
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
April 24, 2023



(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)
One Coca-Cola Plaza
Atlanta, Georgia
(Address of principal executive offices)

001-02217
(Commission File Number)

58-0628465
(I.R.S. Employer Identification No.)

30313
(Zip Code)

Registrant's telephone number, including area code: (404) 676-2121

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.25 Par Value	KO	New York Stock Exchange
0.500% Notes Due 2024	KO24	New York Stock Exchange
1.875% Notes Due 2026	KO26	New York Stock Exchange
0.750% Notes Due 2026	KO26C	New York Stock Exchange
1.125% Notes Due 2027	KO27	New York Stock Exchange
0.125% Notes Due 2029	KO29A	New York Stock Exchange
0.125% Notes Due 2029	KO29B	New York Stock Exchange
0.400% Notes Due 2030	KO30B	New York Stock Exchange
1.250% Notes Due 2031	KO31	New York Stock Exchange
0.375% Notes Due 2033	KO33	New York Stock Exchange
0.500% Notes Due 2033	KO33A	New York Stock Exchange
1.625% Notes Due 2035	KO35	New York Stock Exchange
1.100% Notes Due 2036	KO36	New York Stock Exchange
0.950% Notes Due 2036	KO36A	New York Stock Exchange
0.800% Notes Due 2040	KO40B	New York Stock Exchange
1.000% Notes Due 2041	KO41	New York Stock Exchange

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

Attached as Exhibit 99.1 is a copy of a press release of The Coca-Cola Company (“Company”), dated April 24, 2023, reporting the Company’s financial results for the first quarter 2023. The information in this Item 2.02, including the Exhibit 99.1 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01(d). Financial Statements and Exhibits.

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
<u>Exhibit 99.1</u>	<u>Press Release of The Coca-Cola Company, dated April 24, 2023, reporting The Coca-Cola Company’s financial results for the first quarter 2023.</u>
Exhibit 104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the iXBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**THE COCA-COLA COMPANY
(REGISTRANT)**

Date: April 24, 2023

By: /s/ MARK RANDAZZA

Mark Randazza
Vice President, Assistant Controller and Chief Accounting Officer



News Release

Coca-Cola Reports First Quarter 2023 Results

Global Unit Case Volume Grew 3%

Net Revenues Grew 5%;
Organic Revenues (Non-GAAP) Grew 12%

Operating Income Declined 1%;
Comparable Currency Neutral Operating Income (Non-GAAP) Grew 15%

Operating Margin Was 30.7% Versus 32.5% in the Prior Year;
Comparable Operating Margin (Non-GAAP) Was 31.8% Versus 31.4% in the Prior Year

EPS Grew 12% to \$0.72; Comparable EPS (Non-GAAP) Grew 5% to \$0.68

ATLANTA, April 24, 2023 – The Coca-Cola Company today reported first quarter 2023 results, demonstrating resilience in the marketplace despite an operating environment that remains dynamic. “We are encouraged by our first quarter 2023 results,” said James Quincey, Chairman and CEO of The Coca-Cola Company. “Our system alignment is stronger than ever, and our networked organization is allowing us to adapt as needed. We continue to invest for the long term, strengthening our capabilities to drive sustainable value for our stakeholders. We have the right portfolio, the right strategy and the right execution to deliver in the marketplace. We are confident in our ability to deliver on our 2023 objectives.”

Highlights

Quarterly Performance

- **Revenues:** Net revenues grew 5% to \$11.0 billion, and organic revenues (non-GAAP) grew 12%. Revenue performance included 11% growth in price/mix and 1% growth in concentrate sales. Concentrate sales were 2 points behind unit case volume, largely due to the timing of concentrate shipments and the impact of one less day in the quarter.
- **Operating margin:** Operating margin was 30.7% versus 32.5% in the prior year, while comparable operating margin (non-GAAP) was 31.8% versus 31.4% in the prior year. Operating margin decline was primarily driven by items impacting comparability and currency headwinds. Comparable operating margin (non-GAAP) expansion was primarily driven by strong topline growth and the impact of refranchising bottling operations, partially offset by an increase in marketing investments and higher operating costs versus the prior year as well as currency headwinds.
- **Earnings per share:** EPS grew 12% to \$0.72, and comparable EPS (non-GAAP) grew 5% to \$0.68. Comparable EPS (non-GAAP) performance included the impact of a 7-point currency headwind.

- **Market share:** The company gained value share in total nonalcoholic ready-to-drink (NARTD) beverages.
- **Cash flow:** Cash flow from operations was \$160 million, a decline of approximately \$460 million versus the prior year, largely due to the timing of working capital initiatives and payments related to acquisitions and divestitures. Free cash flow (non-GAAP) declined approximately \$520 million versus the prior year, resulting in negative free cash flow of approximately \$120 million.

Company Updates

- **Growing loved brands through consumer-centric innovation and occasion-based marketing:** smartwater®, a billion-dollar brand that is available in 28 markets, grew volume 8% in the first quarter. The company continues to innovate with the brand, recently launching smartwater alkaline with antioxidant to offer premium hydration for consumers with active lifestyles. The innovation features a higher pH level, the antioxidant selenium and a unique electrolyte blend for a crisp, pure taste. The launch was supported by the “Elevate How You Hydrate” marketing campaign, which was promoted through digital platforms such as Spotify, Meta and TikTok, as well as through partnerships with comedian Pete Davidson, Peloton instructor Alex Toussaint and others. The campaign used geolocation apps to drive incremental occasions with on-the-go consumers and segmented experiential sampling in gyms and fitness centers in select U.S. cities.
- **Driving value through continued excellence in integrated execution in India:** The company, in close alignment with its bottling partners, continues to raise the bar in India in integrated execution to deliver value for its customers and consumers. The company grew its business in the first quarter in India by adding retailers, investing in cold-drink equipment and offering the right products at the right price points to recruit consumers. During the first quarter, the company and its bottling partners increased availability by more than 300,000 stores and approximately 40,000 coolers ahead of the summer season and drove approximately 3 billion transactions at affordable price points through single-serve packages and at-home entry packs. The company also increased household penetration via targeted promotions on large packages for the at-home channel. This integrated execution yielded strong results, as the company grew revenue ahead of transactions and grew transactions ahead of volume, while also growing value share in the sparkling soft drinks and juice categories.
- **Collaborating with cutting-edge technology platforms to experiment, learn and drive results:** The company is adopting emerging technologies to drive new approaches, more experimentation and improved speed to market. Coca-Cola is the first company to collaborate with OpenAI and Bain & Company to harness the power of ChatGPT and DALL-E to enhance marketing capabilities and business operations and to build capabilities through cutting-edge artificial intelligence (AI). Within one month of announcing this collaboration, the company launched the “Create Real Magic” platform, which allowed consumers to become digital marketers by leveraging AI to generate original artwork with iconic creative assets from the Coca-Cola archives. The company is also exploring ways to leverage AI to improve customer service and ordering as well as point-of-sale material creation in collaboration with its bottling partners.
- **Laying out a roadmap to 2030 Water Security Strategy and driving collective action:** Water is a priority for the company because it is essential for beverages and the communities the company serves. Sustainable access to water is critical for the company’s success and the resilience of its agricultural supply chain. During the UN 2023 Water Conference in March, the company announced three goals to accelerate action by investing more in its Leadership Locations, which are basins designated based on needs for the company, its supply chain and impacted communities. In addition, the company is working with other partners and stakeholders to improve watershed health and communities’ access to clean water and sanitation as part of the Business Leaders’ Open Call to Accelerate Action on Water – a partnership to achieve collective positive water impact in at least 100 vulnerable water basins by 2030.

Operating Review – Three Months Ended March 31, 2023

Revenues and Volume

Percent Change	Concentrate Sales ¹	Price/Mix	Currency Impact	Acquisitions, Divestitures and Structural Changes, Net	Reported Net Revenues	Organic Revenues ²	Unit Case Volume ³
Consolidated	1	11	(6)	(1)	5	12	3
Europe, Middle East & Africa	2	22	(13)	0	10	23	(3)
Latin America	1	18	(5)	0	14	19	5
North America	(2)	11	0	0	9	9	0
Asia Pacific	(2)	5	(8)	2	(3)	3	10
Global Ventures ⁴	8	(3)	(8)	0	(3)	5	7
Bottling Investments	3	8	(9)	(7)	(5)	11	(1)

Operating Income and EPS

Percent Change	Reported Operating Income	Items Impacting Comparability	Currency Impact	Comparable Currency Neutral Operating Income ²
Consolidated	(1)	(7)	(9)	15
Europe, Middle East & Africa	13	1	(17)	28
Latin America	12	2	(8)	18
North America	(2)	(23)	0	21
Asia Pacific	(15)	1	(9)	(7)
Global Ventures	1	(5)	(1)	8
Bottling Investments	(28)	1	(7)	(23)

Percent Change	Reported EPS	Items Impacting Comparability	Currency Impact	Comparable Currency Neutral EPS ²
Consolidated	12	7	(7)	13

Note: Certain rows may not add due to rounding.

¹ For Bottling Investments, this represents the percent change in net revenues attributable to the increase (decrease) in unit case volume computed based on total sales (rather than average daily sales) in each of the corresponding periods after considering the impact of structural changes, if any.

² Organic revenues, comparable currency neutral operating income and comparable currency neutral EPS are non-GAAP financial measures. Refer to the Reconciliation of GAAP and Non-GAAP Financial Measures section.

³ Unit case volume is computed based on average daily sales.

⁴ Due to the combination of multiple business models in the Global Ventures operating segment, the composition of concentrate sales and price/mix may fluctuate materially from period to period. Therefore, the company places greater focus on revenue growth as the best indicator of underlying performance of the Global Ventures operating segment

In addition to the data in the preceding tables, operating results included the following:

Consolidated

- Unit case volume grew 3%. Volume performance was driven by strength in away-from-home channels and continued investments in the marketplace. Developed markets grew mid single digits, while developing and emerging markets grew low single digits. Growth in developed markets was led by Mexico, Western Europe and Australia, while growth in developing and emerging markets was led by China, India and Brazil. Developing and emerging markets growth was impacted by the suspension of business in Russia.

Unit case volume performance included the following:

- Sparkling soft drinks grew 3%, led by strong performance in Asia Pacific and Latin America, partially offset by the suspension of business in Russia. Trademark Coca-Cola grew 3%, driven by growth across all geographic operating segments. Coca-Cola® Zero Sugar grew 8%, reflecting strong growth across all geographic operating segments. Sparkling flavors grew 3%, driven by Asia Pacific, Latin America and North America, partially offset by Europe, Middle East & Africa.
- Juice, value-added dairy and plant-based beverages were even, as strong growth in fairlife® in the United States, Minute Maid® Pulpy in China and Maaza® in India was offset by the suspension of business in Russia.
- Water, sports, coffee and tea grew 4%. Water grew 5%, led by strong growth in Asia Pacific and Latin America. Sports drinks declined 1%, primarily driven by BODYARMOR® and Powerade® in the United States. Tea declined 3%, primarily due to doğadan® which was impacted by an earthquake in Türkiye in February. Coffee grew 9%, primarily driven by the strong performance of Costa® coffee in the United Kingdom and China.
- Price/mix grew 11%, driven by pricing actions in the marketplace and favorable channel and package mix. Concentrate sales were 2 points behind unit case volume, largely due to the timing of concentrate shipments as well as the impact of one less day in the quarter.
- Operating income declined 1%, which included items impacting comparability and an 8-point currency headwind. Comparable currency neutral operating income (non-GAAP) grew 15%, driven by strong organic revenue (non-GAAP) growth across all operating segments, partially offset by an increase in marketing investments and higher operating costs versus the prior year.

Europe, Middle East & Africa

- Unit case volume declined 3%, as strong growth in Western Europe, Pakistan and South Africa was more than offset by the suspension of business in Russia and the impact of the earthquake in Türkiye in February.
- Price/mix grew 22%, driven by pricing actions across operating units along with inflationary pricing in Türkiye. Concentrate sales were 5 points ahead of unit case volume, largely due to the timing of concentrate shipments.
- Operating income grew 13%, which included items impacting comparability and a 16-point currency headwind. Comparable currency neutral operating income (non-GAAP) grew 28%, as strong organic revenue (non-GAAP) growth across all operating units was partially offset by an increase in marketing investments and higher operating costs versus the prior year.
- The company gained value share in total NARTD beverages, led by share gains in France, Italy and Poland.

Latin America

- Unit case volume grew 5%, with strong growth across all categories. Growth was led by Mexico and Brazil.
- Price/mix grew 18%, driven by pricing actions in the marketplace and favorable channel and package mix, in addition to inflationary pricing in Argentina. Concentrate sales were 4 points behind unit case volume, primarily due to the timing of concentrate shipments as well as the impact of one less day in the quarter.
- Operating income grew 12%, which included a 6-point currency headwind and items impacting comparability. Comparable currency neutral operating income (non-GAAP) grew 18%, primarily driven by strong organic revenue (non-GAAP) growth, partially offset by an increase in marketing investments and higher operating costs versus the prior year.

- The company lost value share in total NARTD beverages, as share gains in Brazil, Argentina and Colombia were more than offset by pressure in Mexico.

North America

- Unit case volume was even, as growth in sparkling soft drinks and juice, value-added dairy and plant-based beverages was offset by a decline in water, sports, coffee and tea.
- Price/mix grew 11%, primarily driven by pricing actions in the marketplace and continued recovery in the fountain business. Concentrate sales were 2 points behind unit case volume, primarily due to the timing of concentrate shipments as well as the impact of one less day in the quarter.
- Operating income declined 2%, which included items impacting comparability. Comparable currency neutral operating income (non-GAAP) grew 21%, driven by strong organic revenue (non-GAAP) growth, partially offset by an increase in marketing investments and higher operating costs versus the prior year.
- The company gained value share in total NARTD beverages, driven by sparkling soft drinks and juice, value-added dairy and plant-based beverages.

Asia Pacific

- Unit case volume grew 10%, driven by strong growth across most categories. Growth was led by China, India and Australia.
- Price/mix grew 5%, primarily driven by pricing actions in the marketplace, partially offset by negative geographic mix. Concentrate sales were 12 points behind unit case volume, primarily due to cycling the timing of concentrate shipments in the prior year.
- Operating income declined 15%, which included items impacting comparability and an 8-point currency headwind. Comparable currency neutral operating income (non-GAAP) declined 7%, primarily driven by higher operating costs versus the prior year.
- The company gained value share in total NARTD beverages, led by share gains in Japan, India, Australia and Vietnam.

Global Ventures

- Net revenues declined 3%, and organic revenues (non-GAAP) grew 5%. Net revenues included an 8-point currency headwind. Revenue performance benefited from the strong performance of Costa coffee in the United Kingdom and China.
- Operating income grew 1%, which included items impacting comparability and a 1-point currency headwind. Comparable currency neutral operating income (non-GAAP) grew 8%, driven by solid organic revenue (non-GAAP) growth as well as a decrease in marketing investments and lower operating costs versus the prior year.

Bottling Investments

- Unit case volume declined 1%, primarily driven by the impact of refranchising bottling operations, partially offset by strong growth in India.
- Price/mix grew 8%, driven by pricing actions across most markets.
- Operating income declined 28%, which included items impacting comparability and a 7-point currency headwind. Comparable currency neutral operating income (non-GAAP) declined 23%, as organic revenue (non-GAAP) growth was more than offset by higher operating costs.

Outlook

The 2023 outlook information provided below includes forward-looking non-GAAP financial measures, which management uses in measuring performance. The company is not able to reconcile full-year 2023 projected organic revenues (non-GAAP) to full-year 2023 projected reported net revenues, full-year 2023 projected comparable net revenues (non-GAAP) to full-year 2023 projected reported net revenues, full-year 2023 projected comparable cost of goods sold (non-GAAP) to full-year 2023 projected reported cost of goods sold, full-year 2023 projected underlying effective tax rate (non-GAAP) to full-year 2023 projected reported effective tax rate, full-year 2023 projected comparable currency neutral EPS (non-GAAP) to full-year 2023 projected reported EPS, or full-year 2023 projected comparable EPS (non-GAAP) to full-year 2023 projected reported EPS without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the exact timing and exact impact of acquisitions, divestitures and structural changes throughout 2023; the exact impact of changes in commodity costs throughout 2023; the exact timing and exact amount of items impacting comparability throughout 2023; and the exact impact of fluctuations in foreign currency exchange rates throughout 2023. The unavailable information could have a significant impact on the company's full-year 2023 reported financial results.

Full Year 2023

The company expects to deliver organic revenue (non-GAAP) growth of 7% to 8%. – *No Change*

For comparable net revenues (non-GAAP), the company expects a 2% to 3% currency headwind based on the current rates and including the impact of hedged positions, in addition to an approximate 1% headwind from acquisitions, divestitures and structural changes. – *No Change*

The company expects commodity price inflation to be a mid single-digit percentage headwind on comparable cost of goods sold (non-GAAP) based on the current rates and including the impact of hedged positions. – *No Change*

The company's underlying effective tax rate (non-GAAP) is estimated to be 19.5%. This does not include the impact of ongoing tax litigation with the IRS, if the company were not to prevail. – *No Change*

Given the above considerations, the company expects to deliver comparable currency neutral EPS (non-GAAP) growth of 7% to 9% and comparable EPS (non-GAAP) growth of 4% to 5%, versus \$2.48 in 2022. – *No Change*

Comparable EPS (non-GAAP) percentage growth is expected to include a 3% to 4% currency headwind based on the current rates and including the impact of hedged positions, in addition to a slight headwind from acquisitions, divestitures and structural changes. – *No Change*

The company expects to generate free cash flow (non-GAAP) of approximately \$9.5 billion through cash flow from operations of approximately \$11.4 billion, less capital expenditures of approximately \$1.9 billion. This does not include any potential payments related to ongoing tax litigation with the IRS. – *No Change*

Second Quarter 2023 Considerations – *New*

Comparable net revenues (non-GAAP) are expected to include a 3% to 4% currency headwind based on the current rates and including the impact of hedged positions, in addition to an approximate 1% headwind from acquisitions, divestitures and structural changes.

Comparable EPS (non-GAAP) percentage growth is expected to include a 2% to 3% currency headwind based on the current rates and including the impact of hedged positions.

Notes

- All references to growth rate percentages, share and stores added compare the results of the period to those of the prior year comparable period, unless otherwise noted.
- All references to volume and volume percentage changes indicate unit case volume, unless otherwise noted. All volume percentage changes are computed based on average daily sales, unless otherwise noted. "Unit case" means a unit of measurement equal to 192 U.S. fluid ounces of finished beverage (24 eight-ounce servings), with the exception of unit case equivalents for Costa non-ready-to-drink beverage products which are primarily measured in number of transactions. "Unit case volume" means the number of unit cases (or unit case

equivalents) of company beverages directly or indirectly sold by the company and its bottling partners to customers or consumers.

- “Concentrate sales” represents the amount of concentrates, syrups, beverage bases, source waters and powders/minerals (in all instances expressed in unit case equivalents) sold by, or used in finished beverages sold by, the company to its bottling partners or other customers. For Costa non-ready-to-drink beverage products, “concentrate sales” represents the amount of beverages, primarily measured in number of transactions (in all instances expressed in unit case equivalents) sold by the company to customers or consumers. In the reconciliation of reported net revenues, “concentrate sales” represents the percent change in net revenues attributable to the increase (decrease) in concentrate sales volume for the geographic operating segments and the Global Ventures operating segment after considering the impact of structural changes, if any. For the Bottling Investments operating segment, this represents the percent change in net revenues attributable to the increase (decrease) in unit case volume computed based on total sales (rather than average daily sales) in each of the corresponding periods after considering the impact of structural changes, if any. The Bottling Investments operating segment reflects unit case volume growth for consolidated bottlers only.
- “Price/mix” represents the change in net operating revenues caused by factors such as price changes, the mix of products and packages sold, and the mix of channels and geographic territories where the sales occurred.
- First quarter 2023 financial results were impacted by one less day as compared to first quarter 2022, and fourth quarter 2023 financial results will be impacted by one additional day as compared to fourth quarter 2022. Unit case volume results for the quarters are not impacted by the variances in days due to the average daily sales computation referenced above.

Conference Call

The company is hosting a conference call with investors and analysts to discuss first quarter 2023 operating results today, April 24, 2023, at 8:30 a.m. ET. The company invites participants to listen to a live webcast of the conference call on the company’s website, <http://www.coca-colacompany.com>, in the “Investors” section. An audio replay in downloadable digital format and a transcript of the call will be available on the website within 24 hours following the call. Further, the “Investors” section of the website includes certain supplemental information and a reconciliation of non-GAAP financial measures to the company’s results as reported under GAAP, which may be used during the call when discussing financial results.

Contacts:

Investors and Analysts: Robin Halpern, koinvestorrelations@coca-cola.com

Media: Scott Leith, sleith@coca-cola.com

THE COCA-COLA COMPANY AND SUBSIDIARIES
Consolidated Statements of Income
(In millions except per share data)

	Three Months Ended		
	March 31, 2023	April 1, 2022	% Change
Net Operating Revenues	\$ 10,980	\$ 10,491	5
Cost of goods sold	4,317	4,091	6
Gross Profit	6,663	6,400	4
Selling, general and administrative expenses	3,185	2,967	7
Other operating charges	111	28	296
Operating Income	3,367	3,405	(1)
Interest income	168	78	114
Interest expense	372	182	105
Equity income (loss) — net	275	262	5
Other income (loss) — net	615	(105)	—
Income Before Income Taxes	4,053	3,458	17
Income taxes	940	665	41
Consolidated Net Income	3,113	2,793	11
Less: Net income (loss) attributable to noncontrolling interests	6	12	(49)
Net Income Attributable to Shareowners of The Coca-Cola Company	\$ 3,107	\$ 2,781	12
Basic Net Income Per Share¹	\$ 0.72	\$ 0.64	12
Diluted Net Income Per Share¹	\$ 0.72	\$ 0.64	12
Average Shares Outstanding	4,326	4,332	0
Effect of dilutive securities	19	25	(23)
Average Shares Outstanding Assuming Dilution	4,345	4,357	0

Note: Certain growth rates may not recalculate using the rounded dollar amounts provided.

¹ Calculated based on net income attributable to shareowners of The Coca-Cola Company.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Consolidated Balance Sheets

(In millions except par value)

	March 31, 2023	December 31, 2022
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 12,004	\$ 9,519
Short-term investments	1,166	1,043
Total Cash, Cash Equivalents and Short-Term Investments	13,170	10,562
Marketable securities	1,125	1,069
Trade accounts receivable, less allowances of \$512 and \$516, respectively	4,599	3,487
Inventories	4,727	4,233
Prepaid expenses and other current assets	3,259	3,240
Total Current Assets	26,880	22,591
Equity method investments	18,744	18,264
Other investments	337	501
Other noncurrent assets	6,324	6,189
Deferred income tax assets	1,696	1,746
Property, plant and equipment — net	9,848	9,841
Trademarks with indefinite lives	14,283	14,214
Goodwill	18,678	18,782
Other intangible assets	614	635
Total Assets	\$ 97,404	\$ 92,763
<u>LIABILITIES AND EQUITY</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 15,593	\$ 15,749
Loans and notes payable	5,455	2,373
Current maturities of long-term debt	811	399
Accrued income taxes	1,498	1,203
Total Current Liabilities	23,357	19,724
Long-term debt	36,134	36,377
Other noncurrent liabilities	7,874	7,922
Deferred income tax liabilities	3,171	2,914
The Coca-Cola Company Shareowners' Equity		
Common stock, \$0.25 par value; authorized — 11,200 shares; issued — 7,040 shares	1,760	1,760
Capital surplus	18,889	18,822
Reinvested earnings	72,137	71,019
Accumulated other comprehensive income (loss)	(14,322)	(14,895)
Treasury stock, at cost — 2,715 and 2,712 shares, respectively	(53,247)	(52,601)
Equity Attributable to Shareowners of The Coca-Cola Company	25,217	24,105
Equity attributable to noncontrolling interests	1,651	1,721
Total Equity	26,868	25,826
Total Liabilities and Equity	\$ 97,404	\$ 92,763

THE COCA-COLA COMPANY AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(In millions)

	Three Months Ended	
	March 31, 2023	April 1, 2022
Operating Activities		
Consolidated net income	\$ 3,113	\$ 2,793
Depreciation and amortization	286	324
Stock-based compensation expense	58	87
Deferred income taxes	260	41
Equity (income) loss — net of dividends	(249)	(247)
Foreign currency adjustments	25	100
Significant (gains) losses — net	(442)	25
Other operating charges	88	38
Other items	(102)	(70)
Net change in operating assets and liabilities	(2,877)	(2,468)
Net Cash Provided by Operating Activities	160	623
Investing Activities		
Purchases of investments	(739)	(835)
Proceeds from disposals of investments	815	1,323
Acquisitions of businesses, equity method investments and nonmarketable securities	(20)	(5)
Proceeds from disposals of businesses, equity method investments and nonmarketable securities	319	218
Purchases of property, plant and equipment	(276)	(217)
Proceeds from disposals of property, plant and equipment	21	16
Collateral (paid) received associated with hedging activities — net	18	(341)
Other investing activities	(21)	(13)
Net Cash Provided by (Used in) Investing Activities	117	146
Financing Activities		
Issuances of debt	4,074	1,052
Payments of debt	(1,174)	(1,045)
Issuances of stock	229	449
Purchases of stock for treasury	(848)	(546)
Dividends	(101)	(1,906)
Other financing activities	(115)	(979)
Net Cash Provided by (Used in) Financing Activities	2,065	(2,975)
Effect of Exchange Rate Changes on Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents	113	173
Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents		
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents during the period	2,455	(2,033)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	9,825	10,025
Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents at End of Period	12,280	7,992
Less: Restricted cash and restricted cash equivalents at end of period	276	311
Cash and Cash Equivalents at End of Period	\$ 12,004	\$ 7,681

THE COCA-COLA COMPANY AND SUBSIDIARIES
Operating Segments and Corporate
(In millions)

Three Months Ended

	Net Operating Revenues ¹			Operating Income (Loss)			Income (Loss) Before Income Taxes		
	March 31, 2023	April 1, 2022	% Fav. / (Unfav.)	March 31, 2023	April 1, 2022	% Fav. / (Unfav.)	March 31, 2023	April 1, 2022	% Fav. / (Unfav.)
Europe, Middle East & Africa	\$ 2,024	\$ 1,833	10	\$ 1,135	\$ 1,007	13	\$ 1,142	\$ 1,023	12
Latin America	1,386	1,214	14	853	760	12	855	757	13
North America	3,904	3,590	9	1,033	1,056	(2)	1,041	1,064	(2)
Asia Pacific	1,371	1,411	(3)	563	664	(15)	423	670	(37)
Global Ventures	707	729	(3)	51	51	1	57	56	0
Bottling Investments	1,946	2,044	(5)	139	193	(28)	504	393	28
Corporate	25	25	3	(407)	(326)	(25)	31	(505)	—
Eliminations	(383)	(355)	(8)	—	—	—	—	—	—
Consolidated	\$ 10,980	\$ 10,491	5	\$ 3,367	\$ 3,405	(1)	\$ 4,053	\$ 3,458	17

Note: Certain growth rates may not recalculate using the rounded dollar amounts provided.

¹ During the three months ended March 31, 2023, intersegment revenues were \$193 million for Europe, Middle East & Africa, \$2 million for North America, \$186 million for Asia Pacific and \$2 million for Bottling Investments. During the three months ended April 1, 2022, intersegment revenues were \$172 million for Europe, Middle East & Africa, \$1 million for North America, \$180 million for Asia Pacific and \$2 million for Bottling Investments.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

The company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP" or referred to herein as "reported"). To supplement our consolidated financial statements reported on a GAAP basis, we provide the following non-GAAP financial measures: "comparable net revenues," "comparable currency neutral net revenues," "organic revenues," "comparable cost of goods sold," "comparable operating margin," "underlying operating margin," "comparable operating income," "comparable currency neutral operating income," "comparable EPS," "comparable currency neutral EPS," "underlying effective tax rate" and "free cash flow," each of which is defined below. Management believes these non-GAAP financial measures provide investors with additional meaningful financial information that should be considered when assessing our underlying business performance and trends. Further, management believes these non-GAAP financial measures also enhance investors' ability to compare period-to-period financial results. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the company's reported results prepared in accordance with GAAP. Our non-GAAP financial measures do not represent a comprehensive basis of accounting. Therefore, our non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies. Reconciliations of each of these non-GAAP financial measures to GAAP information are also included below. Management uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions and in evaluating the company's performance. Disclosing these non-GAAP financial measures allows investors and management to view our operating results excluding the impact of items that are not reflective of the underlying operating performance.

DEFINITIONS

- "Currency neutral operating results" are determined by dividing or multiplying, as appropriate, our current period actual U.S. dollar operating results, by the current period actual exchange rates (that include the impact of current period currency hedging activities), to derive our current period local currency operating results. We then multiply or divide, as appropriate, the derived current period local currency operating results by the foreign currency exchange rates (that also include the impact of the comparable prior period currency hedging activities) used to translate the company's financial statements in the comparable prior year period to determine what the current period U.S. dollar operating results would have been if the foreign currency exchange rates had not changed from the comparable prior year period.
- "Structural changes" generally refer to acquisitions and divestitures of bottling operations, including the impact of intercompany transactions between our operating segments. In August 2022, the company acquired a controlling interest in a bottling operation in Malawi. The impact of this acquisition has been included in acquisitions, divestitures and structural changes in our analysis of net revenues on a consolidated basis as well as for the Bottling Investments and Europe, Middle East and Africa operating segments. In November 2022, the company refranchised our bottling operations in Cambodia, and in January 2023, the company refranchised our bottling operations in Vietnam. The impact of these refranchisings has been included in acquisitions, divestitures and structural changes in our analysis of net revenues on a consolidated basis as well as for the Bottling Investments and Asia Pacific operating segments.
- "Comparable net revenues" is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below). "Comparable currency neutral net revenues" is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below) as well as the impact of fluctuations in foreign currency exchange rates. Management believes the comparable net revenues (non-GAAP) growth measure and the comparable currency neutral net revenues (non-GAAP) growth measure provide investors with useful supplemental information to enhance their understanding of the company's revenue performance and trends by improving their ability to compare our period-to-period results. "Organic revenues" is a non-GAAP financial measure that excludes or has otherwise been adjusted for the impact of acquisitions, divestitures and structural changes, as applicable, and the impact of fluctuations in foreign currency exchange rates. Management believes the organic revenue (non-GAAP) growth measure provides users with useful supplemental information regarding the company's ongoing revenue performance and trends by presenting revenue growth excluding the impact of foreign exchange as well as the impact of acquisitions, divestitures and structural changes. The adjustments related to acquisitions, divestitures and structural changes for the three months ended March 31, 2023 included the structural changes discussed above. Additionally, in July 2022, the company acquired certain brands in Asia Pacific. The impact of acquiring these

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

brands has been included in acquisitions, divestitures and structural changes in our analysis of net revenues on a consolidated basis as well as for the Asia Pacific operating segment for the three months ended March 31, 2023.

- “Comparable cost of goods sold” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below). Management believes comparable cost of goods sold (non-GAAP) provides users with useful supplemental information regarding the company’s ongoing cost of goods sold by improving their ability to compare our period-to-period results.
- “Comparable operating income” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below). “Comparable currency neutral operating income” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below) and the impact of fluctuations in foreign currency exchange rates. “Comparable operating margin” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below). “Underlying operating margin” is a non-GAAP financial measure that excludes or has otherwise been adjusted for items impacting comparability (discussed further below), the impact of fluctuations in foreign currency exchange rates, and the impact of acquisitions, divestitures and structural changes, as applicable. Management uses these non-GAAP financial measures to evaluate the company’s performance and make resource allocation decisions. Further, management believes the comparable operating income (non-GAAP) growth measure, comparable currency neutral operating income (non-GAAP) growth measure, comparable operating margin (non-GAAP) measure and underlying operating margin (non-GAAP) measure enhance its ability to communicate the underlying operating results and provide investors with useful supplemental information to enhance their understanding of the company’s underlying business performance and trends by improving their ability to compare our period-to-period financial results.
- “Comparable EPS” and “comparable currency neutral EPS” are non-GAAP financial measures that exclude or have otherwise been adjusted for items impacting comparability (discussed further below). Comparable currency neutral EPS (non-GAAP) has also been adjusted for the impact of fluctuations in foreign currency exchange rates. Management uses these non-GAAP financial measures to evaluate the company’s performance and make resource allocation decisions. Further, management believes the comparable EPS (non-GAAP) and comparable currency neutral EPS (non-GAAP) growth measures enhance its ability to communicate the underlying operating results and provide investors with useful supplemental information to enhance their understanding of the company’s underlying business performance and trends by improving their ability to compare our period-to-period financial results.
- “Underlying effective tax rate” is a non-GAAP financial measure that represents the estimated annual effective income tax rate on income before income taxes, which excludes or has otherwise been adjusted for items impacting comparability (discussed further below).
- “Free cash flow” is a non-GAAP financial measure that represents net cash provided by operating activities less purchases of property, plant and equipment. Management uses this non-GAAP financial measure to evaluate the company’s performance and make resource allocation decisions.

ITEMS IMPACTING COMPARABILITY

The following information is provided to give qualitative and quantitative information related to items impacting comparability. Items impacting comparability are not defined terms within GAAP. Therefore, our non-GAAP financial information may not be comparable to similarly titled measures reported by other companies. We determine which items to consider as “items impacting comparability” based on how management views our business; makes financial, operating, compensation and planning decisions; and evaluates the company’s ongoing performance. Items such as charges, gains and accounting changes which are viewed by management as impacting only the current period or the comparable period, but not both, or as pertaining to different and unrelated underlying activities or events across comparable periods, are generally considered “items impacting comparability.” Items impacting comparability include, but are not limited to, asset impairments, transaction gains/losses including associated costs, and charges related to restructuring initiatives, in each case when exceeding a U.S. dollar threshold. Also included are our proportionate share of similar items incurred by our equity method investees, timing differences related to our economic (non-designated) hedging activities, and timing differences related to unrealized mark-to-market adjustments of equity securities and trading

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

debt securities, regardless of size. In addition, we provide the impact that fluctuations in foreign currency exchange rates had on our financial results ("currency neutral operating results" defined above).

Equity Investees

During the three months ended March 31, 2023 and April 1, 2022, the company recorded a net loss of \$82 million and a net gain of \$5 million, respectively. These amounts represent the company's proportionate share of significant operating and nonoperating items recorded by certain of our equity method investees.

Transaction Gains/Losses

During the three months ended March 31, 2023, the company recorded gains of \$439 million and \$3 million related to the refranchising of our bottling operations in Vietnam and Cambodia, respectively.

During the three months ended March 31, 2023 and April 1, 2022, the company recorded charges of \$62 million and \$22 million, respectively, related to the remeasurement of our contingent consideration liability to fair value in conjunction with our acquisition of fairlife, LLC in 2020. Additionally, during the three months ended March 31, 2023 and April 1, 2022, the company recognized gains of \$151 million and \$12 million, respectively, related to the sale of a portion of our ownership interest in an unconsolidated bottling operation.

During the three months ended April 1, 2022, the company recorded a net loss of \$24 million as a result of one of our equity method investees issuing additional shares of its stock.

Restructuring

During the three months ended March 31, 2023 and April 1, 2022, the company recorded charges of \$27 million and \$10 million, respectively. The costs incurred were primarily related to certain initiatives designed to further simplify and standardize our organization as part of our productivity and reinvestment program.

During the three months ended March 31, 2023, the company recorded a charge of \$18 million, primarily related to severance costs associated with the restructuring of our North America operating unit.

During the three months ended April 1, 2022, the company recorded a gain of \$1 million, primarily related to a revision to estimated severance costs accrued in the prior year associated with our strategic realignment initiatives.

Other Items

Economic (Non-Designated) Hedges

The company uses derivatives as economic hedges primarily to mitigate the foreign exchange risk for certain currencies, certain interest rate risk, and the price risk associated with the purchase of materials used in our manufacturing processes as well as the purchase of vehicle fuel. Although these derivatives were not designated and/or did not qualify for hedge accounting, they are effective economic hedges. The changes in fair values of these economic hedges are immediately recognized in earnings.

The company excludes the net impact of mark-to-market adjustments for outstanding hedges and realized gains/losses for settled hedges from our non-GAAP financial information until the period in which the underlying exposure being hedged impacts our consolidated statement of income. Management believes this adjustment provides meaningful information related to the impact of our economic hedging activities. During the three months ended March 31, 2023 and April 1, 2022, the net impact of the company's adjustment related to our economic hedging activities resulted in an increase of \$2 million and a decrease of \$146 million, respectively, to our non-GAAP income before income taxes.

Unrealized Gains and Losses on Equity and Trading Debt Securities

The company excludes the net impact of unrealized gains and losses resulting from mark-to-market adjustments on our equity and trading debt securities from our non-GAAP financial information until the period in which the underlying securities are sold and the associated gains or losses are realized. Management believes this adjustment provides meaningful information related to the impact of our investments in equity and trading debt securities. During the three months ended March 31, 2023 and April 1, 2022, the net impact of the company's adjustment related to unrealized gains and losses on our equity and trading debt securities resulted in increases of \$32 million and \$130 million, respectively, to our non-GAAP income before income taxes.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

Other

During the three months ended March 31, 2023 and April 1, 2022, the company recorded net charges of \$6 million and \$12 million, respectively, related to restructuring our manufacturing operations in the United States. Additionally, during the three months ended March 31, 2023 and April 1, 2022, the company recorded a net charge of \$4 million and a net gain of \$5 million, respectively, related to the BODYARMOR acquisition in 2021, which included various transition and transaction costs, employee retention costs and the amortization of noncompete agreements, net of the reimbursement of distributor termination fees.

Certain Tax Matters

During the three months ended March 31, 2023, the company recorded \$20 million of excess tax benefits associated with the company's stock-based compensation arrangements. The company also recorded net income tax expense of \$16 million for changes to our uncertain tax positions, including interest and penalties, and recorded a net income tax benefit of \$1 million associated with return to provision adjustments.

During the three months ended April 1, 2022, the company recorded \$54 million of excess tax benefits associated with the company's stock-based compensation arrangements. The company also recorded net income tax expense of \$34 million for changes to our uncertain tax positions, including interest and penalties, and recorded a net income tax benefit of \$4 million associated with return to provision adjustments.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(In millions except per share data)

Reported (GAAP)

Items Impacting Comparability:

Equity Investees
Transaction Gains/Losses
Restructuring
Other Items
Certain Tax Matters

Comparable (Non-GAAP)

Three Months Ended March 31, 2023							
Net operating revenues	Cost of goods sold	Gross profit	Gross margin	Selling, general and administrative expenses	Other operating charges	Operating income	Operating margin
\$ 10,980	\$ 4,317	\$ 6,663	60.7 %	\$ 3,185	\$ 111	\$ 3,367	30.7 %
—	—	—		—	—	—	
—	—	—		4	(62)	58	
—	—	—		—	(45)	45	
(21)	(35)	14		—	(4)	18	
—	—	—		—	—	—	
\$ 10,959	\$ 4,282	\$ 6,677	60.9 %	\$ 3,189	\$ —	\$ 3,488	31.8 %

Reported (GAAP)

Items Impacting Comparability:

Equity Investees
Transaction Gains/Losses
Restructuring
Other Items
Certain Tax Matters

Comparable (Non-GAAP)

Three Months Ended April 1, 2022							
Net operating revenues	Cost of goods sold	Gross profit	Gross margin	Selling, general and administrative expenses	Other operating charges	Operating income	Operating margin
\$ 10,491	\$ 4,091	\$ 6,400	61.0 %	\$ 2,967	\$ 28	\$ 3,405	32.5 %
—	—	—		—	—	—	
—	—	—		—	(22)	22	
—	—	—		—	(9)	9	
11	142	(131)		—	3	(134)	
—	—	—		—	—	—	
\$ 10,502	\$ 4,233	\$ 6,269	59.7 %	\$ 2,967	\$ —	\$ 3,302	31.4 %

% Change — Reported (GAAP)

% Currency Impact

% Change — Currency Neutral (Non-GAAP)

% Change — Comparable (Non-GAAP)

% Comparable Currency Impact (Non-GAAP)

% Change — Comparable Currency Neutral (Non-GAAP)

Net operating revenues	Cost of goods sold	Gross profit
5	6	4
(6)	(5)	(7)
11	11	11

4	1	7
(6)	(5)	(7)
11	6	14

Selling, general and administrative expenses	Other operating charges	Operating income
7	296	(1)
(5)	—	(8)
13	—	7

7	—	6
(5)	—	(9)
13	—	15

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(In millions except per share data)

Reported (GAAP)

Items Impacting Comparability:

Equity Investees
Transaction Gains/Losses
Restructuring
Other Items
Certain Tax Matters
Comparable (Non-GAAP)

Three Months Ended March 31, 2023							
Interest expense	Equity income (loss) — net	Other income (loss) — net	Income before income taxes	Income taxes ¹	Effective tax rate	Net income ³	Diluted net income per share
\$ 372	\$ 275	\$ 615	\$ 4,053	\$ 940	23.2 %	\$ 3,107	\$ 0.72
—	82	—	82	3		79	0.02
—	—	(589)	(531)	(233)		(298)	(0.07)
—	—	—	45	11		34	0.01
6	—	32	44	22		22	0.01
—	—	—	—	5		(5)	—
\$ 378	\$ 357	\$ 58	\$ 3,693	\$ 748	20.2 % ²	\$ 2,939	\$ 0.68

Reported (GAAP)

Items Impacting Comparability:

Equity Investees
Transaction Gains/Losses
Restructuring
Other Items
Certain Tax Matters
Comparable (Non-GAAP)

Three Months Ended April 1, 2022							
Interest expense	Equity income (loss) — net	Other income (loss) — net	Income before income taxes	Income taxes ¹	Effective tax rate	Net income ³	Diluted net income per share
\$ 182	\$ 262	\$ (105)	\$ 3,458	\$ 665	19.2 %	\$ 2,781	\$ 0.64
—	(5)	—	(5)	1		(6)	—
—	—	12	34	(5)		39	0.01
—	—	—	9	2		7	—
6	—	131	(9)	(7)		(2)	—
—	—	—	—	24		(24)	(0.01)
\$ 188	\$ 257	\$ 38	\$ 3,487	\$ 680	19.5 %	\$ 2,795	\$ 0.64

% Change — Reported (GAAP)

% Change — Comparable (Non-GAAP)

Interest expense	Equity income (loss) — net	Other income (loss) — net	Income before income taxes	Income taxes ¹	Net income ³	Diluted net income per share
105	5	—	17	41	12	12
101	39	55	6	10	5	5

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided.

¹ The income tax adjustments are the calculated income tax benefits (charges) at the applicable tax rate for each of the items impacting comparability with the exception of certain tax matters discussed above.

² This does not include the impact of the ongoing tax litigation with the U.S. Internal Revenue Service, if the company were not to prevail.

³ This represents net income attributable to shareowners of The Coca-Cola Company.

THE COCA-COLA COMPANY AND SUBSIDIARIES **Reconciliation of GAAP and Non-GAAP Financial Measures**

Diluted Net Income Per Share:

% Change — Reported (GAAP)

% Currency Impact

% Change — Currency Neutral (Non-GAAP)

% Impact of Items Impacting Comparability (Non-GAAP)

% Change — Comparable (Non-GAAP)

% Comparable Currency Impact (Non-GAAP)

% Change — Comparable Currency Neutral (Non-GAAP)

Three Months Ended March 31, 2023

12

(6)

18

7

5

(7)

13

Note: Certain columns may not add due to rounding.

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(In millions)

Net Operating Revenues by Operating Segment and Corporate:

Reported (GAAP)

Items Impacting Comparability:

Other Items

Comparable (Non-GAAP)

Three Months Ended March 31, 2023								
Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Eliminations	Consolidated
\$ 2,024	\$ 1,386	\$ 3,904	\$ 1,371	\$ 707	\$ 1,946	\$ 25	\$ (383)	\$ 10,980
(13)	1	(1)	(8)	—	—	—	—	(21)
\$ 2,011	\$ 1,387	\$ 3,903	\$ 1,363	\$ 707	\$ 1,946	\$ 25	\$ (383)	\$ 10,959

Reported (GAAP)

Items Impacting Comparability:

Other Items

Comparable (Non-GAAP)

Three Months Ended April 1, 2022								
Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Eliminations	Consolidated
\$ 1,833	\$ 1,214	\$ 3,590	\$ 1,411	\$ 729	\$ 2,044	\$ 25	\$ (355)	\$ 10,491
(2)	15	—	(2)	—	—	—	—	11
\$ 1,831	\$ 1,229	\$ 3,590	\$ 1,409	\$ 729	\$ 2,044	\$ 25	\$ (355)	\$ 10,502

% Change — Reported (GAAP)

% Currency Impact

% Change — Currency Neutral (Non-GAAP)

% Acquisitions, Divestitures and Structural Changes

% Change — Organic Revenues (Non-GAAP)

Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Eliminations	Consolidated
10	14	9	(3)	(3)	(5)	3	(8)	5
(13)	(5)	0	(8)	(8)	(9)	(1)	—	(6)
23	19	9	5	5	5	4	—	11
0	0	0	2	0	(7)	0	—	(1)
23	19	9	3	5	11	4	—	12

% Change — Comparable (Non-GAAP)

% Comparable Currency Impact (Non-GAAP)

% Change — Comparable Currency Neutral (Non-GAAP)

10	13	9	(3)	(3)	(5)	3	—	4
(14)	(6)	0	(8)	(8)	(9)	(1)	—	(6)
23	19	9	5	5	5	4	—	11

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided

THE COCA-COLA COMPANY AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Measures
(In millions)

Operating Income (Loss) by Operating Segment and Corporate:

Three Months Ended March 31, 2023								
	Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Consolidated
Reported (GAAP)	\$ 1,135	\$ 853	\$ 1,033	\$ 563	\$ 51	\$ 139	\$ (407)	\$ 3,367
Items Impacting Comparability:								
Transaction Gains/Losses	—	—	—	—	—	—	58	58
Restructuring	—	—	18	—	—	—	27	45
Other Items	(13)	1	37	(8)	3	(6)	4	18
Comparable (Non-GAAP)	\$ 1,122	\$ 854	\$ 1,088	\$ 555	\$ 54	\$ 133	\$ (318)	\$ 3,488

Three Months Ended April 1, 2022								
	Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Consolidated
Reported (GAAP)	\$ 1,007	\$ 760	\$ 1,056	\$ 664	\$ 51	\$ 193	\$ (326)	\$ 3,405
Items Impacting Comparability:								
Transaction Gains/Losses	—	—	—	—	—	—	22	22
Restructuring	(1)	—	—	—	—	—	10	9
Other Items	(2)	15	(155)	(2)	1	(5)	14	(134)
Comparable (Non-GAAP)	\$ 1,004	\$ 775	\$ 901	\$ 662	\$ 52	\$ 188	\$ (280)	\$ 3,302

	Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Global Ventures	Bottling Investments	Corporate	Consolidated
% Change — Reported (GAAP)	13	12	(2)	(15)	1	(28)	(25)	(1)
% Currency Impact	(16)	(6)	0	(8)	(1)	(7)	(1)	(8)
% Change — Currency Neutral (Non-GAAP)	28	18	(2)	(7)	2	(21)	(24)	7
% Impact of Items Impacting Comparability (Non-GAAP)	1	2	(23)	1	(5)	1	(11)	(7)
% Change — Comparable (Non-GAAP)	12	10	21	(16)	6	(30)	(14)	6
% Comparable Currency Impact (Non-GAAP)	(17)	(8)	0	(9)	(1)	(7)	(1)	(9)
% Change — Comparable Currency Neutral (Non-GAAP)	28	18	21	(7)	8	(23)	(13)	15

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

Operating Margin:

Reported Operating Margin (GAAP)

Items Impacting Comparability (Non-GAAP)	(1.16)%
Comparable Operating Margin (Non-GAAP)	31.82 %
Comparable Currency Impact (Non-GAAP)	(0.79)%
Comparable Currency Neutral Operating Margin (Non-GAAP)	32.61 %
Impact of Acquisitions, Divestitures and Structural Changes on Comparable Currency Neutral Operating Margin (Non-GAAP)	0.10 %
Underlying Operating Margin (Non-GAAP)	32.51 %

Three Months Ended March 31, 2023	Three Months Ended April 1, 2022	Basis Point Growth (Decline)
30.66 %	32.45 %	(179)
(1.16)%	1.01 %	
31.82 %	31.44 %	38
(0.79)%	0.00 %	
32.61 %	31.44 %	117
0.10 %	(0.10)%	
32.51 %	31.54 %	97

Free Cash Flow (In millions):

Net Cash Provided by Operating Activities (GAAP)

Purchases of Property, Plant and Equipment (GAAP)

Free Cash Flow (Non-GAAP)

Three Months Ended March 31, 2023	Three Months Ended April 1, 2022	\$ Change
\$ 160	\$ 623	\$ (463)
(276)	(217)	(59)
\$ (116)	\$ 406	\$ (522)

Projected 2023 Free Cash Flow (In billions):

Projected GAAP Net Cash Provided by Operating Activities¹

Projected GAAP Purchases of Property, Plant and Equipment

Projected Free Cash Flow (Non-GAAP)

Year Ending December 31, 2023
\$ 11.4
(1.9)
\$ 9.5

¹ Does not include the impact of the ongoing tax litigation with the U.S. Internal Revenue Service, if the company were not to prevail.

About The Coca-Cola Company

The Coca-Cola Company (NYSE: KO) is a total beverage company with products sold in more than 200 countries and territories. Our company's purpose is to refresh the world and make a difference. We sell multiple billion-dollar brands across several beverage categories worldwide. Our portfolio of sparkling soft drink brands includes Coca-Cola, Sprite and Fanta. Our water, sports, coffee and tea brands include Dasani, smartwater, vitaminwater, Topo Chico, BODYARMOR, Powerade, Costa, Georgia, Gold Peak and Ayataka. Our juice, value-added dairy and plant-based beverage brands include Minute Maid, Simply, innocent, Del Valle, fairlife and AdeS. We're constantly transforming our portfolio, from reducing sugar in our drinks to bringing innovative new products to market. We seek to positively impact people's lives, communities and the planet through water replenishment, packaging recycling, sustainable sourcing practices and carbon emissions reductions across our value chain. Together with our bottling partners, we employ more than 700,000 people, helping bring economic opportunity to local communities worldwide. Learn more at www.coca-colacompany.com and follow us on Instagram, Facebook and LinkedIn.

The information contained on, or that may be accessed through, our website or social media channels is not incorporated by reference into, and is not a part of, this document.

Forward-Looking Statements

This press release may contain statements, estimates or projections that constitute “forward-looking statements” as defined under U.S. federal securities laws. Generally, the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “will” and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause The Coca-Cola Company’s actual results to differ materially from its historical experience and our present expectations or projections. These risks include, but are not limited to, unfavorable economic and geopolitical conditions, including the direct or indirect negative impacts of the conflict between Russia and Ukraine; increased competition; an inability to be successful in our innovation activities; changes in the retail landscape or the loss of key retail or foodservice customers; an inability to expand our business in emerging and developing markets; an inability to successfully manage the potential negative consequences of our productivity initiatives; an inability to attract or retain a highly skilled and diverse workforce; disruption of our supply chain, including increased commodity, raw material, packaging, energy, transportation and other input costs; the negative impacts of, and continuing uncertainties associated with the scope, severity and duration of the global COVID-19 pandemic and the substance and pace of the post-pandemic economic recovery; an inability to successfully integrate and manage our acquired businesses, brands or bottling operations or an inability to realize a significant portion of the anticipated benefits of our joint ventures or strategic relationships; failure by our third-party service providers and business partners to satisfactorily fulfill their commitments and responsibilities; an inability to renew collective bargaining agreements on satisfactory terms, or we or our bottling partners experience strikes, work stoppages, labor shortages or labor unrest; obesity and other health-related concerns; evolving consumer product and shopping preferences; product safety and quality concerns; perceived negative health consequences of certain ingredients, such as non-nutritive sweeteners and biotechnology-derived substances, and of other substances present in our beverage products or packaging materials; failure to digitalize the Coca-Cola system; damage to our brand image, corporate reputation and social license to operate from negative publicity, whether or not warranted, concerning product safety or quality, workplace and human rights, obesity or other issues; an inability to successfully manage new product launches; an inability to maintain good relationships with our bottling partners; deterioration in our bottling partners’ financial condition; an inability to successfully manage our franchising activities; increases in income tax rates, changes in income tax laws or the unfavorable resolution of tax matters, including the outcome of our ongoing tax dispute or any related disputes with the U.S. Internal Revenue Service (“IRS”); the possibility that the assumptions used to calculate our estimated aggregate incremental tax and interest liability related to the potential unfavorable outcome of the ongoing tax dispute with the IRS could significantly change; increased or new indirect taxes; changes in laws and regulations relating to beverage containers and packaging; significant additional labeling or warning requirements or limitations on the marketing or sale of our products; litigation or legal proceedings; conducting business in markets with high-risk legal compliance environments; failure to adequately protect, or disputes relating to, trademarks, formulas and other intellectual property rights; changes in, or failure to comply with, the laws and regulations applicable to our products or our business operations; fluctuations in foreign currency exchange rates; interest rate increases; an inability to achieve our overall long-term growth objectives; default by or failure of one or more of our counterparty financial institutions; impairment charges; an inability to protect our information systems against service interruption, misappropriation of data or cybersecurity incidents; failure to comply with privacy and data protection laws; failure to achieve our sustainability goals and targets or accurately report our progress due to operational, financial, legal and other risks, many of which are outside our control and are dependent on the actions of our bottling partners and other third parties; increasing concerns about the environmental impact of plastic bottles and other packaging materials; water scarcity and poor quality; increased demand for food products, decreased agricultural productivity and increased regulation of ingredient sourcing due diligence; climate change and legal or regulatory responses thereto; adverse weather conditions; and other risks discussed in our filings with the Securities and Exchange Commission (“SEC”), including our Annual Report on Form 10-K for the year ended December 31, 2022, which filings are available from the SEC. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We undertake no obligation to publicly update or revise any forward-looking statements.