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The Coca-Cola Company to Refranchise Territory to Coca-Cola Bottling Co. Consolidated

Letter of Intent Includes Territory Around Memphis, Tenn., Plus Two Production Facilities

Consolidated and Coca-Cola Bottling Company UNITED Agree to an Exchange of Facilities and Territories in Portions of the Southeast United States

ATLANTA--(BUSINESS WIRE)-- The Coca-Cola Company today announced a letter of intent to refranchise territories to Coca-Cola Bottling Co. Consolidated.

The Coca-Cola Company expects to refranchise most of the Memphis, Tenn., market unit to Charlotte, N.C.-based Consolidated. This area includes portions of Tennessee, Mississippi and Arkansas, including Little Rock. Consolidated also expects to acquire production facilities in Memphis, Tenn., and West Memphis, Ark.

Separately, Consolidated has signed a letter of intent for a small territory owned by The Coca-Cola Company that is centered on Louisa, Ky., with operations that span into West Virginia.

In addition, a number of facilities and territories in the Southeast will be exchanged under letters of intent involving Consolidated, fellow bottler Coca-Cola Bottling Company UNITED and the Coca-Cola Refreshments unit of The Coca-Cola Company.

The expected agreements will lead to the creation of more contiguous territories for both Consolidated and UNITED in the Southeast:

- Birmingham, Ala.-based UNITED will acquire Consolidated's Deep South Territory, which spans parts of Georgia, Alabama, Florida and Mississippi. This territory includes nine sales centers, plus a production facility in Mobile, Ala. Currently, these operations are not geographically connected to other Consolidated territories, while they are contiguous to UNITED operations.
- UNITED will acquire Consolidated's Tennessee and Alabama territory that is serviced from its Florence, Ala., sales center, along with Consolidated's Panama City, Fla., territory. These areas are contiguous to UNITED operations.
- Consolidated will acquire UNITED-owned territories in South Carolina around the cities of Bluffton and Spartanburg. These UNITED areas sit amidst Consolidated territories.

"These agreements involving Consolidated and UNITED are another important step in our ongoing refranchising initiative," said J. Alexander "Sandy" Douglas Jr., President, Coca-Cola North America. "Consolidated's agreement involving Memphis adds a major market to their portfolio. Consolidated and UNITED have also agreed to create more geographically

contiguous operations for both companies in the Southeast, which will improve the overall ability of the Coca-Cola system to serve customers and consumers.”

On April 29, The Coca-Cola Company and Consolidated also closed a previously announced agreement to refranchise territory centered on Baltimore. This deal included production facilities in Baltimore and Silver Spring, Md.

These agreements are part of a plan to refranchise all of The Coca-Cola Company's North American territories by the end of 2017.

21st Century Beverage Partnership Model History

The Coca-Cola Company began working with its bottling partners a decade ago on plans to develop a model that evolves the system to serve the changing customer and consumer landscape, with a focus on creating stronger system alignment. A critical step was the Company's acquisition of the North American territories of Coca-Cola Enterprises in 2010.

Since the deal was closed, The Coca-Cola Company has accelerated the implementation of the new model by strategically addressing the bottling system, customer service, product supply and a common information technology platform.

Ultimately, the Coca-Cola system in North America will be comprised of economically aligned bottling partners that have the capability to serve major customers, coupled with the ability to maintain strong, local ties across diverse markets in the United States and Canada.

So far, the Company has reached definitive agreements or signed letters of intent to refranchise territories that account for approximately 65% of bottler-delivered distribution volume and 43 of the 51 cold-fill production facilities in the United States.

The new transactions announced today are subject to The Coca-Cola Company and the companies involved reaching definitive agreements. The parties are committed to working together to implement a smooth transition with minimal disruption for customers, consumers and system associates. Financial terms are not being disclosed.

About The Coca-Cola Company

The Coca-Cola Company (NYSE: KO) is the world's largest beverage company, refreshing consumers with more than 500 sparkling and still brands and more than 3,800 beverage choices. Led by Coca-Cola, one of the world's most valuable and recognizable brands, our company's portfolio features 20 billion-dollar brands, 18 of which are available in reduced-, low- or no-calorie options. Our billion-dollar brands include Diet Coke, Coca-Cola Zero, Fanta, Sprite, Dasani, vitaminwater, Powerade, Minute Maid, Simply, Del Valle, Georgia and Gold Peak. Through the world's largest beverage distribution system, we are the No. 1 provider of both sparkling and still beverages. More than 1.9 billion servings of our beverages are enjoyed by consumers in more than 200 countries each day. With an enduring commitment to building sustainable communities, our company is focused on initiatives that reduce our environmental footprint, create a safe, inclusive work environment for our associates, and enhance the economic development of the communities where we operate. Together with our bottling partners, we rank among the world's top 10 private employers with more than 700,000 system associates. For more information, visit Coca-Cola Journey at www.coca-colacompany.com, follow us on Twitter at

twitter.com/CocaColaCo, visit our blog, Coca-Cola Unbottled, at www.coca-colablog.com or find us on LinkedIn at www.linkedin.com/company/the-coca-cola-company.

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