
FORM 10-K
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 1997
OR
[] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NO. 001-02217

THE COCA-COLA COMPANY

(Exact name of Registrant as specified in its charter)

DELAWARE 58-0628465
(State or other jurisdiction of (IRS Employer
incorporation or organization) Identification No.)

ONE COCA-COLA PLAZA 30313
ATLANTA, GEORGIA (Zip Code)
(Address of principal executive offices)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (404) 676-2121

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
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COMMON STOCK, \$.25 PAR VALUE	NEW YORK STOCK EXCHANGE

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: NONE

INDICATE BY CHECK MARK WHETHER THE REGISTRANT (1) HAS FILED ALL
REPORTS REQUIRED TO BE FILED BY SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934 DURING THE PRECEDING 12 MONTHS
AND (2) HAS BEEN SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST
90 DAYS.

YES [X] NO []

INDICATE BY CHECK MARK IF DISCLOSURE OF DELINQUENT FILERS
PURSUANT TO ITEM 405 OF REGULATION S-K IS NOT CONTAINED HEREIN,
AND WILL NOT BE CONTAINED, TO THE BEST OF REGISTRANT'S KNOWLEDGE,
IN DEFINITIVE PROXY OR INFORMATION STATEMENTS INCORPORATED BY
REFERENCE IN PART III OF THIS FORM 10-K OR ANY AMENDMENT TO THIS
FORM 10-K. []

THE AGGREGATE MARKET VALUE OF THE COMMON EQUITY HELD BY NON-
AFFILIATES OF THE REGISTRANT (ASSUMING FOR THESE PURPOSES, BUT
WITHOUT CONCEDING, THAT ALL EXECUTIVE OFFICERS AND DIRECTORS ARE
"AFFILIATES" OF THE REGISTRANT) AS OF FEBRUARY 20, 1998, (BASED
ON THE CLOSING SALE PRICE OF THE REGISTRANT'S COMMON STOCK AS
REPORTED ON THE NEW YORK STOCK EXCHANGE ON SUCH DATE) WAS
\$147,680,164,792.

THE NUMBER OF SHARES OUTSTANDING OF THE REGISTRANT'S COMMON STOCK
AS OF FEBRUARY 26, 1998, WAS 2,471,368,515.

DOCUMENTS INCORPORATED BY REFERENCE

PORTIONS OF THE COMPANY'S ANNUAL REPORT TO SHARE OWNERS FOR THE
YEAR ENDED DECEMBER 31, 1997, ARE INCORPORATED BY REFERENCE IN
PARTS I, II AND IV.

PORTIONS OF THE COMPANY'S PROXY STATEMENT FOR THE ANNUAL MEETING
OF SHARE OWNERS TO BE HELD ON APRIL 15, 1998, ARE INCORPORATED BY
REFERENCE IN PART III.

PART I

ITEM 1. BUSINESS

The Coca-Cola Company (the "Company" or the "Registrant") was
incorporated in September 1919 under the laws of the State of
Delaware and succeeded to the business of a Georgia corporation
with the same name that had been organized in 1892. The Company
is the largest manufacturer, distributor and marketer of soft

drink concentrates and syrups in the world. Finished soft drink products bearing the Company's trademarks, sold in the United States since 1886, are now sold in nearly 200 countries and include the leading soft drink products in most of these countries. The Company also is the world's largest distributor and marketer of juice and juice-drink products.

The Company is one of numerous competitors in the commercial beverages market. Of the approximately 48 billion beverage servings of all types consumed worldwide every day, beverages bearing the Company's trademarks ("Company Trademark Beverages") account for approximately one billion.

The business of the Company is nonalcoholic beverages -- principally soft drinks but also a variety of noncarbonated beverages. As used in this report, the term "soft drinks" refers to nonalcoholic carbonated beverages containing flavorings and sweeteners, excluding flavored waters and carbonated or noncarbonated teas, coffees and sports drinks.

The Company's operating management structure consists of five geographic groups plus The Minute Maid Company. The geographic groups are the Africa Group; the Greater Europe Group; the Latin America Group; the Middle and Far East Group; and the North America Group. The Minute Maid Company is an operating group of the Company that produces, distributes and markets principally juice and juice-drink products.

Of the Company's consolidated net operating revenues and operating income for each of the past three years, excluding corporate operations, the percentage represented by geographic area (inclusive of The Minute Maid Company, which is primarily included in the North America Group) is as follows:

	Africa	Greater Europe	Latin America	Middle and Far East	North America
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Net Operating Revenues{1}					
1997	3%	29%	11%	23%	34%
1996	3%	32%	11%	22%	32%
1995	3%	33%	11%	22%	31%
Operating Income{1}					
1997	3%	27%	18%	28%	24%
1996	3%	28%	18%	30%	21%
1995	4%	28%	18%	31%	19%

The Company manufactures and sells soft drink and noncarbonated beverage concentrates and syrups, including fountain syrups, some finished beverages, and certain juice and juice-drink products. Syrups are composed of sweetener, water and flavoring concentrate. The concentrates and syrups for bottled and canned beverages are sold by the Company to authorized bottling and canning operations. The bottlers or canners of soft drink products either combine the syrup with carbonated water or combine the concentrate with sweetener, water and carbonated water to produce finished soft drinks. The finished soft drinks are packaged in authorized containers bearing the Company's trademarks -- cans, refillable and non-refillable glass and plastic bottles -- for

{1} See Note 15 to the Consolidated Financial Statements, on page 60 of the Company's Annual Report to Share Owners for the year ended December 31, 1997, incorporated herein by reference.

sale to retailers or, in some cases, wholesalers. Fountain syrups are manufactured and sold by the Company, principally in the United States, to authorized fountain wholesalers and some fountain retailers. (Outside the United States, fountain syrups typically are manufactured by authorized bottlers from concentrates sold to them by the Company.) Authorized fountain wholesalers (including certain authorized bottlers) sell fountain syrups to fountain retailers. The fountain retailers use dispensing equipment to mix the syrup with carbonated or still water and then sell finished soft drinks or noncarbonated beverages to consumers in cups and glasses. Finished beverages manufactured by the Company are sold by it to authorized bottlers or distributors, who in turn sell these products to retailers or, in some cases, wholesalers. Both directly and through a network of brokers, juice and juice-drink products are sold by the Company to retailers and wholesalers in North America and in

addition, to a limited extent, are distributed outside North America.

The Company's beverage products, including bottled and canned beverages produced by independent and Company-owned bottling and canning operations, as well as concentrates and syrups, include Coca-Cola, Coca-Cola classic, caffeine free Coca-Cola, caffeine free Coca-Cola classic, diet Coke (sold under the trademark Coca-Cola light in many countries outside the United States), caffeine free diet Coke, Cherry Coke, diet Cherry Coke, Fanta brand soft drinks, Sprite, diet Sprite, Mr. PiBB, Mello Yello, TAB, Fresca, Barq's root beer and other flavors, Surge, Citra, POWERaDE, Fruitopia, Minute Maid flavors, Saryusaisai, Aquarius, Bonaqa, Lift and other products developed for specific countries, including Georgia brand ready-to-drink coffees, and numerous other brands. The Minute Maid Company, with operations primarily in the United States and Canada, produces, distributes and markets principally juice and juice-drink products, including Minute Maid brand products; Five Alive brand refreshment beverages; Bright & Early brand breakfast beverages; Bacardi brand tropical fruit mixers (manufactured and marketed under a license from Bacardi & Company Limited); and Hi-C brand ready-to-serve fruit drinks. Additionally, Coca-Cola Nestle Refreshments, the Company's joint venture with Nestle S.A., markets ready-to-drink teas and coffees in certain countries.

In 1997, concentrates and syrups for beverages bearing the trademark "Coca-Cola" or including the trademark "Coke" accounted for approximately 68% of the Company's total gallon shipments⁽²⁾ of beverage concentrates and syrups. (Physical units of concentrate have been converted to their equivalents in gallons of syrup in all cases in this report where reference is made to "gallons" or "gallon shipments" of beverage concentrates and syrups.)

In 1997, approximately 29% of the Company's total gallon shipments of beverage concentrates and syrups were in the United States. In 1997, the Company's principal markets outside the United States, based on gallon shipments of beverage concentrates and syrups, were Mexico, Brazil, Japan and Germany, which together accounted for approximately 26% of the Company's total gallon shipments.

In the United States, in 1997 the Company made approximately 65% of its total United States gallon shipments of beverage concentrates and syrups ("U.S. gallon shipments") to approximately 111 authorized bottler ownership groups in approximately 398 licensed territories. Those bottlers prepare and sell finished beverages bearing the Company's trademarks for the food store and vending machine distribution channels and for other distribution channels supplying home and on-premise consumption. The remaining 35% of 1997 U.S. gallon shipments was attributable to fountain syrups sold to fountain retailers and to approximately 836 authorized fountain wholesalers, some of whom are authorized bottlers. These fountain wholesalers in turn sell the syrups or deliver them on the Company's behalf to restaurants and other fountain retailers. Coca-Cola Enterprises Inc. ("Coca-Cola Enterprises") and its bottling subsidiaries and divisions accounted for approximately 48% of the

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(2) The Company measures sales volume in two ways: (1) gallon shipments of concentrates and syrups and (2) unit cases of finished product. Gallon shipments represent the primary business of the Company and measure the volume of concentrates and syrups sold by the Company to the Coca-Cola bottling system. Most of the Company's revenues are based on this measure of "wholesale" activity. The Company also measures volume in unit cases, which represent the amount of finished product the Coca-Cola bottling system sells to retail customers. The Company believes unit case volume more accurately measures the underlying strength of its business system because it measures trends at the retail level. The Company includes fountain syrups sold directly to its customers in both measures.

Company's U.S. gallon shipments in 1997. The Company holds an ownership interest of approximately 44% in Coca-Cola Enterprises, which is the world's largest bottler of Company Trademark Beverages.

In addition to conducting its own independent advertising and marketing activities, the Company may choose to provide promotional and marketing services and/or funds and consultation to its bottlers and to fountain and bottle/can retailers. Also

on a discretionary basis, the Company may develop and introduce new products, packages and equipment to assist its bottlers, fountain syrup wholesalers and fountain beverage retailers.

The profitability of the Company's business outside the United States is subject to many factors, including governmental trade regulations and monetary policies, economic and political conditions in the countries in which such business is conducted and the risk of changes in currency exchange rates and regulations.

BOTTLER'S AGREEMENTS AND DISTRIBUTION AGREEMENTS

Separate contracts ("Bottler's Agreements") between the Company and each of its bottlers regarding the manufacture and sale of soft drinks, subject to specified terms and conditions and minor variations, generally authorize the bottler to prepare particular designated Company Trademark Beverages, to package the same in particular authorized containers, and to distribute and sell the same in (but generally only in) an identified territory. The bottler is obligated to purchase its entire requirement of concentrates or syrups for the designated Company Trademark Beverages from the Company or other authorized suppliers. The Company typically agrees to refrain from selling or distributing or from authorizing third parties to sell or distribute the designated Company Trademark Beverages throughout the identified territory in the particular authorized containers; however, the Company typically reserves for itself or its designee the right (i) to prepare and package such beverages in such containers in the territory for sale outside the territory and (ii) to prepare, package, distribute and sell such beverages in the territory in any other manner or form.

The Bottler's Agreements between the Company and its authorized bottlers in the United States differ in certain respects from those in the other countries in which Company Trademark Beverages are sold. As hereinafter discussed, the principal differences involve the duration of the agreements; the inclusion or exclusion of canned beverage production rights; the inclusion or exclusion of authorizations to manufacture and distribute fountain syrups; in some cases, the degree of flexibility on the part of the Company to determine the pricing of syrups and concentrates; and the extent, if any, of the Company's obligation to provide marketing support.

OUTSIDE THE UNITED STATES. The Bottler's Agreements between the Company and its authorized bottlers outside the United States generally are of stated duration, subject in some cases to possible extensions or renewals of the term of the contract. Generally, these contracts are subject to termination by the Company following the occurrence of certain designated events, including defined events of default and certain changes in ownership or control of the bottler.

In certain parts of the world outside the United States, the Company has not granted canned beverage production rights to the bottlers. In such instances, the Company or its designee typically sells canned Company Trademark Beverages to the bottlers for sale and distribution throughout the designated territory under can distribution agreements, often on a non-exclusive basis. A majority of the Bottler's Agreements in force between the Company and bottlers outside the United States authorize the bottler to manufacture and distribute fountain syrups, usually on a non-exclusive basis.

The Company generally has complete flexibility to determine the price and other terms of sale of concentrates and syrups to bottlers outside the United States and, although in its discretion it may determine to do so, the Company typically has no obligation under such Bottler's Agreements to provide marketing support to the bottlers.

WITHIN THE UNITED STATES. In the United States, with certain very limited exceptions, the Company's Bottler's Agreements for cola-flavored beverages have no stated expiration date and the contracts for other flavors are of stated duration, subject to bottler renewal rights. The Bottler's Agreements in the United States are subject to termination by the Company for nonperformance or upon the occurrence of certain defined events of default which

occurrence of certain events including: (1) the bottler's insolvency, dissolution, receivership or the like; (2) any disposition by the bottler or any of its subsidiaries of any voting securities of any bottler subsidiary without the consent of the Company; (3) any material breach of any obligation of the bottler under the 1987 Contract; or (4) except in the case of certain bottlers, if a person or affiliated group acquires or obtains any right to acquire beneficial ownership of more than 10% of any class or series of voting securities of the bottler without authorization by the Company.

Under the terms of the Bottler's Agreements, bottlers in the United States are authorized to manufacture and distribute Company Trademark Beverages in bottles and cans, but generally are not authorized to manufacture fountain syrups. Rather, the Company manufactures and sells fountain syrups to approximately 836 authorized fountain wholesalers (including certain authorized bottlers) and some fountain retailers. The wholesalers in turn sell the syrups or deliver them on the Company's behalf to restaurants and other retailers. The wholesaler typically acts as such pursuant to a non-exclusive annual letter of appointment which neither restricts the pricing of fountain syrups by the Company nor the territory in which the wholesaler may resell in the United States.

In the United States, the form of Bottler's Agreement for cola-flavored soft drinks that covers the largest amount of U.S. volume (the "1987 Contract") gives the Company complete flexibility to determine the price and other terms of sale of soft drink concentrates and syrups for cola-flavored Company Trademark Beverages ("Coca-Cola Trademark Beverages") and other Company Trademark Beverages. Bottlers operating under the 1987 Contract accounted for approximately 76% of the Company's total United States gallon shipments for bottled and canned beverages ("U.S. bottle/can gallon shipments") in 1997. Certain other forms of the U.S. Bottler's Agreement, entered into prior to 1987, provide for soft drink concentrates or syrups for certain Coca-Cola Trademark Beverages to be priced pursuant to a stated formula. The oldest such form of contract, applicable to bottlers accounting for approximately 1% of U.S. bottle/can gallon shipments in 1997, provides for a fixed price for Coca-Cola syrup used in bottles and cans, subject to quarterly adjustments to reflect changes in the quoted price of sugar. Bottlers accounting for the remaining approximately 23% of U.S. bottle/can gallon shipments in 1997 have contracts for certain Coca-Cola Trademark Beverages with pricing formulas generally providing for a baseline price that may be adjusted periodically by the Company, up to a maximum indexed ceiling price, and that is adjusted quarterly based upon changes in certain sugar or sweetener prices, as applicable.

Standard contracts with bottlers in the United States for the sale of concentrates and syrups for non-cola-flavored soft drinks in bottles and cans permit flexible pricing by the Company.

Under the 1987 Contract, the Company has no obligation to participate with bottlers in expenditures for advertising and marketing, but may, at its discretion, contribute toward such expenditures and undertake independent or cooperative advertising and marketing activities. Some U.S. Bottler's Agreements that pre-date the 1987 Contract impose certain marketing obligations on the Company with respect to certain Company Trademark Beverages.

SIGNIFICANT EQUITY INVESTMENTS AND COMPANY BOTTLING OPERATIONS

The Company has business relationships with three types of bottlers: (1) independently owned bottlers, in which the Company has no ownership interest; (2) bottlers in which the Company has invested and has a noncontrolling ownership interest; and (3) bottlers in which the Company has invested and has a controlling ownership interest. In 1997, independently owned bottling operations produced and distributed approximately 37% of the Company's worldwide unit case volume; {3} cost or equity method investee bottlers in which the Company owns

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{3} As used in this report, the term "unit case" means a unit of measurement equal to 192 U.S. fluid ounces of finished beverage (24 eight-ounce servings); and "unit case volume" of the Company, which refers to the number of unit cases sold by bottlers of Company Trademark Beverages to customers, includes Company products (excluding products distributed by The Minute Maid Company) reported as gallon shipments, and certain other key products owned by such bottlers.

a noncontrolling ownership interest produced and distributed approximately 50% of such worldwide unit case volume; and controlled and consolidated bottling and fountain operations produced and distributed approximately 13% of such worldwide unit case volume.

The Company makes equity investments in selected bottling operations with the intention of maximizing the strength and efficiency of the Coca-Cola business system's production, distribution and marketing systems around the world. These investments often result in increases in unit case volume, net revenues and profits at the bottler level, which in turn generate increased gallon shipments for the Company's concentrate business. When this occurs, both the Company and the bottlers benefit from long-term growth in volume, improved cash flows and increased share-owner value.

The level of the Company's investment generally depends on the bottler's capital structure and its available resources at the time of the investment. In certain situations, it can further the Company's business interests to acquire a controlling interest in a bottling operation. Although not the Company's primary long-term business strategy, owning a controlling interest may compensate for limited local resources, help focus the bottler's sales and marketing programs, assist in the development of the bottler's business and information systems, and assist in the establishment of appropriate capital structures. In 1997, the Company purchased the bottling assets of three bottlers of the Company's beverage products in South Korea. By providing capital and marketing expertise to newly acquired bottlers, the Company seeks to strengthen their ability to deliver Company Trademark Beverages to customers and consumers.

In line with its long-term bottling strategy, the Company periodically considers options for reducing its ownership interest in a consolidated bottler. One option for reducing the Company's ownership interest is to combine the Company's bottling interests with the bottling interests of others to form strategic business alliances. Another option is to sell the Company's interest in a consolidated bottling operation to one of the Company's noncontrolled equity investee bottlers. In both of these situations, the Company continues participating in the previously consolidated bottler's earnings through its portion of the equity investee's income.

In 1996, a German anchor bottler, Coca-Cola Erfrischungsgetraenke A.G. ("CCEAG"), was established through the merger of the Company's then wholly owned east German bottler with three independent bottlers. In 1997, the Company's remaining consolidated bottling operation in Germany, Coca-Cola Rhein-Ruhr, was merged into CCEAG. The Company through a German subsidiary now owns a 45% interest in CCEAG.

Also in 1996, the Company combined its bottling interests in Venezuela with the Cisneros Group's bottling companies to form a new joint venture, Embotelladora Coca-Cola y Hit de Venezuela, S.A. ("Coca-Cola y Hit"). In 1997, the Company and the Cisneros Group sold their respective interests in Coca-Cola y Hit to Panamerican Beverages, Inc. ("Panamco") in exchange for shares of Panamco stock. At the completion of this transaction, the Company had an ownership interest in Panamco of approximately 23% and began accounting for its investment by the equity method.

In cases where the Company's investments in bottlers represent noncontrolling interests, the Company's intention is to provide expertise and resources to strengthen those businesses. In particular, the Company seeks to improve sales and marketing programs, assist in the development of effective business and information systems and help establish appropriate capital structures. During 1997 the Company increased its interest in Embotelladora Andina S.A., a bottler headquartered in Chile, from approximately 6% to approximately 11%; its interest in Embotelladoras Polar S.A., another bottler headquartered in Chile, from approximately 17% to approximately 19%; and its interest in Grupo Continental, S.A., a bottler in Mexico, from approximately 18% to approximately 20%.

Certain bottling operations in which the Company has a noncontrolling ownership interest are designated as "anchor bottlers" due to their level of responsibility and performance. Anchor bottlers are strongly committed to their own profitable

growth which, in turn, helps the Company meet its strategic goals and furthers the interests of its worldwide production, distribution and marketing systems. Anchor bottlers tend to be large and geographically diverse with strong financial and management resources. In 1997, the Company's anchor bottlers produced and

5

distributed approximately 38% of the Company's worldwide unit case volume. As of the date of this report, nine companies are designated as anchor bottlers, providing the Company with strong partners on every major continent.

Coca-Cola Nordic Beverages ("CCNB"), a joint venture in which Carlsberg A/S will own a 51% interest and the Company will own a 49% interest, was designated as an anchor bottler in 1997. CCNB has bottling operations in Denmark and Sweden. Also in 1997, the Company sold to Coca-Cola Enterprises the Company's 49% interest in Coca-Cola & Schweppes Beverages Ltd., a bottler in Great Britain; its 48% interest in Coca-Cola Beverages Ltd. of Canada; and its 49% interest in The Coca-Cola Bottling Company of New York, Inc. In addition, in 1997 the Company and San Miguel Corporation sold Coca-Cola Bottlers Philippines, Inc. to Coca-Cola Amatil Limited in exchange for shares of Coca-Cola Amatil Limited stock.

The Company has substantial equity positions in approximately 42 unconsolidated bottling, canning and distribution operations for its products worldwide, including bottlers representing approximately 54% of the Company's total U.S. unit case volume in 1997. Of these, significant equity method investee bottlers include those hereinafter described.

COCA-COLA ENTERPRISES INC. The Company's ownership interest in Coca-Cola Enterprises is approximately 44%. Coca-Cola Enterprises is the world's largest bottler of the Company's beverage products. In 1997, net sales of concentrates and syrups by the Company to Coca-Cola Enterprises were approximately \$2.5 billion, or approximately 13% of the Company's net operating revenues. Coca-Cola Enterprises also purchases high fructose corn syrup through the Company; however, related collections from Coca-Cola Enterprises and payments to suppliers are not included in the Company's consolidated statements of income. Coca-Cola Enterprises estimates that the territories in which it markets beverage products to retailers (which include portions of 44 states, the District of Columbia, the U.S. Virgin Islands, Canada, Great Britain, the Netherlands, France and Belgium) contain approximately 64% of the United States population, 94% of the population of Canada, 97% of the population of Great Britain, 100% of the populations of the Netherlands and Belgium and 92% of the population of France.

In 1997, approximately 65% of the unit case volume of Coca-Cola Enterprises (excluding products in post-mix (fountain) form) was Coca-Cola Trademark Beverages, approximately 24% of its unit case volume was other Company Trademark Beverages, and approximately 11% of its unit case volume was beverage products of other companies. Coca-Cola Enterprises' net sales of beverage products were approximately \$11.3 billion in 1997.

COCA-COLA AMATIL LIMITED ("COCA-COLA AMATIL"). In 1997, the Company and San Miguel Corporation sold their respective interests in Coca-Cola Bottlers Philippines, Inc. to Coca-Cola Amatil in exchange for approximately 293 million shares in Coca-Cola Amatil. In connection with this transaction, Coca-Cola Amatil issued to San Miguel Corporation approximately 210 million shares. This transaction resulted in the Company's ownership interest in Coca-Cola Amatil being diluted from approximately 36% to approximately 33%. Coca-Cola Amatil is the largest bottler of the Company's beverage products in Australia and also has bottling and distribution rights, through direct ownership or joint ventures, in New Zealand, Fiji, Austria, Hungary, Papua New Guinea, the Czech and Slovak Republics, Indonesia, Belarus, Slovenia, Ukraine, Poland, Switzerland, Romania, Bosnia-Herzegovina, Croatia and the Philippines. Net concentrate sales by the Company to Coca-Cola Amatil were approximately U.S.\$588 million in 1997. Coca-Cola Amatil estimates that the territories in which it markets beverage products contain approximately 99% of the population of Australia, 100% of the populations of New Zealand, Fiji, Austria, Switzerland, Poland, Hungary, Croatia, the Czech and Slovak Republics, Belarus, Slovenia, Ukraine and the Philippines, 83% of the population of Papua New Guinea, 97% of the population of Indonesia, 46% of the population of Romania and 74% of the population of Bosnia-Herzegovina.

In 1997, Coca-Cola Amatil's net sales of beverage products were approximately U.S.\$3.3 billion. In 1997, approximately 62% of the unit case volume of Coca-Cola Amatil was Coca-Cola Trademark Beverages, approximately 31% of its unit case volume was other Company Trademark Beverages, approximately 4% of its unit case volume was beverage products of Coca-Cola Amatil and approximately 3% of its unit case volume was beverage products of other companies.

6

PANAMERICAN BEVERAGES, INC. ("PANAMCO"). As of the date of this report, the Company owns an equity interest of approximately 24% in Panamco, a Panamanian holding company with bottling subsidiaries operating in a substantial part of central Mexico (excluding Mexico City), greater Sao Paulo, Campinas and Santos, Brazil, most of Colombia, and all of Costa Rica, Venezuela and Nicaragua. Panamco estimates that the territories in which it markets beverage products contain approximately 19% of the population of Mexico, 15% of the population of Brazil, 97% of the population of Colombia and 100% of the populations of Costa Rica, Venezuela and Nicaragua.

In 1997, Panamco's net sales of beverage products were approximately U.S.\$2.5 billion. In 1997, approximately 72% of the unit case volume of Panamco was Coca-Cola Trademark Beverages, approximately 26% of its unit case volume was other Company Trademark Beverages and approximately 2% of its unit case volume was beverage products of Panamco or other companies.

COCA-COLA FEMSA, S.A. DE C.V. ("COCA-COLA FEMSA"). The Company owns a 30% equity interest in Coca-Cola FEMSA, a Mexican holding company with bottling subsidiaries in the Valley of Mexico, Mexico's southeastern region and Buenos Aires, Argentina. During 1997, Coca-Cola FEMSA became the sole owner of its Argentine subsidiary by purchasing the Company's 25% interest in such subsidiary. Coca-Cola FEMSA estimates that the territories in which it markets beverage products contain approximately 28% of the population of Mexico and 29% of the population of Argentina.

In 1997, Coca-Cola FEMSA's net sales of beverage products were approximately U.S.\$1.1 billion. In 1997, approximately 77% of the unit case volume of Coca-Cola FEMSA was Coca-Cola Trademark Beverages, approximately 22% of its unit case volume was other Company Trademark Beverages, and approximately 1% of its unit case volume was beverage products of other companies.

OTHER INTERESTS. Under the terms of the Coca-Cola Nestle Refreshments ("CCNR") joint venture involving the Company, Nestle S.A. and certain subsidiaries of Nestle S.A., the Company manages CCNR's ready-to-drink tea business and Nestle S.A. manages CCNR's ready-to-drink coffee business. The joint venture has sales in the United States and approximately 33 other countries.

During 1996, The Minute Maid Company entered into a joint venture agreement with Groupe Danone to produce, distribute and sell premium refrigerated ready-to-serve fruit juice products outside the United States and Canada, with an initial focus in Europe and Latin America. The Minute Maid Company has a 50% ownership interest in the joint venture. In 1997, the joint venture launched Minute Maid Premium juices in France, Spain, Portugal, Belgium and Luxembourg.

OTHER DEVELOPMENTS

In December 1997, the Company signed a letter of intent with beverage company Pernod Ricard to purchase its Orangina brands and, in France, three bottling operations and one concentrate plant. The transaction, which is valued at approximately five billion French francs, is subject to due diligence, execution of definitive agreements and approval by applicable regulatory authorities. Orangina is a carbonated orange soft drink, containing orange juice and pulp. Other Orangina brands -- Orangina Light, Orangina Plus and Orangina Rouge -- are also included in the transaction.

In February 1998, the Company announced a proposal for its Company-owned bottling operations in northern and central Italy to become part of a new publicly traded European anchor bottler called Coca-Cola Beverages ("CCB"). CCB is planned to be formed via a proposed spin-off by Coca-Cola Amatil of its European operations. Additionally, it was announced that agreement in principle has been reached for Company-owned bottling operations

in South Korea to be acquired by Coca-Cola Amatil, after the proposed spin-off is completed.

Once the proposed spin-off of CCB has been completed, (1) Company-owned bottling assets in northern and central Italy will be acquired by CCB in exchange for CCB shares and cash in a transaction valued at approximately U.S.\$979 million and (2) Company-owned bottling assets in South Korea will be acquired by Coca-Cola Amatil in exchange for Coca-Cola Amatil shares in a transaction valued at approximately U.S.\$588 million. These proposed

7

transactions are subject to certain conditions, including the execution of definitive agreements and approvals by holders of ordinary shares of Coca-Cola Amatil stock and applicable regulatory authorities.

SEASONALITY

Soft drink and noncarbonated beverage sales are somewhat seasonal, with the second and third calendar quarters accounting for the highest sales volumes in the Northern Hemisphere. The volume of sales in the beverages business may be affected by weather conditions.

COMPETITION

The Company competes in the nonalcoholic beverages segment of the commercial beverages industry. That segment is highly competitive, consisting of numerous firms. These include firms that compete, like the Company, in multiple geographical areas as well as firms that are primarily local in operation. Competitive products include carbonates, packaged water, juices and nectars, fruit drinks and dilutables (including syrups and powdered drinks), sports and energy drinks, coffee and tea, still drinks and other beverages. Nonalcoholic beverages are sold to consumers in both ready-to-drink and not-ready-to-drink form.

Most of the Company's beverages business currently is in soft drinks, as that term is defined in this report. The soft drink business, which is part of the nonalcoholic beverages segment, is itself highly competitive. The Company is the leading seller of soft drink concentrates and syrups in the world. Numerous firms, however, compete in that business. These consist of a range of firms, from local to international, that compete against the Company in numerous geographical areas.

In many parts of the world in which the Company does business, demand for soft drinks is growing at the expense of other commercial beverages. Competitive factors with respect to the Company's business include pricing, advertising and sales promotion programs, product innovation, increased efficiency in production techniques, the introduction of new packaging, new vending and dispensing equipment and brand and trademark development and protection.

RAW MATERIALS

The principal raw material used by the Company's business in the United States is high fructose corn syrup, a form of sugar, which is available from numerous domestic sources and is historically subject to fluctuations in its market price. The principal raw material used by the Company's business outside the United States is sucrose. The Company has a specialized sweetener procurement staff and has not experienced any difficulties in obtaining its requirements. In the United States and certain other countries, the Company has authorized the use of high fructose corn syrup in syrup for Coca-Cola and other Company Trademark Beverages for use in both fountain syrup and finished beverages in bottles and cans.

Generally, raw materials utilized by the Company in its business are readily available from numerous sources. However, aspartame, which is usually used alone or in combination with either saccharin or acesulfame potassium in the Company's low-calorie soft drink products, is currently purchased by the Company primarily from The NutraSweet Kelco Company, a subsidiary of Monsanto Company, and from Holland Sweetener. Acesulfame potassium is currently purchased from Hoechst Aktiengesellschaft.

With regard to juice and juice-drink products, the citrus industry is subject to the variability of weather conditions, in particular the possibility of freezes in central Florida, which

may result in higher prices and lower consumer demand for orange juice throughout the industry. Due to the Company's long-standing relationship with a supplier of high-quality Brazilian orange juice concentrate, the supply of juice available that meets the Company's standards is normally adequate to meet demand.

8

PATENTS, TRADE SECRETS, TRADEMARKS AND COPYRIGHTS

The Company is the owner of numerous patents, copyrights and trade secrets, as well as substantial know-how and technology (herein collectively referred to as "technology"), which relate to its products and the processes for their production, the packages used for its products, the design and operation of various processes and equipment used in its business and certain quality assurance and financial software. Some of the technology is licensed to suppliers and other parties. The Company's soft drink and other beverage formulae are among the important trade secrets of the Company.

The Company owns numerous trademarks which are very important to its business. Depending upon the jurisdiction, trademarks are valid as long as they are in use and/or their registrations are properly maintained and they have not been found to have become generic. Registrations of trademarks can generally be renewed indefinitely as long as the trademarks are in use. The majority of the Company's trademark license agreements are included in the Company's bottler agreements. The Company has registered and licenses the right to use its trademarks in conjunction with certain merchandise other than soft drinks.

GOVERNMENTAL REGULATION

The production, distribution and sale in the United States of many of the Company's products are subject to the Federal Food, Drug and Cosmetic Act; the Occupational Safety and Health Act; the Lanham Act; various environmental statutes; and various other federal, state and local statutes regulating the production, transportation, sale, safety, advertising, labeling and ingredients of such products.

A California law requires that any person who exposes another to a carcinogen or a reproductive toxicant must provide a warning to that effect. Because the law does not define quantitative thresholds below which a warning is not required, virtually all food manufacturers are confronted with the possibility of having to provide warnings on their food products due to the presence of trace amounts of defined substances. Regulations implementing the law exempt manufacturers from providing the required warning if it can be demonstrated that the defined substances occur naturally in the product or are present in municipal water used to manufacture the product. The Company has assessed the impact of the law and its implementing regulations on its soft drink products and other products and has concluded that none of its products currently requires a warning under the law. The Company cannot predict whether, or to what extent, food industry efforts to minimize the law's impact on foods will succeed; nor can the Company predict what impact, either in terms of direct costs or diminished sales, imposition of the law will have.

Bottlers of the Company's beverage products presently offer non-refillable, recyclable containers in all areas of the United States and Canada. Some such bottlers also offer refillable containers, which are also recyclable, although overall U.S. sales in refillable containers are relatively limited. Measures have been enacted in various localities and states which require that a deposit be charged for certain non-refillable beverage containers. The precise requirements imposed by these measures vary. Deposit proposals have been introduced in other states and localities and in Congress, and the Company anticipates that similar legislation may be introduced in the future at both the state and the federal level.

All of the Company's facilities in the United States are subject to federal, state and local environmental laws and regulations. Compliance with these provisions has not had, and the Company does not expect such compliance to have, any material adverse effect upon the Company's capital expenditures, net income or competitive position.

EMPLOYEES

As of December 31, 1997, the Company and its subsidiaries

employed approximately 29,500 persons, up from 26,000 in 1996. Approximately 10,000 of these employees are located in the United States. The Company, through its divisions and subsidiaries, has entered into numerous collective bargaining agreements, and the Company has no reason to believe it will not be able to renegotiate any such agreements on satisfactory terms. The Company believes that its relations with its employees are generally satisfactory.

FINANCIAL INFORMATION ON GEOGRAPHIC AREAS

For financial information on operations in geographic areas, see page 60 of the Annual Report to Share Owners for the year ended December 31, 1997, which is incorporated herein by reference.

ITEM 2. PROPERTIES

The Company's worldwide headquarters is located on a 35-acre office complex in Atlanta, Georgia. The complex includes the approximately 620,600 square foot headquarters building, the approximately 869,500 square foot Coca-Cola USA building and the approximately 263,800 square foot Coca-Cola Plaza building. Also located in the complex are several other buildings, including the technical and engineering facilities, learning center and the Company's Reception Center. The Company leases approximately 278,100 square feet of office space at Ten Peachtree Place, Atlanta, Georgia, owned by a joint venture of which an indirect subsidiary of the Company is a partner. The Company also leases approximately 219,000 square feet of office space at One Atlantic Center, Atlanta, Georgia. The Company and its subsidiaries and divisions have facilities for administrative operations, manufacturing, processing, packaging, packing, storage and warehousing throughout the United States.

The Company owns and operates 33 principal beverage concentrate and/or syrup manufacturing plants located throughout the world. The Company currently owns or holds a majority interest in operations with 35 principal beverage bottling and canning plants located outside the United States.

The Minute Maid Company, whose business headquarters is located in Houston, Texas, occupies its own office building, which contains approximately 330,000 square feet. The Minute Maid Company operates six production facilities throughout the United States and Canada and utilizes a system of contract packers to produce and distribute certain products in areas where The Minute Maid Company does not have its own manufacturing centers or during periods when it experiences shortfalls in manufacturing capacity.

The Company directly or through wholly owned subsidiaries owns or leases additional real estate throughout the world, including a wholly owned office and retail building at 711 Fifth Avenue in New York, New York. This real estate is used by the Company as office space, bottling, warehouse or retail operations or, in the case of some owned property, is leased to others.

Management believes that the facilities for the production of its products are suitable and adequate for the business conducted therein, that they are being appropriately utilized in line with past experience and that they have sufficient production capacity for their present intended purposes. The extent of utilization of such facilities varies based upon the seasonal demand for product. While it is not possible to measure with any degree of certainty or uniformity the productive capacity and extent of utilization of these facilities, management believes that additional production can be obtained at the existing facilities by the addition of personnel and capital equipment and, in some facilities, the addition of shifts of personnel or expansion of such facilities. The Company continuously reviews its anticipated requirements for facilities and, on the basis of that review, may from time to time acquire additional facilities and/or dispose of existing facilities.

ITEM 3. LEGAL PROCEEDINGS

On January 30, 1997, the Brazilian Federal Revenue Service issued Notices of Assessment to Recofarma Industrias do Amazonas Ltda. ("Recofarma"), an indirect wholly owned subsidiary of the Company, for the period from January 1, 1992 to February 28, 1994. The assessments allege that Recofarma should have paid a Brazilian excise tax on intra-company transfers of product

manufactured at its Manaus plant to its warehouse in Rio de Janeiro. Assessments of tax, interest and penalties total approximately \$530 million as of the assessment date and accrue interest from such date. The transfer of product from the plant to the warehouse, which was discontinued in February 1994, was the subject of a favorable advance ruling issued by the Federal Revenue Service on September 24, 1990. In the Company's opinion, the ruling has continuing effect and Recofarma's operations conformed with the ruling. On March 3, 1997, Recofarma filed appeals with the Brazilian Federal Revenue Service contesting the assessments.

10

On September 30, 1997, the Rio de Janeiro Branch of the Brazilian Federal Revenue Service dismissed the assessments against Recofarma. This determination is subject to an automatic ex officio appeal ("recurso ex-officio") on the Federal Revenue Service's behalf to the Taxpayers Council in Brazilia. This appeal is currently pending.

In May 1993, the Company discovered that its Carolina, Puerto Rico plant was unintentionally discharging, without a permit, process wastewater to a stormwater sewer which ultimately discharged to a surface waterbody. The Company immediately remedied the unintentional discharge and reported it to appropriate environmental agencies. The plant was sold in 1994; however, the Company has agreed to retain any potential legal liability resulting from the unintentional discharge. The statutory maximum penalty which could be sought against the Company is in excess of \$100,000.

The Company is involved in various other legal proceedings. The Company believes that any liability to the Company which may arise as a result of these proceedings, including the proceedings specifically discussed above, will not have a material adverse effect on the financial condition of the Company and its subsidiaries taken as a whole.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

11

ITEM X. EXECUTIVE OFFICERS OF THE COMPANY

The following are the executive officers of the Company:

M. Douglas Ivester, 50, is Chief Executive Officer and Chairman of the Board of Directors of the Company. In January 1985, Mr. Ivester was elected Senior Vice President and Chief Financial Officer of the Company and served in that capacity until June 1989, when he was appointed President of the European Community Group of the International Business Sector. He was appointed President of Coca-Cola USA in August 1990, and was appointed President of the North America Business Sector in September 1991. He served in the latter capacity until April 1993 when he was elected Executive Vice President of the Company and Principal Operating Officer/North America. In July 1994, he was elected President and Chief Operating Officer and a Director of the Company. Mr. Ivester was elected to his current positions in October 1997.

James E. Chestnut, 47, is Senior Vice President and Chief Financial Officer of the Company. Mr. Chestnut joined the Company in 1972 in London. In 1984, he was named Finance Manager for the Philippine Region in Manila and, in 1987, Manager of International Treasury Services, Pacific Group, in Atlanta. He was named Finance Manager for the North Pacific Division of the International Business Sector in 1989 before being elected Vice President and Controller of the Company in 1993. He was elected to his current position in July 1994.

Jack L. Stahl, 44, is Senior Vice President of the Company and President of the North America Group. In March 1985, Mr. Stahl was named Manager, Planning and Business Development and was appointed Assistant Vice President in April 1985. He was elected Vice President and Controller in February 1988 and served in that capacity until he was elected Senior Vice President and Chief Financial Officer in June 1989. He was appointed to his current position in July 1994.

Douglas N. Daft, 54, is Senior Vice President of the

Company and President of the Middle and Far East Group. In November 1984, Mr. Daft was appointed President of Coca-Cola Central Pacific Ltd. In October 1987, he was appointed Senior Vice President of the Pacific Group of the International Business Sector. In January 1989, he was named President of Coca-Cola (Japan) Company, Limited and President of the North Pacific Division of the International Business Sector. Effective 1991 he was elected Senior Vice President of the Company and named President of the Pacific Group of the International Business Sector. He was appointed to his current position, effective January 1995.

Carl Ware, 54, is Senior Vice President of the Company and President of the Africa Group. In 1979, Mr. Ware was appointed Vice President, Special Markets, Coca-Cola USA. In March 1982, he was appointed Vice President, Urban Affairs, of the Company. He was elected Senior Vice President and Director, Corporate External Affairs in 1986 and became Deputy Group President of the Northeast Europe/Africa Group of the International Business Sector in July 1991, a position he held until he was named to his current position, effective January 1993.

Timothy J. Haas, 51, is Senior Vice President of the Company and President of the Latin America Group. Mr. Haas was appointed Vice President, Sales, of Coca-Cola Foods in 1983 and Senior Vice President, Sales, of Coca-Cola Foods in 1985. In March 1991, he was appointed President and Chief Executive Officer of Coca-Cola Foods. In April 1991, he was elected Vice President of the Company. In 1995, he was named Executive Vice President of the Latin America Group and served in that capacity until he was appointed President of the Latin America Group, effective January 1, 1997. He was elected Senior Vice President in February 1997.

Ralph H. Cooper, 58, is Senior Vice President of the Company and President and Chief Executive Officer of The Minute Maid Company, formerly known as Coca-Cola Foods. Mr. Cooper was appointed Senior Vice President of the Europe and Africa Group in July 1984 and was named Senior Vice President of Coca-Cola International and President of the Northwest European Division in January 1989. He was elected Senior Vice President of the Company and President of the European Community Group of the International

Soft Drink Business Sector in August 1990. In January 1995, he was named Executive Vice President of Coca-Cola Foods and served in that capacity until he was appointed President and Chief Executive Officer in July 1995.

William P. Casey, 57, is Senior Vice President of the Company and President of the Greater Europe Group. In 1985, Mr. Casey was appointed Executive Vice President, Bottler Operations, Coca-Cola USA. In 1992, he was elected President and Chief Executive Officer of Coca-Cola Beverages Ltd., a Canadian company in which the Company held an interest. Mr. Casey was elected to his current position in February 1998.

Joseph R. Gladden, Jr., 55, is Senior Vice President and General Counsel of the Company. In October 1985, Mr. Gladden was elected Vice President. He was named Deputy General Counsel in October 1987 and served in that capacity until he was elected Vice President and General Counsel in April 1990. He was elected Senior Vice President in April 1991.

Sergio Zyman, 52, is Senior Vice President of the Company and Chief Marketing Officer. Mr. Zyman first joined the Company in 1979 and later served as Senior Vice President of Marketing for Coca-Cola USA until 1986. After a seven year absence from the Company, during which he acted as consultant to different companies through Sergio Zyman & Co. and Core Strategy Group, he returned to assume his current position in August 1993.

Earl T. Leonard, Jr., 61, is Senior Vice President of the Company with responsibility for Corporate Affairs. Mr. Leonard was elected to his current position in April 1983.

Anton Amon, 54, is Senior Vice President of the Company and Manager of the Company's Product Integrity Division. Dr. Amon was named Senior Vice President of Coca-Cola USA in 1983. In 1988, he joined Coca-Cola Enterprises as Vice President, Operations. In September 1989, Dr. Amon returned

to the Company as director, Corporate Quality Assurance. He was elected Vice President in October 1989. He became Manager, Product Integrity Division, in January 1992 and was elected to his current position in July 1992.

George Gourlay, 56, is Senior Vice President of the Company and Manager of the Technical Operations Division. Mr. Gourlay was named Manager, Corporate Concentrate Operations in 1986, named Assistant Vice President in 1988, and was elected Vice President in 1989. Mr. Gourlay became head of the Technical Operations Division in January 1992 and was elected to his current position in July 1992.

All executive officers serve at the pleasure of the Board of Directors.

There is no family relationship between any of the executive officers of the Company.

13

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED SHARE-OWNER MATTERS

"Financial Review Incorporating Management's Discussion and Analysis" on pages 33 through 41, "Selected Financial Data" for the years 1996 and 1997 on page 42, "Stock Prices" on page 63 and "Common Stock", "Stock Exchanges" and "Dividends" under the heading "Share-Owner Information" on page 66 of the Company's Annual Report to Share Owners for the year ended December 31, 1997, are incorporated herein by reference.

During the fiscal year ended December 31, 1997, no equity securities of the Registrant were sold by the Registrant which were not registered under the Securities Act of 1933, as amended.

ITEM 6. SELECTED FINANCIAL DATA

"Selected Financial Data" for the years 1993 through 1997, on pages 42 and 43 of the Company's Annual Report to Share Owners for the year ended December 31, 1997, is incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

"Financial Review Incorporating Management's Discussion and Analysis" on pages 33 through 41 of the Company's Annual Report to Share Owners for the year ended December 31, 1997, is incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

"Financial Risk Management" on page 36 of the Company's Annual Report to Share Owners for the year ended December 31, 1997, is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The following consolidated financial statements of the Registrant and its subsidiaries, included in the Company's Annual Report to Share Owners for the year ended December 31, 1997, are incorporated herein by reference:

Consolidated Balance Sheets -- December 31, 1997 and 1996.

Consolidated Statements of Income -- Years ended December 31, 1997, 1996 and 1995.

Consolidated Statements of Cash Flows -- Years ended December 31, 1997, 1996 and 1995.

Consolidated Statements of Share-Owners' Equity -- Years ended December 31, 1997, 1996 and 1995.

Notes to Consolidated Financial Statements.

Report of Independent Auditors.

"Quarterly Data (Unaudited)" on page 63 of the Company's Annual Report to Share Owners for the year ended December 31, 1997, is incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON
ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

14

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

For information on Directors of the Registrant, the subsections under the heading "Election of Directors" entitled "Board of Directors" and "Recommendation of the Board of Directors Concerning the Election of Directors" on pages 2 through 5 and under the heading "Section 16(a) Beneficial Ownership Reporting Compliance" on page 7 of the Company's Proxy Statement for the Annual Meeting of Share Owners to be held April 15, 1998, is incorporated herein by reference. See Item X in Part I hereof for information regarding executive officers of the Registrant.

ITEM 11. EXECUTIVE COMPENSATION

The subsection under the heading "Election of Directors" entitled "Committees of the Board of Directors; Meetings and Compensation of Directors" on pages 8 through 10 and the portion of the section entitled "Executive Compensation" set forth on pages 11 through 17 and under the subsection "Compensation Committee Interlocks and Insider Participation" on page 23 of the Company's Proxy Statement for the Annual Meeting of Share Owners to be held April 15, 1998, are incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND
MANAGEMENT

The subsections under the heading "Election of Directors" entitled "Ownership of Equity Securities in the Company" on pages 6 and 7 and "Principal Share Owners" on page 8, and the subsection under the heading "Certain Investee Companies" entitled "Ownership of Securities in Coca-Cola Enterprises" on pages 24 and 25 of the Company's Proxy Statement for the Annual Meeting of Share Owners to be held April 15, 1998, are incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The subsections under the heading "Election of Directors" entitled "Committees of the Board of Directors; Meetings and Compensation of Directors" and "Certain Transactions" on pages 8 through 10, the subsection under the heading "Executive Compensation" entitled "Compensation Committee Interlocks and Insider Participation" on page 23 and the section under the heading "Certain Investee Companies" on pages 23 through 25 of the Company's Proxy Statement for the Annual Meeting of Share Owners to be held April 15, 1998, are incorporated herein by reference.

15

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULE AND REPORTS ON
FORM 8-K

(a) 1. Financial Statements

The following consolidated financial statements of The Coca-Cola Company and subsidiaries, included in the Registrant's Annual Report to Share Owners for the year ended December 31, 1997, are incorporated by reference in Part II, Item 8:

Consolidated Balance Sheets -- December 31, 1997 and 1996.

Consolidated Statements of Income -- Years ended December 31, 1997, 1996 and 1995.

Consolidated Statements of Cash Flows -- Years ended December 31, 1997, 1996 and 1995.

Consolidated Statements of Share-Owners' Equity -- Years ended December 31, 1997, 1996 and 1995.

Notes to Consolidated Financial Statements.

Report of Independent Auditors.

2. The following consolidated financial statement schedule of The Coca-Cola Company and subsidiaries is included in Item 14(d):

Schedule II -- Valuation and Qualifying Accounts.

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

3. Exhibits

EXHIBIT NO.

- - - - -

- 3.1 Certificate of Incorporation of the Registrant, including Amendment of Certificate of Incorporation, effective May 1, 1996 -- incorporated herein by reference to Exhibit 3 of the Registrant's Form 10-Q Quarterly Report for the quarter ended March 31, 1996. (With regard to applicable cross references in this report, the Company's Current, Quarterly and Annual Reports are filed with the Securities and Exchange Commission under File No. 1-2217.)
- 3.2 By-Laws of the Registrant, as amended and restated through December 17, 1997.
- 4.1 The Registrant agrees to furnish to the Securities and Exchange Commission, upon request, a copy of any instrument defining the rights of holders of long-term debt of the Registrant and all of its consolidated subsidiaries and unconsolidated subsidiaries for which financial statements are required to be filed with the Securities and Exchange Commission.
- 10.1 The Key Executive Retirement Plan of the Registrant, as amended -- incorporated herein by reference to Exhibit 10.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1995.*

16

EXHIBIT NO.

- - - - -

- 10.2 Supplemental Disability Plan of the Registrant, as amended -- incorporated herein by reference to Exhibit 10.3 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1991.*
- 10.3 Annual Performance Incentive Plan of the Registrant, as amended -- incorporated herein by reference to Exhibit 10.4 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1995.*
- 10.4.1 1987 Stock Option Plan of the Registrant, as amended through October 17, 1996 -- incorporated herein by reference to Exhibit 10.8.1 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.4.2 Resolutions, dated October 17, 1996, adopted by the Compensation Committee of the Board of Directors of the Registrant -- incorporated herein by reference to Exhibit 10.8.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.4.3 Resolutions, dated October 17, 1996, adopted by the Stock Option Subcommittee of the Compensation Committee of the Board of Directors of the Registrant -- incorporated herein by reference to Exhibit 10.8.3 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.5.1 1991 Stock Option Plan of the Registrant, as amended through October 17, 1996 -- incorporated herein by reference to Exhibit 10.9.1 of the Registrant's Form 10-K Annual Report for the year ended December 31,

1996.*

- 10.5.2 Resolutions, dated October 17, 1996, adopted by the Compensation Committee of the Board of Directors of the Registrant -- incorporated herein by reference to Exhibit 10.9.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.5.3 Resolutions, dated October 17, 1996, adopted by the Stock Option Subcommittee of the Compensation Committee of the Board of Directors of the Registrant -- incorporated herein by reference to Exhibit 10.9.3 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.6 1983 Restricted Stock Award Plan of the Registrant, as amended -- incorporated herein by reference to Exhibit 10.11 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1991.*
- 10.7.1 1989 Restricted Stock Award Plan of the Registrant, as amended through October 17, 1996 -- incorporated herein by reference to Exhibit 10.11.1 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.7.2 Resolutions, dated October 17, 1996, adopted by the Restricted Stock Subcommittee of the Compensation Committee of the Board of Directors of the Registrant -- incorporated herein by reference to Exhibit 10.11.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.8.1 Compensation Deferral & Investment Program of the Registrant, as amended, including Amendment Number Four dated November 28, 1995 -- incorporated herein by reference to Exhibit 10.13 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1995.*

17

EXHIBIT NO.

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- 10.8.2 Amendment Number 5 to the Compensation Deferral & Investment Program of the Registrant, effective as of January 1, 1998.*
- 10.9 Special Medical Insurance Plan of the Registrant, as amended -- incorporated herein by reference to Exhibit 10.16 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1995.*
- 10.10.1 Supplemental Benefit Plan of the Registrant, as amended -- incorporated herein by reference to Exhibit 10.17 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1993.*
- 10.10.2 Amendment Number Five to the Supplemental Benefit Plan of the Registrant -- incorporated herein by reference to Exhibit 10.17.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.11 Retirement Plan for the Board of Directors of Registrant, as amended -- incorporated herein by reference to Exhibit 10.22 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1991.*
- 10.12 Deferred Compensation Plan for Non-Employee Directors of the Registrant, adopted as of October 16, 1997.*
- 10.13 Deferred Compensation Agreement for Officers or Key Executives of the Registrant -- incorporated herein by reference to Exhibit 10.20 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1993.*
- 10.14 Long Term Performance Incentive Plan of the Registrant, as amended February 16, 1994 -- incorporated herein by reference to Exhibit 10.21 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1993.*
- 10.15 Executive Performance Incentive Plan of the Registrant, as amended -- incorporated herein by reference to Exhibit 10.22 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1994.*

- 10.16 Form of United States Master Bottle Contract, as amended, between the Registrant and Coca-Cola Enterprises Inc. ("Coca-Cola Enterprises") or its subsidiaries -- incorporated herein by reference to Exhibit 10.24 of Coca-Cola Enterprises' Annual Report on Form 10-K for the fiscal year ended December 30, 1988 (File No. 01-09300).
- 10.17 Letter Agreement dated March 15, 1989, between the Registrant and Coca-Cola Enterprises regarding the United States Master Bottle Contracts, as amended by letter agreement dated December 18, 1991 -- incorporated herein by reference to Exhibit 10.23 of Coca-Cola Enterprises' Annual Report on Form 10-K for the fiscal year ended December 31, 1991 (File No. 01-09300).
- 12.1 Computation of Ratios of Earnings to Fixed Charges for the years ended December 31, 1997, 1996, 1995, 1994 and 1993.
- 13.1 Portions of the Registrant's 1997 Annual Report to Share Owners expressly incorporated by reference herein: Pages 33-61, 63, 66 and 67 (definitions of "Dividend Payout Ratio," "Economic Profit," "Free Cash Flow," "Net Debt and Net Capital," "Return on Capital," "Return on Common Equity," "Total Capital" and "Total Market Value of Common Stock").

18

EXHIBIT NO.

- - - - -

- 21.1 List of subsidiaries of the Registrant as of December 31, 1997.
- 23.1 Consent of Independent Auditors.
- 24.1 Powers of Attorney of Officers and Directors signing this report.
- 27.1 Restated Financial Data Schedule for the year ended December 31, 1995, submitted to the Securities and Exchange Commission in electronic format.
- 27.2 Restated Financial Data Schedule for the year ended December 31, 1996, submitted to the Securities and Exchange Commission in electronic format.
- 27.3 Financial Data Schedule for the year ended December 31, 1997, submitted to the Securities and Exchange Commission in electronic format.
- 99.1 Cautionary Statement Relative to Forward-Looking Statements.

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* Management contracts and compensatory plans and arrangements required to be filed as exhibits pursuant to Item 14(c) of this report.

(b) Reports on Form 8-K.

The Registrant filed a report on Form 8-K on October 24, 1997.

Item 5. Other Events -- At a special meeting of the Board of Directors of the Registrant held on October 23, 1997, the Board elected M. Douglas Ivester Chairman of the Board and Chief Executive Officer of the Registrant. The Registrant also announced that Mr. Ivester will relinquish the office of President and that such office will not be filled at this time.

Item 7. Financial Statements and Exhibits -- Exhibit 99: Press release of the Registrant issued October 23, 1997.

(c) Exhibits -- The response to this portion of Item 14 is submitted as a separate section of this report.

(d) Financial Statement Schedule -- The response to this portion

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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)

By: /s/ M. DOUGLAS IVESTER

M. Douglas Ivester
Chairman, Board of Directors,
Chief Executive Officer
and a Director

Date: March 9, 1998

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ M. DOUGLAS IVESTER *

M. Douglas Ivester Cathleen P. Black
Chairman, Board of Directors, Director
Chief Executive Officer and a Director
(Principal Executive Officer)

March 9, 1998 March 9, 1998

/s/ JAMES E. CHESTNUT *

James E. Chestnut Warren E. Buffett
Senior Vice President and Chief Director
Financial Officer
(Principal Financial Officer)

March 9, 1998 March 9, 1998

/s/ GARY P. FAYARD *

Gary P. Fayard Charles W. Duncan, Jr.
Vice President and Controller Director
(Principal Accounting Officer)

March 9, 1998 March 9, 1998

* *

Herbert A. Allen Susan B. King
Director Director

March 9, 1998 March 9, 1998

* *

Ronald W. Allen Donald F. McHenry
Director Director

March 9, 1998 March 9, 1998

* *

Sam Nunn Peter V. Ueberroth
Director Director

March 9, 1998 March 9, 1998

* *

Paul F. Oreffice James B. Williams
Director Director

March 9, 1998

March 9, 1998

*

James D. Robinson III
Director

March 9, 1998

* By: /s/ CAROL C. HAYES

Carol C. Hayes
Attorney-in-fact

March 9, 1998

ANNUAL REPORT ON FORM 10-K

ITEM 14 (d)

FINANCIAL STATEMENT SCHEDULE
YEAR ENDED DECEMBER 31, 1997
THE COCA-COLA COMPANY AND SUBSIDIARIES

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS

THE COCA-COLA COMPANY AND SUBSIDIARIES
Year ended December 31, 1997
(in millions)

<TABLE>
<CAPTION>

COL. A	COL. B	COL. C	COL. D	COL. E	
	Additions				
		(1)	(2)		
Description	Balance at Beginning of Period	Charged to Costs and Expenses	Charged to Other Accounts	Deductions (Note 1)	Balance at End of Period
<S>	<C>	<C>	<C>	<C>	<C>
RESERVES DEDUCTED IN THE BALANCE SHEET FROM THE ASSETS TO WHICH THEY APPLY					
Allowance for losses on:					
Trade accounts receivable..	\$ 30	\$ 4	\$ -	\$ 11	\$ 23
Miscellaneous investments and other assets.....	339	41	-	79	301
Deferred tax assets.....	18	3	-	-	21
	---	---	---	---	---
	\$ 387	\$ 48	\$ -	\$ 90	\$ 345
	====	====	====	====	====

</TABLE>

Note 1 - The amounts shown in Column D consist of the following:

<TABLE>
<CAPTION>

	Trade Accounts Receivable	Miscellaneous Investments and Other Assets	Deferred Tax Assets	Total
<S>	<C>	<C>	<C>	<C>
Charge off of uncollectible accounts..	\$ 4	\$ -	\$ -	\$ 4
Write-off of impaired assets.....	-	65	-	65
Other transactions.....	7	14	-	21
	---	---	---	---
	\$ 11	\$ 79	\$ -	\$ 90
	====	====	====	====

</TABLE>

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS

THE COCA-COLA COMPANY AND SUBSIDIARIES
Year ended December 31, 1996
(in millions)

<TABLE>

<CAPTION>

COL. A	COL. B	COL. C	COL. D	COL. E	
Additions					
Description	Balance at Beginning of Period	(1) Charged to Costs and Expenses	(2) Charged to Other Accounts	Deductions (Note 1)	Balance at End of Period
	<C>	<C>	<C>	<C>	<C>
RESERVES DEDUCTED IN THE BALANCE SHEET FROM THE ASSETS TO WHICH THEY APPLY					
Allowance for losses on:					
Trade accounts receivable..	\$ 34	\$ 9	\$ -	\$ 13	\$ 30
Miscellaneous investments and other assets.....	55	287	-	3	339
Deferred tax assets.....	42	-	-	24	18
	====	====	====	====	====
	\$ 131	\$ 296	\$ -	\$ 40	\$ 387

</TABLE>

Note 1 - The amounts shown in Column D consist of the following:

<TABLE>

<CAPTION>

	Trade Accounts Receivable	Miscellaneous Investments and Other Assets	Deferred Tax Assets	Total
<S>	<C>	<C>	<C>	<C>
Charge off of uncollectible accounts..	\$ 6	\$ -	\$ -	\$ 6
Foreign exchange adjustments.....	1	-	-	1
Other transactions.....	6	3	24	33
	====	====	====	====
	\$ 13	\$ 3	\$ 24	\$ 40

</TABLE>

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS

THE COCA-COLA COMPANY AND SUBSIDIARIES
Year ended December 31, 1995
(in millions)

<TABLE>

<CAPTION>

COL. A	COL. B	COL. C	COL. D	COL. E	
Additions					
Description	Balance at Beginning of Period	(1) Charged to Costs and Expenses	(2) Charged to Other Accounts	Deductions (Note 1)	Balance at End of Period
	<C>	<C>	<C>	<C>	<C>
RESERVES DEDUCTED IN THE BALANCE SHEET FROM THE ASSETS TO WHICH THEY APPLY					
Allowance for losses on:					
Trade accounts receivable..	\$ 33	\$ 15	\$ -	\$ 14	\$ 34
Miscellaneous investments and other assets.....	79	5	-	29	55
Deferred tax assets.....	46	15	-	19	42
	----	----	----	----	----

\$ 158 \$ 35 \$ - \$ 62 \$ 131
 ===== === === === =====

</TABLE>

Note 1 - The amounts shown in Column D consist of the following:

<TABLE>
 <CAPTION>

	Trade Accounts Receivable	Miscellaneous Investments and Other Assets	Deferred Tax Assets	Total
<S>	<C>	<C>	<C>	<C>
Charge off of uncollectible accounts..	\$ 13	\$ 6	\$ -	\$ 19
Foreign exchange adjustments.....	(1)	-	-	(1)
Other transactions.....	2	23	19	44
	---	---	---	---
	\$ 14	\$ 29	\$ 19	\$ 62
	===	===	===	===

</TABLE>

F-3
 EXHIBIT INDEX

DESCRIPTION

EXHIBIT NO.

- 3.1 Certificate of Incorporation of the Registrant, including Amendment of Certificate of Incorporation, effective May 1, 1996 - incorporated herein by reference to Exhibit 3 of the Registrant's Form 10-Q Quarterly Report for the quarter ended March 31, 1996. (With regard to applicable cross references in this report, the Company's Current, Quarterly and Annual Reports are filed with the Securities and Exchange Commission under File No. 1-2217.)

- 3.2 By-Laws of the Registrant, as amended and restated through December 17, 1997.

- 4.1 The Registrant agrees to furnish to the Securities and Exchange Commission, upon request, a copy of any instrument defining the rights of holders of long-term debt of the Registrant and all of its consolidated subsidiaries and unconsolidated subsidiaries for which financial statements are required to be filed with the Securities and Exchange Commission.

- 10.1 The Key Executive Retirement Plan of the Registrant, as amended - incorporated herein by reference to Exhibit 10.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1995.*

- 10.2 Supplemental Disability Plan of the Registrant, as amended - incorporated herein by reference to Exhibit 10.3 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1991.*

- 10.3 Annual Performance Incentive Plan of the Registrant, as amended - incorporated herein by reference to Exhibit 10.4 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1995.*

- 10.4.1 1987 Stock Option Plan of the Registrant, as amended through October 17, 1996 - incorporated herein by reference to Exhibit 10.8.1 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*

- 10.4.2 Resolutions, dated October 17, 1996, adopted by the Compensation Committee of the Board of Directors of the Registrant - incorporated herein by reference to Exhibit 10.8.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*

- 10.4.3 Resolutions, dated October 17, 1996, adopted by the Stock Option Subcommittee of the Compensation Committee of the Board of Directors of the Registrant - incorporated herein by reference to Exhibit 10.8.3 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*

EXHIBIT NO.

- -----

- 10.5.1 1991 Stock Option Plan of the Registrant, as amended through October 17, 1996 - incorporated herein by reference to Exhibit 10.9.1 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.5.2 Resolutions, dated October 17, 1996, adopted by the Compensation Committee of the Board of Directors of the Registrant - incorporated herein by reference to Exhibit 10.9.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.5.3 Resolutions, dated October 17, 1996, adopted by the Stock Option Subcommittee of the Compensation Committee of the Board of Directors of the Registrant - incorporated herein by reference to Exhibit 10.9.3 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.6 1983 Restricted Stock Award Plan of the Registrant, as amended - incorporated herein by reference to Exhibit 10.11 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1991.*
- 10.7.1 1989 Restricted Stock Award Plan of the Registrant, as amended through October 17, 1996 - incorporated herein by reference to Exhibit 10.11.1 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.7.2 Resolutions, dated October 17, 1996, adopted by the Restricted Stock Subcommittee of the Compensation Committee of the Board of Directors of the Registrant - incorporated herein by reference to Exhibit 10.11.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*
- 10.8.1 Compensation Deferral & Investment Program of the Registrant, as amended, including Amendment Number Four dated November 28, 1995 - incorporated herein by reference to Exhibit 10.13 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1995.*
- 10.8.2 Amendment Number 5 to the Compensation Deferral & Investment Program of the Registrant, effective as of January 1, 1998.*
- 10.9 Special Medical Insurance Plan of the Registrant, as amended - incorporated herein by reference to Exhibit 10.16 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1995.*
- 10.10.1 Supplemental Benefit Plan of the Registrant, as amended - incorporated herein by reference to Exhibit 10.17 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1993.*
- 10.10.2 Amendment Number Five to the Supplemental Benefit Plan of the Registrant - incorporated herein by reference to Exhibit 10.17.2 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1996.*

EXHIBIT NO.

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- 10.11 Retirement Plan for the Board of Directors of Registrant, as amended - incorporated herein by reference to Exhibit 10.22 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1991.*
- 10.12 Deferred Compensation Plan for Non-Employee Directors of the Registrant, adopted as of October 16, 1997.*
- 10.13 Deferred Compensation Agreement for Officers or Key Executives of the Registrant - incorporated herein by reference to Exhibit 10.20 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1993.*
- 10.14 Long Term Performance Incentive Plan of the Registrant, as amended February 16, 1994 - incorporated herein by

reference to Exhibit 10.21 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1993.*

- 10.15 Executive Performance Incentive Plan of the Registrant, as amended - incorporated herein by reference to Exhibit 10.22 of the Registrant's Form 10-K Annual Report for the year ended December 31, 1994.*
- 10.16 Form of United States Master Bottle Contract, as amended, between the Registrant and Coca-Cola Enterprises Inc. ("Coca-Cola Enterprises") or its subsidiaries - incorporated herein by reference to Exhibit 10.24 of Coca-Cola Enterprises' Annual Report on Form 10-K for the fiscal year ended December 30, 1988 (File No. 01-09300).
- 10.17 Letter Agreement dated March 15, 1989, between the Registrant and Coca-Cola Enterprises regarding the United States Master Bottle Contracts, as amended by letter agreement dated December 18, 1991 - incorporated herein by reference to Exhibit 10.23 of Coca-Cola Enterprises' Annual Report on Form 10-K for the fiscal year ended December 31, 1991 (File No. 01-09300).
- 12.1 Computation of Ratios of Earnings to Fixed Charges for the years ended December 31, 1997, 1996, 1995, 1994 and 1993.
- 13.1 Portions of the Registrant's 1997 Annual Report to Share Owners expressly incorporated by reference herein: Pages 33-61, 63, 66 and 67 (definitions of "Dividend Payout Ratio," "Economic Profit," "Free Cash Flow," "Net Debt and Net Capital," "Return on Capital," "Return on Common Equity," "Total Capital" and "Total Market Value of Common Stock").
- 21.1 List of subsidiaries of the Registrant as of December 31, 1997.
- 23.1 Consent of Independent Auditors.
- 24.1 Powers of Attorney of Officers and Directors signing this report.

3

EXHIBIT NO.

- - - - -

- 27.1 Restated Financial Data Schedule for the year ended December 31, 1995, submitted to the Securities and Exchange Commission in electronic format.
- 27.2 Restated Financial Data Schedule for the year ended December 31, 1996, submitted to the Securities and Exchange Commission in electronic format.
- 27.3 Financial Data Schedule for the year ended December 31, 1997, submitted to the Securities and Exchange Commission in electronic format.
- 99.1 Cautionary Statement Relative to Forward-Looking Statements.

- - - - -

* Management contracts and compensatory plans and arrangements required to be filed as exhibits pursuant to Item 14(c) of this report.

4

BY-LAWS
OF
THE COCA-COLA COMPANY

AS AMENDED THROUGH DECEMBER 17, 1997

ARTICLE I

SHAREHOLDERS:

Section 1. PLACE, DATE AND TIME OF HOLDING ANNUAL MEETINGS. Annual meetings of shareholders shall be held at such place, date and time as shall be designated from time to time by the Board of Directors. In the absence of a resolution adopted by the Board of Directors establishing such place, date and time, the annual meeting shall be held at 1209 Orange Street, Wilmington, Delaware, on the third Wednesday in April of each year at 9:00 A.M. (local time).

Section 2. VOTING. Each outstanding share of common stock of the Company is entitled to one vote on each matter submitted to a vote. Directors shall be elected by plurality votes cast in the election for such directors. All other action shall be authorized by a majority of the votes cast unless a greater vote is required by the laws of Delaware. A shareholder may vote in person or by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedures established for the meeting. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this section may be substituted or used in lieu of the original writing or the transmission that could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

Section 3. QUORUM. The holders of a majority of the issued and outstanding shares of the common stock of the Company, present in person or represented by proxy, shall constitute a quorum at all meetings of shareholders.

Section 4. ADJOURNMENT OF MEETINGS. In the absence of a quorum or for any other reason, the chairman of the meeting may adjourn the meeting from time to time. If the adjournment is not for more than thirty days, the adjourned meeting may be held without notice other than an announcement at the meeting. If the adjournment is for more than thirty days, or if a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder of record entitled to vote at such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting originally called.

Section 5. SPECIAL MEETINGS. Special meetings of the shareholders for any purpose or purposes may be called by the Board of Directors, the Chairman of the Board of Directors or the President. Special meetings shall be held at the place, date and time fixed by the Secretary.

Section 6. NOTICE OF SHAREHOLDERS MEETING. Written notice, stating the place, date, hour and purpose of the annual or special meeting shall be given by the Secretary not less than ten nor more than sixty days before the date of the meeting to each shareholder entitled to vote at such meeting.

Section 7. ORGANIZATION. The Chairman of the Board of Directors shall preside at all meetings of shareholders. In the absence of, or in case of a vacancy in the office of, the Chairman of the Board of Directors, the President, or in his absence or in the event that the Board of Directors has not selected a President, any Senior Executive Vice President, Executive Vice President, Senior Vice President or Vice President in order of seniority as specified in this sentence, and, within each classification of office in order of seniority in time in that office, shall preside. The Secretary of the Company shall act as secretary at all

meetings of the shareholders and in the Secretary's absence, the presiding officer may appoint a secretary.

Section 8. INSPECTORS OF ELECTION. All votes by ballot at any meeting of shareholders shall be conducted by such number of inspectors of election as are appointed for that purpose by either the Board of Directors or by the chairman of the meeting. The inspectors of election shall decide upon the qualifications of voters, count the votes and declare the results.

Section 9. RECORD DATE. The Board of Directors, in order to determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, shall fix in advance a record date which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action and in such case only such shareholders as shall be shareholders of record on the date so fixed, shall be entitled to such notice of or to vote at such meeting or any adjournment thereof, or entitled to express consent to such corporate action in writing without a meeting, or be entitled to receive payment of any such dividend or other distribution or allotment of any rights or be entitled to exercise any such rights in respect of stock or to take any such other lawful action, as the case may be, notwithstanding any transfer of any stock on the books of the Company after any such record date fixed as aforesaid.

Section 10. NOTICE OF SHAREHOLDER PROPOSALS. A proposal for action to be presented by any shareholder at an annual or special meeting of shareholders shall be out-of-order and shall not be acted upon at such meeting unless such proposal was specifically described in the Company's notice to all shareholders of the meeting and the matters to be acted upon thereat or unless such proposal shall have been submitted in writing to the Chairman of the Board of Directors of the Company and received at the principal executive offices of the Company at least sixty (60) days prior to the date of such annual or special meeting, by the shareholder who intends to present such proposal, and such proposal is, under law, an appropriate subject of shareholder action.

Page 2

ARTICLE II

DIRECTORS:

Section 1. NUMBER AND TERM AND CLASSES OF DIRECTORS. The whole Board of Directors shall consist of not less than ten (10) nor more than twenty (20) members, the exact number to be set from time to time by the Board of Directors. No decrease in the number of directors shall shorten the term of any incumbent director. In absence of the Board of Directors setting the number of directors, the number shall be 20. The Board of Directors shall be divided into three classes of as nearly equal size as practicable. The term of office of the members of each class shall expire at the third annual meeting of shareholders following the election of such members, and at each annual meeting of shareholders, directors shall be chosen for a term of three years to succeed those whose terms expire; provided, whenever classes are or, after the next annual meeting of shareholders, will be uneven, the shareholders, for the sole purpose of making the number of members in such class as equal as practicable, may elect one or more members of such class for less than 3 years.

Section 2. REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held at such times as the Board of Directors may determine from time to time.

Section 3. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the Chairman of the Board of Directors, the Secretary or by a majority of the directors by written request to the Secretary.

Section 4. NOTICE OF MEETINGS. The Secretary shall

give notice of all meetings of the Board of Directors by mailing the notice at least three days before each meeting or by telegraphing or telephoning the directors not later than one day before the meeting. The notice shall state the time, date and place of the meeting, which shall be determined by the Chairman of the Board of Directors, or, in absence of the Chairman, by the Secretary of the Company, unless otherwise determined by the Board of Directors.

Section 5. QUORUM AND VOTING. A majority of the directors holding office shall constitute a quorum for the transaction of business. Except as otherwise specifically required by Delaware law or by the Certificate of Incorporation of the Company or by these By-Laws, any action required to be taken shall be authorized by a majority of the directors present at any meeting at which a quorum is present.

Section 6. GENERAL POWERS OF DIRECTORS. The business and affairs of the Company shall be managed under the direction of the Board of Directors.

Section 7. CHAIRMAN. At all meetings of the Board of Directors, the Chairman of the Board of Directors shall preside and in the absence of, or in the case of a vacancy in the office of, the Chairman of the Board of Directors, a chairman selected by the Chairman of the Board of Directors or, if he fails to do so, by the directors, shall preside.

Page 3

Section 8. COMPENSATION OF DIRECTORS. Directors and members of any committee of the Board of Directors shall be entitled to such reasonable compensation and fees for their services as shall be fixed from time to time by resolution of the Board of Directors and shall also be entitled to reimbursement for any reasonable expenses incurred in attending meetings of the Board of Directors and any committee thereof, except that a Director who is an officer or employee of the Company shall receive no compensation or fees for serving as a Director or a committee member.

Section 9. QUALIFICATION OF DIRECTORS. Each person who shall attain the age of 71 shall not thereafter be eligible for nomination or renomination as a member of the Board of Directors.

Any director who was elected or reelected because he or she was an officer of the Company at the time of that election or the most recent reelection shall resign as a member of the Board of Directors simultaneously when he or she ceases to be an officer of the Company.

ARTICLE III

COMMITTEES OF THE BOARD OF DIRECTORS:

Section 1. COMMITTEES OF THE BOARD OF DIRECTORS. The Board of Directors shall designate an Executive Committee, a Finance Committee, an Audit Committee, a Compensation Committee, a Committee on Directors and a Public Issues Review Committee, each of which shall have and may exercise the powers and authority of the Board of Directors to the extent hereinafter provided. The Board of Directors may designate one or more additional committees of the Board of Directors with such powers as shall be specified in the resolution of the Board of Directors. Each committee shall consist of such number of directors as shall be determined from time to time by resolution of the Board of Directors.

Each committee shall keep regular minutes of its meetings. All action taken by a committee shall be reported to the Board of Directors at its meeting next succeeding such action and shall be subject to approval and revision by the Board, provided that no legal rights of third parties shall be affected by such revisions.

The Chairman of the Board shall have the power and authority of a committee of the Board of Directors for purposes of taking any action which the Chairman of the Board is authorized to take under the provisions of this Article.

Section 2. ELECTION OF COMMITTEE MEMBERS. The members

of each committee shall be elected by the Board of Directors and shall serve until the first meeting of the Board of Directors after the annual meeting of shareholders and until their successors are elected and qualified or until the members' earlier resignation or removal. The Board of Directors may designate the Chairman and Vice Chairman of each committee. Vacancies may be filled by the Board of Directors at any meeting.

Page 4

The Chairman of the Board may designate one or more directors to serve as an alternate member or members at any committee meeting to replace any absent or disqualified member, such alternate or alternates to serve for that committee meeting only, and the Chairman of the Board may designate a committee member as acting chairman of that committee, in the absence of the elected committee chairman, to serve for that committee meeting only.

Section 3. PROCEDURE/QUORUM/NOTICE. The Committee Chairman, Vice Chairman or a majority of any committee may call a meeting of that committee. A quorum of any committee shall consist of a majority of its members unless otherwise provided by resolution of the Board of Directors. The majority vote of a quorum shall be required for the transaction of business. The secretary of the committee or the chairman of the committee shall give notice of all meetings of the committee by mailing the notice to the members of the committee at least three days before each meeting or by telegraphing or telephoning the members not later than one day before the meeting. The notice shall state the time, date and place of the meeting. Each committee shall fix its other rules of procedure.

Section 4. EXECUTIVE COMMITTEE. During the interval between meetings of the Board of Directors, the Executive Committee shall have and may exercise the powers of the Board of Directors, to act upon any matters which, in the opinion of the Chairman of the Board, should not be postponed until the next previously scheduled meeting of the Board of Directors; but, to the extent prohibited by law, shall not have the power or authority of the Board of Directors in reference to (1) approving or adopting, or recommending to the shareholders, any action or matter expressly required by the Delaware General Corporation Law to be submitted to shareholders for approval or (2) adopting, amending or repealing any By-Law of the Company.

Section 5. FINANCE COMMITTEE. The Finance Committee shall periodically formulate and recommend for approval to the Board of Directors the financial policies of the Company, including management of the financial affairs of the Company and its accounting policies. The Finance Committee shall have prepared for approval by the Board of Directors annual budgets and such financial estimates as it deems proper; shall have oversight of the budget and of all the financial operations of the Company and from time to time shall report to the Board of Directors on the financial condition of the Company. All capital expenditures of the Company shall be reviewed by the Finance Committee and recommended for approval to the Board of Directors. The Finance Committee may authorize another committee of the Board of Directors or one or more of the officers of the Company to approve borrowings, loans, capital expenditures and guarantees up to such specified amounts or upon such conditions as the Finance Committee may establish, subject to the approval of the Board of Directors; and to open bank accounts and designate those persons authorized to execute checks, notes, drafts and other orders for payment of money on behalf of the Company.

Section 6. AUDIT COMMITTEE. The Audit Committee shall have the power to recommend to the Board of Directors the selection and engagement of independent accountants to audit the books and accounts of the Company and the discharge of the independent accountants. The Audit Committee shall review the scope of the audits as recommended by the independent accountants, the scope of the internal auditing procedures of the Company and the system of

Page 5

internal accounting controls and shall review the reports

to the Audit Committee of the independent accountants and the internal auditors.

Section 7. COMPENSATION COMMITTEE. The Compensation Committee shall have the powers and authorities vested in it by the incentive, stock option and similar plans of the Company. The Compensation Committee shall have the power to approve, disapprove, modify or amend all plans designed and intended to provide compensation primarily for officers of the Company. There may be one or more subcommittees of the Compensation Committee which shall have all of the power and authority of the Compensation Committee to act on those matters as to which there is any question concerning the propriety of action by the Compensation Committee in the specific case because of any law, rule or regulation relating to the status of its members. The members of each such subcommittee shall be designated by the Board of Directors, the Compensation Committee or by the Chairman of the Board and may include directors who are not members of the Compensation Committee.

Section 8. COMMITTEE ON DIRECTORS. The Committee on Directors shall have the power to recommend candidates for election to the Board of Directors and shall consider nominees for directorships submitted by shareholders. The Committee on Directors shall consider issues involving potential conflicts of interest of directors and committee members and recommend and review all matters relating to fees and retainers paid to directors, committee members and committee chairmen.

Section 9. PUBLIC ISSUES REVIEW COMMITTEE. The Public Issues Review Committee shall have the power to review Company policy and practice relating to significant public issues of concern to the shareholders, the Company, the business community and the general public. The Committee may also review management's position on shareholder proposals involving issues of public interest to be presented at annual or special meetings of shareholders.

ARTICLE IV

NOTICE AND WAIVER OF NOTICE:

Section 1. NOTICE. Any notice required to be given to shareholders or directors under these By-Laws, the Certificate of Incorporation or by law may be given by mailing the same, addressed to the person entitled thereto, at such person's last known post office address and such notice shall be deemed to be given at the time of such mailing.

Section 2. WAIVER OF NOTICE. Whenever any notice is required to be given under these By-Laws, the Certificate of Incorporation or by law, a waiver thereof, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special

Page 6

meeting of the shareholders, directors or a committee of directors need be specified in any written waiver of notice.

ARTICLE V

OFFICERS:

Section 1. OFFICERS OF THE COMPANY. The officers of the Company shall be selected by the Board of Directors and shall be a Chairman of the Board of Directors, one or more Vice Presidents, a Secretary and a Treasurer. The Board of Directors may elect a Vice Chairman, President and a Controller and one or more of the following: Senior Executive Vice President, Executive Vice President, Senior Vice President, Assistant Vice President, Assistant Secretary, Associate Treasurer, Assistant Treasurer, Associate Controller and Assistant Controller. Two or more offices may be held by the same person.

The Company may have a General Counsel who shall be appointed by the Board of Directors and shall have general supervision of all matters of a legal nature concerning the Company, unless the Board of Directors has also appointed a General Tax Counsel, in which event the General Tax Counsel shall have general supervision of all tax matters of a legal nature concerning the Company.

The Company may have a Chief Financial Officer who shall be appointed by the Board of Directors and shall have general supervision over the financial affairs of the Company. The Company may also have a Chief of Internal Audits who shall be appointed by the Board of Directors.

Section 2. ELECTION OF OFFICERS. At the first meeting of the Board of Directors after each annual meeting of shareholders, the Board of Directors shall elect the officers. From time to time the Board of Directors may elect other officers.

Section 3. TENURE OF OFFICE; REMOVAL. Each officer shall hold office until the first meeting of the Board of Directors after the annual meeting of shareholders following the officer's election and until the officer's successor is elected and qualified or until the officer's earlier resignation or removal. Each officer shall be subject to removal at any time, with or without cause, by the affirmative vote of a majority of the entire Board of Directors.

Section 4. CHAIRMAN OF THE BOARD OF DIRECTORS. The Chairman of the Board of Directors shall be the Chief Executive Officer of the Company and subject to the overall direction and supervision of the Board of Directors and Committees thereof shall be in general charge of the affairs of the Company; and shall consult and advise with the Board of Directors and committees thereof on the business and the affairs of the Company. The Chairman of the Board of Directors shall have the power to make and execute contracts on behalf of the Company and to delegate such power to others.

Page 7

Section 5. PRESIDENT. The Board of Directors may select a President who shall have such powers and perform such duties as may be assigned by the Board of Directors or by the Chairman of the Board of Directors. In the absence or disability of the President his or her duties shall be performed by such Vice Presidents as the Chairman of the Board of Directors or the Board of Directors may designate. The President shall also have the power to make and execute contracts on the Company's behalf and to delegate such power to others.

Section 6. VICE PRESIDENTS. Each Senior Executive Vice President, Executive Vice President, Senior Vice President and Vice President shall have such powers and perform such duties as may be assigned to the Officer by the Board of Directors or by the Chairman of the Board of Directors or the President.

Section 7. SECRETARY. The Secretary shall keep minutes of all meetings of the shareholders and of the Board of Directors, and shall keep, or cause to be kept, minutes of all meetings of Committees of the Board of Directors, except where such responsibility is otherwise fixed by the Board of Directors. The Secretary shall issue all notices for meetings of the shareholders and Board of Directors and shall have charge of and keep the seal of the Company and shall affix the seal attested by the Secretary's signature to such instruments as may properly require same. The Secretary shall cause to be kept such books and records as the Board of Directors, the Chairman of the Board of Directors or the President may require; and shall cause to be prepared, recorded, transferred, issued, sealed and cancelled certificates of stock as required by the transactions of the Company and its shareholders. The Secretary shall attend to such correspondence and such other duties as may be incident to the office of the Secretary or assigned by the Board of Directors, the Chairman of the Board of Directors, or the President.

In the absence of the Secretary, an Assistant Secretary

is authorized to assume the duties herein imposed upon the Secretary.

Section 8. TREASURER. The Treasurer shall perform all duties and acts incident to the position of Treasurer, shall have custody of the Company funds and securities, and shall deposit all money and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Company as may be authorized, taking proper vouchers for such disbursements, and shall render to the Board of Directors, whenever required, an account of all the transactions of the Treasurer and of the financial condition of the Company. The Treasurer shall vote all of the stock owned by the Company in any corporation and may delegate this power to others. The Treasurer shall perform such other duties as may be assigned to the Treasurer and shall report to the Chief Financial Officer or, in the absence of the Chief Financial Officer, to the Chairman of the Board of Directors.

In the absence of the Treasurer, an Assistant Treasurer is authorized to assume the duties herein imposed upon the Treasurer.

Section 9. CONTROLLER. The Board of Directors may select a Controller who shall keep or cause to be kept in the books of the Company provided for that purpose a true account of all

Page 8

transactions and of the assets and liabilities of the Company. The Controller shall prepare and submit to the Chief Financial Officer or, in the absence of the Chief Financial Officer to the Chairman of the Board of Directors, such financial statements and schedules as may be required to keep the Chief Financial Officer and the Chairman of the Board of Directors currently informed of the operations and financial condition of the Company, and perform such other duties as may be assigned by the Chief Financial Officer or the Chairman of the Board.

In the absence of the Controller, an Assistant Controller is authorized to assume the duties herein imposed upon the Controller.

Section 10. CHIEF OF INTERNAL AUDITS. The Board of Directors may select a Chief of Internal Audits, who shall cause to be performed, and have general supervision over, auditing activities of the financial transactions of the Company, including the coordination of such auditing activities with the independent accountants of the Company and who shall perform such other duties as may be assigned to him from time to time. The Chief of Internal Audits shall report to the Chief Financial Officer or, in the absence of the Chief Financial Officer, to the Chairman of the Board of Directors. From time to time at the request of the Audit Committee, the Chief of Internal Audits shall inform that Committee of the auditing activities of the Company.

Section 11. ASSISTANT VICE PRESIDENTS. The Company may have assistant vice presidents who shall be appointed by a committee whose membership shall include one or more executive officers of the Company (the "Committee"). Each such assistant vice president shall have such powers and shall perform such duties as may be assigned from time to time by the Committee, the Chairman of the Board of Directors, the President or any Vice President, and which are not inconsistent with the powers and duties granted and assigned by these By-Laws or the Board of Directors. Assistant vice presidents appointed by the Committee shall be subject to removal at any time, with or without cause, by the Committee. Annually the Committee shall report to the Board of Directors who it has appointed to serve as assistant vice presidents and their respective responsibilities.

ARTICLE VI

RESIGNATIONS: FILLING OF VACANCIES:

Section 1. RESIGNATIONS. Any director, member of a committee, or officer may resign at any time. Such

resignation shall be made in writing and shall take effect at the time specified therein, and, if no time be specified, at the time of its receipt by the Chairman of the Board of Directors or the Secretary. The acceptance of a resignation shall not be necessary to make it effective.

Section 2. FILLING OF VACANCIES. If the office of any director becomes vacant, the directors in office, although less than a quorum, or, if the number of directors is increased, the directors in office, may elect any qualified person to fill such vacancy. In the case of a vacancy in the office of a director caused by an increase in the number of directors, the person so elected shall hold office until the next annual meeting of shareholders, or until his successor shall be elected and qualified.

Page 9

In the case of a vacancy in the office of a director resulting otherwise than from an increase in the number of directors, the person so elected to fill such vacancy shall hold office for the unexpired term of the director whose office became vacant. If the office of any officer becomes vacant, the Chairman of the Board of Directors may appoint any qualified person to fill such vacancy temporarily until the Board of Directors elects any qualified person for the unexpired portion of the term. Such person shall hold office for the unexpired term and until the officer's successor shall be duly elected and qualified or until the officer's earlier resignation or removal.

ARTICLE VII

INDEMNIFICATION:

Section 1. INDEMNIFICATION OF DIRECTORS AND OFFICERS; INSURANCE. The Company shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a director, officer, employee, or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Company, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

The Company shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

To the extent that a director, officer, employee or agent of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in the first two paragraphs of this Section or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Any indemnification under the first two paragraphs of this Section (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because the applicable standard of conduct set forth in the first two paragraphs of this Section has been met. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceedings, or (2) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the shareholders.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Company in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Company as authorized by this Section.

The indemnification and advancement of expenses provided by or granted pursuant to this Section shall not be deemed exclusive of any other rights to which those indemnified or those who receive advances may be entitled under any By-Law, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

The Company shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Company would have the power to indemnify him against such liability under the provisions of this Section.

The indemnification and advancement of expenses provided by, or granted pursuant to, this section shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE VIII

CAPITAL STOCK:

Section 1. FORM AND EXECUTION OF CERTIFICATES. The certificates of shares of the capital stock of the Company shall be in such form as shall be approved by the Board of Directors. The certificates shall be signed by the Chairman of the Board of Directors or the President, or a Vice President, and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer. Each certificate of stock shall certify the number of shares owned by the shareholder in the Company.

A facsimile of the seal of the Company may be used in connection with the certificates of stock of the Company, and facsimile signatures of the officers named in this

Section may be used in connection with said certificates. In the event any officer whose facsimile signature has been placed upon a certificate shall cease to be such officer before the certificate is issued, the certificate may be issued with the same effect as if such person was an officer at the date of issue.

Section 2. RECORD OWNERSHIPS. All certificates shall be numbered appropriately and the names of the owners, the number of shares and the date of issue shall be entered in the books of the Company. The Company shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in any share on the part of any other person, whether or not it shall have express or other notice thereof, except as required by the laws of Delaware.

Section 3. TRANSFER OF SHARES. Upon surrender to the Company or to a transfer agent of the Company of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment, or authority to transfer, it shall be the duty of the Company, if it is satisfied that all provisions of law regarding transfers of shares have been duly complied with, to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 4. LOST, STOLEN OR DESTROYED STOCK CERTIFICATES. Any person claiming a stock certificate in lieu of one lost, stolen or destroyed shall give the Company an affidavit as to such person's ownership of the certificate and of the facts which go to prove that it was lost, stolen or destroyed. The person shall also, if required by the Board of Directors, give the Company a bond, sufficient to indemnify the Company against any claims that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate. Any Vice President or the Secretary or any Assistant Secretary of the Company is authorized to issue such duplicate certificates or to authorize any of the transfer agents and registrars to issue and register such duplicate certificates.

Section 5. REGULATIONS. The Board of Directors from time to time may make such rules and regulations as it may deem expedient concerning the issue, transfer and registration of shares.

Page 12

Section 6. TRANSFER AGENT AND REGISTRAR. The Board of Directors may appoint such transfer agents and registrars of transfers as may be deemed necessary, and may require all stock certificates to bear the signature of either or both.

ARTICLE IX

SEAL:

Section 1. SEAL. The Board of Directors shall provide a suitable seal containing the name of the Company, the year of its creation, and the words, "CORPORATE SEAL, DELAWARE," or other appropriate words. The Secretary shall have custody of the seal.

ARTICLE X

FISCAL YEAR:

Section 1. FISCAL YEAR. The fiscal year of the Company shall be the calendar year.

ARTICLE XI

AMENDMENTS:

Section 1. DIRECTORS MAY AMEND BY-LAWS. The Board of Directors shall have the power to make, amend and repeal the By-Laws of the Company at any regular or special meeting of the Board of Directors.

Section 2. BY-LAWS SUBJECT TO AMENDMENT BY SHAREHOLDERS. All By-Laws shall be subject to amendment, alteration, or repeal by the shareholders entitled to vote

at any annual meeting or at any special meeting.

ARTICLE XII

EMERGENCY BY-LAWS:

Section 1. EMERGENCY BY-LAWS. This Article XII shall be operative during any emergency resulting from an attack on the United States or on a locality in which the Company conducts its business or customarily holds meetings of its Board of Directors or its stockholders, or during any nuclear or atomic disaster or during the existence of any catastrophe or other similar emergency condition, as a result of which a quorum of the Board of Directors or the Executive Committee thereof cannot be readily convened (an "emergency"), notwithstanding any different or conflicting provision in the preceding Articles of these By-Laws or in the Certificate of Incorporation of the Company. To the extent not inconsistent with the provisions of this Article, the By-Laws provided in the preceding Articles and the provisions of the Certificate of Incorporation of the Company shall remain in effect during such emergency, and upon termination of such emergency, the provisions of this Article XII shall cease to be operative.

Page 13

Section 2. MEETINGS. During any emergency, a meeting of the Board of Directors, or any committee thereof, may be called by any officer or director of the Company. Notice of the time and place of the meeting shall be given by any available means of communication by the person calling the meeting to such of the directors and/or Designated Officers, as defined in Section 3 hereof, as it may be feasible to reach. Such notice shall be given at such time in advance of the meeting as, in the judgment of the person calling the meeting, circumstances permit.

Section 3. QUORUM. At any meeting of the Board of Directors, or any committee thereof, called in accordance with Section 2 of this Article XII, the presence or participation of two directors, one director and a Designated Officer or two Designated Officers shall constitute a quorum for the transaction of business.

The Board of Directors or the committees thereof, as the case may be, shall, from time to time but in any event prior to such time or times as an emergency may have occurred, designate the officers of the Company in a numbered list (the "Designated Officers") who shall be deemed, in the order in which they appear on such list, directors of the Company for purposes of obtaining a quorum during an emergency, if a quorum of directors cannot otherwise be obtained.

Section 4. BY-LAWS. At any meeting called in accordance with Section 2 of this Article XII, the Board of Directors or the committees thereof, as the case may be, may modify, amend or add to the provisions of this Article XII so as to make any provision that may be practical or necessary for the circumstances of the emergency.

Section 5. LIABILITY. No officer, director or employee of the Company acting in accordance with the provisions of this Article XII shall be liable except for willful misconduct.

Section 6. REPEAL OR CHANGE. The provisions of this Article XII shall be subject to repeal or change by further action of the Board of Directors or by action of the shareholders, but no such repeal or change shall modify the provisions of Section 5 of this Article XII with regard to action taken prior to the time of such repeal or change.

Page 14

AMENDMENT NUMBER FIVE
TO
THE COCA-COLA COMPANY COMPENSATION DEFERRAL
&
INVESTMENT PROGRAM

Pursuant to the power vested in The Coca-Cola Company Compensation Deferral & Investment Program Committee (the "Committee") to amend or terminate The Coca-Cola Company Compensation Deferral & Investment Program (the "Program"), the Committee hereby amends the Program effective January 1, 1998 as follows:

1. Section 2.9, INTEREST CREDIT PERIOD, is amended and restated in its entirety to read as follows:

"2.9 INTEREST CREDIT PERIOD means

(a) the 12 consecutive month period which begins on November 1, 1986 and each 12 consecutive month period which begins on each November 1 thereafter, through the period which begins on November 1, 1996;

(b) the 2 consecutive month period which begins on November 1, 1997; and

(c) each calendar month which begins on or after January 1, 1998."

2. Section 2.12, PROGRAM RATE, is amended and restated in its entirety to read as follows:

"2.12 PROGRAM RATE - means the interest credit rate in effect for each Interest Credit Period, which rate shall equal

(a) for Interest Credit Periods beginning before January 1, 1998, the greater of

(i) 16% per annum, or

(ii) the annual rate determined by the Committee based on the average interest rate reported by the Moody's Investors Service as in effect on the first business day of each calendar month for the corporate investment grade level of bond issues selected by the Committee for the 12 consecutive month period ending on April 30

which immediately precedes the beginning of such Interest Credit Period plus 8 percentage points; and

(b) for Interest Credit Periods beginning on or after January 1, 1998, 14% per annum.

IN WITNESS WHEREOF, the Compensation Deferral & Investment Program Committee has caused this Amendment to the Program to be executed this 23rd day of December, 1997.

THE COCA-COLA COMPANY
COMPENSATION DEFERRAL &
INVESTMENT PROGRAM COMMITTEE

By: /s/ Michael W. Walters
Chairman

/s/ James E. Chestnut

/s/ C. Ron Cheeley

THE COCA-COLA COMPANY
DEFERRED COMPENSATION PLAN
FOR NON-EMPLOYEE DIRECTORS

1. PURPOSE. The purpose of The Coca-Cola Company Deferred Compensation Plan for Non-Employee Directors (the "Plan") is to provide non-employee Directors of The Coca-Cola Company (the "Company") with an opportunity to defer certain compensation as a Director. This Plan replaces the Plan adopted on December 7, 1983 as amended and restated (the "Prior Plan"). All deferrals made pursuant to the Prior Plan shall remain in effect according to their terms unless changed pursuant to Section 8 below.

2. EFFECTIVE DATE. The Plan shall become effective upon approval by the Board of Directors of the Company.

3. ELIGIBILITY. Any Director of the Company who is not an employee of the Company or of any subsidiary or affiliate of the Company is eligible to participate in the Plan.

4. ELECTION TO DEFER COMPENSATION.

a. TIME OF ELIGIBILITY. An election to defer compensation shall be made by a nominee for election as a Director who is not then serving as a Director prior to the time of election to the Board for the relevant elected term and prior to the right to receive any compensation with respect to such term. A Director who has not previously elected to defer receipt of compensation or who has subsequently discontinued such election may elect to defer compensation by giving notice prior to November 1 of each year, but any such election shall only be effective for compensation payable during the calendar year following such notice and thereafter. An election shall continue in effect until the end of the participant's service as a Director or until the end of the calendar year during which the Director gives the Company written notice of the discontinuance of the election, whichever shall occur first. Such a notice of discontinuance shall operate prospectively from the first day of the calendar year following the giving of notice referred to in the preceding sentence, and compensation payable during any subsequent calendar year shall not be deferred, but compensation theretofore deferred shall continue to be withheld and shall be paid in accordance with the notice of election pursuant to which it was withheld.

b. AMOUNT OF DEFERRAL. A participant may only elect to defer receipt of all or a specified portion of the annual retainer fee receivable by such Director for service as a Director of the Company, but not any other compensation or expense reimbursement.

c. MANNER OF ELECTING DEFERRAL. A participant shall elect to defer compensation by giving written notice to the Company in the form attached hereto as Exhibit A. Such notice shall include:

(i) the percentage or amount of compensation to be deferred;

(ii) whether the deferral will be into the "Cash Fund" or "Share Units"; and

(iii) an election of a lump-sum payment or of a number of annual installments (not to exceed five) for the payment of the deferred compensation, such lump-sum payment or the first installment payment occurring on the later of January 15 of the year following the year in which service as a Director terminates or six months from the date on which service as a Director terminates.

5. DEFERRED COMPENSATION ACCOUNT. The Company shall establish a deferred compensation account (the "Account") for each participant.

(i) For amounts deferred to the Cash Fund, the Account will be credited

(a) at the time such amount would otherwise be payable, with the amount of any compensation, receipt of which the participant has elected to defer, and

(b) at the end of each calendar year or initial or terminal portion of a year, with deemed interest, at an annual rate equivalent to the weighted average prime lending rate of SunTrust Bank, Atlanta for the relevant year or portion thereof (the "Interest Equivalents"), upon the average daily balance in the Account during such year or portion thereof.

(ii) For amounts deferred to Share Units, the Account will be credited

(a) at the time such amount would otherwise be payable, with the amount of any compensation, receipt of which the participant has elected to defer. Such amount shall be converted on such date to a number of Share Units equal to the number of shares which theoretically could have been purchased on such date with such amount, using the average share price on the New York Stock Exchange on such date, or if such date is not a trading day, on the next trading day;

(b) on each date on which a dividend is paid on the common shares of The Coca-Cola Company, with the number of Share Units theoretically which

-2-

could have been purchased with the amount of dividends payable on the number of shares equal to the number of Share Units in the participant's Account immediately prior to the payment of such dividend; the number of additional Share Units shall be calculated as in 5(ii)(a) above; and

(c) on the date of any stock split or stock dividend, with the number of Share Units necessary for an equitable adjustment.

6. VALUE OF DEFERRED COMPENSATION ACCOUNTS. The value of each participant's Account shall consist of the compensation deferred in accordance with paragraph 4(c) above and the Interest Equivalents in the case of the Cash Fund and the Share Units described in paragraph 5 above. All credits to an Account shall be credited with Interest Equivalents or additional Share Units in relation to the period from the date credited to the date of payment to a participant or to his or her estate. As promptly as practicable following the close of each calendar year a statement will be sent to each participant as to the balance in the participant's Account as of the end of such year.

7. PAYMENT OF DEFERRED COMPENSATION. No payment may be made from a participant's Account except as follows:

a. The balance in a participant's Account in the Cash Fund shall be paid in cash in the manner elected in accordance with the provisions of paragraph 4(c) above. If annual installments are elected, the amount of the first payment shall be a fraction of the balance in the participant's Account as of December 31 of the year preceding such payment, the numerator of which is one and the denominator of which is the total number of installments elected. The amount of each subsequent payment shall be a fraction of the balance in the participant's Account as of December 31 of the year preceding each subsequent payment, the numerator of which is one and the denominator of which is the total number of installments elected minus the number of installments previously paid. Each payment pursuant to this paragraph 7(a) shall include Interest Equivalents, but only on the amount being paid, from the preceding December 31 to the date of payment.

b. The balance in a participant's Account in Share Units shall be paid in the number of actual shares of the common stock of the Company equal to the number of Share Units in the participant's Account. If annual installments are elected, the number of shares of Company common stock in the first payment shall be a fraction of the number of Share Units in the participant's Account as of December 31 of the year preceding such payment, the numerator of which is one and the denominator of which is the total number of installments elected. The number of shares of Company

-3-

common stock in each subsequent payment shall be a fraction of the Share Units in the participant's Account as of December 31

of the year preceding each subsequent payment, the numerator of which is one and the denominator of which is the total number of installments elected minus the number of installments previously paid.

c. In the event of a participant's death or termination of service due to conflict of interest, illness or disability, the balance in the participant's Account (in the case of the Cash Fund including Interest Equivalents in relation to the elapsed portion of the year of death or termination of service) shall be determined as of the date of death or termination of service due to conflict of interest, illness or disability and such balance shall be paid in a single payment in cash in the case of the Cash Fund or in shares of Company common stock in the case of Share Units to the participant or the participant's estate, as the case may be, as soon as reasonably possible thereafter.

8. ONE-TIME ELECTION. Participants who were participants in the Prior Plan may choose to transfer the amounts in the Cash Fund to Share Units prior to November 1, 1997. Such election is irrevocable. The number of Share Units will be determined as of November 1, 1997 in accordance with the method described in Section 5 (ii) (a) hereof.

9. PARTICIPANT'S RIGHTS UNSECURED. The right of a participant to receive any unpaid portion of the participant's Account, whether the Cash Fund or Share Units, shall be an unsecured claim against the general assets of the Company.

10. NONASSIGNABILITY. The right of a participant to receive any unpaid portion of the participant's Account shall not be assigned, transferred, pledged or encumbered or be subject in any manner to alienation or anticipation.

11. ADMINISTRATION. This Plan shall be administered by the Secretary of the Company, who shall have the authority to adopt rules and regulations for carrying out the Plan and to interpret, construe and implement the provisions thereof.

12. AMENDMENT AND TERMINATION. This Plan may be amended, modified or terminated at any time by the Board of Directors of the Company, provided, however, that no such amendment, modification or termination shall, without the consent of a participant, adversely affect such participant's rights with respect to amounts theretofore accrued to the participant's Account.

-4-

EXHIBIT A

ELECTION

TO THE SECRETARY OF THE COCA-COLA COMPANY (the "Company"):

Pursuant to paragraph 4 of The Coca-Cola Company Deferred Compensation Plan for Non-Employee Directors (the "Plan"), the undersigned hereby elects to defer _____% of all future payments with respect to the annual retainer fee for service on the Board of Directors of the Company in accordance with the terms of the Plan. Of such amount _____% shall be deferred to the Cash Fund and _____% shall be deferred to Share Units.

The compensation deferred is to be paid to me in the following manner (check and complete one):

- single lump-sum payment in cash or Company common stock, as the case may be, to be paid on the later of January 15 of the year following the year in which my service terminates or six months from the termination of my service; or
- installment payments in _____ (insert number up to five) annual installments, the first annual installment to be paid on the later of January 15 of the year following the year in which my service terminates or six months from the termination of my service, and the subsequent annual installment payments to begin on January 15 of the year following the year in which my first payment was made.

It is understood that this election must be submitted to the Secretary of the Company

- by November 1 for continuing directors to begin deferrals for payments otherwise to be received beginning in the next calendar year or

- prior to beginning service on the Board for new directors.

The undersigned hereby acknowledges that this election is subject to the terms of the Plan.

(Signature of Director)

Date: _____, 19__

(Printed or typed name of Director)

Received on the _____ day of _____, 19__ on behalf of The Coca-Cola Company.

Secretary

EXHIBIT 12.1

<TABLE>

THE COCA-COLA COMPANY AND SUBSIDIARIES
 COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES
 (IN MILLIONS EXCEPT RATIOS)

<CAPTION>

	Year Ended December 31,				
	1997	1996	1995	1994	1993
<S>	<C>	<C>	<C>	<C>	<C>
Earnings:					
Income from continuing operations before income taxes and changes in accounting principles	\$ 6,055	\$ 4,596	\$ 4,328	\$ 3,728	\$ 3,185
Fixed charges	300	324	318	236	213
Less: Capitalized interest, net	(17)	(7)	(9)	(5)	(16)
Equity income, net of dividends	(108)	(89)	(25)	(4)	(35)
Adjusted earnings	\$ 6,230	\$ 4,824	\$ 4,612	\$ 3,955	\$ 3,347
Fixed charges:					
Gross interest incurred	\$ 275	\$ 293	\$ 281	\$ 204	\$ 184
Interest portion of rent expense	25	31	37	32	29
Total fixed charges	\$ 300	\$ 324	\$ 318	\$ 236	\$ 213
Ratios of earnings to fixed charges	20.8	14.9	14.5	16.8	15.7

The Company is contingently liable for guarantees of indebtedness owed by third parties in the amount of \$409 million, of which \$26 million related to independent bottling licensees. Fixed charges for these contingent liabilities have not been included in the computation of the above ratios as the amounts are immaterial and, in the opinion of Management, it is not probable that the Company will be required to satisfy the guarantees.

</TABLE>

Our mission is to maximize share-owner value over time. To create long-term value, The Coca-Cola Company and its subsidiaries (our Company) execute a comprehensive business strategy driven by four key objectives. We strive to (1) increase volume, (2) expand our share of beverage sales worldwide, (3) maximize our long-term cash flows and (4) improve economic profit and create economic value added. We achieve these goals by strategically investing in the high-return beverages business and by optimizing our cost of capital through appropriate financial policies.

INVESTMENTS

With a global business system that operates in nearly 200 countries and generates superior cash flows, our Company is uniquely positioned to capitalize on profitable new investment opportunities. Our criterion for investment is simple: New investments must directly enhance our existing operations and must be expected to provide cash returns that exceed our long-term, after-tax, weighted-average cost of capital, currently estimated at approximately 11 percent.

Because it consistently generates high returns, our business, beverages, is a particularly attractive investment for us. In emerging and still-developing markets, our Company's main objective is to increase the penetration of our products. In these markets, the bulk of our investments are for infrastructure enhancements such as production facilities, distribution networks, sales equipment and technology. We make these investments by acquiring or forming strategic business alliances with local bottlers and by matching local expertise with our experience, resources and focus. In highly developed markets, our expenditures are primarily for marketing activities.

Currently, 50 percent of the world's population live in markets where the average person consumes fewer than 10 servings of our beverages per year. For example, the emerging markets of China, India, Indonesia and Russia represent approximately 44 percent of the world's population, yet, on a combined basis, the average per capita consumption of our products in these markets is less than 2 percent of the United States' level. We continue to invest aggressively in these areas.

Our investment strategy focuses on the four fundamental components of our business: bottling operations, capital expenditures, marketing activities and people.

BOTTLING OPERATIONS - Our Company has business relationships with three types of bottlers: (1) independently owned bottlers, in which we have no ownership interest; (2) bottlers in which we have invested and have a noncontrolling ownership interest; and (3) bottlers in which we have invested and have a controlling ownership interest.

During 1997, independently owned bottling operations produced and distributed approximately 37 percent of our worldwide unit case volume. Bottlers in which we own a noncontrolling ownership interest produced and distributed approximately 50 percent of our 1997 worldwide unit case volume while controlled bottling and fountain operations produced and distributed approximately 13 percent of 1997 worldwide unit case volume.

The reason we invest in bottling operations is to maximize the strength and efficiency of our production, distribution and marketing systems around the world. These investments often result in increases in unit case volume, net revenues and profits at the bottler level, which in turn generate increased gallon shipments for our concentrate business. As a result, both our Company and the bottlers benefit from long-term growth in volume, improved cash flows and increased share-owner value.

The level of our investment generally depends on the bottler's capital structure and its available resources at the time of our investment. In certain situations, it can be advantageous to acquire a controlling interest in a bottling operation. Although it is not our primary long-term business strategy, owning a controlling interest allows us to

compensate for limited local resources and enables us to help focus these bottlers' sales and marketing programs, assist in developing their business and information systems, and establish appropriate capital structures.

In 1997, we purchased the bottling assets of three South Korean bottlers. Also in 1997, the Indian government approved our plan to invest in Indian bottling operations, allowing us to set up an integrated bottling system in India. Previously, we acquired controlling interests in certain bottling operations in Italy in 1996 and 1995. By providing capital and marketing expertise to newly acquired bottlers, we strengthen their ability to deliver our Company's brands to customers and consumers.

In line with our long-term bottling strategy, we periodically consider options for reducing our ownership interest in a consolidated bottler. One option for reducing our ownership interest is to combine our bottling interests with the bottling interests of others to form strategic business alliances. Another option is to sell our interest in a consolidated bottling operation to one of our equity investee bottlers. In both of these situations, we continue participating in the previously consolidated bottler's earnings through our portion of the equity investee's income.

Consistent with our strategy, in early 1998, we announced a proposal for our consolidated bottling operations in northern and central Italy to become part of a new publicly traded European bottler, Coca-Cola Beverages. Coca-Cola Beverages will be formed upon the completion of a proposed spin-off by Coca-Cola Amatil Limited (Coca-Cola Amatil) of its European operations. After the spin-off, these Italian bottling operations will be acquired by Coca-Cola Beverages for both cash and shares of Coca-Cola Beverages stock in a transaction valued at approximately \$979 million. Additionally, once the proposed spin-off has been completed, our bottling operations in South Korea will be acquired by Coca-Cola Amatil for shares of stock in Coca-Cola Amatil in a transaction valued at approximately \$588 million. The proposed transactions are subject to certain conditions, including approvals by holders of ordinary shares

- 33 -

FINANCIAL REVIEW INCORPORATING THE COCA-COLA COMPANY
MANAGEMENT'S DISCUSSION AND ANALYSIS AND SUBSIDIARIES

of Coca-Cola Amatil stock and applicable regulatory authorities.

In 1996, we sold our consolidated bottling and canning operations in France and Belgium to Coca-Cola Enterprises Inc. (Coca-Cola Enterprises). We also formed a strategic business alliance in Germany, Coca-Cola Erfrischungsgesellschaft AG (CCEAG), in 1996 through the merger of our then wholly owned east German bottler with three independent bottlers. In 1997, we merged our consolidated bottling operation in Germany, Coca-Cola Rhein-Ruhr, into CCEAG. Currently, we have a 45 percent interest in CCEAG.

Also in 1996, we combined our bottling interests in Venezuela with the Cisneros Group's bottling companies to form a new joint venture, Embotelladora Coca-Cola y Hit de Venezuela, S.A. (Coca-Cola y Hit). In 1997, our Company and the Cisneros Group sold our respective interests in Coca-Cola y Hit to Panamerican Beverages, Inc. (Panamco) in exchange for shares of Panamco stock. At the completion of this transaction, our ownership in Panamco was approximately 23 percent, and we began accounting for our investment by the equity method.

As stated earlier, our investments in a bottler can represent either a noncontrolling or a controlling interest. Through noncontrolling investments in bottling companies, we provide expertise and resources to strengthen those businesses. In 1997, we increased our interest in Grupo Continental, S.A., a bottler in Mexico, from 18 percent to 20 percent; our interest in Embotelladoras Polar S.A., a bottler headquartered in Chile, from 17 percent to 19 percent; and our interest in Embotelladora Andina S.A., another bottler headquartered in Chile, from 6 percent to 11 percent.

Certain bottling operations in which we have a noncontrolling ownership interest are designated as "anchor bottlers" due to their level of responsibility and performance. Anchor bottlers are strongly committed to their own profitable growth which, in turn, helps us meet our strategic goals and furthers the interests of our worldwide production, distribution and marketing systems. Anchor bottlers tend to be large and geographically diverse with strong financial and management resources. In 1997, our

anchor bottlers produced and distributed approximately 38 percent of our total worldwide unit case volume. Anchor bottlers give us strong partners on every major continent.

Upon its formation, Coca-Cola Beverages, the Coca-Cola Amatil spin-off which will operate in Europe, will be designated as our tenth anchor bottler. Additionally, we designated Coca-Cola Nordic Beverages (CCNB) as an anchor bottler in 1997. CCNB, a joint venture in which Carlsberg A/S will own a 51 percent interest and we will own a 49 percent interest, has bottling operations in Denmark and Sweden.

In 1997, our Company and San Miguel Corporation (San Miguel) sold Coca-Cola Bottlers Philippines, Inc. to Coca-Cola Amatil in exchange for shares of Coca-Cola Amatil stock. Also in 1997, we sold to Coca-Cola Enterprises our 49 percent interest in Coca-Cola & Schweppes Beverages Ltd., a bottler in Great Britain; our 48 percent interest in Coca-Cola Beverages Ltd. of Canada; and our 49 percent interest in The Coca-Cola Bottling Company of New York, Inc.

In line with our established investment strategy, our bottling investments have been profitable over time. For bottling investments that are accounted for by the equity method, we measure the profitability of our bottling investments in two ways - equity income and the excess of the fair values over the carrying values of our investments. Equity income, which is included in our consolidated net income, represents our share of the net earnings of our investee companies. In 1997, equity income was \$155 million. The following table illustrates the excess of the calculated fair values, based on quoted closing prices of publicly traded shares, over our Company's carrying values for selected equity method investees (in millions):

December 31,	Fair Value	Carrying Value	Excess

1997			
Coca-Cola Enterprises Inc.	\$ 6,008	\$ 184	\$ 5,824
Coca-Cola Amatil Limited	2,122	1,204	918
Panamerican Beverages, Inc.	924	735	189
Coca-Cola FEMSA, S.A. de C.V.	827	87	740
Grupo Continental, S.A.	272	89	183
Coca-Cola Bottling Co. Consolidated	171	71	100

			\$ 7,954
=====			

The excess of calculated fair values over carrying values for our investments illustrates the significant increase in the value of our investments. Although this excess value for equity method investees is not reflected in our consolidated results of operations or financial position, it represents a true economic benefit to us.

CAPITAL EXPENDITURES - Capital expenditures for property, plant and equipment and the percentage distribution by geographic area for 1997, 1996 and 1995 are as follows (in millions):

Year Ended December 31,	1997	1996	1995

Capital expenditures	\$ 1,093	\$ 990	\$ 937

North America	24%	27%	31%
Africa	2%	3%	2%
Greater Europe	30%	38%	41%
Latin America	7%	8%	9%
Middle & Far East	18%	12%	9%
Corporate	19%	12%	8%
=====			

In 1996, our Company launched Project Infinity, a strategic business initiative utilizing technology to integrate business systems across our global enterprise over the next several years. In 1997, we began testing a limited version of the Project Infinity software technology and anticipate rolling it out to certain divisions in late 1998. Project Infinity will enhance

to our management, associates and bottlers worldwide. By giving our people real-time data, Project Infinity will increase our ability to recognize opportunities and make better and faster decisions about operations, marketing and finance. Project Infinity will require significant capital expenditures over the next several years. All related costs of business process reengineering activities have been expensed as incurred.

In December 1997, our Company signed a letter of intent with beverage company Pernod Ricard to purchase its Orangina brands, three bottling operations and one concentrate plant in France for approximately 5 billion French francs (approximately \$850 million based on December 1997 exchange rates). This transaction is subject to approvals from regulatory authorities.

MARKETING ACTIVITIES - In addition to investing in our bottling and distribution infrastructure, we make significant expenditures in marketing to support our trademarks. We define marketing as anything we do to create consumer demand for our brands. We focus on continually finding new ways to differentiate our products and build value into all our brands. Marketing spending enhances consumer awareness and increases consumer preference for our brands. This produces growth in volume, per capita consumption and our share of worldwide beverage sales.

We heighten consumer awareness and product appeal for our trademarks using integrated marketing programs. Through our bottling investments and strategic alliances with other bottlers of our products, we create and implement these programs worldwide. In developing a global strategy for a Company trademark, we conduct product and packaging research, establish brand positioning, develop precise consumer communications and solicit consumer feedback. Our integrated marketing programs include activities such as advertising, point-of-sale merchandising and product sampling.

To maximize the impact of our advertising expenditures, we assign specific brands to individual advertising agencies. This approach enables us to increase accountability and enhance each brand's global positioning.

PEOPLE - Our continued success depends on recruiting, training and retaining people who can quickly identify and act on profitable business opportunities. This means maintaining and refining a corporate culture that encourages learning, innovation and value creation on a daily basis. The Coca-Cola Learning Consortium works with the management of our entire system to foster learning as a core capability. This group helps build the culture, systems and processes our people need to develop the knowledge and skills to take advantage of new opportunities.

FINANCIAL STRATEGIES

We use several strategies to optimize our cost of capital, which is a key component of our ability to maximize share-owner value.

DEBT FINANCING - Our Company maintains debt levels considered prudent based on our cash flow, interest coverage and percentage of debt to capital. We use debt financing to lower our overall cost of capital, which increases our return on share-owners' equity.

Our capital structure and financial policies have earned long-term credit ratings of "AA-" from Standard & Poor's and "Aa3" from Moody's, and the highest credit ratings available for our commercial paper programs.

Our global presence and strong capital position give us easy access to key financial markets around the world, enabling us to raise funds with a low effective cost. This posture, coupled with the active management of our mix of short-term and long-term debt, results in a lower overall cost of borrowing. Our debt management policies, in conjunction with our share repurchase programs and investment activity, typically result in current liabilities exceeding current assets.

In managing our use of debt capital, we consider the following financial measurements and ratios:

Year Ended December 31,	1997	1996	1995

Net debt (in billions)	\$ 2.0	\$ 2.8	\$ 2.6
Net debt-to-net capital	22%	31%	32%
Free cash flow to net debt	172%	85%	82%
Interest coverage	22x	17x	16x
Ratio of earnings to			

Net debt is debt in excess of cash, cash equivalents and marketable securities not required for operations and certain temporary bottling investments.

SHARE REPURCHASES - Our Company demonstrates confidence in the long-term growth potential of our business by our continued and consistent use of share repurchase programs. In 1992, our Board of Directors authorized a plan to repurchase up to 200 million shares of our Company's common stock through the year 2000. In 1997, we repurchased approximately 20 million shares under the 1992 plan. Through 1997, we had repurchased 187 million shares under the 1992 plan.

In October 1996, our Board of Directors authorized a new program to repurchase 206 million additional shares through the year 2006.

Since the inception of our initial share repurchase program in 1984 through our current program as of December 31, 1997, we have repurchased more than 1 billion shares, representing 31 percent of the shares outstanding as of January 1, 1984, at an average price per share of \$11.27.

- 35 -

FINANCIAL REVIEW INCORPORATING
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE COCA-COLA COMPANY
AND SUBSIDIARIES

DIVIDEND POLICY - At its February 1998 meeting, our Board of Directors again increased our quarterly dividend to \$.15 per share, equivalent to a full-year dividend of \$.60 in 1998, our 36th consecutive annual increase. Our annual common stock dividend was \$.56 per share, \$.50 per share and \$.44 per share in 1997, 1996 and 1995, respectively.

In 1997, our dividend payout ratio was approximately 34 percent of our net income. To free up additional cash for reinvestment in our high-return beverages business, our Board of Directors intends to gradually reduce our dividend payout ratio to 30 percent over time.

FINANCIAL RISK MANAGEMENT

Our Company uses derivative financial instruments primarily to reduce our exposure to adverse fluctuations in interest rates and foreign exchange rates, and to a lesser extent, to reduce our exposure to adverse fluctuations in commodity prices and other market risks. We do not enter into derivative financial instruments for trading purposes. As a matter of policy, all our derivative positions are used to reduce risk by hedging an underlying economic exposure. Because of the high correlation between the hedging instrument and the underlying exposure, fluctuations in the value of the instruments are generally offset by reciprocal changes in the value of the underlying exposure. The derivatives we use are straightforward instruments with liquid markets.

Our Company monitors our exposure to financial market risks using several objective measurement systems, including value-at-risk models. For the value-at-risk calculations discussed below, we used a historical simulation model to estimate potential future losses our Company could incur as a result of adverse movements in foreign currency and interest rates. We have not considered the potential impact of favorable movements in foreign currency and interest rates on our calculations. We examined historical weekly returns over the previous 10 years to calculate our value at risk. Our value-at-risk calculations do not purport to represent the actual losses that our Company expects to incur.

FOREIGN CURRENCY - We manage most of our foreign currency exposures on a consolidated basis, which allows us to net certain exposures and take advantage of any natural offsets. With approximately 77 percent of our 1997 operating income generated outside the United States, weakness in one particular currency is often offset by strengths in others. We use derivative financial instruments to further reduce our net exposure to currency fluctuations.

Our Company enters into forward exchange contracts and purchases currency options (principally European currencies and Japanese yen) to hedge firm sale commitments denominated in foreign currencies. We also purchase currency options (principally European currencies and Japanese yen) to hedge certain anticipated sales. Premiums paid and realized gains and losses, including those on terminated contracts, if any,

are included in prepaid expenses and other assets. These are recognized in income, along with unrealized gains and losses, in the same period the hedged transactions are realized. Gains and losses on derivative financial instruments that are designated and effective as hedges of net investments in international operations are included in share-owners' equity as a foreign currency translation adjustment.

Our value-at-risk calculation estimates foreign currency risk on our derivative and other financial instruments. We have not included in our calculation the effects of currency movements on anticipated foreign currency denominated sales and other hedged transactions. According to our calculation, on December 31, 1997, we estimate with 95 percent confidence that the fair value of our derivative and other financial instruments would decline by less than \$58 million over a one-week period due to an adverse move in foreign currency exchange rates. However, we would expect that any loss in the fair value of our derivative and other financial instruments would be generally offset by an increase in the fair value of our underlying exposures.

INTEREST RATES - Our Company maintains our percentage of fixed and variable rate debt within defined parameters. We enter into interest rate swap agreements that maintain the fixed/variable mix within these parameters. Any differences paid or received on interest rate swap agreements are recognized as adjustments to interest expense over the life of each swap.

Our value-at-risk calculation estimates interest rate risk on our derivative and other financial instruments. According to our calculation, on December 31, 1997, we estimate with 95 percent confidence that any increase in our net interest expense due to an adverse move in interest rates over a one-week period would not have a material impact on our consolidated financial position, results of operations or cash flows.

PERFORMANCE TOOLS

Economic profit and economic value added provide a framework by which we measure the value of our actions. We define economic profit as income from continuing operations after taxes, excluding interest, 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. To ensure that our management team stays clearly focused on the key drivers of our business, economic value added and economic profit are used in determining annual incentive awards and long-term incentive awards for most eligible employees.

During 1996, we implemented a new tool to help us improve our performance - value-based management (VBM). VBM does not replace the economic value added concept; rather, it is a tool to manage economic profit. It requires us to think about creating value in everything we do, every day.

VBM's principles assist us in managing economic profit by clarifying our understanding of what creates value and what destroys it and encouraging us to manage for increased value.

- 36 -

FINANCIAL REVIEW INCORPORATING
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE COCA-COLA COMPANY
AND SUBSIDIARIES

With VBM, we determine how best to create value in every area of our business. We believe that using VBM as a planning and execution tool, and economic profit as a performance measurement tool, greatly enhances our ability to build share-owner value over time.

TOTAL RETURN TO SHARE OWNERS

Our Company has provided share owners with an excellent return on their investment over the past decade. A \$100 investment in our Company's common stock on December 31, 1987, together with reinvested dividends, grew in pretax value to approximately \$1,643 on December 31, 1997, an average annual compound return of 32 percent.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OUR BUSINESS

We are the largest manufacturer, distributor and marketer of soft-drink beverage concentrates and syrups in the world. Our Company manufactures beverage concentrates and syrups and, in

certain instances, finished beverages, which we sell to bottling and canning operations, authorized fountain wholesalers and some fountain retailers. In addition, we have ownership interests in numerous bottling and canning operations. We are also the world's largest distributor and marketer of juice and juice-drink products.

We own some of the world's most valuable brands, more than 160 brands in all. These include soft drinks and noncarbonated beverages such as sports drinks, juice drinks, milk products, water products, teas and coffees.

VOLUME

We measure our sales volume in two ways: (1) gallon shipments of concentrates and syrups and (2) unit cases of finished product. Gallon shipments represent our primary business and measure the volume of concentrates and syrups we sell to our bottling system. Most of our revenues are based on this measure of "wholesale" activity. We also measure volume in unit cases, which represent the amount of finished product our bottling system sells to retail customers. We believe unit case volume more accurately measures the underlying strength of our business system because it measures trends at the retail level. We include fountain syrups sold directly to our customers in both measures.

In 1997, our worldwide unit case volume increased 9 percent, on top of an 8 percent increase in 1996. Our business system sold 14.9 billion unit cases in 1997, an increase of 1.2 billion unit cases over 1996. Our 1997 results are the product of years of systematically investing not only in marketing, but also in our worldwide infrastructure that includes bottlers, capital, information systems and people.

OPERATIONS

NET OPERATING REVENUES AND GROSS MARGIN - On a consolidated basis, our net revenues increased 1 percent and our gross profit grew 8 percent in 1997. The growth in revenues reflects gallon shipment increases and price increases in certain markets, offset by the full-year impact of the sale of previously consolidated bottling and canning operations in France, Belgium and eastern Germany in 1996 as well as the effects of a stronger U.S. dollar. Our gross profit margin increased to 68 percent in 1997 from 64 percent in 1996, primarily due to the sale in 1996 of previously consolidated bottling operations, which shifted proportionately more revenue to our higher margin concentrate business.

On a consolidated basis, our net revenues grew 3 percent and our gross profit grew 7 percent in 1996. The increase in revenues was due primarily to an increase in gallon shipments and selective price increases offset by a stronger U.S. dollar and the disposition of our French, Belgian and east German bottling and canning operations. Our gross profit margin increased to 64 percent in 1996 from 62 percent in 1995, primarily due to the sale of our previously consolidated bottling and canning operations as well as favorable results from changes in our product mix. Additionally, gross margins improved in 1996 due to favorable price variances in raw materials, such as packaging, at our consolidated bottlers.

SELLING, ADMINISTRATIVE AND GENERAL EXPENSES - Selling expenses were \$6,244 million in 1997, \$6,018 million in 1996 and \$5,508 million in 1995. The increases in 1997 and 1996 were primarily due to higher marketing expenditures in support of our Company's volume growth.

Administrative and general expenses totaled \$1,608 million in 1997, \$2,002 million in 1996 and \$1,653 million in 1995. The decrease in 1997 was principally due to certain nonrecurring provisions recorded in 1996, as discussed below, partially offset by a \$60 million nonrecurring provision recorded in 1997 related to enhancing manufacturing efficiencies in North America.

Administrative and general expenses increased in 1996 due to certain nonrecurring provisions. In the third quarter of 1996, we recorded provisions of approximately \$276 million in administrative and general expenses related to our plans for strengthening our worldwide system. Of this \$276 million, approximately \$130 million related to streamlining our operations, primarily in Greater Europe and Latin America. Our management took actions to consolidate certain manufacturing operations and, as a result, recorded charges to recognize the impairment of certain manufacturing assets and the estimated losses on the disposal of other assets. The remainder of this \$276 million provision was for impairment charges to certain production facilities and reserves for losses on the disposal

of other production facilities of The Minute Maid Company.

Also in the third quarter of 1996, we recorded in administrative

- 37 -

FINANCIAL REVIEW INCORPORATING
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE COCA-COLA COMPANY
AND SUBSIDIARIES

and general expenses an \$80 million impairment charge to recognize Project Infinity's impact on existing information systems and a \$28.5 million charge as a result of our decision to make a contribution to The Coca-Cola Foundation, a not-for-profit charitable organization.

Administrative and general expenses, as a percentage of net operating revenues, were approximately 9 percent in 1997, 11 percent in 1996 and 9 percent in 1995.

OPERATING INCOME AND OPERATING MARGIN - On a consolidated basis, our operating income increased 28 percent in 1997, following a 3 percent decrease in 1996. The increase in 1997 was due to increased gallon shipments coupled with an increase in gross profit margins, as well as the recording of several nonrecurring provisions in the third quarter of 1996. In addition, the curtailment of concentrate shipments decreased 1996 operating income by an estimated \$290 million. Our consolidated operating margin was 27 percent in 1997 and 21 percent in 1996.

MARGIN ANALYSIS

[bar chart]

	1997	1996	1995
Net Operating Revenues (in billions)	\$18.9	\$18.7	\$18.1
Gross Margin	68%	64%	62%
Operating Margin	27%	21%	22%

INTEREST INCOME AND INTEREST EXPENSE - In 1997, our interest income decreased 11 percent due primarily to decreases in international interest rates. Interest expense decreased 10 percent in 1997 due to lower average commercial paper borrowings.

In 1996, our interest income decreased 3 percent, due primarily to lower average short-term investments and lower average interest rates in Latin America. Interest expense increased 5 percent in 1996, due to higher average debt balances.

EQUITY INCOME - Equity income decreased 27 percent to \$155 million in 1997, due primarily to the significant amount of structural change in our global bottling system, which was partially offset by solid results at key equity bottlers.

Equity income increased 25 percent to \$211 million in 1996, due primarily to stronger operating performances by Coca-Cola Enterprises, Coca-Cola Beverages Ltd. of Canada and The Coca-Cola Bottling Company of New York, Inc.

OTHER INCOME-NET - In 1997, other income-net increased \$496 million and includes gains totaling \$508 million on the sales of our interests in Coca-Cola & Schweppes Beverages Ltd., Coca-Cola Beverages Ltd. of Canada and The Coca-Cola Bottling Company of New York, Inc. Gains on other bottling transactions are also included in other income-net.

In 1996, other income-net increased \$1 million and included gains recorded on the sale of our bottling and canning operations in France and Belgium, as well as gains on other bottling transactions.

GAINS ON ISSUANCES OF STOCK BY EQUITY INVESTEES - In 1997, our Company and San Miguel sold our respective interests in Coca-Cola Bottlers Philippines, Inc. to Coca-Cola Amatil in exchange for approximately 293 million shares of Coca-Cola Amatil stock. In connection with this transaction, Coca-Cola Amatil issued to San Miguel approximately 210 million shares valued at approximately \$2.4 billion. The issuance to San Miguel resulted in a one-time noncash pretax gain for our Company of approximately \$343 million, and resulted in our 36 percent interest in Coca-Cola Amatil being diluted to

approximately 33 percent.

Also in 1997, our Company and the Cisneros Group sold our respective interests in Coca-Cola y Hit to Panamco in exchange for approximately 30.6 million shares of Panamco stock. In connection with this transaction, Panamco issued to the Cisneros Group approximately 13.6 million shares valued at approximately \$402 million. The issuance to the Cisneros Group resulted in a one-time noncash pretax gain for our Company of approximately \$20 million. At the completion of this transaction, our ownership in Panamco was approximately 23 percent.

In 1996, Coca-Cola Amatil issued approximately 46 million shares in exchange for approximately \$522 million. This issuance reduced our ownership in Coca-Cola Amatil from approximately 39 percent to approximately 36 percent and resulted in a noncash pretax gain for our Company of approximately \$130 million.

Also in 1996, Coca-Cola Erfrischungsgetraenke G.m.b.H. (CEEG), our wholly owned east German bottler, issued new shares to effect a merger with three independent German bottling operations. The shares were valued at approximately \$925 million, based upon the fair values of the assets of the three acquired bottling companies. Approximately 24.4 million shares were issued, resulting in a noncash pretax gain

- 38 -

FINANCIAL REVIEW INCORPORATING THE COCA-COLA COMPANY
MANAGEMENT'S DISCUSSION AND ANALYSIS AND SUBSIDIARIES

of approximately \$283 million for our Company. We own a 45 percent interest in the resulting anchor bottler, CCEAG.

In 1996, Coca-Cola FEMSA de Buenos Aires, S.A. (CCFBA) issued approximately 19 million shares to Coca-Cola FEMSA, S.A. de C.V. This issuance reduced our ownership in CCFBA from 49 percent to approximately 32 percent. We recognized a noncash pretax gain of approximately \$18 million as a result of this transaction. In subsequent transactions, our Company disposed of its remaining interest in CCFBA.

INCOME TAXES - Our effective tax rates were 31.8 percent in 1997, 24.0 percent in 1996 and 31.0 percent in 1995. Our 1997 effective tax rate of 31.8 percent reflects tax benefits derived from significant operations outside the United States, which are taxed at rates lower than the U.S. statutory rate of 35 percent, partially offset by the tax impact of certain gains recognized from previously discussed bottling transactions. These transactions are generally taxed at rates higher than our Company's effective rate on operations.

In the third quarter of 1996, our Company reached an agreement in principle with the U.S. Internal Revenue Service (IRS) settling certain U.S.-related income tax matters, including issues in litigation related to our operations in Puerto Rico dating back to 1981 and extending through 1995. This settlement resulted in a one-time reduction of \$320 million to our 1996 income tax expense as a result of a reversal of previously accrued income tax liabilities and reduced our effective tax rate in 1996. Excluding the favorable impact of the settlement with the IRS, our 1996 effective tax rate would have been 31.0 percent.

INCOME PER SHARE - Accelerated by our Company's share repurchase program, our basic net income per share grew 19 percent in 1997, 1996 and 1995, and diluted net income per share grew 19 percent in 1997, 18 percent in 1996 and 19 percent in 1995.

LIQUIDITY AND CAPITAL RESOURCES

We believe our ability to generate cash from operations in excess of our capital reinvestment and dividend requirements is one of our fundamental financial strengths. We anticipate that our operating activities in 1998 will continue to provide us with sufficient cash flows to meet all our financial commitments and to capitalize on opportunities for business expansion.

FREE CASH FLOW - Free cash flow is the cash remaining from operations after we have satisfied our business reinvestment opportunities. We focus on increasing free cash flow to achieve our primary objective, maximizing share-owner value over time. We use free cash flow, along with borrowings, to pay dividends and make share repurchases.

The consolidated statements of our cash flows are summarized

as follows (in millions):

Year Ended December 31,	1997	1996	1995

Cash flows provided by (used in):			
Operations	\$ 4,033	\$ 3,463	\$ 3,328
Investment activities	(500)	(1,050)	(1,226)

FREE CASH FLOW	3,533	2,413	2,102
Cash flows used in:			
Financing			
Share repurchases	(1,262)	(1,521)	(1,796)
Other financing activities	(1,833)	(581)	(482)
Exchange	(134)	(45)	(43)

Increase (decrease) in cash	\$ 304	\$ 266	\$ (219)
=====			

Cash provided by operations in 1997 amounted to \$4.0 billion, a 16 percent increase from 1996. This increase is primarily due to growth in net income in 1997. In 1996, cash provided by operations amounted to \$3.5 billion, a 4 percent increase from 1995. This increase resulted from the continued growth of our business and includes the cash effect of significant items recorded in 1996. These items have been discussed previously in Management's Discussion and Analysis on pages 37 through 39.

In 1997, net cash used in investment activities decreased from 1996, primarily due to the increase in proceeds from the disposal of investments and other assets including the dispositions of our interests in Coca-Cola & Schweppes Beverages Ltd., The Coca-Cola Bottling Company of New York, Inc. and Coca-Cola Beverages Ltd. of Canada. The growth in proceeds from disposals was partially offset by increased acquisitions and investments, primarily in bottling operations, including the South Korean bottlers. In 1996, net cash used in investment activities decreased from 1995, also due to the increase in proceeds from the disposal of investments and other assets including the disposition of our bottling and canning operations in France and Belgium. The increase in proceeds from disposals was partially offset by significant acquisitions and investments, including our investment in Coca-Cola y Hit.

FINANCING ACTIVITIES - Our financing activities include net borrowings, dividend payments and share repurchases. Net cash used in financing activities totaled \$3.1 billion in 1997, \$2.1 billion in 1996 and \$2.3 billion in 1995. The change between 1997 and 1996 was primarily due to net reductions of debt in 1997 compared to net borrowings of debt in 1996. Cash used to purchase common stock for treasury was \$1.3 billion in 1997 versus \$1.5 billion in 1996.

Commercial paper is our primary source of short-term financing. On December 31, 1997, we had \$2.6 billion outstanding in commercial paper borrowings. In addition, we had \$.9 billion in lines of credit and other short-term credit facilities available, \$.1 billion of which was outstanding. The 1997 reduction in

- 39 -

FINANCIAL REVIEW INCORPORATING	THE COCA-COLA COMPANY
MANAGEMENT'S DISCUSSION AND ANALYSIS	AND SUBSIDIARIES

loans and notes payable was funded by proceeds received from the sale of certain bottling interests, as discussed previously.

EXCHANGE - Our international operations are subject to certain opportunities and risks, including currency fluctuations and government actions. We closely monitor our operations in each country so we can quickly and decisively respond to changing economic and political environments and to fluctuations in foreign currencies and interest rates.

We use approximately 50 functional currencies. Due to our global operations, weaknesses in some of these currencies are often offset by strengths in others. In 1997, 1996 and 1995, the weighted-average exchange rates for a basket of selected foreign currencies, and certain individual currencies, strengthened (weakened) against the U.S. dollar as follows:

Year Ended December 31,	1997	1996	1995

Basket of currencies	(10)%	(8)%	Even

Australian dollar	(7)%	6%	1%
British pound	4%	Even	3%
Canadian dollar	(1)%	Even	Even
French franc	(12)%	(4)%	13%
German mark	(13)%	(6)%	13%
Japanese yen	(10)%	(15)%	9%

These percentages do not include the effects of our hedging activities and, therefore, do not reflect the actual impact of fluctuations in exchange on our operating results. Our foreign currency management program mitigates over time a portion of our exchange risks.

The change in our foreign currency translation adjustment in 1997 and 1996 was primarily due to the revaluation of net assets located in countries where the local currency significantly weakened against the U.S. dollar. Exchange gains (losses)-net amounted to \$(56) million in 1997, \$3 million in 1996 and \$(21) million in 1995, and were recorded in other income-net. Exchange gains (losses)-net includes the remeasurement of certain currencies into functional currencies and the costs of hedging certain of our balance sheet exposures.

Additional information concerning our hedging activities is presented on pages 53 through 55.

FINANCIAL POSITION

The carrying value of our investment in Coca-Cola Enterprises decreased in 1997 as a result of deferred gains related to the sales of our interests in Coca-Cola & Schweppes Beverages Ltd., Coca-Cola Beverages Ltd. of Canada and The Coca-Cola Bottling Company of New York, Inc. to Coca-Cola Enterprises. The deferred gains result from our approximate 44 percent ownership in Coca-Cola Enterprises. The carrying value of our investment in Coca-Cola Amatil increased in 1997 due to Coca-Cola Amatil issuing shares to San Miguel Corporation at a value per share greater than the carrying value per share of our interest in Coca-Cola Amatil. Our equity method investments also increased in 1997 due to our change from the cost method to the equity method in accounting for Panamco and Grupo Continental, S.A., and due to increased investments in other bottling operations. Our cost method investments declined due to the change in accounting for Panamco and Grupo Continental, S.A., partially offset by additional investments in Embotelladoras Polar S.A. and Embotelladora Andina S.A. Unrealized gain on available-for-sale securities, a component of share-owners' equity, is comprised of adjustments to report our marketable cost method investments at fair value. During 1997, unrealized gain on securities decreased \$98 million due primarily to the change in accounting for Panamco and Grupo Continental, S.A.

The 1996 decrease in our accounts receivable, inventories, property, plant and equipment, goodwill, and accounts payable and accrued expenses was primarily due to the disposition of our previously consolidated bottling and canning operations in France and Belgium and the deconsolidation of our previously consolidated east German bottler. In 1996, our equity method investments increased primarily due to our investments in CCEAG and Coca-Cola y Hit. The 1996 increase in cost method investments included our investment in Embotelladoras Polar S.A., Embotelladora Andina S.A., Panamco and noncash adjustments that increased our investments to fair value. The decrease in accrued income taxes was directly attributable to our 1996 settlement with the IRS, whereby \$320 million of previously accrued income tax liabilities was reversed as a reduction of income tax expense.

IMPACT OF INFLATION AND CHANGING PRICES

Inflation is a factor that affects the way we operate in many markets around the world. In general, we are able to increase prices to counteract the effects of increasing costs and to generate sufficient cash flows to maintain our productive capability.

YEAR 2000

In prior years, certain computer programs were written using two digits rather than four to define the applicable year. These programs were written without considering the impact of the upcoming change in the century and may experience problems handling dates beyond the year 1999. This could cause computer applications to fail or to create erroneous results unless corrective measures are taken. Incomplete or untimely resolution of the Year 2000 issue could have a material adverse impact on our Company's business, operations or financial condition in the future.

Our Company has been assessing the impact that the Year 2000 issue will have on our computer systems since 1995. In response to these assessments, which are ongoing, our Company has developed a plan to inventory critical systems and develop solutions to those systems that are found to have date-related

- 40 -

FINANCIAL REVIEW INCORPORATING
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE COCA-COLA COMPANY
AND SUBSIDIARIES

deficiencies. Project plans call for the completion of the solution implementation phase and testing of those solutions prior to any anticipated impact on our systems. Our Company is also surveying critical suppliers and customers to determine the status of their Year 2000 compliance programs.

Based on our work to date, and assuming that our project plans, which continue to evolve, can be implemented as planned, we believe future costs relating to the Year 2000 issue will not have a material impact on our Company's consolidated financial position, results of operations or cash flows.

OUTLOOK

While we cannot predict future performance, we believe considerable opportunities exist for sustained, profitable growth, not only in the developing population centers of the world but also in our most established markets, including the United States.

We firmly believe the strength of our brands, our unparalleled distribution system, our global presence, our strong financial condition and the skills of our people give us the flexibility to capitalize on these growth opportunities as we continue to pursue our goal of increasing share-owner value.

FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 (the Act) provides a safe harbor for forward-looking statements made by or on behalf of our Company. Our Company and its representatives may from time to time make written or verbal forward-looking statements, including statements contained in our Company's filings with the Securities and Exchange Commission and in our reports to share owners. All statements which address operating performance, events or developments that we expect or anticipate will occur in the future, including statements relating to volume growth, share of sales and earnings per share growth or statements expressing general optimism about future operating results, are forward-looking statements within the meaning of the Act. The forward-looking statements are and will be based on management's then current views and assumptions regarding future events and operating performance.

The following are some of the factors that could cause actual results to differ materially from estimates contained in our Company's forward-looking statements:

- -- The ability to generate sufficient cash flows to support capital expansion plans, share repurchase programs and general operating activities.
- -- Competitive product and pricing pressures and the ability to gain or maintain share of sales in the global market as a result of actions by competitors. While we believe our opportunities for sustained, profitable growth are considerable, unanticipated actions of competitors could impact our earnings, share of sales and volume growth.
- -- Changes in laws and regulations, including changes in accounting standards, taxation requirements (including tax rate changes, new tax laws and revised tax law interpretations) and environmental laws in domestic or foreign jurisdictions.
- -- Fluctuations in the cost and availability of raw materials and the ability to maintain favorable supplier arrangements and relationships.
- -- The ability to achieve earnings forecasts, which are generated based on projected volumes and sales of many product types, some of which are more profitable than others. There can be no assurance that we will achieve the projected level or mix of product sales.
- -- Interest rate fluctuations and other capital market conditions, including foreign currency rate fluctuations. Most of our exposures to capital markets, including interest and foreign currency, are managed on a consolidated basis, which allows us to net certain exposures and, thus, take natural offsets. We use

- derivative financial instruments to reduce our net exposure to financial risks. There can be no assurance, however, that our financial risk management program will be successful in reducing foreign currency exposures.
- -- Economic and political conditions in international markets, including civil unrest, governmental changes and restrictions on the ability to transfer capital across borders.
 - -- The ability to penetrate developing and emerging markets, which also depends on economic and political conditions, and how well we are able to acquire or form strategic business alliances with local bottlers and make necessary infrastructure enhancements to production facilities, distribution networks, sales equipment and technology. Moreover, the supply of products in developing markets must match the customers' demand for those products, and due to product price and cultural differences, there can be no assurance of product acceptance in any particular market.
 - -- The effectiveness of our advertising, marketing and promotional programs.
 - -- The uncertainties of litigation, as well as other risks and uncertainties detailed from time to time in our Company's Securities and Exchange Commission filings.
 - -- Adverse weather conditions, which could reduce demand for Company products.
 - -- Our Company's ability and our customers' and suppliers' ability to replace, modify or upgrade computer programs in ways that adequately address the Year 2000 issue.

The foregoing list of important factors is not exclusive.

ADDITIONAL INFORMATION

For additional information about our operations, cash flows, liquidity and capital resources, please refer to the information on pages 44 through 62 of this report. Additional information concerning our operations in specific geographic areas is presented on page 60.

- 41 -

<TABLE>
 SELECTED FINANCIAL DATA THE COCA-COLA COMPANY AND SUBSIDIARIES
 <CAPTION>

(In millions except per share data, ratios and growth rates)	Compound Growth Rates		Year Ended December 31,			
	5 Years	10 Years	1997	1996	1995	1994{2}
<S>	<C>	<C>	<C>	<C>	<C>	<C>
SUMMARY OF OPERATIONS						
Net operating revenues	7.5%	9.4%	\$ 18,868	\$ 18,673	\$18,127	\$16,264
Cost of goods sold	3.5%	5.2%	6,015	6,738	6,940	6,168
Gross profit	9.8%	12.3%	12,853	11,935	11,187	10,096
Selling, administrative and general expenses	8.1%	11.3%	7,852	8,020	7,161	6,459
Operating income	12.7%	14.0%	5,001	3,915	4,026	3,637
Interest income			211	238	245	181
Interest expense			258	286	272	199
Equity income			155	211	169	134
Other income (deductions)-net			583	87	86	(25)
Gains on issuances of stock by equity investees			363	431	74	-
Income from continuing operations before income taxes and changes in accounting principles	17.1%	16.1%	6,055	4,596	4,328	3,728
Income taxes	17.4%	14.5%	1,926	1,104	1,342	1,174
Income from continuing operations before changes in accounting principles	17.0%	16.9%	\$ 4,129	\$ 3,492	\$ 2,986	\$ 2,554
Net income	19.9%	16.3%	\$ 4,129	\$ 3,492	\$ 2,986	\$ 2,554
Preferred stock dividends			-	-	-	-
Net income available to common share owners	19.9%	16.3%	\$ 4,129	\$ 3,492	\$ 2,986	\$ 2,554
Average common shares outstanding			2,477	2,494	2,525	2,580
Average common shares						

outstanding assuming dilution			2,515	2,523	2,549	2,599
PER COMMON SHARE DATA						
Income from continuing operations before changes in accounting principles - basic	18.3%	19.1%	\$ 1.67	\$ 1.40	\$ 1.18	\$.99
Income from continuing operations before changes in accounting principles - diluted	18.2%	18.9%	1.64	1.38	1.17	.98
Basic net income	21.5%	18.7%	1.67	1.40	1.18	.99
Diluted net income	21.5%	18.5%	1.64	1.38	1.17	.98
Cash dividends	14.9%	14.9%	.56	.50	.44	.39
Market price on December 31	26.1%	30.2%	66.69	52.63	37.13	25.75
TOTAL MARKET VALUE OF COMMON STOCK{1}						
	24.7%	27.8%	\$164,766	\$130,575	\$92,983	\$65,711
BALANCE SHEET DATA						
Cash, cash equivalents and current marketable securities			\$ 1,843	\$ 1,658	\$ 1,315	\$ 1,531
Property, plant and equipment-net			3,743	3,550	4,336	4,080
Depreciation			384	442	421	382
Capital expenditures			1,093	990	937	878
Total assets			16,940	16,161	15,041	13,873
Long-term debt			801	1,116	1,141	1,426
Total debt			3,875	4,513	4,064	3,509
Share-owners' equity			7,311	6,156	5,392	5,235
Total capital{1}			11,186	10,669	9,456	8,744
OTHER KEY FINANCIAL MEASURES{1}						
Total debt-to-total capital			34.6%	42.3%	43.0%	40.1%
Net debt-to-net capital			21.9%	31.4%	32.2%	25.5%
Return on common equity			61.3%	60.5%	56.2%	52.0%
Return on capital			39.4%	36.7%	34.9%	32.7%
Dividend payout ratio			33.6%	35.7%	37.2%	39.4%
Free cash flow			\$ 3,533	\$ 2,413	\$ 2,102	\$ 2,146
Economic profit			\$ 3,325	\$ 2,718	\$ 2,291	\$ 1,896

<FN>
{1} See Glossary on page 67.
{2} In 1994, we adopted SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities."
{3} In 1993, we adopted SFAS No. 112, "Employers' Accounting for Postemployment Benefits."
{4} In 1992, we adopted SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions."
</FN>
</TABLE>

- 42 -

<TABLE>	THE COCA-COLA COMPANY AND SUBSIDIARIES						
SELECTED FINANCIAL DATA							
<CAPTION>							
(In millions except per share data, ratios	Year Ended December 31,						
and growth rates)	1993{3}	1992{4,5}	1991{5}	1990{5}	1989{5}	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
SUMMARY OF OPERATIONS							
Net operating revenues	\$14,030	\$13,119	\$11,599	\$10,261	\$ 8,637	\$ 8,076	\$ 7,667
Cost of goods sold	5,160	5,055	4,649	4,208	3,548	3,429	3,633
Gross profit	8,870	8,064	6,950	6,053	5,089	4,637	4,034
Selling, administrative and general expenses	5,771	5,317	4,641	4,103	3,342	3,044	2,682
Operating income	3,099	2,747	2,309	1,950	1,747	1,603	1,352
Interest income	144	164	175	170	205	199	232
Interest expense	168	171	192	231	308	230	297
Equity income	91	65	40	110	75	92	64
Other income (deductions)-net	7	(59)	51	15	45	(38)	(28)
Gains on issuances of stock by equity investees	12	-	-	-	-	-	40
Income from continuing							

operations before income taxes and changes in accounting principles	3,185	2,746	2,383	2,014	1,764	1,626	1,363
Income taxes	997	863	765	632	553	537	496

Income from continuing operations before changes in accounting principles	\$ 2,188	\$ 1,883	\$ 1,618	\$ 1,382	\$ 1,211	\$ 1,089	\$ 867
---	----------	----------	----------	----------	----------	----------	--------

Net income	\$ 2,176	\$ 1,664	\$ 1,618	\$ 1,382	\$ 1,537	\$ 1,045	\$ 916
Preferred stock dividends	-	-	1	18	21	7	-

Net income available to common share owners	\$ 2,176	\$ 1,664	\$ 1,617	\$ 1,364	\$ 1,516{6}	\$ 1,038	\$ 916
---	----------	----------	----------	----------	-------------	----------	--------

Average common shares outstanding	2,603	2,634	2,666	2,674	2,768	2,917	3,019
Average common shares outstanding assuming dilution	2,626	2,668	2,695	2,706	2,789	2,929	3,037

PER COMMON SHARE DATA

Income from continuing operations before changes in accounting principles - basic	\$.84	\$.72	\$.61	\$.51	\$.43	\$.37	\$.29
Income from continuing operations before changes in accounting principles - diluted	.83	.71	.60	.50	.43	.37	.29
Basic net income	.84	.63	.61	.51	.55{6}	.36	.30
Diluted net income	.83	.62	.60	.50	.54	.35	.30
Cash dividends	.34	.28	.24	.20	.17	.15	.14
Market price on December 31	22.31	20.94	20.06	11.63	9.66	5.58	4.77

TOTAL MARKET VALUE OF COMMON STOCK{1}	\$57,905	\$54,728	\$53,325	\$31,073	\$26,034	\$15,834	\$14,198
---------------------------------------	----------	----------	----------	----------	----------	----------	----------

BALANCE SHEET DATA

Cash, cash equivalents and current marketable securities	\$ 1,078	\$ 1,063	\$ 1,117	\$ 1,492	\$ 1,182	\$ 1,231	\$ 1,489
Property, plant and equipment-net	3,729	3,526	2,890	2,386	2,021	1,759	1,602
Depreciation	333	310	254	236	181	167	152
Capital expenditures	800	1,083	792	593	462	387	304
Total assets	12,021	11,052	10,189	9,245	8,249	7,451	8,606
Long-term debt	1,428	1,120	985	536	549	761	909
Total debt	3,100	3,207	2,288	2,537	1,980	2,124	2,995
Share-owners' equity	4,584	3,888	4,239	3,662	3,299	3,345	3,187
Total capital{1}	7,684	7,095	6,527	6,199	5,279	5,469	6,182

OTHER KEY FINANCIAL MEASURES{1}

Total debt-to-total capital	40.3%	45.2%	35.1%	40.9%	37.5%	38.8%	48.4%
Net debt-to-net capital	29.0%	33.1%	24.1%	24.6%	15.6%	21.1%	21.1%
Return on common equity	51.7%	46.4%	41.3%	41.4%	39.4%	34.7%	26.0%
Return on capital	31.2%	29.4%	27.5%	26.8%	26.5%	21.3%	18.3%
Dividend payout ratio	40.6%	44.3%	39.5%	39.2%	31.0{6}	42.1%	46.0%
Free cash flow	\$ 1,623	\$ 873	\$ 960	\$ 844	\$ 1,664	\$ 1,517	\$ 1,023
Economic profit	\$ 1,549	\$ 1,300	\$ 1,073	\$ 920	\$ 859	\$ 717	\$ 530

<FN>

{5} In 1992, we adopted SFAS No. 109, "Accounting for Income Taxes," by restating financial statements beginning in 1989.

{6} Net income available to common share owners in 1989 included after-tax gains of \$604 million (\$.22 per common share, basic and diluted) from the sales of our equity interest in Columbia Pictures Entertainment, Inc. and our bottled water business, and the transition effect of \$265 million related to the change in accounting for income taxes. Excluding these nonrecurring items, our dividend payout ratio in 1989 was 39.9 percent.

</FN>

</TABLE>

<TABLE>
CONSOLIDATED BALANCE SHEETS THE COCA-COLA COMPANY AND SUBSIDIARIES
<CAPTION>

December 31, 1997 1996

(In millions except share data)

ASSETS

<S>	<C>	<C>
CURRENT		
Cash and cash equivalents	\$ 1,737	\$ 1,433
Marketable securities	106	225
- - - - -		
	1,843	1,658
Trade accounts receivable, less allowances of \$23 in 1997 and \$30 in 1996	1,639	1,641
Inventories	959	952
Prepaid expenses and other assets	1,528	1,659
- - - - -		
TOTAL CURRENT ASSETS	5,969	5,910
- - - - -		
INVESTMENTS AND OTHER ASSETS		
Equity method investments		
Coca-Cola Enterprises Inc.	184	547
Coca-Cola Amatil Limited	1,204	881
Other, principally bottling companies	3,049	2,004
Cost method investments, principally bottling companies	457	737
Marketable securities and other assets	1,607	1,779
- - - - -		
	6,501	5,948
- - - - -		
PROPERTY, PLANT AND EQUIPMENT		
Land	183	204
Buildings and improvements	1,535	1,528
Machinery and equipment	3,896	3,649
Containers	157	200
- - - - -		
	5,771	5,581
Less allowances for depreciation	2,028	2,031
- - - - -		
	3,743	3,550
- - - - -		
GOODWILL AND OTHER INTANGIBLE ASSETS		
	727	753
- - - - -		
	\$ 16,940	\$ 16,161

See Notes to Consolidated Financial Statements.

</TABLE>

- 44 -

<TABLE>
CONSOLIDATED BALANCE SHEETS THE COCA-COLA COMPANY AND SUBSIDIARIES
<CAPTION>

December 31,	1997	1996
- - - - -		
(In millions except share data)		
LIABILITIES AND SHARE-OWNERS' EQUITY		
<S>	<C>	<C>
CURRENT		
Accounts payable and accrued expenses	\$ 3,249	\$ 2,972
Loans and notes payable	2,677	3,388
Current maturities of long-term debt	397	9
Accrued income taxes	1,056	1,037
- - - - -		
TOTAL CURRENT LIABILITIES	7,379	7,406
- - - - -		
LONG-TERM DEBT	801	1,116
- - - - -		
OTHER LIABILITIES	1,001	1,182
- - - - -		
DEFERRED INCOME TAXES	448	301
- - - - -		
SHARE-OWNERS' EQUITY		
Common stock, \$.25 par value		
Authorized: 5,600,000,000 shares		
Issued: 3,443,441,902 shares in 1997;		
3,432,956,518 shares in 1996	861	858
Capital surplus	1,527	1,058
Reinvested earnings	17,869	15,127

Unearned compensation related to outstanding restricted stock	(50)	(61)
Foreign currency translation adjustment	(1,372)	(662)
Unrealized gain on securities available for sale	58	156
	-----	-----
	18,893	16,476
Less treasury stock, at cost (972,812,731 shares in 1997; 951,963,574 shares in 1996)	11,582	10,320
	-----	-----
	7,311	6,156
	-----	-----
	\$ 16,940	\$ 16,161

See Notes to Consolidated Financial Statements.
</TABLE>

- 45 -

<TABLE>
CONSOLIDATED STATEMENTS OF INCOME THE COCA-COLA COMPANY AND SUBSIDIARIES

<CAPTION>
Year Ended December 31, 1997 1996 1995

(In millions except per share data)

<S>	<C>	<C>	<C>
NET OPERATING REVENUES	\$ 18,868	\$ 18,673	\$ 18,127
Cost of goods sold	6,015	6,738	6,940
	-----	-----	-----
GROSS PROFIT	12,853	11,935	11,187
Selling, administrative and general expenses	7,852	8,020	7,161
	-----	-----	-----
OPERATING INCOME	5,001	3,915	4,026
Interest income	211	238	245
Interest expense	258	286	272
Equity income	155	211	169
Other income-net	583	87	86
Gains on issuances of stock by equity investees	363	431	74
	-----	-----	-----
INCOME BEFORE INCOME TAXES	6,055	4,596	4,328
Income taxes	1,926	1,104	1,342
	-----	-----	-----
NET INCOME	\$ 4,129	\$ 3,492	\$ 2,986
	=====	=====	=====
BASIC NET INCOME PER SHARE	\$ 1.67	\$ 1.40	\$ 1.18
DILUTED NET INCOME PER SHARE	\$ 1.64	\$ 1.38	\$ 1.17
	=====	=====	=====
AVERAGE SHARES OUTSTANDING	2,477	2,494	2,525
Dilutive effect of stock options	38	29	24
	-----	-----	-----
AVERAGE SHARES OUTSTANDING ASSUMING DILUTION	2,515	2,523	2,549

See Notes to Consolidated Financial Statements.
</TABLE>

- 46 -

<TABLE>
<CAPTION>
CONSOLIDATED STATEMENTS OF CASH FLOWS THE COCA-COLA COMPANY AND SUBSIDIARIES

Year Ended December 31, 1997 1996 1995

(In millions)

<S>	<C>	<C>	<C>
OPERATING ACTIVITIES			
Net income	\$ 4,129	\$ 3,492	\$ 2,986
Depreciation and amortization	626	633	562
Deferred income taxes	380	(145)	157
Equity income, net of dividends	(108)	(89)	(25)
Foreign currency adjustments	37	(60)	(23)
Gains on issuances of stock by equity investees	(363)	(431)	(74)
Gains on sales of assets, including bottling interests	(639)	(135)	(16)
Other items	18	316	60
Net change in operating assets and liabilities	(47)	(118)	(299)
	-----	-----	-----
Net cash provided by operating activities	4,033	3,463	3,328

70								
Net income	--		--	--	2,986	--	--	--
Dividends (per share-\$.44)	--		--	--	(1,110)	--	--	--

BALANCE DECEMBER 31, 1995 (8,799)	2,505		856	863	12,882	(68)	(424)	82
Stock issued to employees exercising stock options	9		2	122	--	--	--	--
Tax benefit from employees' stock option and restricted stock plans	--		--	63	--	--	--	--
Stock issued under restricted stock plans, less amortization of \$15	--		--	10	--	7	--	--
Translation adjustments	--		--	--	--	--	(238)	--
Net change in unrealized gain on securities, net of deferred taxes	--		--	--	--	--	--	74
Purchases of stock for treasury (1,521)	(33)	{1}	--	--	--	--	--	--
Net income	--		--	--	3,492	--	--	--
Dividends (per share-\$.50)	--		--	--	(1,247)	--	--	--

BALANCE DECEMBER 31, 1996 (10,320)	2,481		858	1,058	15,127	(61)	(662)	156
Stock issued to employees exercising stock options	10		3	147	--	--	--	--
Tax benefit from employees' stock option and restricted stock plans	--		--	312	--	--	--	--
Stock issued under restricted stock plans, less amortization of \$10	--		--	10	--	11	--	--
Translation adjustments	--		--	--	--	--	(710)	--
Net change in unrealized gain on securities, net of deferred taxes	--		--	--	--	--	--	(98)
Purchases of stock for treasury (1,262)	(20)	{1}	--	--	--	--	--	--
Net income	--		--	--	4,129	--	--	--
Dividends (per share-\$.56)	--		--	--	(1,387)	--	--	--

BALANCE DECEMBER 31, 1997 \$(11,582)	2,471		\$861	\$1,527	\$17,869	\$ (50)	\$ (1,372)	\$ 58

{1} Common stock purchased from employees exercising stock options numbered 1.1 million, .9 million and .6 million shares for the years ending December 31, 1997, 1996 and 1995, respectively.
See Notes to Consolidated Financial Statements.

</TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS THE COCA-COLA COMPANY AND SUBSIDIARIES

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION - The Coca-Cola Company and subsidiaries (our Company) is predominantly a manufacturer, marketer and distributor of soft-drink and noncarbonated beverage concentrates and syrups. Operating in nearly 200 countries worldwide, we primarily sell our concentrates and syrups to bottling and canning operations, fountain wholesalers and

fountain retailers. We have significant markets for our products in all of the world's geographic regions. We record revenue when title passes to our customers.

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

CONSOLIDATION - Our consolidated financial statements include the accounts of The Coca-Cola Company and all subsidiaries except where control is temporary or does not rest with our Company. Our investments in companies in which we have 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, our Company's share of the net earnings of these companies is included in consolidated net income. Our investments in other companies are carried at cost or fair value, as appropriate. All significant intercompany accounts and transactions are eliminated upon consolidation.

ISSUANCES OF STOCK BY EQUITY INVESTEES - When one of our equity investees issues additional shares to third parties, our percentage ownership interest in the investee decreases. In the event the issuance price per share is more or less than our average carrying amount per share, we recognize a noncash gain or loss on the issuance. This noncash gain or loss, net of any deferred taxes, is recognized in our net income in the period the change of ownership interest occurs.

ADVERTISING COSTS - Our Company expenses production costs of print, radio and television advertisements as of the first date the advertisements take place. Advertising expenses included in selling, administrative and general expenses were \$1,576 million in 1997, \$1,441 million in 1996 and \$1,292 million in 1995. As of December 31, 1997 and 1996, advertising costs of approximately \$358 million and \$247 million, respectively, were recorded primarily in prepaid expenses and other assets in our accompanying balance sheets.

NET INCOME PER SHARE Basic net income per share is computed by dividing net income by the weighted-average number of shares outstanding. Diluted net income per share includes the dilutive effect of stock options.

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 consist primarily of raw materials and supplies and are valued at the lower of cost or market. In general, cost is determined on the basis of average cost or first-in, first-out methods.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost and 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 amortized, principally on a straight-line basis, over the estimated future periods to be benefited (not exceeding 40 years). Goodwill and other intangible assets are periodically reviewed for impairment based on an assessment of future operations to ensure they are appropriately valued. Accumulated amortization was approximately \$105 million and \$86 million on December 31, 1997 and 1996, respectively.

USE OF ESTIMATES - In conformity with generally accepted accounting principles, the preparation of our financial statements requires our management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. Although these estimates are based on our knowledge of current events and actions we may undertake in the future, actual results may ultimately differ from estimates.

NEW ACCOUNTING STANDARDS - In 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 130, "Reporting Comprehensive Income," and SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." These statements, which are effective for fiscal years beginning after December 15,

1997, expand or modify disclosures and will have no impact on our consolidated financial position, results of operations or cash flows.

We adopted SFAS No. 128, "Earnings per Share," in 1997. In accordance with SFAS No. 128, we have presented both basic net income per share and diluted net income per share in our financial statements.

- 49 -

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS THE COCA-COLA COMPANY AND SUBSIDIARIES

NOTE 2: BOTTLING INVESTMENTS

COCA-COLA ENTERPRISES INC. - Coca-Cola Enterprises is the largest soft-drink bottler in the world. Our Company owns approximately 44 percent of the outstanding common stock of Coca-Cola Enterprises, and accordingly, we account for our investment by the equity method of accounting. The excess of our equity in the underlying net assets of Coca-Cola Enterprises over our investment is primarily being amortized on a straight-line basis over 40 years. The balance of this excess, net of amortization, was approximately \$595 million at December 31, 1997. A summary of financial information for Coca-Cola Enterprises is as follows (in millions):

December 31,	1997	1996
Current assets	\$ 1,813	\$ 1,319
Noncurrent assets	15,674	9,915
Total assets	\$ 17,487	\$ 11,234
Current liabilities	\$ 3,032	\$ 1,690
Noncurrent liabilities	12,673	7,994
Total liabilities	\$ 15,705	\$ 9,684
Share-owners' equity	\$ 1,782	\$ 1,550
Company equity investment	\$ 184	\$ 547

Year Ended December 31,	1997	1996	1995
Net operating revenues	\$ 11,278	\$ 7,921	\$ 6,773
Cost of goods sold	7,096	4,896	4,267
Gross profit	\$ 4,182	\$ 3,025	\$ 2,506
Operating income	\$ 720	\$ 545	\$ 468
Cash operating profit{1}	\$ 1,666	\$ 1,172	\$ 997
Net income	\$ 171	\$ 114	\$ 82
Net income available to common share owners	\$ 169	\$ 106	\$ 80
Company equity income	\$ 59	\$ 53	\$ 35

{1} Cash operating profit is defined as operating income plus depreciation expense, amortization expense and other noncash operating expenses.

Our net concentrate/syrup sales to Coca-Cola Enterprises were \$2.5 billion in 1997, \$1.6 billion in 1996 and \$1.3 billion in 1995, comprising approximately 13 percent, 9 percent and 7 percent of our 1997, 1996 and 1995 net operating revenues. Coca-Cola Enterprises purchases sweeteners through our Company; however, related collections from Coca-Cola Enterprises and payments to suppliers are not included in our consolidated statements of income. These transactions amounted to \$223 million in 1997, \$247 million in 1996 and \$242 million in 1995. We also provide certain administrative and other services to Coca-Cola Enterprises under negotiated fee arrangements.

Our direct support for certain marketing activities of Coca-Cola Enterprises and participation with them in cooperative advertising and other marketing programs amounted to approximately \$604 million in 1997, \$448 million in 1996 and \$343 million in 1995. Additionally, in 1997 and 1996, we committed approximately \$190 million and \$120 million,

respectively, to Coca-Cola Enterprises under a Company program that encourages bottlers to invest in building and supporting beverage infrastructure.

If valued at the December 31, 1997, quoted closing price of publicly traded Coca-Cola Enterprises shares, the calculated value of our investment in Coca-Cola Enterprises would have exceeded its carrying value by approximately \$5.8 billion.

COCA-COLA AMATIL LIMITED - We own approximately 33 percent of Coca-Cola Amatil, an Australian-based bottler of our products that operates in 18 countries. Accordingly, we account for our investment in Coca-Cola Amatil by the equity method. The excess of our investment over our equity in the underlying net assets of Coca-Cola Amatil is being amortized on a straight-line basis over 40 years. The balance of this excess, net of amortization, was approximately \$64 million at December 31, 1997. A summary of financial information for Coca-Cola Amatil is as follows (in millions):

December 31,	1997	1996
Current assets	\$ 1,470	\$ 1,847
Noncurrent assets	4,590	2,913
Total assets	\$ 6,060	\$ 4,760
Current liabilities	\$ 1,053	\$ 1,247
Noncurrent liabilities	1,552	1,445
Total liabilities	\$ 2,605	\$ 2,692
Share-owners' equity	\$ 3,455	\$ 2,068
Company equity investment	\$ 1,204	\$ 881

Year Ended December 31,	1997	1996	1995
Net operating revenues	\$ 3,290	\$ 2,905	\$ 2,193
Cost of goods sold	1,856	1,737	1,311
Gross profit	\$ 1,434	\$ 1,168	\$ 882
Operating income	\$ 276	\$ 215	\$ 214
Cash operating profit{1}	\$ 505	\$ 384	\$ 329
Net income	\$ 89	\$ 80	\$ 75
Company equity income	\$ 27	\$ 27	\$ 28

{1} Cash operating profit is defined as operating income plus depreciation expense, amortization expense and other noncash operating expenses.

Our net concentrate sales to Coca-Cola Amatil were approximately \$588 million in 1997, \$450 million in 1996 and \$340 million in 1995. We also participate in various marketing, promotional and other activities with Coca-Cola Amatil.

If valued at the December 31, 1997, quoted closing price of publicly traded Coca-Cola Amatil shares, the calculated value of our investment in Coca-Cola Amatil would have exceeded its carrying value by approximately \$918 million.

- 50 -

NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS

THE COCA-COLA COMPANY
AND SUBSIDIARIES

OTHER EQUITY INVESTMENTS - Operating results include our proportionate share of income from our equity investments since the respective dates of those investments. A summary of financial information for our equity investments in the aggregate, other than Coca-Cola Enterprises and Coca-Cola Amatil, is as follows (in millions):

December 31,	1997	1996
Current assets	\$ 2,946	\$ 2,792
Noncurrent assets	11,371	8,783
Total assets	\$ 14,317	\$ 11,575

Current liabilities	\$ 3,545	\$ 2,758
Noncurrent liabilities	4,636	4,849

Total liabilities	\$ 8,181	\$ 7,607

Share-owners' equity	\$ 6,136	\$ 3,968

Company equity investment	\$ 3,049	\$ 2,004

Year Ended December 31,	1997	1996	1995

Net operating revenues	\$ 13,688	\$ 11,640	\$ 9,370
Cost of goods sold	8,645	8,028	6,335

Gross profit	\$ 5,043	\$ 3,612	\$ 3,035

Operating income	\$ 869	\$ 835	\$ 632

Cash operating profit{1}	\$ 1,794	\$ 1,268	\$ 1,079

Net income	\$ 405	\$ 366	\$ 280

Company equity income	\$ 69	\$ 131	\$ 106

Equity investments include certain non-bottling investees.

{1} Cash operating profit is defined as operating income plus depreciation expense, amortization expense and other noncash operating expenses.

Net sales to equity investees other than Coca-Cola Enterprises and Coca-Cola Amatil were \$1.5 billion in 1997, \$1.5 billion in 1996 and \$1.2 billion in 1995. Our Company also participates in various marketing, promotional and other activities with these investees, the majority of which are located outside the United States.

In February 1997, we sold our 49 percent interest in Coca-Cola & Schweppes Beverages Ltd. to Coca-Cola Enterprises. This transaction resulted in proceeds for our Company of approximately \$1 billion and an after-tax gain of approximately \$.08 per share (basic and diluted). In August 1997, we sold our 48 percent interest in Coca-Cola Beverages Ltd. of Canada and our 49 percent ownership interest in The Coca-Cola Bottling Company of New York, Inc. to Coca-Cola Enterprises in exchange for aggregate consideration valued at approximately \$456 million. This sale resulted in an after-tax gain of approximately \$.04 per share (basic and diluted).

In July 1996, we sold our interests in our French and Belgian bottling and canning operations to Coca-Cola Enterprises in return for cash consideration of approximately \$936 million. Also in 1996, we contributed cash and our Venezuelan bottling interests to a new joint venture, Embotelladora Coca-Cola y Hit de Venezuela, S.A. (Coca-Cola y Hit), in exchange for a 50 percent ownership interest. In 1997, we sold our interest in Coca-Cola y Hit to Panamerican Beverages, Inc. (Panamco) in exchange for shares in Panamco. (See Note 3.)

If valued at the December 31, 1997, quoted closing prices of shares actively traded on stock markets, the calculated value of our equity investments in publicly traded bottlers other than Coca-Cola Enterprises and Coca-Cola Amatil would have exceeded our carrying value by approximately \$1.2 billion.

NOTE 3: ISSUANCES OF STOCK BY EQUITY INVESTEES

In the second quarter of 1997, our Company and San Miguel Corporation (San Miguel) sold our respective interests in Coca-Cola Bottlers Philippines, Inc. to Coca-Cola Amatil in exchange for approximately 293 million shares of Coca-Cola Amatil stock. In connection with this transaction, Coca-Cola Amatil issued approximately 210 million shares to San Miguel valued at approximately \$2.4 billion. The issuance to San Miguel resulted in a one-time noncash pretax gain for our Company of approximately \$343 million. We provided deferred taxes of approximately \$141.5 million on this gain. This transaction resulted in our Company's 36 percent interest in Coca-Cola Amatil being diluted to 33 percent.

Also in the second quarter of 1997, our Company and the Cisneros Group sold our respective interests in Coca-Cola y Hit to Panamco in exchange for approximately 30.6 million shares of Panamco stock. In connection with this transaction, Panamco issued approximately 13.6 million shares to the Cisneros Group valued at approximately \$402 million. The issuance to the Cisneros Group resulted in a one-time noncash

pretax gain for our Company of approximately \$20 million. We provided deferred taxes of approximately \$7.2 million on this gain. At the completion of this transaction, our ownership in Panamco was approximately 23 percent.

In the third quarter of 1996, our previously wholly owned subsidiary, Coca-Cola Erfrischungsgetraenke G.m.b.H. (CCEG), issued approximately 24.4 million shares of common stock as part of a merger with three independent German bottlers of our products. The shares were valued at approximately \$925 million, based upon the fair values of the assets of the three acquired bottling companies. In connection with CCEG's issuance of shares, a new corporation was established, Coca-Cola Erfrischungsgetraenke AG (CCEAG), and our ownership was reduced to 45 percent of the resulting corporation. As a result, we began accounting for our related investment by the equity method of accounting prospectively from the transaction date. This transaction resulted in a noncash pretax gain of \$283 million for our Company. We provided deferred taxes of approximately \$171 million related to this gain.

Also in the third quarter of 1996, Coca-Cola Amatil issued approximately 46 million shares in exchange for approximately \$522 million. This issuance reduced our Company's ownership percentage in Coca-Cola Amatil from approximately 39 percent to approximately 36 percent. This transaction resulted in a noncash

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS THE COCA-COLA COMPANY AND SUBSIDIARIES

pretax gain of \$130 million for our Company. We have provided deferred taxes of approximately \$47 million on this gain.

In 1996, Coca-Cola FEMSA de Buenos Aires, S.A. (CCFBA) issued approximately 19 million shares to Coca-Cola FEMSA, S.A. de C.V. This issuance reduced our ownership in CCFBA from 49 percent to approximately 32 percent. We recognized a noncash pretax gain of approximately \$18 million as a result of this transaction. In subsequent transactions, we disposed of our remaining interest in CCFBA.

In the third quarter of 1995, Coca-Cola Amatil completed a public offering in Australia of approximately 97 million shares of common stock. In connection with the offering, our ownership interest in Coca-Cola Amatil was diluted to approximately 40 percent. This transaction resulted in a noncash pretax gain of \$74 million. We provided deferred taxes of approximately \$27 million on this gain.

NOTE 4: ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following (in millions):

December 31,	1997	1996
Accrued marketing	\$ 615	\$ 510
Container deposits	30	64
Accrued compensation	152	169
Sales, payroll and other taxes	173	174
Accounts payable and other accrued expenses	2,279	2,055
	\$ 3,249	\$ 2,972

NOTE 5: SHORT-TERM BORROWINGS AND CREDIT ARRANGEMENTS

Loans and notes payable consist primarily of commercial paper issued in the United States. On December 31, 1997, we had \$2.6 billion outstanding in commercial paper borrowings. In addition, we had \$.9 billion in lines of credit and other short-term credit facilities available, under which \$.1 billion was outstanding. Our weighted-average interest rates for commercial paper were approximately 5.8 and 5.6 percent on December 31, 1997 and 1996, respectively.

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 our Company.

NOTE 6: LONG-TERM DEBT

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

December 31,	1997	1996
5-3/4% German mark notes due 1998{1}	\$ 141	\$ 161

7-7/8% U.S. dollar notes due 1998	250	250
6% U.S. dollar notes due 2000	251	251
6-5/8% U.S. dollar notes due 2002	150	150
6% U.S. dollar notes due 2003	150	150
7-3/8% U.S. dollar notes due 2093	116	116
Other, due 1998 to 2013	140	47

	1,198	1,125
Less current portion	397	9

	\$ 801	\$ 1,116
=====		

{1} Portions of these notes have been swapped for liabilities denominated in other currencies.

After giving effect to interest rate management instruments (see Note 8), the principal amount of our long-term debt that had fixed and variable interest rates, respectively, was \$480 million and \$718 million on December 31, 1997, and \$261 million and \$864 million on December 31, 1996. The weighted-average interest rate on our Company's long-term debt was 6.2 and 5.9 percent on December 31, 1997 and 1996, respectively. Interest paid was approximately \$264 million, \$315 million and \$275 million in 1997, 1996 and 1995, respectively.

Maturities of long-term debt for the five years succeeding December 31, 1997, are as follows (in millions):

1998	1999	2000	2001	2002

\$ 397	\$ 13	\$ 309	\$ 61	\$ 151
=====				

The above notes include various restrictions, none of which is presently significant to our Company.

NOTE 7: FINANCIAL INSTRUMENTS

FAIR VALUE OF FINANCIAL INSTRUMENTS - The carrying amounts reflected in our consolidated balance sheets for cash, cash equivalents, marketable equity securities, marketable cost method investments, receivables, loans and notes payable and long-term debt approximate their respective fair values. Fair values are based primarily on quoted prices for those or similar instruments. A comparison of the carrying value and fair value of our hedging instruments is included in Note 8.

CERTAIN DEBT AND MARKETABLE EQUITY SECURITIES - Investments in debt and marketable equity securities, other than investments accounted for by the equity method, are categorized as either trading, available-for-sale or held-to-maturity. On December 31, 1997 and 1996, we had no trading securities. Securities categorized as available-for-sale are stated at fair value, with unrealized gains and losses, net of deferred income taxes, reported in share-

- 52 -

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS THE COCA-COLA COMPANY AND SUBSIDIARIES

owners' equity. Debt securities categorized as held-to-maturity are stated at amortized cost.

On December 31, 1997 and 1996, available-for-sale and held-to-maturity securities consisted of the following (in millions):

December 31,	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value

1997				
Available-for-sale securities				
Equity securities	\$ 293	\$ 93	\$ (3)	\$ 383
Collateralized mortgage obligations	132	-	(2)	130
Other debt securities	23	-	-	23

	\$ 448	\$ 93	\$ (5)	\$ 536
=====				

Held-to-maturity securities				
Bank and corporate debt	\$ 1,569	\$ -	\$ -	\$ 1,569

Other debt securities	22	-	-	22
	\$ 1,591	\$ -	\$ -	\$ 1,591

December 31,	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
1996				
Available-for-sale securities				
Equity securities	\$ 377	\$ 259	\$ (2)	\$ 634
Collateralized mortgage obligations	145	-	(5)	140
Other debt securities	24	-	(1)	23
	\$ 546	\$ 259	\$ (8)	\$ 797
Held-to-maturity securities				
Bank and corporate debt	\$ 1,550	\$ -	\$ (9)	\$ 1,541
Other debt securities	58	-	-	58
	\$ 1,608	\$ -	\$ (9)	\$ 1,599

On December 31, 1997 and 1996, these investments were included in the following captions on our consolidated balance sheets (in millions):

December 31,	Available-for-Sale Securities	Held-to-Maturity Securities
1997		
Cash and cash equivalents	\$ -	\$ 1,346
Current marketable securities	64	42
Cost method investments, principally bottling companies	336	-
Marketable securities and other assets	136	203
	\$ 536	\$ 1,591

December 31,	Available-for-Sale Securities	Held-to-Maturity Securities
1996		
Cash and cash equivalents	\$ -	\$ 1,208
Current marketable securities	68	157
Cost method investments, principally bottling companies	584	-
Marketable securities and other assets	145	243
	\$ 797	\$ 1,608

The contractual maturities of these investments as of December 31, 1997, were as follows (in millions):

	Available-for-Sale Securities		Held-to-Maturity Securities	
	Cost	Fair Value	Amortized Cost	Fair Value
1998	\$ 20	\$ 20	\$ 1,388	\$ 1,388
1999-2002	3	3	203	203
Collateralized mortgage obligations	132	130	-	-
Equity securities	293	383	-	-
	\$ 448	\$ 536	\$ 1,591	\$ 1,591

For the years ended December 31, 1997 and 1996, gross

realized gains and losses on sales of available-for-sale securities were not material. The cost of securities sold is based on the specific identification method.

NOTE 8: HEDGING TRANSACTIONS AND DERIVATIVE FINANCIAL INSTRUMENTS
Our Company uses derivative financial instruments primarily to reduce our exposure to adverse fluctuations in interest rates and foreign exchange rates, and to a lesser extent, to reduce our exposure to adverse fluctuations in commodity prices and other market risks. When entered into, these financial instruments are designated as hedges of underlying exposures. Because of the high correlation between the hedging instrument and the underlying exposure being hedged, fluctuations in the value of the instruments are generally offset by changes in the value of the

- 53 -

NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS

THE COCA-COLA COMPANY
AND SUBSIDIARIES

underlying exposures. Virtually all of our derivatives are "over-the-counter" instruments. Our Company does not enter into derivative financial instruments for trading purposes.

The estimated fair values of derivatives used to hedge or modify our risks fluctuate over time. These fair value amounts should not be viewed in isolation but rather in relation to the fair values of the underlying hedged transactions and investments and to the overall reduction in our exposure to adverse fluctuations in interest rates, foreign exchange rates, commodity prices and other market risks.

The notional amounts of the derivative financial instruments do not necessarily represent amounts exchanged by the parties and, therefore, are not a direct measure of our exposure through our use of derivatives. The amounts exchanged are calculated by reference to the notional amounts and by other terms of the derivatives, such as interest rates, exchange rates or other financial indices.

We have established strict counterparty credit guidelines and only enter into transactions with financial institutions of investment grade or better. We monitor counterparty exposures daily and any downgrade in credit rating receives immediate review. If a downgrade in the credit rating of a counterparty were to occur, we have provisions requiring collateral in the form of U.S. government securities for substantially all of our transactions. To mitigate pre-settlement risk, minimum credit standards become more stringent as the duration of the derivative financial instrument increases. To minimize the concentration of credit risk, we enter into derivative transactions with a portfolio of financial institutions. As a result, we consider the risk of counterparty default to be minimal.

INTEREST RATE MANAGEMENT - Our Company maintains our percentage of fixed and variable rate debt within defined parameters. We enter into interest rate swap agreements that maintain the fixed/variable mix within these parameters. These contracts had maturities ranging from one to six years on December 31, 1997. Variable rates are predominantly linked to LIBOR (London Interbank Offered Rate). Any differences paid or received on interest rate swap agreements are recognized as adjustments to interest expense over the life of each swap, thereby adjusting the effective interest rate on the underlying obligation.

FOREIGN CURRENCY MANAGEMENT - The purpose of our foreign currency hedging activities is to reduce the risk that our eventual dollar net cash inflows resulting from sales outside the United States will be adversely affected by changes in exchange rates.

We enter into forward exchange contracts and purchase currency options (principally European currencies and Japanese yen) to hedge firm sale commitments denominated in foreign currencies. We also purchase currency options (principally European currencies and Japanese yen) to hedge certain anticipated sales. Premiums paid and realized gains and losses, including those on terminated contracts, if any, are included in prepaid expenses and other assets. These are recognized in income along with unrealized gains and losses, in the same period the hedged transactions are realized. Approximately \$52 million of realized gains and \$17 million of realized losses on settled contracts entered into as hedges of firmly committed transactions that have not yet

occurred were deferred on December 31, 1997 and 1996, respectively. Deferred gains/losses from hedging anticipated transactions were not material on December 31, 1997 or 1996. In the unlikely event that the underlying transaction terminates or becomes improbable, the deferred gains or losses on the associated derivative will be recorded in our income statement.

Gains and losses on derivative financial instruments that are designated and effective as hedges of net investments in international operations are included in share-owners' equity as a foreign currency translation adjustment.

The following table presents the aggregate notional principal amounts, carrying values, fair values and maturities of our derivative financial instruments outstanding on December 31, 1997 and 1996 (in millions):

December 31,	Notional Principal Amounts	Carrying Values	Fair Values	Maturity

1997				
Interest rate management				
Swap agreements				
Assets	\$ 597	\$ 4	\$ 15	1998-2003
Liabilities	175	(1)	(12)	2000-2003
Foreign currency management				
Forward contracts				
Assets	1,286	27	93	1998-1999
Liabilities	465	(6)	18	1998-1999
Swap agreements				
Assets	178	1	3	1998
Liabilities	1,026	(4)	(28)	1998-2002
Purchased options				
Assets	1,051	34	109	1998
Other				
Assets	470	2	53	1998
Liabilities	68	(2)	-	1998

	\$ 5,316	\$ 55	\$ 251	
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- 54 -

NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS

THE COCA-COLA COMPANY
AND SUBSIDIARIES

December 31,	Notional Principal Amounts	Carrying Values	Fair Values	Maturity

1996				
Interest rate management				
Swap agreements				
Assets	\$ 893	\$ 5	\$ 13	1997-2003
Liabilities	25	-	1	2002
Interest rate caps				
Assets	400	1	-	1997
Foreign currency management				
Forward contracts				
Assets	5	1	(2)	1997
Liabilities	2,541	(53)	(42)	1997-1998
Swap agreements				
Assets	398	18	12	1997-1998
Liabilities	1,086	(12)	(114)	1997-2002
Purchased options				
Assets	1,873	42	89	1997
Other				
Assets	537	67	33	1997

Under the amended 1989 Restricted Stock Award Plan and the amended 1983 Restricted Stock Award Plan (the Restricted Stock Award Plans), 40 million and 24 million shares of restricted common stock, respectively, may be granted to certain officers and key employees of our Company.

On December 31, 1997, 33 million shares were available for grant under the Restricted Stock Award Plans. In 1997, 1996 and 1995, 162,000, 210,000 and 190,000 shares of restricted stock were granted at \$59.75, \$48.88 and \$35.63, respectively. Participants are entitled to vote and receive dividends on the shares, and under the 1983 Restricted Stock Award Plan, participants are reimbursed by our 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 a participant leaves our Company for reasons other than retirement, disability or death, absent a change in control of our Company.

Under our 1991 Stock Option Plan (the Option Plan), a maximum of 120 million shares of our common stock was approved to 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. Options to purchase common stock under the Option Plan have been granted to Company employees at fair market value at the date of grant. Generally, stock options become exercisable over a three-year vesting period and expire 10 years from the date of grant.

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in 1997, 1996 and 1995, respectively: dividend yields of 1.0, 1.0 and 1.3 percent; expected volatility of 20.1, 18.3 and 20.1 percent; risk-free interest rates of 6.0, 6.2 and 5.9 percent; and expected lives of four years for all years. The weighted-average fair value of options granted was \$13.92, \$11.43 and \$8.13 for the years ended December 31, 1997, 1996 and 1995, respectively.

A summary of stock option activity under all plans is as follows (shares in millions):

		1997		1996		1995	
		Shares	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Outstanding on January 1,	78	\$ 26.50	74	\$ 20.74	65	\$ 15.53	
Granted	13	59.79	14	48.86	18	34.88	
Exercised	(10)	14.46	(9)	13.72	(8)	10.63	
Forfeited/Expired	(1)	44.85	(1)	31.62	(1)	24.84	
Outstanding on December 31,	80	\$ 33.22	78	\$ 26.50	74	\$ 20.74	
Exercisable on December 31,	55	\$ 24.62	51	\$ 18.69	45	\$ 14.22	
Shares Available on December 31, for options that may be granted	34		46		59		

The following table summarizes information about stock options at December 31, 1997 (shares in millions):

Range of Exercise Prices	Outstanding Stock Options			Exercisable Stock Options	
	Shares	Weighted-Average Remaining Contractual Life	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price

<S>	<C>	<C>	<C>	<C>	<C>
\$ 4.00 to \$ 10.00	11	1.5 years	\$ 7.33	11	\$ 7.33
\$ 10.01 to \$ 20.00	4	3.5 years	\$ 14.50	4	\$ 14.50
\$ 20.01 to \$ 30.00	24	6.1 years	\$ 23.71	24	\$ 23.71
\$ 30.01 to \$ 40.00	15	7.8 years	\$ 35.63	11	\$ 35.63
\$ 40.01 to \$ 50.00	13	8.8 years	\$ 48.86	5	\$ 48.86
\$ 50.01 to \$ 71.00	13	9.8 years	\$ 59.78	-	\$ -
=====					
\$ 4.00 to \$ 71.00	80	6.7 years	\$ 33.22	55	\$ 24.62
=====					

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- 56 -

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS THE COCA-COLA COMPANY AND SUBSIDIARIES

In 1988, our Company entered into Incentive Unit Agreements whereby, subject to certain conditions, certain officers were given the right to receive cash awards based on the market value of 2.4 million shares of our common stock at the measurement dates. Under the Incentive Unit Agreements, the employee is reimbursed by our Company for income taxes imposed when the value of the units is paid, but not for taxes generated by the reimbursement payment. At December 31, 1996 and 1995, approximately 1.6 million units were outstanding. In 1997, all outstanding units were paid at a price of \$58.50 per unit.

In 1985, we entered into Performance Unit Agreements, whereby certain officers were given the right to receive cash awards based on the difference in the market value of approximately 4.4 million shares of our common stock at the measurement dates and the base price of \$2.58, the market value as of January 2, 1985. At December 31, 1996 and 1995, approximately 2.9 million units were outstanding. In 1997, all outstanding units were paid based on a market price of \$58.50 per unit.

NOTE 12: PENSION AND OTHER POSTRETIREMENT BENEFITS

Our 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. We generally fund pension costs currently, subject to regulatory funding limitations. We also sponsor nonqualified, unfunded defined benefit plans for certain officers and other employees. In addition, our 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 \$77 million in 1997, \$85 million in 1996 and \$81 million in 1995. Net periodic pension cost for our defined benefit plans consists of the following (in millions):

Year Ended December 31,	1997	1996	1995
Service cost-benefits earned during the period	\$ 49	\$ 48	\$ 43
Interest cost on projected benefit obligation	93	91	89
Actual return on plan assets	(172)	(169)	(211)
Net amortization and deferral	98	103	145

Net periodic pension cost	\$ 68	\$ 73	\$ 66
=====			

The funded status of our defined benefit plans is as follows (in millions):

December 31,	Assets Exceed Accumulated Benefits		Accumulated Benefits Exceed Assets	
	1997	1996	1997	1996

Actuarial present value of benefit obligations				
Vested benefit obligation	\$ 804	\$ 704	\$ 328	\$ 343
=====				
Accumulated benefit obligation	\$ 872	\$ 768	\$ 370	\$ 384

Projected benefit obligation	\$ 1,016	\$ 890	\$ 472	\$ 485
Plan assets at fair value{1}	1,280	1,126	128	156

Plan assets in excess of (less than) projected benefit obligation	264	236	(344)	(329)
Unrecognized net (asset) liability at transition	(30)	(39)	28	36
Unrecognized prior service cost	29	33	12	16
Unrecognized net (gain) loss	(211)	(191)	113	104
Adjustment required to recognize minimum liability	-	-	(76)	(66)

Accrued pension asset (liability) included in the consolidated balance sheet	\$ 52	\$ 39	\$ (267)	\$ (239)
=====				

{1} Primarily listed stocks, bonds and government securities.

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

Year Ended December 31,	1997	1996	1995

Discount rates	7%	7-1/4%	7%
Rates of increase in compensation levels	4-3/4%	4-3/4%	4-3/4%
Expected long-term rates of return on assets	9%	8-1/2%	8-1/2%
=====			

Our Company has plans providing 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. Net periodic cost for our postretirement health care and life insurance benefits consists of the following (in millions):

Year Ended December 31,	1997	1996	1995

Service cost	\$ 11	\$ 12	\$ 12
Interest cost	23	20	23
Other	(2)	(3)	(2)

	\$ 32	\$ 29	\$ 33
=====			

- 57 -

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS THE COCA-COLA COMPANY AND SUBSIDIARIES

In addition, we contribute to a Voluntary Employees' Beneficiary Association trust that will be used to partially fund health care benefits for future retirees. Generally, we fund 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 funded status of our postretirement health care and life insurance plans is as follows (in millions):

December 31,	1997	1996

Accumulated postretirement benefit obligations:		
Retirees	\$ 154	\$ 114
Fully eligible active plan participants	41	35
Other active plan participants	132	130

Total benefit obligation	327	279
Plan assets at fair value{1}	40	41

Plan assets less than benefit obligation	(287)	(238)
Unrecognized prior service cost	5	5
Unrecognized net gain	(27)	(57)

Accrued postretirement benefit liability included in the consolidated balance sheet	\$ (309)	\$ (290)

=====
 {1} Consists of corporate bonds, government securities and short-term investments.

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

Year Ended December 31,	1997	1996	1995
Discount rate	7-1/4%	7-3/4%	7-1/4%
Rates of increase in compensation levels	4-3/4%	5%	4-3/4%

The rate of increase in the per capita costs of covered health care benefits is assumed to be 7-1/4 percent in 1998, decreasing gradually to 5 percent by the year 2002. Increasing the assumed health care cost trend rate by one percentage point would increase the accumulated postretirement benefit obligation as of December 31, 1997, by approximately \$39 million and increase the net periodic postretirement benefit cost by approximately \$5 million in 1997.

NOTE 13: INCOME TAXES

Income before income taxes consists of the following (in millions):

Year Ended December 31,	1997	1996	1995
United States	\$ 1,515	\$ 1,168	\$ 1,270
International	4,540	3,428	3,058
	\$ 6,055	\$ 4,596	\$ 4,328

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

Year Ended December 31,	United States	State & Local	International	Total
1997				
Current	\$ 240	\$ 45	\$ 1,261	\$ 1,546
Deferred	180	21	179	380
1996				
Current	\$ 256	\$ 79	\$ 914	\$ 1,249
Deferred	(264)	(29)	148	(145)
1995				
Current	\$ 204	\$ 41	\$ 940	\$ 1,185
Deferred	80	10	67	157

We made income tax payments of approximately \$982 million, \$1,242 million and \$1,000 million in 1997, 1996 and 1995, respectively.

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

Year Ended December 31,	1997	1996	1995
Statutory U.S. federal rate	35.0%	35.0%	35.0%
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	(2.6)	(3.3)	(3.9)
Equity income	(.6)	(1.7)	(1.7)
Tax settlement	-	(7.0)	-
Other-net	(1.0)	-	.6
	31.8%	24.0%	31.0%

Our 31.8 percent 1997 effective tax rate reflects the tax benefit derived from having significant operations outside the United States that are taxed at rates lower than the U.S. statutory rate of 35 percent, partially offset by the tax impact of certain gains recognized from previously discussed bottling transactions. These transactions are generally taxed at rates higher than our Company's effective rate on operations.

In 1996, we reached an agreement in principle with the U.S. Internal Revenue Service (IRS) settling certain U.S.-related income tax matters. The agreement included issues in litigation involving our operations in Puerto Rico, dating back to the 1981 tax year and extending through 1995. This agreement resulted in a one-time reduction of \$320 million to our 1996 income tax expense as a result of reversing

previously accrued contingent income tax liabilities. Our 1996 effective tax rate would have been 31 percent, excluding the favorable impact of the settlement with the IRS.

- 58 -

NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS

THE COCA-COLA COMPANY
AND SUBSIDIARIES

Appropriate U.S. and international taxes have been provided for earnings of subsidiary companies that are expected to be remitted to the parent company. Exclusive of amounts that would result in little or no tax if remitted, the cumulative amount of unremitted earnings from our international subsidiaries that is expected to be indefinitely reinvested was approximately \$1,917 million on December 31, 1997. The taxes that would be paid upon remittance of these indefinitely reinvested earnings are approximately \$671 million, based on current tax laws.

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

December 31,	1997	1996

Deferred tax assets:		
Benefit plans	\$ 246	\$ 414
Liabilities and reserves	172	164
Net operating loss carryforwards	72	130
Other	89	88

Gross deferred tax assets	579	796
Valuation allowance	(21)	(18)

	\$ 558	\$ 778
=====		
Deferred tax liabilities:		
Property, plant and equipment	\$ 203	\$ 200
Equity investments	107	369
Intangible assets	164	74
Other	288	33

	\$ 762	\$ 676
=====		
Net deferred tax asset (liability){1}	\$(204)	\$ 102
=====		

{1} Deferred tax assets of \$244 million and \$403 million have been included in the consolidated balance sheet caption "marketable securities and other assets" at December 31, 1997 and 1996, respectively.

On December 31, 1997, we had \$180 million of operating loss carryforwards available to reduce future taxable income of certain international subsidiaries. Loss carryforwards of \$11 million must be utilized within the next five years; \$169 million can be utilized over an indefinite period. A valuation allowance has been provided for a portion of the deferred tax assets related to these loss carryforwards.

NOTE 14: NONRECURRING ITEMS

In the second quarter of 1997, we recorded a nonrecurring charge of \$60 million in selling, administrative and general expenses related to enhancing manufacturing efficiencies in North America.

In the third quarter of 1996, we recorded provisions of approximately \$276 million in selling, administrative and general expenses related to our plans for strengthening our worldwide system. Of this \$276 million, approximately \$130 million related to streamlining our operations, primarily in Greater Europe and Latin America. Our management took actions to consolidate certain manufacturing operations and, as a result, recorded charges to recognize the impairment of certain manufacturing assets and estimated losses on the disposal of other assets.

The remainder of this \$276 million provision related to actions taken by The Minute Maid Company. During the third quarter of 1996, The Minute Maid Company entered into two significant agreements with independent parties: (1) a strategic supply alliance with Sucocitrnico Cutrale Ltda., the world's largest grower and processor of oranges, and (2) a joint venture agreement with Groupe Danone to produce, distribute and sell premium refrigerated juices outside the United States and Canada. With these agreements, we intend to increase The Minute Maid Company's focus on managing its

brands while seeking arrangements to lower its overall manufacturing costs. In connection with these actions, we recorded \$146 million in third quarter provisions, composed primarily of impairment charges to certain production facilities and reserves for losses on the disposal of other production facilities.

Also in the third quarter of 1996, we launched a strategic initiative, Project Infinity, to redesign and enhance our information systems and communications capabilities. In connection with this initiative, we recorded an \$80 million impairment charge in administrative and general expenses to recognize Project Infinity's impact on existing information systems.

Based on management's commitment to certain strategic actions during the third quarter of 1996, these impairment charges were recorded to reduce the carrying value of identified assets to fair value. Fair values were derived using a variety of methodologies, including cash flow analysis, estimates of sales proceeds and independent appraisals.

Also in the third quarter of 1996, we recorded a \$28.5 million charge in administrative and general expenses as a result of our decision to make a contribution to The Coca-Cola Foundation, a not-for-profit charitable organization.

During 1995, selling, administrative and general expenses included provisions of \$86 million to increase efficiencies in our operations in North America and Europe.

- 59 -

<TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

THE COCA-COLA COMPANY AND SUBSIDIARIES

15. OPERATIONS IN GEOGRAPHIC AREAS

Information about the Company's operations by geographic area is as follows (in millions):

<CAPTION>

	North America	Africa	Greater Europe	Latin America	Middle & Far East	Corporate	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
1997							
Net operating revenues	\$6,443	\$582	\$5,395	\$2,124	\$4,256	\$ 68	\$18,868
Operating income	1,311{2}	165	1,479	957	1,508	(419)	5,001
Identifiable operating assets	4,429	418	2,410	1,593	1,624	1,572{1}	12,046
Equity income						155	
155							
Investments (principally bottling companies)						4,894	
4,894							
Capital expenditures	261	17	327	78	196	214	1,093
Depreciation and amortization	195	22	123	99	106	81	626
=====							
1996							
Net operating revenues	\$6,050	\$482	\$5,959	\$2,040	\$4,095	\$ 47	\$18,673
Operating income	949{3}	118{3}	1,277{3}	815{3}	1,358{3}	(602){3}	3,915
Identifiable operating assets	3,814	326	2,896	1,405	1,463	2,088{1}	11,992
Equity income						211	
211							
Investments (principally bottling companies)						4,169	
4,169							
Capital expenditures	261	32	379	79	121	118	990
Depreciation and amortization	188	12	190	83	84	76	633
=====							
1995							
Net operating revenues	\$5,513	\$603	\$6,007	\$1,955	\$3,994	\$ 55	\$18,127
Operating income	856{4}	205	1,256{4}	798	1,394	(483)	4,026
Identifiable operating assets	3,478	348	4,301	1,294	1,445	1,461{1}	12,327
Equity income						169	
169							
Investments (principally bottling companies)						2,714	
2,714							
Capital expenditures	286	19	383	87	85	77	937
Depreciation and amortization	156	13	192	64	71	66	562
=====							

Intercompany transfers between geographic areas are not material. North America includes only the United States and Canada.

Certain prior year amounts have been reclassified to conform to the current year presentation.

- {1} Corporate identifiable operating assets are composed principally of marketable securities, finance subsidiary receivables and fixed assets.
- {2} Operating income for North America was reduced by \$60 million for provisions related to enhancing manufacturing efficiencies.
- {3} Operating income for North America, Africa, Greater Europe, Latin America and the Middle & Far East was reduced by \$153 million, \$7 million, \$66 million, \$32 million and \$18 million, respectively, for provisions related to management's strategic plans to strengthen our worldwide system. Corporate operating income was reduced by \$80 million for Project Infinity's impairment impact to existing systems and by \$28.5 million for our decision to contribute to The Coca-Cola Foundation.
- {4} Operating income for North America and Greater Europe was reduced by \$61 million and \$25 million, respectively, for provisions to increase efficiencies.

</TABLE>

<TABLE>
<CAPTION>
Compound Growth Rates
Ending 1997

	North America	Africa	Greater Europe	Latin America	Middle & Far East	Consolidated

<S>	<C>	<C>	<C>	<C>	<C>	
<C>						
Net operating revenues						
5 years	7%	19%	4%	9%	13%	
8%						
10 years	6%	17%	13%	14%	9%	
9%						
=====						
==						
Operating income						
5 years	13%	5%	8%	14%	12%	
13%						
10 years	12%	13%	13%	20%	13%	
14%						
=====						
==						

</TABLE>

- 60 -

THE COCA-COLA COMPANY AND SUBSIDIARIES

NET OPERATING REVENUES BY GEOGRAPHIC AREA{1}

[bar chart]

Year Ended December 31,	1997	1996	1995

Middle & Far East	23%	22%	22%
Latin America	11%	11%	11%
Greater Europe	29%	32%	33%
Africa	3%	3%	3%
North America	34%	32%	31%

OPERATING INCOME BY GEOGRAPHIC AREA{1}

[bar chart]

Year Ended December 31,	1997	1996	1995

Middle & Far East	28%	30%	31%
Latin America	18%	18%	18%
Greater Europe	27%	28%	28%
Africa	3%	3%	4%
North America	24%	21%	19%

{1} Charts and percentages are calculated exclusive of corporate operations.

REPORT OF INDEPENDENT AUDITORS

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, 1997 and 1996, 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, 1997. 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, 1997 and 1996, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1997, in conformity with generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

Atlanta, Georgia
January 23, 1998

- 61 -

THE COCA-COLA COMPANY AND SUBSIDIARIES

<TABLE>
QUARTERLY DATA (UNAUDITED)

(In millions except per share data)
<CAPTION>

Year Ended December 31,	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
<S>	<C>	<C>	<C>	<C>	<C>
1997					
Net operating revenues	\$4,138	\$5,075	\$4,954	\$4,701	\$18,868
Gross profit	2,843	3,466	3,295	3,249	12,853
Net income	987	1,314	1,011	817	4,129
Basic net income per share	.40	.53	.41	.33	1.67
Diluted net income per share	.39	.52	.40	.33	1.64
1996					
Net operating revenues	\$4,224	\$5,286	\$4,687	\$4,476	\$18,673
Gross profit	2,694	3,380	2,873	2,988	11,935
Net income	713	1,050	967	762	3,492
Basic net income per share	.28	.42	.39	.31	1.40
Diluted net income per share	.28	.42	.38	.30	1.38

</TABLE>

The first quarter of 1997 includes a gain of approximately \$352 million (\$.08 per share after income taxes, basic and diluted) on the sale of our 49 percent interest in Coca-Cola & Schweppes Beverages Ltd. to Coca-Cola Enterprises.

The second quarter of 1997 includes noncash gains on the issuance of stock by Coca-Cola Amatil of approximately \$343 million (\$.08 per share after income taxes, basic and diluted). The second quarter of 1997 also includes provisions related to enhancing manufacturing efficiencies in North America of \$60 million (\$.02 per share after income taxes, basic and diluted).

The third quarter of 1997 includes a gain of approximately \$156 million (\$.04 per share after income taxes, basic and diluted) on the sale of our 48 percent interest in Coca-Cola Beverages Ltd. of Canada and our 49 percent interest in The Coca-Cola Bottling Company of New York, Inc. to Coca-Cola Enterprises.

The third quarter of 1996 includes a noncash gain from a tax settlement with the IRS for \$320 million (\$.13 per share after income taxes, basic and diluted), an impairment charge of \$80 million (\$.02 per share after income taxes, basic and diluted) to recognize Project Infinity's impact on existing information systems, a \$28.5 million (\$.01 per share after income taxes, basic and diluted) charge for our decision to

make a contribution to The Coca-Cola Foundation, a not-for-profit charitable organization and provisions related to management's strategic plans to strengthen our worldwide system of \$276 million (\$.07 per share after income taxes, basic and diluted). In addition, the third quarter of 1996 includes noncash gains on the issuance of stock by Coca-Cola Amatil of \$130 million (\$.03 per share after income taxes, basic and diluted) and CCEAG of \$283 million (\$.04 per share after income taxes, basic and diluted).

STOCK PRICES

Below are the New York Stock Exchange high, low and closing prices of The Coca-Cola Company's stock for each quarter of 1997 and 1996.

<TABLE>

<CAPTION>

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
<S>	<C>	<C>	<C>	<C>
1997				
High	\$ 63.25	\$72.63	\$71.94	\$67.19
Low	51.13	52.75	55.06	51.94
Close	55.75	68.00	61.00	66.69
=====				
1996				
High	\$ 42.69	\$49.50	\$53.88	\$54.25
Low	36.06	39.13	44.25	46.88
Close	41.38	49.00	50.88	52.63
=====				

</TABLE>

- 63 -

SHARE-OWNER INFORMATION

COMMON STOCK

Ticker symbol: KO

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

Share owners of record at year end: 366,279

Shares outstanding at year end: 2.47 billion

STOCK EXCHANGES

INSIDE THE UNITED STATES:

Common stock listed and traded: New York Stock Exchange, the principal market for our common stock.

Common stock traded: Boston, Cincinnati, Chicago, Pacific and Philadelphia stock exchanges.

OUTSIDE THE UNITED STATES:

Common stock listed and traded: The German exchange in Frankfurt and the Swiss exchange in Zurich.

DIVIDENDS

At its February 1998 meeting, our Board increased our quarterly dividend to 15 cents per share, equivalent to an annual dividend of 60 cents per share. The Company has increased dividends each of the last 36 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 307 consecutive quarterly dividends, beginning in 1920.

DIVIDEND AND CASH INVESTMENT PLAN

The Dividend and Cash Investment Plan permits share owners of record to reinvest dividends from Company stock in shares of The Coca-Cola Company. The Plan provides a convenient, economical and systematic method of acquiring additional shares of our common stock. All share owners of record are eligible to participate. Share owners also may purchase Company stock through voluntary cash investments of up to \$125,000 per year.

All brokerage commissions associated with purchases made through the Plan are paid by the Company.

The Plan's administrator, First Chicago Trust Company of New York, purchases stock for voluntary cash investments beginning the first business day of each month, except in December when purchases begin on the 15th; dividend reinvestment purchases begin on April 1, July 1, October 1 and December 15.

If your shares are held in street name by your broker and you are interested in participating in the Dividend and Cash Investment

Plan, you may have your broker transfer the shares to First Chicago Trust Company of New York electronically through the Direct Registration System.

At year end, 69 percent of the Company's share owners of record were participants in the Plan. In 1997, share owners invested \$39 million in dividends and \$124 million in cash in the Plan.

ANNUAL MEETING OF SHARE OWNERS

April 15, 1998, 9 a.m. local time
The Playhouse Theatre
Du Pont Building
10th and Market Streets
Wilmington, Delaware

CORPORATE OFFICES

The Coca-Cola Company
One Coca-Cola Plaza
Atlanta, Georgia 30313

INSTITUTIONAL INVESTOR INQUIRIES

(404) 676-5766

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, please contact:

Registrar and Transfer Agent
First Chicago Trust Company of New York
P.O. Box 2500
Jersey City, NJ 07303-2500
Toll-free: (888) COKESHR (265-3747)
For hearing impaired: (201) 222-4955
E-mail: fctc@em.fcnc.com
Internet: <http://www.fctc.com>

INFORMATION RESOURCES

PUBLICATIONS

THE COMPANY'S ANNUAL AND INTERIM REPORTS, PROXY STATEMENT, FORM 10-K AND FORM 10-Q REPORTS ARE AVAILABLE FREE OF CHARGE FROM OUR INDUSTRY & CONSUMER AFFAIRS DEPARTMENT AT THE COMPANY'S CORPORATE ADDRESS, LISTED ABOVE. Also available is "The Chronicle of Coca-Cola Since 1886."

INTERNET SITE

Our site at <http://www.coca-cola.com> offers information about our Company, as well as periodic marketing features.

HOTLINE

The Company's hotline, (800) INVSTKO (468-7856), offers taped highlights from the most recent quarter and may be used to request the most recent quarterly results news release.

AUDIO ANNUAL REPORT

An audiocassette version of this report is available without charge as a service to the visually impaired. To receive a copy, please contact our Industry & Consumer Affairs Department at (800) 571-2653.

DUPLICATE MAILINGS

If you are receiving duplicate or unwanted copies of our publications, please contact the First Chicago Trust Company of New York at one of the numbers listed above.

- 66 -

GLOSSARY

[Following are certain definitions extracted from page 67:]

DIVIDEND PAYOUT RATIO: Calculated by dividing cash dividends on common stock by net income available to common share owners.

ECONOMIC PROFIT: Income from continuing operations, after taxes, excluding interest, in excess of a computed capital charge for average operating capital employed.

FREE CASH FLOW: Cash provided by operations less cash used in investing activities. The Company uses free cash flow along with borrowings to pay dividends and make share repurchases.

NET DEBT AND NET CAPITAL: Debt and capital in excess of cash,

cash equivalents and marketable securities not required for operations and certain temporary bottling investments.

RETURN ON CAPITAL: Calculated by dividing income from continuing operations - before changes in accounting principles, adjusted for 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.

TOTAL CAPITAL: Equals share-owners' equity plus interest-bearing debt.

TOTAL MARKET VALUE OF COMMON STOCK: Stock price at year end multiplied by the number of shares outstanding at year end.

EXHIBIT 21.1

<TABLE>

SUBSIDIARIES OF THE COCA-COLA COMPANY
AS OF DECEMBER 31, 1997

<CAPTION>

	Organized Under Laws of:	Percentages of Voting Power
	-----	-----
<S>	<C>	<C>
The Coca-Cola Company	Delaware	
Subsidiaries consolidated, except as noted:		
Barq's, Inc.	Mississippi	100
Bottling Investments Corporation	Delaware	100
ACCBC Holding Company	Georgia	100
Caribbean International Sales Corporation, Inc.	Nevada	100
Caribbean Refrescos, Inc.	Delaware	100
CRI Financial Corporation, Inc.	Delaware	100
Carolina Coca-Cola Bottling Investments, Inc.	Delaware	100
Coca-Cola Financial Corporation	Delaware	100
Coca-Cola Interamerican Corporation	Delaware	100
Montevideo Refrescos, S.A.	Uruguay	55.53
Coca-Cola South Asia Holdings, Inc.	Delaware	100
Coca-Cola (Thailand) Limited	Thailand	100
CTI Holdings, Inc.	Delaware	100
55th & 5th Avenue Corporation	New York	100
The Coca-Cola Export Corporation	Delaware	100
Atlantic Industries	Cayman Islands	100
Ansan Ankara Gida Mesrubat ve Meyva Sulari Sanayii ve Ticaret A.S.	Turkey	66.63
Coca-Cola Bevande Italia S.r.l.	Italy	100
Maksan Manisa Mesrubat Kutulama Sanayi A.S.	Turkey	66.66
Shanghai Shen-Mei Beverage and Food Co. Ltd. (Concentrate Division)	People's Republic of China	100
Barlan, Inc.	Delaware	100
Varoise de Concentres S.A.	France	100
Coca-Cola G.m.b.H.	Germany	100
Societa Imbottigliamento Bevande Roma-SIBER-S.p.A.	Italy	100
Beverage Products, Ltd.	Delaware	100
Coca-Cola Cannery of Southern Africa (Pty) Limited	South Africa	51.55
Coca-Cola de Argentina S.A.	Argentina	100
Coca-Cola de Chile S.A.	Chile	100
Coca-Cola Ges.m.b.H.	Austria	100
Coca-Cola Industrias Ltda.	Brazil	100
Recofarma Industria do Amazonas Ltda.	Brazil	100
Coca-Cola Ltd.	Canada	100
The Minute Maid Company Canada Inc.	Canada	100
Coca-Cola (Japan) Company, Limited	Japan	100
Coca-Cola Korea Company, Limited	Korea	100
Coca-Cola Nigeria Limited	Nigeria	100
Coca-Cola Overseas Parent Limited	Delaware	100
Coca-Cola Holdings (Overseas) Limited	Delaware and Australia	100
Coca-Cola Southern Africa (Pty) Limited	South Africa	100
Conco Limited	Cayman Islands	100

</TABLE>

-1-

<TABLE>

SUBSIDIARIES OF THE COCA-COLA COMPANY
AS OF DECEMBER 31, 1997

continued from page 1

<CAPTION>

	Organized Under Laws of:	Percentages of Voting Power
	-----	-----
<S>	<C>	<C>
International Beverages	Ireland	100
Coca-Cola Refreshments Moscow	Russia	100
Minute Maid SA	Switzerland	100
Refreshment Product Services, Inc.	Delaware	100
Coca-Cola de Colombia, S.A.	Colombia	100
Coca-Cola Holdings (Nederland) B.V.	Netherlands	100
Coca-Cola Holdings (United Kingdom) Limited	England and Wales	100
The Inmex Corporation	Florida	100
Servicios Integrados de Administracion y Alta Gerencia, S.A. de C.V.	Mexico	100

</TABLE>

Other subsidiaries whose combined size is not significant:
Eleven domestic wholly-owned subsidiaries consolidated
Eighty-eight foreign wholly-owned subsidiaries consolidated
Fourteen foreign majority-owned subsidiaries consolidated

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Annual Report on Form 10-K of The Coca-Cola Company of our report dated January 23, 1998, included in the 1997 Annual Report to Share Owners of The Coca-Cola Company.

Our audits also included the financial statement schedule of The Coca-Cola Company listed in Item 14(a). This schedule is the responsibility of The Coca-Cola Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also consent to the incorporation by reference in the registration statements and related prospectuses of The Coca-Cola Company listed below of our report dated January 23, 1998 with respect to the consolidated financial statements of The Coca-Cola Company incorporated herein by reference, and our report included in the preceding paragraph with respect to the financial statement schedule included in this Annual Report on Form 10-K for the year ended December 31, 1997:

1. Registration Statement Number 2-58584 on Form S-8
2. Registration Statement Number 2-79973 on Form S-3
3. Registration Statement Number 2-88085 on Form S-8
4. Registration Statement Number 2-98787 on Form S-3
5. Registration Statement Number 33-21529 on Form S-8
6. Registration Statement Number 33-21530 on Form S-3
7. Registration Statement Number 33-26251 on Form S-8
8. Registration Statement Number 33-39840 on Form S-8
9. Registration Statement Number 33-45763 on Form S-3
10. Registration Statement Number 33-50743 on Form S-3
11. Registration Statement Number 33-61531 on Form S-3
12. Registration Statement Number 333-27607 on Form S-8

ERNST & YOUNG LLP

Atlanta, Georgia
March 6, 1998

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of The Coca-Cola Company (the "Company"), do hereby appoint JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/M. Douglas Ivester
Chairman of the Board,
Chief Executive Officer and Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/James E. Chestnut
Senior Vice President
and Chief Financial Officer
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, GARY P. FAYARD, Vice President and Controller of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Gary P. Fayard
Vice President and Controller
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, HERBERT A. ALLEN, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Herbert A. Allen
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, RONALD W. ALLEN, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Ronald W. Allen
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, CATHLEEN P. BLACK, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Cathleen P. Black
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, WARREN E. BUFFETT, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Warren E. Buffett
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, CHARLES W. DUNCAN, JR., a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Charles W. Duncan, Jr.
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, SUSAN B. KING, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Susan B. King
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, DONALD F. MCHENRY, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Donald F. McHenry
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, SAM NUNN, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Sam Nunn
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, PAUL F. OREFFICE, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Paul F. Oreffice

Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, JAMES D. ROBINSON III, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/James D. Robinson III
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, PETER V. UEBERROTH, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/Peter V. Ueberroth
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, JAMES B. WILLIAMS, a Director of The Coca-Cola Company (the "Company"), do hereby appoint M. DOUGLAS IVESTER, Chairman of the Board, Chief Executive Officer and a Director of the Company, JAMES E. CHESTNUT, Senior Vice President and Chief Financial Officer of the Company, JOSEPH R. GLADDEN, JR., Senior Vice President and General Counsel of the Company, SUSAN E. SHAW, Secretary of the Company, and CAROL C. HAYES, Assistant Secretary of the Company, or any one of them, my true and lawful attorneys-in-fact for me and in my name for the purpose of executing on my behalf in any and all capacities the Company's Annual Report for the year ended December 31, 1997 on Form 10-K, or any amendment or supplement thereto, and causing such Annual Report or any such amendment or supplement to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of February 1998.

/s/James B. Williams

Director
The Coca-Cola Company

<TABLE> <S> <C>

<ARTICLE> 5

<LEGEND>

THIS RESTATED FINANCIAL DATA SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF THE COCA-COLA COMPANY FOR THE YEAR ENDED DECEMBER 31, 1995, AS SET FORTH IN ITS FORM 10-K FOR SUCH YEAR AND FOR THE YEARS ENDED DECEMBER 31, 1996 AND DECEMBER 31, 1997, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<EPS-DILUTED>	1.17

<FN>
<F1>RESTATEMENT REFLECTED HEREIN IS THE RESULT OF RECLASSIFICATIONS TO PRIOR PERIODS' FINANCIAL STATEMENTS TO CONFORM TO THE CURRENT PERIOD PRESENTATION.

</FN>

</TABLE>

<TABLE> <S> <C>

<ARTICLE> 5

<LEGEND>

THIS RESTATED FINANCIAL DATA SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF THE COCA-COLA COMPANY FOR THE YEAR ENDED DECEMBER 31, 1996, AS SET FORTH IN ITS FORM 10-K FOR SUCH YEAR AND FOR THE YEAR ENDED DECEMBER 31, 1997, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<FN>

<F1>RESTATEMENT REFLECTED HEREIN IS THE RESULT OF RECLASSIFICATIONS TO PRIOR PERIODS' FINANCIAL STATEMENTS TO CONFORM TO THE CURRENT PERIOD PRESENTATION.

<F2>A TWO-FOR-ONE STOCK SPLIT WITH RESPECT TO THE COMPANY'S COMMON STOCK, \$.25 PAR VALUE PER SHARE, WAS EFFECTIVE ON MAY 1, 1996. FINANCIAL DATA SCHEDULES FOR PRIOR YEARS HAVE NOT BEEN RESTATED FOR THIS RECAPITALIZATION.

</FN>

</TABLE>

<TABLE> <S> <C>

<ARTICLE> 5

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THIS FINANCIAL DATA SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF THE COCA-COLA COMPANY FOR THE YEAR ENDED DECEMBER 31, 1997, AS SET FORTH IN ITS FORM 10-K FOR SUCH YEAR, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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CAUTIONARY STATEMENT RELATIVE TO FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 (the Act) provides a safe harbor for forward-looking statements made by or on behalf of the Company. The Company and its representatives may from time to time make written or verbal forward-looking statements, including statements contained in the Company's filings with the Securities and Exchange Commission and in its reports to share owners. All statements which address operating performance, events or developments that the Company expects or anticipates will occur in the future, including statements relating to volume growth, share of sales and earnings per share growth or statements expressing general optimism about future operating results, are forward-looking statements within the meaning of the Act. The forward-looking statements are and will be based on management's then current views and assumptions regarding future events and operating performance.

The following are some of the factors that could cause actual results to differ materially from estimates contained in the Company's forward-looking statements:

- --The ability to generate sufficient cash flows to support capital expansion plans, share repurchase programs and general operating activities.
- --Competitive product and pricing pressures and the ability to gain or maintain share of sales in the global market as a result of actions by competitors. While the Company believes its opportunities for sustained, profitable growth are considerable, unanticipated actions of competitors could impact its earnings, share of sales and volume growth.
- --Changes in laws and regulations, including changes in accounting standards, taxation requirements (including tax rate changes, new tax laws and revised tax law interpretations) and environmental laws in domestic or foreign jurisdictions.
- --Fluctuations in the cost and availability of raw materials and the ability to maintain favorable supplier arrangements and relationships.
- --The ability to achieve earnings forecasts, which are generated based on projected volumes and sales of many product types, some of which are more profitable than others. There can be no assurance that the Company will achieve the projected level or mix of product sales.
- --Interest rate fluctuations and other capital market conditions, including foreign currency rate fluctuations. Most of the Company's exposures to capital markets, including interest and foreign currency, are managed on a consolidated basis, which

allows it to net certain exposures and, thus, take advantage of any natural offsets. The Company uses derivative financial instruments to reduce its net exposure to financial risks. There can be no assurance, however, that the Company's financial risk management program will be successful in reducing foreign currency exposures.

- --Economic and political conditions in international markets, including civil unrest, governmental changes and restrictions on the ability to transfer capital across borders.
- --The ability to penetrate developing and emerging markets, which also depends on economic and political conditions, and how well the Company is able to acquire or form strategic business alliances with local bottlers and make necessary infrastructure enhancements to production facilities, distribution networks, sales equipment and technology. Moreover, the supply of products in

developing markets must match the customers' demand for those products, and due to product price and cultural differences, there can be no assurance of product acceptance in any particular market.

- --The effectiveness of the Company's advertising, marketing and promotional programs.
- --The uncertainties of litigation, as well as other risks and uncertainties detailed from time to time in the Company's Securities and Exchange Commission filings.
- --Adverse weather conditions, which could reduce demand for Company products.
- --The Company's ability and its customers' and suppliers' ability to replace, modify or upgrade computer programs in ways that adequately address the Year 2000 issue.

The foregoing list of important factors is not exclusive.