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The Coca-Cola Company Announces Additional Letters of Intent with U.S. Bottling Partners

Implementation of 21st Century Beverage Partnership Model in U.S. Continues

Significant Step Toward Refranchising Half of Company-Owned U.S. Bottler-Delivered Volume by the End of 2017

ATLANTA--(BUSINESS WIRE)-- The Coca-Cola Company today announced that it has taken additional steps toward the implementation of a 21st Century Beverage Partnership Model in the United States.

As part of this model, The Coca-Cola Company has agreed in principle with three U.S. bottlers to continue granting new, expanded territories. These bottlers are Coca-Cola Bottling Company High Country, Coca-Cola Bottling Company United and Swire Coca-Cola USA.

Additionally, The Coca-Cola Company has agreed in principle to the granting of expanded territories to four new expanding U.S. bottlers. These bottlers are Atlantic Coca-Cola Bottling Company, Chesterman Company, The Odom Corporation and Ozarks Coca-Cola Bottling Company.

“We have made significant progress toward the implementation of our 21st Century Beverage Partnership Model in the U.S., which continues to strengthen our franchise system,” said Muhtar Kent, Chairman and Chief Executive Officer, The Coca-Cola Company. “We will move forward with our refranchising plans in the U.S. as we implement a more agile, modern, customer-focused beverage partnership model.”

Consistent with prior transactions, in the newly granted territories The Coca-Cola Company and these bottlers will work collaboratively to implement key elements of this evolving U.S. operating model, including:

- More rational and contiguous operating territories
- A grant of exclusive territory rights and the sale by Coca-Cola Refreshments (CCR) of distribution assets and cold drink equipment
- A finished goods model under which production assets will remain with CCR
- An improved, more integrated information technology platform
- A new beverage agreement that supports the evolving operating model

“Today marks another significant milestone in the evolution of our U.S. operations as we align for growth with partners that have demonstrated success, taken a generational view and consistently invested in capabilities and leadership,” said Sandy Douglas, President,

Coca-Cola North America. “These four new expanding bottling partners – Atlantic, Chesterman, Odom and Ozarks – bring deep local knowledge and have demonstrated both outstanding commercial capabilities and consistent, sustainable success within their communities.”

These new territories generally border these bottlers’ existing territories, allowing each bottler to better service local customers and provide more efficient execution.

- **Coca-Cola Bottling Company High Country** will assume additional territory in South Dakota, North Dakota (including the Fargo and Bismarck markets), and Minnesota
- **Coca-Cola Bottling Company United** will assume additional territory in Louisiana, including the New Orleans and Shreveport markets, and territory in the Tallahassee, Florida market
- **Swire Coca-Cola USA** will assume additional territory in Arizona, including the Phoenix and Tucson markets
- **Atlantic Coca-Cola Bottling Company** will assume new territory in Iowa and southern Minnesota
- **Chesterman Company** will assume new territory in Nebraska and western Iowa, including the Omaha and Lincoln markets
- **The Odom Corporation** will assume new territory in the Hawaiian Islands including Oahu, Hawaii, Kauai, and Molokai
- **The Ozarks Coca-Cola Bottling Company** will assume new territory in Missouri, northern Arkansas and southeast Kansas

The new transactions announced today are subject to the parties 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 were not 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. Led by Coca-Cola, one of the world's most valuable and recognizable brands, our Company's portfolio features 20 billion-dollar brands including, Diet Coke, Fanta, Sprite, Coca-Cola Zero, vitaminwater, POWERADE, Minute Maid, Simply, Georgia, Dasani, FUZE TEA and Del Valle. Globally, we are the No. 1 provider of sparkling beverages, ready-to-drink coffees, and juices and juice drinks. Through the world's largest beverage distribution system, consumers in more than 200 countries enjoy our beverages at a rate of 1.9 billion servings a day. With an enduring commitment to building sustainable communities, our Company is focused on initiatives that reduce our environmental footprint, support active, healthy living, create a safe, inclusive work environment for our associates, and enhance the economic development of the communities where we operate. Together with our bottling partners, we rank among the world's top 10 private employers with more than 700,000 system associates. For more information, visit Coca-Cola Journey at www.coca-colacompany.com, follow us on Twitter at twitter.com/CocaColaCo, visit our blog, Coca-Cola Unbottled, at www.coca-colablog.com or find us on LinkedIn at www.linkedin.com/company/the-coca-cola-company.

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