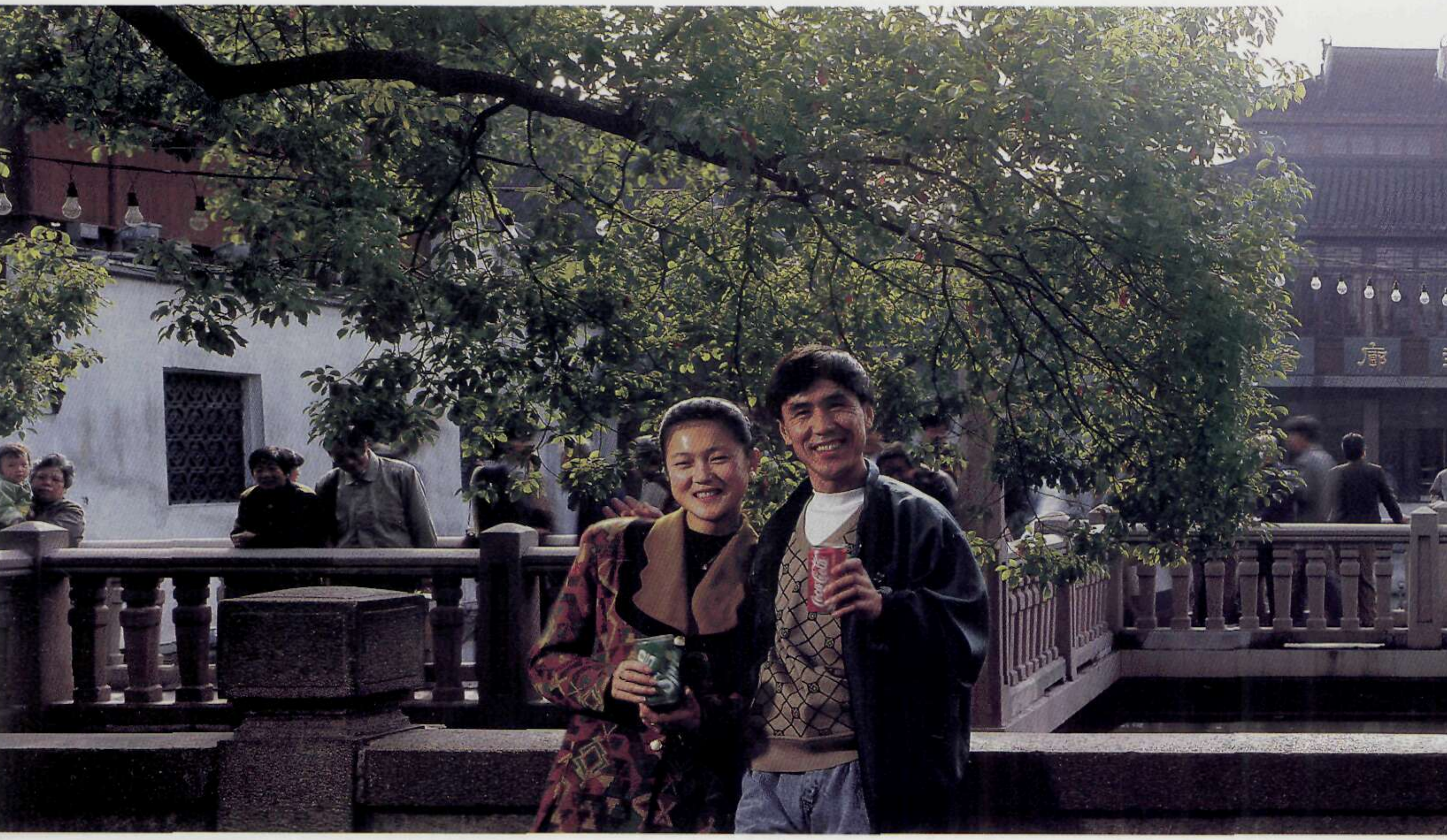
Governments moving toward market economies



By raising the per capita consumption in Africa to the 180 level of Chile, one of our model Latin American markets, we will create more than 4 billion cases in annual unit case volume. Our creation of the Africa Group at the beginning of 1993 is a clear signal that we are more intensely focused than ever before.

In China, a nation of 1.2 billion people, we have already begun building the infrastructure that is turning potential into real business. In 1992, we sold 73 million cases in China, which is more than we sold in Norway or Austria. That growth serves as an excellent example of how investing in the proper resources — money, people, expertise and patience — can turn potential into reality.

China



The long-term potential of China's soft drink industry is immense. This opportunity is clear when compared with Japan. Although the two markets are very different, our business is already far more developed in today's China than it was for many years in post-war Japan. Through our efforts to help build a strong soft drink industry in China, we can eventually raise per capita consumption to the same level we built in Japan, 124 servings, creating an incremental 6 billion cases in annual unit case volume.

Move to market economy continues

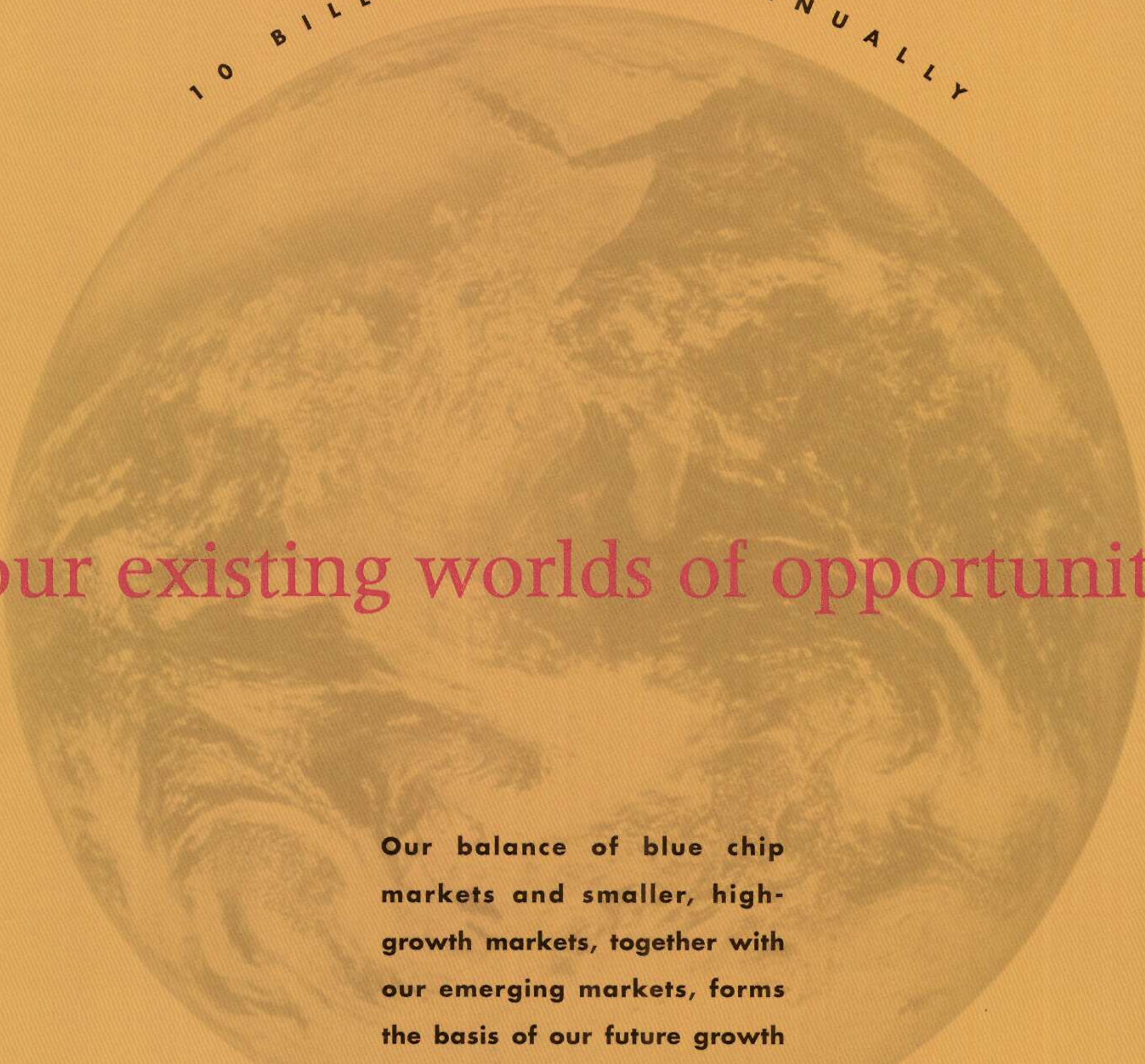
Already a top 25 volume market

Demand far exceeds current capacity

Shanghai typifies China's movement toward a fast-growing economy and free markets.

1992 Results

10 BILLION CASES ANNUALLY

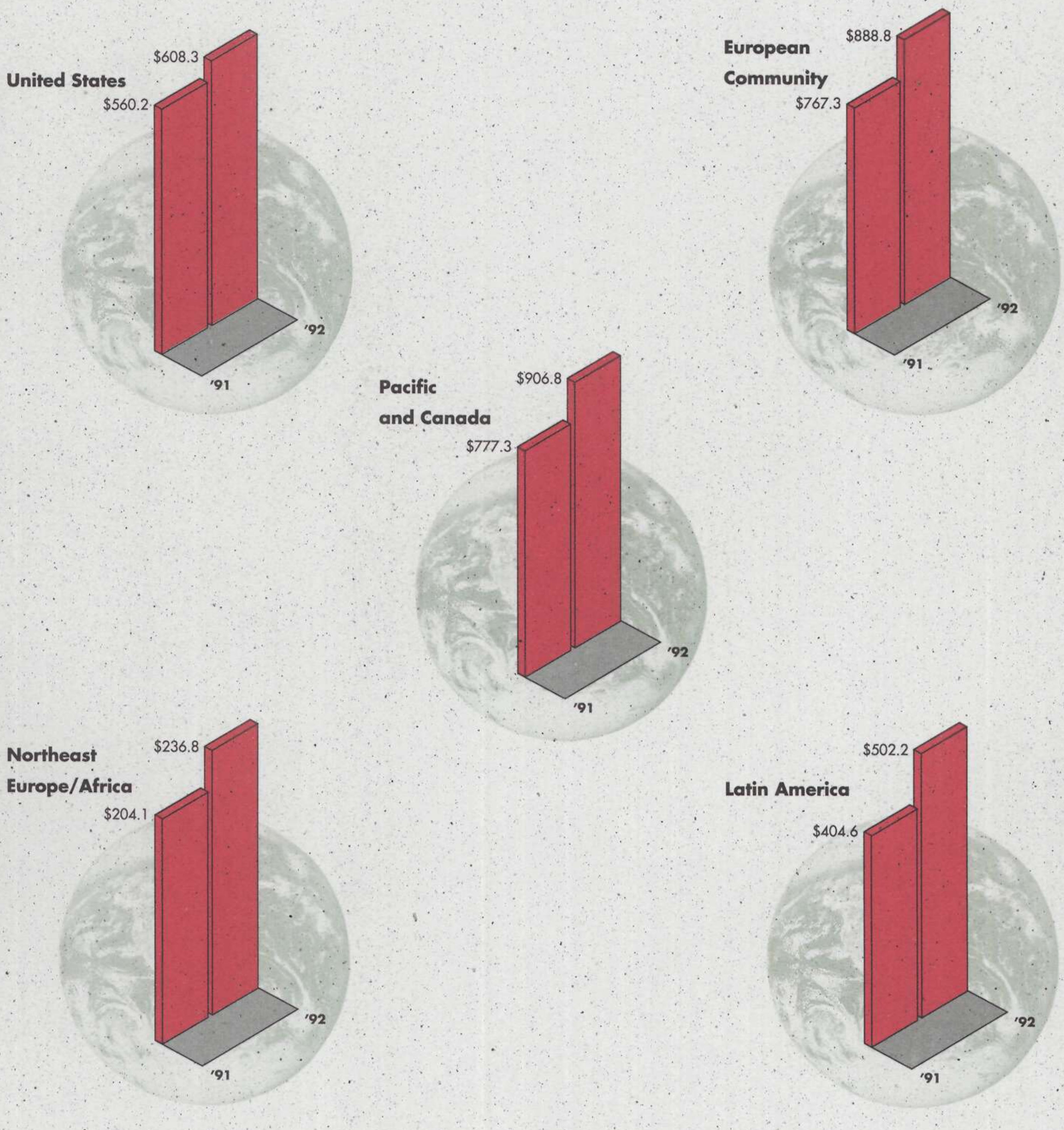


...our existing worlds of opportunity...

Our balance of blue chip markets and smaller, high-growth markets, together with our emerging markets, forms the basis of our future growth ...a simple formula that uses the resources offered by our existing strengths to create future strengths. Over the long haul, this excellent balance will prove The Coca-Cola Company to be of continued increasing value to its share owners.

Operating Income – 1992 vs. 1991

In Millions



ESTIMATED UNIT CASE VOLUME[1] FLAVORED CARBONATED SOFT DRINKS

		Average Annual Growth				1992 Results			
		10 Years		5 Years		Unit Case Growth		Company	
		Company	Industry	Company	Industry	Company	Industry	Share	Per Capita Consumption
Worldwide[2]		6%	4%	5%	3%	3%	0%	45%	55
United States		5[3]	4	3[3]	3	2[3]	2	41	296
International[2]		7	4	7	4	4	(1)	47	40
European Community		8	5	10	4	5	3	47	122
	Benelux/Denmark	8	3	10	5	10	3	46	143
	France	12	5	16	6	6	2	43	56
	Germany	6	4	10	4	6	3	49	189
	Great Britain	13	6	8	3	3	4	31	89
	Italy	10	6	6	5	4	4	55	94
	Spain	8	4	9	5	4	0	54	159
Pacific[4]		8	8	8	7	3	2	38	18
	Australia	6	6	6	2	(2)	(7)	59	217
	Japan[4]	7	7	7	7	2	2	32	124
	Korea	6	8	7	8	(3)	(6)	50	61
	Philippines	9	3	4	1	(1)	(1)	76	87
	Thailand	12	11	13	14	5	5	58	44
Northeast Europe/Africa[2]		7	3	8	1	14	(6)	37	22
	Austria	6	7	11	12	12	9	45	157
	Nigeria	3	2	8	8	7	12	66	22
	Norway	11	7	9	3	5	7	57	228
	Switzerland	10	4	7	4	4	2	48	161
	Turkey	20	15	18	12	18	11	45	24
Latin America		6	4	5	3	0	(1)	54	129
	Argentina	9	9	3	2	30	27	62	171
	Brazil	6	5	0	(2)	(18)	(18)	60	81
	Chile	12	10	17	18	16	16	62	180
	Colombia	5	2	2	0	1	(1)	44	104
	Mexico	5	4	9	7	3	1	55	275

[1]Unit case equals 24 8-ounce drinks.

[2]Industry information excludes Armenia, Azerbaijan, Belarus, Bosnia-Hercegovina, Croatia, Georgia, India, Kazakhstan, Kyrgyzstan, Slovenia, Tajikistan, Turkmenistan, Uzbekistan and Yugoslavia.

[3]Includes non-carbonated soft drinks.

[4]Includes Japanese non-carbonated soft drinks.

Brand Strength

With four of the world's top five carbonated soft drinks, The Coca-Cola Company's brand portfolio includes the leaders of the three largest carbonated soft drink segments: cola, orange and lemon-lime.

COCA-COLA

The world's most recognized trademark and the best-selling soft drink is now available in more than 195 countries. In 1992, we sold more than 6 billion unit cases of Coca-Cola and Coca-Cola classic.

DIET COCA-COLA/COCA-COLA LIGHT

The number one diet soft drink in the world, the third best-selling carbonated soft drink of any kind, was introduced in several new markets in 1992, expanding its availability to 117 markets worldwide. Unit case volume for diet Coke and Coke light was 1.25 billion in 1992.

FANTA

The world's fourth best-selling carbonated soft drink is sold in 164 countries, making it the only true global brand in the orange segment. More than 940 million unit cases of Fanta were sold in 1992.

SPRITE

The world's best-selling lemon-lime soft drink, which is sold in 164 countries, is also the world's fifth best-selling carbonated soft drink of any kind. Selling 909 million unit cases in 1992, Sprite is expected to continue its rapid growth as it enters new international markets in 1993.

The World's Favorite Soft Drinks*

AN INTERNATIONAL SAMPLING

	Market Leader	Leadership Margin	Second Place
Australia	Coca-Cola	2.8–1	diet Coke
Austria	Coca-Cola	2.5–1	Fanta
Belgium	Coca-Cola	7.3–1	Coke light
Brazil	Coca-Cola	3.7–1	Brazilian brand
Denmark	Coca-Cola	1.7–1	Danish brand
France	Coca-Cola	3.3–1	French brand
Germany	Coca-Cola	3.3–1	Coke light
Great Britain	Coca-Cola	1.3–1	diet Coke
Greece	Coca-Cola	2.8–1	Fanta
Italy	Coca-Cola	2.0–1	Fanta
Japan**	Coca-Cola	1.5–1	Fanta
Korea	Coca-Cola	1.5–1	Korean brand
Norway	Coca-Cola	1.9–1	Coke light
Spain	Coca-Cola	2.0–1	Spanish brand
Sweden	Coca-Cola	3.0–1	Fanta

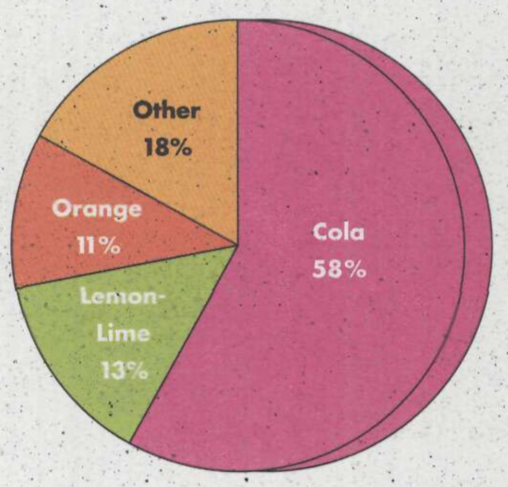
* Share of flavored, carbonated soft drink sales
Source: A. C. Nielsen
** Source: Company data

Soft Drink Consumption by Segment

1992 Worldwide Carbonated Soft Drink Industry

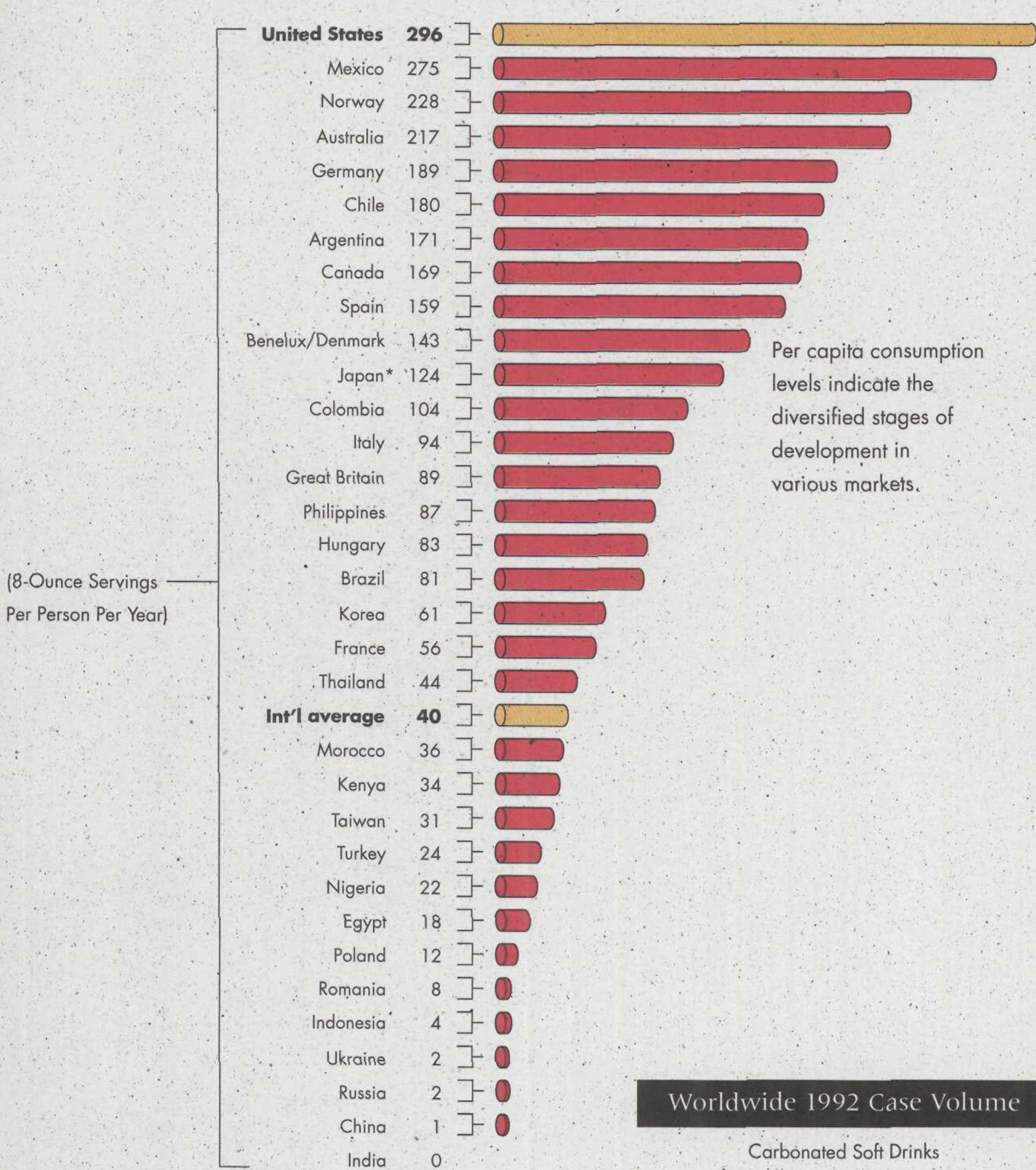
Company Share

Cola: 61%
Lemon-Lime: 36%
Orange: 32%
Other: 9%
Overall: 45%



1992 Per Capita Consumption

COMPANY CARBONATED SOFT DRINKS IN SELECTED COUNTRIES

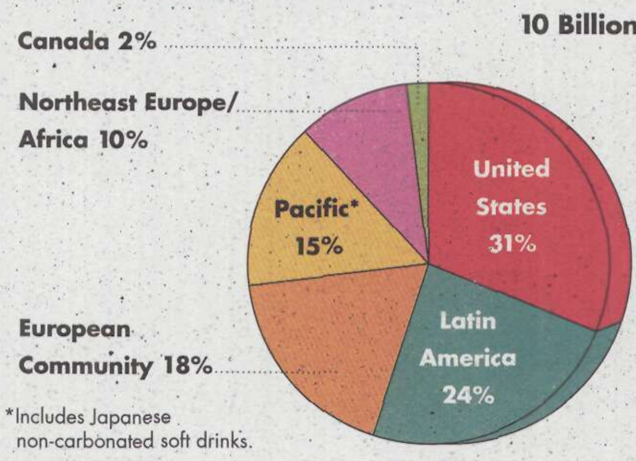


*Includes non-carbonated soft drinks.

Per capita consumption levels indicate the diversified stages of development in various markets.

Worldwide 1992 Case Volume

Carbonated Soft Drinks



*Includes Japanese non-carbonated soft drinks.

Major Bottlers Crossing International Borders

The global Coca-Cola bottling system has become significantly stronger in the last decade. Much of its success can be attributed to some of our major international bottling partners with proven track records in their home markets who are exporting their expertise, financial resources and aggressive strategies across international borders.

Sharing our impassioned commitment to generating rapid growth, these partners help us accelerate the rate at which we develop individual markets and will play an increasingly important role in the ongoing development of our global bottling system. For information on the Company's own investment activities in its global bottler network, please see page 38.

Bottling Partner	Operating Countries
COCA-COLA CCA AMATIL*	Australia, Austria, Czech Republic, Fiji, Hungary, Indonesia, New Zealand, Papua New Guinea and Slovakia
F&N COCA-COLA*	Brunei, Malaysia and Singapore
LEVENTIS	Bulgaria, Greece, Nigeria, Northern Ireland, Republic of Ireland and Romania
GRUPO PANAMCO	Brazil, Colombia and Mexico
Swire Pacific Limited*	China, Hong Kong and Taiwan

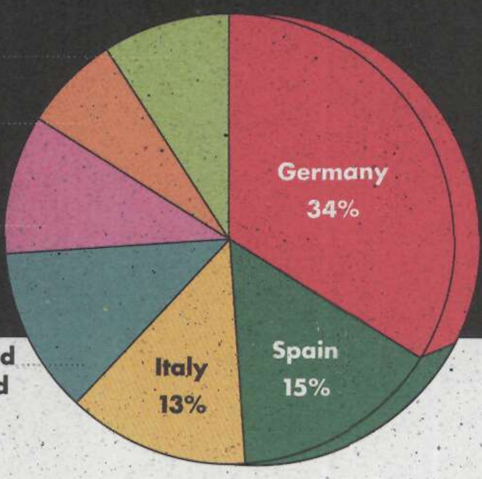
*Company participates in joint venture.

Customers and consumers were the major focus of 1992, combined with a year of globally significant events. The Winter Olympics in Albertville, France, the opening of Euro Disney outside Paris, Expo '92 in Seville and the Summer Olympics in Barcelona all offered outstanding opportunities for massive sampling by consumers and overwhelming presence through signage and displays. Customer focus included aggressive merchandising and promotions, which helped stimulate a unit case volume increase of more than 5 percent, despite widespread economic downturns.

GROWTH RATE
1992 vs. 1991

	Gallon Sales	Unit Case Sales
Germany	3%	6%
Great Britain	1%	3%
Spain	0%	4%
Italy	1%	4%
France	6%	6%
Benelux/Denmark	9%	10%
Other	6%	7%
Total	3%	5%

EUROPEAN COMMUNITY
1992 UNIT CASE SALES



ITALY
Became first European market to introduce Nestea with 1.3 million unit case volume ... continued promotions and massive sampling of Coca-Cola light increased unit case volume 73 percent over 1991

FRANCE
Increased focus on customer and consumer created higher availability and acceptability, pushing share of industry sales to new high of 43 percent ... unit case volume, led by Coca-Cola, grew 6 percent

BENELUX/ DENMARK
Continued emphasis on packaging and merchandising helped newly created division – which includes Belgium, Holland, Luxembourg and Denmark – lead Group in unit case volume growth of 10 percent over 1991 ... Company products greatly outpaced industry growth

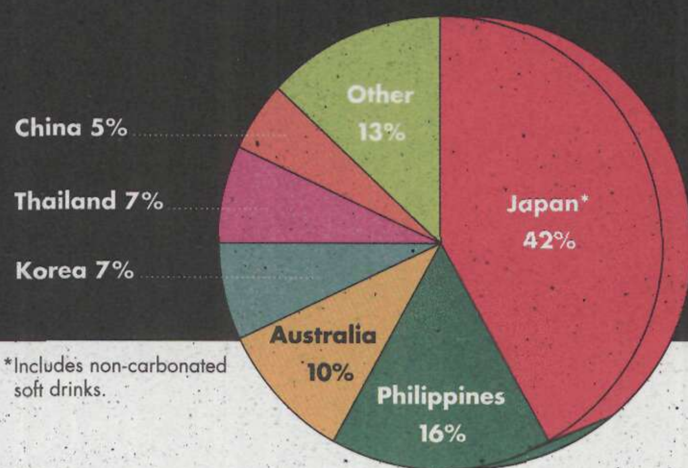
GERMANY
Despite recession and East-West consolidation, unit case volume increased 6 percent in the Company's third largest international market ... eastern Germany's unit case volume grew 20 percent, accounting for half of total growth and raising eastern German total volume to 120 million unit cases

Serving 2 billion people, the Pacific Group continued to make significant investments in soft drink production and distribution equipment, especially in China, Singapore and Malaysia. In 1992, overall unit case volume increased 3 percent, despite difficult economic conditions in the key markets of Australia and Japan.

GROWTH RATE
1992 vs. 1991

	Gallon Sales	Unit Case Sales
Japan*	**0%**	**2%**
Philippines	**0%**	**(1)%**
Australia	**(3)%**	**(2)%**
Korea	**(1)%**	**(3)%**
Thailand	**5%**	**5%**
China	**31%**	**29%**
Other	**7%**	**5%**
Total	**2%**	**3%**

PACIFIC GROUP
1992 UNIT CASE SALES



*Includes non-carbonated soft drinks.

JAPAN
Successful launch of caffeine-free diet Coke, combined with Coca-Cola light, increased low-calorie cola unit case volume 21 percent ... new package sizes for Georgia Coffee reinforced its position as leading ready-to-drink coffee ... national introduction of VegitaBeta, resulting in prestigious award for one of Japan's most successful new products of 1992

PHILIPPINES
Despite difficult operating environment, showed improvement in distribution and operating efficiencies ... strong growth of half- and 1-liter packages ... intensified consumer promotion and customer development ... maintained leadership to account for 76 percent of industry soft drink sales

THAILAND
Reinforced position as market leader ... increased brand awareness and acceptability for Coca-Cola as unit case volume grew 5 percent ... promotional and merchandising activities successfully implemented ... availability of Fanta and Sprite among highest in world

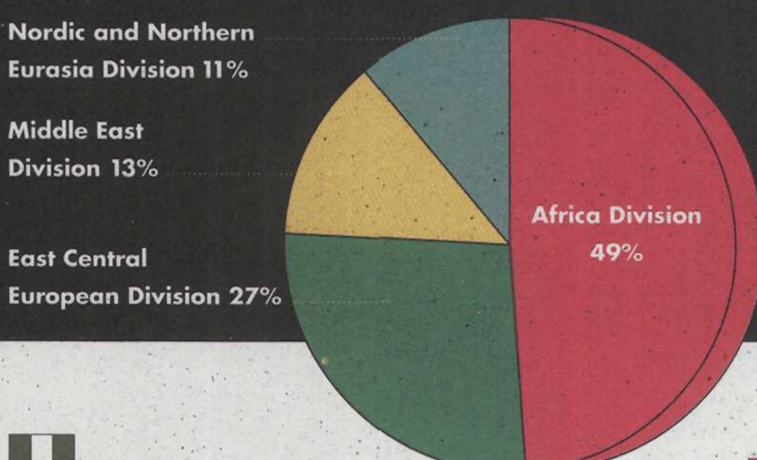
AUSTRALIA
Significant people and equipment investment in fountain segment ... major gains in prestige accounts ... Lift/diet Lift completed national rollout ... overall share up 3 percent, the largest share increase in four years

The Northeast Europe/Africa (NEA) Group's strong performance was led by the rapid development of the East Central European and Middle Eastern markets. In 1992, unit case volume grew 14 percent and gallon shipments increased more than 15 percent. This rapid growth led to the 1993 establishment of the Africa Group as the Company's fifth operating group, with the NEA Group becoming the Northeast Europe/Middle East (NEME) Group.

GROWTH RATE
1992 vs. 1991

	Gallon Sales	Unit Case Sales
Africa Division	**10%**	**7%**
East Central European Division	**32%**	**31%**
Middle East Division	**4%**	**16%**
Nordic and Northern Eurasia Division	**23%**	**8%**
Total	**15%**	**14%**

NEA GROUP
1992 UNIT CASE SALES



NIGERIA
Rollout of larger packages continued ... heavy investment in manufacturing and distribution infrastructure ... volume-driven consumer promotions introduced

POLAND
Warsaw joint venture and four new Company-owned operations nearly quadrupled unit case volume ... introduction of Fanta and Sprite highly successful

HUNGARY
Unit case volume almost doubled from previous year ... new PET packaging for home market introduced ... Coca-Cola brands attained distinct carbonated soft drink industry leadership

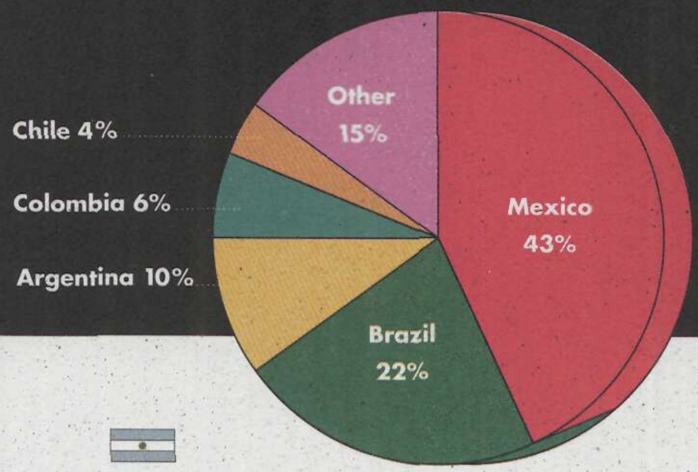
ROMANIA
Company's first full year of operations ... Coca-Cola brands captured 25 percent of carbonated soft drink industry sales ... new home market and on-premise packaging successfully launched

With hyperinflation and recession making Brazil a particularly difficult market in 1992, Latin America experienced a year of varied economic and political uncertainty. Economic recessions in Peru and Ecuador and stagnation in Colombia severely affected the industry performance. However, the Company maintained 1991 sales volume levels and strong share of industry sales. Also, profits increased significantly.

GROWTH RATE
1992 vs. 1991

	Gallon Sales	Unit Case Sales
Mexico	**1%**	**3%**
Brazil	**(19)%**	**(18)%**
Argentina	**27%**	**30%**
Chile	**16%**	**16%**
Colombia	**(2)%**	**1%**
Other	**12%**	**7%**
Total	**0%**	**0%**

LATIN AMERICA GROUP
1992 UNIT CASE SALES



MEXICO
Continued significant investments to modernize production and distribution infrastructure ... introduced several larger packages

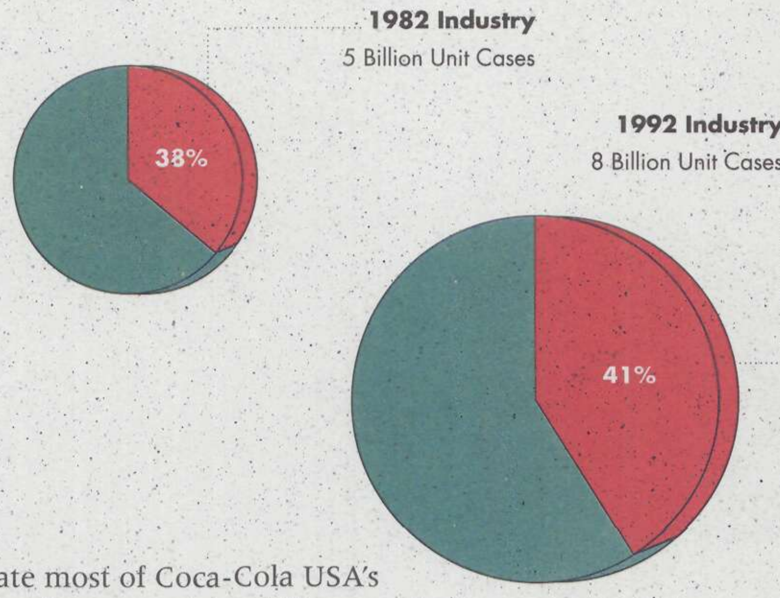
BRAZIL
Maintained high market share despite substantial volume decreases due to the economic recession ... continued expansion of larger packages ... successfully repositioned and relaunched Sprite

ARGENTINA
Continued accelerated expansion of new packaging ... first can filling line installed ... featured successful promotions, including 50-year anniversary celebration program that significantly impacted share, image and sales ... economic recovery also helped generate outstanding volume growth

CHILE
Continued accelerated growth, surpassing 100 million unit cases and up 16 percent over 1991 ... successfully introduced new 1.5- and 2-liter packages

In 1992, Coca-Cola USA achieved record results in unit case volume and operating income, while increasing its leadership in the U.S. carbonated soft drink industry to a 41 percent share. The division's fountain operation was particularly successful, growing significantly because of focused programs designed to increase customers' soft drink revenues and profitability.

COCA-COLA USA SHARE OF TOTAL INDUSTRY SALES CARBONATED SOFT DRINK UNIT CASES



Emerging Brands

Although core brands will continue to generate most of Coca-Cola USA's growth, in 1992 we also capitalized on opportunities through new emerging brands. While these brands — led by TAB Clear, PowerAde, Nestea and Nordic Mist — represent a tiny portion of our current business, they are raising overall volume and represent solid growth potential.

TAB CLEAR

As the first carbonated soft drink since diet Coke to be designed by consumers, TAB Clear is a flavorful, sugar-free, calorie-free, colorless cola. Introduced in late 1992 in 10 U.S. markets and in the United Kingdom in early 1993, it will soon be introduced in Northern Ireland and Japan.

POWERADE

First introduced in 1990 as a fountain product, the non-carbonated thirst quencher was introduced in bottles and cans during 1992 in six U.S. cities and began additional expansion in early 1993. PowerAde is the official sports drink of the Olympic Games and World Cup 1994.

NESTEA

A product of Coca-Cola Nestlé Refreshments Company, a 50-50 joint venture between The Coca-Cola Company and Nestlé S.A., the ready-to-drink tea product was first introduced in 1992 and became available throughout the United States in early 1993. Internationally, it is available in Taiwan, Korea and Italy.

NORDIC MIST

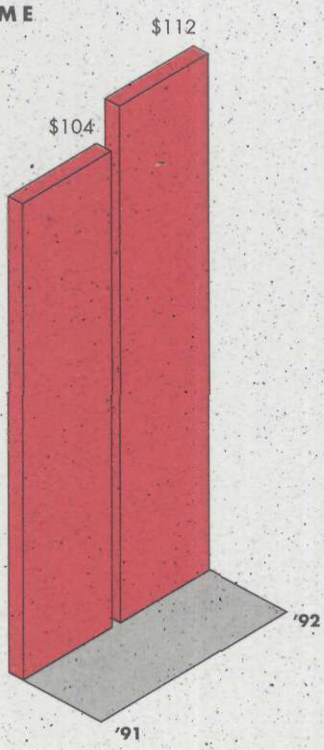
Packaged in distinctive 11-ounce and 23-ounce glass bottles, the flavored sparkling water was initially introduced in four major U.S. cities, and a systematic, gradual expansion is planned for 1993. Made with natural flavors, no caffeine and low sodium, Nordic Mist is available in five fruit flavors.

The Power of Massive Distribution

Our United States market leadership has not only been built on the cachet of our brands, but also through the massive distribution capabilities of our bottling system — a distribution network unmatched by any other company. Nearly 1.4 million customers help us reach consumers through a variety of traditional and new channels. Through 900,000 vending machines, 350,000 fountain outlets and nearly 1 million retail outlets, each day we prove our unequalled ability to put our products within an arm's reach of desire.

Distribution Channels	
Fountain	350,000
Vending	900,000
Retail	1,000,000
Total Distribution Points	**2,250,000**

COCA-COLA FOODS OPERATING INCOME
In Millions



Coca-Cola Foods

During 1992, operating income grew more than 8 percent. While Minute Maid orange juice volume was impacted by higher retail prices throughout the category, volume for other juice and juice-drink products increased 6 percent. As a result, total volume was equal to the prior year and Coca-Cola Foods maintained its leading share of the juice and juice-drink industry. The availability of Minute Maid juices packaged in single-serve bottles and cans and distributed through the Coca-Cola bottler system doubled to include 86 percent of the U.S. market.

Management's primary objective is to maximize share-owner value over time. To accomplish this objective, The Coca-Cola Company and subsidiaries (the Company) have developed a comprehensive business strategy that emphasizes maximizing long-term cash flows. This strategy focuses on continuing aggressive investment in the high-return soft drink business, increasing returns on existing investments and optimizing the cost of capital through appropriate financial policies. The success of this strategy is evidenced by the growth in the Company's cash flows and earnings, its increased returns on total capital and equity and the total return to its share owners over time.

Investments

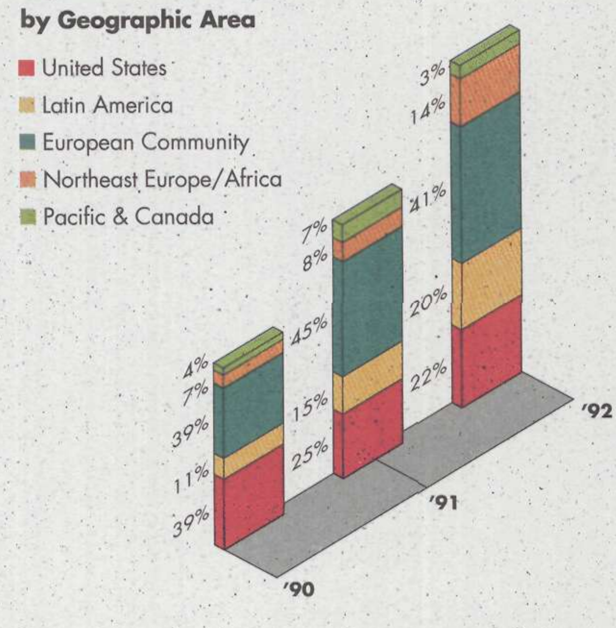
The Company has a global business system which distributes its products in more than 195 countries. In 1992, the Coca-Cola system continued to aggressively expand its production and distribution infrastructure in emerging markets such as eastern Germany, Poland and Romania. With its pervasive global business system in place, the Company is well positioned to capitalize on investment opportunities as they arise.

Management seeks investments that strategically enhance existing operations and offer cash returns that exceed the Company's long-term after-tax weighted average cost of capital, estimated by management to be approximately 12 percent. The Company's soft drink business provides an attractive area for investment due to its inherent high returns. Most soft drink markets are relatively undeveloped compared to the U.S. market. International per capita consumption of Company products is still only 14 percent of the U.S. level. As a result, attractive investment opportunities exist for the Company and its bottlers to expand the production, distribution and marketing systems in international markets. Additional strategic investments are also required in the relatively more developed markets to increase product availability, enhance marketing focus and improve overall efficiency. The Company has already benefited from the continued consolidation of production and distribution networks, plus investment in the latest technology and information systems.

Over the last decade, bottling investments have represented a significant portion of the Company's capital investments. The principal objective of these investments is to ensure strong and efficient production, distribution and marketing systems in order to maximize long-term growth in volume, cash flows and share-owner value of the bottler and the Company.

When considered appropriate, the Company makes equity investments in bottling companies (typically between 20 percent and 50 percent). Through these investments, the Company is able to help focus and improve sales and marketing programs, assist in the development of effective business and information systems and help establish capital structures appropriate for these respective operations.

Capital Expenditures by Geographic Area



In certain situations, management believes it is advantageous to own a controlling interest in bottling operations. For example, in eastern Germany, the Company's objective is to establish a modern soft drink business quickly. Due to limited local resources for a timely undertaking, this is being accomplished through a wholly-owned bottling subsidiary.

The Company's consolidated bottling, canning and fountain/post-mix operations produced and distributed approximately 15 percent of worldwide unit case volume. Equity investee bottlers produced and distributed an additional 30 percent of worldwide unit case volume.

In restructuring the bottling system, the Company periodically participates in bottler ownership changes or takes temporary ownership positions in bottlers. The length of ownership is influenced by various factors, including operational changes, management changes and the process of identifying appropriate new investors.

At December 31, 1992, the Company owned approximately 52 percent of Coca-Cola Amatil Limited, an Australian-based bottler of Company products. The Company expects to reduce its ownership interest to below 50 percent within the next 2 years. Accordingly, the investment has been accounted for by the equity method of accounting. If valued at the December 31, 1992, quoted closing price of the publicly traded Coca-Cola Amatil common shares, the calculated value of the Company's investment in Coca-Cola Amatil exceeded its carrying value by approximately $74 million.

At December 31, 1992, the Company had an additional $397 million of investments that represented majority interests in companies that were not consolidated. These investments were accounted for by the cost or equity methods, depending on the circumstances. These investments relate primarily to temporary majority interests which management expects to reduce to below 50 percent. The Company owns a temporary majority interest in The Coca-Cola Bottling Company of New York, Inc. which management expects to reduce to below 50 percent within the next year. Based on management's estimates, the market values of these majority-owned investments exceeded their carrying values at December 31, 1992.

Increasing Returns

The Company manages its concentrate and bottling operations so as to optimize profit margins, while at the same time increasing volume and its share of soft drink sales. The Company also provides expertise and resources to equity investees to build their businesses and to build long-term volume, cash flows and share-owner value.

Through cost control, strategic price increases and efficient allocation of marketing resources, the Company has generally been able to maintain or improve margins in 1992 despite difficult economic climates in many markets.

Growth in volume and the Company's share of sales depend on continuous reinvestment in the form of advertising. Advertising enhances the Company's products as industry leaders. Advertising expenditures increased to $1.1 billion in 1992, compared to $988 million in 1991 and $932 million in 1990.

Volume and profits have benefited from the Company's ownership of and investments in bottling operations. While the bottling business has relatively lower margins on revenue compared to the concentrate business, aggressive investment in soft drink infrastructure has resulted in growth in share of sales and unit case volume at the bottler level, which in turn generates gallon shipment gains for the concentrate business.

Equity income, which primarily represents returns from the Company's unconsolidated bottling investments, was $65 million in 1992. The Company's joint ventures and investments in bottling entities include Coca-Cola Enterprises Inc., Coca-Cola Amatil and Coca-Cola & Schweppes Beverages Ltd. (CC&SB).

Financial Policies

Maximizing returns on invested capital necessitates optimizing the Company's cost of capital through appropriate financial policies.

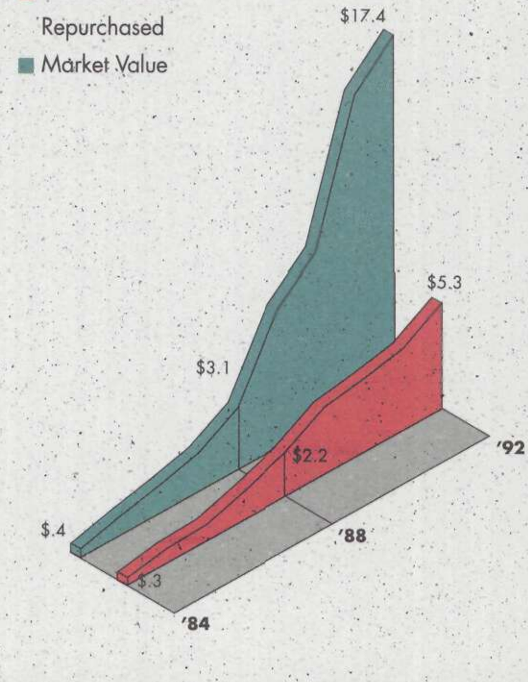
Debt Financing: The Company maintains debt levels considered prudent based on the Company's cash flows and the percentage of debt to the Company's total capital. The Company's overall cost of capital is lowered by the use of debt financing, resulting in increased return to share owners.

The Company's capital structure and financial policies have resulted in long-term credit ratings of "AA" from Standard & Poor's and "Aa3" from Moody's, as well as the highest credit ratings available for its commercial paper programs. The Company's strong financial position and cash flows allow it opportunistic access to financing in financial markets around the world.

Foreign Currency Management: With approximately 81 percent of operating income in 1992 generated by operations outside the United States, foreign currency management is another key element of the Company's financial policies. The Company closely monitors its exposure to fluctuations in currencies and adopts strategies to reduce the impact of these fluctuations on the Company's financial performance where cost-justified. The Company benefits from operating in a number of different currencies, because weakness in any particular currency is often offset by strengths in other currencies. The Company also engages in various hedging activities to enhance income and cash flows denominated in foreign currencies. Furthermore, the Company uses foreign currency borrowings when appropriate to finance investments outside the United States.

Share Repurchases: In July 1992, the Board of Directors authorized a plan to repurchase up to 100 million additional shares of the Company's common stock through the year 2000. No shares were repurchased under this plan until February 1993. In 1992, the Company repurchased 29.7 million shares approved under the 1989 share repurchase plan at a total cost of approximately $1.2 billion. The Company completed the 1989 share repurchase plan in January 1993. From the inception of share repurchase programs in 1984 to December 31, 1992, the Company has repurchased 414.8 million shares at a total cost of approximately $5.3 billion. This represents over 25 percent of the Company's common shares that were outstanding at the beginning of 1984. The value of these shares, based on the quoted closing price of the Company's common stock traded on December 31, 1992 on the New York Stock Exchange, was approximately $17.4 billion.

Stock Repurchase Programs Shares Purchased vs. Market Value
(In billions)



Dividend Policy: Strong earnings growth has enabled the Company to increase the cash dividend per common share by an average annual compounded growth rate of 10.3 percent since December 31, 1982. The annual common stock dividend was $.56 per share, $.48 per share and $.40 per share in 1992, 1991 and 1990, respectively, adjusted for stock splits. At its February 1993 meeting, the Board of Directors increased the quarterly dividend per common share to $.17, equivalent to a full-year common dividend of $.68 in 1993. This is the 31st consecutive year in which the Board of Directors has approved common stock dividend increases.

With approval from the Board of Directors, management plans to maintain a common stock dividend payout ratio of approximately 40 percent of net income available to common share owners. The 1992 dividend payout ratio was 45.6 percent based on 1991 results and 44.3 percent based on 1992 results.

Measuring Performance

A significant portion of the increase in the rate of growth of the Company's earnings, returns and cash flows can be attributed to the Company taking actions to increase its investments in the high-margin, high-return soft drink business; increase share and volume growth for its products; and manage its existing asset base effectively and efficiently.

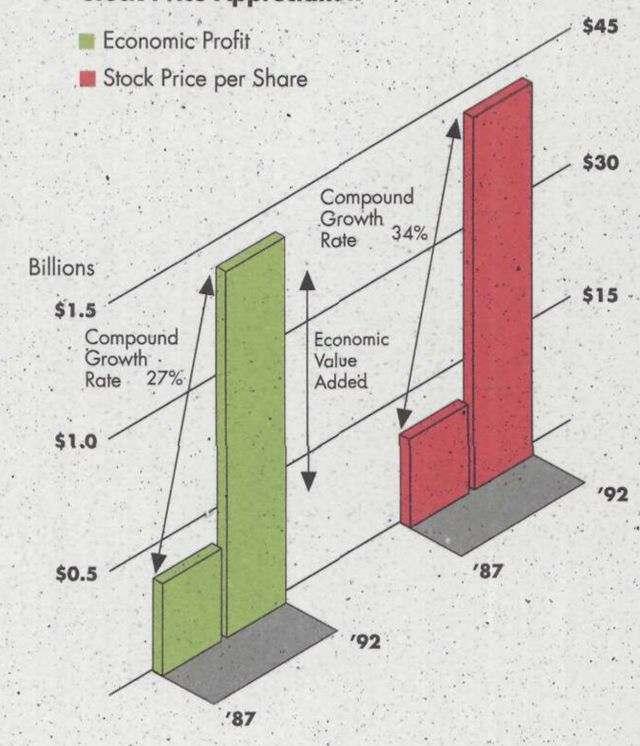
Economic Profit and Economic Value Added provide management a framework to measure the impact of these value-oriented actions. Economic Profit is defined as net operating profit after taxes in excess of a computed capital charge for average operating capital employed. Economic Value Added represents the growth in Economic Profit from year to year.

Over the last five years, Economic Profit has increased at an average annual compounded rate of 27 percent, resulting in Economic Value Added to the Company of $952 million. Over the same period, the Company's stock price has increased at an average rate of 34 percent. Management believes that, over the long term, growth in Economic Profit, or Economic Value Added, will have a positive impact on the growth in share-owner value.

Total Return to Share Owners

During the past decade, share owners of the Company have enjoyed an excellent return on their investment. A $100 investment in the Company's common stock at December 31, 1982, together with reinvested dividends, would be worth approximately $1,286 at December 31, 1992—an average annual compounded return of 29 percent.

Economic Profit vs. Stock Price Appreciation



Management's Discussion and Analysis

Lines of Business

Soft Drinks: The Company is the largest manufacturer, marketer and distributor of soft drink concentrates and syrups in the world. It manufactures soft drink concentrates and syrups, which it sells to bottling and canning operations, and manufactures fountain/post-mix soft drink syrups, which it sells to authorized fountain wholesalers and some fountain retailers. The Company has substantial equity investments in numerous soft drink bottling and canning operations, and it owns and operates certain bottling and canning operations outside the United States.

Foods: The foods business sector's principal business is processing and marketing citrus and other juice and juice-drink products, primarily orange juice. It is the world's largest marketer of packaged citrus products.

Operations

Volume: The Company measures soft drink volume in two ways: gallon shipments of concentrates and syrups and equivalent unit cases of finished product. Gallon shipments represent the primary business of the Company since they measure concentrates and syrups sold by the Company to its bottling partners. Most of the Company's revenues are based on this measure of "wholesale" activity. The Company also monitors unit case volume, a measure of finished product sold by bottling partners to retail customers who make sales to consumers. Management believes unit case volume more accurately measures the underlying strength of the global business system because it measures trends at the retail level and is less impacted by inventory management practices at the wholesale level. Fountain/post-mix syrups sold by the Company directly to customers are included in both measures.

Worldwide soft drink volume increased in 1992, with unit case volume and gallon shipments increasing 3 percent. In 1991, both unit cases and gallon shipments increased 5 percent. In the United States, continued slow economic recovery impacted volume in 1992. Unit case volume and gallon shipments increased 2 percent in 1992, compared to growth of 2½ percent and 2 percent, respectively, in 1991. The increase in 1991 was due in part to full-year results from significant fountain customers added in 1990.

Outside the United States, unit case volume increased 4 percent in 1992, while gallon shipments increased 3 percent, reflecting the difficult economic environments in a number of markets, particularly Brazil. Approximately 69 percent of soft drink gallon shipments were made outside the United States in 1992, compared to 68 percent in 1991. In 1991, both unit case volume and gallon shipments outside the United States increased 6 percent.

In the European Community, unit cases increased 5 percent in 1992, including gains of 10 percent in the Benelux and Denmark Division and 6 percent in France and Germany. Gallon shipments increased 3 percent in 1992, compared to 6 percent in 1991.

In Northeast Europe/Africa, unit cases increased 14 percent in 1992, while gallon shipments increased 15 percent. Unit case growth was driven by expansion into new markets in East Central Europe and continued expansion of the Company's infrastructure in many existing markets. In 1991, gallon shipments increased 3 percent in Northeast Europe/Africa.

Unit case volume in the Pacific grew 3 percent in 1992. Gallon shipments grew 2 percent, compared to 4 percent in 1991. Unit cases increased 2 percent in Japan and 12 percent in the China Division, offsetting a 1 percent decrease in the Philippines, where natural disasters hampered distribution.

Unit case volume and gallon shipments in Latin America were even with the prior year, primarily because of an 18 percent decrease in unit cases and a 19 percent decrease in gallon shipments in Brazil, where severe economic conditions eroded consumer purchasing power. The decline in Brazil was offset by unit case volume growth of 3 percent in Mexico and 30 percent in Argentina. Gallon shipments in Latin America increased 8 percent in 1991.

In the foods business sector, 1992 unit volume for juice and juice-drink products was unchanged following the strong performance in 1991, when volume increased 12 percent. Frozen orange juice volume decreased 8 percent in 1992, following an increase of 29 percent in 1991. The 1992 decline in frozen orange juice volume was offset by a 4 percent increase in chilled product volume and an 8 percent increase in volume for shelf stable products.

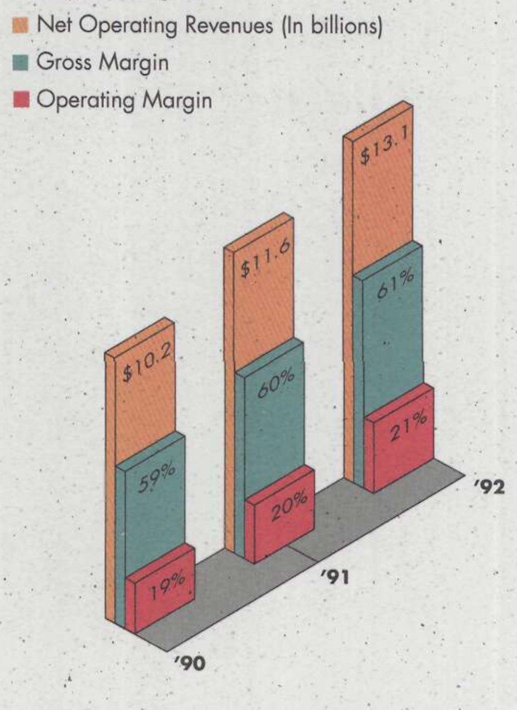
Net Operating Revenues and Gross Margin: For the Company's soft drink business, revenues grew 15 percent in 1992, primarily due to gallon shipment increases, favorable exchange movement, price increases and continued expansion of bottling and canning operations. Revenues for the foods business sector in 1992 increased 2 percent due to price increases.

In 1991, revenues for the Company's soft drink business increased 15 percent, primarily due to gallon shipment growth, price increases and continued expansion of bottling and canning operations. In the foods business sector, 1991 revenues increased 2 percent primarily due to volume increases, partially offset by price decreases.

On a consolidated basis, the Company's worldwide revenues grew 13 percent in 1992 while gross profit grew 16 percent, expanding the Company's gross margin from 60 percent in 1991 to 61 percent in 1992. Gross profits grew 15 percent in 1991 on consolidated revenue growth of 13 percent. Gross margins improved in both years due to price increases and lower raw material costs.

Selling, Administrative and General Expenses: Selling expenses were $4.0 billion in 1992, $3.5 billion in 1991 and $3.2 billion in 1990. The increases in 1992 and 1991 were due primarily to higher marketing investments in line with expansion of the business.

Margin Analysis



Administrative and general expenses were $1.2 billion in 1992, $1.1 billion in 1991 and $859 million in 1990. The 1992 increase was due primarily to expansion of the business, particularly newly formed, Company-owned bottling operations. The 1991 increase was due to the growth of the business and stock-related employee benefits. Administrative and general expenses, as a percentage of net operating revenues, were approximately 10 percent in 1992, 9 percent in 1991 and 8 percent in 1990.

Operating Income and Operating Margin: Operating income increased 19 percent in 1992 and 1991, and operating margins grew from 20 percent in 1991 to 21 percent in 1992. The expansion in operating margins resulted from gross margin expansion and a reduction in the costs of stock-related employee benefits.

Interest Income and Interest Expense: Interest expense declined in 1992 and 1991 due primarily to lower interest rates. Interest income in 1992 declined primarily due to lower interest rates. Interest income in 1991 was consistent with 1990 levels.

Equity Income: Equity income increased 63 percent, to $65 million, in 1992 due primarily to one-time charges recorded by Coca-Cola Enterprises in 1991, partially offset by increased start-up costs of Coca-Cola Nestle Refreshments Company in 1992.

Equity income decreased $70 million in 1991 due primarily to a decrease in earnings of Coca-Cola Enterprises. Coca-Cola Enterprises' 1991 results were less than 1990 earnings due to pretax restructuring charges of $152 million and a pretax charge of $15 million to increase insurance reserves in 1991 and a nonrecurring gain that was recorded by Coca-Cola Enterprises in 1990. The decrease in equity income from Coca-Cola Enterprises was partially offset by improved results of CC&SB, which successfully implemented a cost reduction program during 1991.

Other Income (Deductions)–Net: Other income (deductions)–net in 1992 was lower than 1991 due to nonrecurring gains recorded in 1991.

The $28 million favorable change in other income–net in 1991 resulted from a pretax gain of $69 million on the sale of property no longer required as a result of a consolidation of concentrate operations in Japan and a pretax gain of $27 million on the sale of the Company's 22 percent ownership interest in Johnston Coca-Cola Bottling Group, Inc. to Coca-Cola Enterprises. This favorable change was partially offset by an increase in net foreign exchange costs (including certain hedging costs) and a nonrecurring gain that was recorded in 1990.

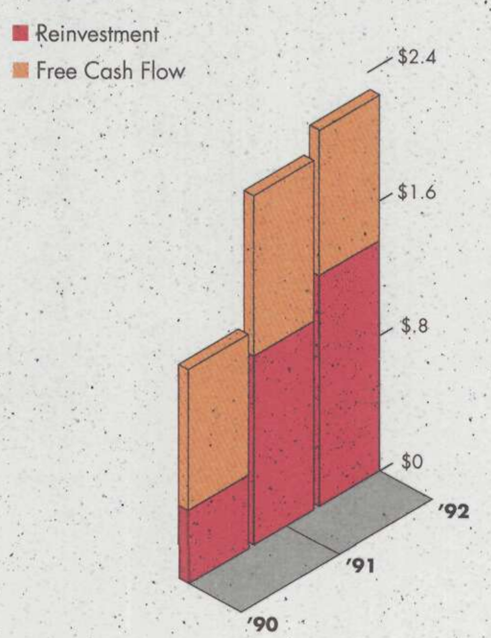
Income Taxes: The Company's effective tax rate was 31.4 percent in 1992, 32.1 percent in 1991 and 31.4 percent in 1990.

Transition Effect of Change in Accounting Principle: As of January 1, 1992, the Company recognized a one-time, noncash after-tax charge of $219 million resulting from the adoption of Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (SFAS 106). The cumulative charge consists of postretirement health care and life insurance benefit obligations to employees of the Company and the Company's portion of postretirement benefit obligations of its equity investees. The Company elected to absorb this charge immediately rather than amortizing the obligation over a period of up to twenty years.

Income Per Common Share: Accelerated by the Company's share repurchase program, income per common share before change in accounting principle grew 18 percent and 19 percent in 1992 and 1991, respectively. Net income per common share grew 4 percent in 1992, reflecting the $.17 per share impact of the adoption of SFAS 106 in 1992.

Cash Provided by Operations

(In billions)



Liquidity and Capital Resources

One of the Company's financial strengths is its ability to generate cash from operations in excess of requirements for capital reinvestment and dividends.

"Free Cash Flow": Free Cash Flow is the cash from operations remaining after the Company has satisfied its business reinvestment opportunities. Management focuses on growing Free Cash Flow to achieve management's primary objective, maximizing share-owner value. The Company uses Free Cash Flow, along with borrowings, to make share repurchases and dividend payments. The consolidated statements of cash flows are summarized as follows (in millions):

Year Ended December 31,	**1992**	1991	1990
Cash flows provided by (used in):			
Operations	**$2,232**	$ 2,084	$1,284
Investment activities	**(1,359)**	(1,124)	(440)
"Free Cash Flow"	**873**	960	844
Cash flows provided by (used in):			
Financing	**(917)**	(1,331)	(544)
Exchange	**(59)**	—	33
Increase (decrease) in cash	**$ (103)**	$ (371)	$ 333

Cash provided by operations continued to grow in 1992, reaching $2.2 billion, resulting from growth in net income before the noncash charges for depreciation, amortization and the change in accounting principle. Cash used in investment activities increased in 1992 due primarily to purchases of property, plant and equipment, investments and acquisitions of bottling operations, offset by the collection of certain finance subsidiary receivables added in 1991.

The payments collected by the finance subsidiary were used to reduce notes payable in 1992. The noncash charge for the change in accounting for postretirement benefits other than pensions resulted in an increase in other long-term liabilities and a decrease in deferred tax benefits. The increase in long-term receivables and other assets in 1992 is primarily attributable to an increase in marketable securities held in accordance with a negotiated income tax exemption grant.

Cash from operations grew 62 percent in 1991, resulting from growth in net income and a reduction in tax payments. Tax payments in 1990 reflect approximately $300 million related to the 1989 gain on the sale of Columbia Pictures Entertainment, Inc. stock. In 1991, cash used in investment activities increased due to purchases of property, plant and equipment, additions to finance subsidiary receivables and the impact of a disposal of a temporary investment in 1990.

Financing: Financing activities primarily represent the Company's net borrowing activities, dividend payments and share repurchases. Cash used in financing activities totaled $917 million in 1992, $1.3 billion in 1991 and $544 million in 1990. The change between years was due primarily to net borrowings in 1992 and 1990 compared to net reductions of debt in 1991. Cash used to fund the share repurchase program increased to $1.2 billion in 1992, from $397 million in 1991.

The Company aggressively manages its mix of short-term versus long-term debt to lower its overall cost of borrowing. This process, coupled with the share repurchase program and investment activity, resulted in an increase in loans and notes payable and current liabilities exceeding current assets at December 31, 1992.

The Company manages its debt levels based on the Company's cash flows relative to fixed charges and debt and the percentage of debt to the Company's total capital. The Company's ratio of earnings to fixed charges was 14.1 in 1992, 11.6 in 1991 and 8.5 in 1990. Debt levels are measured excluding the debt of the Company's finance subsidiary, and are net of cash, cash equivalents and marketable securities in excess of operating requirements and temporary bottling investments. At December 31, 1992 and 1991, the Company's net debt totaled $1.8 billion and $1.0 billion. Net debt represented 31.9 percent of net capital at December 31, 1992, compared with 19.2 percent at December 31, 1991. The ratio of Free Cash Flow to the Company's net debt was 48 percent at December 31, 1992, compared to 95 percent at December 31, 1991.

At December 31, 1992, the Company had $1.6 billion in lines of credit and other short-term credit facilities contractually available, under which $171 million was outstanding. Included were $1.3 billion in lines designated to support commercial paper and other borrowings, under which no amounts were outstanding at December 31, 1992.

Exchange: International operations are subject to certain opportunities and risks, including currency fluctuations and government actions. The Company closely monitors its methods of operating in each country and adopts strategies responsive to changing economic and political environments.

The Company uses approximately 42 functional currencies. For the Company, the weighted average annual exchange rates of foreign hard currencies, compared to the U.S. dollar, strengthened approximately 3½ percent in 1992 and weakened slightly during 1991. In 1992, 1991 and 1990, weighted average exchange rates for certain key foreign currencies strengthened (weakened) against the U.S. dollar as follows:

Year Ended December 31,	**1992**	1991	1990
Australian dollar	**(5)%**	1 %	0 %
British pound	**1 %**	(1)%	10 %
Canadian dollar	**(4)%**	1 %	2 %
German mark	**8 %**	(3)%	17 %
Japanese yen	**6 %**	8 %	(5)%

The foreign currency translation adjustment decreased in 1992 due primarily to the weakening of certain European currencies against the U.S. dollar in the fourth quarter of 1992. Exchange effects include costs of hedging certain balance sheet, translation and transaction exposures, net gains or losses on foreign currency transactions and the remeasurement of certain currencies into functional currencies. Exchange losses recorded in other income (deductions)–net amounted to $25 million in 1992, $22 million in 1991 and $.5 million in 1990.

Impact of Inflation and Changing Prices

Inflation is a factor in many markets around the world and consequently impacts the way the Company operates. In general, management believes that the Company is able to adjust prices to counteract the effects of increasing costs and generate sufficient cash flows to maintain its productive capability.

In highly inflationary countries, the Company has benefited from its net monetary liability position. This position is viewed as a hedge against the effects of high inflation, since net liabilities will ultimately be paid with devalued currency.

Additional Information

For additional information concerning the Company's operations, cash flows, liquidity and capital resources, this analysis should be read in conjunction with the information on pages 48 through 66 of this Annual Report. Additional information concerning operations in different lines of business and geographic areas is presented on pages 63 and 64.

Year Ended December 31, *(In millions except per share data and ratios)*	**1992**[3,4]	1991[4] (Restated)	1990[4] (Restated)	1989[4] (Restated)	1988	1987	1986	1985	1984	1983	1982
Summary of Operations											
Net operating revenues	**$13,074**	$11,572	$10,236	$8,622	$8,065	$7,658	$6,977	$5,879	$5,442	$5,056	$4,760
Cost of goods sold	**5,055**	4,649	4,208	3,548	3,429	3,633	3,454	2,909	2,738	2,580	2,472
Gross profit	**8,019**	6,923	6,028	5,074	4,636	4,025	3,523	2,970	2,704	2,476	2,288
Selling, administrative and general expenses	**5,249**	4,604	4,076	3,348	3,038	2,665	2,446	2,163	1,855	1,648	1,515
Provisions for restructured operations and disinvestment	**—**	—	—	—	—	36	180	—	—	—	—
Operating income	**2,770**	2,319	1,952	1,726	1,598	1,324	897	807	849	828	773
Interest income	**164**	175	170	205	199	232	154	151	133	90	119
Interest expense	**171**	192	231	308	230	297	208	196	128	77	76
Equity income	**65**	40[5]	110	75	92	64	45	52	42	35	25
Other income (deductions)—net	**(82)**	41	13	66	(33)	40	410	69	13	2	11
Income from continuing operations before income taxes and changes in accounting principles	**2,746**	2,383	2,014	1,764	1,626	1,363	1,298	883	909	878	852
Income taxes	**862**	765	632	553	537	496	471	314	360	374	379
Income from continuing operations before changes in accounting principles	**$ 1,884**	$ 1,618	$ 1,382	$1,211	$1,089	$ 867	$ 827	$ 569	$ 549	$ 504	$ 473
Net income	**$ 1,664**	$ 1,618	$ 1,382	$1,537	$1,045	$ 916	$ 934	$ 722	$ 629	$ 559	$ 512
Preferred stock dividends	**—**	1	18	21	7	—	—	—	—	—	—
Net income available to common share owners	**$ 1,664**	$ 1,617	$ 1,364	$1,516[6]	$1,038	$ 916	$ 934	$ 722	$ 629	$ 559	$ 512
Average common shares outstanding[1]	**1,317**	1,333	1,337	1,384	1,458	1,509	1,547	1,573	1,587	1,635	1,558
Per Common Share Data[1]											
Income from continuing operations before changes in accounting principles	**$ 1.43**	$ 1.21	$ 1.02	$ .86	$ .74	$ .57	$ .53	$ .36	$ .35	$ .31	$ .30
Net income	**1.26**	1.21	1.02	1.10[6]	.71	.61	.60	.46	.40	.34	.33
Cash dividends	**.56**	.48	.40	.34	.30	.28	.26	.25	.23	.22	.21
Market price at December 31	**41.88**	40.13	23.25	19.31	11.16	9.53	9.44	7.04	5.20	4.46	4.33
Balance Sheet Data											
Cash, cash equivalents and current marketable securities	**$ 1,063**	$ 1,117	$ 1,492	$1,182	$1,231	$1,489	$ 895	$ 843	$ 768	$ 559	$ 254
Property, plant and equipment—net	**3,526**	2,890	2,386	2,021	1,759	1,602	1,538	1,483	1,284	1,247	1,233
Depreciation	**310**	254	236	181	167	152	151	130	119	111	104
Capital expenditures	**1,083**	792	593	462	387	304	346	412	300	324	273
Total assets	**11,052**	10,189	9,245	8,249	7,451	8,606	7,675	6,341	5,241	4,540	4,212
Long-term debt	**1,120**	985	536	549	761	909	996	801	631	428	423
Total debt	**3,208**	2,288	2,537	1,980	2,124	2,995	1,848	1,280	1,310	520	493
Share-owners' equity	**3,888**	4,239	3,662	3,299	3,345	3,187	3,479	2,948	2,751	2,912	2,779
Total capital[2]	**7,096**	6,527	6,199	5,279	5,469	6,182	5,327	4,228	4,061	3,432	3,272
Other Key Financial Measures[2]											
Total-debt-to-total-capital	**45.2%**	35.1%	40.9%	37.5%	38.8%	48.4%	34.7%	30.3%	32.3%	15.2%	15.1%
Net-debt-to-net-capital	**31.9%**	19.2%	23.7%	14.7%	18.9%	15.4%	10.9%	15.6%	19.7%	5.6%	13.6%
Return on common equity	**46.4%**	41.3%	41.4%	39.4%	34.7%	26.0%	25.7%	20.0%	19.4%	17.7%	18.7%
Return on capital	**29.4%**	27.5%	26.8%	26.5%	21.3%	18.3%	20.1%	16.8%	16.7%	16.4%	17.9%
Economic profit	**$ 1,369**	$ 1,046	$ 878	$ 821	$ 748	$ 417	$ 311	$ 269	$ 268	$ 138	$ 61
Dividend payout ratio	**44.3%**	39.5%	39.2%	31.0%[6]	42.1%	46.0%	43.1%	53.8%	57.9%	65.3%	62.8%

[1] Adjusted for a two-for-one stock split in 1992, a two-for-one stock split in 1990 and a three-for-one stock split in 1986.
[2] See Glossary on page 70.
[3] In 1992, the Company adopted SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions."
[4] The Company adopted SFAS No. 109, "Accounting for Income Taxes," in 1992 by restating financial statements beginning in 1989.

[5] Equity income in 1991 includes a reduction of $44 million related to restructuring charges recorded by Coca-Cola Enterprises Inc.
[6] Net income available to common share owners in 1989 includes after-tax gains of $604 million ($.44 per common share) from the sale of the Company's equity interest in Columbia Pictures Entertainment, Inc. and the Company's bottled water business and the transition effect of $265 million related to the change in accounting for income taxes. Excluding these nonrecurring items, the dividend payout ratio in 1989 was 39.9 percent.

Earnings Per Share
From Continuing Operations Before Changes in Accounting Principles

Economic Profit
(In millions)

Consolidated Balance Sheets

December 31, (In thousands except share data)	1992	1991 (Restated)
Assets		
Current		
Cash and cash equivalents	**$ 955,608**	$ 1,058,250
Marketable securities, at cost	**107,380**	58,946
	1,062,988	1,117,196
Trade accounts receivable, less allowances of $32,512 in 1992 and $34,567 in 1991	**1,055,170**	933,448
Finance subsidiary receivables	**30,466**	36,172
Inventories	**1,018,621**	987,764
Prepaid expenses and other assets	**1,080,432**	1,069,664
Total Current Assets	**4,247,677**	4,144,244
Investments and Other Assets		
Investments		
Coca-Cola Enterprises Inc.	**518,312**	592,561
Coca-Cola Amatil Limited	**548,077**	570,774
Other, principally bottling companies	**1,096,705**	957,467
Finance subsidiary receivables	**94,916**	288,471
Long-term receivables and other assets	**636,682**	442,135
	2,894,692	2,851,408
Property, Plant and Equipment		
Land	**203,247**	172,781
Buildings and improvements	**1,528,722**	1,200,672
Machinery and equipment	**3,137,121**	2,680,446
Containers	**373,785**	390,737
	5,242,875	4,444,636
Less allowances for depreciation	**1,716,614**	1,554,754
	3,526,261	2,889,882
Goodwill and Other Intangible Assets	**383,304**	303,681
	$11,051,934	$10,189,215

December 31,	1992	1991 (Restated)
Liabilities and Share-Owners' Equity		
Current		
Accounts payable and accrued expenses	**$ 2,252,975**	$ 1,914,379
Loans and notes payable	**1,967,540**	845,823
Finance subsidiary notes payable	**104,950**	346,767
Current maturities of long-term debt	**14,794**	109,707
Accrued taxes	**962,963**	1,038,497
Total Current Liabilities	**5,303,222**	4,255,173
Long-Term Debt	**1,120,064**	985,258
Other Liabilities	**658,631**	493,765
Deferred Income Taxes	**81,629**	216,072
Share-Owners' Equity		
Common stock, $.25 par value— Authorized: 2,800,000,000 shares; Issued: 1,696,202,840 shares in 1992; 1,687,351,094 shares in 1991	**424,051**	421,838
Capital surplus	**871,349**	639,990
Reinvested earnings	**8,165,024**	7,238,643
Unearned compensation related to outstanding restricted stock	**(99,631)**	(114,909)
Foreign currency translation adjustment	**(271,211)**	(4,909)
	9,089,582	8,180,653
Less treasury stock, at cost (389,431,622 common shares in 1992; 358,390,928 common shares in 1991)	**5,201,194**	3,941,706
	3,888,388	4,238,947
	$11,051,934	$10,189,215

See Notes to Consolidated Financial Statements.

Consolidated Statements of Income

Year Ended December 31, *(In thousands except per share data)*	**1992**	1991	1990
Net Operating Revenues	**$13,073,860**	$11,571,614	$10,236,350
Cost of goods sold	**5,054,377**	4,648,385	4,208,850
Gross Profit	**8,019,483**	6,923,229	6,027,500
Selling, administrative and general expenses	**5,249,392**	4,604,184	4,075,936
Operating Income	**2,770,091**	2,319,045	1,951,564
Interest income	**163,784**	175,406	169,985
Interest expense	**171,351**	192,515	230,979
Equity income	**65,111**	39,975	110,139
Other income (deductions)–net	**(81,547)**	41,368	13,727
Income before Income Taxes and Change in Accounting Principle	**2,746,088**	2,383,279	2,014,436
Income taxes	**862,273**	765,277	632,532
Income before Change in Accounting Principle	**1,883,815**	1,618,002	1,381,904
Transition effect of change in accounting for postretirement benefits other than pensions			
Consolidated operations	**(146,364)**	—	—
Equity investments	**(73,069)**	—	—
Net Income	**1,664,382**	1,618,002	1,381,904
Preferred stock dividends	**—**	521	18,158
Net Income Available to Common Share Owners	**$ 1,664,382**	$ 1,617,481	$ 1,363,746
Income per Common Share			
Before change in accounting principle	**$ 1.43**	$ 1.21	$ 1.02
Transition effect of change in accounting for postretirement benefits other than pensions			
Consolidated operations	**(.11)**	—	—
Equity investments	**(.06)**	—	—
Net Income per Common Share	**$ 1.26**	$ 1.21	$ 1.02
Average Common Shares Outstanding	**1,316,758**	1,332,944	1,337,140

See Notes to Consolidated Financial Statements.

Consolidated Statements of Cash Flows

Year Ended December 31, (In thousands)	1992	1991 (Restated)	1990 (Restated)
Operating Activities			
Net income	**$ 1,664,382**	$ 1,618,002	$1,381,904
Transition effect of change in accounting for postretirement benefits	**219,433**	—	—
Depreciation and amortization	**321,922**	261,427	243,888
Deferred income taxes	**(26,608)**	(94,313)	(74,755)
Equity income, net of dividends	**(30,249)**	(16,013)	(93,816)
Foreign currency adjustments	**23,611**	65,534	(77,068)
Gain on sale of investments	**—**	(34,577)	(60,277)
Other noncash items	**103,009**	33,338	97,752
Net change in operating assets and liabilities	**(43,130)**	251,003	(133,701)
Net cash provided by operating activities	**2,232,370**	2,084,401	1,283,927
Investing Activities			
Additions to finance subsidiary receivables	**(53,984)**	(210,267)	(31,551)
Collections of finance subsidiary receivables	**254,280**	51,942	58,243
Acquisitions and investments	**(717,487)**	(399,183)	(301,010)
Proceeds from disposals of investments and other assets	**247,052**	180,058	391,180
Decrease (increase) in marketable securities	**(52,191)**	2,735	16,733
Purchases of property, plant and equipment	**(1,083,270)**	(791,677)	(592,971)
Proceeds from disposals of property, plant and equipment	**47,078**	43,958	19,208
All other investing activities	**(1,004)**	(2,246)	504
Net cash used in investing activities	**(1,359,526)**	(1,124,680)	(439,664)
Net cash provided by operations after reinvestment	**872,844**	959,721	844,263
Financing Activities			
Issuances of debt	**1,381,227**	989,926	592,417
Payments of debt	**(432,380)**	(1,246,664)	(81,594)
Preferred stock redeemed	**—**	(75,000)	(225,000)
Common stock issued	**131,264**	39,394	29,904
Purchases of common stock for treasury	**(1,259,488)**	(399,076)	(306,667)
Dividends (common and preferred)	**(738,001)**	(640,064)	(552,640)
Net cash used in financing activities	**(917,378)**	(1,331,484)	(543,580)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**(58,108)**	458	32,852
Cash and Cash Equivalents			
Net increase (decrease) during the year	**(102,642)**	(371,305)	333,535
Balance at beginning of year	**1,058,250**	1,429,555	1,096,020
Balance at end of year	**$ 955,608**	$ 1,058,250	$1,429,555

See Notes to Consolidated Financial Statements.

Consolidated Statements of Share-Owners' Equity

Three Years Ended December 31, 1992 (In thousands except per share data)	Preferred Stock	Common Stock	Capital Surplus	Reinvested Earnings	Outstanding Restricted Stock	Foreign Currency Translation	Treasury Stock
Balance December 31, 1989	$ 300,000	$418,910	$437,324	$5,618,312	$ (45,892)	$ (7,206)	$(3,235,963)
Restatement for change in accounting principle for income taxes	—	—	—	(186,871)	—	—	—
Balance December 31, 1989 as restated	300,000	418,910	437,324	5,431,441	(45,892)	(7,206)	(3,235,963)
Sales of stock to employees exercising stock options	—	905	28,999	—	—	—	(2,762)
Tax benefit from employees' stock option and restricted stock plans	—	—	13,286	—	—	—	—
Translation adjustments (net of income taxes of $573)	—	—	—	—	—	11,237	—
Stock issued under restricted stock plans, less amortization of $11,655	—	429	33,094	—	(21,868)	—	—
Purchases of common stock for treasury	—	—	—	—	—	—	(303,905)
Redemption of preferred stock	(225,000)	—	—	—	—	—	—
Net income	—	—	—	1,381,904	—	—	—
Dividends							
Preferred	—	—	—	(18,158)	—	—	—
Common (per share—$.40)	—	—	—	(534,482)	—	—	—
Balance December 31, 1990 as restated	75,000	420,244	512,703	6,260,705	(67,760)	4,031	(3,542,630)
Sales of stock to employees exercising stock options	—	972	38,422	—	—	—	(2,421)
Tax benefit from employees' stock option and restricted stock plans	—	—	20,015	—	—	—	—
Translation adjustments (net of income taxes of $958)	—	—	—	—	—	(8,940)	—
Stock issued under restricted stock plans, less amortization of $22,323	—	622	68,850	—	(47,149)	—	—
Purchases of common stock for treasury	—	—	—	—	—	—	(396,655)
Redemption of preferred stock	(75,000)	—	—	—	—	—	—
Net income	—	—	—	1,618,002	—	—	—
Dividends							
Preferred	—	—	—	(521)	—	—	—
Common (per share—$.48)	—	—	—	(639,543)	—	—	—
Balance December 31, 1991 as restated	—	421,838	639,990	7,238,643	(114,909)	(4,909)	(3,941,706)
Sales of stock to employees exercising stock options	—	2,155	129,109	—	—	—	(34,552)
Tax benefit from employees' stock option and restricted stock plans	—	—	92,758	—	—	—	—
Translation adjustments (net of income taxes of $67)	—	—	—	—	—	(266,302)	—
Stock issued under restricted stock plans, less amortization of $24,828	—	58	9,492	—	15,278	—	—
Purchases of common stock for treasury	—	—	—	—	—	—	(1,224,936)
Net income	—	—	—	1,664,382	—	—	—
Common dividends (per share—$.56)	—	—	—	(738,001)	—	—	—
Balance December 31, 1992	$ —	$424,051	$871,349	$8,165,024	$ (99,631)	$(271,211)	$(5,201,194)

See Notes to Consolidated Financial Statements.

Note 1 Accounting Policies

The significant accounting policies and practices followed by The Coca-Cola Company and subsidiaries (the Company) are as follows:

Consolidation

The consolidated financial statements include the accounts of the Company and all subsidiaries except where control is temporary or does not rest with the Company. The Company's investments in companies in which it has the ability to exercise significant influence over operating and financial policies, including certain investments where there is a temporary majority interest, are accounted for by the equity method. Accordingly, the Company's share of the net earnings of these companies is included in consolidated net income. The Company's investments in other companies are carried at cost. All significant intercompany accounts and transactions are eliminated.

Certain amounts in the prior years' financial statements have been reclassified to conform to the current year presentation.

Net Income per Common Share

Net income per common share is computed by dividing net income less dividends on preferred stock by the weighted average number of common shares outstanding.

Cash Equivalents

Marketable securities that are highly liquid and have maturities of three months or less at the date of purchase are classified as cash equivalents.

Inventories

Inventories are valued at the lower of cost or market. In general, inventories are valued on the basis of average cost or first-in, first-out methods. However, certain inventories are valued on the last-in, first-out (LIFO) method. The excess of current costs over LIFO stated values amounted to approximately $24 million and $27 million at December 31, 1992 and 1991, respectively.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, less allowances for depreciation. Property, plant and equipment are depreciated principally by the straight-line method over the estimated useful lives of the assets.

Goodwill and Other Intangible Assets

Goodwill and other intangible assets are stated on the basis of cost and are being amortized, principally on a straight-line basis, over the estimated future periods to be benefited (not exceeding 40 years). Accumulated amortization was approximately $26 million and $16 million at December 31, 1992 and 1991, respectively.

Changes in Accounting Principles

Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (SFAS 106), was adopted as of January 1, 1992, as discussed in Note 13. Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109), was adopted in 1992 by restating financial statements beginning in 1989. The impact of adopting SFAS 109 is discussed in Note 14.

In 1992, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" (SFAS 112). SFAS 112 requires employers to accrue the cost of benefits to former or inactive employees after employment but before retirement. The Company's required adoption date is January 1, 1994. The impact of adoption on the Company's results of operations and financial position has not yet been determined.

Note 2 Inventories

Inventories consist of the following (in thousands):

December 31,	**1992**	1991
Raw materials and supplies	**$ 619,411**	$615,459
Work in process	**22,971**	23,475
Finished goods	**376,239**	348,830
	$1,018,621	$987,764

Note 3 Bottling Investments

The Company invests in bottling companies to ensure the strongest and most efficient production, distribution and marketing systems possible, in order to maximize long-term growth in volume, cash flows and share-owner value of the bottler and the Company.

Coca-Cola Enterprises Inc.

Coca-Cola Enterprises is the largest bottler of Company products in the United States. The Company owns approximately 44 percent of the outstanding common stock of Coca-Cola Enterprises and, accordingly, accounts for its investment by the equity method of accounting. A summary of financial information for Coca-Cola Enterprises is as follows (in thousands):

December 31,	**1992**	1991
Current assets	**$ 700,994**	$ 706,298
Noncurrent assets	**7,384,400**	5,970,297
Total assets	**$8,085,394**	$6,676,595
Current liabilities	**$1,304,364**	$1,385,445
Noncurrent liabilities	**5,526,710**	3,848,519
Total liabilities	**$6,831,074**	$5,233,964
Share-owners' equity	**$1,254,320**	$1,442,631
Company equity investment	**$ 518,312**	$ 592,561

Year Ended	**December 31, 1992**	December 31, 1991	December 28, 1990
Net operating revenues	**$5,127,257**	$3,914,905	$3,933,343
Cost of goods sold	**3,219,189**	2,420,158	2,399,667
Gross profit	**$1,908,068**	$1,494,747	$1,533,676
Operating income	**$ 306,437**	$ 120,178	$ 325,548
Operating cash flow[1]	**$ 695,499**	$ 538,422	$ 592,391
Income (loss) before changes in accounting principles	**$ (14,672)**	$ (91,675)	$ 77,148
Net income (loss) available to common share owners	**$ (186,259)**	$ (91,675)	$ 77,148
Company equity income (loss)	**$ (6,422)**	$ (39,732)	$ 34,429

[1] *Excludes nonrecurring charges.*

The above 1992 results of Coca-Cola Enterprises include $172 million of noncash after-tax adjustments resulting from the adoption of SFAS 106 and SFAS 109 as of January 1, 1992. The Company's financial statements reflect the adoption of SFAS 109 by Coca-Cola Enterprises as if it occurred on January 1, 1989. The change in accounting did not have a material effect on equity income (loss) from Coca-Cola Enterprises for the years ended December 31, 1991 and 1990, and accordingly, equity income (loss) has not been restated.

The 1991 results of Coca-Cola Enterprises include pretax restructuring charges of $152 million and a pretax charge of $15 million to increase insurance reserves.

In a 1991 merger, Coca-Cola Enterprises acquired Johnston Coca-Cola Bottling Group, Inc. (Johnston) for approximately $196 million in cash and 13 million shares of Coca-Cola Enterprises common stock. The Company exchanged its 22 percent ownership interest in Johnston for approximately $81 million in cash and 50,000 shares of Coca-Cola Enterprises common stock, resulting in a pretax gain of $27 million to the Company. The Company's ownership interest in Coca-Cola Enterprises was reduced from 49 percent to 44 percent as a result of this transaction.

If the Johnston acquisition had been completed on January 1, 1990, Coca-Cola Enterprises' 1991 and 1990 pro forma net income (loss) available to common share owners would have been approximately ($137) million and $20 million, respectively. Summarized financial information and net concentrate/syrup sales related to Johnston prior to its acquisition by Coca-Cola Enterprises has been combined with other equity investments below.

Net concentrate/syrup sales to Coca-Cola Enterprises were $889 million in 1992, $626 million in 1991 and $602 million in 1990. Coca-Cola Enterprises purchases sweeteners through the Company under a pass-through arrangement, and, accordingly, related collections from Coca-Cola Enterprises and payments to suppliers are not included in the Company's consolidated statements of income. These transactions amounted to $225 million in 1992 and $185 million in 1991 and 1990. The Company also provides certain administrative and other services to Coca-Cola Enterprises under negotiated fee arrangements.

The Company engages in a wide range of marketing programs, media advertising and other similar arrangements to promote the sale of Company products in territories in which Coca-Cola Enterprises operates. The Company's direct support for certain Coca-Cola Enterprises marketing activities and participation with Coca-Cola Enterprises in cooperative advertising and other marketing programs amounted to approximately $253 million, $199 million and $181 million in 1992, 1991 and 1990, respectively.

In 1992, the Company sold 100 percent of the common stock of the Erie, Pennsylvania Coca-Cola bottler to Coca-Cola Enterprises for approximately $11 million, which approximated the Company's original investment plus carrying costs. In 1990, the Company sold a temporary investment, Coca-Cola Holdings (Arkansas) Inc., to Coca-Cola Enterprises for approximately $241 million and assumed indebtedness, which approximated the Company's original 1989 investment, plus carrying costs.

In 1990, Coca-Cola Enterprises recorded a pretax gain of approximately $56 million from the sale of two of its bottling subsidiaries. The purchaser of these former Coca-Cola Enterprises bottling subsidiaries was Johnston, which, at the time of the sale, was 22 percent owned by the Company.

During 1990, the Company sold 4 million shares of Coca-Cola Enterprises common stock to Coca-Cola Enterprises for $60 million under a share repurchase program.

If valued at the December 31, 1992, quoted closing price of the publicly traded Coca-Cola Enterprises shares, the calculated value of the Company's investment in Coca-Cola Enterprises common stock would have exceeded the Company's carrying value by approximately $172 million.

Other Equity Investments

The Company owns approximately 52 percent of Coca-Cola Amatil, an Australian-based bottler of Company products. In separate transactions during 1990, Coca-Cola Amatil acquired an independent Australian bottler and the Company's 50 percent interest in a New Zealand bottling joint venture in exchange for consideration that included previously unissued common stock of Coca-Cola Amatil, resulting in a net reduction of the Company's ownership interest from 59.5 percent to 51 percent. The Company's participation in Coca-Cola Amatil's Dividend Reinvestment Plan has increased the Company's ownership interest to its present level. The Company intends to reduce its ownership interest in Coca-Cola Amatil to below 50 percent. Accordingly, the investment has been accounted for by the equity method of accounting.

At December 31, 1992, the excess of the Company's investment over its equity in the underlying net assets of Coca-Cola Amatil was approximately $259 million, which is being amortized over 40 years. The Company recorded equity income from Coca-Cola Amatil of $28 million, $15 million and $17 million in 1992, 1991 and 1990, respectively. These amounts are net of the amortization charges discussed above.

In January 1993, Coca-Cola Amatil sold its snack food segment for approximately $299 million, and recognized a gain of $169 million. The Company's ownership interest in the sale proceeds received by Coca-Cola Amatil approximated the carrying value of the Company's investment in the snack food segment.

Operating results include the Company's proportionate share of income from equity investments since the respective dates of investment. A summary of financial information for the Company's equity investments, other than Coca-Cola Enterprises, is as follows (in thousands):

December 31,	**1992**	1991
Current assets	**$1,944,907**	$1,797,396
Noncurrent assets	**4,172,347**	3,794,114
Total assets	**$6,117,254**	$5,591,510
Current liabilities	**$2,219,033**	$1,947,025
Noncurrent liabilities	**1,720,290**	1,594,696
Total liabilities	**$3,939,323**	$3,541,721
Share-owners' equity	**$2,177,931**	$2,049,789
Company equity investments	**$1,386,587**	$1,433,962

Year Ended December 31,	**1992**	1991	1990
Net operating revenues	**$7,027,431**	$7,876,737	$7,312,904
Cost of goods sold	**4,740,891**	5,243,943	4,609,004
Gross profit	**$2,286,540**	$2,632,794	$2,703,900
Operating income	**$ 364,146**	$ 559,885	$ 574,712
Operating cash flow	**$ 923,487**	$ 979,232	$ 940,244
Income before changes in accounting principles	**$ 199,366**	$ 214,144	$ 205,436
Net income	**$ 74,291**	$ 214,144	$ 205,436
Company equity income	**$ 71,533**	$ 79,707	$ 75,710

Equity investments include certain non-bottling investees.

Net sales to equity investees, other than Coca-Cola Enterprises, were $1.3 billion in 1992 and 1991 and $1.2 billion in 1990. The Company participates in various marketing, promotional and other activities with these investees, the majority of which are located outside the United States.

If valued at the December 31, 1992, quoted closing prices of shares actively traded on stock markets, the net calculated value of the Company's investment in publicly traded bottlers, other than Coca-Cola Enterprises, would have exceeded the Company's carrying value by approximately $31 million.

The consolidated balance sheet caption "Other, principally bottling companies" also includes various investments that are accounted for by the cost method.

Note 4 **Finance Subsidiary**

Coca-Cola Financial Corporation (CCFC) provides loans and other forms of financing to Coca-Cola bottlers and customers for the acquisition of sales-related equipment and for other business purposes. The approximate contractual maturities of finance receivables for the five years succeeding December 31, 1992, are as follows (in thousands):

1993	$30,466
1994	21,753
1995	20,731
1996	31,288
1997	9,904

These amounts do not reflect possible prepayments or renewals.

In connection with the 1991 acquisition of Sunbelt Coca-Cola Bottling Company, Inc. by Coca-Cola Bottling Co. Consolidated (Consolidated), CCFC purchased 25,000 shares of Consolidated preferred stock for $50 million, provided to Consolidated a $153 million bridge loan and issued a $77 million letter of credit on Consolidated's behalf. Consolidated redeemed the 25,000 shares of preferred stock for $50 million plus accrued dividends in 1992. Consolidated also repaid all amounts due under the bridge loan in 1992. The Company beneficially owns a 30 percent economic interest and a 23 percent voting interest in Consolidated.

Finance receivables at December 31, 1991, also include $68 million due from Coca-Cola Enterprises (substantially all of which were assumed by Coca-Cola Enterprises upon its acquisition of Johnston). In 1992, substantially all of these notes were repaid by Coca-Cola Enterprises.

Note 5 **Short-Term Borrowings and Credit Arrangements**

Loans and notes payable consist primarily of commercial paper issued in the United States. At December 31, 1992, the Company had $1.6 billion in lines of credit and other short-term credit facilities contractually available, under which $171 million was outstanding. Included were $1.3 billion in lines designated to support commercial paper and other borrowings, under which no amounts were outstanding at December 31, 1992. These facilities are subject to normal banking terms and conditions. Some of the financial arrangements require compensating balances, none of which are presently significant to the Company.

Note 6 **Accrued Taxes**

Accrued taxes consist of the following (in thousands):

December 31,	**1992**	1991
Income taxes	**$819,833**	$ 927,245
Sales, payroll and miscellaneous taxes	**143,130**	111,252
	$962,963	$1,038,497

Note 7 **Long-Term Debt**

Long-term debt consists of the following (in thousands):

December 31,	**1992**	1991
7¾% U.S. dollar notes due 1996	**$ 250,000**	$ 250,000
5¾% Japanese yen notes due 1996[1]	**241,250**	239,987
5¾% German mark notes due 1998[1]	**155,380**	165,206
7⅞% U.S. dollar notes due 1998	**249,367**	249,262
6⅝% U.S. dollar notes due 2002	**149,009**	—
9⅞% U.S. dollar notes due 1992	**—**	89,565
Other, due 1993 to 2013[2]	**89,852**	100,945
	1,134,858	1,094,965
Less current portion	**14,794**	109,707
	$1,120,064	$ 985,258

[1]Portions of these notes have been swapped for liabilities denominated in other currencies.
[2]The weighted average interest rate is approximately 10.4 percent.

Maturities of long-term debt for the five years succeeding December 31, 1992, are as follows (in thousands):

1993	$ 14,794
1994	22,033
1995	38,136
1996	496,833
1997	4,216

The above notes include various restrictions, none of which are presently significant to the Company.

Interest paid was approximately $174 million, $160 million and $233 million in 1992, 1991 and 1990, respectively.

Note 8 **Financial Instruments**

Financial instruments at December 31, 1992, consist of the following (in thousands):

	Carrying Value	Fair Value
Current marketable securities	$ 107,380	$ 124,914
Finance subsidiary receivables	125,382	135,271
Long-term receivables and other assets	636,682	635,816
Long-term debt	1,134,858	1,155,646
Foreign currency hedging instruments	102,091	98,747

Cash and cash equivalents
The carrying amount reflected in the balance sheet approximates the fair value for cash and cash equivalents.
Marketable securities, long-term receivables and other assets
The fair values for marketable debt and equity securities, long-term receivables, investments and other assets are based primarily on quoted market prices for those or similar instruments.
Loans, notes payable and long-term debt
The carrying amounts of the Company's loans and notes payable approximate their fair values. The fair values of the Company's long-term debt are based primarily on quoted market prices.
Foreign currency hedging transactions
The Company has entered into foreign currency hedging transactions to reduce its exposure to adverse fluctuations in foreign exchange rates. While the hedging instruments are subject to the risk of loss from changes in exchange rates, these losses would generally be offset by gains on the exposures being hedged. Realized and unrealized gains and losses on those hedging instruments that are designated and effective as hedges of probable anticipated and firmly committed foreign currency transactions are deferred and recognized in income in the same period as the hedged transaction. The fair values of the Company's foreign currency hedging instruments are based on quoted market prices of these or similar instruments, adjusted for maturity differences.

At December 31, 1992 and 1991, the Company had forward exchange contracts, options and other financial market instruments, principally to exchange foreign currencies for U.S. dollars, of $4.9 billion and $2.6 billion, respectively. The Company has entered into foreign currency option contracts to hedge probable anticipated transactions over the succeeding year. The pretax net gain deferred on those contracts was $8 million at December 31, 1992. No amounts were deferred at December 31, 1991.
Guarantees
At December 31, 1992, the Company is contingently liable for guarantees of indebtedness owed by third parties of $124 million, of which $43 million is related to independent bottling licensees. The fair value of these contingent liabilities is immaterial to the Company's consolidated financial statements. In the opinion of management, it is not probable that the Company will be required to satisfy these guarantees.

Note 9 Preferred Stock
In 1991, the Company redeemed the remaining $75 million of its Cumulative Money Market Preferred Stock (MMP). There were 750 shares outstanding at December 31, 1990. Of the 100 million shares of $1 par value MMP which are authorized, 3,000 shares have been issued and subsequently redeemed. The weighted average dividend rate (per annum) for the MMP was approximately 6 percent during 1991, prior to the redemption, and 1990.

Note 10 Common Stock
On April 15, 1992, the Company's share owners approved an increase in the authorized common stock of the Company from 1.4 billion shares to 2.8 billion shares, a two-for-one stock split, and a change in the par value of common stock from $.50 per share to $.25 per share. Accordingly, all share data have been restated for periods prior to the stock split. Common shares outstanding and related changes for the three years ended December 31, 1992, are as follows (in thousands):

	1992	1991	1990
Outstanding at January 1,	**1,328,960**	1,336,478	1,348,059
Issued to employees exercising stock options	**8,619**	3,887	3,620
Issued under restricted stock plans	**233**	2,489	1,716
Purchased for treasury	**(31,041)**	(13,894)	(16,917)
Outstanding at December 31,	**1,306,771**	1,328,960	1,336,478

Note 11 Restricted Stock, Stock Options and Other Stock Plans
The Company sponsors restricted stock award plans, stock option plans, Incentive Unit Agreements and Performance Unit Agreements.

Under the amended 1989 Restricted Stock Award Plan and the amended 1983 Restricted Stock Award Plan (the Restricted Stock Plans), 20 million and 12 million shares of restricted common stock, respectively, may be granted to certain officers and key employees of the Company.

In 1992, 1991 and 1990, 233,000 shares, 2,489,500 shares and 1,716,000 shares, respectively, were granted under the Restricted Stock Plans. At December 31, 1992, 17.2 million shares were available for grant under the Restricted Stock Plans. The participant is entitled to vote and receive dividends on the shares, and, under the 1983 Restricted Stock Award Plan, the participant is reimbursed by the Company for income taxes imposed on the award, but not for taxes generated by the reimbursement payment. The shares are subject to certain transfer restrictions and may be forfeited if the participant leaves the Company for reasons other than retirement, disability or death, absent a change in control of the Company. On July 18, 1991, the Restricted Stock Plans were amended to specify age 62 as the minimum retirement age. In addition, the 1983 Restricted Stock Award Plan was further amended to conform to the terms of the 1989 Restricted Stock Award Plan by requiring a minimum of five years of service prior to retirement. The amendments affect shares granted subsequent to July 18, 1991.

Under the Company's 1991 Stock Option Plan (the Option Plan), a maximum of 60 million shares of the Company's common stock may be issued or transferred to certain officers and employees pursuant to stock options and stock appreciation rights granted under the Option Plan. The stock appreciation rights permit the holder, upon surrendering all or part of the related stock option, to receive cash, common stock or a combination thereof, in an amount up to 100 percent of the difference between the market price and the option price. No stock appreciation rights have been granted since 1990, and the Company presently does not intend to grant additional stock appreciation rights in the future. Options outstanding at December 31, 1992, also include various options granted under previous plans. Further information relating to options is as follows (in thousands, except per share amounts):

	1992	1991	1990
Outstanding at January 1,	**36,383**	33,065	27,008
Granted	**3,823**	7,993	10,392
Exercised	**(8,619)**	(3,887)	(3,620)
Canceled	**(463)**	(788)	(715)
Outstanding at December 31,	**31,124**	36,383	33,065
Exercisable at December 31,	**23,220**	24,052	19,138
Shares available at December 31, for options that may be granted	**51,411**	55,378	3,117
Prices per share			
Exercised	**\$4-\$28**	\$3-\$28	\$3-\$20
Unexercised at December 31,	**\$4-\$41**	\$4-\$30	\$3-\$24

In 1988, the Company entered into Incentive Unit Agreements, whereby, subject to certain conditions, certain officers will receive cash awards based on the market value of 1.2 million shares of the Company's common stock at the measurement dates. The Incentive Unit Agreements provide for a cash payment for income taxes when the value of the units is paid.

In 1985, the Company entered into Performance Unit Agreements, whereby certain officers will receive cash awards based on the difference in the market value of approximately 2.2 million shares of the Company's common stock at the measurement dates and the base price of $5.16, the market value as of January 2, 1985.

Note 12 **Pension Benefits**

The Company sponsors and/or contributes to pension plans covering substantially all U.S. employees and certain employees in international locations. The benefits are primarily based on years of service and the employees' compensation for certain periods during the last years of employment. Pension costs are generally funded currently, subject to regulatory funding limitations. The Company also sponsors nonqualified, unfunded defined benefit plans for certain officers and other employees. In addition, the Company and its subsidiaries have various pension plans and other forms of postretirement arrangements outside the United States.

Total pension expense for all benefit plans, including defined benefit plans, amounted to approximately $49 million in 1992, $42 million in 1991 and $30 million in 1990. Net periodic pension cost for the Company's defined benefit plans in 1992, 1991 and 1990 consists of the following (in thousands):

	U.S. Plans			International Plans		
Year Ended December 31,	**1992**	1991	1990	**1992**	1991	1990
Service cost—benefits earned during the period	**$ 14,459**	$ 12,475	$ 10,684	**$ 17,636**	$ 15,894	$ 12,902
Interest cost on projected benefit obligation	**50,009**	45,860	41,786	**20,238**	18,523	14,720
Actual return on plan assets	**(35,720)**	(112,530)	(9,121)	**(19,136)**	(17,498)	(3,811)
Net amortization and deferral	**(8,873)**	71,090	(31,168)	**3,283**	555	(11,273)
Net periodic pension cost	**$ 19,875**	$ 16,895	$ 12,181	**$ 22,021**	$ 17,474	$ 12,538

The following table sets forth the funded status for the Company's defined benefit plans at December 31, 1992 and 1991 (in thousands):

	U.S. Plans				International Plans			
	Assets Exceed Accumulated Benefits		Accumulated Benefits Exceed Assets		Assets Exceed Accumulated Benefits		Accumulated Benefits Exceed Assets	
December 31,	**1992**	1991	**1992**	1991	**1992**	1991	**1992**	1991
Actuarial present value of benefit obligations								
Vested benefit obligation	**$400,925**	$ 359,857	**$ 81,545**	$ 66,907	**$119,325**	$ 96,074	**$ 90,173**	$ 81,609
Accumulated benefit obligation	**$431,314**	$ 383,972	**$ 88,751**	$ 72,610	**$126,585**	$106,286	**$100,146**	$ 91,208
Projected benefit obligation	**$520,164**	$ 455,357	**$100,829**	$ 82,251	**$167,327**	$145,435	**$147,759**	$144,245
Plan assets at fair value[1]	**586,913**	583,819	**1,269**	—	**188,160**	175,392	**73,259**	74,640
Plan assets in excess of (less than) projected benefit obligation	**66,749**	128,462	**(99,560)**[2]	(82,251)[2]	**20,833**	29,957	**(74,500)**	(69,605)
Unrecognized net (asset) liability at transition	**(37,070)**	(40,764)	**19,161**	21,292	**(6,064)**	(29,229)	**32,666**	40,908
Unrecognized prior service cost	**22,942**	25,756	**2,873**	2,795	**(186)**	105	**8,349**	5,243
Unrecognized net (gain) loss	**(60,554)**	(114,934)	**23,876**	14,506	**1,983**	10,265	**(3,300)**	(1,672)
Adjustment required to recognize minimum liability	**—**	—	**(33,832)**	(28,952)	**—**	—	**(2,718)**	(453)
Accrued pension asset (liability) included in the consolidated balance sheet	**$ (7,933)**	$ (1,480)	**$ (87,482)**	$(72,610)	**$ 16,566**	$ 11,098	**$ (39,503)**	$ (25,579)

[1] *Primarily listed stocks, bonds and government securities.*
[2] *Substantially all of this amount relates to nonqualified, unfunded defined benefit plans.*

The assumptions used in computing the above information are as follows:

	U.S. Plans			International Plans (weighted average rates)		
	1992	1991	1990	**1992**	1991	1990
Discount rates	**8½%**	9%	9%	**7%**	7½%	8%
Rates of increase in compensation levels	**6%**	6%	6%	**5½%**	6%	6%
Expected long-term rates of return on assets	**9½%**	9½%	9½%	**7%**	7½%	8%

Note 13 **Other Postretirement Benefits**

The Company has plans that provide postretirement health care and life insurance benefits to substantially all U.S. employees and certain employees in international locations who retire with a minimum of five years of service. SFAS 106 requires companies to accrue the cost of postretirement health care and life insurance benefits within the employees' active service periods. As discussed in Note 1, the Company adopted SFAS 106 for all U.S. and international plans as of January 1, 1992. The Company elected to immediately recognize the accumulated postretirement benefit obligation upon adoption of SFAS 106. For consolidated operations, the Company recorded an accumulated obligation of $146 million, which is net of $92 million in deferred tax benefits. The Company also recorded an additional charge of $73 million, net of $13 million of deferred tax benefits, representing the Company's proportionate share of accumulated postretirement benefit obligations recognized by bottling investees accounted for by the equity method.

Annual pretax postretirement benefits expense for 1992 increased $20 million due to the implementation of SFAS 106. Equity income in 1992 decreased $10 million due to additional postretirement benefit expense of the Company's equity investees.

The net periodic cost for postretirement health care and life insurance benefits during 1992 includes the following (in thousands):

Year Ended December 31,	**1992**
Service cost	**$ 8,727**
Interest cost	**20,718**
Other	**(267)**
	$29,178

The Company has begun contributing to a Voluntary Employees' Beneficiary Association trust that will be used to partially fund health care benefits for future retirees. The Company is funding benefits to the extent contributions are tax-deductible, which under current legislation is limited. In general, retiree health benefits are paid as covered expenses are incurred. The following table sets forth the funded status for the Company's postretirement health care and life insurance plans (in thousands):

December 31,	**1992**
Accumulated postretirement benefit obligations:	
Retirees	**$110,527**
Fully eligible active plan participants	**34,179**
Other active plan participants	**113,178**
Total obligation	**257,884**
Plan assets at fair value[1]	**23,667**
Accrued postretirement benefit liability included in the consolidated balance sheet	**$234,217**

[1] *Consists of money market investments*

The assumed discount rate and the assumed rate of increase in compensation levels are 8.5 percent and 6 percent, respectively. The rate of increase in the per capita costs of covered health care benefits is assumed to be 13 percent in 1993, decreasing gradually to 7 percent by the year 2005. Increasing the assumed health care cost trend rate by 1 percentage point would increase the accumulated postretirement benefit obligation as of December 31, 1992, by approximately $32 million and increase net periodic postretirement benefit cost by approximately $5 million in 1992.

Note 14 **Income Taxes**

As discussed in Note 1, the Company adopted SFAS 109 in 1992 and has applied the provisions of SFAS 109 retroactively to January 1, 1989. SFAS 109 requires the recognition of deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. In addition, the new accounting standard requires the recognition of future tax benefits, such as net operating loss carryforwards, to the extent that realization of such benefits is more likely than not. The adoption of SFAS 109 resulted in a cumulative effect charge of $265 million, or $.19 per common share, at January 1, 1989. Excluding the cumulative effect charge, the application of SFAS 109 increased net income by $78 million in 1989, which primarily relates to the sale of the Company's equity interest in Columbia Pictures Entertainment, Inc. The change in accounting for income taxes did not have a material effect on the consolidated statements of income for the years ended December 31, 1991 and 1990. Accordingly, these statements have not been restated and the immaterial effect related to 1991 and 1990 has been included in 1992 results.

The components of income before income taxes and change in accounting principle consist of the following (in thousands):

Year Ended December 31,	**1992**	1991	1990
United States	**$ 761,911**	$ 648,471	$ 494,544
International	**1,984,177**	1,734,808	1,519,892
	$2,746,088	$2,383,279	$2,014,436

Income tax expense (benefit) consists of the following (in thousands):

Year Ended December 31,	United States	State & Local	International	Total
1992				
Current	**$277,543**	**$36,145**	**$575,193**	**$888,881**
Deferred[1]	**(60,086)**	**(667)**	**34,145**	**(26,608)**
1991				
Current	$ 232,947	$ 30,981	$ 595,662	$ 859,590
Deferred	(89,395)	(5,267)	349	(94,313)
1990				
Current	$ 179,474	$ 26,515	$ 501,298	$ 707,287
Deferred	(93,888)	(2,596)	21,729	(74,755)

[1]An additional deferred tax benefit of $105 million has been included in the SFAS 106 transition effect charge.

The Company made income tax payments of approximately $856 million, $672 million and $803 million in 1992, 1991 and 1990, respectively.

A reconciliation of the statutory U.S. federal rate and effective rates is as follows:

Year Ended December 31,	**1992**	1991	1990
Statutory U.S. federal rate	**34.0%**	34.0%	34.0%
State income taxes—net of federal benefit	**1.0**	1.0	1.0
Earnings in jurisdictions taxed at rates different from the statutory U.S. federal rate	**(3.8)**	(3.1)	(2.6)
Equity income	**(1.0)**	(.6)	(1.8)
Other—net	**1.2**	.8	.8
	31.4%	32.1%	31.4%

The Company has manufacturing facilities in Puerto Rico that operate under a negotiated exemption grant that expires December 31, 2009.

Appropriate U.S. and international taxes have been provided for earnings of subsidiary companies that are expected to be remitted to the parent company. The cumulative amount of unremitted earnings of international subsidiaries that are expected to be required for use in the international operations, exclusive of amounts that, if remitted, would result in little or no tax, and the taxes which would be paid upon remittance of these earnings were approximately $83 million and $28 million, respectively, at December 31, 1992.

The tax effects of temporary differences and carryforwards that give rise to significant portions of deferred tax assets and liabilities consist of the following (in thousands):

December 31,	**1992**	1991
Deferred tax assets:		
Benefit plans	**$297,429**	$175,540
Liabilities and reserves	**119,295**	113,309
Net operating loss carryforwards	**100,966**	80,452
Other	**83,756**	70,003
Gross deferred tax assets	**601,446**	439,304
Valuation allowance	**(63,251)**	(76,104)
Total	**$538,195**	$363,200
Deferred tax liabilities:		
Depreciation	**$311,761**	$260,017
Equity investments	**197,108**	238,629
Amortization	**68,113**	36,013
Other	**42,842**	44,613
Total	**$619,824**	$579,272
Net deferred tax liability	**$ 81,629**	$216,072

At December 31, 1992, the Company had $285 million of operating loss carryforwards available to reduce future taxable income of certain international subsidiaries. These loss carryforwards must be utilized within the carryforward periods of certain international jurisdictions, which are primarily four years. A valuation allowance has been provided for a portion of the deferred tax assets related to these loss carryforwards.

Note 15 **Net Change in Operating Assets and Liabilities**

The changes in operating assets and liabilities, net of effects of acquisitions and divestitures of businesses and unrealized exchange gains/losses, are as follows (in thousands):

Year Ended December 31,	**1992**	1991	1990
Increase in trade accounts receivable	**$(146,718)**	$ (31,826)	$ (87,749)
Increase in inventories	**(138,126)**	(3,020)	(169,442)
Increase in prepaid expenses and other assets	**(112,350)**	(325,595)	(65,758)
Increase in accounts payable and accrued expenses	**404,734**	266,684	198,631
Increase (decrease) in accrued taxes	**57,438**	244,043	(66,513)
Increase (decrease) in other liabilities	**(108,108)**	100,717	57,130
	$ (43,130)	$ 251,003	$(133,701)

The net change in operating assets and liabilities in 1990 reflects estimated tax payments of approximately $300 million related to the 1989 gain on the sale of Columbia Pictures Entertainment, Inc. stock.

Note 16 Acquisitions and Investments
During 1992, the Company's acquisition and investment activity, which includes investments in bottling operations in the Netherlands, the United States and Brazil, totaled $717 million. During 1991 and 1990, the Company's acquisition and investment activity totaled $399 million and $301 million, respectively. None of the acquisitions were individually significant.

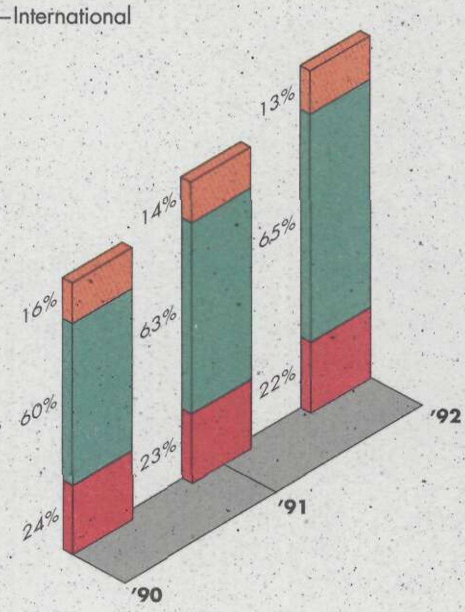
The acquisitions have been accounted for by the purchase method of accounting and, accordingly, their results have been included in the consolidated financial statements from their respective dates of acquisition. Had the results of these businesses been included commencing with operations in 1990, the reported results would not have been materially affected.

Note 17 Other Nonrecurring Items
"Other income (deductions)–net" in 1991 includes a $69 million pretax gain on the sale of property no longer required as a result of consolidating concentrate operations in Japan and a $27 million pretax gain on the sale of the Company's 22 percent ownership interest in Johnston to Coca-Cola Enterprises. "Selling, administrative and general expenses" and "Interest expense" include 1991 pretax charges of $13 million and $8 million, respectively, for potential future costs related to bottler litigation. In addition, 1991 equity income has been reduced by $44 million related to restructuring charges recorded by Coca-Cola Enterprises.

"Other income (deductions)–net" in 1990 includes a pretax gain of $52 million on the Company's investment in BCI Securities L.P. (BCI) resulting from BCI's sale of Beatrice Company stock. "Selling, administrative and general expenses" in 1990 include nonrecurring pretax charges of $49 million related to the Company's U.S. soft drink business. These charges reflect accelerated amortization of certain software costs due to management plans to upgrade and standardize information systems and adjustments to the carrying value of certain fountain equipment and marketing-related items to amounts estimated to be recoverable in future periods.

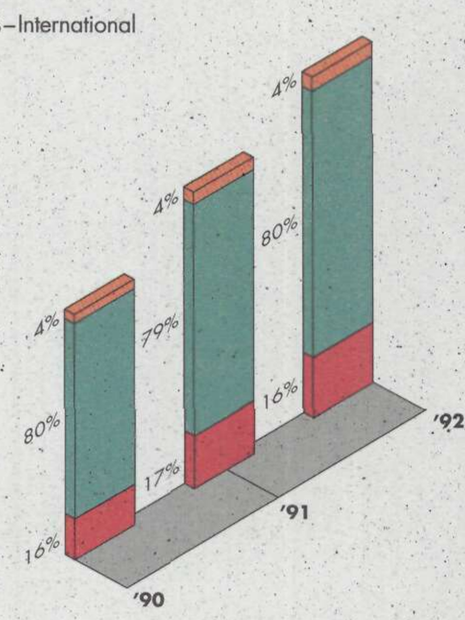
Net Operating Revenues by Line of Business

Soft Drinks–United States
Soft Drinks–International
Foods



Operating Income by Line of Business

Soft Drinks–United States
Soft Drinks–International
Foods



Note 18 **Lines of Business**

The Company operates in two major lines of business: soft drinks and foods (principally juice and juice-drink products). Information concerning operations in these businesses at December 31, 1992, 1991 and 1990, and for the years then ended, is presented below (in millions):

	Soft Drinks				
1992	United States	International	Foods	Corporate	Consolidated
Net operating revenues	$2,813.1	$8,550.5	$1,675.0	$ 35.3	$13,073.9
Operating income	510.1	2,520.4	112.4	(372.8)	2,770.1
Identifiable operating assets	1,811.8	5,250.6	791.2	1,035.2[3]	8,888.8
Equity income				65.1	65.1
Investments (principally bottling companies)				2,163.1	2,163.1
Capital expenditures	168.8	736.1	38.4	140.0	1,083.3
Depreciation and amortization	87.2	157.0	34.9	42.8	321.9

	Soft Drinks				
1991 (Restated)	United States	International	Foods	Corporate	Consolidated
Net operating revenues	$2,645.2	$7,244.8	$1,635.7	$ 45.9	$11,571.6
Operating income	468.7	2,141.1	103.7	(394.5)	2,319.0
Identifiable operating assets	1,447.0	4,742.3	755.0	1,124.1[3]	8,068.4
Equity income				40.0[1]	40.0
Investments (principally bottling companies)				2,120.8	2,120.8
Capital expenditures	131.1	546.3	57.1	57.2	791.7
Depreciation and amortization	81.9	111.9	30.8	36.8	261.4

	Soft Drinks				
1990 (Restated)	United States	International	Foods	Corporate	Consolidated
Net operating revenues	$2,461.3	$6,125.4	$1,604.9	$ 44.8	$10,236.4
Operating income	358.1[2]	1,801.4	93.5	(301.4)	1,951.6
Identifiable operating assets	1,691.0	3,672.2	759.2	1,131.2[3]	7,253.6
Equity income				110.1	110.1
Investments (principally bottling companies)				1,991.4	1,991.4
Capital expenditures	138.4	321.4	68.2	65.0	593.0
Depreciation and amortization	88.5	94.4	28.3	32.7	243.9

Intercompany transfers between sectors are not material.

[1]Reduced by $44 million related to restructuring charges recorded by Coca-Cola Enterprises.
[2]Includes nonrecurring charges of $49 million.
[3]Corporate identifiable operating assets are composed principally of marketable securities and fixed assets.

Note 19 **Operations in Geographic Areas**

Information about the Company's operations in different geographic areas at December 31, 1992, 1991 and 1990, and for the years then ended, is presented below (in millions):

1992	United States	Latin America	European Community	Northeast Europe/ Africa	Pacific & Canada	Corporate	Consolidated
Net operating revenues	$4,339.2	$1,383.0	$3,983.6	$788.4	$2,544.4	$ 35.3	$13,073.9
Operating income	608.3	502.2	888.8	236.8	906.8	(372.8)	2,770.1
Identifiable operating assets	2,563.5	1,184.7	2,586.5	574.2	944.7	1,035.2[3]	8,888.8
Equity income						65.1	65.1
Investments (principally bottling companies)						2,163.1	2,163.1
Capital expenditures	204.6	187.9	385.7	131.9	33.2	140.0	1,083.3
Depreciation and amortization	120.6	27.3	98.6	17.3	15.3	42.8	321.9

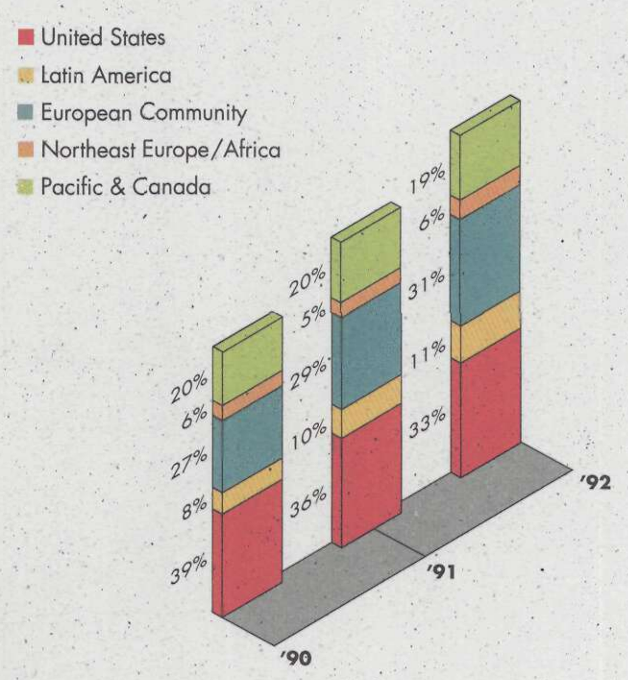
1991 (Restated)	United States	Latin America	European Community	Northeast Europe/ Africa	Pacific & Canada	Corporate	Consolidated
Net operating revenues	$4,124.8	$1,103.2	$3,338.3	$613.6	$2,345.8	$ 45.9	$11,571.6
Operating income	560.2	404.6	767.3	204.1	777.3	(394.5)	2,319.0
Identifiable operating assets	2,160.9	814.6	2,558.0	423.5	987.3	1,124.1[3]	8,068.4
Equity income						40.0[1]	40.0
Investments (principally bottling companies)						2,120.8	2,120.8
Capital expenditures	184.8	105.5	330.6	61.3	52.3	57.2	791.7
Depreciation and amortization	111.3	23.3	65.8	9.7	14.5	36.8	261.4

1990 (Restated)	United States	Latin America	European Community	Northeast Europe/ Africa	Pacific & Canada	Corporate	Consolidated
Net operating revenues	$3,931.0	$ 813.0	$2,804.8	$562.8	$2,080.0	$ 44.8	$10,236.4
Operating income	440.4[2]	300.2	666.5	174.2	671.7	(301.4)	1,951.6
Identifiable operating assets	2,414.2	640.3	1,818.8	400.1	849.0	1,131.2[3]	7,253.6
Equity income						110.1	110.1
Investments (principally bottling companies)						1,991.4	1,991.4
Capital expenditures	204.0	59.7	203.5	38.8	22.0	65.0	593.0
Depreciation and amortization	115.6	18.0	54.5	7.6	15.5	32.7	243.9

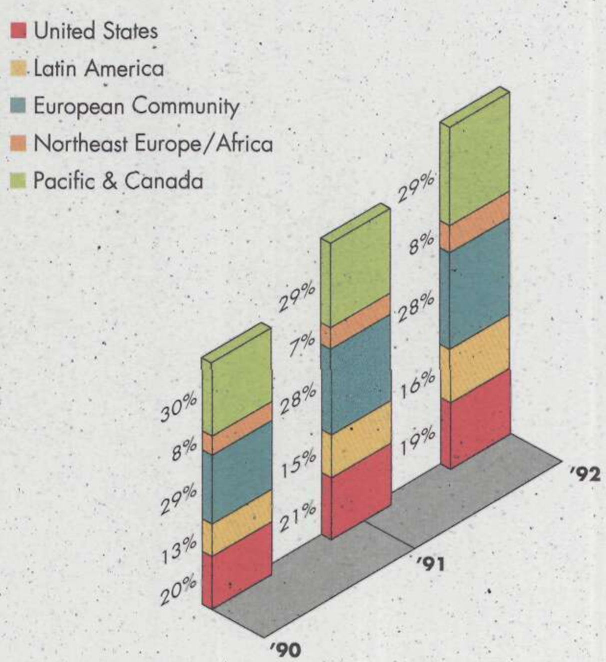
Intercompany transfers between geographic areas are not material.
Identifiable liabilities of operations outside the United States amounted to approximately $1.9 billion, $1.8 billion and $1.5 billion at December 31, 1992, 1991 and 1990, respectively.

[1]*Reduced by $44 million related to restructuring charges recorded by Coca-Cola Enterprises.*
[2]*Includes nonrecurring charges of $49 million.*
[3]*Corporate identifiable operating assets are composed principally of marketable securities and fixed assets.*

Net Operating Revenues by Geographic Area



Operating Income by Geographic Area



Board of Directors and Share Owners
The Coca-Cola Company

We have audited the accompanying consolidated balance sheets of The Coca-Cola Company and subsidiaries as of December 31, 1992 and 1991, and the related consolidated statements of income, share-owners' equity and cash flows for each of the three years in the period ended December 31, 1992. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Coca-Cola Company and subsidiaries at December 31, 1992 and 1991, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1992, in conformity with generally accepted accounting principles.

As discussed in Note 1 to the consolidated financial statements, in 1992 the Company changed its methods of accounting for income taxes and postretirement benefits other than pensions.

Ernst & Young

Atlanta, Georgia
January 26, 1993

Management is responsible for the preparation and integrity of the consolidated financial statements appearing in this Annual Report. The financial statements were prepared in conformity with generally accepted accounting principles appropriate in the circumstances and, accordingly, include some amounts based on management's best judgments and estimates. Financial information in this Annual Report is consistent with that in the financial statements.

Management is responsible for maintaining a system of internal accounting controls and procedures to provide reasonable assurance, at an appropriate cost/benefit relationship, that assets are safeguarded and that transactions are authorized, recorded and reported properly. The internal accounting control system is augmented by a program of internal audits and appropriate reviews by management, written policies and guidelines, careful selection and training of qualified personnel and a written Code of Business Conduct adopted by the Board of Directors, applicable to all employees of the Company and its subsidiaries. Management believes that the Company's internal accounting controls provide reasonable assurance that assets are safeguarded against material loss from unauthorized use or disposition and that the financial records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

The Audit Committee of the Board of Directors, composed solely of Directors who are not officers of the Company, meets with the independent auditors, management and internal auditors periodically to discuss internal accounting controls and auditing and financial reporting matters. The Committee reviews with the independent auditors the scope and results of the audit effort. The Committee also meets with the independent auditors and the chief internal auditor without management present to ensure that the independent auditors and the chief internal auditor have free access to the Committee.

The independent auditors, Ernst & Young, are recommended by the Audit Committee of the Board of Directors, selected by the Board of Directors and ratified by the share owners. Ernst & Young is engaged to audit the consolidated financial statements of The Coca-Cola Company and subsidiaries and conduct such tests and related procedures as it deems necessary in conformity with generally accepted auditing standards. The opinion of the independent auditors, based upon their audits of the consolidated financial statements, is contained in this Annual Report.

Roberto C. Goizueta
Chairman, Board of Directors,
and Chief Executive Officer

Jack L. Stahl
Senior Vice President
and Chief Financial Officer

Patrick M. Worsham
Vice President
and Controller

January 26, 1993

Quarterly Data (Unaudited)

For the years ended December 31, 1992 and 1991
(In millions except per share data)

1992	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net operating revenues	$2,771.9	$3,550.4	$3,507.5	$3,244.1	$13,073.9
Gross profit	1,740.4	2,176.8	2,122.2	1,980.1	8,019.5
Income before change in accounting principle	386.2	565.4	539.7	392.5	1,883.8
Net income available to common share owners	166.8	565.4	539.7	392.5	1,664.4
Income per common share before change in accounting principle	.29	.43	.41	.30	1.43
Net income per common share	.13	.43	.41	.30	1.26

1991	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net operating revenues	$2,481.0	$3,039.5	$3,172.1	$2,879.0	$11,571.6
Gross profit	1,516.9	1,853.8	1,864.9	1,687.6	6,923.2
Net income	320.9	482.4	456.3	358.4	1,618.0
Net income available to common share owners	320.4	482.4	456.3	358.4	1,617.5
Net income per common share	.24	.36	.34	.27	1.21

All per share data has been adjusted for a two-for-one stock split in 1992.

The Company filed a Form 8-K with the Securities and Exchange Commission in February 1993 restating the 1992 quarterly reports for the adoption of SFAS 106 and 109. The impact of the restatement on the first quarter of 1992 includes the after-tax transition charge of $219 million related to the change in accounting for postretirement benefits other than pensions. This charge decreased net income per common share by $.16 for the quarter and $.17 for the year. The restatement reduced first quarter net income by $216 million ($.16 per common share), reduced second quarter net income by $16 million ($.01 per common share) and reduced third quarter net income by $1 million (no change in net income per common share). The sum of net income per common share for the four quarters was $.01 higher than the reported full year amount due to rounding.

The second quarter of 1991 includes a nonrecurring pretax charge of $21 million ($.01 per common share after income taxes) for potential future costs, including interest, related to bottler litigation.

The fourth quarter of 1991 includes a $69 million pretax gain ($.03 per common share after income taxes) on the sale of property in Japan, a $27 million pretax gain ($.01 per common share after income taxes) on the sale of a bottling investment to Coca-Cola Enterprises Inc. and a reduction to equity income of $44 million ($.03 per common share after income taxes) related to restructuring charges recorded by Coca-Cola Enterprises.

Stock Prices

Below are the New York Stock Exchange high, low and closing prices of The Coca-Cola Company stock for each quarter of 1992 and 1991, adjusted for a 2-for-1 stock split in May 1992.

1992	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
High	$41.69	$45.13	$45.38	$44.50
Low	35.56	38.88	39.75	36.50
Close	40.88	40.00	40.50	41.88

1991	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
High	$27.75	$29.00	$33.25	$40.88
Low	21.31	25.69	27.25	31.19
Close	27.13	27.25	32.25	40.13

Board of Directors

Herbert A. Allen[2,3,4]
President and Chief Executive Officer
The investment banking firm
Allen & Company Incorporated

Ronald W. Allen[3,5]
Chairman of the Board, President
and Chief Executive Officer
Delta Air Lines, Inc.

Warren E. Buffett[1,2]
Chairman of the Board and
Chief Executive Officer
The diversified holding company
Berkshire Hathaway Inc.

Charles W. Duncan, Jr.[1,3]
Private Investor

Roberto C. Goizueta[3]
Chairman, Board of Directors,
Chief Executive Officer
The Coca-Cola Company

Donald R. Keough[3]
President and
Chief Operating Officer
The Coca-Cola Company

Susan B. King[4,6]
Senior Vice President–Corporate Affairs
Corning Incorporated

James T. Laney[6]
President
Emory University

Donald F. McHenry[1,5,6]
University Research
Professor of Diplomacy
and International Affairs
Georgetown University

Paul F. Oreffice[2,5]
Former Chairman of the Board
The Dow Chemical Company

James D. Robinson, III[5,6]
Former Chairman and
Chief Executive Officer
American Express Company

William B. Turner[2,3,4]
Chairman, Executive Committee
of Board of Directors
The diversified company
W.C. Bradley Co.
Chairman, Executive Committee
of Board of Directors
Synovus Financial Corp.
Chairman of the Board
Columbus Bank & Trust Company

Peter V. Ueberroth[1,4]
Investor,
Managing Director
The management company
The Contrarian Group, Inc.

James B. Williams[2,3]
Chairman and
Chief Executive Officer
SunTrust Banks, Inc.

[1]Audit Committee
[2]Finance Committee
[3]Executive Committee
[4]Compensation Committee
[5]Committee on Directors
[6]Public Issues Review Committee

Corporate Officers

Roberto C. Goizueta[1]
Chairman, Board of Directors, and Chief Executive Officer

Donald R. Keough[1]
President and
Chief Operating Officer

Senior Vice Presidents

Anton Amon[1]
Ralph H. Cooper[1]
Douglas N. Daft[1]
M.A. Gianturco
Joseph R. Gladden, Jr.[1]
George Gourlay[1]
John Hunter[1]
E. Neville Isdell[1]
M. Douglas Ivester[1]
Weldon H. Johnson[1]
Earl T. Leonard, Jr.[1]
Alex Malaspina
Peter S. Sealey[1]
Jack L. Stahl[1]
Carl Ware[1]

Vice Presidents

William R. Buehler
Robert L. Callahan, Jr.
Philip J. Carswell, Jr.
Lawrence R. Cowart
Carlton L. Curtis
William J. Davis
Lance E. Disley
Thomas E. Floyd
Murray D. Friedman
Charles B. Fruit
C. Patrick Garner
John J. Gillin
Robert D. Guy
Timothy J. Haas[1]
Gary P. Hite
Ingrid S. Jones
W. Glenn Kernel
Janmarie C. Prutting
Hugh K. Switzer
Michael W. Walters
Patrick M. Worsham[1]

Jack L. Stahl
Chief Financial Officer

Joseph R. Gladden, Jr.
General Counsel

Lance E. Disley
Treasurer

Patrick M. Worsham
Controller

Susan E. Shaw
Secretary

[1]Officers subject to the reporting requirements of Section 16 of the Securities Exchange Act of 1934.

Operating Officers

North America Business Sector
M. Douglas Ivester
President

Coca-Cola USA
M. Douglas Ivester
President

Coca-Cola Foods
Timothy J. Haas
President

International Business Sector
John Hunter
President

Pacific Group
Douglas N. Daft
President

European Community Group
Ralph H. Cooper
President

Northeast Europe/ Middle East Group
E. Neville Isdell
President

Africa Group
Carl Ware
President

Latin America Group
Weldon H. Johnson
President

International Division Presidents

A.R.C. Allan
Middle East Division

Andrew P. Angle
Southeast and West Asia Division

Luis J. Arzeno
River Plate Division

Tore Kr. Bu
Nordic and Northern Eurasia Division

Alvaro Canal
Brazil Division

Gavin Darby
Benelux and Denmark Division

Michel d'Ornano
France Division

Anthony G. Eames
Coca-Cola Ltd., Canada

R.I. Fenton-May
China Division

Jorge Giganti
North Latin America Division

Michael W. Hall
North Pacific Division

Peter J. Herd
Philippines Division

Heinz Huebner
Central America and Caribbean Division

Penny Hughes
Great Britain and Ireland Division

Muhtar A. Kent
East Central European Division

Victor K. Lobley
West Africa Division

Gilbert J. Marazzini
Central Mediterranean Division

Jose J. Nuñez-Cervera
Iberian Division

Patrick C. Smyth
South Pacific Division

John K. Walter
Andean Division

Heinz Wiezorek
German Division

Coca-Cola USA

Charles S. Frenette
Executive Vice President and General Manager, Coca-Cola Operations

David L. Kennedy
Senior Vice President and General Manager, Coca-Cola Fountain

Glossary of Terms

Bottling Partner: Business which is generally, but not always, independently owned that buys concentrates or syrups from the Company, converts it into finished soft drink products and then sells to customers.

Carbonated Soft Drink: Nonalcoholic beverage containing carbon dioxide. Most often containing flavorings and sweeteners.

The Coca-Cola System: The Coca-Cola Company and its bottling partners.

Concentrate: Material manufactured from Company-defined ingredients and sold to bottlers for use in the preparation of finished beverage through the addition of sweetener and/or carbonated water.

Consolidated Bottling Operation: Bottler in which The Coca-Cola Company holds controlling ownership. The bottler's financial results are consolidated into the Company's financial statements.

Consumer: Person who consumes Company products.

Cost Of Capital: Blended cost of equity and borrowed funds used to invest in operating capital required for business.

Customer: Retail outlet, restaurant or other operation that sells or serves Company products directly to consumers.

Dividend Payout Ratio: Calculated by dividing cash dividends on common stock by net income available to common share owners.

Economic Profit: Represents net operating profit after taxes in excess of a computed capital charge for average operating capital employed.

Economic Value Added: Represents the growth in economic profit from year to year.

Free Cash Flow: Cash provided by operating activities less cash used in investing activities.

Gallon Shipment: Unit of measurement for concentrates and syrups sold by the Company to its bottling partners or customers.

Gross Margin: Calculated by dividing gross profit by net operating revenues.

International: Refers to Company's operations outside the United States.

Market: Geographic area in which the Company does business, often defined by national boundaries.

Net Debt and **Net Capital:** Net of cash, cash equivalents and marketable securities in excess of operating requirements and temporary bottling investments. The net-debt-to-net-capital ratio excludes debt and excess cash of the Company's finance subsidiary.

Operating Margin: Calculated by dividing operating income by net operating revenues.

Per Capita Consumption: Average number of soft drinks consumed per person, per year in a specific market. Computed by dividing the number of 8-ounce soft drink servings sold annually in that market by the total population.

PET (Polyethylene Terephthalate): Plastic used to make soft drink bottles.

Post-Mix or **Fountain:** Dispensing system in a retail outlet where soft drinks are created by mixing syrup and carbonated water together at the time a consumer purchases a soft drink.

Return On Capital: Calculated by dividing income from continuing operations before changes in accounting principles less tax-adjusted interest expense by average total capital.

Return On Common Equity: Calculated by dividing income from continuing operations before changes in accounting principles less preferred stock dividends by average common share-owners' equity.

Serving: Eight U.S. fluid ounces of a beverage.

Share Of Sales: Company's unit case volume as a percentage of the total unit case volume of the flavored carbonated soft drink industry within a specific market.

Shelf Stable: Juice and juice-drink products of Coca-Cola Foods which do not require refrigeration.

Syrup: Concentrate mixed with sweetener and water, sold to customers who add carbonated water to produce finished soft drinks.

Total Capital: Equals share-owners' equity plus interest-bearing debt.

Unit Case: Unit of measurement, which is 24 8-ounce servings.

Unit Case Volume: Number of unit cases sold by bottling partners to customers; considered an excellent indicator of the underlying strength of the soft drink business in a particular market.

Equal Opportunity Policy

The Coca-Cola Company employs approximately 31,000 people worldwide and maintains a long-standing commitment to equal opportunity and affirmative action. The Company strives to create a working environment free of discrimination and harassment with respect to race, sex, color, national origin, religion, age, disability or being a veteran of the Vietnam era, as well as to make reasonable accommodations in the employment of qualified individuals with disabilities. The Company continued to increase minority and female representation in 1992. In addition, the Company provides fair marketing opportunities to all suppliers and maintains programs to increase transactions with firms that are owned and operated by minorities and women.

Environmental Policy

The Coca-Cola Company touches the lives of billions of people around the world, and our responsibility to them includes conducting our business in ways that protect and preserve the environment in which we all live. This is not something new for us. It is part of our heritage, something we have pursued for decades and will continue to pursue in the decades to come.

We made significant strides in 1992 toward our goal of achieving environmental excellence in all areas of our business. We further strengthened our corporate environmental function, formed an environmental audit program and adopted rigorous wastewater and ozone protection policies. Meanwhile, our global recycling rates reached all-time highs. We continue to pursue technological innovations and processes that will minimize the environmental impact of our packaging, while building alliances that will encourage the implementation of sound waste management policies and practices.

The Coca-Cola Company is dedicated to continuous improvement and setting standards in environmental excellence, because we believe the best possible environment for our business is the best possible environment.

Share-Owner Information

Common Stock
Ticker symbol: KO

The Coca-Cola Company is one of 30 companies in the Dow Jones Industrial Average.

Common stock of The Coca-Cola Company is listed and traded on the New York Stock Exchange, which is the principal market for the common stock, and also is traded on the Boston, Cincinnati, Midwest, Pacific and Philadelphia stock exchanges. Outside the United States, the Company's common stock is listed and traded on the German exchange in Frankfurt and on Swiss exchanges in Zurich, Geneva, Bern, Basel and Lausanne.

Share owners of record at year-end: 163,817

Shares outstanding at year-end: 1.3 billion

Dividends
At its February 1993 meeting, the Company's Board of Directors increased the quarterly dividend to 17 cents per share, equivalent to an annual dividend of 68 cents per share. The Company has increased dividends each of the last 31 years.

The Coca-Cola Company normally pays dividends four times a year, usually on April 1, July 1, October 1 and December 15. The Company has paid 287 consecutive quarterly dividends, beginning in 1920.

Dividend and Cash Investment Plan
All share owners of record are invited to participate in the Dividend and Cash Investment Plan. The Plan provides a convenient, economical and systematic method of acquiring additional shares of the Company's common stock. The Plan permits share owners of record to reinvest dividends from Company stock in shares of The Coca-Cola Company. Share owners also may purchase Company stock through voluntary cash investments of up to $60,000 per year.

All costs and commissions associated with joining and participating in the Plan are paid by the Company.

The Plan's administrator, First Chicago Trust Company of New York, purchases stock for voluntary cash investments on or about the first of each month, and for dividend reinvestment on April 1, July 1, October 1 and December 15.

At year-end, 42 percent of share owners of record were participants in the Plan. In 1992, share owners invested $16.52 million in dividends and $41.88 million in cash in the Plan.

Annual Meeting of Share Owners
April 14, 1993, at 9 a.m. local time
Hotel du Pont
11th and Market Streets
Wilmington, Delaware

Publications
The Company's annual report on Form 10-K and quarterly report on Form 10-Q are available free of charge from the Office of the Secretary, The Coca-Cola Company, P.O. Drawer 1734, Atlanta, Georgia 30301.

A *Notice of Annual Meeting of Share Owners and Proxy Statement* are furnished to share owners in advance of the annual meeting. *Progress Reports*, containing financial results and other information, are distributed quarterly to share owners.

Also available from the Office of the Secretary are *Coca-Cola, A Business System Toward 2000: Our Mission in the 1990s* and *The Chronicle of Coca-Cola Since 1886.*

Corporate Offices
The Coca-Cola Company
One Coca-Cola Plaza
Atlanta, Georgia 30313
(404) 676-2121

Mailing Address
The Coca-Cola Company
P.O. Drawer 1734
Atlanta, Georgia 30301

Share-Owner Account Assistance
For address changes, dividend checks, direct deposit of dividends, account consolidation, registration changes, lost stock certificates, stock holdings and the Dividend and Cash Investment Plan:

Registrar and Transfer Agent
First Chicago Trust Company of New York
P.O. Box 3981
Church Street Station
New York, New York 10008-3981
1-800-446-2617
or
(212) 791-6422
or
Office of the Secretary
The Coca-Cola Company
(404) 676-2777

Institutional Investor Inquiries
(404) 676-5766

Annual Report Requests
1-800-438-2653

This entire report is printed on recycled paper. The uncoated paper was created through a non-deinking process using 100 percent post-consumer waste, much of which came from The Coca-Cola Company's own office paper waste.

Design: Critt Graham + Associates/AVID
Photography: *Principal/Cover* – Arthur Meyerson, *Executive* – Jeff Corwin
Printing: George Rice & Sons