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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2009

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. 1-2217

The Coca-Cola Company

(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

58-0628465
(IRS Employer
Identification No.)

One Coca-Cola Plaza
Atlanta, Georgia
(Address of principal executive offices)

30313
(Zip Code)

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

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

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
COMMON STOCK, \$0.25 PAR VALUE	NEW YORK STOCK EXCHANGE

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

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 No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes 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.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark if the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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 July 3, 2009, the last business day of the Registrant's most recently completed second fiscal quarter, was \$107,556,224,589

(based on the closing sale price of the Registrant's Common Stock on that date as reported on the New York Stock Exchange).

The number of shares outstanding of the Registrant's Common Stock as of February 22, 2010 was 2,305,123,938.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's Proxy Statement for the Annual Meeting of Shareowners to be held on April 21, 2010, are incorporated by reference in Part III.

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FORWARD-LOOKING STATEMENTS

This report contains information that may constitute "forward-looking statements." Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will" and similar expressions identify forward-looking statements, which generally are not historical in nature. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements that 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, and statements expressing general views about future operating results — are forward-looking statements. Management believes that these forward-looking statements are reasonable as and when made. However, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. Our Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our Company's historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described in Part I, "Item 1A. Risk Factors" and elsewhere in this report and those described from time to time in our future reports filed with the Securities and Exchange Commission.

PART I

ITEM 1. BUSINESS

In this report, the terms "The Coca-Cola Company," "Company," "we," "us" and "our" mean The Coca-Cola Company and all entities included in our consolidated financial statements.

General

The Coca-Cola Company is the world's leading owner and marketer of nonalcoholic beverage brands and the world's largest manufacturer, distributor and marketer of concentrates and syrups used to produce nonalcoholic beverages. We own or license and market more than 500 nonalcoholic beverage brands, primarily sparkling beverages but also a variety of still beverages such as waters, enhanced waters, juices and juice drinks, ready-to-drink teas and coffees, and energy and sports drinks. Finished beverage products bearing our trademarks, sold in the United States since 1886, are now sold in more than 200 countries. Along with Coca-Cola, which is recognized as the world's most valuable brand, we own and market four of the world's top five nonalcoholic sparkling beverage brands, including Diet Coke, Fanta and Sprite.

We manufacture beverage concentrates and syrups, which we sell to authorized bottling and canning operations (to which we typically refer as our "bottlers" or our "bottling partners") who use the concentrates and syrups to produce finished beverage products. We also manufacture, or authorize bottling partners to manufacture, fountain syrups, which we sell to fountain retailers such as restaurants and convenience stores which use the fountain syrups to produce finished beverages for immediate consumption, or to fountain wholesalers or bottlers, which in turn sell and distribute the fountain syrups to fountain retailers. In addition, we manufacture certain finished beverages, such as juices and juice drinks and water products, which we sell to retailers directly or through wholesalers or other distributors, including bottling partners.

While most of our branded beverage products are manufactured, sold and distributed by independently owned and managed bottling partners, from time to time we do acquire or take control of bottling or canning operations, often, but not always, in underperforming markets where we believe we can use our resources and expertise to improve performance. In addition, we have noncontrolling ownership interests in numerous beverage joint ventures, bottling partners and emerging beverage companies.

We make our branded beverage products available to consumers throughout the world through our network of bottling partners, distributors, wholesalers and retailers — the world's largest beverage distribution system.

We were 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.

Our Company is one of numerous competitors in the commercial beverages market. Of the approximately 54 billion beverage servings of all types consumed worldwide every day, beverages bearing trademarks owned by or licensed to us account for approximately 1.6 billion.

We believe that our success depends on our ability to connect with consumers by providing them with a wide variety of choices to meet their desires, needs and lifestyle choices. Our success further depends on the ability of our people to execute effectively, every day.

Our goal is to use our Company's assets — our brands, financial strength, unrivaled distribution system, global reach and the talent and strong commitment of our management and associates — to become more competitive and to accelerate growth in a manner that creates value for our shareowners.

Operating Segments

The Company's operating structure is the basis for our internal financial reporting. As of December 31, 2009, our operating structure included the following operating segments, the first six of which are sometimes referred to as "operating groups" or "groups":

- Eurasia and Africa
- Europe
- Latin America
- North America
- Pacific
- Bottling Investments
- Corporate

Except to the extent that differences among operating segments are material to an understanding of our business taken as a whole, the description of our business in this report is presented on a consolidated basis.

For financial information about our operating segments and geographic areas, refer to Note 18 of Notes to Consolidated Financial Statements set forth in Part II, "Item 8. Financial Statements and Supplementary Data" of this report, incorporated herein by reference. For certain risks attendant to our non-U.S. operations, refer to "Item 1A. Risk Factors," below.

Products and Distribution

Our Company manufactures and sells beverage concentrates, sometimes referred to as "beverage bases," syrups, including fountain syrups, and finished beverages.

As used in this report:

- "concentrates" means flavoring ingredients and, depending on the product, sweeteners used to prepare syrups or finished beverages, and includes powders for purified water products such as Dasani;
- "syrups" means beverage ingredients produced by combining concentrates and, depending on the product, sweeteners and added water;
- "fountain syrups" means syrups that are sold to fountain retailers, such as restaurants and convenience stores, which use dispensing equipment to mix the syrups with sparkling or still water at the time of purchase to produce finished beverages that are served in cups or glasses for immediate consumption;
- "sparkling beverages" means nonalcoholic ready-to-drink beverages with carbonation, including carbonated energy drinks and carbonated waters and flavored waters;
- "still beverages" means nonalcoholic beverages without carbonation, including noncarbonated waters, flavored waters and enhanced waters, noncarbonated energy drinks, juices and juice drinks, ready-to-drink teas and coffees and sports drinks;
- "Company Trademark Beverages" means beverages bearing our trademarks and certain other beverage products bearing trademarks licensed to us by third parties for which we provide marketing support and from the sale of which we derive economic benefit; and

- "Trademark Coca-Cola Beverages" or "Trademark Coca-Cola" means beverages bearing the trademark Coca-Cola or any trademark that includes Coca-Cola or Coke (that is, Coca-Cola, Diet Coke and Coca-Cola Zero and all their variations and line extensions, including Coca-Cola Light, Coke Zero, Diet Coke with Lemon, Cherry Coke, etc.). Likewise, when we use the capitalized word "Trademark" together with the name of one of our other beverage products (such as "Trademark Fanta," "Trademark Sprite" or "Trademark Simply"), we mean beverages bearing the indicated trademark (that is, Fanta, Sprite or Simply, respectively) and all its variations and line extensions (such that "Trademark Fanta" includes Fanta Orange, Fanta Zero Orange and Fanta Apple; "Trademark Sprite" includes Sprite, Diet Sprite, Sprite Zero and Sprite Light; and "Trademark Simply" includes Simply Orange, Simply Apple and Simply Grapefruit).

We sell the concentrates and syrups for bottled and canned sparkling and flavored still beverages to authorized bottling and canning operations. Our bottling partners either combine our syrups with sparkling water or combine our concentrates with sweeteners (depending on the product), still water and/or sparkling water to produce finished beverages. The finished beverages are packaged in authorized containers bearing our trademarks or trademarks licensed to us — such as cans and refillable and nonrefillable glass and plastic bottles — and are then sold to retailers directly or, in some cases, through wholesalers or bottlers.

For our fountain products in the United States, we manufacture fountain syrups and sell them to fountain retailers or to authorized fountain wholesalers or bottling partners who resell the fountain syrups to fountain retailers. In the United States, we authorize wholesalers to resell our fountain syrups through nonexclusive appointments that neither restrict us in setting the prices at which we sell fountain syrups to the wholesalers nor restrict the territories in which the wholesalers may resell in the United States. Outside the United States, fountain syrups typically are manufactured by authorized bottlers from concentrates sold to them by the Company. The bottlers then typically sell the fountain syrups to wholesalers or directly to fountain retailers.

We also manufacture a variety of still beverages, such as juices and juice drinks and certain water products, which we sell to retailers and wholesalers in the United States and numerous other countries, both directly and through a network of business partners, including certain bottling partners. In addition, our Company-owned or consolidated bottling operations manufacture finished products, primarily sparkling beverages, which they sell to other bottlers, distributors or wholesalers, or directly to retailers.

Our beverage products include Coca-Cola, caffeine free Coca-Cola, Cherry Coke, Diet Coke (sold as Coca-Cola Light in many countries other than the United States), caffeine free Diet Coke, Diet Coke Sweetened with Splenda, Diet Coke with Lime, Diet Cherry Coke, Coca-Cola Zero (sold as Coke Zero in some countries), Fanta, Sprite, Diet Sprite/Sprite Zero (sold as Sprite Light in many countries other than the United States), Pibb Xtra, Mello Yello, Tab, Fresca and Barq's sparkling beverages, Powerade, Aquarius, Sokenbicha, Ciel, Bonaqa/Bonaqua, Dasani, Dasani flavored waters, Georgia ready-to-drink coffees (sold primarily in Japan), Lift, Thums Up, Kinley, Eight O'Clock, Qoo, Mother, Vault, NOS, Full Throttle and other products developed for specific countries. Our beverage products also include enhanced water products such as glacéau vitaminwater and smartwater, Fuze fortified beverages, tea-flavored beverages and fruit drinks sold in the United States, and Matte Leao herbal beverages sold in Brazil. In many countries (excluding the United States, among others), our Company's beverage products also include Schweppes, Canada Dry, Dr Pepper and Crush. Our Company produces, distributes and markets juice and juice-drink products, including Minute Maid juices and juice drinks, Simply juices and juice drinks, Cappy juices, Odwalla nourishing health beverages, Five Alive refreshment beverages and Bacardi mixers concentrate (manufactured and marketed under license agreements from Bacardi & Company Limited). We have a license to manufacture and sell concentrates for Seagram's mixers, a line of sparkling beverages, in the United States and certain other countries. In addition, in the United States we market Nestea and Enviga products under a sublicense agreement with a subsidiary of Nestlé S.A. ("Nestlé"). Multon, a Russian juice business ("Multon") operated as a joint venture with Coca-Cola Hellenic Bottling Company S.A. ("Coca-Cola Hellenic"), manufactures, markets and sells juice products under various trademarks, including Dobriy, Rich and Nico Biotime, in Russia, Ukraine and Belarus. Beverage Partners Worldwide ("BPW"), the Company's joint venture with Nestlé, markets ready-to-drink tea products under various trademarks, including Nestea, Enviga, Yang Guang, Nagomi, Frestea, Ten Ren, Yuan Ye, Tian Yu Di (Heaven & Earth), Nestea Vitao and Nestea Cool, in various markets worldwide, other than the United States and Japan. We manufacture, market and sell packaged juices, nectars and fruit-flavored beverages under the del Valle trademark through joint ventures with our bottling partners in Mexico and Brazil. Ilko Coffee International, S.r.l. ("Ilko"), a joint venture with illycaffè S.p.A., and Ilko Hellenic

Partners GmbH, a joint venture between Ilko and Coca-Cola Hellenic, manufacture, market and sell ready-to-drink coffees under the illy issimo brand.

Consumer demand determines the optimal menu of Company product offerings. Consumer demand can vary from one locale to another and can change over time within a single locale. Employing our business strategy, and with special focus on core brands, our Company seeks to build its existing brands and, at the same time, to broaden its historical family of brands, products and services in order to create and satisfy consumer demand locale by locale.

During 2009, our Company introduced a variety of new brands, brand extensions and new beverage products. Among numerous examples, in North America, we launched Cascal, a fermented fruit beverage, in the United States, and glacéau smartwater in Canada. In Latin America, we launched Hugo, a combination of fruit juice and milk protein offered in several flavors, in Chile, and Valle Frut, a fruit pulp juice beverage in Mango, Guayaba, Strawberry, Tamarindo, Orange and Citrus Punch flavors, in Brazil, Colombia, Ecuador, Costa Rica, Mexico, Nicaragua and Panama. In addition, during 2009, we expanded our water product offerings in Latin America by acquiring, jointly with Coca-Cola FEMSA S.A.B. de C.V. ("Coca-Cola FEMSA"), the Brisa water business in Colombia and by acquiring two water brands, Mineragua and Vital, from our bottling partner in Bolivia. In Europe, we launched a new sparkling beverage, Schuss Gaseosa, in Spain, and Lift Pear, a sparkling beverage with real fruit juice, in Poland and Bulgaria. In Africa and Eurasia, new launches included Schweppes Dark Malt Beverage in Ghana; four new Mazoe dilutable juice drinks (in Orange, Naartjie, Peach and Lime) in South Africa; Cappy Lemonade, a premium lemonade, in Turkey; and Dobry Lemonade, a line of sparkling beverages with traditional Russian flavors, in Russia. In Pacific, we launched a new water brand in Japan, I LOHAS, which is available in a polyethylene terephthalate ("PET") bottle that can be twisted and crushed easily into a compact size for recycling; and in China, we launched Minute Maid Pulpy Super Milky, which fuses fruit juice, milk powder, whey protein and coconut bits. We also expanded our glacéau brands internationally in 2009 with the launch of vitaminwater in South Africa, France, South Korea, Japan, Belgium, Portugal, Hong Kong, China, Sweden and Macau.

In keeping with our commitment to sustainability, during 2009, we launched our innovative PlantBottle packaging, a PET bottle made partially from plants. The PlantBottle packaging, like our existing PET bottles, is 100 percent recyclable. Coca-Cola, Coca-Cola Light and Coca-Cola Zero in 500 milliliter and 2 liter sizes are now available in PlantBottle packaging to consumers in Denmark, and certain products are available in PlantBottle packaging in selected markets in Western Canada and Western United States. In addition, in 2009, we unveiled our new Coca-Cola Freestyle fountain dispenser in selected locations in the United States. Coca-Cola Freestyle allows consumers to select from more than 100 different regular and low-calorie branded beverages, including a variety of still beverages.

We measure the volume of Company beverage products sold in two ways: (1) unit cases of finished products and (2) concentrate sales. As used in this report, "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" means the number of unit cases (or unit case equivalents) of Company beverage products directly or indirectly sold by the Company and its bottling partners (the "Coca-Cola system") to customers. Unit case volume primarily consists of beverage products bearing Company trademarks. Also included in unit case volume are certain products licensed to, or distributed by, our Company, and brands owned by Coca-Cola system bottlers for which our Company provides marketing support and from the sale of which we derive economic benefit. Such products licensed to, or distributed by, our Company and brands owned by Coca-Cola system bottlers account for a minimal portion of our total unit case volume. In addition, unit case volume includes sales by joint ventures in which the Company has an equity interest. Although most of our Company's revenues are not based directly on unit case volume, we believe unit case volume is one of the measures of the underlying strength of the Coca-Cola system because it measures trends at the consumer level. The unit case volume numbers used in this report are derived based on estimates received by the Company from its bottling partners and distributors. Concentrate sales volume represents the amount of concentrates and syrups, (in all cases expressed in equivalent unit cases) sold by, or used in finished beverages sold by, the Company to its bottling partners or other customers. Most of our revenues are based on concentrate sales, a primarily wholesale activity. Unit case volume and concentrate sales growth rates are not necessarily equal during any given period. Factors such as seasonality, bottlers' inventory practices, supply point changes, timing of price increases, new product introductions and changes in product mix can impact unit case volume and concentrate sales and can create differences between unit case volume and concentrate sales growth rates. In addition to the items mentioned above, the impact of unit case volume from certain joint ventures, in which the Company has an equity interest, but to which the Company does not sell concentrates or syrups, may give rise to differences between unit case volume and concentrate sales growth rates.

The Coca-Cola system sold approximately 24.4 billion, 23.7 billion and 22.7 billion unit cases of our products in 2009, 2008 and 2007, respectively. Sparkling beverages represented approximately 77 percent, 78 percent and 80 percent of our worldwide unit case volume for 2009, 2008 and 2007, respectively. Trademark Coca-Cola Beverages accounted for approximately 51 percent, 51 percent and 53 percent of our worldwide unit case volume for 2009, 2008 and 2007, respectively.

In 2009, concentrate sales in the United States ("U.S. concentrate sales") represented approximately 22 percent of the Company's worldwide concentrate sales. Approximately 51 percent of U.S. concentrate sales for 2009 was attributable to sales of beverage concentrates and syrups to 74 authorized bottler ownership groups in 393 licensed territories. Those bottlers prepare and sell Company Trademark Beverages for the food store and vending machine distribution channels and for other distribution channels supplying products for home and immediate consumption. Approximately 34 percent of 2009 U.S. concentrate sales was attributable to fountain syrups sold to fountain retailers and to 451 authorized fountain wholesalers, some of which are authorized bottlers. The remaining approximately 15 percent of 2009 U.S. concentrate sales was attributable to sales by the Company of finished beverages, including juices and juice drink products and certain water products. Coca-Cola Enterprises Inc. ("CCE"), accounted for approximately 47 percent of the Company's U.S. concentrate sales in 2009. At December 31, 2009, our Company held an ownership interest of approximately 34 percent in CCE, which is the world's largest bottler of Company Trademark Beverages.

In 2009, concentrate sales outside the United States represented approximately 78 percent of the Company's worldwide concentrate sales. The countries outside the United States in which our concentrate sales were the largest in 2009 were Mexico, China, Brazil and Japan, which together accounted for approximately 31 percent of our worldwide concentrate sales. Approximately 89 percent of non-U.S. unit case volume for 2009 was attributable to sales of beverage concentrates and syrups to authorized bottlers together with sales by the Company of finished beverages, other than juice and juice-drink products, in 464 licensed territories. Approximately 5 percent of 2009 non-U.S. unit case volume was attributable to fountain syrups. The remaining approximately 6 percent of 2009 non-U.S. unit case volume was attributable to juice and juice-drink products.

In addition to conducting our own independent advertising and marketing activities, we may provide promotional and marketing services or funds to our bottlers. In most cases, we do this on a discretionary basis under the terms of commitment letters or agreements, even though we are not obligated to do so under the terms of the bottling or distribution agreements between our Company and the bottlers. Also, on a discretionary basis in most cases, our Company may develop and introduce new products, packages and equipment to assist its bottlers. Likewise, in many instances, we provide promotional and marketing services and/or funds and/or dispensing equipment and repair services to fountain and bottle/can retailers, typically pursuant to marketing agreements. The aggregate amount of funds provided by our Company to bottlers, resellers or other customers of our Company's products, principally for participation in promotional and marketing programs, was approximately \$4.5 billion in 2009.

Bottler's Agreements and Distribution Agreements

Most of our products are manufactured and sold by our bottling partners. We typically sell concentrates and syrups to our bottling partners, who convert them into finished packaged products which they sell to distributors and other customers. Separate contracts ("Bottler's Agreements") exist between our Company and each of our bottling partners regarding the manufacture and sale of Company products. Subject to specified terms and conditions and certain variations, the Bottler's Agreements generally authorize the bottlers to prepare specified Company Trademark Beverages, to package the same in authorized containers, and to distribute and sell the same in (but, subject to applicable local law, 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 Company-authorized suppliers. We typically agree 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, we typically reserve for ourselves or our designee the right (1) to prepare and package such beverages in such containers in the territory for sale outside the territory, and (2) to prepare, package, distribute and sell such beverages in the territory in any other manner or form. Territorial restrictions on bottlers vary in some cases in accordance with local law.

Being a bottler does not create a legal partnership or joint venture between us and our bottlers. Our bottlers are independent contractors and are not our agents.

The Bottler's Agreements between us and our authorized bottlers in the United States differ in certain respects from those in the other countries in which Company Trademark Beverages are sold. As further discussed below, 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 us and our 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. These events include defined events of default and certain changes in ownership or control of the bottler.

In certain parts of the world outside the United States, we have not granted comprehensive beverage production rights to the bottlers. In such instances, we or our authorized suppliers sell Company Trademark Beverages to the bottlers for sale and distribution throughout the designated territory, often on a nonexclusive basis. A majority of the Bottler's Agreements in force between us and bottlers outside the United States authorize the bottlers to manufacture and distribute fountain syrups, usually on a nonexclusive basis.

Our Company generally has complete flexibility to determine the price and other terms of sale of the concentrates and syrups we sell to bottlers outside the United States. In some instances, however, we have agreed or may in the future agree with a bottler with respect to concentrate pricing on a prospective basis for specified time periods. In some markets, in an effort to allow our Company and our bottling partners to grow together through shared value, aligned incentives and the flexibility necessary to meet consumers' always changing needs and tastes, we worked with our bottling partners to develop and implement an incidence-based pricing model for sparkling and still beverages. Under this model, the concentrate price we charge is impacted by a number of factors, including, but not limited to, bottler pricing, the channels in which the finished products are sold and package mix. Outside the United States, in most cases, we have no obligation to provide marketing support to the bottlers. Nevertheless, we may, at our discretion, contribute toward bottler expenditures for advertising and marketing. We may also elect to undertake independent or cooperative advertising and marketing activities.

Within the United States

In the United States, with certain very limited exceptions, the Bottler's Agreements for Trademark Coca-Cola Beverages and other cola-flavored beverages have no stated expiration date. Our standard contracts for other sparkling beverage flavors and for still beverages 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 that may vary from contract to contract. The "1987 Contract," described below, is terminable by the Company upon the occurrence of certain events, including:

- the bottler's insolvency, dissolution, receivership or the like;
- any disposition by the bottler or any of its subsidiaries of any voting securities of any bottler subsidiary without the consent of the Company;
- any material breach of any obligation of the bottler under the 1987 Contract; or
- 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 percent 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. However, these bottlers generally are not authorized to manufacture fountain syrups. Rather, as described above, our Company manufactures and sells fountain syrups to authorized fountain wholesalers (including certain authorized bottlers) and some fountain retailers. These wholesalers in turn sell the syrups or deliver them on our behalf to restaurants and other retailers.

In the United States, the form of Bottler's Agreement for cola-flavored sparkling beverages that covers the largest amount of U.S. concentrate sales (the "1987 Contract") gives us complete flexibility to determine the price and other terms of sale of concentrates and syrups for Company Trademark Beverages. In some instances, we have agreed or may in the future agree with a bottler with respect to concentrate pricing on a prospective basis for specified time periods. Bottlers operating under the 1987 Contract accounted for approximately 91.9 percent of our Company's total U.S. concentrate sales for bottled and canned beverages in 2009, excluding direct sales by the Company of juice and juice-drink products and other finished beverages ("U.S. bottle/can concentrate sales"). Certain other forms of U.S. Bottler's Agreements, entered into prior to 1987, provide for concentrates or syrups for certain Trademark Coca-Cola Beverages and other cola-flavored Company Trademark Beverages to be priced pursuant to a stated formula. Bottlers accounting for approximately 7.8 percent of U.S. bottle/can concentrate sales in 2009 have contracts for certain Trademark Coca-Cola Beverages and other cola-flavored Company Trademark Beverages with pricing formulas that generally provide for a baseline price. This baseline price may be adjusted periodically by the Company, up to a maximum indexed ceiling price, and is adjusted quarterly based upon changes in certain sugar or sweetener prices, as applicable. Bottlers accounting for the remaining approximately 0.3 percent of U.S. bottle/can concentrate sales in 2009 operate under our oldest form of contract, which provides for a fixed price for Coca-Cola syrup used in bottles and cans. This price is subject to quarterly adjustments to reflect changes in the quoted price of sugar.

We have standard contracts with bottlers in the United States for the sale of concentrates and syrups for non-cola-flavored sparkling beverages and certain still beverages in bottles and cans, and, in certain cases, for the sale of finished still beverages in bottles and cans. All of these standard contracts give the Company complete flexibility to determine the price and other terms of sale.

In an effort to allow our Company and our bottling partners to grow together through shared value, aligned incentives and the flexibility necessary to meet consumers' always changing needs and tastes, we worked with the majority of our bottling partners to develop and implement an incidence-based pricing model, primarily for sparkling beverages. Under this model, the concentrate price we charge is impacted by a number of factors, including, but not limited to, bottler pricing, the channels in which the finished products are sold and package mix. We expect to use an incidence-based pricing model in 2010 for most of our bottlers operating under the 1987 Contract.

Under the 1987 Contract and most of our other standard beverage contracts with bottlers in the United States, our Company has no obligation to participate with bottlers in expenditures for advertising and marketing. Nevertheless, at our discretion, we may contribute toward such expenditures and undertake independent or cooperative advertising and marketing activities. Some U.S. Bottler's Agreements that predate the 1987 Contract impose certain marketing obligations on us with respect to certain Company Trademark Beverages.

As a practical matter, our Company's ability to exercise its contractual flexibility to determine the price and other terms of sale of its syrups, concentrates and finished beverages under various agreements described above is subject, both outside and within the United States, to competitive market conditions.

Significant Equity Method Investments and Company Bottling Operations

Our Company maintains business relationships with three types of bottlers:

- bottlers in which the Company has no ownership interest;
- bottlers in which the Company has invested and has a noncontrolling ownership interest; and
- bottlers in which the Company has invested and has a controlling ownership interest.

In 2009, bottling operations in which we had no ownership interest produced and distributed approximately 23 percent of our worldwide unit case volume. During 2009, we had equity positions in 38 unconsolidated bottling, canning and distribution operations for our products worldwide. These cost or equity method investees produced and distributed approximately 56 percent of our worldwide unit case volume in 2009. Company-owned or consolidated bottling operations produced and distributed approximately 11 percent of our worldwide unit case volume in 2009. The remaining approximately 10 percent of our worldwide unit case volume in 2009 was produced by our fountain operations and our juice and juice drink, sports drink and other finished beverage operations.

We make equity investments in selected bottling operations with the intention of maximizing the strength and efficiency of the Coca-Cola system's production, distribution and marketing capabilities around the world. These investments are

intended to result in increases in unit case volume, net revenues and profits at the bottler level, which in turn generate increased concentrate sales for our Company's concentrate and syrup business. When this occurs, both we and our bottling partners benefit from long-term growth in volume, improved cash flows and increased shareowner value.

The level of our investment generally depends on the bottler's capital structure and its available resources at the time of the investment. Historically, in certain situations, we have viewed it as advantageous to acquire a controlling interest in a bottling operation, often on a temporary basis. Owning such a controlling interest has allowed us to compensate for limited local resources and has enabled us to help focus the bottler's sales and marketing programs and assist in the development of the bottler's business and information systems and the establishment of appropriate capital structures.

In line with our long-term bottling strategy, we may periodically consider options for reducing our ownership interest in a bottler. One such option 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 bottling operation to one of our equity method investee bottlers. In both of these situations, our Company continues to participate in the bottler's results of operations through our share of the strategic business alliances' or equity method investees' earnings or losses.

In cases where our investments in bottlers represent noncontrolling interests, our intention is to provide expertise and resources to strengthen those businesses.

Significant investees in which we have noncontrolling ownership interests include the following:

Coca-Cola Enterprises Inc. ("CCE"). Our ownership interest in CCE was approximately 34 percent at December 31, 2009. CCE is the world's largest bottler of Company Trademark Beverages. In 2009, sales of concentrates, syrups, mineral waters, juices, sweeteners and finished products by the Company to CCE were approximately \$6.5 billion. CCE estimates that the territories in which it markets beverage products to retailers (which include portions of 46 states and the District of Columbia in the United States, the U.S. Virgin Islands and certain other Caribbean islands, Canada, Great Britain, continental France, the Netherlands, Luxembourg, Belgium and Monaco) contain approximately 78 percent of the United States population, 98 percent of the population of Canada, and 100 percent of the populations of Great Britain, continental France, the Netherlands, Luxembourg, Belgium and Monaco. In 2009, CCE's net operating revenues were approximately \$21.6 billion. Excluding fountain products, in 2009, approximately 60 percent of the unit case volume of CCE consisted of Trademark Coca-Cola Beverages; approximately 33 percent of its unit case volume consisted of other Company Trademark Beverages; and approximately 7 percent of its unit case volume consisted of beverage products of other companies.

Coca-Cola Hellenic Bottling Company S.A. ("Coca-Cola Hellenic"). Our ownership interest in Coca-Cola Hellenic was approximately 23 percent at December 31, 2009. Coca-Cola Hellenic has bottling and distribution rights, through direct ownership or joint ventures, in Armenia, Austria, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, the Former Yugoslav Republic of Macedonia, Greece, Hungary, Italy, Latvia, Lithuania, Moldova, Montenegro, Nigeria, Northern Ireland, Poland, Republic of Ireland, Romania, Russia, Serbia, Slovakia, Slovenia, Switzerland and Ukraine. Coca-Cola Hellenic estimates that the area in these 28 countries which it serves through its bottling and distribution rights has a combined population of 560 million people. In 2009, Coca-Cola Hellenic's net sales of beverage products were approximately \$10 billion. In 2009, approximately 42 percent of the unit case volume of Coca-Cola Hellenic consisted of Trademark Coca-Cola Beverages; approximately 53 percent of its unit case volume consisted of other Company Trademark Beverages; and approximately 5 percent of its unit case volume consisted of beverage products of Coca-Cola Hellenic or other companies.

Coca-Cola FEMSA, S.A.B. de C.V. ("Coca-Cola FEMSA"). Our ownership interest in Coca-Cola FEMSA was approximately 32 percent at December 31, 2009. Coca-Cola FEMSA is a Mexican holding company with bottling subsidiaries in a substantial part of central Mexico, including Mexico City and southeastern Mexico; greater São Paulo, Campinas, Santos, the state of Matto Grosso do Sul, the state of Minas Gerais and part of the state of Goias in Brazil; central Guatemala; most of Colombia; all of Costa Rica, Nicaragua, Panama and Venezuela; and greater Buenos Aires, Argentina. Coca-Cola FEMSA estimates that the territories in which it markets beverage products contain approximately 47 percent of the population of Mexico, 25 percent of the population of Brazil, 98 percent of the population of Colombia, 48 percent of the population of Guatemala, 100 percent of the populations of Costa Rica, Nicaragua, Panama and Venezuela, and 31 percent of the population of Argentina. In 2009, Coca-Cola FEMSA's net sales of beverage products were approximately \$8 billion. In 2009, approximately 63 percent of the unit case volume of Coca-Cola FEMSA consisted of Trademark Coca-Cola Beverages; approximately 36 percent of its unit case volume

consisted of other Company Trademark Beverages; and approximately 1 percent of its unit case volume consisted of beverage products of Coca-Cola FEMSA or other companies.

Coca-Cola Amatil Limited ("Coca-Cola Amatil"). Our Company's ownership interest in Coca-Cola Amatil was approximately 30 percent at December 31, 2009. Coca-Cola Amatil has bottling and distribution rights, through direct ownership or joint ventures, in Australia, New Zealand, Fiji, Papua New Guinea and Indonesia. Coca-Cola Amatil estimates that the territories in which it markets beverage products contain 100 percent of the populations of Australia, New Zealand, Fiji and Papua New Guinea, and 98 percent of the population of Indonesia. In 2009, Coca-Cola Amatil's net sales of beverage products were approximately \$3.1 billion. In 2009, approximately 48 percent of the unit case volume of Coca-Cola Amatil consisted of Trademark Coca-Cola Beverages; approximately 41 percent of its unit case volume consisted of other Company Trademark Beverages; and approximately 11 percent of its unit case volume consisted of beverage products of Coca-Cola Amatil or other companies.

Seasonality

Sales of our ready-to-drink nonalcoholic beverages are somewhat seasonal, with the second and third calendar quarters accounting for the highest sales volumes. The volume of sales in the beverages business may be affected by weather conditions.

Competition

Our Company competes in the nonalcoholic beverages segment of the commercial beverages industry. The nonalcoholic beverages segment of the commercial beverages industry is highly competitive, consisting of numerous firms. These include firms that, like our Company, compete in multiple geographic areas, as well as firms that are primarily regional or local in operation. Competitive products include numerous nonalcoholic sparkling beverages; various water products, including packaged, flavored and enhanced waters; juices and nectars; fruit drinks and dilutables (including syrups and powdered drinks); coffees and teas; energy and sports and other performance-enhancing drinks; dairy-based drinks; functional beverages; and various other nonalcoholic beverages. These competitive beverages are sold to consumers in both ready-to-drink and other than ready-to-drink form. In many of the countries in which we do business, including the United States, PepsiCo, Inc., is one of our primary competitors. Other significant competitors include, but are not limited to, Nestlé, Dr Pepper Snapple Group, Inc., Groupe Danone, Kraft Foods Inc. and Unilever. In certain markets, our competition includes beer companies. We also compete against numerous regional and local firms and, in some markets, against retailers that have developed their own store or private label beverage brands.

Competitive factors impacting our business include, but are not limited to, pricing, advertising, 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.

Our competitive strengths include leading brands with a high level of consumer acceptance; a worldwide network of bottlers and distributors of Company products; sophisticated marketing capabilities; and a talented group of dedicated associates. Our competitive challenges include strong competition in all geographic regions and, in many countries, a concentrated retail sector with powerful buyers able to freely choose among Company products, products of competitive beverage suppliers and individual retailers' own store or private label beverage brands.

Raw Materials

Water is a main ingredient in substantially all of our products. While historically we have not experienced significant water supply difficulties, water is a limited resource in many parts of the world and our Company recognizes water availability, quality and the sustainability of that natural resource for both our operations and also the communities where we operate as one of the key challenges facing our business.

In addition to water, the principal raw materials used by our business are nutritive and non-nutritive sweeteners. In the United States, the principal nutritive sweetener is high fructose corn syrup ("HFCS"), a form of sugar, which is available from numerous domestic sources and is historically subject to fluctuations in its market price. The principal nutritive sweetener used by our business outside the United States is sucrose, another form of sugar, which is also available from numerous sources and is historically subject to fluctuations in its market price. Our Company generally has not experienced any difficulties in obtaining its requirements for nutritive sweeteners. In the United States, we

purchase HFCS to meet our and our bottlers' requirements with the assistance of Coca-Cola Bottlers' Sales & Services Company LLC ("CCBSS"). CCBSS is a limited liability company that is owned by authorized Coca-Cola bottlers doing business in the United States. Among other things, CCBSS provides procurement services to our Company for the purchase of various goods and services in the United States, including HFCS.

The principal non-nutritive sweeteners we use in our business are aspartame, acesulfame potassium, saccharin, cyclamate and sucralose. Generally, these raw materials are readily available from numerous sources. However, our Company purchases aspartame, an important non-nutritive sweetener that is used alone or in combination with other important non-nutritive sweeteners such as saccharin or acesulfame potassium in our low-calorie sparkling beverage products, primarily from The NutraSweet Company and Ajinomoto Co., Inc., which we consider to be our primary sources for the supply of this product. We currently purchase acesulfame potassium from Nutrinova Nutrition Specialties & Food Ingredients GmbH, which we consider to be our primary source for the supply of this product, and from two additional suppliers. Our Company generally has not experienced any difficulties in obtaining its requirements for non-nutritive sweeteners.

Our Company sells a number of products sweetened with sucralose, a non-nutritive sweetener. We work closely with Tate & Lyle, our sucralose supplier, to maintain continuity of supply. Although Tate & Lyle is our single source for sucralose, we do not anticipate difficulties in obtaining our requirements for sucralose.

With regard to juice and juice-drink products, citrus fruit, particularly orange juice concentrate, is our principal raw material. The citrus industry is subject to the variability of weather conditions. In particular, freezing weather or hurricanes in central Florida may result in shortages and higher prices for orange juice concentrate throughout the industry. Due to our ability to also source orange juice concentrate from the Southern Hemisphere (particularly from Brazil), we normally have an adequate supply of orange juice concentrate that meets our Company's standards.

Our Company-owned or consolidated bottling and canning operations and our finished products business also purchase various other raw materials including, but not limited to, PET resin, preforms and bottles; glass and aluminum bottles; aluminum and steel cans; plastic closures; aseptic fiber packaging; labels; cartons; cases; post-mix packaging; and carbon dioxide. We generally purchase these raw materials from multiple suppliers and historically have not experienced material shortages.

Patents, Copyrights, Trade Secrets and Trademarks

Our Company owns numerous patents, copyrights and trade secrets, as well as substantial know-how and technology, which we collectively refer to in this report as "technology." This technology generally relates to our Company's products and the processes for their production; the packages used for our products; the design and operation of various processes and equipment used in our business; and certain quality assurance software. Some of the technology is licensed to suppliers and other parties. Our sparkling beverage and other beverage formulae are among the important trade secrets of our Company.

We own numerous trademarks that are very important to our business. Depending upon the jurisdiction, trademarks are valid as long as they are in use and/or their registrations are properly maintained. Pursuant to our Bottler's Agreements, we authorize our bottlers to use applicable Company trademarks in connection with their manufacture, sale and distribution of Company products. In addition, we grant licenses to third parties from time to time to use certain of our trademarks in conjunction with certain merchandise and food products.

Governmental Regulation

Our Company is required to comply, and it is our policy to comply, with applicable laws in the numerous countries throughout the world in which we do business. In many jurisdictions, compliance with competition laws is of special importance to us, and our operations may come under special scrutiny by competition law authorities due to our competitive position in those jurisdictions.

The production, distribution and sale in the United States of many of our Company's products are subject to the Federal Food, Drug, and Cosmetic Act; the Federal Trade Commission Act; the Lanham Act; state consumer protection laws; federal, state and local workplace health and safety laws; various federal, state and local environmental protection laws; and various other federal, state and local statutes and regulations applicable to the production, transportation, sale, safety, advertising, labeling and ingredients of such products. Outside the United States, the production,

distribution and sale of our many products and related operations are also subject to numerous similar and other statutes and regulations.

A California law requires that a specific warning appear on any product that contains a substance listed by the state as having been found to cause cancer or birth defects. This law exposes all food and beverage producers to the possibility of having to provide warnings on their products because it recognizes no generally applicable quantitative thresholds below which a warning is not required. Consequently, the detection of even a trace amount of a listed substance can subject an affected product to the requirement of a warning label. Products containing listed substances that occur naturally or that are contributed to such products solely by a municipal water supply are generally exempt from the warning requirement. The Company is not currently required to display warnings under this law on any Company beverages produced for sale in California. In the future, however, caffeine and other substances detectable in Company products may be added to the California list pursuant to this law and the related regulations as they currently exist, or as they may be amended. Furthermore, we are unable to predict when or whether the increasing sensitivity of detection methodology may result in the detection of an infinitesimal quantity of a listed substance in a Company beverage produced for sale in California.

Bottlers of our beverage products presently offer and use nonrefillable, recyclable containers in the United States and various other markets around the world. Some of these bottlers also offer and use refillable containers, which are also recyclable. Legal requirements apply in various jurisdictions in the United States and overseas requiring that deposits or certain ecotaxes or fees be charged for the sale, marketing and use of certain nonrefillable beverage containers. The precise requirements imposed by these measures vary. Other types of statutes and regulations relating to beverage container deposits, recycling, ecotaxes and/or product stewardship also apply in various jurisdictions in the United States and overseas. We anticipate that additional, similar legal requirements may be proposed or enacted in the future at local, state and federal levels, both in the United States and elsewhere.

All of our Company's facilities and other operations in the United States and elsewhere around the world are subject to various environmental protection statutes and regulations, including those relating to the use of water resources and the discharge of wastewater. Our policy is to comply with all such legal requirements. Compliance with these provisions has not had, and we do not expect such compliance to have, any material adverse effect on our Company's capital expenditures, net income or competitive position.

Employees

We refer to our employees as "associates." As of December 31, 2009 and 2008, our Company had approximately 92,800 and 92,400 associates, respectively, of which approximately 17,900 and 16,500, respectively, were employed by consolidated variable interest entities ("VIEs"). The increase in the total number of associates in 2009 was primarily due to an increase in the Latin America operating group driven by its finished product business, as well as an increase in the Bottling Investments operating group. These increases were partially offset by the impact of the Company's ongoing productivity initiatives. As of December 31, 2009 and 2008, our Company had approximately 11,700 and 13,000 associates, respectively, located in the United States, including Puerto Rico, of which approximately 190 and 90, respectively, were employed by consolidated VIEs.

Our Company, through its divisions and subsidiaries, has entered into numerous collective bargaining agreements. We currently expect that we will be able to renegotiate such agreements on satisfactory terms when they expire. The Company believes that its relations with its associates are generally satisfactory.

Securities Exchange Act Reports

The Company maintains a website at the following address: www.thecoca-colacompany.com. The information on the Company's website is not incorporated by reference in this annual report on Form 10-K.

We make available on or through our website certain reports and amendments to those reports that we file with or furnish to the Securities and Exchange Commission (the "SEC") in accordance with the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These include our annual reports on Form 10-K, our quarterly reports on Form 10-Q and our current reports on Form 8-K. We make this information available on our website free of charge as soon as reasonably practicable after we electronically file the information with, or furnish it to, the SEC.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the following factors, which could materially affect our business, financial condition or results of operations in future periods. The risks described below are not the only risks facing our Company. Additional risks not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or results of operations in future periods.

Obesity and other health concerns may reduce demand for some of our products.

Consumers, public health officials and government officials are becoming increasingly concerned about the public health consequences associated with obesity, particularly among young people. In addition, some researchers, health advocates and dietary guidelines are encouraging consumers to reduce consumption of sugar-sweetened beverages, including those sweetened with HFCS or other nutritive sweeteners. Increasing public concern about these issues; possible new taxes and governmental regulations concerning the marketing, labeling or availability of our beverages; and negative publicity resulting from actual or threatened legal actions against us or other companies in our industry relating to the marketing, labeling or sale of sugar-sweetened beverages may reduce demand for our beverages, which could affect our profitability.

Water scarcity and poor quality could negatively impact the Coca-Cola system's production costs and capacity.

Water is the main ingredient in substantially all of our products. It is also a limited resource in many parts of the world, facing unprecedented challenges from overexploitation, increasing pollution, poor management and climate change. As demand for water continues to increase around the world, and as water becomes scarcer and the quality of available water deteriorates, our system may incur increasing production costs or face capacity constraints which could adversely affect our profitability or net operating revenues in the long run.

Changes in the nonalcoholic beverages business environment could impact our financial results.

The nonalcoholic beverages business environment is rapidly evolving as a result of, among other things, changes in consumer preferences, including changes based on health and nutrition considerations and obesity concerns; shifting consumer tastes and needs; changes in consumer lifestyles; and competitive product and pricing pressures. In addition, our industry is being affected by the trend toward consolidation in the retail channel, particularly in Europe and the United States. If we are unable to successfully adapt to this rapidly changing environment, our share of sales, volume growth and overall financial results could be negatively affected.

The recent global credit crisis and its effects on credit and equity market conditions may adversely affect our financial performance.

The global credit markets experienced unprecedented disruptions during the past two years, and while they improved during 2009, the improvement has not been uniform. The cost and availability of credit varies by market and is subject to changes in the global economic environment. If the current conditions in the credit markets continue or worsen, our ability to access credit markets on favorable terms may be negatively affected, which could increase our cost of borrowing. In addition, the current credit conditions may make it more difficult for our bottling partners to access financing on terms comparable to those obtained historically, which would affect the Coca-Cola system's profitability as well as our share of the income of bottling partners in which we have equity method investments. The current global credit market conditions and their actual or perceived effects on our and our major bottling partners' results of operations and financial condition, along with the current unfavorable economic environment in the United States and much of the world, may increase the likelihood that the major independent credit agencies will downgrade our credit ratings, which could have a negative effect on our borrowing costs.

The significant decline in the equity markets and in the valuation of other assets precipitated by the recent global credit crisis and related financial system instability affected the value of our pension plan assets. In spite of improving asset values in 2009, the fair value of our plan assets remains lower than pre-crisis levels, and this could lead to higher pension expense in the future. As a result of the decline in the fair value of our pension plan assets and a decrease in the discount rate used to calculate pension benefit obligations, we made contributions of \$269 million to our U.S. and international pension plans in 2009 and will consider making additional contributions in 2010 and beyond.

In addition, the major financial institutions remain fragile, and the counterparty risk associated with our existing derivative financial instruments remains higher than pre-crisis levels. Therefore, we may be unable to secure creditworthy counterparties for derivative transactions in the future or may incur higher than anticipated costs in our hedging activities. The decrease in availability of consumer credit resulting from the financial crisis, as well as general unfavorable economic conditions, may also cause consumers to reduce their discretionary spending, which would reduce the demand for our beverages and negatively affect our net revenues and the Coca-Cola system's profitability.

Increased competition could hurt our business.

The nonalcoholic beverages segment of the commercial beverages industry is highly competitive. We compete with major international beverage companies that, like our Company, operate in multiple geographic areas, as well as numerous firms that are primarily local in operation. In many countries in which we do business, including the United States, PepsiCo, Inc., is a primary competitor. Other significant competitors include, but are not limited to, Nestlé, Dr Pepper Snapple Group, Inc., Groupe Danone, Kraft Foods Inc. and Unilever. In certain markets, our competition includes major beer companies. Our beverage products also compete against local or regional brands as well as against store or private label brands developed by retailers, some of which are Coca-Cola system customers. Our ability to gain or maintain share of sales or gross margins in the global market or in various local markets may be limited as a result of actions by competitors.

If we are unable to expand our operations in developing and emerging markets, our growth rate could be negatively affected.

Our success depends in part on our ability to grow our business in developing and emerging markets, which in turn depends on economic and political conditions in those markets and on our ability to acquire or form strategic business alliances with local bottlers and to make necessary infrastructure enhancements to production facilities, distribution networks, sales equipment and technology. Moreover, the supply of our products in developing and emerging markets must match consumers' demand for those products. Due to product price, limited purchasing power and cultural differences, there can be no assurance that our products will be accepted in any particular developing or emerging market.

Fluctuations in foreign currency exchange rates could affect our financial results.

We earn revenues, pay expenses, own assets and incur liabilities in countries using currencies other than the U.S. dollar, including the euro, the Japanese yen, the Brazilian real and the Mexican peso. In 2009, we used 71 functional currencies in addition to the U.S. dollar and derived approximately 74 percent of our net operating revenues from operations outside the United States. Because our consolidated financial statements are presented in U.S. dollars, we must translate revenues, income and expenses, as well as assets and liabilities, into U.S. dollars at exchange rates in effect during or at the end of each reporting period. Therefore, increases or decreases in the value of the U.S. dollar against other major currencies will affect our net operating revenues, operating income and the value of balance sheet items denominated in foreign currencies. In addition, unexpected and dramatic devaluations of currencies in developing or emerging markets, such as the recent devaluation of the Venezuelan bolivar, could negatively affect the value of our earnings from, and of the assets located in, those markets. Because of the geographic diversity of our operations, weaknesses in some currencies might be offset by strengths in others over time. We also use derivative financial instruments to further reduce our net exposure to currency exchange rate fluctuations. However, we cannot assure you that fluctuations in foreign currency exchange rates, particularly the strengthening of the U.S. dollar against major currencies or the currencies of large developing countries, would not materially affect our financial results.

If interest rates increase, our net income could be negatively affected.

We maintain levels of debt that we consider prudent based on our cash flows, interest coverage ratio and percentage of debt to capital. We use debt financing to lower our cost of capital, which increases our return on shareowners' equity. This exposes us to adverse changes in interest rates. When appropriate, we use derivative financial instruments to reduce our exposure to interest rate risks. We cannot assure you, however, that our financial risk management program will be successful in reducing the risks inherent in exposures to interest rate fluctuations. Our interest expense may also be affected by our credit ratings. In assessing our credit strength, credit rating agencies consider our capital structure and financial policies as well as the aggregate balance sheet and other financial information for the Company and certain major bottlers. It is our expectation that the credit rating agencies will continue using this methodology. If our

credit ratings were to be downgraded as a result of changes in our capital structure; our major bottlers' financial performance; changes in the credit rating agencies' methodology in assessing our credit strength; the credit agencies' perception of the impact of the continuing unfavorable credit conditions on our or our major bottlers' current or future financial performance and financial condition; or for any other reason, our cost of borrowing could increase. Additionally, if the credit ratings of certain bottlers in which we have equity method investments were to be downgraded, such bottlers' interest expense could increase, which would reduce our equity income.

We rely on our bottling partners for a significant portion of our business. If we are unable to maintain good relationships with our bottling partners, our business could suffer.

We generate a significant portion of our net operating revenues by selling concentrates and syrups to independent bottling partners. In 2009, approximately 79 percent of our worldwide unit case volume was produced and distributed by bottling partners in which the Company did not have a controlling interest. As independent companies, our bottling partners, some of which are publicly traded companies, make their own business decisions that may not always align with our interests. In addition, many of our bottling partners have the right to manufacture or distribute their own products or certain products of other beverage companies. If we are unable to provide an appropriate mix of incentives to our bottling partners through a combination of pricing and marketing and advertising support, they may take actions that, while maximizing their own short-term profits, may be detrimental to our Company or our brands, or they may devote more of their energy and resources to business opportunities or products other than those of the Company. Such actions could, in the long run, have an adverse effect on our profitability.

If our bottling partners' financial condition deteriorates, our business and financial results could be affected.

We derive a significant portion of our net operating revenues from sales of concentrates and syrups to our bottling partners and, therefore, the success of our business depends on our bottling partners' financial strength and profitability. While under our bottling partners' agreements we generally have the right to unilaterally change the prices we charge for our concentrates and syrups, our ability to do so may be materially limited by our bottling partners' financial condition and their ability to pass price increases along to their customers. In addition, we have investments in certain of our bottling partners, which we account for under the equity method, and our operating results include our proportionate share of such bottling partners' income or loss. Our bottling partners' financial condition is affected in large part by conditions and events that are beyond our and their control, including competitive and general market conditions in the territories in which they operate, the availability of capital and other financing resources on reasonable terms, loss of major customers, or disruptions of bottling operations that may be caused by strikes, work stoppages, labor unrest or natural disasters. A deterioration of the financial condition or results of operations of one or more of our major bottling partners could adversely affect our net operating revenues from sales of concentrates and syrups; could result in a decrease in our equity income; and could negatively affect the carrying values of our investments in bottling partners, resulting in asset write-offs.

Increases in income tax rates or changes in income tax laws could have a material adverse impact on our financial results.

We are subject to income tax in the United States and in numerous other jurisdictions in which we generate net operating revenues. Increases in income tax rates could reduce our after-tax income from affected jurisdictions. In addition, there have been proposals to reform U.S. tax laws that could significantly impact how U.S. multinational corporations are taxed on foreign earnings. We earn a substantial portion of our income in foreign countries. Although we cannot predict whether or in what form these proposals will pass, if enacted several of the proposals being considered could have a material adverse impact on our tax expense and cash flow.

Increased or new indirect taxes in the United States or in one or more of our other major markets could negatively affect our business.

Our business operations are subject to numerous duties or taxes that are not based on income, sometimes referred to as "indirect taxes," including import duties, excise taxes, sales or value-added taxes, property taxes and payroll taxes, in many of the jurisdictions in which we operate, including indirect taxes imposed by state and local governments. In addition, in early 2009, as part of the proposed health care reform legislation, the United States Congress considered imposing a federal excise tax on beverages sweetened with sugar, HFCS or other nutritive sweeteners to offset part of the cost of implementing the proposed legislation. The proposed federal excise tax would have applied to our sparkling,

juice and juice-drink and sports beverages. While this proposal has not been included in the health care bills currently before the United States Congress, there is no assurance that it will not be reintroduced in the future. In addition, as federal, state and local governments experience significant budget deficits, some lawmakers have proposed singling out beverages among a plethora of revenue-raising items. Increases in or the imposition of new indirect taxes on our business operations or products would increase the cost of products or, to the extent levied directly on consumers, make our products less affordable.

If we are unable to renew collective bargaining agreements on satisfactory terms, or we or our bottling partners experience strikes, work stoppages or labor unrest, our business could suffer.

Many of our associates at our key manufacturing locations and bottling plants are covered by collective bargaining agreements. If we are unable to renew such agreements on satisfactory terms, our labor costs could increase, which would affect our profit margins. In addition, many of our bottling partners' employees are represented by labor unions. Strikes, work stoppages or other forms of labor unrest at any of our major manufacturing facilities or at our major bottlers' plants could impair our ability to supply concentrates and syrups to our bottling partners or our bottlers' ability to supply finished beverages to customers, which would reduce our revenues and could expose us to customer claims.

Increase in the cost, disruption of supply or shortage of energy could affect our profitability.

We and our bottling partners operate a large fleet of trucks and other motor vehicles to distribute and deliver beverage products to customers. In addition, we and our bottlers use a significant amount of electricity, natural gas and other energy sources to operate our concentrate and bottling plants. An increase in the price, disruption of supply or shortage of fuel and other energy sources that may be caused by increasing demand or by events such as natural disasters, power outages or the like would increase our and the Coca-Cola system's operating costs and, therefore, could negatively impact our profitability.

Increase in the cost, disruption of supply or shortage of ingredients or packaging materials could harm our business.

We and our bottling partners use various ingredients in our business, including HFCS, sucrose, aspartame, saccharin, acesulfame potassium, sucralose, ascorbic acid, citric acid, phosphoric acid and orange and other fruit juice concentrates, as well as packaging materials such as PET for bottles and aluminum for cans. The prices for these ingredients and packaging materials fluctuate depending on market conditions. Substantial increases in the prices of our or our bottling partners' ingredients and packaging materials, to the extent they cannot be recouped through increases in the prices of finished beverage products, would increase our and the Coca-Cola system's operating costs and could reduce our profitability. Increases in the prices of our finished products resulting from higher ingredient and packaging material costs could affect affordability in some markets and reduce Coca-Cola system sales. In addition, some of these ingredients, such as aspartame, acesulfame potassium, sucralose, saccharin and ascorbic acid, as well as some of the packaging containers, such as aluminum cans, are available from a limited number of suppliers, some of which are located in countries experiencing political or other risks. We cannot assure you that we and our bottling partners will be able to maintain favorable arrangements and relationships with these suppliers. An increase in the cost, a sustained interruption in the supply, or a shortage of some of these ingredients, packaging materials or cans and other containers that may be caused by a deterioration of our or our bottling partners' relationships with suppliers; by supplier quality and reliability issues; or by events such as natural disasters, power outages, labor strikes, political uncertainties or governmental instability, or the like, could negatively impact our net revenues and profits.

Changes in laws and regulations relating to beverage containers and packaging could increase our costs and reduce demand for our products.

We and our bottlers currently offer nonrefillable, recyclable containers in the United States and in various other markets around the world. Legal requirements have been enacted in various jurisdictions in the United States and overseas requiring that deposits or certain ecotaxes or fees be charged for the sale, marketing and use of certain nonrefillable beverage containers. Other proposals relating to beverage container deposits, recycling, ecotax and/or product stewardship have been introduced in various jurisdictions in the United States and overseas, and we anticipate that similar legislation or regulations may be proposed in the future at local, state and federal levels, both in the United States and elsewhere. Consumers' increased concerns and changing attitudes about solid waste streams and environmental responsibility and related publicity could result in the adoption of such legislation or regulations. If these

types of requirements are adopted and implemented on a large scale in any of the major markets in which we operate, they could affect our costs or require changes in our distribution model, which could reduce our net operating revenues or profitability. In addition, container-deposit laws, or regulations that impose additional burdens on retailers, could cause a shift away from our products to retailer-proprietary brands, which could impact the demand for our products in the affected markets.

Significant additional labeling or warning requirements may inhibit sales of affected products.

Various jurisdictions may seek to adopt significant additional product labeling or warning requirements relating to the content or perceived adverse health consequences of certain of our products. If these types of requirements become applicable to one or more of our major products under current or future environmental or health laws or regulations, they may inhibit sales of such products. One such law, which is in effect in California, requires that a specific warning appear on any product that contains a substance listed by the state as having been found to cause cancer or birth defects. This law exposes all food and beverage producers to the possibility of having to provide warnings on their products because it does not recognize any generally applicable quantitative thresholds below which a warning is not required. Consequently, the detection of even a trace amount of a listed substance can subject an affected product to the requirement of a warning label. The Company is not currently required to display warnings under this law on any Company beverages produced for sale in California. In the future, however, caffeine and other substances detectable in Company products may be added to the list pursuant to this law and the related regulations as they currently exist or as they may be amended. If a substance found in one of our products is added to the list, or if the increasing sensitivity of detection methodology results in the detection of an infinitesimal quantity of a listed substance in one of our beverages produced for sale in California, the resulting warning requirements or adverse publicity could negatively affect our sales.

Unfavorable general economic conditions in the United States or in other major markets could negatively impact our financial performance.

Unfavorable general economic conditions, such as a recession or economic slowdown in the United States or in one or more of our other major markets, could negatively affect the affordability of, and consumer demand for, some of our beverages. Under difficult economic conditions, consumers may seek to reduce discretionary spending by forgoing purchases of our products or by shifting away from our beverages to lower-priced products offered by other companies. Softer consumer demand for our beverages in the United States or in other major markets could reduce the Coca-Cola system's profitability and could negatively affect our financial performance.

Unfavorable economic and political conditions in international markets could hurt our business.

We derive a significant portion of our net operating revenues from sales of our products in international markets. In 2009, our operations outside the United States accounted for approximately 74 percent of our net operating revenues. Unfavorable economic and political conditions in certain of our international markets, including civil unrest and governmental changes, could undermine consumer confidence and reduce the consumers' purchasing power, thereby reducing demand for our products. In addition, product boycotts resulting from political activism could reduce demand for our products, while restrictions on our ability to transfer earnings or capital across borders which may be imposed or expanded as a result of political and economic instability could impact our profitability. Without limiting the generality of the preceding sentences, the unfavorable business environment in Venezuela, the current unstable economic and political conditions and civil unrest and political activism in the Middle East, India, Pakistan or the Philippines, the unstable situation in Iraq or the continuation or escalation of terrorist activities could adversely impact our international business.

Changes in commercial and market practices within the European Economic Area may affect the sales of our products.

We and our bottlers are subject to an Undertaking, rendered legally binding in June 2005 by a decision of the European Commission, pursuant to which we committed to make certain changes in our commercial and market practices in the European Economic Area Member States. The Undertaking applies in any of the listed 27 countries in which certain of our sparkling beverages account for over 40 percent of national sales and twice the nearest competitor's share. The commitments we and our bottlers made in the Undertaking relate broadly to exclusivity, percentage-based purchasing commitments, transparency, target rebates, tying, assortment or range commitments, and agreements concerning products of other suppliers. The Undertaking also applies to shelf space commitments in

agreements with take-home customers and to financing and availability agreements in the on-premise channel. In addition, the Undertaking includes commitments that are applicable to commercial arrangements concerning the installation and use of technical equipment (such as coolers, fountain equipment and vending machines). Adjustments to our business model in the European Economic Area Member States as a result of these commitments or of future interpretations of European Union competition laws and regulations could adversely affect our sales in the European Economic Area markets.

Litigation or legal proceedings could expose us to significant liabilities and damage our reputation.

We are party to various litigation claims and legal proceedings. We evaluate these litigation claims and legal proceedings to assess the likelihood of unfavorable outcomes and to estimate, if possible, the amount of potential losses. Based on these assessments and estimates, we establish reserves and/or disclose the relevant litigation claims or legal proceedings, as appropriate. These assessments and estimates are based on the information available to management at the time and involve a significant amount of management judgment. We caution you that actual outcomes or losses may differ materially from those envisioned by our current assessments and estimates. In addition, we have bottling and other business operations in markets with high-risk legal compliance environments. Our policies and procedures require strict compliance by our associates and agents with all United States and local laws and regulations applicable to our business operations, including those prohibiting improper payments to government officials. Nonetheless, we cannot assure you that our policies, procedures and related training programs will always ensure full compliance by our associates and agents with all applicable legal requirements. Improper conduct by our associates or agents could damage our reputation in the United States and internationally or lead to litigation or legal proceedings that could result in civil or criminal penalties, including substantial monetary fines, as well as disgorgement of profits.

Adverse weather conditions could reduce the demand for our products.

The sales of our products are influenced to some extent by weather conditions in the markets in which we operate. Unusually cold or rainy weather during the summer months may have a temporary effect on the demand for our products and contribute to lower sales, which could have an adverse effect on our results of operations for such periods.

If we are unable to maintain our brand image and corporate reputation, our business may suffer.

Our success depends on our ability to maintain brand image for our existing products and effectively build up brand image for new products and brand extensions. We cannot assure you, however, that additional expenditures and our continuing commitment to advertising and marketing will have the desired impact on our products' brand image and on consumer preferences. Changes in consumers' media preferences, such as the shift away from traditional mass media to the Internet, may undermine the effectiveness of our media advertising campaigns in reaching consumers and may increase our marketing costs. Product quality issues, actual or perceived, or allegations of product contamination, even when false or unfounded, could tarnish the image of the affected brands and may cause consumers to choose other products. Allegations of product contamination, even if untrue, may require us from time to time to recall a beverage or other product from all of the markets in which the affected production was distributed. Product recalls could negatively affect our profitability and brand image. In some emerging markets, the production and sale of counterfeit or "spurious" products, which we and our bottling partners may not be able to fully combat, may damage the image and reputation of our products. Also, adverse publicity surrounding obesity and health concerns related to our products, water usage, labor relations and the like, and campaigns by activists attempting to connect our system to environmental issues, water shortages or workplace or human rights violations in certain countries in which we operate, could negatively affect our Company's overall reputation and our products' acceptance by consumers.

Changes in the legal and regulatory environment in the countries in which we operate could increase our costs or reduce our net operating revenues.

Our Company's business is subject to various laws and regulations in the numerous countries throughout the world in which we do business, including laws and regulations relating to competition, product safety, advertising and labeling, container deposits, recycling or stewardship, the protection of the environment, and employment and labor practices. In the United States, the production, distribution and sale of many of our products are subject to, among others, the Federal Food, Drug, and Cosmetic Act, the Federal Trade Commission Act, the Lanham Act, state consumer protection

laws, the Occupational Safety and Health Act, various environmental statutes, as well as various state and local statutes and regulations. Outside the United States, the production, distribution, sale, advertising and labeling of many of our products are also subject to various laws and regulations. Changes in applicable laws or regulations or evolving interpretations thereof, including increased government regulations to limit carbon dioxide and other greenhouse gas emissions as a result of concern over climate change, may result in increased compliance costs, capital expenditures and other financial obligations for us and our bottling partners, which could affect our profitability or impede the production or distribution of our products, which could affect our net operating revenues.

Changes in accounting standards could affect our reported financial results.

New accounting standards or pronouncements that may become applicable to our Company from time to time, or changes in the interpretation of existing standards and pronouncements, could have a significant effect on our reported results for the affected periods.

If we are not able to achieve our overall long-term goals, the value of an investment in our Company could be negatively affected.

We have established and publicly announced certain long-term growth objectives. These objectives were based on our evaluation of our growth prospects, which are generally based on volume and sales potential of many product types, some of which are more profitable than others, and on an assessment of the potential price and product mix. There can be no assurance that we will achieve the required volume or revenue growth or the mix of products necessary to achieve our long-term growth objectives.

If we are unable to protect our information systems against data corruption, cyber-based attacks or network security breaches, our operations could be disrupted.

We rely on information technology networks and systems, including the Internet, to process, transmit and store electronic information. In particular, we depend on our information technology infrastructure for digital marketing activities and electronic communications among our locations around the world and between Company personnel and our bottlers and other customers and suppliers. Security breaches of this infrastructure can create system disruptions, shutdowns or unauthorized disclosure of confidential information. If we are unable to prevent such breaches, our operations could be disrupted, or we may suffer financial damage or loss because of lost or misappropriated information.

We may be required to recognize additional impairment charges which could materially affect our financial results.

We assess our goodwill, trademarks and other intangible assets as well as our other long-lived assets as and when required by accounting principles generally accepted in the United States to determine whether they are impaired and, if they are, we record appropriate impairment charges. Our equity method investees also perform impairment tests, and we record our proportionate share of impairment charges recorded by them adjusted, as appropriate, for the impact of items such as basis differences, deferred taxes and deferred gains. We also record our proportionate share of restructuring charges recorded by equity method investees. For example, in 2009 we recorded charges of approximately \$40 million related to asset impairments due to a change in the expected useful life of an intangible asset and a change in disposal strategy related to a building that is no longer occupied; charges of approximately \$86 million to equity income (loss) — net, representing our proportionate share of impairment and restructuring charges recorded by certain equity investees, and charges of approximately \$27 million to other income (loss) — net due to an other-than-temporary decline in the fair value of a cost method investment; in 2008 we recorded charges of approximately \$1.6 billion to equity income (loss) — net, representing our proportionate share of impairment charges recorded by CCE, and a charge of approximately \$81 million to other income (loss) — net related to other-than-temporary declines in the fair value of certain available-for-sale securities; and in 2007 we recorded net charges of approximately \$150 million to equity income (loss) — net, representing our proportionate share of impairment and restructuring charges, net of our proportionate share of benefits related to tax rate changes, recorded by certain equity investees. It is possible that we may be required to record significant impairment charges or our proportionate share of significant charges recorded by equity investees in the future and, if we do so, our operating or equity income could be materially adversely affected.

If we do not successfully integrate and manage our Company-owned or controlled bottling operations, our results could suffer.

While we primarily manufacture, market and sell concentrates and syrups to our bottling partners, from time to time we acquire or take control of bottling operations. Often, though not always, we acquire or take control of bottling operations in underperforming markets where we believe we can use our resources and expertise to improve performance. We may incur unforeseen liabilities and obligations in connection with acquiring, taking control of or managing bottling operations and may encounter unexpected difficulties and costs in restructuring and integrating them into our Company's operating and internal control structures. We may also experience delays in extending our Company's internal control over financial reporting to newly acquired or controlled bottling operations, which may increase the risk of failure to prevent misstatements in such operations' financial records and in our consolidated financial statements. In 2009, net operating revenues generated by Company-owned or controlled bottling operations (which are included in the Bottling Investments operating segment) represented approximately 26 percent of our Company's consolidated net operating revenues. Therefore, our financial performance depends in large part on how well we can manage and improve the performance of Company-owned or controlled bottling operations. We cannot assure you, however, that we will be able to achieve our strategic and financial objectives for such bottling operations. If we are unable to achieve such objectives, our consolidated results could be negatively affected.

Climate change may negatively affect our business.

There is increasing concern that a gradual increase in global average temperatures due to increased concentration of carbon dioxide and other greenhouse gases in the atmosphere will cause significant changes in weather patterns around the globe and an increase in the frequency and severity of natural disasters. Decreased agricultural productivity in certain regions as a result of changing weather patterns may limit availability or increase the cost of key agricultural commodities, such as sugarcane, corn, beets, citrus, coffee and tea, which are important ingredients for our products. Increased frequency or duration of extreme weather conditions could also impair production capabilities, disrupt our supply chain or impact demand for our products. Climate change may also exacerbate water scarcity and cause a further deterioration of water quality in affected regions, which could limit water availability for our system's bottling operations. In addition, public expectations for reductions in greenhouse gas emissions could result in increased energy, transportation and raw material costs and may require us and our bottling partners to make additional investments in facilities and equipment. As a result, the effects of climate change could have a long-term adverse impact on our business and results of operations.

Global or regional catastrophic events could impact our operations and financial results.

Because of our global presence and worldwide operations, our business can be affected by large-scale terrorist acts, especially those directed against the United States or other major industrialized countries; the outbreak or escalation of armed hostilities; major natural disasters; or widespread outbreaks of infectious diseases such as H1N1 influenza, avian influenza or severe acute respiratory syndrome (generally known as SARS). Such events could impair our ability to manage our business around the world, could disrupt our supply of raw materials, and could impact production, transportation and delivery of concentrates, syrups and finished products. In addition, such events could cause disruption of regional or global economic activity, which can affect consumers' purchasing power in the affected areas and, therefore, reduce demand for our products.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

Our worldwide headquarters is located on a 35-acre office complex in Atlanta, Georgia. The complex includes the approximately 621,000 square foot headquarters building, the approximately 870,000 square foot Coca-Cola North America ("CCNA") building and the approximately 264,000 square foot Coca-Cola Plaza building. The complex also includes several other buildings, including technical and engineering facilities, a learning center and a reception center. Our Company leases approximately 250,000 square feet of office space at 10 Glenlake Parkway, Atlanta, Georgia, which we currently sublease to third parties. In addition, we lease approximately 223,000 square feet of office space at Northridge Business Park, Dunwoody, Georgia. We own or lease additional real estate, including a Company-owned office and retail building at 711 Fifth Avenue in New York, New York. These properties are primarily included in the Corporate operating segment.

We own or lease additional facilities and real estate throughout the world which we use for administrative operations, manufacturing, processing, packaging, packing, storage, warehousing and retail operations. These properties are generally included in the geographic operating segment in which they are located. In North America, we own nine still beverage production facilities, 10 principal beverage concentrate and/or syrup manufacturing plants and four bottled water facilities. We also lease one bottled water facility and own a facility that manufactures juice concentrates for foodservice use. Also included in the North America operating segment is a portion of the Atlanta office complex. Additionally, as of December 31, 2009, our Company owned and operated 20 principal beverage concentrate manufacturing plants outside of North America, of which seven are included in the Pacific operating segment, five are included in the Eurasia and Africa operating segment, five are included in the Latin America operating segment and three are included in the Europe operating segment.

We own or hold a majority interest in or otherwise consolidate under applicable accounting rules bottling operations that own 112 principal beverage bottling and canning plants located throughout the world. These plants are included in the Bottling Investments operating segment.

Management believes that our Company's facilities for the production of our products are suitable and adequate, 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 seasonal demand for our products. However, management believes that additional production can be obtained at the existing facilities by adding personnel and capital equipment and, at some facilities, by adding shifts of personnel or expanding the facilities. We continuously review our 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

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

Aqua-Chem Litigation

On December 20, 2002, the Company filed a lawsuit (*The Coca-Cola Company v. Aqua-Chem, Inc., Civil Action No. 2002CV631-50*) in the Superior Court, Fulton County, Georgia (the "Georgia Case"), seeking a declaratory judgment that the Company has no obligation to its former subsidiary, Aqua-Chem, Inc., now known as Cleaver-Brooks, Inc. ("Aqua-Chem"), for any past, present or future liabilities or expenses in connection with any claims or lawsuits against Aqua-Chem. Subsequent to the Company's filing but on the same day, Aqua-Chem filed a lawsuit (*Aqua-Chem, Inc. v. The Coca-Cola Company, Civil Action No. 02CV012179*) in the Circuit Court, Civil Division of Milwaukee County, Wisconsin (the "Wisconsin Case"). In the Wisconsin Case, Aqua-Chem sought a declaratory judgment that the Company is responsible for all liabilities and expenses not covered by insurance in connection with certain of Aqua-Chem's general and product liability claims arising from occurrences prior to the Company's sale of Aqua-Chem in 1981, and a judgment for breach of contract in an amount exceeding \$9 million for costs incurred by Aqua-Chem to date in connection with such claims. The Wisconsin Case initially was stayed, pending final resolution of the Georgia Case, and later was voluntarily dismissed without prejudice by Aqua-Chem.

The Company owned Aqua-Chem from 1970 to 1981. During that time, the Company purchased over \$400 million of insurance coverage, of which approximately \$350 million is still available to cover Aqua-Chem's costs for certain product liability and other claims. The Company sold Aqua-Chem to Lyonnaise American Holding, Inc., in 1981 under the terms of a stock sale agreement. The 1981 agreement, and a subsequent 1983 settlement agreement, outlined the parties' rights and obligations concerning past and future claims and lawsuits involving Aqua-Chem. Cleaver-Brooks, a division of Aqua-Chem, manufactured boilers, some of which contained asbestos gaskets. Aqua-Chem was first named as a defendant in asbestos lawsuits in or around 1985 and currently has more than 100,000 claims pending against it.

The parties agreed in 2004 to stay the Georgia Case pending the outcome of insurance coverage litigation filed by certain Aqua-Chem insurers on March 26, 2004. In the coverage action, five plaintiff insurance companies filed suit (*Century Indemnity Company, et al. v. Aqua-Chem, Inc., The Coca-Cola Company, et al.*, Case No. 04CV00285) in the Circuit Court, Civil Division of Milwaukee County, Wisconsin, against the Company, Aqua-Chem and 16 insurance companies. Several of the policies that were the subject of the coverage action had been issued to the Company during the period (1970 to 1981) when the Company owned Aqua-Chem. The complaint sought a determination of the respective rights and obligations under the insurance policies issued with regard to asbestos-related claims against Aqua-Chem. The action also sought a monetary judgment reimbursing any amounts paid by the plaintiffs in excess of their obligations. Two of the insurers, one with a \$15 million policy limit and one with a \$25 million policy limit, asserted cross-claims against the Company, alleging that the Company and/or its insurers are responsible for Aqua-Chem's asbestos liabilities before any obligation is triggered on the part of the cross-claimant insurers to pay for such costs under their policies.

Aqua-Chem and the Company filed and obtained a partial summary judgment determination in the coverage action that the insurers for Aqua-Chem and the Company were jointly and severally liable for coverage amounts, but reserving judgment on other defenses that might apply. During the course of the Wisconsin coverage litigation, Aqua-Chem and the Company reached settlements with several of the insurers, including plaintiffs, who have paid or will pay funds into an escrow account for payment of costs arising from the asbestos claims against Aqua-Chem. On July 24, 2007, the Wisconsin trial court entered a final declaratory judgment regarding the rights and obligations of the parties under the insurance policies issued by the remaining defendant insurers, which judgment was not appealed. The judgment directs, among other things, that each insurer whose policy is triggered is jointly and severally liable for 100 percent of Aqua-Chem's losses up to policy limits.

The court's judgment concluded the Wisconsin insurance coverage litigation. The Georgia Case remains subject to the stay agreed to in 2004. There were no material developments in this case during 2009.

European Union Parallel Trade Matter

The Company had discussions with the Competition Directorate of the European Commission (the "European Commission") about issues relating to parallel trade within the European Union arising out of comments received by the European Commission from third parties. The Company fully cooperated with the European Commission and provided information on these issues and the measures taken to address them. As the Company has not received any communication for several years from the European Commission with respect to this matter, the Company considers this matter concluded.

Chapman

On June 30, 2005, Maryann Chapman filed a purported shareholder derivative action (*Chapman v. Isdell, et al.*) in the Superior Court of Fulton County, Georgia, alleging violations of state law by certain individual current and former members of the Board of Directors of the Company and senior management, including breaches of fiduciary duties, abuse of control, gross mismanagement, waste of corporate assets and unjust enrichment, between January 2003 and the date of filing of the complaint that have caused substantial losses to the Company and other damages, such as to its reputation and goodwill. The defendants named in the lawsuit include Neville Isdell, Douglas Daft, Gary Fayard, Ronald Allen, Cathleen Black, Warren Buffett, Herbert Allen, Barry Diller, Donald McHenry, Sam Nunn, James Robinson, Peter Ueberroth, James Williams, Donald Keough, Maria Lagomasino, Pedro Reinhard, Robert Nardelli and Susan Bennett King. The Company is also named a nominal defendant. The complaint further alleges that the September 2004 earnings warning issued by the Company resulted from factors known by the individual defendants as early as January 2003 that were not adequately disclosed to the investing public until the earnings warning. The factors

cited in the complaint include (i) a flawed business strategy and a business model that was not working; (ii) a workforce so depleted by layoffs that it was unable to properly react to changing market conditions; (iii) impaired relationships with key bottlers; and (iv) the fact that the foregoing conditions would lead to diminished earnings. The plaintiff, purportedly on behalf of the Company, seeks damages in an unspecified amount, extraordinary equitable and/or injunctive relief, restitution and disgorgement of profits, reimbursement for costs and disbursements of the action, and such other and further relief as the Court deems just and proper. The Company's motion to dismiss the complaint and the plaintiff's response were filed and fully briefed. The Court heard oral argument on the Company's motion to dismiss on June 6, 2006. Following the hearing, the Court took the matter under advisement and the parties are awaiting a ruling. There were no material developments in this case during 2009.

The Company intends to vigorously defend its interests in this matter.

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

Not applicable.

ITEM X. EXECUTIVE OFFICERS OF THE COMPANY

The following are the executive officers of our Company as of February 26, 2010:

Harry L. Anderson, 47, is Senior Vice President, Global Business and Technology Services of the Company. Mr. Anderson joined the Company in 2001 as Senior Vice President, Coca-Cola Ventures. In 2002, he was named Director of Supply Chain and Manufacturing Management. Mr. Anderson served as Chief Financial Officer of Coca-Cola North America from 2004 until 2007. In 2007, he was appointed Vice President and Controller of the Company. Prior to joining the Company, Mr. Anderson served as Executive Vice President, Finance and Operations, Turner Entertainment Group; Executive Vice President, Finance and Administration, Turner Sales and Distribution Group; and Vice President and Group Controller, Turner Sales and Distribution Group. Before joining Turner Broadcasting, Mr. Anderson was with Price Waterhouse in Audit and Accounting Services.

Ahmet C. Bozer, 49, is President of the Eurasia and Africa Group. Mr. Bozer joined the Company in 1990 as a Financial Control Manager for Coca-Cola USA and held a number of other roles in the finance organization. In 1994, he joined Coca-Cola Bottlers of Turkey (now Coca-Cola Icecek A.S.), a joint venture among the Company, The Anadolu Group and Özgörkey Companies, as Chief Financial Officer and was later named Managing Director in 1998. In 2000, Mr. Bozer was named President of the Eurasia Division of the Company. At the end of 2002, that division was reorganized to include the Middle East Division and was renamed the Eurasia and Middle East Division. During the period between 2000 until 2006, the Eurasia and Middle East Division was expanded to include 34 countries and, in 2006, Mr. Bozer assumed the additional leadership responsibility for the Russia, Ukraine and Belarus Division. Mr. Bozer was appointed President of the Company's former Eurasia Group effective January 1, 2007, and became President of the Eurasia and Africa Group when it was formed effective July 1, 2008, by combining the former Eurasia Group (other than the Adriatic and Balkans business unit) with the former Africa Group.

Alexander B. Cummings, Jr., 53, is Executive Vice President and Chief Administrative Officer of the Company. Mr. Cummings began his career in 1982 with The Pillsbury Company and held various positions within Pillsbury, the last position being Vice President of Finance and Chief Financial Officer for all of Pillsbury's international businesses. Mr. Cummings joined the Company in 1997 as Deputy Region Manager, Nigeria, based in Lagos, Nigeria. In 1998, Mr. Cummings was named Managing Director/Region Manager, Nigeria, and in 2000, he became President of the North West Africa Division based in Morocco. In March 2001, Mr. Cummings became President of the Africa Group overseeing the Company's business in the entire African continent, and served in this capacity until June 2008. Mr. Cummings was appointed Chief Administrative Officer of the Company effective July 1, 2008, and was elected Executive Vice President of the Company effective October 15, 2008.

J. Alexander M. Douglas, Jr., 48, is President of the North America Group. Mr. Douglas joined the Company in January 1988 as a District Sales Manager for the Foodservice Division of Coca-Cola USA. In May 1994, he was named Vice President of Coca-Cola USA, initially assuming leadership of the CCE Sales and Marketing Group and eventually assuming leadership of the entire North American Field Sales and Marketing Groups. In January 2000, Mr. Douglas was appointed President of the North American Division within the North America Group. He served as Senior Vice President and Chief Customer Officer of the Company from February 2003 until August 2006 and continued serving as

Senior Vice President until April 2007. Mr. Douglas was appointed President of the North America Group in August 2006.

Ceree Eberly, 47, is Chief People Officer of the Company, with responsibility for leading the Company's global People Function (formerly Human Resources). Ms. Eberly joined the Company in February 1990, serving in staffing, compensation and other roles supporting the Company's business units around the world. From October 1998 until January 2003, she served as Human Resources Director for the Latin Center Business Unit. From February 2003 until June 2007, Ms. Eberly served as Vice President of the McDonald's Division. She was appointed Group Human Resources Director for Europe in July 2007 and served in that capacity until she was appointed Chief People Officer effective December 1, 2009. Ms. Eberly was elected Senior Vice President of the Company effective April 1, 2010.

Gary P. Fayard, 57, is Executive Vice President and Chief Financial Officer of the Company. Mr. Fayard joined the Company in April 1994. In July 1994, he was elected Vice President and Controller. In December 1999, he was elected Senior Vice President and Chief Financial Officer. Mr. Fayard was elected Executive Vice President of the Company in February 2003.

Irial Finan, 52, is Executive Vice President of the Company and President, Bottling Investments and Supply Chain. Mr. Finan joined the Coca-Cola system in 1981 with Coca-Cola Bottlers Ireland, Ltd., where for several years he held a variety of accounting positions. From 1987 until 1990, Mr. Finan served as Finance Director of Coca-Cola Bottlers Ireland, Ltd. From 1991 to 1993, he served as Managing Director of Coca-Cola Bottlers Ulster, Ltd. He was Managing Director of Coca-Cola Bottlers in Romania and Bulgaria until late 1994. From 1995 to 1999, he served as Managing Director of Molino Beverages, with responsibility for expanding markets, including the Republic of Ireland, Northern Ireland, Romania, Moldova, Russia and Nigeria. Mr. Finan served from May 2001 until 2003 as Chief Executive Officer of Coca-Cola Hellenic. Mr. Finan joined the Company and was named President, Bottling Investments in August 2004. He was elected Executive Vice President of the Company in October 2004.

Glenn G. Jordan S., 53, is President of the Pacific Group. Mr. Jordan joined the Company in 1978 as a field representative for Coca-Cola de Colombia where, for several years, he held various positions, including Region Manager from 1985 to 1989. Mr. Jordan served as Marketing Operations Manager, Pacific Group from 1989 to 1990 and as Vice President of Coca-Cola International and Executive Assistant to the Pacific Group President from 1990 to 1991. Mr. Jordan served as Senior Vice President, Marketing and Operations, for the Brazil Division from 1991 to 1995, as President of the River Plate Division, which comprised Argentina, Uruguay and Paraguay, from 1995 to 2000, and as President of the South Latin America Division, comprising Argentina, Bolivia, Chile, Ecuador, Paraguay, Peru and Uruguay, from 2000 to 2003. In February 2003, Mr. Jordan was appointed Executive Vice President and Director of Operations for the Latin America Group and served in that capacity until February 2006. Mr. Jordan was appointed President of the East, South Asia and Pacific Rim Group in February 2006. The East, South Asia and Pacific Rim Group was reconfigured and renamed the Pacific Group, effective January 1, 2007.

Geoffrey J. Kelly, 65, is Senior Vice President and General Counsel of the Company. Mr. Kelly joined the Company in 1970 in Australia as manager of the Legal Department for the Australasia Area. From 1970 until 2000, Mr. Kelly held a number of key roles, including Senior Counsel for the Pacific Group and subsequently for the Middle and Far East Group. In 2000, Mr. Kelly was appointed Senior Counsel for International Operations. He became Chief Deputy General Counsel in 2003 and was elected Senior Vice President of the Company in February 2004. In January 2005, he assumed the role of Acting General Counsel to the Company, and in July 2005, he was elected General Counsel of the Company.

Muhtar Kent, 57, is President, Chief Executive Officer and Chairman of the Board of Directors of the Company. Mr. Kent joined the Company in 1978 and held a variety of marketing and operations roles throughout his career with the Company. In 1985, he was appointed General Manager of Coca-Cola Turkey and Central Asia. From 1989 to 1995, Mr. Kent served as President of the East Central Europe Division and Senior Vice President of Coca-Cola International. Between 1995 and 1998, he served as Managing Director of Coca-Cola Amatil Limited — Europe, and from 1999 until 2005, he served as President and Chief Executive Officer of Efes Beverage Group and as a board member of Coca-Cola Icecek. Mr. Kent rejoined the Company in May 2005 as President, North Asia, Eurasia and Middle East Group, was appointed President, Coca-Cola International in January 2006 and was elected Executive Vice President of the Company in February 2006. He was elected President and Chief Operating Officer of the Company in December 2006 and was elected to the Board of Directors in April 2008. Mr. Kent was elected Chief Executive Officer

of the Company effective July 1, 2008. Mr. Kent was elected Chairman of the Board of Directors of the Company in April 2009.

Dominique Reiniche, 54, is President of the Europe Group. Ms. Reiniche joined the Company in May 2005 as President of the European Union Group, which was reconfigured effective July 1, 2008, to include the Adriatic and Balkans business unit and renamed the Europe Group. Prior to joining the Company, she held a number of marketing, sales and general management positions with CCE. From May 1998 until December 2002, she served as General Manager of France for CCE, and from January 2003 until May 2005, Ms. Reiniche was President of CCE Europe. Before joining the Coca-Cola system, she was Director of Marketing and Strategy with Kraft Jacobs-Suchard.

José Octavio Reyes, 57, is President of the Latin America Group. Mr. Reyes began his career with The Coca-Cola Company in 1980 at Coca-Cola de México as Manager of Strategic Planning. In 1987, he was appointed Manager of the Sprite and Diet Coke brands at Corporate Headquarters. In 1990, he was appointed Marketing Director for the Brazil Division, and later became Marketing and Operations Vice President for the Mexico Division. Mr. Reyes assumed the role of Deputy Division President for the Mexico Division in January 1996 and was named Division President for the Mexico Division in May 1996. He assumed his position as President of the Latin America Group in December 2002.

Joseph V. Tripodi, 54, is Executive Vice President and Chief Marketing and Commercial Officer of the Company. Prior to joining the Company, Mr. Tripodi served as Senior Vice President and Chief Marketing Officer for Allstate Insurance Co. Prior to joining Allstate in November 2003, Mr. Tripodi was Chief Marketing Officer for The Bank of New York. From 1999 until April 2002, he served as Chief Marketing Officer for Seagram Spirits & Wine Group. From 1989 to 1998, he was the Executive Vice President for Global Marketing, Products and Services for MasterCard International. Previously, Mr. Tripodi spent seven years with the Mobil Oil Corporation in roles of increasing responsibility in planning, marketing, business development and operations in New York, Paris, Hong Kong and Guam. Mr. Tripodi joined the Company as Chief Marketing and Commercial Officer effective September 2007 and was elected Senior Vice President of the Company in October 2007, a capacity in which he served until July 2009 when he was elected Executive Vice President of the Company.

Jerry S. Wilson, 55, is Senior Vice President and Chief Customer and Commercial Officer of the Company. Prior to joining the Company, Mr. Wilson held various positions in roles of increasing responsibility in distribution, district management, franchise leadership and brand management within Volkswagen of America from 1981 to 1988. Mr. Wilson joined the Company in 1988 as an Area Account Executive for the Foodservice Division of Coca-Cola USA. From 1990 to 1992, he served as Manager of Account Executives, and from 1992 to 1994, he served as Manager of Sales Development. Mr. Wilson was promoted to Director of Sales Operations in 1994 and later that year became Director of Strategic Marketing. In 1995, Mr. Wilson was named Director of Strategic Planning for Coca-Cola USA. In 1996, he was promoted to Vice President, Coca-Cola USA Foodservice, West Area, and in 1999, Mr. Wilson was named Vice President of the USA operations within the McDonald's Division. In April 2003, he was promoted to global Chief Operating Officer of the McDonald's Division, and in November 2005, Mr. Wilson was elected Vice President of the Company and appointed President of the global McDonald's Division. Mr. Wilson was elected Senior Vice President of the Company in October 2006 and was appointed Chief Customer and Commercial Officer effective March 1, 2009.

All executive officers serve at the pleasure of the Board of Directors. There is no family relationship between any of the Directors or executive officers of the Company.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The principal United States market in which the Company's common stock is listed and traded is the New York Stock Exchange.

The following table sets forth, for the quarterly periods indicated, the high and low market prices per share for the Company's common stock, as reported on the New York Stock Exchange composite tape, and dividend per share information:

	Common Stock		Dividends Declared
	Market Prices		
	High	Low	
2009			
Fourth quarter	\$ 59.45	\$ 52.71	\$ 0.41
Third quarter	54.12	47.42	0.41
Second quarter	49.94	42.00	0.41
First quarter	46.00	37.44	0.41
2008			
Fourth quarter	\$ 55.00	\$ 40.29	\$ 0.38
Third quarter	55.84	49.44	0.38
Second quarter	61.84	51.83	0.38
First quarter	65.59	56.49	0.38

While we have historically paid dividends to holders of our common stock, the declaration and payment of future dividends will depend on many factors, including, but not limited to, our earnings, financial condition, business development needs and regulatory considerations, and is at the discretion of our Board of Directors.

As of February 22, 2010, there were approximately 268,741 shareowner accounts of record. This figure does not include a substantially greater number of "street name" holders or beneficial holders of our common stock, whose shares are held of record by banks, brokers and other financial institutions.

The information under the principal heading "EQUITY COMPENSATION PLAN INFORMATION" in the Company's definitive Proxy Statement for the Annual Meeting of Shareowners to be held on April 21, 2010, to be filed with the Securities and Exchange Commission (the "Company's 2010 Proxy Statement"), is incorporated herein by reference.

During the fiscal year ended December 31, 2009, no equity securities of the Company were sold by the Company that were not registered under the Securities Act of 1933, as amended.

The following table presents information with respect to purchases of common stock of the Company made during the three months ended December 31, 2009, by the Company or any "affiliated purchaser" of the Company as defined in Rule 10b-18(a)(3) under the Exchange Act.

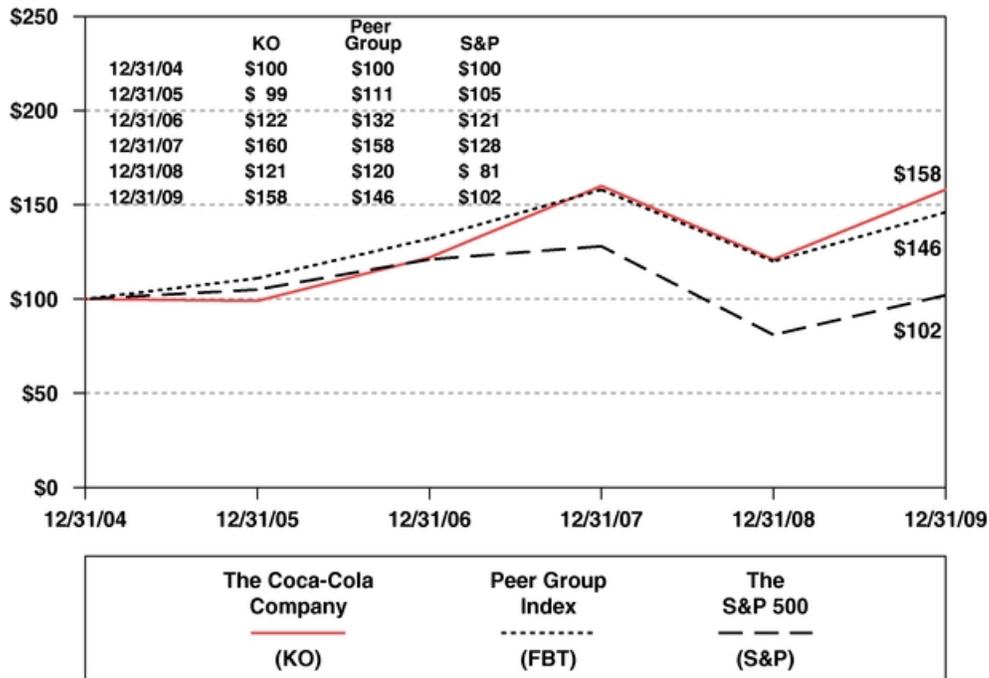
Period	Total Number of Shares Purchased ¹	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ²	Maximum Number of Shares That May Yet Be Purchased Under the Publicly Announced Plans or Programs
October 3, 2009 through October 30, 2009	234,569	\$ 54.35	200,000	215,810,958
October 31, 2009 through November 27, 2009	5,670,253	56.92	5,665,000	210,145,958
November 28, 2009 through December 31, 2009	16,057,187	58.20	15,800,000	194,345,958
Total	21,962,009	\$ 57.83	21,665,000	

¹ The total number of shares purchased includes: (i) shares purchased pursuant to the 2006 Plan described in footnote 2 below; and (ii) shares surrendered to the Company to pay the exercise price and/or to satisfy tax withholding obligations in connection with so-called stock swap exercises of employee stock options and/or the vesting of restricted stock issued to employees, totaling 34,569 shares, 5,253 shares and 257,187 shares for the fiscal months of October, November and December 2009, respectively.

² On July 20, 2006, we publicly announced that our Board of Directors had authorized a plan (the "2006 Plan") for the Company to purchase up to 300 million shares of our Company's common stock. This column discloses the number of shares purchased pursuant to the 2006 Plan during the indicated time periods.

Performance Graph

Comparison of Five-Year Cumulative Total Return Among
The Coca-Cola Company, the Peer Group Index and the S&P 500 Index
Total Return
Stock Price Plus Reinvested Dividends



The total return assumes that dividends were reinvested quarterly and is based on a \$100 investment on December 31, 2004.

The Peer Group Index is a self-constructed peer group of companies that are included in the Dow Jones Food and Beverage Group and the Dow Jones Tobacco Group of companies, from which the Company has been excluded.

The Peer Group Index consists of the following companies: Altria Group, Inc., Archer-Daniels-Midland Company, Brown-Forman Corporation (Class B Stock), Bunge Limited, Campbell Soup Company, Central European Distribution Corporation, Chiquita Brands International, Inc., Coca-Cola Enterprises Inc., ConAgra Foods, Inc., Constellation Brands, Inc., Corn Products International, Inc., Darling International, Inc., Dean Foods Company, Del Monte Foods Company, Dr Pepper Snapple Group, Inc., Flowers Foods, Inc., Fresh Del Monte Produce, Inc., General Mills, Inc., Green Mountain Coffee Roasters, Inc., Hansen Natural Corporation, Herbalife Ltd., H.J. Heinz Company, Hormel Foods Corporation, Kellogg Company, Kraft Foods, Inc., Lancaster Colony Corporation, Lorillard, Inc., Martek Biosciences Corporation, McCormick & Company, Inc., Mead Johnson Nutrition Company, Molson Coors Brewing Company, Monsanto Company, NBTY, Inc., Nu Skin Enterprises, Inc., PepsiAmericas, Inc., PepsiCo, Inc., Philip Morris International, Inc., Ralcorp Holdings, Inc., Reynolds American, Inc., Sara Lee Corporation, Smithfield Foods, Inc., The Hain Celestial Group, Inc., The Hershey Company, The J.M. Smucker Company, The Pepsi Bottling Group, Inc., Tootsie Roll Industries, Inc., TreeHouse Foods, Inc., Tyson Foods, Inc., and Universal Corporation.

Companies included in the Dow Jones Food and Beverage Group and the Dow Jones Tobacco Group change periodically. This year, the groups include Green Mountain Coffee Roasters, Inc., and Mead Johnson Nutrition Company, which were not included in the groups last year. Additionally, this year, the groups do not include Nutrisystem, Inc., UST Inc., and Weight Watchers International, Inc., all of which were included in the groups last year.

ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data should be read in conjunction with "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and consolidated financial statements and notes thereto contained in "Item 8. Financial Statements and Supplementary Data" of this report.

Year Ended December 31,	2009	2008	2007 ¹	2006	2005 ²
<hr/>					
(In millions except per share data)					
SUMMARY OF OPERATIONS					
Net operating revenues	\$ 30,990	\$ 31,944	\$ 28,857	\$ 24,088	\$ 23,104
Net income attributable to shareowners of The Coca-Cola Company	6,824	5,807	5,981	5,080	4,872
<hr/>					
PER SHARE DATA					
Basic net income	\$ 2.95	\$ 2.51	\$ 2.59	\$ 2.16	\$ 2.04
Diluted net income	2.93	2.49	2.57	2.16	2.04
Cash dividends	1.64	1.52	1.36	1.24	1.12
<hr/>					
BALANCE SHEET DATA					
Total assets	\$ 48,671	\$ 40,519	\$ 43,269	\$ 29,963	\$ 29,427
Long-term debt	5,059	2,781	3,277	1,314	1,154

¹ In 2007, we adopted new accounting guidance that clarified the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. This guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

² The American Jobs Creation Act of 2004 was enacted in October 2004. Among other things, the Jobs Creation Act included a temporary incentive for U.S. multinationals to repatriate foreign earnings at an approximate 5.25 percent effective tax rate. During 2005, the Company repatriated approximately \$6.1 billion in previously unremitted foreign earnings, with an associated tax liability of approximately \$315 million.

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

Overview

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help the reader understand The Coca-Cola Company, our operations and our present business environment. MD&A is provided as a supplement to — and should be read in conjunction with — our consolidated financial statements and the accompanying notes thereto contained in "Item 8. Financial Statements and Supplementary Data" of this report. This overview summarizes the MD&A, which includes the following sections:

- *Our Business* — a general description of our business and the nonalcoholic beverages segment of the commercial beverages industry, our objective, our strategic priorities, our core capabilities, and challenges and risks of our business.
- *Critical Accounting Policies and Estimates* — a discussion of accounting policies that require critical judgments and estimates.
- *Operations Review* — an analysis of our Company's consolidated results of operations for the three years presented in our consolidated financial statements. Except to the extent that differences among our operating segments are material to an understanding of our business as a whole, we present the discussion in the MD&A on a consolidated basis.
- *Liquidity, Capital Resources and Financial Position* — an analysis of cash flows; off-balance sheet arrangements and aggregate contractual obligations; foreign exchange; an overview of financial position; and the impact of inflation and changing prices.

Our Business

General

The Coca-Cola Company is the world's leading owner and marketer of nonalcoholic beverage brands and the world's largest manufacturer, distributor and marketer of concentrates and syrups used to produce nonalcoholic beverages. We own or license and market more than 500 nonalcoholic beverage brands, primarily sparkling beverages but also a variety of still beverages such as waters, enhanced waters, juices and juice drinks, ready-to-drink teas and coffees, and energy and sports drinks. Along with Coca-Cola, which is recognized as the world's most valuable brand, we own and market four of the world's top five nonalcoholic sparkling beverage brands, including Diet Coke, Fanta and Sprite. Through the world's largest beverage distribution system, consumers in more than 200 countries enjoy the Company's beverages at a rate of approximately 1.6 billion servings each day. Our Company generates revenues, income and cash flows by selling beverage concentrates and syrups as well as finished beverages. We generally sell these products to bottling and canning operations, fountain wholesalers and some fountain retailers, and, in the case of finished products, to distributors. Our bottlers sell our branded products to businesses and institutions including retail chains, supermarkets, restaurants, small neighborhood grocers, sports and entertainment venues, and schools and colleges. We continue to expand our marketing presence and increase our unit case volume in developed, developing and emerging markets. Our strong and stable system helps us to capture growth by manufacturing, distributing and marketing existing, enhanced and new innovative products to our consumers throughout the world.

We have three types of bottling relationships: bottlers in which our Company has no ownership interest, bottlers in which our Company has a noncontrolling ownership interest and bottlers in which our Company has a controlling ownership interest. We authorize our bottling partners to manufacture and package products made from our concentrates and syrups into branded finished products that they then distribute and sell. While we primarily manufacture, market and sell concentrates and syrups to our bottling partners, from time to time we have viewed it as advantageous to acquire a controlling interest in a bottling operation, often on a temporary basis. Often, though not always, these acquired bottling operations are in underperforming markets where we believe we can use our resources and expertise to improve performance. Owning such a controlling interest has allowed us to compensate for limited local resources and has enabled us to help focus the bottler's sales and marketing programs and assist in the development of the bottler's business and information systems and the establishment of appropriate capital structures. Acquisitions or consolidation of bottling operations during 2008 and 2007 resulted in a substantial increase in the number of bottling plants included in our consolidated financial statements and in the number of our associates. Refer to Note 17 of Notes to Consolidated Financial Statements. In 2009, net operating revenues generated by Company-owned or consolidated bottling operations (which are included in the Bottling Investments operating segment) represented approximately 26 percent of our Company's consolidated net operating revenues and distributed approximately 11 percent of our worldwide unit case volume. In 2009, bottling partners in which our Company has no ownership interest or a noncontrolling ownership interest produced and distributed approximately 79 percent of our worldwide unit case volume. The remaining approximately 10 percent of our worldwide unit case volume in 2009 was produced by our fountain operations and our juice and juice drink, sports drink and other finished beverage operations.

We make significant marketing expenditures in support of our brands, including expenditures for advertising, sponsorship fees and special promotional events. As part of our marketing activities, we, at our discretion, provide retailers and distributors with promotions and point-of-sale displays; our bottling partners with advertising support and funds designated for the purchase of cold-drink equipment; and our consumers with coupons, discounts and promotional incentives. These marketing expenditures help to enhance awareness of and increase consumer preference for our brands. We believe that greater awareness and preference promote long-term growth in unit case volume, per capita consumption and our share of worldwide nonalcoholic beverage sales.

The Nonalcoholic Beverages Segment of the Commercial Beverages Industry

We operate in the highly competitive nonalcoholic beverages segment of the commercial beverages industry. We face strong competition from numerous other general and specialty beverage companies. We, along with other beverage companies, are affected by a number of factors, including, but not limited to, cost to manufacture and distribute products, consumer spending, economic conditions, availability and quality of water, consumer preferences, inflation, political climate, local and national laws and regulations, foreign currency exchange fluctuations, fuel prices and weather patterns.

Our Objective

Our objective is to use our formidable assets — brands, financial strength, unrivaled distribution system, global reach, and a strong commitment by our management and associates worldwide — to achieve long-term sustainable growth. Our vision for sustainable growth includes the following:

- **People:** Being a great place to work where people are inspired to be the best they can be.
- **Portfolio:** Bringing to the world a portfolio of beverage brands that anticipates and satisfies people's desires and needs.
- **Partners:** Nurturing a winning network of partners and building mutual loyalty.
- **Planet:** Being a responsible global citizen that makes a difference.
- **Profit:** Maximizing return to shareowners while being mindful of our overall responsibilities.
- **Productivity:** Managing our people, time and money for greatest effectiveness.

Strategic Priorities

We have four strategic priorities designed to create long-term sustainable growth for our Company and the Coca-Cola system and value for our shareowners. These strategic priorities are driving global beverage leadership; accelerating innovation; leveraging our balanced geographic portfolio; and leading the Coca-Cola system for growth. To enable the entire Coca-Cola system so that we can deliver on these strategic priorities, we must further enhance our core capabilities of consumer marketing; commercial leadership; and franchise leadership.

Core Capabilities

Consumer Marketing

Marketing investments are designed to enhance consumer awareness of and increase consumer preference for our brands. This produces long-term growth in unit case volume, per capita consumption and our share of worldwide nonalcoholic beverage sales. Through our relationships with our bottling partners and those who sell our products in the marketplace, we create and implement integrated marketing programs, both globally and locally, that are designed to heighten consumer awareness of and product appeal for our brands. In developing a strategy for a Company brand, we conduct product and packaging research, establish brand positioning, develop precise consumer communications and solicit consumer feedback. Our integrated marketing activities include, but are not limited to, advertising, point-of-sale merchandising and sales promotions.

We have disciplined marketing strategies that focus on driving volume in emerging markets, increasing our brand value in developing markets and growing profit in our most developed markets. In emerging markets, we are investing in infrastructure programs that drive volume through increased access to consumers. In developing markets, where consumer access has largely been established, our focus is on differentiating our brands. In our most developed markets, we continue to invest in brands and infrastructure programs, but at a slower rate than revenue growth.

We are focused on affordability and ensuring we are communicating the appropriate message based on the current economic environment.

Commercial Leadership

The Coca-Cola system has millions of customers around the world who sell or serve our products directly to consumers. We focus on enhancing value for our customers and providing solutions to grow their beverage businesses. Our approach includes understanding each customer's business and needs, whether that customer is a sophisticated retailer in a developed market or a kiosk owner in an emerging market. We focus on ensuring that our customers have the right product and package offerings and the right promotional tools to deliver enhanced value to themselves and the Company. We are constantly looking to build new beverage consumption occasions in our customers' outlets through unique and innovative consumer experiences, product availability and delivery systems, and beverage merchandising and displays. We participate in joint brand-building initiatives with our customers in order to drive customer preference for

our brands. Through our commercial leadership initiatives, we embed ourselves further into our retail customers' businesses while developing strategies for better execution at the point of sale.

Franchise Leadership

We must continue to improve our franchise leadership capabilities to give our Company and our bottling partners the ability to grow together through shared values, aligned incentives and a sense of urgency and flexibility that supports consumers' always changing needs and tastes. The financial health and success of our bottling partners are critical components of the Company's success. We work with our bottling partners to identify system requirements that enable us to quickly achieve scale and efficiencies, and we share best practices throughout the bottling system. Our system leadership allows us to leverage recent acquisitions to expand our volume base and enhance margins. With our bottling partners, we work to produce differentiated beverages and packages that are appropriate for the right channels and consumers. We also design business models for sparkling and still beverages in specific markets to ensure that we appropriately share the value created by these beverages with our bottling partners. We will continue to build a supply chain network that leverages the size and scale of the Coca-Cola system to gain a competitive advantage.

Challenges and Risks

Being a global company provides unique opportunities for our Company. Challenges and risks accompany those opportunities.

Our management has identified certain challenges and risks that demand the attention of the nonalcoholic beverages segment of the commercial beverages industry and our Company. Of these, four key challenges and risks are discussed below.

Obesity and Inactive Lifestyles. Increasing concern among consumers, public health professionals and government agencies of the potential health problems associated with obesity and inactive lifestyles represents a significant challenge to our industry. We recognize that obesity is a complex public health problem. Our commitment to consumers begins with our broad product line, which includes a wide selection of diet and light beverages, juices and juice drinks, sports drinks and water products. Our commitment also includes adhering to responsible policies in schools and in the marketplace; supporting programs to encourage physical activity and promote nutrition education; and continuously meeting changing consumer needs through beverage innovation, choice and variety. We are committed to playing an appropriate role in helping address this issue in cooperation with governments, educators and consumers through science-based solutions and programs.

Water Quality and Quantity. Water quality and quantity is an issue that increasingly requires our Company's attention and collaboration with the nonalcoholic beverages segment of the commercial beverages industry, governments, nongovernmental organizations and communities where we operate. Water is the main ingredient in substantially all of our products. It is also a limited natural resource facing unprecedented challenges from overexploitation, increasing pollution and poor management. Our Company is in an excellent position to share the water-related knowledge we have developed in the communities we serve — water resource management, water treatment, wastewater treatment systems, and models for working with communities and partners in addressing water and sanitation needs. We are actively engaged in assessing the specific water-related risks that we and many of our bottling partners face and have implemented a formal water risk management program. We are working with our global partners to develop water sustainability projects. We are actively encouraging improved water efficiency and conservation efforts throughout our system. As demand for water continues to increase around the world, we expect commitment and continued action on our part will be crucial in the successful long-term stewardship of this critical natural resource.

Evolving Consumer Preferences. Consumers want more choices. We are impacted by shifting consumer demographics and needs, on-the-go lifestyles, aging populations in developed markets and consumers who are empowered with more information than ever. We are committed to generating new avenues for growth through our core brands with a focus on diet and light products. We are also committed to continuing to expand the variety of choices we provide to consumers to meet their needs, desires and lifestyle choices.

Increased Competition and Capabilities in the Marketplace. Our Company is facing strong competition from some well-established global companies and many local participants. We must continue to selectively expand into other

profitable segments of the nonalcoholic beverages segment of the commercial beverages industry and strengthen our capabilities in marketing and innovation in order to maintain our brand loyalty and market share.

All four of these challenges and risks — obesity and inactive lifestyles, water quality and quantity, evolving consumer preferences, and increased competition and capabilities in the marketplace — have the potential to have a material adverse effect on the nonalcoholic beverages segment of the commercial beverages industry and on our Company; however, we believe our Company is well positioned to appropriately address these challenges and risks.

See also "Item 1A. Risk Factors" in Part I of this report for additional information about risks and uncertainties facing our Company.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States, which require management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. We believe that our most critical accounting policies and estimates relate to the following:

- Basis of Presentation
- Principles of Consolidation
- Recoverability of Noncurrent Assets
- Revenue Recognition
- Income Taxes
- Contingencies

Management has discussed the development, selection and disclosure of critical accounting policies and estimates with the Audit Committee of the Company's Board of Directors. While our estimates and assumptions are based on our knowledge of current events and actions we may undertake in the future, actual results may ultimately differ from these estimates and assumptions. For a discussion of the Company's significant accounting policies, refer to Note 1 of Notes to Consolidated Financial Statements.

Basis of Presentation

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in our consolidated 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 and assumptions. Furthermore, when testing assets for impairment in future periods, if management uses different assumptions or if different conditions occur, impairment charges may result.

We use the equity method to account for investments in companies if our investment provides us with the ability to exercise significant influence over operating and financial policies of the investee. Our consolidated net income includes our Company's proportionate share of the net income or loss of these companies. The carrying values of our equity method investments are increased or decreased by our proportionate share of the net income or loss and other comprehensive income (loss) ("OCI") of these companies. The carrying values of our equity method investments are also decreased by dividends we receive from the investees. Our judgment regarding the level of influence over each equity method investment includes considering key factors such as our ownership interest, representation on the board of directors, participation in policy-making decisions and material intercompany transactions.

We eliminate from our financial results all significant intercompany transactions, including the intercompany transactions with consolidated VIEs and the intercompany portion of transactions with equity method investees.

Accounting principles generally accepted in the United States provide entities the option to measure many financial instruments and certain other items at fair value, with the change in fair value being included in the determination of

net income. The Company has currently chosen not to elect the fair value option; and therefore, we only measure assets and liabilities at fair value if required under other accounting guidance.

Certain amounts in the prior years' consolidated financial statements and notes have been revised to conform to the current year presentation.

Principles of Consolidation

Our Company consolidates all entities that we control by ownership of a majority voting interest as well as VIEs of which our Company is the primary beneficiary. Generally, we consolidate only business enterprises that we control by ownership of a majority voting interest. However, there are situations in which consolidation is required even though the usual condition (ownership of a majority voting interest) of consolidation does not apply. These situations generally occur when one entity has a controlling financial interest in another business enterprise that was achieved through arrangements that do not involve voting interests, which results in a disproportionate relationship between such entity's voting interests in, and its exposure to the economic risks and potential rewards of, the other business enterprise. This disproportionate relationship results in what is known as a variable interest, and the entity in which we have the variable interest is referred to as a VIE.

In accordance with accounting principles generally accepted in the United States as of December 31, 2009, the best evidence of control of a VIE is not necessarily voting interests. The entity that holds a majority of the variable interests in a VIE is deemed to be the primary beneficiary and therefore to control the entity. Upon consolidation, the primary beneficiary is generally required to include assets, liabilities and noncontrolling interests at fair value and subsequently account for the variable interest as if it were consolidated based on a majority voting interest.

Our Company holds interests in certain entities, primarily bottling operations, that are considered VIEs. These variable interests relate to profit guarantees or subordinated financial support for these entities. Our Company's investments, plus any loans and guarantees, related to these VIEs totaled approximately \$708 million and \$604 million at December 31, 2009, and 2008, respectively, representing our maximum exposures to loss. Creditors of the VIEs do not have recourse against the general credit of the Company as a result of including these VIEs in our consolidated financial statements. The Company's investment, plus any loans and guarantees, related to VIEs was not significant to the Company's consolidated financial statements. In addition, assets and liabilities of VIEs for which we are the primary beneficiary were not significant to the Company's consolidated financial statements. We do not have any significant variable interests in entities for which we were not determined to be the primary beneficiary.

In June 2009, the Financial Accounting Standards Board ("FASB") amended its guidance on accounting for VIEs. The new accounting guidance resulted in a change in our accounting policy effective January 1, 2010. Among other things, the new guidance requires more qualitative than quantitative analyses to determine the primary beneficiary of a VIE, requires continuous assessments of whether an enterprise is the primary beneficiary of a VIE, enhances disclosures about an enterprise's involvement with a VIE, and amends certain guidance for determining whether an entity is a VIE. Under the new guidance, a VIE must be consolidated if the enterprise has both (a) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (b) the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE.

Beginning January 1, 2010, we deconsolidated certain entities as a result of this change in accounting policy. These entities are primarily bottling operations and had previously been consolidated due to certain loan guarantees and/or other financial support given by the Company. These financial arrangements, although not significant to our consolidated financial statements, resulted in a disproportionate relationship between our voting interests in these entities and our exposure to the economic risks and potential rewards of the entities. As a result, we determined that we held a majority of the variable interests in these entities and, therefore, were deemed to be the primary beneficiary. The loan guarantees and/or other financial support given by the Company to these entities are included in the calculation of our maximum exposure to loss discussed above. Although these financial arrangements resulted in us holding a majority of the variable interests in these VIEs, the majority of these arrangements did not empower us to direct the activities of the VIEs that most significantly impact the VIEs' economic performance. Consequently, subsequent to the change in accounting policy, the Company deconsolidated the majority of these VIEs.

The entities that have been deconsolidated accounted for less than 1 percent of net income attributable to shareowners of The Coca-Cola Company in 2009, and we have accounted for these entities under the equity method of accounting since January 1, 2010. Although the deconsolidation of these entities will impact individual line items in our consolidated financial statements, the impact on net income attributable to shareowners of The Coca-Cola Company in future periods will be nominal. The equity method of accounting is intended to be a single line consolidation and, therefore, generally should result in the same net income attributable to the investor as would be the case if the investee had been consolidated. The main impact on our consolidated financial statements beginning in 2010 will be that instead of these entities' results of operations and balance sheets affecting our consolidated line items, our proportionate share of net income or loss from these entities will be reported in equity income (loss) — net, in our consolidated income statements, and our investment in these entities will be reported as equity method investments in our consolidated balance sheets. Refer to the heading "Operations Review" for the estimated impact that the deconsolidation of these entities will have on individual line items in our consolidated income statements in future periods.

Recoverability of Noncurrent Assets

We perform recoverability and impairment tests of noncurrent assets in accordance with accounting principles generally accepted in the United States. For certain assets, recoverability and/or impairment tests are required only when conditions exist that indicate the carrying value may not be recoverable. For other assets, impairment tests are required at least annually, or more frequently, if events or circumstances indicate that an asset may be impaired.

Our equity method investees also perform such recoverability and/or impairment tests. If an impairment charge was recorded by one of our equity method investees, the Company would record its proportionate share of such charge as a reduction of equity income (loss) — net in our consolidated income statements. However, the actual amount we record with respect to our proportionate share of such charges may be impacted by items such as basis differences, deferred taxes and deferred gains.

Management's assessments of the recoverability and impairment tests of noncurrent assets involve critical accounting estimates. These estimates require significant management judgment, include inherent uncertainties and are often interdependent; therefore, they do not change in isolation. Factors that management must estimate include, among others, the economic life of the asset, sales volume, prices, inflation, cost of capital, marketing spending, foreign currency exchange rates, tax rates and capital spending. These factors are even more difficult to predict when global financial markets are highly volatile. The estimates we use when assessing the recoverability of noncurrent assets are consistent with those we use in our internal planning. When performing impairment tests, we estimate the fair values of the assets using management's best assumptions, which we believe would be consistent with what a hypothetical marketplace participant would use. Estimates and assumptions used in these tests are evaluated and updated as appropriate. The variability of these factors depends on a number of conditions, including uncertainty about future events, and thus our accounting estimates may change from period to period. If other assumptions and estimates had been used when these tests were performed, impairment charges could have resulted. As mentioned above, these factors do not change in isolation; and therefore, we do not believe it is practicable to present the impact of changing a single factor. Furthermore, if management uses different assumptions or if different conditions occur in future periods, future impairment charges could result.

Our Company faces many uncertainties and risks related to various economic, political and regulatory environments in the countries in which we operate, particularly in developing or emerging markets. Refer to the heading "Our Business — Challenges and Risks," above, and "Item 1A. Risk Factors" in Part I of this report. As a result, management must make numerous assumptions which involve a significant amount of judgment when completing recoverability and impairment tests of noncurrent assets in various regions around the world.

Investments in Equity and Debt Securities

The carrying values of our investments in equity securities are determined using the equity method, the cost method or the fair value method. Refer to the heading "Basis of Presentation," above, for information related to how the carrying values of our equity method investments are determined. We account for investments in companies that we do not control or account for under the equity method either at fair value or under the cost method, as applicable. Investments in equity securities are carried at fair value, if the fair value of the security is readily determinable. Equity investments

carried at fair value are classified as either trading or available-for-sale securities. Realized and unrealized gains and losses on trading securities and realized gains and losses on available-for-sale securities are included in net income. Unrealized gains and losses, net of deferred taxes, on available-for-sale securities are included in our consolidated balance sheets as a component of accumulated other comprehensive income (loss) ("AOCI"). Trading securities are reported as marketable securities in our consolidated balance sheets. Securities classified as available-for-sale are reported as either marketable securities or other investments in our consolidated balance sheets, depending on the length of time we intend to hold the investment. Investments in equity securities that do not qualify for fair value accounting are accounted for under the cost method. In accordance with the cost method, our initial investment is recorded at cost and we record dividend income when applicable dividends are declared. Cost method investments are reported as other investments in our consolidated balance sheets.

Our investments in debt securities are carried at either amortized cost or fair value. Investments in debt securities that the Company has the positive intent and ability to hold to maturity are carried at amortized cost and classified as held-to-maturity. Investments in debt securities that are not classified as held-to-maturity are carried at fair value and classified as either trading or available-for-sale.

The following table presents the carrying values of our investments in equity and debt securities (in millions):

December 31, 2009	Carrying Value	Percentage of Total Assets
Equity method investments	\$ 6,217	13%
Securities classified as available-for-sale	398	*
Cost method investments	149	*
Securities classified as held-to-maturity	199	*
Securities classified as trading	61	*
Total	\$ 7,024	14%

* Accounts for less than 1 percent of the Company's total assets.

Investments classified as trading securities are not assessed for impairment, since they are carried at fair value with the change in fair value included in net income. We review our investments in equity and debt securities that are accounted for using the equity method or cost method or that are classified as available-for-sale or held-to-maturity each reporting period to determine whether a significant event or change in circumstances has occurred that may have an adverse effect on the fair value of each investment. When such events or changes occur, we evaluate the fair value compared to our cost basis in the investment. We also perform this evaluation every reporting period for each investment for which our cost basis has exceeded the fair value in the prior period. The fair values of most of our Company's investments in publicly traded companies are often readily available based on quoted market prices. For investments in nonpublicly traded companies, management's assessment of fair value is based on valuation methodologies including discounted cash flows, estimates of sales proceeds and appraisals, as appropriate. We consider the assumptions that we believe hypothetical marketplace participants would use in evaluating estimated future cash flows when employing the discounted cash flow or estimates of sales proceeds valuation methodologies. The ability to accurately predict future cash flows, especially in developing and emerging markets, may impact the determination of fair value.

In the event the fair value of an investment declines below our cost basis, management is required to determine if the decline in fair value is other than temporary. If management determines the decline is other than temporary, an impairment charge is recorded. Management's assessment as to the nature of a decline in fair value is based on, among other things, the length of time and the extent to which the market value has been less than our cost basis, the financial condition and near-term prospects of the issuer, and our intent and ability to retain the investment in the issuer for a period of time sufficient to allow for any anticipated recovery in market value.

As of December 31, 2009, the Company had several investments classified as available-for-sale securities in which our cost basis had exceeded the fair value of the investment. Unrealized gains and losses on available-for-sale securities, as of December 31, 2009, were approximately \$176 million and \$21 million, respectively. Management assessed each individual investment with unrealized losses to determine if the decline in fair value was other than temporary. Based on these assessments, management determined that the decline in fair value of each of these investments was temporary

in nature. We will continue to monitor these investments in future periods. Refer to Note 2 of Notes to Consolidated Financial Statements.

During the first quarter of 2009, the Company recorded a charge of approximately \$27 million in other income (loss) — net as a result of an other-than-temporary decline in the fair value of a cost method investment. As of December 31, 2008, the estimated fair value of this investment approximated the Company's carrying value in the investment. However, during the first quarter of 2009, the Company was informed by the investee of its intent to reorganize its capital structure in 2009, which would result in the Company's shares in the investee being canceled. As a result, the Company determined that the decline in fair value of this cost method investment was other than temporary. This impairment charge impacted the Corporate operating segment. Refer to the heading "Operations Review — Other Income (Loss) — Net," and Note 13 and Note 14 of Notes to Consolidated Financial Statements.

As of December 31, 2008, the Company had several investments classified as available-for-sale securities in which our cost basis exceeded the fair value of the investment, each of which initially occurred between the end of the second quarter and the beginning of the third quarter of 2008. Management assessed each individual investment to determine if the decline in fair value was other than temporary. Based on these assessments, management determined that the decline in fair value of each investment was other than temporary based on a number of factors, including, but not limited to, uncertainty regarding our intent to hold certain of these investments for a period of time that would be sufficient to recover our cost basis in the event of a market recovery; the fact that the fair value of each investment had continued to decline since the time that our cost basis initially exceeded its fair value; and the Company's uncertainty around the near-term prospects for certain of the investments. As a result of the other-than-temporary decline in fair value of these investments, the Company recognized impairment charges of approximately \$81 million during the fourth quarter of 2008. Certain of these investments are classified as marketable securities, while others are classified as other investments in the consolidated balance sheets. These impairment charges were recorded to other income (loss) — net in the consolidated statement of income. Refer to the heading "Operations Review — Other Income (Loss) — Net," and Note 2 and Note 14 of Notes to Consolidated Financial Statements.

The following table presents the difference between calculated fair values, based on quoted closing prices of publicly traded shares, and our Company's cost basis in publicly traded bottlers accounted for as equity method investments (in millions):

December 31, 2009	Fair Value	Carrying Value	Difference
Coca-Cola FEMSA, S.A.B. de C.V.	\$ 3,892	\$ 1,062	\$ 2,830
Coca-Cola Enterprises Inc. ¹	3,582	25	3,557
Coca-Cola Amatil Limited	2,348	868	1,480
Coca-Cola Hellenic Bottling Company S.A.	1,959	1,406	553
Coca-Cola Icecek A.S.	502	160	342
Grupo Continental, S.A.B.	401	169	232
Coca-Cola Embonor S.A.	289	258	31
Coca-Cola Bottling Co. Consolidated	134	72	62
Embotelladoras Coca-Cola Polar S.A.	108	94	14
	\$ 13,215	\$ 4,114	\$ 9,101

¹ The carrying value of our investment in CCE was reduced to zero as of December 31, 2008, primarily as a result of recording our proportionate share of impairment charges and items impacting AOCI recorded by CCE. The subsequent increase in the carrying value of our investment in CCE was due to our proportionate share of CCE's 2009 net income and items impacting AOCI.

Other Assets

Our Company invests in infrastructure programs with our bottlers that are directed at strengthening our bottling system and increasing unit case volume. Additionally, our Company advances payments to certain customers to fund future marketing activities intended to generate profitable volume and expenses such payments over the periods benefited. Advance payments are also made to certain customers for distribution rights. Payments under these programs are generally capitalized and reported as other assets in our consolidated balance sheets. As of December 31, 2009, the carrying value of these assets was approximately \$1,976 million, or 4 percent of our total assets. When facts and circumstances indicate that the carrying value of these assets may not be recoverable, management assesses the

recoverability of the carrying value by preparing estimates of sales volume and the resulting gross profit and cash flows. These estimated future cash flows are consistent with those we use in our internal planning. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount, we recognize an impairment loss. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value.

Property, Plant and Equipment

As of December 31, 2009, the carrying value of our property, plant and equipment, net of depreciation, was approximately \$9,561 million, or 20 percent of our total assets. Certain events or changes in circumstances may indicate that the recoverability of the carrying amount of property, plant and equipment should be assessed, including, among others, a significant decrease in market value, a significant change in the business climate in a particular market, or a current period operating or cash flow loss combined with historical losses or projected future losses. When such events or changes in circumstances are present, we estimate the future cash flows expected to result from the use of the asset (or asset group) and its eventual disposition. These estimated future cash flows are consistent with those we use in our internal planning. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount, we recognize an impairment loss. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value. We use a variety of methodologies to determine the fair value of property, plant and equipment, including appraisals and discounted cash flow models, which are consistent with the assumptions we believe hypothetical marketplace participants would use.

In 2007, our Company recorded a charge of approximately \$99 million in equity income (loss) — net. This charge was primarily related to our proportionate share of asset impairments recorded by Coca-Cola Bottlers Philippines, Inc., ("CCBPI") due to excess and obsolete bottles and cases. These charges impacted the Bottling Investments operating segment. Refer to the heading "Operations Review — Equity Income (Loss) — Net," and Note 14 of Notes to Consolidated Financial Statements.

Goodwill, Trademarks and Other Intangible Assets

Intangible assets are classified into one of three categories: (1) intangible assets with definite lives subject to amortization; (2) intangible assets with indefinite lives not subject to amortization; and (3) goodwill. For intangible assets with definite lives, tests for impairment must be performed if conditions exist that indicate the carrying value may not be recoverable. For intangible assets with indefinite lives and goodwill, tests for impairment must be performed at least annually or more frequently if events or circumstances indicate that assets might be impaired.

The following table presents the carrying values of intangible assets included in our consolidated balance sheet (in millions):

December 31, 2009	Carrying Value	Percentage of Total Assets
Trademarks with indefinite lives	\$ 6,183	13%
Goodwill	4,224	9
Bottlers' franchise rights	1,953	4
Definite-lived intangible assets, net	344	*
Other intangible assets not subject to amortization	124	*
Total	\$ 12,828	26%

* Accounts for less than 1 percent of the Company's total assets.

When facts and circumstances indicate that the carrying value of definite-lived intangible assets may not be recoverable, management assesses the recoverability of the carrying value by preparing estimates of sales volume and the resulting gross profit and cash flows. These estimated future cash flows are consistent with those we use in our internal planning. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount, we recognize an impairment loss. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value. We use a variety of methodologies to determine the fair value of these assets, including discounted cash flow models, which are consistent with the assumptions we believe hypothetical marketplace participants would use.

We test intangible assets determined to have indefinite useful lives, including trademarks, franchise rights and goodwill, for impairment annually, or more frequently if events or circumstances indicate that assets might be impaired. Our Company performs these annual impairment reviews as of the first day of our third fiscal quarter. We use a variety of methodologies in conducting impairment assessments of indefinite-lived intangible assets, including, but not limited to, discounted cash flow models, which are based on the assumptions we believe hypothetical marketplace participants would use. For indefinite-lived intangible assets, other than goodwill, if the carrying amount exceeds the fair value, an impairment charge is recognized in an amount equal to that excess.

We perform impairment tests of goodwill at our reporting unit level, which is one level below our operating segments. Our operating segments are primarily based on geographic responsibility, which is consistent with the way management runs our business. Our operating segments are subdivided into smaller geographic regions or territories that we sometimes refer to as business units. These business units are also our reporting units. The Bottling Investments operating segment includes all Company-owned or consolidated bottling operations, regardless of geographic location. Generally, each Company-owned or consolidated bottling operation within our Bottling Investments operating segment is its own reporting unit. Goodwill is assigned to the reporting unit or units that benefit from the synergies arising from each business combination. We had no changes to our reporting units in 2009.

The goodwill impairment test consists of a two-step process, if necessary. The first step is to compare the fair value of a reporting unit to its carrying value, including goodwill. We typically use discounted cash flow models to determine the fair value of a reporting unit. The assumptions used in these models are consistent with those we believe hypothetical marketplace participants would use. If the fair value of the reporting unit is less than its carrying value, the second step of the impairment test must be performed in order to determine the amount of impairment loss, if any. The second step compares the implied fair value of the reporting unit goodwill with the carrying amount of that goodwill. If the carrying amount of the reporting unit's goodwill exceeds its implied fair value, an impairment charge is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying amount of goodwill.

Intangible assets acquired in recent transactions are naturally more susceptible to impairment, primarily due to the fact that they are recorded at fair value based on recent operating plans and macroeconomic conditions present at the time of acquisition. Consequently, if operating results and/or macroeconomic conditions deteriorate shortly after an acquisition, it could result in the impairment of the acquired assets. A deterioration of macroeconomic conditions may not only negatively impact the estimated operating cash flows used in our cash flow models, but may also negatively impact other assumptions used in our analyses, including, but not limited to, the estimated cost of capital and/or discount rates. Additionally, as discussed above, in accordance with accounting principles generally accepted in the United States, we are required to ensure that assumptions used to determine fair value in our analyses are consistent with the assumptions a hypothetical marketplace participant would use. As a result, the cost of capital and/or discount rates used in our analyses may increase or decrease based on market conditions and trends, regardless of whether our Company's actual cost of capital has changed. Therefore, our Company may recognize an impairment of an intangible asset or assets in spite of realizing actual cash flows that are approximately equal to or greater than our previously forecasted amounts. The Company has acquired significant intangible assets in the past several years through asset acquisitions and business combinations, including, among others, the acquisition of brands and licenses in Denmark and Finland from Carlsberg Group Beverages ("Carlsberg"); 18 German bottling and distribution operations; Energy Brands Inc., also known as glacéau; and CCBPI. Refer to Note 17 of Notes to Consolidated Financial Statements for more detailed information about recently acquired intangible assets.

As of our most recent annual impairment review, the Company had no significant impairments of its intangible assets, individually or in the aggregate. In addition, as of December 31, 2009, we did not have any reporting units with a material amount of goodwill for which it is reasonably likely that they will fail step one of a goodwill impairment test in the near term. However, if macroeconomic conditions continue to worsen, it is possible that we may experience significant impairments of some of our intangible assets, which would require us to recognize impairment charges. Management will continue to monitor the fair value of our intangible assets in future periods.

In 2009, the Company recognized a \$23 million impairment charge due to a change in the expected useful life of an intangible asset, which was previously determined to have an indefinite life. Refer to the heading "Operations Review — Other Operating Charges," and Note 13 of Notes to Consolidated Financial Statements.

As previously mentioned, the Company is required to record its proportionate share of impairment charges recorded by our equity method investees. In 2008, we recorded our proportionate share of approximately \$7.6 billion pretax (\$4.9 billion after-tax) of charges recorded by CCE due to impairments of its North American franchise rights in the second quarter and fourth quarter of 2008. The Company's proportionate share of these charges was approximately \$1.6 billion. The decline in the estimated fair value of CCE's North American franchise rights during the second quarter was the result of several factors including, but not limited to, (1) challenging macroeconomic conditions which contributed to lower than anticipated volume for higher-margin packages and certain higher-margin beverage categories; (2) increases in raw material costs including significant increases in aluminum, HFCS and resin; and (3) increased delivery costs as a result of higher fuel costs. The decline in the estimated fair value of CCE's North American franchise rights during the fourth quarter was primarily driven by financial market conditions as of the measurement date that caused (1) a dramatic increase in market debt rates, which impacted the capital charge, and (2) a significant decline in the funded status of CCE's defined benefit pension plans. In addition, the market price of CCE's common stock declined by more than 50 percent between the date of CCE's interim impairment test (May 23, 2008) and the date of CCE's annual impairment test (October 24, 2008). Our proportionate share of these charges was recorded to equity income (loss) — net in our consolidated statement of income and impacted the Bottling Investments operating segment. Refer to the heading "Operations Review — Equity Income (Loss) — Net" and Note 14 of Notes to Consolidated Financial Statements.

Revenue Recognition

We recognize revenue when persuasive evidence of an arrangement exists, delivery of products has occurred, the sales price is fixed or determinable, and collectibility is reasonably assured. For our Company, this generally means that we recognize revenue when title to our products is transferred to our bottling partners, resellers or other customers. In particular, title usually transfers upon shipment to or receipt at our customers' locations, as determined by the specific sales terms of each transaction. Our sales terms do not allow for a right of return except for matters related to any manufacturing defects on our part.

Our customers can earn certain incentives, which are included in deductions from revenue, a component of net operating revenues in the consolidated statements of income. These incentives include, but are not limited to, cash discounts, funds for promotional and marketing activities, volume-based incentive programs and support for infrastructure programs. Refer to Note 1 of Notes to Consolidated Financial Statements. The aggregate deductions from revenue recorded by the Company in relation to these programs, including amortization expense on infrastructure programs, were approximately \$4.5 billion, \$4.4 billion and \$4.1 billion for the years ended December 31, 2009, 2008 and 2007, respectively. In preparing the financial statements, management must make estimates related to the contractual terms, customer performance and sales volume to determine the total amounts recorded as deductions from revenue. Management also considers past results in making such estimates. The actual amounts ultimately paid may be different from our estimates. Such differences are recorded once they have been determined, and have historically not been significant.

Income Taxes

In July 2006, the FASB issued accounting guidance that clarified the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. This guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Our Company adopted the provisions of this accounting guidance and changed our accounting policy effective January 1, 2007. As a result, we recorded an approximate \$65 million increase in accrued income taxes in our consolidated balance sheet for unrecognized tax benefits, which was accounted for as a cumulative effect adjustment to the January 1, 2007, balance of reinvested earnings.

Our annual tax rate is based on our income, statutory tax rates and tax planning opportunities available to us in the various jurisdictions in which we operate. Significant judgment is required in determining our annual tax expense and in evaluating our tax positions. We establish reserves to remove some or all of the tax benefit of any of our tax positions at the time we determine that the positions become uncertain based upon one of the following: (1) the tax position is not "more likely than not" to be sustained, (2) the tax position is "more likely than not" to be sustained, but for a lesser amount, or (3) the tax position is "more likely than not" to be sustained, but not in the financial period in which

the tax position was originally taken. For purposes of evaluating whether or not a tax position is uncertain, (1) we presume the tax position will be examined by the relevant taxing authority that has full knowledge of all relevant information, (2) the technical merits of a tax position are derived from authorities such as legislation and statutes, legislative intent, regulations, rulings and case law and their applicability to the facts and circumstances of the tax position, and (3) each tax position is evaluated without considerations of the possibility of offset or aggregation with other tax positions taken. We adjust these reserves, including any impact on the related interest and penalties, in light of changing facts and circumstances, such as the progress of a tax audit.

A number of years may elapse before a particular matter for which we have established a reserve is audited and finally resolved. The number of years with open tax audits varies depending on the tax jurisdiction. The tax benefit that has been previously reserved because of a failure to meet the "more likely than not" recognition threshold would be recognized in our income tax expense in the first interim period when the uncertainty disappears under any one of the following conditions: (1) the tax position is "more likely than not" to be sustained, (2) the tax position, amount, and/or timing is ultimately settled through negotiation or litigation, or (3) the statute of limitations for the tax position has expired. Settlement of any particular issue would usually require the use of cash.

Tax law requires items to be included in the tax return at different times than when these items are reflected in the consolidated financial statements. As a result, the annual tax rate reflected in our consolidated financial statements is different than that reported in our tax return (our cash tax rate). Some of these differences are permanent, such as expenses that are not deductible in our tax return, and some differences reverse over time, such as depreciation expense. These timing differences create deferred tax assets and liabilities. Deferred tax assets and liabilities are determined based on temporary differences between the financial reporting and tax bases of assets and liabilities. The tax rates used to determine deferred tax assets or liabilities are the enacted tax rates in effect for the year and manner in which the differences are expected to reverse. Based on the evaluation of all available information, the Company recognizes future tax benefits, such as net operating loss carryforwards, to the extent that realizing these benefits is considered more likely than not.

We evaluate our ability to realize the tax benefits associated with deferred tax assets by analyzing our forecasted taxable income using both historical and projected future operating results, the reversal of existing taxable temporary differences, taxable income in prior carryback years (if permitted) and the availability of tax planning strategies. A valuation allowance is required to be established unless management determines that it is more likely than not that the Company will ultimately realize the tax benefit associated with a deferred tax asset.

Additionally, undistributed earnings of a subsidiary are accounted for as a temporary difference, except that deferred tax liabilities are not recorded for undistributed earnings of a foreign subsidiary that are deemed to be indefinitely reinvested in the foreign jurisdiction. The Company has formulated a specific plan for reinvestment of undistributed earnings of its foreign subsidiaries which demonstrates that such earnings will be indefinitely reinvested in the applicable tax jurisdictions. Should we change our plans, we would be required to record a significant amount of deferred tax liabilities.

The Company's effective tax rate is expected to be approximately 23.0 percent to 23.5 percent in 2010. This estimated tax rate does not reflect the impact of any unusual or special items that may affect our tax rate in 2010.

Contingencies

Our Company is subject to various claims and contingencies, mostly related to legal proceedings and tax matters (both income taxes and indirect taxes). Due to their nature, such legal proceedings and tax matters involve inherent uncertainties including, but not limited to, court rulings, negotiations between affected parties and governmental actions. Management assesses the probability of loss for such contingencies and accrues a liability and/or discloses the relevant circumstances, as appropriate. Management believes that any liability to the Company that may arise as a result of currently pending legal proceedings, tax matters or other contingencies will not have a material adverse effect on the financial condition of the Company taken as a whole. Refer to Note 8 of Notes to Consolidated Financial Statements.

Recent Accounting Standards and Pronouncements

Refer to Note 1 of Notes to Consolidated Financial Statements for a discussion of recent accounting standards and pronouncements.

Operations Review

We manufacture, distribute and market nonalcoholic beverage concentrates and syrups. We also manufacture, distribute and market finished beverages. Our organizational structure as of December 31, 2009, consisted of the following operating segments, the first six of which are sometimes referred to as "operating groups" or "groups": Eurasia and Africa; Europe; Latin America; North America; Pacific; Bottling Investments; and Corporate. For further information regarding our operating segments, refer to Note 18 of Notes to Consolidated Financial Statements.

Beverage Volume

We measure the volume of Company beverage products sold in two ways: (1) unit cases of finished products and (2) concentrate sales. As used in this report, "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" means the number of unit cases (or unit case equivalents) of Company beverage products directly or indirectly sold by the Company and its bottling partners (the "Coca-Cola system") to customers. Unit case volume primarily consists of beverage products bearing Company trademarks. Also included in unit case volume are certain products licensed to, or distributed by, our Company, and brands owned by Coca-Cola system bottlers for which our Company provides marketing support and from the sale of which we derive economic benefit. Such products licensed to, or distributed by, our Company and brands owned by Coca-Cola system bottlers account for a minimal portion of our total unit case volume. In addition, unit case volume includes sales by joint ventures in which the Company has an equity interest. Although most of our Company's revenues are not based directly on unit case volume, we believe unit case volume is one of the measures of the underlying strength of the Coca-Cola system because it measures trends at the consumer level. The unit case volume numbers used in this report are derived based on estimates received by the Company from its bottling partners and distributors. Concentrate sales volume represents the amount of concentrates and syrups, (in all cases expressed in equivalent unit cases) sold by, or used in finished beverages sold by, the Company to its bottling partners or other customers. Most of our revenues are based on concentrate sales, a primarily wholesale activity. Unit case volume and concentrate sales growth rates are not necessarily equal during any given period. Factors such as seasonality, bottlers' inventory practices, supply point changes, timing of price increases, new product introductions and changes in product mix can impact unit case volume and concentrate sales and can create differences between unit case volume and concentrate sales growth rates. In addition to the items mentioned above, the impact of unit case volume from certain joint ventures, in which the Company has an equity interest, but to which the Company does not sell concentrates or syrups, may give rise to differences between unit case volume and concentrate sales growth rates.

Information about our volume growth by operating segment is as follows:

Year Ended December 31,	Percent Change			
	2009 vs. 2008		2008 vs. 2007	
	Unit Cases ^{1,2}	Concentrate Sales	Unit Cases ^{1,2}	Concentrate Sales
Worldwide	3%	3%	5%	4%
Eurasia & Africa	4%	5%	7%	7%
Europe	(1)	(2)	3	—
Latin America	6	7	8	6
North America	(2)	(2)	(1)	(2)
Pacific	7	7	8	8
Bottling Investments	2	N/A	14	N/A

¹ Bottling Investments operating segment data reflects unit case volume growth for consolidated bottlers only.

² Geographic segment data reflects unit case volume growth for all bottlers in the applicable geographic areas, both consolidated and unconsolidated.

Unit Case Volume

Although most of our Company's revenues are not based directly on unit case volume, we believe unit case volume is one of the measures of the underlying strength of the Coca-Cola system because it measures our product trends at the consumer level. The Coca-Cola system sold approximately 24.4 billion unit cases of our products in 2009, approximately 23.7 billion unit cases in 2008 and approximately 22.7 billion unit cases in 2007.

Year Ended December 31, 2009, versus Year Ended December 31, 2008

In Eurasia and Africa, unit case volume increased 4 percent, which consisted of 3 percent growth in sparkling beverages and 8 percent growth in still beverages. The group's unit case volume growth was primarily attributable to 31 percent growth in India, led by 32 percent growth in sparkling beverages. This growth was largely due to double-digit growth in Trademarks Thums Up, Sprite, Maaza, Fanta and Coca-Cola. Still beverages in India grew 28 percent. The group also benefited from 6 percent volume growth in North and West Africa and 10 percent volume growth in East and Central Africa. The group's unit case volume growth also included the impact of a 14 percent volume decline in Russia, primarily due to the continued challenging economic environment. In addition, South Africa and Turkey each experienced a 1 percent unit case volume decline.

Unit case volume in Europe decreased 1 percent, primarily attributable to the ongoing difficult macroeconomic conditions throughout most of Europe. These difficult macroeconomic conditions impacted a number of key markets and contributed to unit case volume declines of 8 percent in South and Eastern Europe, 4 percent in Iberia and 2 percent in Germany. The volume declines in these markets were partially offset by 6 percent unit case volume growth in France and 4 percent growth in Great Britain. The unit case volume growth in both France and Great Britain was led by Trademark Coca-Cola.

In Latin America, unit case volume increased 6 percent, which consisted of 3 percent growth in sparkling beverages and 24 percent growth in still beverages. The group benefited from strong volume growth in key markets, including 6 percent in Mexico, 4 percent in Brazil, 2 percent in Argentina and double-digit growth in Colombia. Acquisitions contributed 1 percentage point of the group's total unit case volume growth. The group's sparkling beverage volume growth was primarily attributable to 4 percent growth in brand Coca-Cola. The successful integration of Jugos del Valle, S.A.B. de C.V. ("Jugos del Valle") drove still beverage volume growth.

Unit case volume in North America decreased 2 percent, which reflected the impact of a continuing difficult U.S. economic environment and a competitive pricing environment. The effect of the economic environment and pricing environment was partially offset by the impact of strong customer and consumer programs. North America's unit case volume decline consisted of a 3 percent decline in sparkling beverages, partially offset by 1 percent growth in still beverages. The decline in sparkling beverages was partly attributable to the significant price increase taken by bottlers in the fourth quarter of 2008. The decline was partially offset by the continued strong performance of Coca-Cola Zero, which had unit case volume growth of 19 percent. Still beverage unit case volume growth was primarily due to the strong performance of Fuze Beverage, LLC ("Fuze"), Trademark Simply and tea. The unit case volume growth in still beverages was reduced by a double-digit volume decline in the North American water businesses, including Trademark Dasani, primarily due to the slowing water category and the Company's decision to not pursue unprofitable volume opportunities in bulk water/case packs in North America.

In Pacific, unit case volume increased 7 percent, which consisted of growth in sparkling and still beverages of 6 percent and 8 percent, respectively. Sparkling beverage growth in Pacific included 14 percent growth in Trademark Sprite and 5 percent growth in Trademark Coca-Cola. The group's volume growth was led by 16 percent growth in China, which reflected 11 percent growth in sparkling beverages and 30 percent growth in still beverages. China's sparkling beverage volume growth was led by double-digit growth in Trademark Sprite and 6 percent growth in Trademark Coca-Cola. China's still beverage volume growth was led by double-digit growth in Minute Maid. The unit case volume growth in China was partially offset by a 2 percent volume decline in Japan, primarily due to the continued severe economic challenges and unfavorable weather conditions during what are traditionally high-volume months. Sparkling beverage volume in Japan was even, while still beverages declined 3 percent. The decline in still beverages included the impact of a 5 percent volume decline in Aquarius and a 3 percent decline in Georgia Coffee. Due to the weak economy, Georgia Coffee was negatively impacted by shifts away from the at-work vending channel. The group's volume increase also included a 1 percent increase in the Philippines.

Unit case volume for Bottling Investments increased 2 percent, primarily due to the impact of unit case volume growth of 16 percent in China, 31 percent in India and 1 percent in the Philippines. The Company's consolidated bottling operations account for approximately 33 percent, 65 percent and 100 percent of the unit case volume in China, India and the Philippines, respectively. The favorable impact of unit case volume in these markets was partially offset by the sale of certain bottling operations during 2008, including Refrigerantes Minas Gerais Ltda. ("Remil"), a bottler in Brazil, and the sale of a portion of our ownership interest in Coca-Cola Beverages Pakistan Ltd. ("Coca-Cola Pakistan"), which resulted in its deconsolidation. Refer to Note 14 of Notes to Consolidated Financial Statements. In addition, Germany's unit case volume declined 2 percent. The Company's consolidated bottling operations account for 100 percent of the unit case volume in Germany.

Beginning January 1, 2010, we deconsolidated certain entities as a result of the Company's adoption of new accounting guidance issued by the FASB. These entities are primarily bottling operations and have been accounted for under the equity method of accounting since they were deconsolidated. Refer to the heading "Critical Accounting Policies and Estimates — Principles of Consolidation," above. The entities that have been deconsolidated as a result of this change in accounting policy accounted for approximately 1 percent of the Company's worldwide unit case volume in 2009 and were primarily included in the Bottling Investments operating segment. However, the deconsolidation of these entities will only impact the unit case volume data for our Bottling Investments operating segment, since our geographic segment data reflects unit case volume growth for all bottlers in the applicable geographic areas, both consolidated and unconsolidated. The Bottling Investments operating segment data reflects unit case volume growth for consolidated bottlers only.

Year Ended December 31, 2008, versus Year Ended December 31, 2007

In Eurasia and Africa, unit case volume increased 7 percent, which reflected growth in sparkling and still beverages of 4 percent and 21 percent, respectively. Unit case volume growth of 15 percent in Turkey, 14 percent in India and 11 percent in Southern Eurasia drove the group's growth. Acquisitions contributed 6 percent of the unit case volume growth in Turkey during 2008. High single-digit volume growth in North and West Africa and 7 percent volume growth in Nigeria also significantly contributed to the group's growth. South Africa's unit case volume increased 1 percent for the year, which included the impact of supply chain issues related to carbon dioxide shortages in the early part of 2008. Our system has invested in manufacturing capabilities that allow us to produce our own supply of carbon dioxide to mitigate the risk of future shortages. Russia's unit case volume was even for the year, primarily due to a more challenging economic environment and unseasonable weather during the summer.

Unit case volume in Europe increased 3 percent, primarily attributable to high single-digit volume growth in Eastern Europe. The group's unit case volume growth reflected 1 percent growth in sparkling beverages and 11 percent growth in still beverages. The unit case volume growth in sparkling beverages included 1 percent growth in Trademark Coca-Cola. Also included in the group's 2008 volume growth was the impact of a low single-digit volume decline in Iberia, primarily due to the slowing Western European economy and a truck drivers' strike in Spain during the second quarter of 2008.

In Latin America, unit case volume increased 8 percent. The group benefited from strong volume growth in all key markets, including 9 percent in Mexico, 7 percent in Brazil and 5 percent in Argentina. Acquisitions contributed 3 percent of the group's total unit case volume growth in 2008. The group's unit case volume growth consisted of 4 percent growth in sparkling beverages and 40 percent growth in still beverages. Sparkling beverage unit case volume growth was primarily attributable to 4 percent volume growth in Coca-Cola. The successful integration of Jugos del Valle, which we acquired jointly with Coca-Cola FEMSA in 2007, drove still beverage volume growth. Still beverage unit case volume grew 21 percent in 2008, excluding the impact of acquisitions.

Unit case volume in North America decreased 1 percent, which reflected the impact of a difficult U.S. economic environment and significant bottler price increases during the fourth quarter of 2008. The overall unit case volume decline in North America during 2008 consisted of a 3 percent unit case volume decline in sparkling beverages, partially offset by a 5 percent increase in still beverages. The decline in sparkling beverages was partly attributable to the softness of our Foodservice business and other on-premise channels, which were negatively impacted by economic conditions. The negative impact of macroeconomic conditions and bottler price increases was tempered by the successful execution of the three-cola strategy (focusing on driving unit case volume growth for Coca-Cola, Coca-Cola Zero and Diet Coke). Coca-Cola Zero continued its strong performance, increasing unit case volume 36 percent in

2008. Still beverage unit case volume increased 5 percent in 2008, primarily due to the strong performance of glacéau, Fuze, Trademark Simply and Minute Maid Enhanced Juices. Acquisitions contributed 4 percent of the volume growth in still beverages during 2008. The overall 5 percent unit case volume growth in still beverages also included the impact of volume declines in Trademark Dasani and Trademark Powerade during 2008, primarily due to the slowing water and sports drink categories.

In Pacific, unit case volume increased 8 percent. The group's unit case volume growth was driven by 19 percent volume growth in China, which consisted of growth in both sparkling and still beverages. China's sparkling unit case volume increased 15 percent, primarily attributable to double-digit volume growth in both Trademark Coca-Cola and Trademark Sprite. Double-digit unit case volume growth in Minute Maid accounted for the majority of China's 30 percent unit case volume growth in still beverages. Also contributing to the volume growth of still beverages in China was the impact of Yuan Ye, a tea manufactured from tea leaves instead of tea powder, which was launched in 2008. The strong performance in China across our brands was partly attributable to our successful activation of the Beijing 2008 Olympic Games. In Japan, unit case volume was even. Sparkling beverage unit case volume grew 5 percent in 2008, led by 6 percent growth in Trademark Coca-Cola and 13 percent growth in Trademark Fanta. Unit case volume growth in Trademark Coca-Cola was primarily attributable to the continued success of Coca-Cola Zero and the successful execution of the three-cola strategy (focusing on driving unit case volume growth for Coca-Cola, Coca-Cola Zero and Diet Coke or Coca-Cola Light). Still beverage unit case volume declined 1 percent in 2008, primarily due to declines in Sokenbicha and Aquarius. The impact of these volume declines on still beverages was partially offset by a 2 percent unit case volume increase in Georgia Coffee.

Unit case volume for Bottling Investments increased 14 percent. The group's unit case volume growth was primarily attributable to the full year impact of prior year acquisitions, including, but not limited to, 18 bottling and distribution operations in Germany, Nordeste Refrigerantes S.A. ("NORSA") and CCBPI. Refer to Note 17 of Notes to Consolidated Financial Statements. Additionally, the unit case volume growth reflected the overall improving health of the Company's consolidated bottling operations. The favorable impact that the previously mentioned items had on unit case volume growth was partially offset by the sale of Remil and the sale of a portion of our ownership interest in Coca-Cola Pakistan, which resulted in its deconsolidation. Refer to the heading "Operations Review — Other Income (Loss) — Net" and Note 14 of Notes to Consolidated Financial Statements.

Concentrate Sales Volume

In 2009, concentrate sales volume and unit case volume both grew 3 percent compared to 2008. The differences between unit case volume and concentrate sales volume growth rates for individual operating segments were primarily due to the timing of concentrate shipments and the impact of unit case volume from certain joint ventures in which the Company has an equity interest, but to which the Company does not sell concentrates, syrups, beverage bases or powders.

Concentrate sales volume and unit case volume grew 4 percent and 5 percent, respectively, in 2008 compared to 2007. The differences between unit case volume and concentrate sales volume growth rates for all segments were primarily due to timing of concentrate shipments and the impact of unit case volume from certain joint ventures in which the Company has an equity interest, but to which the Company does not sell concentrates, syrups, beverage bases or powders.

Analysis of Consolidated Statements of Income

Year Ended December 31,	2009	2008	2007	Percent Change	
				2009 vs. 2008	2008 vs. 2007
(In millions except percentages and per share data)					
NET OPERATING REVENUES	\$ 30,990	\$ 31,944	\$ 28,857	(3)%	11%
Cost of goods sold	11,088	11,374	10,406	(3)	9
GROSS PROFIT	19,902	20,570	18,451	(3)	11
GROSS PROFIT MARGIN	64.2%	64.4%	63.9%		
Selling, general and administrative expenses	11,358	11,774	10,945	(4)	8
Other operating charges	313	350	254	*	*
OPERATING INCOME	8,231	8,446	7,252	(3)	16
OPERATING MARGIN	26.6%	26.4%	25.1%		
Interest income	249	333	236	(25)	41
Interest expense	355	438	456	(19)	(4)
Equity income (loss) — net	781	(874)	668	*	*
Other income (loss) — net	40	39	219	*	*
INCOME BEFORE INCOME TAXES	8,946	7,506	7,919	19	(5)
Income taxes	2,040	1,632	1,892	25	(14)
Effective tax rate	22.8%	21.7%	23.9%		
CONSOLIDATED NET INCOME	6,906	5,874	6,027	18	(3)
Less: Net income attributable to noncontrolling interests	82	67	46	22	46
NET INCOME ATTRIBUTABLE TO SHAREOWNERS OF THE COCA-COLA COMPANY	\$ 6,824	\$ 5,807	\$ 5,981	18%	(3)%
NET INCOME PER SHARE¹					
Basic net income per share	\$ 2.95	\$ 2.51	\$ 2.59	18%	(3)%
Diluted net income per share	\$ 2.93	\$ 2.49	\$ 2.57	18%	(3)%

* Calculation is not meaningful.

¹ Basic net income per share and diluted net income per share are calculated based on net income attributable to shareowners of The Coca-Cola Company.

Net Operating Revenues

Net operating revenues decreased by \$954 million, or 3 percent, in 2009 compared to 2008 and increased by \$3,087 million, or 11 percent, in 2008 compared to 2007. The following table illustrates, on a percentage basis, the estimated impact of key factors resulting in the increase (decrease) in net operating revenues:

Year Ended December 31,	Percent Change	
	2009 vs. 2008	2008 vs. 2007
Increase in concentrate sales volume	3%	4%
Structural changes	(1)	—
Price and product/geographic mix	—	3
Impact of currency fluctuations versus the U.S. dollar	(5)	4
Total percentage increase (decrease)	(3)%	11%

Refer to the heading "Beverage Volume" for a discussion of concentrate sales volume. Also included in concentrate sales volume is the impact of acquired beverage companies and the acquisition of trademarks.

Year Ended December 31, 2009, versus Year Ended December 31, 2008

"Structural changes" refers to acquisitions or dispositions of bottling, distribution or canning operations and consolidation or deconsolidation of bottling and distribution entities for accounting purposes. Structural changes accounted for approximately 1 percent of the decrease in net operating revenues. This decrease was primarily attributable to the sale of certain bottling operations during 2008, including Remil and a portion of our ownership interest in Coca-Cola Pakistan, which resulted in its deconsolidation. Refer to the heading "Operations Review — Other Income (Loss) — Net" and Note 14 of Notes to Consolidated Financial Statements.

Price and product/geographic mix had a net zero percent impact on net operating revenues. Favorable pricing and product/package mix in a number of our key markets was offset by: shifts in our marketing and media spend strategies, shifts away from the at-work vending channel in our Japanese business, our current focus to drive greater affordability initiatives across many key markets to ensure we continue building brand relevance and equity with consumers, and unfavorable geographic mix as a result of growth in our emerging and developing markets. The shift in our marketing and media spend strategies was primarily due to spending more marketing dollars toward in-store activations, loyalty points programs and point-of-sale marketing. Many of these strategies impact net revenues instead of marketing expenses. Refer to the heading "Selling, General and Administrative Expenses," below. The growth in our emerging and developing markets resulted in unfavorable geographic mix due to the fact that the revenue per unit sold in these markets is generally less than in developed markets. Refer to the heading "Operating Income and Operating Margin," below. We currently expect the impact of price and product/geographic mix in 2010 to be similar to 2009.

The unfavorable impact of currency fluctuations decreased net operating revenues by approximately 5 percent. The unfavorable impact of changes in foreign currency exchange rates was primarily due to a stronger U.S. dollar compared to most foreign currencies, including the euro, South African rand, British pound, Brazilian real, Mexican peso and Australian dollar, which had an unfavorable impact on the Eurasia and Africa, Europe, Latin America, Pacific and Bottling Investments operating segments. The unfavorable impact of a stronger U.S. dollar compared to the aforementioned currencies was partially offset by the impact of a weaker U.S. dollar compared to certain other foreign currencies, including the Japanese yen, which had a favorable impact on the Pacific operating segment. Refer to the heading "Liquidity, Capital Resources and Financial Position — Foreign Exchange."

Beginning January 1, 2010, we deconsolidated certain entities as a result of the Company's adoption of new accounting guidance issued by the FASB. These entities are primarily bottling operations and have been accounted for under the equity method of accounting since they were deconsolidated. Refer to the heading "Critical Accounting Policies and Estimates — Principles of Consolidation," above. The entities that have been deconsolidated as a result of this change in accounting policy accounted for approximately 3 percent of the Company's consolidated net operating revenues in 2009. Refer to the heading "Critical Accounting Policies and Estimates — Principles of Consolidation," above.

Year Ended December 31, 2008, versus Year Ended December 31, 2007

Structural changes had a net zero percent impact on net operating revenues. The increase in net operating revenues attributable to the full year impact of prior year acquisitions, including, but not limited to, 18 German bottling and distribution operations, NORSA and CCBPI, was offset by the sale of Remil and the sale of a portion of our ownership interest in Coca-Cola Pakistan, which resulted in its deconsolidation. Refer to Note 14 and Note 17 of Notes to Consolidated Financial Statements.

Price and product/geographic mix increased net operating revenues by 3 percent, primarily due to favorable pricing and product/package mix across the majority of the operating segments.

The favorable impact of currency fluctuations increased net operating revenues by 4 percent. The U.S. dollar weakened against certain key currencies in 2008 including, but not limited to, the euro, Japanese yen and Brazilian real. The fluctuations in these currencies favorably impacted the Europe, Pacific, Latin America and Bottling Investments operating segments. The favorable impact of fluctuations in the aforementioned currencies was partially offset by the unfavorable impact of the U.S. dollar strengthening against the South African rand and the British pound during 2008. The fluctuations in these currencies unfavorably impacted the Eurasia and Africa, Europe and Bottling Investments operating segments. Refer to the heading "Liquidity, Capital Resources and Financial Position — Foreign Exchange."

Net Operating Revenues by Operating Segment

Information about our net operating revenues by operating segment as a percentage of Company net operating revenues is as follows:

Year Ended December 31,	2009	2008	2007
Eurasia & Africa	6.4%	6.7%	6.8%
Europe	13.9	15.0	15.4
Latin America	12.0	11.3	10.6
North America	26.4	25.7	26.9
Pacific	14.6	13.7	13.9
Bottling Investments	26.4	27.3	26.2
Corporate	0.3	0.3	0.2
	100.0%	100.0%	100.0%

The percentage contribution of each operating segment has changed due to net operating revenues in certain operating segments growing at a faster rate compared to the other operating segments. Net operating revenue growth rates are impacted by concentrate sales volume growth rates, structural changes, price and product/geographic mix, and foreign currency fluctuations.

The size and timing of structural changes, including acquisitions or dispositions of bottling and canning operations, do not occur consistently from period to period. As a result, anticipating the impact of such events on future increases or decreases in net operating revenues (and other financial statement line items) usually is not possible. However, we expect to continue to buy and sell bottling interests in limited circumstances and, as a result, structural changes will continue to affect our consolidated financial statements in future periods.

Gross Profit

Year Ended December 31, 2009, versus Year Ended December 31, 2008

Our gross profit margin decreased to 64.2 percent in 2009 from 64.4 percent in 2008, primarily due to foreign currency fluctuations, the growth of our finished product operations, unfavorable geographic mix as a result of growth in our emerging and developing markets, our current focus to drive greater affordability initiatives across many key markets, and unfavorable channel and product mix in certain key markets. The unfavorable impact of the previously mentioned items was partially offset by the favorable impact of price increases in certain markets, lower costs related to several key commodities and the sale of certain bottling operations in 2008. Generally, bottling and finished product operations produce higher net operating revenues but lower gross profit margins compared to concentrate and syrup operations. Bottling operations sold in 2008 included Remil and a portion of our ownership interest in Coca-Cola Pakistan, which

resulted in its deconsolidation. Refer to the heading "Operations Review — Other Income (Loss) — Net" and Note 14 of Notes to Consolidated Financial Statements.

Beginning January 1, 2010, we deconsolidated certain entities as a result of the Company's adoption of new accounting guidance issued by the FASB. These entities are primarily bottling operations and have been accounted for under the equity method of accounting since they were deconsolidated. Refer to the heading "Critical Accounting Policies and Estimates — Principles of Consolidation," above. The Company expects the deconsolidation of these entities to have a favorable impact on our gross profit margin percentage in future periods. Generally, bottling and finished product operations produce higher net operating revenues but lower gross profit margins compared to concentrate and syrup operations. Refer to the heading "Net Operating Revenues," above.

Year Ended December 31, 2008, versus Year Ended December 31, 2007

Our gross profit margin increased to 64.4 percent in 2008 from 63.9 percent in 2007. The increase in our gross profit margin was primarily attributable to favorable price and product mix across the majority of our operating segments, as well as the favorable impact of the sale of Remil and the sale of a portion of our ownership interest in Coca-Cola Pakistan, which resulted in its deconsolidation. Refer to the heading "Operations Review — Other Income (Loss) — Net" and Note 14 of Notes to Consolidated Financial Statements. The favorable impact of the previously mentioned items was partially offset by the full year impact of 2007 acquisitions, including, but not limited to, 18 German bottling and distribution operations, NORSA, glacéau, CCBPI and Leao Junior S.A. ("Leao Junior"), a Brazilian tea company. Refer to Note 17 of Notes to Consolidated Financial Statements. In addition to the full year impact of prior year acquisitions, our 2008 gross profit margin was also unfavorably impacted by increases in the cost of raw materials and freight.

Selling, General and Administrative Expenses

The following table sets forth the significant components of selling, general and administrative expenses (in millions):

Year Ended December 31,	2009	2008	2007
Selling expenses	\$ 5,433	\$ 5,776	\$ 5,029
Advertising expenses	2,791	2,998	2,774
General and administrative expenses	2,893	2,734	2,829
Stock-based compensation expense	241	266	313
Selling, general and administrative expenses	\$ 11,358	\$ 11,774	\$ 10,945

Year Ended December 31, 2009, versus Year Ended December 31, 2008

Selling, general and administrative expenses decreased by \$416 million, or 4 percent, in 2009 compared to 2008. The decrease was primarily attributable to the impact of foreign currency fluctuations, which decreased selling, general and administrative expenses by approximately 4 percent. In addition to the impact of foreign currency fluctuations, selling expenses decreased due to the sale of certain bottling operations in 2008. Bottling operations sold in 2008 included Remil and a portion of our ownership interest in Coca-Cola Pakistan, which resulted in its deconsolidation. Advertising expenses were impacted by shifts in our marketing and media spend strategies, primarily due to spending more marketing dollars toward in-store activations, loyalty points programs and point-of-sale marketing. Many of these strategies impact net operating revenues instead of marketing expenses. Refer to the heading "Net Operating Revenues," above. The increase in general and administrative expenses was primarily due to an increase in pension costs and higher short-term incentive costs, partially offset by savings generated from the Company's ongoing productivity initiatives.

The increase in our pension expense was primarily attributable to the significant decline in the value of our pension plan assets precipitated by the credit crisis and financial system instability in 2008. As a result of this decline, along with a decrease in the discount rate, our 2009 pension costs increased by \$103 million. Refer to the heading "Liquidity, Capital Resources and Financial Position — Off-Balance Sheet Arrangements and Aggregate Contractual Obligations" and Note 10 of Notes to Consolidated Financial Statements for further discussion.

Our 2010 pension expense is expected to decrease by approximately \$50 million compared to 2009. The anticipated decrease is primarily due to the appreciation of our pension plan assets and the impact of the \$269 million in contributions to our pension plans in 2009, partially offset by a decrease in the discount rate. Refer to the heading "Liquidity, Capital Resources and Financial Position — Off-Balance Sheet Arrangements and Aggregate Contractual Obligations" and Note 10 of Notes to Consolidated Financial Statements for further discussion.

As of December 31, 2009, we had approximately \$335 million of total unrecognized compensation cost related to nonvested share-based compensation arrangements granted under our plans. This cost is expected to be recognized over a weighted-average period of 1.7 years as stock-based compensation expense. This expected cost does not include the impact of any future stock-based compensation awards. Refer to Note 9 of Notes to Consolidated Financial Statements.

Beginning January 1, 2010, we deconsolidated certain entities as a result of the Company's adoption of new accounting guidance issued by the FASB. These entities are primarily bottling operations and have been accounted for under the equity method of accounting since they were deconsolidated. Refer to the heading "Critical Accounting Policies and Estimates — Principles of Consolidation," above. The entities that were deconsolidated as of January 1, 2010, accounted for approximately 2 percent of the Company's consolidated selling, general and administrative expenses in 2009.

Year Ended December 31, 2008, versus Year Ended December 31, 2007

Selling, general and administrative expenses increased \$829 million, or 8 percent, in 2008 compared to 2007. This increase was primarily attributable to the impact of foreign currency fluctuations, which accounted for approximately 4 percent of the total increase in selling, general and administrative expenses. In addition to the impact of foreign currency fluctuations, the increase in advertising expenses reflected the Company's continued investment in our brands and building market execution capabilities. Selling expenses increased primarily to support our bottling operations. In addition to the previously mentioned items, the increase in selling, general and administrative expenses in 2008 was also partially attributable to the full year impact of bottlers and brands acquired during 2007. Refer to Note 17 of Notes to Consolidated Financial Statements. These increases were partially offset by a decline in general and administrative expenses, primarily due to expense management and productivity initiatives. In addition, general and administrative expenses during 2008 also benefited from the full year impact of amendments made to the U.S. retiree medical plan and other employee benefit related costs during 2007. Refer to Note 10 of Notes to Consolidated Financial Statements for further discussion of the amendments made to the U.S. retiree medical plan during 2007.

Other Operating Charges

Other operating charges incurred by operating segment were as follows (in millions):

Year Ended December 31,	2009	2008	2007
Eurasia & Africa	\$ 4	\$ 1	\$ 37
Europe	7	—	33
Latin America	—	1	4
North America	31	56	23
Pacific	1	—	3
Bottling Investments	141	46	33
Corporate	129	246	121
Total	\$ 313	\$ 350	\$ 254

In 2009, the Company incurred other operating charges of approximately \$313 million, which consisted of \$166 million related to restructuring charges, \$107 million attributable to the Company's ongoing productivity initiatives and \$40 million due to asset impairments.

The Company's restructuring activities in 2009 primarily related to the integration of the 18 German bottling and distribution operations acquired in 2007. The Company began these integration initiatives in 2008 and has incurred total pretax expenses of approximately \$131 million since they commenced. The expenses recorded in connection with these integration activities have been primarily due to involuntary terminations. The Company is currently reviewing other integration and restructuring opportunities within the German bottling and distribution operations, which if

implemented will result in additional charges in future periods. However, as of December 31, 2009, the Company has not finalized any additional plans. Refer to Note 15 of Notes to Consolidated Financial Statements for additional information related to restructuring charges.

Other operating charges included expenses related to the Company's ongoing productivity initiatives. The Company has recognized approximately \$162 million related to these initiatives since they commenced in the first quarter of 2008. The Company is targeting \$500 million in annualized savings from productivity initiatives by the end of 2011 to provide additional flexibility to invest for growth. The savings are expected to be generated in a number of areas and include aggressively managing operating expenses supported by lean techniques, redesigning key processes to drive standardization and effectiveness, better leveraging our size and scale, and driving savings in indirect costs through the implementation of a "procure-to-pay" program. In realizing these savings, the Company expects to incur total costs of approximately \$500 million by the end of 2011. The Company believes we are on track to achieve our \$500 million target in annualized savings by the end of 2011 and has realized more than half of the targeted annualized savings by December 31, 2009. Refer to Note 15 of Notes to Consolidated Financial Statements for additional information related to the Company's ongoing productivity initiatives.

The asset impairment charges recorded in 2009 were the result of a change in the expected useful life of an intangible asset and a change in disposal strategy related to a building that is no longer occupied. Refer to Note 13 of Notes to Consolidated Financial Statements for additional fair value information related to these impairment charges.

During 2008, the Company incurred other operating charges of approximately \$350 million, which consisted of \$194 million due to restructuring charges, \$63 million related to contract termination fees, \$55 million attributable to productivity initiatives and \$38 million as a result of asset impairments. The restructuring charges in 2008 were primarily related to steps the Company took in 2007 to streamline and simplify its operations globally, which included the closing of a beverage concentrate manufacturing and distribution plant in Drogheda, Ireland, as well as streamlining activities in other selected business units. Refer to Note 15 of Notes to Consolidated Financial Statements for additional information on the restructuring charges and productivity initiatives. The contract termination fees were primarily the result of penalties incurred by the Company to terminate existing supply and co-packer agreements. Charges related to asset impairments were primarily due to the write-down of manufacturing lines that produce product packaging materials. Refer to Note 14 of Notes to Consolidated Financial Statements for additional information related to the contract termination fees and asset impairments.

In 2007, the Company incurred restructuring charges of approximately \$237 million and asset impairments of \$31 million. These restructuring charges were primarily related to the reorganization of the North American business around three main business units: Sparkling Beverages, Still Beverages and Emerging Brands. They also included the plan to close a beverage concentrate manufacturing and distribution plant in Drogheda, Ireland, as well as individually insignificant streamlining activities throughout many other business units. Refer to Note 15 for additional information on the restructuring charges. The asset impairments were primarily related to certain assets and investments in bottling operations, none of which was individually significant. Of this total, \$254 million was recorded in other operating charges and \$14 million was recorded in cost of goods sold. Refer to Note 14 of Notes to Consolidated Financial Statements.

Operating Income and Operating Margin

Information about our operating income contribution by operating segment on a percentage basis is as follows:

Year Ended December 31,	2009	2008	2007
Eurasia & Africa	9.8%	9.9%	9.2%
Europe	35.8	37.6	38.3
Latin America	24.8	24.8	24.1
North America	20.7	18.8	23.4
Pacific	22.9	22.0	23.4
Bottling Investments	2.2	3.1	2.1
Corporate	(16.2)	(16.2)	(20.5)
	100.0%	100.0%	100.0%

Information about our operating margin on a consolidated basis and by operating segment is as follows:

Year Ended December 31,	2009	2008	2007
Consolidated	26.6%	26.4%	25.1%
Eurasia & Africa	41.0%	39.1%	34.4%
Europe	68.4	66.4	62.4
Latin America	55.2	57.9	57.0
North America	20.7	19.3	21.9
Pacific	41.6	42.6	42.5
Bottling Investments	2.2	3.0	2.0
Corporate	*	*	*

* Calculation is not meaningful.

As demonstrated by the tables above, the percentage contribution to operating income and operating margin by each operating segment fluctuated from year to year. Operating income and operating margin by operating segment were influenced by a variety of factors and events including the following:

- In 2009, foreign currency exchange rates unfavorably impacted consolidated operating income by approximately 11 percent. The unfavorable impact of changes in foreign currency exchange rates was primarily due to a stronger U.S. dollar compared to most foreign currencies, including the euro, South African rand, British pound, Brazilian real, Mexican peso and Australian dollar, which had an unfavorable impact on the Eurasia and Africa, Europe, Latin America, Pacific and Bottling Investments operating segments. The unfavorable impact of a stronger U.S. dollar compared to the aforementioned currencies was partially offset by the impact of a weaker U.S. dollar compared to certain other foreign currencies, including the Japanese yen, which had a favorable impact on the Pacific operating segment. Refer to the heading "Liquidity, Capital Resources and Financial Position — Foreign Exchange."
- In 2009, operating income was unfavorably impacted by fluctuations in foreign currency exchange rates by approximately 15 percent for Eurasia and Africa, 11 percent for Europe, 18 percent for Latin America, 1 percent for North America, 19 percent for Bottling Investments and 4 percent for Corporate. Operating income was favorably impacted by fluctuations in foreign currency exchange rates by approximately 3 percent for Pacific.
- In 2009, shifts in our marketing and media spend strategies favorably impacted the operating margin in the majority of our operating segments. The shift was primarily due to spending more marketing dollars toward in-store activations, improving shelf impact, loyalty points programs and point-of-sale marketing. Many of these strategies are recorded as deductions from revenues instead of marketing expenses. Refer to the heading "Net Operating Revenues," above.
- In 2009, lower commodity prices favorably impacted North America's operating margin.
- In 2009, the operating margins for the Latin America and North America operating segments were unfavorably impacted by the growth of our finished goods businesses. Generally, bottling and finished product operations produce higher net revenues but lower operating margins compared to concentrate and syrup operations.

- In 2009, our consolidated operating margin was favorably impacted by the sale of certain bottling operations during 2008, including Remil and a portion of our ownership interest in Coca-Cola Pakistan, which resulted in its deconsolidation. Generally, bottling and finished product operations produce higher net revenues but lower operating margins compared to concentrate and syrup operations.
- In 2009, operating income was reduced by approximately \$4 million for Eurasia and Africa, \$7 million for Europe, \$31 million for North America, \$1 million for Pacific, \$141 million for Bottling Investments and \$129 million for Corporate, primarily as a result of restructuring costs, the Company's ongoing productivity initiatives and asset impairments. Refer to the heading "Other Operating Charges," above.
- In 2008, foreign currency exchange rates favorably impacted operating income by approximately 6 percent, primarily due to a weaker U.S. dollar compared to the euro, Japanese yen and Brazilian real, which had a favorable impact on the Europe, Pacific, Latin America and Bottling Investments operating segments. The favorable impact of a weaker U.S. dollar compared to the aforementioned currencies was partially offset by the impact of a stronger U.S. dollar compared to the South African rand and the British pound, which had an unfavorable impact on the Eurasia and Africa, Europe and Bottling Investments operating segments. Refer to the heading "Liquidity, Capital Resources and Financial Position — Foreign Exchange."
- In 2008, operating income was favorably impacted by fluctuations in foreign currency exchange rates by approximately 8 percent for Europe, 5 percent for Latin America, 1 percent for North America, 10 percent for Pacific and 4 percent for Bottling Investments. Operating income was unfavorably impacted by fluctuations in foreign currency exchange rates by approximately 3 percent for Eurasia and Africa. Fluctuations in foreign currency exchange rates had a net zero percent impact on operating income for Corporate.
- In 2008, price increases across the majority of operating segments had a favorable impact on both operating income and operating margins.
- In 2008, increased spending on marketing and innovation activities impacted the majority of the operating segments' operating income and operating margins. Refer to the heading "Selling, General and Administrative Expenses," above.
- In 2008, increases in the cost of raw materials and product mix, primarily as a result of finished goods businesses, adversely impacted North America's operating income and operating margin.
- In 2008, our operating margin was unfavorably impacted by the full year impact of acquisitions made during 2007, including, but not limited to, 18 German bottling and distribution operations, NORSA, glacéau, CCBPI and Leao Junior. Refer to the heading "Gross Profit," above. These acquisitions impacted the Latin America, North America and Bottling Investments operating segments.
- In 2008, operating income was reduced by approximately \$1 million for Eurasia and Africa, \$1 million for Latin America, \$56 million for North America, \$46 million for Bottling Investments and \$246 million for Corporate, primarily due to restructuring costs, contract termination fees, productivity initiatives and asset impairments. Refer to the heading "Other Operating Charges," above.
- In 2007, operating income was reduced by approximately \$37 million for Eurasia and Africa, \$33 million for Europe, \$4 million for Latin America, \$23 million for North America, \$3 million for Pacific, \$47 million for Bottling Investments and \$121 million for Corporate, primarily due to restructuring costs and asset impairments, included in other operating charges and cost of goods sold. Refer to the heading "Other Operating Charges," above.

Beginning January 1, 2010, we deconsolidated certain entities as a result of the Company's adoption of new accounting guidance issued by the FASB. These entities are primarily bottling operations and have been accounted for under the equity method of accounting since they were deconsolidated. Refer to the heading "Critical Accounting Policies and Estimates — Principles of Consolidation," above. The entities that were deconsolidated as of January 1, 2010, accounted for approximately 2 percent of the Company's consolidated operating income in 2009.

Interest Income

Interest income decreased by \$84 million in 2009 compared to 2008. This decrease was primarily attributable to lower interest rates, partially offset by the impact of higher short-term investment balances.

Interest income increased by \$97 million in 2008 compared to 2007. This increase was primarily due to higher average short-term investment balances, partially offset by lower interest rates.

Interest Expense

Interest expense decreased by \$83 million, or 19 percent, in 2009 compared to 2008. This decrease was primarily due to lower interest rates on short-term debt, partially offset by the issuance of long-term debt in the first quarter of 2009. In addition, interest expense in 2008 included the impact of the reclassification of approximately \$17 million of previously unrecognized gains on interest rate locks from AOCI to interest expense, which was partially offset by approximately \$9 million of losses related to the portion of cash flow hedges that were deemed to be ineffective. The reclassification was the result of a discontinued cash flow hedging relationship on interest rate locks, as it was no longer probable that we would issue the long-term debt for which these hedges were designated.

Interest expense decreased by \$18 million, or 4 percent, in 2008 compared to 2007. This decrease was primarily attributable to lower interest rates on short-term debt and a net benefit of approximately \$8 million related to the reclassification of gains and losses on interest rate locks from AOCI to interest expense, partially offset by the impact of higher average short-term and long-term debt balances. See discussion above for more information on the net benefit related to the reclassification of gains and losses on interest rate locks from AOCI to interest expense.

The Company reviews its optimal mix of short-term and long-term debt regularly. This monitoring includes a review of business and other financial risks. Refer to the heading "Liquidity, Capital Resources and Financial Position." During the first quarter of 2009, the Company elected to replace a certain amount of commercial paper and short-term debt with longer-term debt, which resulted in the Company issuing long-term notes in the principal amounts of \$900 million at a rate of 3.625 percent and \$1,350 million at a rate of 4.875 percent due March 15, 2014, and March 15, 2019, respectively. The interest rates on the long-term notes are higher than the interest rates on our short-term debt. Refer to Note 7 of Notes to Consolidated Financial Statements. The Company continues to review its optimal mix of short-term and long-term debt and may replace a certain amount of commercial paper and short-term debt with longer-term debt in the future. In addition, from time to time, we enter into interest rate swap agreements and other related instruments to manage our mix of fixed-rate and variable-rate debt. The Company will reclassify deferred losses on interest rate locks from AOCI to interest expense over approximately the next eight years. Refer to Note 4 of Notes to Consolidated Financial Statements.

Equity Income (Loss) — Net

Equity income (loss) — net represents our Company's proportionate share of net income or loss from each of our equity method investments. In 2009, equity income was \$781 million, compared to an equity loss of \$874 million in 2008, an increase of \$1,655 million. In 2008, equity income (loss) — net was impacted by our proportionate share of approximately \$7.6 billion pretax (\$4.9 billion after-tax) of charges recorded by CCE due to impairments of its North American franchise rights. The Company's proportionate share of these charges was approximately \$1.6 billion. Refer to the heading "Critical Accounting Policies and Estimates — Goodwill, Trademarks and Other Intangible Assets," and Note 14 of Notes to Consolidated Financial Statements. The increase in equity income in 2009 was also partially attributable to our proportionate share of increased net income from certain of our equity method investees, partially offset by the unfavorable impact of foreign exchange fluctuations and the Company's proportionate share of asset impairments and restructuring charges recorded by equity method investees.

In 2008, equity income (loss) — net was an equity loss of \$874 million compared to equity income of \$668 million in 2007, a decrease of \$1,542 million. This decrease was primarily attributable to the aforementioned impairment charges recorded by CCE during 2008, of which our Company's proportionate share was approximately \$1.6 billion. Refer to the heading "Critical Accounting Policies and Estimates — Goodwill, Trademarks and Other Intangible Assets" and Note 14 of Notes to Consolidated Financial Statements. In addition to our proportionate share of the charges discussed above, the Company recorded charges of approximately \$60 million to equity income (loss) — net, primarily related to our proportionate share of restructuring charges and asset impairments recorded by certain equity method investees.

Refer to Note 14 of Notes to Consolidated Financial Statements. The impact of these charges was partially offset by our proportionate share of increased net income from certain of our equity method investees, which included the favorable impact of foreign exchange fluctuations.

Other Income (Loss) — Net

Other income (loss) — net includes, among other things, the impact of foreign exchange gains and losses, dividend income, rental income, gains and losses related to the disposal of property, plant and equipment, realized and unrealized gains and losses on trading securities, realized gains and losses on available-for-sale securities, other-than-temporary impairments of available-for-sale securities and the accretion of expense related to certain acquisitions. The foreign currency exchange gains and losses are primarily the result of the remeasurement of monetary assets and liabilities from certain currencies into functional currencies. The effects of the remeasurement of these assets and liabilities are partially offset by the impact of our economic hedging program for certain exposures on our consolidated balance sheets. Refer to Note 4 of Notes to Consolidated Financial Statements.

In 2009, other income (loss) — net was income of \$40 million, primarily related to a realized gain of approximately \$44 million on the sale of equity securities classified as available-for-sale, \$40 million from the sale of other investments and \$18 million of dividend income from cost method investments. Refer to Note 2 and Note 14 of Notes to Consolidated Financial Statements for additional information related to the gain on the sale of available-for-sale securities. These gains were partially offset by approximately \$34 million in net foreign currency exchange losses and an other-than-temporary impairment charge of approximately \$27 million on a cost method investment. Refer to the heading "Critical Accounting Policies and Estimates — Investments in Equity and Debt Securities," and Note 13 and Note 14 of Notes to Consolidated Financial Statements.

In 2008, other income (loss) — net was income of \$39 million. The Company recognized gains on divestitures of approximately \$119 million, primarily related to the sale of Remil to Coca-Cola FEMSA and the sale of a portion of the Company's investment in Coca-Cola Pakistan to Coca-Cola Icecek A.S. ("Coca-Cola Icecek"). Refer to Note 14 of Notes to Consolidated Financial Statements. Other income (loss) — net also included approximately \$24 million in net foreign currency exchange gains in 2008. The gains on divestitures and net foreign currency exchange were partially offset by other-than-temporary impairment charges of approximately \$81 million on available-for-sale securities. Refer to the heading "Critical Accounting Policies and Estimates — Investments in Equity and Debt Securities," and Note 2 and Note 14 of Notes to Consolidated Financial Statements. Other income (loss) — net also included approximately \$46 million of realized and unrealized losses on trading securities.

In 2007, other income (loss) — net was income of \$219 million. The Company recognized a gain of approximately \$73 million due to the sale of a portion of the Company's ownership interest in Coca-Cola Amatil. As a result of this transaction, our ownership interest in Coca-Cola Amatil was reduced from approximately 32 percent to 30 percent. In addition, we recognized a gain of approximately \$70 million as a result of the sale of our equity investment in Vonpar Refrescos S.A. ("Vonpar") and gains of approximately \$84 million due to the sale of real estate in Spain and the United States. Refer to Note 14 of Notes to Consolidated Financial Statements. These gains were partially offset by approximately \$10 million in net foreign currency exchange losses.

Income Taxes

Our effective tax rate reflects tax benefits derived from significant operations outside the United States, which are generally taxed at rates lower than the U.S. statutory rate of 35 percent. A change in the mix of pretax income from these various tax jurisdictions can have a significant impact on the Company's periodic effective tax rate.

Our effective tax rate of approximately 22.8 percent for the year ended December 31, 2009, included the following:

- an approximate 17 percent combined effective tax rate on restructuring charges, productivity initiatives and asset impairments (refer to Note 14 and Note 15 of Notes to Consolidated Financial Statements);
- an approximate 21 percent combined effective tax rate on our proportionate share of restructuring and asset impairment charges recorded by equity method investees (refer to Note 14 of Notes to Consolidated Financial Statements);

- a zero percent effective tax rate on an other-than-temporary impairment of a cost method investment (refer to Note 13 and Note 14 of Notes to Consolidated Financial Statements);
- a zero percent effective tax rate on realized gains on sales of available-for-sale securities (refer to Note 2 and Note 14 of Notes to Consolidated Financial Statements);
- a tax benefit of approximately \$17 million due to the impact that a tax rate change had on certain deferred tax liabilities (refer to Note 11 of Notes to Consolidated Financial Statements);
- a tax charge of approximately \$15 million related to the recognition of a valuation allowance on deferred tax assets (refer to Note 11 of Notes to Consolidated Financial Statements); and
- a net tax benefit of approximately \$13 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties (refer to Note 11 of Notes to Consolidated Financial Statements).

Our effective tax rate of approximately 21.7 percent for the year ended December 31, 2008, included the following:

- an approximate 20 percent combined effective tax rate on restructuring charges, other-than-temporary impairments of available-for-sale securities, contract termination fees, productivity initiatives and asset impairments recorded by the Company (refer to Note 14 and Note 15 of Notes to Consolidated Financial Statements);
- an approximate 23 percent combined effective tax rate on our proportionate share of asset impairment and restructuring charges recorded by equity method investees, primarily related to impairment charges recorded by CCE (refer to Note 14 of Notes to Consolidated Financial Statements);
- an approximate 24 percent combined effective tax rate on gains from divestitures (refer to Note 14 of Notes to Consolidated Financial Statements);
- a tax charge of approximately \$10 million related to the recognition of a valuation allowance on deferred tax assets (refer to Note 11 of Notes to Consolidated Financial Statements); and
- a net tax benefit of approximately \$5 million, primarily related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties (refer to Note 11 of Notes to Consolidated Financial Statements).

Our effective tax rate of approximately 23.9 percent for the year ended December 31, 2007, included the following:

- an approximate 18 percent combined effective tax rate on restructuring charges and asset impairments recorded by the Company (refer to Note 14 and Note 15 of Notes to Consolidated Financial Statements);
- an approximate 14 percent combined effective tax rate on our proportionate share of restructuring charges and tax rate changes recorded by CCE, and asset impairments recorded by CCBPI and Coca-Cola Amatil (refer to Note 14 of Notes to Consolidated Financial Statements);
- an approximate 58 percent combined effective tax rate on the sale of a portion of our equity interest in Coca-Cola Amatil and Vonpar (refer to Note 14 of Notes to Consolidated Financial Statements);
- a tax benefit of approximately \$19 million related to tax rate changes in Germany (refer to Note 11 of Notes to Consolidated Financial Statements); and
- a tax charge of approximately \$96 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties (refer to Note 11 of Notes to Consolidated Financial Statements).

As of December 31, 2009, the gross amount of unrecognized tax benefits was approximately \$354 million. If the Company were to prevail on all uncertain tax positions, the net effect would be a benefit to the Company's effective tax rate of approximately \$134 million, exclusive of any benefits related to interest and penalties. The remaining approximately \$220 million, which was recorded as a deferred tax asset, primarily represents tax benefits that would be received in different tax jurisdictions in the event that the Company did not prevail on all uncertain tax positions. Refer to Note 11 of Notes to Consolidated Financial Statements.

A reconciliation of the changes in the gross balance of unrecognized tax benefit amounts is as follows (in millions):

Year Ended December 31,	2009	2008	2007
Beginning balance of unrecognized tax benefits	\$ 369	\$ 643	\$ 511
Increases related to prior period tax positions	49	52	22
Decreases related to prior period tax positions	(28)	(4)	—
Increases due to current period tax positions	16	47	51
Decreases related to settlements with taxing authorities	(27)	(254)	(4)
Reductions as a result of a lapse of the applicable statute of limitations	(73)	(36)	(1)
Increases (decreases) from effects of exchange rates	48	(79)	64
Ending balance of unrecognized tax benefits	\$ 354	\$ 369	\$ 643

In 2008, agreements were reached between the U.S. government and a foreign government concerning the allocation of income between the two tax jurisdictions. Pursuant to these agreements, we made cash payments during the third quarter of 2008 that constituted payments of tax and interest. These payments were partially offset by tax credits taken in the third quarter and fourth quarter of 2008, and tax refunds and interest on refunds received in 2009. These benefits had been recorded as deferred tax assets in prior periods. The settlements did not have a material impact on the Company's consolidated income statement for the year ended December 31, 2008.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. The Company had approximately \$94 million, \$110 million and \$272 million in interest and penalties related to unrecognized tax benefits accrued as of December 31, 2009, 2008 and 2007, respectively. Of these amounts, approximately \$16 million, \$14 million and \$82 million of benefits were recognized through tax expense for the years ended December 31, 2009, 2008 and 2007, respectively. If the Company were to prevail on all uncertain tax positions, the reversal of this accrual would also be a benefit to the Company's effective tax rate.

Based on current tax laws, the Company's effective tax rate in 2010 is expected to be approximately 23.0 percent to 23.5 percent before considering the effect of any unusual or special items that may affect our tax rate in future years.

Liquidity, Capital Resources and Financial Position

We believe our ability to generate cash from operating activities is one of our fundamental financial strengths. The near-term outlook for our business remains strong, and we expect to generate substantial cash flows from operations in 2010. As a result of our expected strong cash flows from operations, we have significant flexibility to meet our financial commitments. We typically fund a significant portion of our dividends, capital expenditures, contractual obligations, share repurchases and acquisitions with cash generated from operating activities. We rely on external funding for additional cash requirements. The Company does not typically raise capital through the issuance of stock. Instead, we use debt financing to lower our overall cost of capital and increase our return on shareowners' equity. Refer to the heading "Cash Flows from Financing Activities," below. Our debt financing includes the use of an extensive commercial paper program as part of our overall cash management strategy. The Company reviews its optimal mix of short-term and long-term debt regularly. During the first quarter of 2009, the Company elected to replace a certain amount of commercial paper and short-term debt with longer-term debt, which resulted in the Company issuing long-term notes in the principal amounts of \$900 million at a rate of 3.625 percent and \$1,350 million at a rate of 4.875 percent due March 15, 2014, and March 15, 2019, respectively. Refer to Note 7 of Notes to Consolidated Financial Statements. The Company continues to review its optimal mix of short-term and long-term debt and may replace a certain amount of commercial paper and short-term debt with longer-term debt in the future.

On February 25, 2010, we entered into a definitive agreement with CCE that will result in the acquisition of the assets and liabilities of CCE's North American operations for consideration including the Company's current 34 percent ownership interest in CCE valued at approximately \$3.4 billion, based upon a 30 day trailing average as of February 24, 2010, and the assumption of approximately \$8.9 billion of CCE debt. At closing, CCE shareowners other than the Company will exchange their current CCE common stock for common stock in a new entity, which will retain the name CCE and hold CCE's current European operations. This new entity initially will be 100 percent owned by the CCE shareowners other than the Company. As a result of the transaction, the Company will not own any interest in the new CCE entity. The transaction is subject to CCE shareowners' approval and certain regulatory approvals. In a concurrent transaction, we reached an agreement in principle to sell our ownership interests in our Norway bottling operation, Coca-Cola Drikker AS, and our Sweden bottling operation, Coca-Cola Drycker Sverige AB, to the new CCE entity for approximately \$822 million in cash. The transactions are subject to certain regulatory approvals. We expect the transactions will close in the fourth quarter of 2010.

In addition, we granted the new CCE entity the right to acquire our majority interest in our German bottling operation, Coca-Cola Erfrischungsgetraenke AG ("CCEAG"), 18 to 36 months after closing of the North America transaction, at the then current fair value.

On September 3, 2008, we announced our intention to make cash offers to purchase China Huiyuan Juice Group Limited, a Hong Kong listed company which owns the Huiyuan juice business throughout China ("Huiyuan"). The Company had accepted irrevocable undertakings from three shareholders for acceptance of the offers, in aggregate representing approximately 66 percent of the Huiyuan shares. The making of the offers was subject to preconditions relating to Chinese regulatory approvals. On March 18, 2009, the Chinese Ministry of Commerce declined approval for the Company's proposed purchase of Huiyuan. Consequently, the Company was unable to proceed with the proposed cash offers, and the irrevocable undertakings terminated.

The significant decline in the equity markets precipitated by the recent credit crisis and financial system instability has negatively affected the value of our pension plan assets. As a result of the decline in fair value of our pension plan assets, we contributed approximately \$269 million to our pension plans during the year ended December 31, 2009, of which approximately \$175 million was allocated to our primary U.S. plan. We anticipate making contributions in 2010 of approximately \$73 million, primarily to our non-U.S. pension plans. Refer to Note 10 of Notes to Consolidated Financial Statements.

The government in Venezuela has enacted certain monetary policies that restrict the ability of companies to pay dividends from retained earnings. As of December 31, 2009, cash held by our Venezuelan subsidiary accounted for approximately 2 percent of our consolidated cash and cash equivalents balance. We translated the financial statements of our Venezuelan subsidiary at the official exchange rate that was in effect as of December 31, 2009; however, subsequent to December 31, 2009, the Venezuelan government announced a currency devaluation, and Venezuela was determined to be a hyperinflationary economy for financial reporting purposes. As a result, our local subsidiary is required to use the U.S. dollar as its functional currency, and we will remeasure the financial statements of our local subsidiary into U.S. dollars and recognize the related gains or losses from remeasurement in the line item other income (loss) — net in our consolidated statements of income. Based on the carrying value of our assets and liabilities denominated in Venezuelan bolivar as of December 31, 2009, we anticipate recognizing an initial remeasurement loss of approximately \$100 million in the first quarter of 2010.

In addition to the Company's cash balances and commercial paper program, we also maintain approximately \$2.3 billion of committed, currently unused lines of credit for general corporate purposes, including commercial paper backup. These backup lines of credit expire at various times from 2010 through 2012. We have evaluated the financial stability of each bank and believe we can access the funds, if needed.

Based on all of these factors, the Company believes its current liquidity position is strong, and we will continue to meet all of our financial commitments for the foreseeable future.

Cash Flows from Operating Activities

Net cash provided by operating activities for the years ended December 31, 2009, 2008 and 2007 was approximately \$8,186 million, \$7,571 million and \$7,150 million, respectively.

Cash flows from operating activities increased \$615 million, or 8 percent, in 2009 compared to 2008. This increase was primarily attributable to lower tax payments, decreased payments to suppliers and vendors, and the receipt of a \$183 million special dividend from Coca-Cola Hellenic. The special dividend received from Coca-Cola Hellenic was incremental to its normal quarterly dividend. We classified the receipt of this special dividend in cash flows from operating activities due to the fact that our cumulative equity in earnings from Coca-Cola Hellenic exceeded the cumulative distributions received; therefore, the special dividend was deemed to be a return on our investment and not a return of our investment. The impact of these items was partially offset by increased contributions to our pension plans. The increase in contributions to our pension plans was primarily due to the decline in fair value of our pension plan assets in 2008. The Company contributed approximately \$269 million to our pension plans during the year ended December 31, 2009, compared to approximately \$96 million during the year ended December 31, 2008.

Cash flows from operating activities increased \$421 million, or 6 percent, in 2008 compared to 2007. This increase was primarily attributable to increased cash collections from customers, driven by the 11 percent increase in net operating revenues. Refer to the heading "Operations Review — Net Operating Revenues." The impact of increased cash collections from customers was partially offset by increased payments to suppliers and vendors, increased payments for selling, general and administrative expenses and an increase in tax payments. The increase in payments to suppliers and vendors was primarily attributable to higher sales volume and increased marketing and advertising costs to support our brands. The increase in tax payments included payments associated with the agreement between the U.S. government and a foreign government. Refer to the heading "Operations Review — Income Taxes" and Note 11 of Notes to Consolidated Financial Statements. Additionally, the Company made approximately \$224 million in payments related to streamlining activities and the costs of productivity initiatives during 2008. Refer to Note 15 of Notes to Consolidated Financial Statements.

On May 26, 2008, the Company and the other defendants reached an agreement with the plaintiffs in a class action lawsuit *Carpenters Health & Welfare Fund of Philadelphia & Vicinity v. The Coca-Cola Company, et al.* to settle the lawsuit for approximately \$138 million, without admitting any wrongdoing. The settlement amount was covered by insurance and, therefore, the settlement had no impact on our consolidated statement of income. The payments related to this settlement were made directly from the insurers to the plaintiffs during the third quarter and fourth quarter of 2008. As a result, the settlement had no impact on our consolidated statement of cash flows.

Cash Flows from Investing Activities

Our cash flows provided by (used in) investing activities are summarized as follows (in millions):

Year Ended December 31,	2009	2008	2007
Acquisitions and investments, principally beverage and bottling companies and trademarks	\$ (300)	\$ (759)	\$ (5,653)
Purchases of other investments	(2,152)	(240)	(99)
Proceeds from disposals of bottling companies and other investments	240	479	448
Purchases of property, plant and equipment	(1,993)	(1,968)	(1,648)
Proceeds from disposals of property, plant and equipment	104	129	239
Other investing activities	(48)	(4)	(6)
Net cash provided by (used in) investing activities	\$ (4,149)	\$ (2,363)	\$ (6,719)

During 2009, our Company's acquisition and investment activities totaled approximately \$300 million. None of the acquisitions or investments was individually significant. Included in these investment activities was the acquisition of a minority interest in Fresh Trading Ltd. Additionally, the Company and the existing shareowners of Fresh Trading Ltd. entered into a series of put and call options for the Company to potentially acquire some or all of the remaining shares not already owned by the Company. The put and call options are exercisable in stages between 2010 and 2014. Refer to Note 17 of Notes to Consolidated Financial Statements.

In 2009, purchases of other investments included time deposits of \$2,130 million, which were classified as short-term investments in our consolidated balance sheet. These time deposits have maturities of greater than three months, but less than one year. The Company's decision to invest in longer-term time deposits in 2009 was primarily to match the maturities of short-term debt issued as part of our commercial paper program. Refer to the heading "Cash Flows from Financing Activities."

During 2008, the Company's acquisition and investment activities included the acquisition of brands and licenses in Denmark and Finland from Carlsberg for approximately \$225 million. None of the other acquisitions during 2008 was individually significant. Refer to Note 17 of Notes to Consolidated Financial Statements. Investing activities during 2008 also included proceeds of approximately \$275 million, net of the cash balance as of the disposal date, related to the sale of Remil to Coca-Cola FEMSA. Refer to Note 14 of Notes to Consolidated Financial Statements.

In 2007, our Company acquired glacéau, 18 German bottling and distribution operations, Fuze and Leao Junior. Our Company also completed the acquisition of the remaining 65 percent of the shares of capital stock of CCBPI not previously owned by our Company. In addition, the Company acquired a 50 percent interest in Jugos del Valle, a 34 percent interest in Tokyo Coca-Cola Bottling Company ("Tokyo CCBC") and an 11 percent interest in NORSA. Refer to Note 17 of Notes to Consolidated Financial Statements. The remaining amount of cash used for acquisitions and investments was primarily related to the acquisition of various trademarks and brands, none of which was individually significant.

Investing activities in 2007 also included proceeds of approximately \$238 million received from the sale of our 49 percent equity interest in Vonpar, approximately \$143 million received from the sale of a portion of our interest in Coca-Cola Amatil, and approximately \$106 million in proceeds from the sale of real estate in Spain and in the United States. Refer to Note 14 of Notes to Consolidated Financial Statements.

Purchases of property, plant and equipment net of disposals for the years ended December 31, 2009, 2008 and 2007 were approximately \$1,889 million, \$1,839 million and \$1,409 million, respectively. The increase in 2009 and 2008 compared to 2007 was primarily attributable to the acquisitions of certain bottling operations in 2007 and 2006. Refer to Note 17 of Notes to Consolidated Financial Statements. Generally, bottling and finished product operations are more capital intensive compared to concentrate and syrup operations. Our Company currently estimates that net purchases of property, plant and equipment in 2010 will be in line with 2009 and 2008.

Total capital expenditures for property, plant and equipment (including our investments in information technology) and the percentage of such totals by operating segment for 2009, 2008 and 2007 were as follows (in millions):

Year Ended December 31,	2009	2008	2007
Capital expenditures	\$ 1,993	\$ 1,968	\$ 1,648
Eurasia & Africa	3.5%	3.4%	4.5%
Europe	3.4	3.9	4.8
Latin America	6.2	2.9	2.8
North America	23.0	25.0	20.9
Pacific	4.6	9.0	11.6
Bottling Investments	41.4	41.6	39.1
Corporate	17.9	14.2	16.3

Cash Flows from Financing Activities

Our cash flows provided by (used in) financing activities were as follows (in millions):

Year Ended December 31,	2009	2008	2007
Issuances of debt	\$ 14,689	\$ 4,337	\$ 9,979
Payments of debt	(12,326)	(4,308)	(5,638)
Issuances of stock	662	586	1,619
Purchases of stock for treasury	(1,518)	(1,079)	(1,838)
Dividends	(3,800)	(3,521)	(3,149)
Net cash provided by (used in) financing activities	\$ (2,293)	\$ (3,985)	\$ 973

Debt Financing

Our Company maintains debt levels we consider prudent based on our cash flows, interest coverage ratio and percentage of debt to capital. We use debt financing to lower our overall cost of capital, which increases our return on

shareowners' equity. This exposes us to adverse changes in interest rates. Our interest expense may also be affected by our credit ratings.

As of December 31, 2009, our long-term debt was rated "A+" by Standard & Poor's, "Aa3" by Moody's and "A+" by Fitch. Our commercial paper program was rated "A-1" by Standard & Poor's, "P-1" by Moody's and "F-1" by Fitch. In assessing our credit strength, all three agencies consider our capital structure (including the amount and maturity dates of our debt) and financial policies as well as the aggregated balance sheet and other financial information for the Company and certain bottlers, including CCE and Coca-Cola Hellenic. While the Company has no legal obligation for the debt of these bottlers, the rating agencies believe the strategic importance of the bottlers to the Company's business model provides the Company with an incentive to keep these bottlers viable. It is our expectation that the credit rating agencies will continue using this methodology. If our credit ratings were to be downgraded as a result of changes in our capital structure, our major bottlers' financial performance, changes in the credit rating agencies' methodology in assessing our credit strength, or for any other reason, our cost of borrowing could increase. Additionally, if certain bottlers' credit ratings were to decline, the Company's share of equity income could be reduced as a result of the potential increase in interest expense for these bottlers.

In 2009, Standard & Poor's affirmed the Company's A+ long-term debt rating and revised its outlook from negative to stable. Moody's revised its Aa3 rating for the Company's long-term debt in 2009 from negative outlook to stable. The Company does not believe that a downgrade by either agency would have a significant adverse effect on the cost of borrowing.

We monitor our financial ratios and, as indicated above, the rating agencies consider these ratios in assessing our credit ratings. However, the rating agencies aggregate financial data for certain bottlers along with our Company when assessing our debt rating. Both Standard & Poor's and Moody's employ different aggregation methodologies and have different thresholds for the various financial ratios. These thresholds are not necessarily permanent, nor are they always fully disclosed to our Company.

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

Issuances and payments of debt included both short-term and long-term financing activities. On December 31, 2009, we had approximately \$3,082 million in lines of credit and other short-term credit facilities available, of which approximately \$427 million was outstanding. This outstanding amount was primarily related to our international operations.

In 2009, the Company had issuances of debt of approximately \$14,689 million and payments of debt of \$12,326 million. The issuances of debt included approximately \$12,397 million of issuances of commercial paper and short-term debt with maturities greater than 90 days, as well as \$900 million and \$1,350 million of long-term debt due March 15, 2014, and March 15, 2019, respectively. The payments of debt included approximately \$1,861 million of net payments of commercial paper and short-term debt with maturities of 90 days or less; \$10,017 million related to commercial paper and short-term debt with maturities greater than 90 days; and \$448 million related to long-term debt. The increase in issuances and payments of commercial paper with maturities of greater than 90 days was primarily due to a favorable interest rate environment on longer-term commercial paper. As a result, the Company also began investing in longer-term time deposits that have maturities of greater than three months. Refer to the heading "Cash Flows from Investing Activities." The Company continues to review its optimal mix of short-term and long-term debt.

The issuances of debt in 2008 included approximately \$4,001 million of issuances of commercial paper and short-term debt with maturities of greater than 90 days, and approximately \$194 million of net issuances of commercial paper and short-term debt with maturities of 90 days or less. The payments of debt in 2008 included approximately \$4,032 million related to commercial paper and short-term debt with maturities of greater than 90 days.

The issuances of debt in 2007 included approximately \$6,024 million of issuances of commercial paper and short-term debt with maturities of greater than 90 days, approximately \$1,750 million in issuances of long-term notes due November 15, 2017, and approximately \$2,024 million of net issuances of commercial paper and short-term debt with maturities of 90 days or less. The increase in debt was primarily due to 2007 acquisitions. Refer to Note 17 of Notes to

Consolidated Financial Statements. The payments of debt in 2007 included approximately \$5,514 million related to commercial paper and short-term debt with maturities of greater than 90 days. Included in these payments was the payment of the outstanding liability to CCEAG shareowners in January 2007 of \$1,068 million.

Issuances of Stock

The issuances of stock in 2009, 2008 and 2007 primarily related to the exercise of stock options by Company employees. In addition, during 2007, certain executive officers and former shareholders of glacéau invested approximately \$179 million of their proceeds from the sale of glacéau in common stock of the Company at then current market prices. These shares of Company common stock were placed in escrow pursuant to the glacéau acquisition agreement.

Share Repurchases

On July 20, 2006, the Board of Directors of the Company authorized a share repurchase program of up to 300 million shares of the Company's common stock. The program took effect on October 31, 2006. The table below presents annual shares repurchased and average price per share:

Year Ended December 31,	2009	2008	2007
Number of shares repurchased (in millions)	26	18	34
Average price per share	\$ 57.09	\$ 58.01	\$ 51.66

Since the inception of our initial share repurchase program in 1984 through our current program as of December 31, 2009, we have purchased approximately 1.3 billion shares of our Company's common stock at an average price per share of \$19.78. In addition to shares repurchased under the stock repurchase plans authorized by our Board of Directors, the Company's treasury stock activity also includes shares surrendered to the Company to pay the exercise price and/or to satisfy tax withholding obligations in connection with so-called stock swap exercises of employee stock options and/or the vesting of restricted stock issued to employees. In 2009, we repurchased approximately \$1.5 billion of our stock. We currently expect to repurchase an additional \$1.5 billion of our stock during 2010. However, we anticipate that these repurchases will be subsequent to the close of our acquisition of CCE's North American operations. Refer to Note 19 of Notes to Consolidated Financial Statements.

Dividends

At its February 2010 meeting, our Board of Directors increased our quarterly dividend by 7 percent, raising it to \$0.44 per share, equivalent to a full year dividend of \$1.76 per share in 2010. This is our 48th consecutive annual increase. Our annual common stock dividend was \$1.64 per share, \$1.52 per share and \$1.36 per share in 2009, 2008 and 2007, respectively. The 2009 dividend represented an 8 percent increase from 2008, and the 2008 dividend represented a 12 percent increase from 2007.

Off-Balance Sheet Arrangements and Aggregate Contractual Obligations

Off-Balance Sheet Arrangements

In accordance with the definition under SEC rules, the following qualify as off-balance sheet arrangements:

- any obligation under certain guarantee contracts;
- a retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to that entity for such assets;
- any obligation under certain derivative instruments; and
- any obligation arising out of a material variable interest held by the registrant in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the registrant, or engages in leasing, hedging or research and development services with the registrant.

As of December 31, 2009, we were contingently liable for guarantees of indebtedness owed by third parties in the amount of approximately \$245 million. These guarantees primarily are related to third-party customers, bottlers and vendors and have arisen through the normal course of business. These guarantees have various terms, and none of

these guarantees was individually significant. The amount represents the maximum potential future payments that we could be required to make under the guarantees; however, we do not consider it probable that we will be required to satisfy these guarantees. Management concluded that the likelihood of any significant amounts being paid by our Company under these guarantees is not probable. As of December 31, 2009, we were not directly liable for the debt of any unconsolidated entity, and we did not have any retained or contingent interest in assets as defined above.

Our Company recognizes all derivatives as either assets or liabilities at fair value in our consolidated balance sheets. Refer to Note 4 of Notes to Consolidated Financial Statements.

Aggregate Contractual Obligations

As of December 31, 2009, the Company's contractual obligations, including payments due by period, were as follows (in millions):

	Payments Due by Period				
	Total	2010	2011-2012	2013-2014	2015 and Thereafter
Short-term loans and notes payable ¹ :					
Commercial paper borrowings	\$ 6,322	\$ 6,322	\$ —	\$ —	\$ —
Lines of credit and other short-term borrowings	427	427	—	—	—
Current maturities of long-term debt ²	51	51	—	—	—
Long-term debt, net of current maturities ²	5,059	—	726	1,090	3,243
Estimated interest payments ³	2,348	246	448	396	1,258
Accrued income taxes ⁴	264	264	—	—	—
Purchase obligations ⁵	9,950	6,465	1,017	1,205	1,263
Marketing obligations ⁶	4,216	2,300	777	425	714
Lease obligations	636	193	230	105	108
Total contractual obligations^{4,7}	\$ 29,273	\$ 16,268	\$ 3,198	\$ 3,221	\$ 6,586

¹ Refer to Note 7 of Notes to Consolidated Financial Statements for information regarding short-term loans and notes payable. Upon payment of outstanding commercial paper, we typically issue new commercial paper. Lines of credit and other short-term borrowings are expected to fluctuate depending upon current liquidity needs, especially at international subsidiaries.

² Refer to Note 7 of Notes to Consolidated Financial Statements for information regarding long-term debt. We will consider several alternatives to settle this long-term debt, including the use of cash flows from operating activities, issuance of commercial paper or issuance of other long-term debt.

³ We calculated estimated interest payments for our long-term fixed-rate debt based on the applicable rates and payment dates. We typically expect to settle such interest payments with cash flows from operating activities and/or short-term borrowings.

⁴ Refer to Note 11 of Notes to Consolidated Financial Statements for information regarding income taxes. As of December 31, 2009, the noncurrent portion of our income tax liability, including accrued interest and penalties related to unrecognized tax benefits, was approximately \$420 million, which was not included in the total above. At this time, the settlement period for the noncurrent portion of our income tax liability cannot be determined. In addition, any payments related to unrecognized tax benefits would be partially offset by reductions in payments in other jurisdictions.

⁵ Purchase obligations include agreements to purchase goods or services that are enforceable and legally binding and that specify all significant terms, including long-term contractual obligations, open purchase orders, accounts payable and certain accrued liabilities. We expect to fund these obligations with cash flows from operating activities.

⁶ We expect to fund these marketing obligations with cash flows from operating activities.

⁷ Included within total contractual obligations are approximately \$560 million of obligations of entities that were deconsolidated effective January 1, 2010. Refer to the heading "Critical Accounting Policies and Estimates-Principles of Consolidation."

The total accrued benefit liability for pension and other postretirement benefit plans recognized as of December 31, 2009, was approximately \$1,339 million. Refer to Note 10 of Notes to Consolidated Financial Statements. This amount is impacted by, among other items, pension expense, funding levels, plan amendments, changes in plan demographics and assumptions, and the investment return on plan assets. Because the accrued liability does not represent expected liquidity needs, we did not include this amount in the contractual obligations table.

The Pension Protection Act of 2006 ("PPA") was enacted in August 2006 and established, among other things, new standards for funding of U.S. defined benefit pension plans. During 2008, the funded status of the Company's primary U.S. defined benefit pension plan declined as a result of the overall stock market decline. In early 2009, the Company contributed approximately \$175 million to this plan. Subsequent to this contribution, the plan is sufficiently funded to maintain maximum flexibility as outlined in the PPA. We generally expect to fund all future contributions with cash flows from operating activities.

Our international pension plans are funded in accordance with local laws and income tax regulations. We do not expect contributions to these plans to be material in 2010 or thereafter. Therefore, no amounts have been included in the table above.

As of December 31, 2009, the projected benefit obligation of the U.S. qualified pension plans was \$2,138 million, and the fair value of plan assets was approximately \$1,975 million. The majority of this underfunding was due to the negative impact that the recent credit crisis and financial system instability had on the value of our pension plan assets. As of December 31, 2009, the projected benefit obligation of all pension plans other than the U.S. qualified pension plans was approximately \$1,858 million, and the fair value of all other pension plan assets was approximately \$1,057 million. The majority of this underfunding is attributable to an international pension plan for certain non-U.S. employees that is unfunded due to tax law restrictions, as well as our unfunded U.S. nonqualified pension plans. These U.S. nonqualified pension plans provide, for certain associates, benefits that are not permitted to be funded through a qualified plan because of limits imposed by the Internal Revenue Code of 1986. The expected benefit payments for these unfunded pension plans are not included in the table above. However, we anticipate annual benefit payments to these unfunded pension plans to be approximately \$35 million in 2010 and remain near that level through 2030, decreasing annually thereafter. Refer to Note 10 of Notes to Consolidated Financial Statements.

Deferred income tax liabilities as of December 31, 2009, were approximately \$1,614 million. Refer to Note 11 of Notes to Consolidated Financial Statements. This amount is not included in the total contractual obligations table because we believe this presentation would not be meaningful. Deferred income tax liabilities are calculated based on temporary differences between the tax bases of assets and liabilities and their respective book bases, which will result in taxable amounts in future years when the liabilities are settled at their reported financial statement amounts. The results of these calculations do not have a direct connection with the amount of cash taxes to be paid in any future periods. As a result, scheduling deferred income tax liabilities as payments due by period could be misleading, because this scheduling would not relate to liquidity needs.

Foreign Exchange

Our international operations are subject to certain opportunities and risks, including currency fluctuations and governmental actions. We closely monitor our operations in each country and seek to adopt appropriate strategies that are responsive to changing economic and political environments, and to fluctuations in foreign currencies.

We use 72 functional currencies. Due to our global operations, weakness in some of these currencies might be offset by strength in others. In 2009, 2008 and 2007, the weighted-average exchange rates for foreign currencies in which the Company conducted operations (all operating currencies), and for certain individual currencies, strengthened (weakened) against the U.S. dollar as follows:

Year Ended December 31,	2009	2008	2007
All operating currencies	(9)%	5%	4%
Brazilian real	(8)%	6%	11%
Mexican peso	(24)	0	0
Australian dollar	(8)	1	10
South African rand	(1)	(18)	(3)
British pound	(18)	(9)	9
Euro	(8)	9	8
Japanese yen	9	12	(2)

These percentages do not include the effects of our hedging activities and, therefore, do not reflect the actual impact of fluctuations in exchange rates on our operating results. Our foreign currency management program is designed to

mitigate, over time, a portion of the impact of exchange rate changes on our net income and earnings per share. The total currency impact on operating income, including the effect of our hedging activities, was a decrease of approximately 11 percent in 2009 and an increase of approximately 6 percent in 2008. Based on the anticipated benefits of hedging coverage in place, the Company expects currencies to have a slightly positive impact on operating income in 2010, with the benefit more heavily impacting our results in the first half of the year.

Foreign currency exchange gains and losses are primarily the result of the remeasurement of monetary assets and liabilities from certain currencies into functional currencies. The effects of the remeasurement of these assets and liabilities are partially offset by the impact of our economic hedging program for certain exposures on our consolidated balance sheets. Refer to Note 4 of Notes to Consolidated Financial Statements. Foreign currency exchange gains and losses are included as a component of other income (loss) — net in our consolidated financial statements. Refer to the heading "Operations Review — Other Income (Loss) — Net." The Company recorded a foreign currency loss of \$34 million in 2009, a foreign currency gain of \$24 million in 2008 and a foreign currency loss of \$10 million in 2007.

As of December 31, 2009, we translated the financial statements of our Venezuelan subsidiary at the official exchange rate that was in effect as of that date; however, subsequent to December 31, 2009, the Venezuelan government announced a currency devaluation, and Venezuela was determined to be a hyperinflationary economy. As a result, our local subsidiary is required to use the U.S. dollar as its functional currency, and we will remeasure the financial statements of our local subsidiary into U.S. dollars and recognize the related gains or losses from remeasurement in the line item other income (loss) — net going forward. Based on the carrying value of our assets and liabilities denominated in Venezuelan bolivar as of December 31, 2009, we anticipate recognizing an initial remeasurement loss of approximately \$100 million in the first quarter of 2010.

The Company will continue to manage its foreign currency exposure to mitigate, over time, a portion of the impact of exchange rate changes on net income and earnings per share.

Overview of Financial Position

Our consolidated balance sheet as of December 31, 2009, compared to our consolidated balance sheet as of December 31, 2008, was impacted by the following:

- an increase in net assets of \$1,873 million resulting from translation adjustments in various balance sheet accounts;
- an increase in cash, cash equivalents and short-term investments of \$4,450 million. We monitor our liquidity on a net debt basis as part of our overall cash management strategy. In 2009, we issued commercial paper with maturities of greater than 90 days primarily due to a favorable interest rate environment on longer-term commercial paper. In order to match the maturities of these issuances, we also began investing in longer-term time deposits. In addition, we currently expect to repurchase an additional \$1.5 billion of our stock during 2010. However, we anticipate that these repurchases will be subsequent to the close of our acquisition of CCE's North American operations. Refer to Note 19 of Notes to Consolidated Financial Statements; and
- an increase in long-term debt of \$2,278 million due to the issuance of long-term debt in the first quarter of 2009.

Impact of Inflation and Changing Prices

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

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our Company uses derivative financial instruments primarily to reduce our exposure to adverse fluctuations in interest rates and foreign currency exchange rates, commodity prices and other market risks. We do not enter into derivative financial instruments for trading purposes. As a matter of policy, all of 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 Company generally hedges anticipated exposures up to 36 months in advance; however, the majority of our derivative instruments expire within 24 months or less. Virtually all of our derivatives are straightforward over-the-counter instruments with liquid markets.

Foreign Exchange

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. In 2009, we generated approximately 74 percent of our net operating revenues from operations outside the United States; therefore, weakness in one particular currency might be offset by strengths in other currencies over time. 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 euro and Japanese yen) and collars to hedge certain portions of forecasted cash flows denominated in foreign currencies. Additionally, we enter into forward exchange contracts to offset the earnings impact relating to exchange rate fluctuations on certain monetary assets and liabilities. We also enter into forward exchange contracts as hedges of net investments in international operations.

Interest Rates

We monitor our mix of fixed-rate and variable-rate debt, as well as our mix of short-term debt versus long-term debt. From time to time, we enter into interest rate swap agreements to manage our mix of fixed-rate and variable-rate debt.

Value-at-Risk

We monitor our exposure to financial market risks using several objective measurement systems, including value-at-risk models. Our value-at-risk calculations use a historical simulation model to estimate potential future losses in the fair value of our derivatives and other financial instruments that could occur 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. The average value-at-risk represents the simple average of quarterly amounts over the past year. As a result of our foreign currency value-at-risk calculations, we estimate with 95 percent confidence that the fair values of our foreign currency derivatives, over a one-week period, would decline by not more than approximately \$34 million, \$44 million and \$20 million, respectively, using 2009, 2008 or 2007 average fair values, and by not more than approximately \$34 million and \$30 million, respectively, using December 31, 2009, and 2008 fair values. According to our interest rate value-at-risk calculations, we estimate with 95 percent confidence that any increase in our net interest expense due to an adverse move in our 2009 average or in our December 31, 2009, interest rates over a one-week period would not have a material impact on our consolidated financial statements. Our December 31, 2008 and 2007 estimates were also not material to our consolidated financial statements.

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THE COCA-COLA COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

Year Ended December 31,

2009

2008

2007

(In millions except per share data)

NET OPERATING REVENUES	\$ 30,990	\$ 31,944	\$ 28,857
Cost of goods sold	11,088	11,374	10,406
GROSS PROFIT	19,902	20,570	18,451
Selling, general and administrative expenses	11,358	11,774	10,945
Other operating charges	313	350	254
OPERATING INCOME	8,231	8,446	7,252
Interest income	249	333	236
Interest expense	355	438	456
Equity income (loss) — net	781	(874)	668
Other income (loss) — net	40	39	219
INCOME BEFORE INCOME TAXES	8,946	7,506	7,919
Income taxes	2,040	1,632	1,892
CONSOLIDATED NET INCOME	6,906	5,874	6,027
Less: Net income attributable to noncontrolling interests	82	67	46
NET INCOME ATTRIBUTABLE TO SHAREOWNERS OF THE COCA-COLA COMPANY	\$ 6,824	\$ 5,807	\$ 5,981
BASIC NET INCOME PER SHARE¹	\$ 2.95	\$ 2.51	\$ 2.59
DILUTED NET INCOME PER SHARE¹	\$ 2.93	\$ 2.49	\$ 2.57
AVERAGE SHARES OUTSTANDING	2,314	2,315	2,313
Effect of dilutive securities	15	21	18
AVERAGE SHARES OUTSTANDING ASSUMING DILUTION	2,329	2,336	2,331

¹ Basic net income per share and diluted net income per share are calculated based on net income attributable to shareowners of The Coca-Cola Company.

Refer to Notes to Consolidated Financial Statements.

THE COCA-COLA COMPANY AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2009 2008

(In millions except par value)

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 7,021	\$ 4,701
Short-term investments	2,130	—
TOTAL CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS	9,151	4,701
Marketable securities	62	278
Trade accounts receivable, less allowances of \$55 and \$51, respectively	3,758	3,090
Inventories	2,354	2,187
Prepaid expenses and other assets	2,226	1,920
TOTAL CURRENT ASSETS	17,551	12,176
EQUITY METHOD INVESTMENTS	6,217	5,316
OTHER INVESTMENTS, PRINCIPALLY BOTTLING COMPANIES	538	463
OTHER ASSETS	1,976	1,733
PROPERTY, PLANT AND EQUIPMENT — net	9,561	8,326
TRADEMARKS WITH INDEFINITE LIVES	6,183	6,059
GOODWILL	4,224	4,029
OTHER INTANGIBLE ASSETS	2,421	2,417
TOTAL ASSETS	\$ 48,671	\$ 40,519
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 6,657	\$ 6,205
Loans and notes payable	6,749	6,066
Current maturities of long-term debt	51	465
Accrued income taxes	264	252
TOTAL CURRENT LIABILITIES	13,721	12,988
LONG-TERM DEBT	5,059	2,781
OTHER LIABILITIES	2,965	3,011
DEFERRED INCOME TAXES	1,580	877
THE COCA-COLA COMPANY SHAREOWNERS' EQUITY		
Common stock, \$0.25 par value; Authorized — 5,600 shares; Issued — 3,520 and 3,519 shares, respectively	880	880
Capital surplus	8,537	7,966
Reinvested earnings	41,537	38,513
Accumulated other comprehensive income (loss)	(757)	(2,674)
Treasury stock, at cost — 1,217 and 1,207 shares, respectively	(25,398)	(24,213)
EQUITY ATTRIBUTABLE TO SHAREOWNERS OF THE COCA-COLA COMPANY	24,799	20,472
EQUITY ATTRIBUTABLE TO NONCONTROLLING INTERESTS	547	390
TOTAL EQUITY	25,346	20,862
TOTAL LIABILITIES AND EQUITY	\$ 48,671	\$ 40,519

Refer to Notes to Consolidated Financial Statements.

THE COCA-COLA COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

Year Ended December 31,

2009 2008 2007

(In millions)			
OPERATING ACTIVITIES			
Consolidated net income	\$ 6,906	\$ 5,874	\$ 6,027
Depreciation and amortization	1,236	1,228	1,163
Stock-based compensation expense	241	266	313
Deferred income taxes	353	(360)	109
Equity income or loss, net of dividends	(359)	1,128	(452)
Foreign currency adjustments	61	(42)	9
Gains on sales of assets, including bottling interests	(43)	(130)	(244)
Other operating charges	134	209	166
Other items	221	153	99
Net change in operating assets and liabilities	(564)	(755)	(40)
Net cash provided by operating activities	8,186	7,571	7,150
INVESTING ACTIVITIES			
Acquisitions and investments, principally beverage and bottling companies and trademarks	(300)	(759)	(5,653)
Purchases of other investments	(2,152)	(240)	(99)
Proceeds from disposals of bottling companies and other investments	240	479	448
Purchases of property, plant and equipment	(1,993)	(1,968)	(1,648)
Proceeds from disposals of property, plant and equipment	104	129	239
Other investing activities	(48)	(4)	(6)
Net cash provided by (used in) investing activities	(4,149)	(2,363)	(6,719)
FINANCING ACTIVITIES			
Issuances of debt	14,689	4,337	9,979
Payments of debt	(12,326)	(4,308)	(5,638)
Issuances of stock	662	586	1,619
Purchases of stock for treasury	(1,518)	(1,079)	(1,838)
Dividends	(3,800)	(3,521)	(3,149)
Net cash provided by (used in) financing activities	(2,293)	(3,985)	973
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	576	(615)	249
CASH AND CASH EQUIVALENTS			
Net increase (decrease) during the year	2,320	608	1,653
Balance at beginning of year	4,701	4,093	2,440
Balance at end of year	\$ 7,021	\$ 4,701	\$ 4,093

Refer to Notes to Consolidated Financial Statements.

THE COCA-COLA COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREOWNERS' EQUITY

Year Ended December 31,	2009	2008	2007
<i>(In millions except per share data)</i>			
EQUITY ATTRIBUTABLE TO SHAREOWNERS OF THE COCA-COLA COMPANY			
NUMBER OF COMMON SHARES OUTSTANDING			
Balance at beginning of year	2,312	2,318	2,318
Stock issued to employees exercising stock options	—	—	8
Purchases of treasury stock	(26)	(18)	(35)
Treasury stock issued to employees exercising stock options	17	12	23
Treasury stock issued to former shareholders of glacéau	—	—	4
Balance at end of year	2,303	2,312	2,318
COMMON STOCK			
Balance at beginning of year	\$ 880	\$ 880	\$ 878
Stock issued to employees related to stock compensation plans	—	—	2
Balance at end of year	880	880	880
CAPITAL SURPLUS			
Balance at beginning of year	7,966	7,378	5,983
Stock issued to employees related to stock compensation plans	339	324	1,001
Tax (charge) benefit from employees' stock option and restricted stock plans	(6)	(1)	(28)
Stock-based compensation	238	265	309
Stock purchased by former shareholders of glacéau	—	—	113
Balance at end of year	8,537	7,966	7,378
REINVESTED EARNINGS			
Balance at beginning of year	38,513	36,235	33,468
Cumulative effect of the adoption of new accounting guidance for pension and other postretirement plans	—	(8)	—
Cumulative effect of the adoption of new accounting guidance for uncertain tax positions	—	—	(65)
Net income attributable to shareowners of The Coca-Cola Company	6,824	5,807	5,981
Dividends (per share — \$1.64, \$1.52 and \$1.36 in 2009, 2008 and 2007, respectively)	(3,800)	(3,521)	(3,149)
Balance at end of year	41,537	38,513	36,235
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)			
Balance at beginning of year	(2,674)	626	(1,291)
Net foreign currency translation adjustment	1,824	(2,285)	1,575
Net gain (loss) on derivatives	34	1	(64)
Net change in unrealized gain on available-for-sale securities	(52)	(44)	14
Net change in pension liability	111	(972)	392
Net other comprehensive income (loss)	1,917	(3,300)	1,917
Balance at end of year	(757)	(2,674)	626
TREASURY STOCK			
Balance at beginning of year	(24,213)	(23,375)	(22,118)
Stock issued to employees related to stock compensation plans	333	243	428
Stock purchased by former shareholders of glacéau	—	—	66
Purchases of treasury stock	(1,518)	(1,081)	(1,751)
Balance at end of year	(25,398)	(24,213)	(23,375)
TOTAL EQUITY ATTRIBUTABLE TO SHAREOWNERS OF THE COCA-COLA COMPANY	\$ 24,799	\$ 20,472	\$ 21,744
EQUITY ATTRIBUTABLE TO NONCONTROLLING INTERESTS			
Balance at beginning of year	\$ 390	\$ 342	\$ 333
Net income attributable to noncontrolling interests	82	67	46
Net foreign currency translation adjustment	49	(25)	1
Dividends paid to noncontrolling interests	(14)	(20)	(23)
Contributions by noncontrolling interests	40	31	41
Disposal of subsidiaries	—	(5)	(56)
TOTAL EQUITY ATTRIBUTABLE TO NONCONTROLLING INTERESTS	\$ 547	\$ 390	\$ 342
COMPREHENSIVE INCOME			
Consolidated net income	\$ 6,906	\$ 5,874	\$ 6,027
Consolidated net other comprehensive income (loss)	1,966	(3,325)	1,918
CONSOLIDATED COMPREHENSIVE INCOME	\$ 8,872	\$ 2,549	\$ 7,945

Refer to Notes to Consolidated Financial Statements.

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

NOTE 1: BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

In these notes, the terms "The Coca-Cola Company," "Company," "we," "us" and "our" mean The Coca-Cola Company and all entities included in our consolidated financial statements.

The Coca-Cola Company is the world's leading owner and marketer of nonalcoholic beverage brands and the world's largest manufacturer, distributor and marketer of concentrates and syrups used to produce nonalcoholic beverages. We own or license and market more than 500 nonalcoholic beverage brands, primarily sparkling beverages but also a variety of still beverages such as waters, enhanced waters, juices and juice drinks, ready-to-drink teas and coffees, and energy and sports drinks. Finished beverage products bearing our trademarks, sold in the United States since 1886, are now sold in more than 200 countries. Along with Coca-Cola, which is recognized as the world's most valuable brand, we own and market four of the world's top five nonalcoholic sparkling beverage brands, including Diet Coke, Fanta and Sprite.

We manufacture beverage concentrates and syrups, which we sell to authorized bottling and canning operations (to which we typically refer as our "bottlers" or our "bottling partners") who use the concentrates and syrups to produce finished beverage products. We also manufacture, or authorize bottling partners to manufacture, fountain syrups, which we sell to fountain retailers such as restaurants and convenience stores, which use the fountain syrups to produce finished beverages for immediate consumption, or to fountain wholesalers or bottlers, which in turn sell and distribute the fountain syrups to fountain retailers. In addition, we manufacture certain finished beverages, such as juices and juice drinks and water products, which we sell to retailers directly or through wholesalers or other distributors, including bottling partners.

While most of our branded beverage products are manufactured, sold and distributed by independently owned and managed bottling partners, from time to time we do acquire or take control of bottling or canning operations, often, but not always, in underperforming markets where we believe we can use our resources and expertise to improve performance. In addition, we have noncontrolling ownership interests in numerous beverage joint ventures, bottling partners and emerging beverage companies. The Company has had a significant increase in the number of consolidated bottling operations over the last several years, primarily due to acquisitions in 2008 and 2007. Refer to Note 17 for additional information related to the Company's acquisition and investment activity. Net operating revenues generated by consolidated bottling operations are included in the Bottling Investments operating segment. Refer to Note 18.

Summary of Significant Accounting Policies

Basis of Presentation

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in our consolidated 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 these estimates and assumptions. Furthermore, when testing assets for impairment in future periods, if management uses different assumptions or if different conditions occur, impairment charges may result.

We use the equity method to account for investments in companies, if our investment provides us with the ability to exercise significant influence over operating and financial policies of the investee. Our consolidated net income includes our Company's proportionate share of the net income or loss of these companies. Our judgment regarding the level of influence over each equity method investment includes considering key factors such as our ownership interest, representation on the board of directors, participation in policy-making decisions and material intercompany transactions.

We eliminate from our financial results all significant intercompany transactions, including the intercompany transactions with consolidated variable interest entities ("VIEs") and the intercompany portion of transactions with equity method investees.

Certain amounts in the prior years' consolidated financial statements and notes have been revised to conform to the current year presentation.

Principles of Consolidation

Our Company consolidates all entities that we control by ownership of a majority voting interest as well as VIEs of which our Company is the primary beneficiary. Generally, we consolidate only business enterprises that we control by ownership of a majority voting interest. However, there are situations in which consolidation is required even though the usual condition (ownership of a majority voting interest) of consolidation does not apply. These situations generally occur when one entity has a controlling financial interest in another business enterprise that was achieved through arrangements that do not involve voting interests, which results in a disproportionate relationship between such entity's voting interests in, and its exposure to the economic risks and potential rewards of, the other business enterprise. This disproportionate relationship results in what is known as a variable interest, and the entity in which we have the variable interest is referred to as a VIE.

In accordance with accounting principles generally accepted in the United States as of December 31, 2009, the best evidence of control of a VIE is not necessarily voting interests. The entity that holds a majority of the variable interests in a VIE is deemed to be the primary beneficiary and therefore to control the entity. Upon consolidation, the primary beneficiary is generally required to include assets, liabilities and noncontrolling interests at fair value and subsequently account for the variable interest as if it were consolidated based on a majority voting interest.

Our Company holds interests in certain entities, primarily bottling operations, that are considered VIEs. These variable interests relate to profit guarantees or subordinated financial support for these entities. Our Company's investments, plus any loans and guarantees, related to these VIEs totaled approximately \$708 million and \$604 million at December 31, 2009, and 2008, respectively, representing our maximum exposures to loss. Creditors of the VIEs do not have recourse against the general credit of the Company as a result of including these VIEs in our consolidated financial statements. The Company's investment, plus any loans and guarantees, related to VIEs was not significant to the Company's consolidated financial statements. In addition, assets and liabilities of VIEs for which we are the primary beneficiary were not significant to the Company's consolidated financial statements. We do not have any significant variable interests in entities for which we were not determined to be the primary beneficiary.

In June 2009, the Financial Accounting Standards Board ("FASB") amended its guidance on accounting for VIEs. The new accounting guidance resulted in a change in our accounting policy effective January 1, 2010. Among other things, the new guidance requires more qualitative than quantitative analyses to determine the primary beneficiary of a VIE, requires continuous assessments of whether an enterprise is the primary beneficiary of a VIE, enhances disclosures about an enterprise's involvement with a VIE, and amends certain guidance for determining whether an entity is a VIE. Under the new guidance, a VIE must be consolidated if the enterprise has both (a) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (b) the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE.

Beginning January 1, 2010, we deconsolidated certain entities as a result of this change in accounting policy. These entities are primarily bottling operations and had previously been consolidated due to certain loan guarantees and/or other financial support given by the Company. These financial arrangements, although not significant to our consolidated financial statements, resulted in a disproportionate relationship between our voting interests in these entities and our exposure to the economic risks and potential rewards of the entities. As a result, we determined that we held a majority of the variable interests in these entities and, therefore, were deemed to be the primary beneficiary. The loan guarantees and/or other financial support given by the Company to these entities are included in the calculation of our maximum exposure to loss discussed above. Although these financial arrangements resulted in us holding a majority of the variable interests in these VIEs, the majority of these arrangements did not empower us to direct the activities of the VIEs that most significantly impact the VIEs' economic performance. Consequently, subsequent to the change in accounting policy, the Company deconsolidated the majority of these VIEs. The deconsolidation of these entities will not have a material impact on our consolidated financial statements.

Risks and Uncertainties

Factors that could adversely impact the Company's operations or financial results include, but are not limited to, the following: obesity and other health concerns; water scarcity and poor quality; changes in the nonalcoholic beverages business environment; the recent global credit crisis and continuing unfavorable credit and equity market conditions; increased competition; an inability to expand operations in developing and emerging markets; fluctuations in foreign currency exchange rates; interest rate increases; an inability to maintain good relationships with our bottling partners; a deterioration in our bottling partners' financial condition; increases in income tax rates or changes in income tax laws; increased or new indirect taxes; an inability to renew collective bargaining agreements on satisfactory terms or strikes, work stoppages or labor unrest (including at bottling partners' manufacturing locations); increased cost, disruption of supply or shortage of energy; increased cost, disruption of supply or shortage of ingredients or packaging materials; changes in laws and regulations relating to beverage containers and packaging; additional labeling or warning requirements; unfavorable economic and political conditions in the United States or in other major markets; unfavorable economic and political conditions in international markets; changes in commercial and market practices within the European Economic Area; litigation or legal proceedings; adverse weather conditions; an inability to maintain our brand image and corporate reputation; changes in the legal and regulatory environment in the countries in which we operate; changes in accounting standards; an inability to achieve our overall long-term goals; an inability to protect our information systems; future impairment charges, including potential charges attributable to changes in market participant assumptions; an inability to successfully manage our Company-owned or controlled bottling operations; climate change; and global or regional catastrophic events.

Our Company monitors our operations with a view to minimizing the impact to our overall business that could arise as a result of the risks and uncertainties inherent in our business.

Revenue Recognition

Our Company recognizes revenue when persuasive evidence of an arrangement exists, delivery of products has occurred, the sales price charged is fixed or determinable, and collectibility is reasonably assured. For our Company, this generally means that we recognize revenue when title to our products is transferred to our bottling partners, resellers or other customers. In particular, title usually transfers upon shipment to or receipt at our customers' locations, as determined by the specific sales terms of the transactions. Our sales terms do not allow for a right of return except for matters related to any manufacturing defects on our part.

Deductions from Revenue

Our customers can earn certain incentives including, but not limited to, cash discounts, funds for promotional and marketing activities, volume-based incentive programs and support for infrastructure programs. The costs associated with these incentives are included in deductions from revenue, a component of net operating revenues in the consolidated statements of income. For customer incentives that must be earned, management must make estimates related to the contractual terms, customer performance and sales volume to determine the total amounts earned and to be recorded in deductions from revenue. In making these estimates, management considers past results. The actual amounts ultimately paid may be different from our estimates.

In some situations, the Company may determine it to be advantageous to make advance payments to specific customers to fund certain marketing activities intended to generate profitable volume and/or invest in infrastructure programs with our bottlers that are directed at strengthening our bottling system and increasing unit case volume. The Company also makes advance payments to certain customers for distribution rights. The advance payments made to customers are initially capitalized and included in our consolidated balance sheets in prepaid expenses and other assets and noncurrent other assets, depending on the duration of the agreements. The assets are amortized over the applicable periods and included in deductions from revenue. The duration of these agreements typically ranges from 5 to 10 years.

Amortization expense for infrastructure programs was approximately \$150 million, \$162 million and \$151 million for the years ended December 31, 2009, 2008 and 2007, respectively. Refer to Note 3. The aggregate deductions from revenue recorded by the Company in relation to these programs, including amortization expense on infrastructure programs, were approximately \$4.5 billion, \$4.4 billion and \$4.1 billion for the years ended December 31, 2009, 2008 and 2007, respectively.

Advertising Costs

Our Company expenses production costs of print, radio, television and other advertisements as of the first date the advertisements take place. Advertising costs included in selling, general and administrative expenses were approximately \$2.8 billion, \$3.0 billion and \$2.8 billion for the years ended December 31, 2009, 2008 and 2007, respectively. As of December 31, 2009 and 2008, advertising and production costs of approximately \$288 million and \$195 million, respectively, were primarily recorded in prepaid expenses and other assets in our consolidated balance sheets.

Net Income Per Share

Basic net income per share is computed by dividing net income by the weighted-average number of common shares outstanding during the reporting period. Diluted net income per share is computed similarly to basic net income per share, except that it includes the potential dilution that could occur if dilutive securities were exercised. Approximately 103 million, 59 million and 71 million stock option awards were excluded from the computations of diluted net income per share in 2009, 2008 and 2007, respectively, because the awards would have been antidilutive for the periods presented.

Cash Equivalents

We classify time deposits and other investments that are highly liquid and have maturities of three months or less at the date of purchase as cash equivalents. We manage our exposure to counterparty credit risk through specific minimum credit standards, diversification of counterparties and procedures to monitor our credit risk concentrations.

Short-Term Investments

We classify investments in time deposits that have maturities of greater than three months, but less than one year as short-term investments.

Investments in Equity and Debt Securities

We use the equity method to account for our investments in equity securities, if our investment gives us the ability to exercise significant influence over operating and financial policies of the investee. We include our proportionate share of earnings and/or losses of our equity method investees in equity income (loss) — net in the consolidated statements of income. The carrying value of our equity investments is reported in equity method investments in our consolidated balance sheets. Refer to Note 3.

We account for investments in companies that we do not control or account for under the equity method either at fair value or under the cost method, as applicable. Investments in equity securities are carried at fair value if the fair value of the security is readily determinable. Equity investments carried at fair value are classified as either trading or available-for-sale securities with their cost basis determined by the specific identification method. Realized and unrealized gains and losses on trading securities and realized gains and losses on available-for-sale securities are included in other income (loss) — net in the consolidated statements of income. Unrealized gains and losses, net of deferred taxes, on available-for-sale securities are included in our consolidated balance sheets as a component of accumulated other comprehensive income (loss) ("AOCI"). Trading securities are reported as marketable securities in our consolidated balance sheets. Securities classified as available-for-sale are reported as either marketable securities or other investments in our consolidated balance sheets, depending on the length of time we intend to hold the investment. Refer to Note 2.

Investments in equity securities that we do not control or account for under the equity method and do not have readily determinable fair values are accounted for under the cost method. Cost method investments are originally recorded at cost, and we record dividend income when applicable dividends are declared. Cost method investments are reported as other investments in our consolidated balance sheets, and dividend income from cost method investments is reported in other income (loss) — net.

Our investments in debt securities are carried at either amortized cost or fair value. Investments in debt securities that the Company has the positive intent and ability to hold to maturity are carried at amortized cost and classified as held-to-maturity. Investments in debt securities that are not classified as held-to-maturity are carried at fair value and classified as either trading or available-for-sale.

Each reporting period, we review all of our investments in equity and debt securities, except for those classified as trading, to determine whether a significant event or change in circumstances has occurred that may have an adverse effect on the fair value of each investment. When such events or changes occur, we evaluate the fair value compared to our cost basis in the investment. We also perform this evaluation every reporting period for each investment for which our cost basis exceeded the fair value in the prior period. The fair values of most of our investments in publicly traded companies are often readily available based on quoted market prices. For investments in nonpublicly traded companies, management's assessment of fair value is based on valuation methodologies including discounted cash flows, estimates of sales proceeds and appraisals, as appropriate. We consider the assumptions that we believe hypothetical marketplace participants would use in evaluating estimated future cash flows when employing the discounted cash flow or estimates of sales proceeds valuation methodologies.

In the event the fair value of an investment declines below our cost basis, management determines if the decline in fair value is other than temporary. If management determines the decline is other than temporary, an impairment charge is recorded. Management's assessment as to the nature of a decline in fair value is based on, among other things, the length of time and the extent to which the market value has been less than our cost basis, the financial condition and near-term prospects of the issuer, and our intent and ability to retain the investment for a period of time sufficient to allow for any anticipated recovery in market value.

Trade Accounts Receivable

We record trade accounts receivable at net realizable value. This value includes an appropriate allowance for estimated uncollectible accounts to reflect any loss anticipated on the trade accounts receivable balances and charged to the provision for doubtful accounts. We calculate this allowance based on our history of write-offs, the level of past-due accounts based on the contractual terms of the receivables, and our relationships with, and the economic status of, our bottling partners and customers. We believe our exposure to concentrations of credit risk is limited due to the diverse geographic areas covered by our operations.

Activity in the allowance for doubtful accounts was as follows (in millions):

Year Ended December 31,	2009	2008	2007
Balance, beginning of year	\$ 51	\$ 56	\$ 63
Net charges to costs and expenses	24	17	17
Write-offs	(22)	(28)	(32)
Other ¹	2	6	8
Balance, end of year	\$ 55	\$ 51	\$ 56

¹ Other includes acquisitions, divestitures and currency translation.

A significant portion of our net operating revenues and corresponding accounts receivable is derived from sales of our products in international markets. Refer to Note 18. We also generate a significant portion of our net operating revenues by selling concentrates and syrups to bottlers in which we have a noncontrolling interest, including Coca-Cola Enterprises Inc. ("CCE"), Coca-Cola Hellenic Bottling Company S.A. ("Coca-Cola Hellenic"), Coca-Cola FEMSA, S.A.B. de C.V. ("Coca-Cola FEMSA") and Coca-Cola Amatil Limited ("Coca-Cola Amatil"). Refer to Note 3.

Inventories

Inventories consist primarily of raw materials and packaging (which includes ingredients and supplies) and finished goods (which include concentrates and syrups in our concentrate and foodservice operations, and finished beverages in our bottling and canning operations). Inventories are valued at the lower of cost or market. We determine cost on the basis of the average cost or first-in, first-out methods. Inventories consisted of the following (in millions):

December 31,	2009	2008
Raw materials and packaging	\$ 1,366	\$ 1,191
Finished goods	697	706
Other	291	290
Total inventories	\$ 2,354	\$ 2,187

Derivative Instruments

Our Company, when deemed appropriate, uses derivatives as a risk management tool to mitigate the potential impact of certain market risks. The primary market risks managed by the Company through the use of derivative instruments are foreign currency exchange rate risk, commodity price risk and interest rate risk. All derivatives are carried at fair value in the consolidated balance sheets in the line items prepaid expenses and other assets or accounts payable and accrued expenses, as applicable. Refer to Note 4.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Repair and maintenance costs that do not improve service potential or extend economic life are expensed as incurred. Depreciation is recorded principally by the straight-line method over the estimated useful lives of our assets, which generally have the following ranges: buildings and improvements: 40 years or less; machinery and equipment: 15 years or less; and containers: 10 years or less. Land is not depreciated, and construction in progress is not depreciated until ready for service. Leasehold improvements are amortized using the straight-line method over the shorter of the remaining lease term, including renewals that are deemed to be reasonably assured, or the estimated useful life of the improvement. Depreciation expense, including the depreciation expense of assets under capital lease, totaled approximately \$1,005 million, \$993 million and \$958 million for the years ended December 31, 2009, 2008 and 2007, respectively. Amortization expense for leasehold improvements totaled approximately \$18 million, \$19 million and \$21 million for the years ended December 31, 2009, 2008 and 2007, respectively.

The following table summarizes our property, plant and equipment (in millions):

December 31,	2009	2008
Land	\$ 699	\$ 657
Buildings and improvements	3,816	3,408
Machinery and equipment	10,355	8,936
Containers	835	698
Construction in progress	762	701
	16,467	14,400
Less accumulated depreciation	6,906	6,074
Property, plant and equipment — net	\$ 9,561	\$ 8,326

Certain events or changes in circumstances may indicate that the recoverability of the carrying amount of property, plant and equipment should be assessed, including, among others, a significant decrease in market value, a significant change in the business climate in a particular market, or a current period operating or cash flow loss combined with historical losses or projected future losses. When such events or changes in circumstances are present, we estimate the future cash flows expected to result from the use of the asset (or asset group) and its eventual disposition. These estimated future cash flows are consistent with those we use in our internal planning. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount, we recognize an impairment loss. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value. We use a variety of methodologies to determine the fair value of property, plant and equipment, including appraisals and discounted cash flow models, which are consistent with the assumptions we believe hypothetical marketplace participants would use.

Goodwill, Trademarks and Other Intangible Assets

We classify intangible assets into three categories: (1) intangible assets with definite lives subject to amortization, (2) intangible assets with indefinite lives not subject to amortization and (3) goodwill. We determine the useful lives of our identifiable intangible assets after considering the specific facts and circumstances related to each intangible asset. Factors we consider when determining useful lives include the contractual term of any agreement related to the asset, the historical performance of the asset, the Company's long-term strategy for using the asset, any laws or other local regulations which could impact the useful life of the asset, and other economic factors, including competition and specific market conditions. Intangible assets that are deemed to have definite lives are amortized, primarily on a straight-line basis, over their useful lives, generally ranging from 1 to 20 years. Refer to Note 5.

When facts and circumstances indicate that the carrying value of definite-lived intangible assets may not be recoverable, management assesses the recoverability of the carrying value by preparing estimates of sales volume and the resulting gross profit and cash flows. These estimated future cash flows are consistent with those we use in our internal planning. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount, we recognize an impairment loss. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value. We use a variety of methodologies to determine the fair value of these assets, including discounted cash flow models, which are consistent with the assumptions we believe hypothetical marketplace participants would use.

We test intangible assets determined to have indefinite useful lives, including trademarks, franchise rights and goodwill, for impairment annually, or more frequently if events or circumstances indicate that assets might be impaired. Our Company performs these annual impairment reviews as of the first day of our third fiscal quarter. We use a variety of methodologies in conducting impairment assessments of indefinite-lived intangible assets, including, but not limited to, discounted cash flow models, which are based on the assumptions we believe hypothetical marketplace participants would use. For indefinite-lived intangible assets, other than goodwill, if the carrying amount exceeds the fair value, an impairment charge is recognized in an amount equal to that excess.

We perform impairment tests of goodwill at our reporting unit level, which is one level below our operating segments. Our operating segments are primarily based on geographic responsibility, which is consistent with the way management runs our business. Our operating segments are subdivided into smaller geographic regions or territories that we sometimes refer to as business units. These business units are also our reporting units. The Bottling Investments operating segment includes all Company-owned or consolidated bottling operations, regardless of geographic location. Generally, each Company-owned or consolidated bottling operation within our Bottling Investments operating segment is its own reporting unit. Goodwill is assigned to the reporting unit or units that benefit from the synergies arising from each business combination. We have had no changes to our reporting units in 2009.

The goodwill impairment test consists of a two-step process, if necessary. The first step is to compare the fair value of a reporting unit to its carrying value, including goodwill. We typically use discounted cash flow models to determine the fair value of a reporting unit. The assumptions used in these models are consistent with those we believe hypothetical marketplace participants would use. If the fair value of the reporting unit is less than its carrying value, the second step of the impairment test must be performed in order to determine the amount of impairment loss, if any. The second step compares the implied fair value of the reporting unit goodwill with the carrying amount of that goodwill. If the carrying amount of the reporting unit's goodwill exceeds its implied fair value, an impairment charge is recognized in an amount equal to that excess. The loss recognized cannot exceed the carrying amount of goodwill.

Impairment charges related to intangible assets are generally recorded in the line item other operating charges or, to the extent they relate to equity method investees, in the line item equity income (loss) — net in the consolidated statements of income.

Contingencies

Our Company is involved in various legal proceedings and tax matters. Due to their nature, such legal proceedings and tax matters involve inherent uncertainties including, but not limited to, court rulings, negotiations between affected parties and governmental actions. Management assesses the probability of loss for such contingencies and accrues a liability and/or discloses the relevant circumstances, as appropriate. Refer to Note 8.

Stock-Based Compensation

Our Company currently sponsors stock option plans and restricted stock award plans. The fair values of the stock awards are determined using an estimated expected life. The Company recognizes compensation expense on a straight-line basis over the period the award is earned by the employee. Refer to Note 9.

Pension and Other Postretirement Benefit Plans

Our Company sponsors and/or contributes to pension and postretirement health care and life insurance benefit plans covering substantially all U.S. employees. We also sponsor nonqualified, unfunded defined benefit pension plans for certain associates. In addition, our Company and its subsidiaries have various pension plans and other forms of postretirement arrangements outside the United States. Refer to Note 10.

Income Taxes

Income tax expense includes United States, state, local and international income taxes, plus a provision for U.S. taxes on undistributed earnings of foreign subsidiaries not deemed to be indefinitely reinvested. Deferred tax assets and liabilities are recognized for the tax consequences of temporary differences between the financial reporting basis and the tax basis of existing assets and liabilities. The tax rate used to determine the deferred tax assets and liabilities is the enacted tax rate for the year and manner in which the differences are expected to reverse. Valuation allowances are recorded to reduce deferred tax assets to the amount that will more likely than not be realized.

In July 2006, the FASB issued accounting guidance that clarified the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. This guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Our Company adopted the provisions of this accounting guidance and changed our accounting policy effective January 1, 2007. As a result, we recorded an approximate \$65 million increase in accrued income taxes in our consolidated balance sheet for unrecognized tax benefits, which was accounted for as a cumulative effect adjustment to the January 1, 2007, balance of reinvested earnings. Refer to Note 11.

Translation and Remeasurement

We translate the assets and liabilities of our foreign subsidiaries from their respective functional currencies to U.S. dollars at the appropriate spot rates as of the balance sheet date. Generally, our foreign subsidiaries use the local currency as their functional currency. Changes in the carrying value of these assets and liabilities attributable to fluctuations in spot rates are recognized in foreign currency translation adjustment, a component of AOCI. Refer to Note 12. Income statement accounts are translated using the monthly average exchange rates during the year.

Monetary assets and liabilities denominated in a currency that is different from a reporting entity's functional currency must first be remeasured from the applicable currency to the legal entity's functional currency. The effect of this remeasurement process is recognized in the line item other income (loss) — net in our consolidated statements of income and is partially offset by the impact of our economic hedging program for certain exposures on our consolidated balance sheets. Refer to Note 4.

The government in Venezuela has enacted certain monetary policies that restrict the ability of companies to pay dividends from retained earnings. As of December 31, 2009, cash held by our Venezuelan subsidiary accounted for approximately 2 percent of our consolidated cash and cash equivalents balance. We translated the financial statements of our Venezuelan subsidiary at the official exchange rate that was in effect as of December 31, 2009; however, subsequent to December 31, 2009, the Venezuelan government announced a currency devaluation, and Venezuela was determined to be a hyperinflationary economy. In accordance with accounting principles generally accepted in the United States, companies are not permitted to adjust their financial statements for foreign currency exchange rate changes that occur after the balance sheet date.

Since Venezuela is a hyperinflationary economy, our local subsidiary will be required to use the U.S. dollar as its functional currency. As a result, in 2010 we will be required to remeasure the financial statements of our local subsidiary into U.S. dollars and recognize the related gains or losses from remeasurement in the line item other income (loss) — net in our consolidated statements of income. Based on the carrying value of our assets and liabilities denominated in Venezuelan bolivar as of December 31, 2009, we anticipate recognizing an initial remeasurement loss of approximately \$100 million in the first quarter of 2010.

As previously discussed, in June 2009, the FASB amended its guidance on accounting for VIEs. Please refer to the heading "Principles of Consolidation," above.

In December 2007, the FASB amended its guidance on accounting for business combinations. The new accounting guidance resulted in a change in our accounting policy effective January 1, 2009, and is being applied prospectively to all business combinations subsequent to the effective date. Among other things, the new guidance amends the principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any noncontrolling interest in the acquiree and the goodwill acquired. It also establishes new disclosure requirements to enable the evaluation of the nature and financial effects of the business combination. The adoption of this new accounting policy did not have a significant impact on our consolidated financial statements, and the impact it will have on our consolidated financial statements in future periods will depend on the nature and size of business combinations completed subsequent to the date of adoption.

In December 2007, the FASB issued new accounting and disclosure guidance related to noncontrolling interests in subsidiaries (previously referred to as "minority interests"), which resulted in a change in our accounting policy effective January 1, 2009. Among other things, the new guidance requires that a noncontrolling interest in a subsidiary be accounted for as a component of equity separate from the parent's equity, rather than as a liability. The new guidance is being applied prospectively, except for the presentation and disclosure requirements, which have been applied retrospectively. The adoption of this new accounting policy did not have a significant impact on our consolidated financial statements.

In December 2007, the FASB issued new accounting guidance that defines collaborative arrangements and establishes reporting requirements for transactions between participants in a collaborative arrangement and between participants in the arrangement and third parties. It also establishes the appropriate income statement presentation and classification for joint operating activities and payments between participants, as well as the sufficiency of the disclosures related to those arrangements. This new accounting guidance was effective for our Company on January 1, 2009, and its adoption did not have a significant impact on our consolidated financial statements.

In February 2007, the FASB issued new accounting guidance that permits entities to choose to measure many financial instruments and certain other items at fair value. Unrealized gains and losses on items for which the fair value option has been elected will be recognized in earnings at each subsequent reporting date. This new accounting guidance was effective for our Company on January 1, 2008. The Company did not elect the fair value option for any financial instruments or other items permitted under this guidance; therefore, its adoption had no impact on our consolidated financial statements.

In September 2006, the FASB issued new accounting guidance that defines fair value, establishes a framework for measuring fair value, and expands disclosure requirements about fair value measurements. However, in February 2008, the FASB delayed the effective date of the new accounting guidance for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually), until January 1, 2009. The accounting guidance related to recurring fair value measurements was effective for our Company on January 1, 2008. The adoption of this accounting guidance did not have a significant impact on our consolidated financial statements. Refer to Note 13.

NOTE 2: INVESTMENTS***Trading Securities***

As of December 31, 2009 and 2008, our trading securities had a fair value of approximately \$61 million and \$49 million, respectively, and were included in the line item marketable securities in our consolidated balance sheets. The Company had net unrealized losses on trading securities of approximately \$16 million, \$32 million and \$1 million as of December 31, 2009, 2008 and 2007, respectively.

Available-for-Sale and Held-to-Maturity Securities

As of December 31, 2009 and 2008, available-for-sale and held-to-maturity securities consisted of the following (in millions):

	Cost	Gross		Estimated Fair Value
		Unrealized Gains	Unrealized Losses	
2009				
Available-for-sale securities: ¹				
Equity securities	\$ 231	\$ 176	\$ (18)	\$ 389
Other securities	12	—	(3)	9
	\$ 243	\$ 176	\$ (21)	\$ 398
Held-to-maturity securities:				
Bank and corporate debt	\$ 199	\$ —	\$ —	\$ 199
2008				
Available-for-sale securities: ¹				
Equity securities	\$ 329	\$ 193	\$ (7)	\$ 515
Other securities	12	—	(5)	7
	\$ 341	\$ 193	\$ (12)	\$ 522
Held-to-maturity securities:				
Bank and corporate debt	\$ 74	\$ —	\$ —	\$ 74

¹ Refer to Note 13 for additional information related to the estimated fair value.

The Company divested certain available-for-sale securities during the year ended December 31, 2009. These divestitures were the result of both sales and a charitable donation. The sales of available-for-sale securities resulted in cash proceeds of \$157 million, gross realized gains of \$44 million and gross realized losses of \$2 million. In addition to the sale of available-for-sale securities, the Company donated certain available-for-sale securities to The Coca-Cola Foundation. The donated investments had a cost basis of \$7 million and a fair value of \$106 million at the date of donation. The net impact of this donation was an expense equal to our cost basis in the securities, which was recorded in other income (loss) — net.

The Company did not sell any available-for-sale securities during 2008 and 2007. For the year ended December 31, 2008, the Company realized losses of approximately \$81 million due to other-than-temporary impairments of certain available-for-sale securities. Refer to Note 14.

The Company's available-for-sale and held-to-maturity securities were included in the following captions in our consolidated balance sheets (in millions):

	December 31, 2009		December 31, 2008	
	Available-for-Sale Securities	Held-to-Maturity Securities	Available-for-Sale Securities	Held-to-Maturity Securities
Cash and cash equivalents	\$ —	\$ 198	\$ —	\$ 73
Marketable securities	—	1	228	1
Other investments, principally bottling companies	389	—	287	—
Other assets	9	—	7	—
	\$ 398	\$ 199	\$ 522	\$ 74

The contractual maturities of these investments as of December 31, 2009, were as follows (in millions):

	Available-for-Sale Securities		Held-to-Maturity Securities	
	Cost	Fair Value	Amortized Cost	Fair Value
Within 1 year	\$ —	\$ —	\$ 199	\$ 199
After 1 year through 5 years	—	—	—	—
After 5 years through 10 years	2	1	—	—
After 10 years	10	8	—	—
Equity securities	231	389	—	—
	\$ 243	\$ 398	\$ 199	\$ 199

Cost Method Investments

We periodically review all of our cost method investments to determine if impairment indicators are present; however, we are not required to determine the fair value of these investments unless impairment indicators exist. When impairment indicators exist, we generally use discounted cash flow analyses to determine the fair value. We estimate that the fair values of our cost method investments approximated or exceeded their carrying values as of December 31, 2009 and 2008. Our cost method investments had a carrying value of approximately \$149 million and \$176 million as of December 31, 2009 and 2008, respectively.

During the year ended December 31, 2009, the Company recorded a charge of approximately \$27 million in other income (loss) — net, as a result of an other-than-temporary decline in the fair value of a cost method investment. Refer to Note 13 and Note 14 for additional information related to this impairment.

NOTE 3: EQUITY METHOD INVESTMENTS

Our consolidated net income includes our Company's proportionate share of the net income or loss of our equity method investees. When we record our proportionate share of net income, it increases equity income (loss) — net in our consolidated statements of income and our carrying value in that investment. Conversely, when we record our proportionate share of a net loss, it decreases equity income (loss) — net in our consolidated statements of income and our carrying value in that investment. The Company's proportionate share of the net income or loss of our equity method investees includes significant operating and nonoperating items recorded by our equity method investees. These items can have a significant impact on the amount of equity income (loss) — net in our consolidated statements of income and our carrying value in those investments. The summarized financial information presented below includes the impact of significant operating and nonoperating items recorded by our equity method investees. Refer to Note 14 for additional information related to significant operating and nonoperating items recorded by our equity method investees. The carrying values of our equity method investments are also impacted by our proportionate share of items impacting the equity investee's AOCI.

We eliminate from our financial results all significant intercompany transactions, including the intercompany portion of transactions with equity method investees.

Refer to Note 14 and Note 17 for information related to acquisitions and divestitures of equity method investments.

Coca-Cola Enterprises Inc.

CCE is a marketer, producer and distributor of bottle, can and fountain nonalcoholic beverages, operating in eight countries. As of December 31, 2009, our Company owned approximately 34 percent of the outstanding common stock of CCE. We account for our investment by the equity method of accounting and, therefore, our net income includes our proportionate share of CCE's net income or loss. As of December 31, 2009, our proportionate share of the net assets of CCE exceeded our investment by approximately \$271 million. This difference is not amortized.

A summary of financial information for CCE is as follows (in millions):

Year Ended December 31,	2009	2008	2007
Net operating revenues	\$ 21,645	\$ 21,807	\$ 20,936
Cost of goods sold	13,333	13,763	12,955
Gross profit	\$ 8,312	\$ 8,044	\$ 7,981
Operating income (loss)	\$ 1,527	\$ (6,299)	\$ 1,470
Net income (loss)	\$ 731	\$ (4,394)	\$ 711

December 31,	2009	2008
Current assets	\$ 5,170	\$ 4,583
Noncurrent assets	11,246	11,006
Total assets	\$ 16,416	\$ 15,589
Current liabilities	\$ 4,588	\$ 5,074
Noncurrent liabilities	10,946	10,524
Total liabilities	\$ 15,534	\$ 15,598
Shareowners' equity (deficit)	\$ 859	\$ (31)
Noncontrolling interest	\$ 23	\$ 22
Total equity (deficit)	\$ 882	\$ (9)
Company equity investment	\$ 25	\$ —

The carrying value of our investment in CCE was reduced to zero as of December 31, 2008, primarily as a result of recording our proportionate share of CCE's net loss and adjustments to AOCI. CCE's net loss in 2008 was primarily due to impairment charges recorded by CCE. Refer to Note 14. CCE's adjustments to AOCI were primarily due to an increase in its pension liability and the impact of foreign exchange fluctuations. In accordance with accounting principles generally accepted in the United States, once the carrying value of an equity investment is reduced to zero, the investor's proportionate share of net losses and items impacting AOCI is required to be recorded as a reduction to advances made from the investor to the investee. As a result, the Company reduced the carrying value of its investment in infrastructure programs with CCE. We continued to amortize our investment in these infrastructure programs based on our original investment; therefore, this adjustment had no impact on the amortization expense related to these infrastructure programs. During 2009, we restored our basis in these infrastructure programs as a result of recording our proportionate share of CCE's net income and adjustments to AOCI. Once our basis in these infrastructure programs was restored, we subsequently began increasing the carrying value of our investment in CCE under the equity method of accounting.

A summary of our significant transactions with CCE is as follows (in millions):

Year Ended December 31,	2009	2008	2007
Concentrate, syrup and finished product sales to CCE	\$ 6,032	\$ 6,431	\$ 5,948
Syrup and finished product purchases from CCE	351	344	410
CCE purchases of sweeteners through our Company	419	357	326
Marketing payments made by us directly to CCE	415	626	636
Marketing payments made to third parties on behalf of CCE	174	131	123
Local media and marketing program reimbursements from CCE	330	316	299
Payments made to CCE for dispensing equipment repair services	87	84	78
Other payments — net	66	75	102

Syrup and finished product purchases from CCE represent purchases of fountain syrup in certain territories that have been resold by our Company to major customers and purchases of bottle and can products. Marketing payments made by us directly to CCE represent support of certain marketing activities and our participation with CCE in cooperative advertising and other marketing activities to promote the sale of Company trademark products within CCE territories. These programs are agreed to on an annual basis. Marketing payments made to third parties on behalf of CCE represent support of certain marketing activities and programs to promote the sale of Company trademark products within CCE's territories in conjunction with certain of CCE's customers. Pursuant to cooperative advertising and trade agreements with CCE, we received funds from CCE for local media and marketing program reimbursements. Payments made to CCE for dispensing equipment repair services represent reimbursement to CCE for its costs of parts and labor for repairs on cooler, dispensing or post-mix equipment owned by us or our customers. The other payments — net line in the table above represents payments made to and received from CCE that are individually not significant.

Our Company and CCE have established a Global Marketing Fund, under which we expect to pay CCE \$62 million annually through December 31, 2014, as support for certain marketing activities. The term of the agreement will automatically be extended for successive 10-year periods thereafter unless either party gives written notice of termination of this agreement. The marketing activities to be funded under this agreement will be agreed upon each year as part of the annual joint planning process and will be incorporated into the annual marketing plans of both companies. These amounts are included in the line item marketing payments made by us directly to CCE in the table above.

Our Company previously entered into programs with CCE designed to help develop cold-drink infrastructure. Under these programs, our Company paid CCE for a portion of the cost of developing the infrastructure necessary to support accelerated placements of cold-drink equipment. These payments support a common objective of increased sales of Company Trademark Beverages from increased availability and consumption in the cold-drink channel. In connection with these programs, CCE agreed to:

- (1) purchase and place specified numbers of Company-approved cold-drink equipment each year through 2010;
- (2) maintain the equipment in service, with certain exceptions, for a period of at least 12 years after placement;
- (3) maintain and stock the equipment in accordance with specified standards; and
- (4) annual reporting to our Company of minimum average annual unit case volume throughout the economic life of the equipment and other specified information.

CCE must achieve minimum average unit case volume for a 12-year period following the placement of equipment. These minimum average unit case volume levels ensure adequate gross profit from sales of concentrate to fully recover the capitalized costs plus a return on the Company's investment. Should CCE fail to purchase the specified numbers of cold-drink equipment for any calendar year through 2010, the parties agreed to mutually develop a reasonable solution. Should no mutually agreeable solution be developed, or in the event that CCE otherwise breaches any material obligation under the contracts and such breach is not remedied within a stated period, then CCE would be required to repay a portion of the support funding as determined by our Company. In the third quarter of 2004, our Company and CCE agreed to amend the contract to defer the placement of some equipment from 2004 and 2005, as previously agreed under the original contract, to 2009 and 2010. In connection with this amendment, CCE agreed to pay the Company approximately \$2 million in 2004, \$3 million annually in 2005 through 2008, and \$1 million in 2009. In 2005, our Company and CCE agreed to amend the contract for North America to move to a system of purchase and

placement credits, whereby CCE earns credit toward its annual purchase and placement requirements based upon the type of equipment it purchases and places. The amended contract also provides that no breach by CCE will occur even if it does not achieve the required number of purchase and placement credits in any given year, so long as (1) the shortfall does not exceed 20 percent of the required purchase and placement credits for that year; (2) a compensating payment is made to our Company by CCE; (3) the shortfall is corrected in the following year; and (4) CCE meets all specified purchase and placement credit requirements by the end of 2010. The payments we made to CCE under these programs are recorded in prepaid expenses and other assets and in noncurrent other assets and amortized as deductions from revenues over the 10-year period following the placement of the equipment. The amortizable carrying values for these infrastructure programs with CCE were approximately \$307 million and \$388 million as of December 31, 2009 and 2008, respectively. The Company has no further commitments under these programs. During 2009, CCE failed to achieve the minimum average unit case volume requirements on certain previously placed equipment. If such equipment is not generating sufficient unit case volume on a trailing twelve month period in April 2010, we and CCE have agreed to meet and develop a mutually agreeable solution to ensure compliance under these programs.

On January 1, 2008, CCE adopted the measurement provisions of new accounting guidance for pension and other postretirement plans, which require entities to measure the funded status of retirement benefit plans as of their fiscal year end. The adoption of this new accounting guidance required a cumulative adjustment to be made to the beginning balance of retained earnings in the period of adoption. We reduced the beginning balance of our retained earnings and our investment basis in CCE by approximately \$8 million for our proportionate share of CCE's adjustment.

If valued at the December 31, 2009, quoted closing price of CCE shares, the fair value of our investment in CCE would have exceeded our carrying value by approximately \$3.6 billion.

Other Equity Method Investments

Our other equity method investments include our ownership interests in Coca-Cola Hellenic, Coca-Cola FEMSA and Coca-Cola Amatil. As of December 31, 2009, we owned approximately 23 percent, 32 percent and 30 percent, respectively, of these companies' common shares.

Operating results include our proportionate share of income (loss) from our equity method investments. As of December 31, 2009, our investment in our equity method investees in the aggregate, other than CCE, exceeded our proportionate share of the net assets of these equity method investees by approximately \$588 million. This difference is not amortized.

A summary of financial information for our equity method investees in the aggregate, other than CCE, is as follows (in millions):

Year Ended December 31,	2009	2008	2007
Net operating revenues	\$ 34,292	\$ 34,482	\$ 28,112
Cost of goods sold	20,205	19,974	16,003
Gross profit	\$ 14,087	\$ 14,508	\$ 12,109
Operating income	\$ 3,657	\$ 3,687	\$ 3,369
Consolidated net income (loss)	\$ 2,269	\$ 1,950	\$ 1,923
Less: Net income (loss) attributable to noncontrolling interests	\$ 78	\$ 53	\$ 55
Net income (loss) attributable to common shareowners	\$ 2,191	\$ 1,897	\$ 1,868

December 31,	2009	2008
Current assets	\$ 10,848	\$ 10,922
Noncurrent assets	25,397	23,538
Total assets	\$ 36,245	\$ 34,460
Current liabilities	\$ 8,578	\$ 9,726
Noncurrent liabilities	10,945	9,940
Total liabilities	\$ 19,523	\$ 19,666
Shareowners' equity	\$ 16,232	\$ 14,457
Noncontrolling interest	\$ 490	\$ 337
Total equity (deficit)	\$ 16,722	\$ 14,794
Company equity investment	\$ 6,192	\$ 5,316

Net sales to equity method investees other than CCE, the majority of which are located outside the United States, were approximately \$5.6 billion in 2009, \$9.4 billion in 2008 and \$8.0 billion in 2007. Total payments, primarily marketing, made to equity method investees other than CCE were approximately \$878 million, \$659 million and \$546 million in 2009, 2008 and 2007, respectively. In addition, purchases of finished products from equity method investees were approximately \$152 million, \$228 million and \$108 million in 2009, 2008 and 2007, respectively.

If valued at the December 31, 2009, quoted closing prices of shares actively traded on stock markets, the value of our equity method investments in publicly traded bottlers other than CCE would have exceeded our carrying value by approximately \$5.5 billion.

Net Receivables and Dividends from Equity Method Investees

The total amount of net receivables due from equity method investees, including CCE, was approximately \$949 million and \$823 million as of December 31, 2009 and 2008, respectively. The total amount of dividends received from equity method investees, including CCE, was approximately \$422 million, \$254 million and \$216 million for the years ended December 31, 2009, 2008 and 2007, respectively. Dividends received in 2009 from equity method investees included the receipt of a \$183 million special dividend from Coca-Cola Hellenic, which was incremental to its normal quarterly dividend. We classified the receipt of this cash dividend in cash flows from operating activities due to the fact that our cumulative equity in earnings from Coca-Cola Hellenic exceeded the cumulative distributions received; therefore, the dividend was deemed to be a return on our investment and not a return of our investment.

NOTE 4: HEDGING TRANSACTIONS AND DERIVATIVE FINANCIAL INSTRUMENTS

The Company is directly and indirectly affected by changes in certain market conditions. These changes in market conditions may adversely impact the Company's financial performance and are referred to as "market risks." Our Company, when deemed appropriate, uses derivatives as a risk management tool to mitigate the potential impact of certain market risks. The primary market risks managed by the Company through the use of derivative instruments are foreign currency exchange rate risk, commodity price risk and interest rate risk.

The Company uses various types of derivative instruments including, but not limited to, forward contracts, commodity futures contracts, option contracts, collars and swaps. Forward contracts and commodity futures contracts are agreements to buy or sell a quantity of a currency or commodity at a predetermined future date, and at a predetermined rate or price. An option contract is an agreement that conveys the purchaser the right, but not the obligation, to buy or sell a quantity of a currency or commodity at a predetermined rate or price during a period or at a time in the future. A collar is a strategy that uses a combination of options to limit the range of possible positive or negative returns on an underlying asset or liability to a specific range, or to protect expected future cash flows. To do this, an investor simultaneously buys a put option and sells (writes) a call option. A swap agreement is a contract between two parties to exchange cash flows based on specified underlying notional amounts, assets and/or indices. We do not enter into derivative financial instruments for trading purposes.

All derivatives are carried at fair value in the consolidated balance sheets in the line items prepaid expenses and other assets or accounts payable and accrued expenses, as applicable. The carrying values of the derivatives reflect the impact of legally enforceable master netting agreements and cash collateral held or placed with the same counterparties. These master netting agreements allow the Company to net settle positive and negative positions (assets and liabilities) arising from different transactions with the same counterparty.

The accounting for gains and losses that result from changes in the fair values of derivative instruments depends on whether the derivatives have been designated and qualify as hedging instruments and the type of hedging relationships. Derivatives can be designated as fair value hedges, cash flow hedges or hedges of net investments in foreign operations. The Company does not typically designate derivatives as fair value hedges. The changes in fair values of derivatives that have been designated and qualify as cash flow hedges or hedges of net investments in foreign operations are recorded in AOCI and are reclassified into the line item in the consolidated income statement in which the hedged items are recorded in the same period the hedged items affect earnings. Due to the high degree of effectiveness between the hedging instruments and the underlying exposures being hedged, fluctuations in the value of the derivative instruments are generally offset by changes in the fair values or cash flows of the underlying exposures being hedged. The changes in fair values of derivatives that were not designated and/or did not qualify as hedging instruments are immediately recognized into earnings.

For derivatives that will be accounted for as hedging instruments, the Company formally designates and documents, at inception, the financial instrument as a hedge of a specific underlying exposure, the risk management objective and the strategy for undertaking the hedge transaction. In addition, the Company formally assesses, both at the inception and at least quarterly thereafter, whether the financial instruments used in hedging transactions are effective at offsetting changes in either the fair values or cash flows of the related underlying exposures. Any ineffective portion of a financial instrument's change in fair value is immediately recognized into earnings.

The Company estimates the fair values of its derivatives based on quoted market prices or pricing models using current market rates. Refer to Note 13. 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 to the financial risks described above. The amounts exchanged are calculated by reference to the notional amounts and by other terms of the derivatives, such as interest rates, foreign currency exchange rates or other financial indices. The Company does not view the fair values of its derivatives in isolation, but rather in relation to the fair values or cash flows of the underlying hedged transactions or other exposures. Virtually all of our derivatives are straightforward over-the-counter instruments with liquid markets.

Credit Risk Associated with Derivatives

We have established strict counterparty credit guidelines and enter into transactions only with financial institutions of investment grade or better. We monitor counterparty exposures regularly and review any downgrade in credit rating immediately. 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 presettlement risk, minimum credit standards become more stringent as the duration of the derivative financial instrument increases. In addition, the Company's master netting agreements reduce credit risk by permitting the Company to net settle for transactions with the same counterparty. To minimize the concentration of credit risk, we enter into derivative transactions with a portfolio of financial institutions. Based on these factors, we consider the risk of counterparty default to be minimal.

Cash Flow Hedging Strategy

The Company uses cash flow hedges to minimize the variability in cash flows of assets or liabilities or forecasted transactions caused by fluctuations in foreign currency exchange rates, commodity prices or interest rates. The changes in the fair values of derivatives designated as cash flow hedges are recorded in AOCI and are reclassified into the line item in the consolidated income statement in which the hedged items are recorded in the same period the hedged items affect earnings. The changes in fair values of hedges that are determined to be ineffective are immediately reclassified from AOCI into earnings. The Company did not discontinue any cash flow hedging relationships during the year ended December 31, 2009. The maximum length of time over which the Company hedges its exposure to future cash flows is typically three years.

The Company maintains a foreign currency cash flow hedging program to reduce the risk that our eventual U.S. dollar net cash inflows from sales outside the United States and U.S. dollar net cash outflows from procurement activities will be adversely affected by changes in foreign currency exchange rates. We enter into forward contracts and purchase foreign currency options (principally euros and Japanese yen) and collars to hedge certain portions of forecasted cash flows denominated in foreign currencies. When the dollar strengthens against the foreign currencies, the decline in the present value of future foreign currency cash flows is partially offset by gains in the fair value of the derivative instruments. Conversely, when the dollar weakens, the increase in the present value of future foreign currency cash flows is partially offset by losses in the fair value of the derivative instruments. The total notional value of derivatives that have been designated and qualify for the Company's foreign currency cash flow hedging program as of December 31, 2009, was approximately \$3,679 million.

The Company has entered into commodity futures contracts and other derivative instruments on various commodities to mitigate the price risk associated with forecasted purchases of materials used in our manufacturing process. The derivative instruments have been designated and qualify as part of the Company's commodity cash flow hedging program. The objective of this hedging program is to reduce the variability of cash flows associated with future purchases of certain commodities. The total notional value of derivatives that have been designated and qualify under this program as of December 31, 2009, was approximately \$26 million.

Our Company monitors our mix of short-term debt and long-term debt. From time to time, we manage our risk to interest rate fluctuations through the use of derivative financial instruments. The Company had no outstanding derivative instruments under this hedging program as of December 31, 2009.

Hedges of Net Investments in Foreign Operations Strategy

The Company uses forward contracts to protect the value of our investments in a number of foreign subsidiaries. For derivative instruments that are designated and qualify as hedges of net investments in foreign operations, the changes in fair values of the derivative instruments are recognized in net foreign currency translation gain (loss), a component of AOCI, to offset the changes in the values of the net investments being hedged. Any ineffective portions of net investment hedges are reclassified from AOCI into earnings during the period of change. The total notional value of derivatives that have been designated and qualify as hedges of net investments in foreign operations as of December 31, 2009, was approximately \$250 million.

Economic Hedging Strategy

In addition to derivative instruments that are designated and qualify for hedge accounting, the Company also uses certain derivatives as economic hedges. Although these derivatives were not designated and/or did not qualify for hedge accounting, they are effective economic hedges. The Company primarily uses economic hedges to offset the earnings impact that fluctuations in foreign currency exchange rates have on certain monetary assets and liabilities denominated in nonfunctional currencies. The changes in fair values of these economic hedges are immediately recognized into earnings in the line item other income (loss) — net. The total notional value of derivatives related to our economic hedges of this type as of December 31, 2009, was approximately \$651 million. The Company's other economic hedges are not significant to the Company's consolidated financial statements.

The following table presents the fair values of the Company's derivative instruments that were designated and qualified as part of a hedging relationship as of December 31, 2009 (in millions):

Derivatives Designated as Hedging Instruments	Balance Sheet Location ¹	Fair Value ^{1,2}
Assets		
Foreign currency contracts	Prepaid expenses and other assets	\$ 66
Commodity futures	Prepaid expenses and other assets	4
Total assets		\$ 70
Liabilities		
Foreign currency contracts	Accounts payable and accrued expenses	\$ 22
Commodity futures	Accounts payable and accrued expenses	3
Total liabilities		\$ 25

¹ All of the Company's derivative instruments are carried at fair value in the consolidated balance sheets after considering the impact of legally enforceable master netting agreements and cash collateral held or placed with the same counterparties. However, current disclosure requirements mandate that derivatives must be disclosed without reflecting the impact of master netting agreements and cash collateral. Refer to Note 13 for the net presentation of the Company's derivative instruments.

² Refer to Note 13 for additional information related to the estimated fair value.

The following table presents the fair values of the Company's derivative instruments that were not designated as hedging instruments as of December 31, 2009 (in millions):

Derivatives Not Designated as Hedging Instruments	Balance Sheet Location ¹	Fair Value ^{1,2}
Assets		
Foreign currency contracts	Prepaid expenses and other assets	\$ 110
Commodity futures	Prepaid expenses and other assets	7
Other derivative instruments	Prepaid expenses and other assets	9
Total assets		\$ 126
Liabilities		
Foreign currency contracts	Accounts payable and accrued expenses	\$ 88
Total liabilities		\$ 88

¹ All of the Company's derivative instruments are carried at fair value in the consolidated balance sheets after considering the impact of legally enforceable master netting agreements and cash collateral held or placed with the same counterparties. However, current disclosure requirements mandate that derivatives must be disclosed without reflecting the impact of master netting agreements and cash collateral. Refer to Note 13 for the net presentation of the Company's derivative instruments.

² Refer to Note 13 for additional information related to the estimated fair value.

The following tables present the pretax impact that changes in the fair values of derivatives designated as hedging instruments had on AOCI and earnings during the year ended December 31, 2009 (in millions):

	Gain (Loss) Recognized in OCI	Location of Gain (Loss) Reclassified from AOCI into Income (Effective Portion)	Gain (Loss) Reclassified from AOCI into Income (Effective Portion)	Location of Gain (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Gain (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)
Cash Flow Hedges					
Foreign currency contracts	\$ (59)	Net operating revenues	\$ (62)	Net operating revenues	\$ — ¹
Interest rate locks	—	Interest expense	(10)	Interest expense	4
Commodity futures	—	Cost of goods sold	(47)	Cost of goods sold	—
Total	\$ (59)		\$ (119)		\$ 4
Net Investment Hedges					
Foreign currency contracts	\$ (33)	Other income (loss) — net	\$ —	Other income (loss) — net	\$ —
Total	\$ (33)		\$ —		\$ —

¹ Includes a de minimis amount of ineffectiveness in the hedging relationship.

In 2008 and 2007, the Company reclassified from AOCI into income pretax losses of approximately \$53 million and \$62 million, respectively. In addition, in 2008, we reclassified approximately \$17 million of previously unrecognized gains on interest rate locks from AOCI to interest expense, which was partially offset by approximately \$9 million of losses related to the portion of cash flow hedges that were deemed to be ineffective. The reclassification was the result of a discontinued cash flow hedging relationship on interest rate locks, as it was no longer probable that we would issue the long-term debt for which these hedges were designated.

As of December 31, 2009, the Company estimates that it will reclassify into earnings during the next 12 months losses of approximately \$41 million from the pretax amount recorded in AOCI as the anticipated cash flows occur.

The following table presents the pretax impact that changes in the fair values of derivatives not designated as hedging instruments had on earnings during the year ended December 31, 2009 (in millions):

	Location of Gain (Loss) Recognized in Income	Gain (Loss) Recognized in Income
Foreign currency contracts	Net operating revenues	\$ (16)
Foreign currency contracts	Other income (loss) — net	114
Commodity futures	Cost of goods sold	12
Other derivative instruments	Selling, general and administrative expenses	23
Total		\$ 133

NOTE 5: GOODWILL, TRADEMARKS AND OTHER INTANGIBLE ASSETS

The following table summarizes information related to indefinite-lived intangible assets (in millions):

December 31,	2009	2008
Trademarks ¹	\$ 6,183	\$ 6,059
Goodwill	4,224	4,029
Bottlers' franchise rights ²	1,953	1,840
Other	124	192
Indefinite-lived intangible assets³	\$ 12,484	\$ 12,120

¹ The increase in 2009 was primarily related to the acquisition of trademarks and brands of \$54 million and the effect of translation adjustments. None of the acquisitions was individually significant.

² The increase in 2009 was primarily related to the effect of translation adjustments.

³ The Company does not have any significant indefinite-lived intangible assets subject to renewal or extension arrangements.

The following table provides information related to the carrying value of our goodwill by operating segment (in millions):

	Eurasia & Africa	Europe	Latin America	North America	Pacific	Bottling Investments	Total
2008							
Balance as of January 1	\$ 36	\$ 780	\$ 207	\$ 2,412	\$ 30	\$ 791	\$ 4,256
Goodwill acquired during the year	—	4	56	49	—	—	109
Effect of foreign currency translation	—	(45)	(28)	—	2	(55)	(126)
Adjustments related to the finalization of purchase accounting	—	—	(6)	(305) ¹	79	36	(196)
Impairments	—	—	—	—	—	—	—
Goodwill related to the sale of a business	—	—	—	—	(5)	(9)	(14)
Balance as of December 31	\$ 36	\$ 739	\$ 229	\$ 2,156	\$ 106	\$ 763	\$ 4,029
2009							
Balance as of January 1	\$ 36	\$ 739	\$ 229	\$ 2,156	\$ 106	\$ 763	\$ 4,029
Goodwill acquired during the year	2	6	36	—	—	—	44
Effect of foreign currency translation	5	52	59	—	4	55	175
Adjustments related to the finalization of purchase accounting	—	—	(4)	(2)	—	(14)	(20)
Impairments	—	—	—	—	—	—	—
Goodwill related to the sale of a business	—	—	—	—	—	(4)	(4)
Balance as of December 31	\$ 43	\$ 797	\$ 320	\$ 2,154	\$ 110	\$ 800	\$ 4,224

¹ These adjustments were primarily related to the finalization of purchase accounting for glacéau and Fuze Beverage, LLC ("Fuze"), which resulted in a reclassification from goodwill to indefinite-lived trademarks.

The following table summarizes information related to definite-lived intangible assets, which primarily consist of customer relationships and trademarks (in millions):

December 31,	2009	2008
Gross carrying amount ¹	\$ 577	\$ 560
Less accumulated amortization	233	175
Definite-lived intangible assets — net	\$ 344	\$ 385

¹ The increase in 2009 was primarily related to the effect of translation adjustments.

Total amortization expense for intangible assets subject to amortization was approximately \$63 million, \$54 million and \$33 million for the years ended December 31, 2009, 2008 and 2007, respectively. Based on the carrying value of amortized intangible assets as of December 31, 2009, we estimate our amortization expense for the next five years will be as follows (in millions):

	Amortization Expense
2010	\$ 56
2011	52
2012	46
2013	37
2014	33

NOTE 6: ACCOUNTS PAYABLE AND ACCRUED EXPENSES

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

December 31,	2009	2008
Accrued marketing	\$ 1,912	\$ 1,694
Other accrued expenses	1,883	1,985
Trade accounts payable	1,410	1,370
Accrued compensation	720	548
Sales, payroll and other taxes	375	303
Container deposits	357	305
Accounts payable and accrued expenses	\$ 6,657	\$ 6,205

NOTE 7: DEBT AND BORROWING ARRANGEMENTS

Short-Term Borrowings

Loans and notes payable consist primarily of commercial paper issued in the United States. As of December 31, 2009 and 2008, we had approximately \$6,322 million and \$5,389 million, respectively, outstanding in commercial paper borrowings. Our weighted-average interest rates for commercial paper outstanding were approximately 0.2 percent and 1.7 percent per year as of December 31, 2009 and 2008, respectively.

In addition, we had approximately \$3,082 million in lines of credit and other short-term credit facilities available as of December 31, 2009, of which approximately \$427 million was outstanding. The outstanding amount was primarily related to our international operations. Included in the available credit facilities discussed above, the Company had \$2,250 million in lines of credit for general corporate purposes, including commercial paper backup. These backup lines of credit expire at various times from 2010 through 2012. There were no borrowings under these backup lines of credit during 2009. These credit facilities are subject to normal banking terms and conditions. Some of the financial arrangements require compensating balances, none of which is presently significant to our Company.

Long-Term Debt

On March 6, 2009, the Company replaced a certain amount of commercial paper and short-term debt with longer-term debt. The Company issued long-term notes in the principal amounts of \$900 million at a rate of 3.625 percent and \$1,350 million at a rate of 4.875 percent due March 15, 2014, and March 15, 2019, respectively.

On November 1, 2007, the Company issued approximately \$1,750 million of notes due on November 15, 2017. The proceeds from this debt issuance were used to repay short-term debt, including commercial paper issued to finance acquisitions during 2007. Refer to Note 17.

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

December 31,	2009	2008
5 ³ / ₄ % U.S. dollar notes due 2009	\$ —	\$ 399
5 ³ / ₄ % U.S. dollar notes due 2011	500	499
3 ⁵ / ₈ % U.S. dollar notes due 2014	897	—
5 ⁷ / ₂₀ % U.S. dollar notes due 2017	1,748	1,747
4 ⁷ / ₈ % U.S. dollar notes due 2019	1,339	—
7 ³ / ₈ % U.S. dollar notes due 2093	116	116
Other, due through 2018 ¹	510	485
Total ^{2,3}	\$ 5,110	\$ 3,246
Less current portion	51	465
Long-term debt	\$ 5,059	\$ 2,781

¹ The weighted-average interest rate on outstanding balances was 5.3 percent as of December 31, 2009, and 6.5 percent as of December 31, 2008.

² As of December 31, 2009 and 2008, the fair value of our long-term debt, including the current portion, was approximately \$5,371 million and \$3,402 million, respectively. The fair value of our long-term debt is estimated based on quoted prices for those or similar instruments.

³ The above notes include various restrictions, none of which is presently significant to our Company.

As of December 31, 2009 and 2008, all of our long-term debt had fixed interest rates. The weighted-average interest rate on the outstanding balances of our Company's long-term debt was 5.0 percent and 5.7 percent for the years ended December 31, 2009 and 2008, respectively. Total interest paid was approximately \$346 million, \$460 million and \$405 million in 2009, 2008 and 2007, respectively. Refer to Note 4 for a more detailed discussion on interest rate management.

Maturities of long-term debt for the five years succeeding December 31, 2009, are as follows (in millions):

	Maturities of Long-Term Debt
2010	\$ 51
2011	573
2012	153
2013	178
2014	912

NOTE 8: COMMITMENTS AND CONTINGENCIES

As of December 31, 2009, we were contingently liable for guarantees of indebtedness owed by third parties in the amount of approximately \$245 million. These guarantees primarily are related to third-party customers, bottlers and vendors and have arisen through the normal course of business. These guarantees have various terms, and none of these guarantees was individually significant. The amount represents the maximum potential future payments that we could be required to make under the guarantees; however, we do not consider it probable that we will be required to satisfy these guarantees.

On September 3, 2008, we announced our intention to make cash offers to purchase China Huiyuan Juice Group Limited, a Hong Kong listed company which owns the Huiyuan juice business throughout China ("Huiyuan"). The Company had accepted irrevocable undertakings from three shareholders for acceptance of the offers, in aggregate representing approximately 66 percent of the Huiyuan shares. The making of the offers was subject to preconditions relating to Chinese regulatory approvals. On March 18, 2009, the Chinese Ministry of Commerce declined approval for the Company's proposed purchase of Huiyuan. Consequently, the Company was unable to proceed with the proposed cash offers, and the irrevocable undertakings terminated.

We believe our exposure to concentrations of credit risk is limited due to the diverse geographic areas covered by our operations.

The Company is involved in various legal proceedings. We establish reserves for specific legal proceedings when we determine that the likelihood of an unfavorable outcome is probable and the amount of loss can be reasonably estimated. Management has also identified certain other legal matters where we believe an unfavorable outcome is reasonably possible and/or for which no estimate of possible losses can be made. Management believes that any liability to the Company that may arise as a result of currently pending legal proceedings will not have a material adverse effect on the financial condition of the Company taken as a whole.

During the period from 1970 to 1981, our Company owned Aqua-Chem, Inc., now known as Cleaver-Brooks, Inc. ("Aqua-Chem"). A division of Aqua-Chem manufactured certain boilers that contained gaskets that Aqua-Chem purchased from outside suppliers. Several years after our Company sold this entity, Aqua-Chem received its first lawsuit relating to asbestos, a component of some of the gaskets. In September 2002, Aqua-Chem notified our Company that it believed we were obligated for certain costs and expenses associated with its asbestos litigations. Aqua-Chem demanded that our Company reimburse it for approximately \$10 million for out-of-pocket litigation-related expenses. Aqua-Chem also demanded that the Company acknowledge a continuing obligation to Aqua-Chem for any future liabilities and expenses that are excluded from coverage under the applicable insurance or for which there is no insurance. Our Company disputes Aqua-Chem's claims, and we believe we have no obligation to Aqua-Chem for any of its past, present or future liabilities, costs or expenses. Furthermore, we believe we have substantial legal and factual defenses to Aqua-Chem's claims. The parties entered into litigation in Georgia to resolve this dispute, which was stayed by agreement of the parties pending the outcome of litigation filed in Wisconsin by certain insurers of Aqua-Chem. In that case, five plaintiff insurance companies filed a declaratory judgment action against Aqua-Chem, the Company and 16 defendant insurance companies seeking a determination of the parties' rights and liabilities under policies issued by the insurers and reimbursement for amounts paid by plaintiffs in excess of their obligations. During the course of the Wisconsin coverage litigation, Aqua-Chem and the Company reached settlements with several of the insurers, including plaintiffs, who have or will pay funds into an escrow account for payment of costs arising from the asbestos claims against Aqua-Chem. On July 24, 2007, the Wisconsin trial court entered a final declaratory judgment regarding the rights and obligations of the parties under the insurance policies issued by the remaining defendant insurers, which judgment was not appealed. The judgment directs, among other things, that each insurer whose policy is triggered is jointly and severally liable for 100 percent of Aqua-Chem's losses up to policy limits. The Georgia litigation remains subject to the stay agreement.

At the time we acquire or divest our interest in an entity, we sometimes agree to indemnify the seller or buyer for specific contingent liabilities. Management believes that any liability to the Company that may arise as a result of any such indemnification agreements will not have a material adverse effect on the financial condition of the Company taken as a whole.

The Company is involved in various tax matters, with respect to some of which the outcome is uncertain. We establish reserves to remove some or all of the tax benefit of any of our tax positions at the time we determine that it becomes

uncertain based upon one of the following conditions: (1) the tax position is not "more likely than not" to be sustained, (2) the tax position is "more likely than not" to be sustained, but for a lesser amount, or (3) the tax position is "more likely than not" to be sustained, but not in the financial period in which the tax position was originally taken. For purposes of evaluating whether or not a tax position is uncertain, (1) we presume the tax position will be examined by the relevant taxing authority that has full knowledge of all relevant information; (2) the technical merits of a tax position are derived from authorities such as legislation and statutes, legislative intent, regulations, rulings and case law and their applicability to the facts and circumstances of the tax position; and (3) each tax position is evaluated without consideration of the possibility of offset or aggregation with other tax positions taken. A number of years may elapse before a particular uncertain tax position is audited and finally resolved or when a tax assessment is raised. The number of years subject to tax assessments varies depending on the tax jurisdiction. The tax benefit that has been previously reserved because of a failure to meet the "more likely than not" recognition threshold would be recognized in our income tax expense in the first interim period when the uncertainty disappears under any one of the following conditions: (1) the tax position is "more likely than not" to be sustained, (2) the tax position, amount, and/or timing is ultimately settled through negotiation or litigation, or (3) the statute of limitations for the tax position has expired. Refer to Note 11.

NOTE 9: STOCK COMPENSATION PLANS

Our Company grants stock options and restricted stock awards to certain employees of the Company. Total stock-based compensation expense was approximately \$241 million in 2009, \$266 million in 2008 and \$313 million in 2007 and was included as a component of selling, general and administrative expenses in our consolidated statements of income. The total income tax benefit recognized in our consolidated statements of income for share-based compensation arrangements was approximately \$68 million, \$72 million and \$91 million for 2009, 2008 and 2007, respectively.

As of December 31, 2009, we had approximately \$335 million of total unrecognized compensation cost related to nonvested share-based compensation arrangements granted under our plans. This cost is expected to be recognized over a weighted-average period of 1.7 years as stock-based compensation expense. This expected cost does not include the impact of any future stock-based compensation awards.

Stock Option Plans

The fair value of our stock option grants is amortized over the vesting period, generally four years. The fair value of each option award is estimated on the grant date using a Black-Scholes-Merton option-pricing model. The weighted-average fair value of options granted during the past three years and the weighted-average assumptions used in the Black-Scholes-Merton option-pricing model for such grants were as follows:

	2009	2008	2007
Fair value of options at grant date	\$ 6.38	\$ 9.81	\$ 8.46
Dividend yield ¹	3.4%	2.3%	2.6%
Expected volatility ²	20.0%	18.0%	15.4%
Risk-free interest rate ³	2.8%	3.2%	4.6%
Expected term of the option ⁴	6 years	6 years	6 years

¹ The dividend yield is the calculated yield on the Company's stock at the time of the grant.

² Expected volatility is based on implied volatilities from traded options on the Company's stock, historical volatility of the Company's stock, and other factors.

³ The risk-free interest rate for the period matching the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of the grant.

⁴ The expected term of the option represents the period of time that options granted are expected to be outstanding and is derived by analyzing historic exercise behavior.

Stock options granted prior to 1999 and in December 2003 and thereafter expire 10 years from the date of grant. Stock options granted from 1999 through July 2003 expire 15 years from the date of grant. The shares of common stock to be issued, transferred and/or sold under the stock option plans are made available from authorized and unissued Company common stock or from the Company's treasury shares. In 2007, the Company began issuing common stock under these

plans from the Company's treasury shares. The Company had the following active stock option plans as of December 31, 2009:

The 1999 Stock Option Plan (the "1999 Option Plan") was approved by shareowners in April 1999. Under the 1999 Option Plan, a maximum of 120 million shares of our common stock was approved to be issued or transferred, through the grant of stock options, to certain officers and employees.

The 2002 Stock Option Plan (the "2002 Option Plan") was approved by shareowners in April 2002. An amendment to the 2002 Option Plan which permitted the issuance of stock appreciation rights was approved by shareowners in April 2003. Under the 2002 Option Plan, a maximum of 120 million shares of our common stock was approved to be issued or transferred, through the grant of stock options or stock appreciation rights, to certain officers and employees. No stock appreciation rights have been issued under the 2002 Option Plan as of December 31, 2009.

The 2008 Stock Option Plan (the "2008 Option Plan") was approved by shareowners in April 2008. Under the 2008 Option Plan, a maximum of 140 million shares of our common stock was approved to be issued or transferred to certain officers and employees pursuant to stock options granted under the 2008 Option Plan.

As of December 31, 2009, there were approximately 127 million shares available to be granted under the stock option plans discussed above. Options to purchase common stock under all of these plans have generally been granted at fair market value at the date of grant.

Stock option activity for all stock option plans for the year ended December 31, 2009, was as follows:

	Shares (In millions)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life	Aggregate Intrinsic Value (In millions)
Outstanding on January 1, 2009	176	\$ 48.56		
Granted	34	43.24		
Exercised	(15)	44.26		
Forfeited/expired	(6)	50.66		
Outstanding on December 31, 2009	189	\$ 47.90	6.78 years	\$ 1,753
Expected to vest at December 31, 2009	186	\$ 47.92	6.74 years	\$ 1,717
Exercisable on December 31, 2009	127	\$ 48.10	5.98 years	\$ 1,147

The total intrinsic value of the options exercised during the years ended December 31, 2009, 2008 and 2007 was \$146 million, \$150 million and \$284 million, respectively. The total shares exercised during the years ended December 31, 2009, 2008 and 2007 were 15 million, 12 million and 31 million, respectively.

Restricted Stock Award Plans

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, were originally available to be granted to certain officers and key employees of our Company. As of December 31, 2009, approximately 25 million shares remain available for grant under the Restricted Stock Award Plans, when all outstanding awards including promises to grant restricted stock and performance share units at the target level are included. The Company issues restricted stock to employees as a result of performance share unit awards, time-based awards and performance-based awards.

For awards prior to January 1, 2008, 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 Company has not granted awards from the 1983 Restricted Stock Plan since 1993. The 1983 Restricted Stock Plan has been amended to eliminate this tax reimbursement for awards after January 1, 2008. 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.

Performance Share Unit Awards

In 2003, the Company established a program to grant performance share units under the 1989 Restricted Stock Award Plan to executives. In 2008, the Company expanded the program to award a mix of stock options and performance

share units to eligible employees in addition to executives. The number of shares earned is determined at the end of each performance period, generally three years, based on the actual performance criteria predetermined by the Board of Directors at the time of grant. If the performance criteria are met, the award results in a grant of restricted stock or promises to grant restricted stock, which are then generally subject to a holding period in order for the restricted stock to be released. For performance share units granted before 2008, this holding period is generally two years. For performance share units granted in 2008 and beyond, this holding period is generally one year. Restrictions on such stock generally lapse at the end of the holding period. Performance share units generally do not pay dividends or allow voting rights during the performance period. Participants generally only receive dividends or dividend equivalents once the performance criteria have been certified and the restricted stock or promises to grant restricted stock have been issued. Accordingly, the fair value of these units is the quoted market value of the Company stock on the grant date less the present value of the expected dividends not received during the performance period. In the period it becomes probable that the performance criteria specified in the plan will be achieved, we recognize expense for the proportionate share of the total fair value of the performance share units related to the vesting period that has already lapsed. The remaining cost of the grant is expensed on a straight-line basis over the balance of the vesting period.

Performance share units require achievement of certain financial measures, primarily compound annual growth in earnings per share or economic profit. These financial measures are adjusted for certain items approved and certified by the Audit Committee of the Board of Directors. The purpose of these adjustments is to ensure a consistent year to year comparison of the specific performance criteria. Economic profit is our net operating profit after tax less the cost of the capital used in our business. In the event that the financial result equals the predefined target, the Company will grant the number of restricted shares equal to the Target Award in the underlying performance share unit agreements. In the event the financial result exceeds the predefined target, additional shares up to the Maximum Award may be granted. In the event the financial result falls below the predefined target, a reduced number of shares may be granted. If the financial result falls below the Threshold Award performance level, no shares will be granted. Performance share units are generally settled in stock, except for certain circumstances such as death or disability, where former employees or their beneficiaries are provided a cash equivalent payment. As of December 31, 2009, performance share units of 802,473 and 2,530,338 were granted and outstanding for the 2007-2009 and 2008-2010 performance periods, respectively. Also, outstanding as of December 31, 2009, are 65,800 performance share units granted in 2007 with certain financial measures of a business unit of the Company as the performance criteria. In addition, 72,000 performance share units, with predefined qualitative performance criteria and release criteria that differ from the program described above, were granted in 2004 and were outstanding as of December 31, 2009. The following table summarizes information about performance share units based on the Target Award amounts in the performance share unit agreements:

	Share Units (In thousands)	Weighted-Average Grant-Date Fair Value
Outstanding on January 1, 2009	4,534	\$ 48.59
Granted	—	—
Conversions:		
Restricted stock ^{1,2}	(625)	39.26
Promises to grant ^{2,3}	(212)	37.32
Paid in cash equivalent	(21)	40.72
Canceled/forfeited	(205)	52.29
Outstanding on December 31, 2009 ⁴	3,471	\$ 50.78

¹ Represents performance share units converted to restricted stock based on the certification of financial results for the 2006-2008 performance period and for certain executives prior to retirement. The vesting of this restricted stock is subject to terms of the performance share unit agreements.

² The performance share unit conversions during 2009 are presented at the Target Award. An additional 238,400 restricted shares and 105,700 of promises to grant restricted shares were awarded during 2009 based on the certified financial results of the 2006-2008 performance period.

³ Represents performance share units converted to promises to grant restricted stock for executives based on the certification of financial results for the 2006-2008 performance period. These awards are similar to restricted stock, including payment of dividend equivalents, but were granted in this manner because the executives were based outside the United States. The vesting of promises to grant restricted stock is subject to terms of the performance share unit agreements.

⁴ The outstanding performance share units as of December 31, 2009, at the Threshold Award and Maximum Award levels were 1.8 million and 5.3 million, respectively.

The Company converted performance share units of 20,958 in 2009, 56,642 in 2008 and 23,790 in 2007 to cash equivalent payments of approximately \$1.1 million, \$3.3 million and \$1.2 million, respectively, to former executives who were ineligible for restricted stock grants due to certain events such as death, disability or termination.

The following table summarizes information about the conversions of performance share units to restricted stock and promises to grant restricted stock:

	Share Units (In thousands)	Weighted-Average Grant-Date Fair Value ¹
Nonvested on January 1, 2009	710	\$ 38.38
Granted	625	39.26
Promises to grant ²	212	37.32
Vested and released	(862)	38.08
Canceled/forfeited	(7)	37.81
Nonvested on December 31, 2009 ³	678	\$ 39.25

¹ The weighted-average grant-date fair value is based on the fair values of the performance share units grant fair values.

² These awards are similar to restricted stock, including the payment of dividend equivalents, but were granted in this manner because the employees were based outside the United States.

³ The nonvested shares as of December 31, 2009, are presented at the performance share units Target Award. An additional 256,099 restricted shares and promises to grant restricted stock were outstanding and nonvested as of December 31, 2009.

The total intrinsic value of restricted shares that were vested and released during the years ended December 31, 2009, 2008 and 2007 was \$65.9 million, \$22.9 million and \$2.9 million, respectively. The total restricted share units vested and released during the years ended December 31, 2009, 2008 and 2007 were 861,776, 437,871 and 59,515, respectively.

Time-Based and Performance-Based Restricted Stock Awards

In 2001, shareowners approved an amendment to the 1989 Restricted Stock Award Plan to allow for the grant of performance-based awards. These awards are released only upon the achievement of specific measurable performance criteria. These awards pay dividends during the performance period. The majority of awards have specific performance targets for achievement. If the performance targets are not met, the awards will be canceled. In the period it becomes probable that the performance criteria will be achieved, we recognize expense for the proportionate share of the total fair value of the grant related to the vesting period that has already lapsed. The remaining cost of the grant is expensed on a straight-line basis over the balance of the vesting period.

For time-based and performance-based restricted stock awards, participants are entitled to vote and receive dividends on the restricted shares. The Company also awards promises to grant time-based and performance-based restricted stock for which participants receive payments of dividend equivalents but are not entitled to vote. As of December 31, 2009, the Company had nonvested time-based and performance-based restricted stock awards, including promises to grant, of 286,327 and 279,300, respectively. Time-based and performance-based restricted awards are not significant to our consolidated financial statements.

NOTE 10: PENSION AND OTHER POSTRETIREMENT BENEFIT PLANS

Our Company sponsors and/or contributes to pension and postretirement health care and life insurance benefit plans covering substantially all U.S. employees. We also sponsor nonqualified, unfunded defined benefit pension plans for certain associates. In addition, our Company and its subsidiaries have various pension plans and other forms of postretirement arrangements outside the United States.

Obligations and Funded Status

The following table sets forth the changes in benefit obligations and the fair value of plan assets for our benefit plans (in millions):

	Pension Benefits		Other Benefits	
	2009	2008	2009	2008
Benefit obligation at January 1, ¹	\$ 3,618	\$ 3,517	\$ 430	\$ 438
Service cost	113	114	21	20
Interest cost	213	205	29	26
Foreign currency exchange rate changes	161	(141)	3	(3)
Amendments	1	(13)	(1)	—
Actuarial loss (gain)	89	125	23	(20)
Benefits paid ²	(206)	(199)	(30)	(27)
Business combinations	—	—	—	—
Settlements	(2)	(3)	—	—
Curtailments	—	(1)	(1)	(6)
Special termination benefits	9	11	4	—
Other	—	3	5	2
Benefit obligation at December 31, ¹	\$ 3,996	\$ 3,618	\$ 483	\$ 430
Fair value of plan assets at January 1,	\$ 2,290	\$ 3,428	\$ 175	\$ 246
Actual return on plan assets	501	(961)	20	(47)
Employer contributions	269	96	1	—
Foreign currency exchange rate changes	121	(118)	—	—
Benefits paid	(149)	(155)	(26)	(25)
Business combinations	—	—	—	—
Settlements	—	(3)	—	—
Other	—	3	3	1
Fair value of plan assets at December 31,	\$ 3,032	\$ 2,290	\$ 173	\$ 175
Net liability recognized	\$ (964)	\$ (1,328)	\$ (310)	\$ (255)

¹ For pension benefit plans, the benefit obligation is the projected benefit obligation. For other benefit plans, the benefit obligation is the accumulated postretirement benefit obligation. The accumulated benefit obligation for our pension plans was \$3,657 million and \$3,209 million as of December 31, 2009 and 2008, respectively.

² Benefits paid to pension plan participants during 2009 and 2008 included approximately \$57 million and \$44 million, respectively, in payments related to unfunded pension plans that were paid from Company assets. Benefits paid to participants of other benefit plans during 2009 and 2008 included approximately \$4 million and \$2 million, respectively, that were paid from Company assets.

Pension and other benefit amounts recognized in our consolidated balance sheets are as follows (in millions):

December 31,	Pension Benefits		Other Benefits	
	2009	2008	2009	2008
Noncurrent asset	\$ 65	\$ 37	\$ —	\$ —
Current liability	(42)	(39)	(1)	—
Long-term liability	(987)	(1,326)	(309)	(255)
Net liability recognized	\$ (964)	\$ (1,328)	\$ (310)	\$ (255)

In December 2008, the Company decided to modify the primary U.S. defined benefit pension plan. Beginning in 2010, the plan will have a two-part formula to determine pension benefits. The first part will retain the current final average pay structure, where service will freeze as of January 1, 2010, with pay escalating for the lesser of 10 years or until termination. The second part of the formula will be a cash balance account which will commence January 1, 2010, under which employees may receive credits based on age, service, pay and interest. The plan was also modified to allow lump sum distributions. These changes, as well as related changes to other U.S. plans, reduced pension obligations as of December 31, 2008, by approximately \$21 million. In addition, the U.S. retiree medical plan was amended to close the plan to new hires effective January 1, 2009.

In February and October of 2007, the Company amended its U.S. retiree medical plan to limit the Company's exposure to increases in retiree medical costs associated with current and future retirees. Based on the significance of the change in liability resulting from the amendments, we remeasured the assets and liabilities of the U.S. retiree medical plan effective February 28, 2007, and October 31, 2007. As a result of the remeasurements, the Company reduced its liabilities for the U.S. retiree medical plan by approximately \$435 million.

Certain of our pension plans have projected benefit obligations in excess of the fair value of plan assets. For these plans, the projected benefit obligations and the fair value of plan assets were as follows (in millions):

December 31,	2009	2008
Projected benefit obligation	\$ 3,718	\$ 3,416
Fair value of plan assets	2,687	2,051

Certain of our pension plans have accumulated benefit obligations in excess of the fair value of plan assets. For these plans, the accumulated benefit obligations and the fair value of plan assets were as follows (in millions):

December 31,	2009	2008
Accumulated benefit obligation	\$ 3,139	\$ 2,881
Fair value of plan assets	2,418	1,885

Pension Plan Assets

The following table presents total pension assets for our U.S. and non-U.S. plans (in millions):

December 31,	U.S. Plans		Non-U.S. Plans	
	2009	2008	2009	2008
Cash and cash equivalents	\$ 169	\$ 70	\$ 41	\$ 28
Equity securities:				
U.S.-based companies	744	561	—	1
International-based companies	154	111	11	8
Fixed income securities:				
Government bonds	61	53	164	115
Corporate bonds and debt securities	339	266	16	7
Mutual, pooled and commingled funds ¹	256	175	736	544
Hedge funds/limited partnerships	80	58	—	—
Real estate	107	157	46	41
Other	65	49	43	46
Total pension plan assets ²	\$ 1,975	\$ 1,500	\$ 1,057	\$ 790

¹ Mutual, pooled and commingled funds include investments in equity securities, fixed income securities and combinations of both. There are a significant number of mutual and pooled funds from which investors can choose. The selection of the type of fund is dictated by the specific investment objectives and needs of a given plan. These objectives and needs vary greatly between plans.

² Fair value disclosures related to our pension assets are included in Note 13. Fair value disclosures include, but are not limited to, the level within the fair value hierarchy on which the fair value measurements in their entirety fall, a reconciliation of the beginning and ending balances of Level 3 assets and information about the valuation techniques and inputs used to measure the fair value of our pension and other postretirement assets.

U.S. Pension Plan Investment Strategy

The Company utilizes the services of investment managers to actively manage the pension assets of our primary U.S. plan. We have established asset allocation targets and investment guidelines with each investment manager. Our asset allocation targets promote optimal expected return and volatility characteristics given the long-term time horizon for fulfilling the obligations of the plan. Selection of the targeted asset allocation for U.S. plan assets was based upon a review of the expected return and risk characteristics of each asset class, as well as the correlation of returns among asset classes. Our target allocation is a mix of approximately 60 percent equity investments, 30 percent fixed income investments and 10 percent in alternative investments. Furthermore, we believe that our target allocation will enable us to achieve the following long-term investment objectives:

- (1) optimize the long-term return on plan assets at an acceptable level of risk;
- (2) maintain a broad diversification across asset classes and among investment managers;
- (3) maintain careful control of the risk level within each asset class; and
- (4) focus on a long-term return objective.

The guidelines that have been established with each investment manager provide parameters within which the investment managers agree to operate, including criteria that determine eligible and ineligible securities, diversification requirements and credit quality standards, where applicable. Unless exceptions have been approved, investment managers are prohibited from buying or selling commodities, futures or option contracts, as well as from short selling of securities. Additionally, investment managers agree to obtain written approval for deviations from stated investment style or guidelines. As of December 31, 2009, no investment manager was responsible for more than 10 percent of total U.S. plan assets.

Our target allocation of 60 percent equity investments is composed of approximately 33 percent domestic large-cap securities, 33 percent domestic small-cap securities, 19 percent international securities and 15 percent domestic mid-cap securities. Optimal returns through our investments in domestic large-cap securities are achieved through security selection and sector diversification. Investments in common stock of our Company accounted for approximately 25 percent of our investments in domestic large-cap securities and 5 percent of total plan assets. Our investments in domestic mid-cap and small-cap securities are expected to experience larger swings in their market value on a periodic basis. We select our investments in these asset classes based on capital appreciation potential. Our investments in international securities are intended to provide equity-like returns, while at the same time helping to diversify our overall equity investment portfolio.

Our target allocation of 30 percent fixed income investments is composed of 50 percent long-duration bonds and 50 percent high-yield bonds. Long-duration bonds provide a stable rate of return through investments in high-quality publicly traded debt securities. We diversify our investments in long-duration bonds to mitigate duration and credit exposure. High-yield bonds are investments in lower-rated and non-rated debt securities, which generally produce higher returns compared to long-duration bonds. Investments in high-yield bonds also help diversify our fixed income portfolio.

In addition to investments in equity securities and fixed income investments, we have a target allocation of 10 percent in alternative investments. These alternative investments include hedge funds, private equity limited partnerships, leveraged buyout funds, international venture capital partnerships and real estate. The objective of investing in hedge funds, private equity limited partnerships, leveraged buyout funds and international venture capital partnerships is to provide a higher rate of return than that available from publicly traded equity securities. This objective is achieved through investing in limited partnerships that require capital for rapidly growing businesses. These investments are inherently illiquid and require a long-term perspective in evaluating investment performance. Investments in real estate have two objectives. First, investments in real estate help diversify our overall portfolio due to the low historical correlation with traditional stocks and fixed income investments. The secondary objective is to provide stable investment returns from income-producing properties.

Non-U.S. Pension Plan Investment Strategy

The majority of our international subsidiaries' pension plan assets are invested in mutual, pooled and commingled funds. As of December 31, 2009, mutual, pooled and commingled funds were composed of approximately 45 percent pooled equity securities, 35 percent pooled fixed income securities and 20 percent mutual and commingled funds. The investment strategies of our international subsidiaries differ greatly, and in some instances are influenced by local law. None of our pension plans outside the United States is individually significant for separate disclosure.

Other Postretirement Benefit Plan Assets

Plan assets associated with other benefits represent funding of the primary U.S. postretirement benefit plan. In late 2006, we established and contributed \$216 million to a U.S. Voluntary Employee Beneficiary Association ("VEBA"), a tax-qualified trust. The VEBA assets remain segregated from the primary U.S. pension master trust and are primarily invested in liquid assets due to the level of expected future benefit payments.

The following table presents total assets for our other postretirement benefit plans (in millions):

December 31,	2009	2008
Cash and cash equivalents	\$ 86	\$ 108
Equity securities:		
U.S.-based companies	62	47
International-based companies	13	9
Fixed income securities:		
Government bonds	1	1
Corporate bonds and debt securities	5	4
Mutual, pooled and commingled funds	2	2
Hedge funds/limited partnerships	1	1
Real estate	2	2
Other	1	1
Total other postretirement benefit plan assets¹	\$ 173	\$ 175

¹ Fair value disclosures related to our other postretirement assets are included in Note 13. Fair value disclosures include, but are not limited to, the level within the fair value hierarchy on which the fair value measurements in their entirety fall, a reconciliation of the beginning and ending balances of Level 3 assets and information about the valuation techniques and inputs used to measure the fair value of our pension and other postretirement assets.

Components of Net Periodic Benefit Cost

Net periodic benefit cost for our pension and other postretirement benefit plans consisted of the following (in millions):

Year Ended December 31,	Pension Benefits			Other Benefits		
	2009	2008	2007	2009	2008	2007
Service cost	\$ 113	\$ 114	\$ 123	\$ 21	\$ 20	\$ 40
Interest cost	213	205	191	29	26	34
Expected return on plan assets	(214)	(249)	(231)	(8)	(20)	(20)
Amortization of prior service cost (credit)	5	10	7	(61)	(61)	(42)
Amortization of actuarial loss	86	10	18	—	—	1
Net periodic benefit cost (credit)	203	90	108	(19)	(35)	13
Settlement charge	5	14	3	—	—	—
Curtailment charge (credit)	1	—	2	—	(6)	—
Special termination benefits ¹	9	11	—	4	—	—
Total cost (credit) recognized in the statements of income	\$ 218	\$ 115	\$ 113	\$ (15)	\$ (41)	\$ 13

¹ The special termination benefits primarily relate to several restructuring plans, including the Company's ongoing productivity initiatives. Refer to Note 15 for additional information related to our restructuring plans and productivity initiatives.

The following table sets forth the changes in AOCI for our benefit plans (in millions, pretax):

December 31,	Pension Benefits		Other Benefits	
	2009	2008	2009	2008
Beginning balance in AOCI	\$ (1,389)	\$ (108)	\$ 189	\$ 297
Recognized prior service cost (credit)	6	10	(61)	(61)
Recognized net actuarial loss (gain)	91	24	—	—
Prior service credit (cost) arising in current year	(1)	13	1	—
Net actuarial (loss) gain arising in current year	198	(1,335)	(11)	(47)
Translation gain (loss)	(24)	7	—	—
Ending balance in AOCI	\$ (1,119)	\$ (1,389)	\$ 118	\$ 189

The following table sets forth amounts in AOCI for our benefit plans (in millions, pretax):

December 31,	Pension Benefits		Other Benefits	
	2009	2008	2009	2008
Prior service credit (cost)	\$ (58)	\$ (56)	\$ 184	\$ 244
Net actuarial loss	(1,061)	(1,333)	(66)	(55)
Ending balance in AOCI	\$ (1,119)	\$ (1,389)	\$ 118	\$ 189

Amounts in AOCI expected to be recognized as components of net periodic pension cost in 2010 are as follows (in millions, pretax):

	Pension Benefits	Other Benefits
Amortization of prior service cost (credit)	\$ 6	\$ (61)
Amortization of actuarial loss	58	2
	\$ 64	\$ (59)

Assumptions

Certain weighted-average assumptions used in computing the benefit obligations are as follows:

December 31,	Pension Benefits		Other Benefits	
	2009	2008	2009	2008
Discount rate	5 ³ / ₄ %	6%	5 ³ / ₄ %	6 ¹ / ₄ %
Rate of increase in compensation levels	3 ³ / ₄ %	3 ³ / ₄ %	N/A	N/A

Certain weighted-average assumptions used in computing net periodic benefit cost are as follows:

December 31,	Pension Benefits			Other Benefits		
	2009	2008	2007	2009	2008	2007
Discount rate	6%	6%	5 ¹ / ₂ %	6 ¹ / ₄ %	6 ¹ / ₄ %	6%
Rate of increase in compensation levels	3 ³ / ₄ %	4 ¹ / ₄ %	4 ¹ / ₄ %	N/A	N/A	N/A
Expected long-term rate of return on plan assets	8%	8%	7 ³ / ₄ %	4 ³ / ₄ %	8 ¹ / ₂ %	8 ¹ / ₂ %

The expected long-term rate of return assumption for U.S. pension plan assets is based upon the target asset allocation and is determined using forward-looking assumptions in the context of historical returns and volatilities for each asset class, as well as correlations among asset classes. We evaluate the rate of return assumption on an annual basis. The expected long-term rate of return assumption used in computing 2009 net periodic pension cost for the U.S. plans was 8.5 percent. As of December 31, 2009, the 10-year annualized return on plan assets in the primary U.S. plan was 3.1 percent, the 15-year annualized return was 8.5 percent, and the annualized return since inception was 11.0 percent.

The assumed health care cost trend rates are as follows:

December 31,	2009	2008
Health care cost trend rate assumed for next year	7 ¹ / ₂ %	9%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5 ¹ / ₄ %	5 ¹ / ₄ %
Year that the rate reaches the ultimate trend rate	2012	2012

During 2007, the Company amended its U.S. retiree medical plan to limit the Company's exposure to increases in retiree medical costs for both current and future retirees. As a result, the effects of a 1 percentage point change in the assumed health care cost trend rate would not be significant to the Company.

The discount rate assumptions used to account for pension and other postretirement benefit plans reflect the rates at which the benefit obligations could be effectively settled. Rates for each of our U.S. plans at December 31, 2009, were determined using a cash flow matching technique whereby the rates of a yield curve, developed from high-quality debt securities, were applied to the benefit obligations to determine the appropriate discount rate. For our non-U.S. plans, we base the discount rate on comparable indices within each of the non-U.S. countries. The rate of compensation increase assumption is determined by the Company based upon annual reviews. We review external data and our own historical trends for health care costs to determine the health care cost trend rate assumptions.

Cash Flows

Our estimated future benefit payments for funded and unfunded plans are as follows (in millions):

Year Ended December 31,	2010	2011	2012	2013	2014	2015-2019
Pension benefit payments	\$ 230	\$ 232	\$ 242	\$ 252	\$ 263	\$ 1,541
Other benefit payments ¹	33	35	38	39	40	208
Total estimated benefit payments	\$ 263	\$ 267	\$ 280	\$ 291	\$ 303	\$ 1,749

¹ The expected benefit payments for our other postretirement benefit plans are net of estimated federal subsidies expected to be received under the Medicare Prescription Drug, Improvement and Modernization Act of 2003. Federal subsidies are estimated to be approximately \$10 million annually for the period 2010-2014, and \$15 million annually for the period 2015-2019.

We anticipate making contributions in 2010 of approximately \$73 million, primarily to our non-U.S. pension plans.

Defined Contribution Plans

Our Company sponsors qualified defined contribution plans covering substantially all U.S. employees. Under the primary plan, we match 100 percent of participants' contributions up to a maximum of 3 percent of compensation, subject to certain limitations. Company costs related to the U.S. plans were approximately \$27 million, \$22 million and \$29 million in 2009, 2008 and 2007, respectively. We also sponsor defined contribution plans in certain locations outside the United States. Company costs associated with those plans were approximately \$36 million, \$20 million and \$25 million in 2009, 2008 and 2007, respectively.

NOTE 11: INCOME TAXES

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

Year Ended December 31,	2009	2008	2007
United States	\$ 2,691	\$ 519 ¹	\$ 2,544
International	6,255	6,987	5,375
	\$ 8,946	\$ 7,506	\$ 7,919

¹ The decrease in 2008 was primarily attributable to impairment charges recorded by CCE during 2008, of which our Company's proportionate share was approximately \$1.6 billion.

Income tax expense (benefit) consisted of the following for the years ended December 31, 2009, 2008 and 2007 (in millions):

	United States	State and Local	International	Total
2009				
Current	\$ 509	\$ 79	\$ 1,099	\$ 1,687
Deferred	322	18	13	353
2008				
Current	\$ 690	\$ 70	\$ 1,232	\$ 1,992
Deferred	(320)	(65)	25	(360)
2007				
Current	\$ 664	\$ 75	\$ 1,044	\$ 1,783
Deferred	98	(13)	24	109

We made income tax payments of approximately \$1,534 million, \$1,942 million and \$1,596 million in 2009, 2008 and 2007, respectively.

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

Year Ended December 31,	2009	2008	2007
Statutory U.S. federal tax rate	35.0%	35.0%	35.0%
State and local income taxes — net of federal benefit	0.7	0.8	0.6
Earnings in jurisdictions taxed at rates different from the statutory U.S. federal rate	(11.6) ¹	(14.5) ^{6,7,8}	(10.9) ^{13,14}
Equity income or loss	(2.3) ²	0.29	(1.3) ^{15,16}
Other operating charges	0.63	0.710	0.517
Other — net	0.44,5	(0.5) ^{11,12}	0.018
Effective tax rates	22.8%	21.7%	23.9%

¹ Includes approximately \$16 million (or 0.2 percent) tax benefit related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties, in various international jurisdictions.

² Includes approximately 0.1 percent impact to our effective tax rate related to charges recorded by our equity method investments. Refer to Note 14.

³ Includes approximately 0.6 percent impact to our effective tax rate related to restructuring charges and asset impairments. Refer to Note 14 and Note 15.

⁴ Includes approximately (0.2) percent impact to our effective tax rate related to the sale of all or a portion of certain investments. Refer to Note 14.

⁵ Includes approximately 0.1 percent impact to our effective tax rate related to an other-than-temporary impairment of a cost method investment. Refer to Note 13 and Note 14.

⁶ Includes approximately \$17 million (or 0.2 percent) tax charge related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties, in various international jurisdictions.

⁷ Includes approximately 0.2 percent impact on our effective tax rate related to impairments of assets and investments in our bottling operations. Refer to Note 14.

⁸ Includes approximately \$10 million (or 0.1 percent) impact on our effective tax rate related to recording valuation allowances offsetting deferred tax assets booked in prior periods.

⁹ Includes approximately 2.7 percent impact to our effective tax rate related to charges recorded by our equity method investments. Refer to Note 3 and Note 14.

¹⁰ Includes approximately 0.7 percent impact to our effective tax rate related to restructuring charges, contract termination fees, productivity initiatives and asset impairments. Refer to Note 14 and Note 15.

¹¹ Includes approximately \$22 million (or 0.3 percent) tax benefit related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties, in certain domestic jurisdictions.

¹² Includes approximately (0.2) percent impact to our effective tax rate related to the sale of all or a portion of our investments in certain bottling operations. Refer to Note 3 and Note 14.

¹³ Includes approximately \$19 million (or 0.2 percent) tax benefit related to a tax rate change in Germany.

¹⁴ Includes approximately \$85 million (or 1.1 percent) tax charge related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties, in various international jurisdictions.

¹⁵ Includes approximately 0.4 percent impact to our effective tax rate related to charges recorded by our equity method investments. Refer to Note 3 and Note 14.

¹⁶ Includes approximately 0.4 percent impact to our effective tax rate related to the sale of a portion of our investment in Coca-Cola Amatil and the sale of our investment in Vonpar. Refer to Note 3 and Note 14.

¹⁷ Includes approximately 0.5 percent impact to our effective tax rate related to the impairment of assets and investments in our bottling operations and other restructuring charges. Refer to Note 15.

¹⁸ Includes approximately \$11 million (or 0.1 percent) tax charge related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties, in certain domestic jurisdictions.

Our effective tax rate reflects the tax benefits from having significant operations outside the United States that are taxed at rates lower than the statutory U.S. rate of 35 percent. During 2009, 2008 and 2007, the Company had several subsidiaries that benefited from various tax incentive grants. The terms of these grants range from 2010 to 2031. The Company expects each of the grants to be renewed indefinitely. The grants did not have a material effect on the results of operations for the years ended December 31, 2009, 2008 or 2007.

The Company or one of its subsidiaries files income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. U.S. tax authorities have completed their federal income tax examinations for all years prior to 2005.

With respect to state and local jurisdictions and countries outside the United States, with limited exceptions, the Company and its subsidiaries are no longer subject to income tax audits for years before 2001. Although the outcome of tax audits is always uncertain, the Company believes that adequate amounts of tax, including interest and penalties, have been provided for any adjustments that are expected to result from those years.

As of December 31, 2009, the gross amount of unrecognized tax benefits was approximately \$354 million. If the Company were to prevail on all uncertain tax positions, the net effect would be a benefit to the Company's effective tax rate of approximately \$134 million, exclusive of any benefits related to interest and penalties. The remaining approximately \$220 million, which was recorded as a deferred tax asset, primarily represents tax benefits that would be received in different tax jurisdictions in the event that the Company did not prevail on all uncertain tax positions.

A reconciliation of the changes in the gross balance of unrecognized tax benefit amounts is as follows (in millions):

Year Ended December 31,	2009	2008	2007
Beginning balance of unrecognized tax benefits	\$ 369	\$ 643	\$ 511
Increases related to prior period tax positions	49	52	22
Decreases related to prior period tax positions	(28)	(4)	—
Increases due to current period tax positions	16	47	51
Decreases related to settlements with taxing authorities	(27)	(254)	(4)
Reductions as a result of a lapse of the applicable statute of limitations	(73)	(36)	(1)
Increases (decreases) from effects of exchange rates	48	(79)	64
Ending balance of unrecognized tax benefits	\$ 354	\$ 369	\$ 643

In 2008, agreements were reached between the U.S. government and a foreign government concerning the allocation of income between the two tax jurisdictions. Pursuant to these agreements, we made cash payments during the third quarter of 2008 that constituted payments of tax and interest. These payments were partially offset by tax credits taken in the third quarter and fourth quarter of 2008, and tax refunds and interest on refunds received in 2009. These benefits had been recorded as deferred tax assets in prior periods. As a result of these agreements, these deferred tax assets were reclassified to income tax and interest receivables. These settlements did not have a material impact on the Company's consolidated financial statements.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. As of December 31, 2009, 2008 and 2007, the Company had approximately \$94 million, \$110 million and \$272 million in interest and penalties related to unrecognized tax benefits accrued, respectively, of which approximately \$16 million, \$14 million and \$82 million of benefit was recognized through income tax expense in the years ended December 31, 2009, 2008 and 2007, respectively. If the Company were to prevail on all uncertain tax positions, the reversal of this accrual would also be a benefit to the Company's effective tax rate.

It is expected that the amount of unrecognized tax benefits will change in the next twelve months; however, we do not expect the change to have a significant impact on our consolidated statement of income or consolidated balance sheet. These changes may be the result of settlement of ongoing audits, statute of limitations expiring, or final settlements in transfer pricing matters that are the subject of litigation. At this time, an estimate of the range of the reasonably possible outcomes cannot be made.

Undistributed earnings of the Company's foreign subsidiaries amounted to approximately \$19 billion as of December 31, 2009. Those earnings are considered to be indefinitely reinvested and, accordingly, no U.S. federal and state income taxes have been provided thereon. Upon distribution of those earnings in the form of dividends or otherwise, the Company would be subject to both U.S. income taxes (subject to an adjustment for foreign tax credits) and withholding taxes payable to the various foreign countries. Determination of the amount of unrecognized deferred U.S. income tax liability is not practical because of the complexities associated with its hypothetical calculation; however, unrecognized foreign tax credits would be available to reduce a portion of the U.S. tax liability.

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,	2009	2008
Deferred tax assets:		
Property, plant and equipment	\$ 28	\$ 33
Trademarks and other intangible assets	72	79
Equity method investments (including translation adjustment)	396	339
Other liabilities	404	447
Benefit plans	1,106	1,171
Net operating/capital loss carryforwards	629	494
Other	241	532
Gross deferred tax assets	2,876	3,095
Valuation allowances	(681)	(569)
Total deferred tax assets ^{1,2}	\$ 2,195	\$ 2,526
Deferred tax liabilities:		
Property, plant and equipment	\$ (988)	\$ (667)
Trademarks and other intangible assets	(1,776)	(1,974)
Equity method investments (including translation adjustment)	(462)	(267)
Other liabilities	(66)	(101)
Benefit plans	(55)	(17)
Other	(248)	(212)
Total deferred tax liabilities ³	\$ (3,595)	\$ (3,238)
Net deferred tax liabilities	\$ (1,400)	\$ (712)

¹ Noncurrent deferred tax assets of approximately \$96 million and \$83 million were included in the consolidated balance sheets line item other assets at December 31, 2009 and 2008, respectively.

² Current deferred tax assets of approximately \$118 million and \$119 million were included in the consolidated balance sheets line item prepaid expenses and other assets at December 31, 2009 and 2008, respectively.

³ Current deferred tax liabilities of approximately \$34 million and \$37 million were included in the consolidated balance sheets line item accounts payable and accrued expenses at December 31, 2009 and 2008, respectively.

As of December 31, 2009 and 2008, we had approximately \$593 million and \$454 million, respectively, of net deferred tax liabilities located in countries outside the United States.

As of December 31, 2009, we had approximately \$3,255 million of loss carryforwards available to reduce future taxable income. Loss carryforwards of approximately \$329 million must be utilized within the next five years and the remainder can be utilized over a period greater than 10 years.

An analysis of our deferred tax asset valuation allowances is as follows (in millions):

Year Ended December 31,	2009	2008	2007
Balance, beginning of year	\$ 569	\$ 611	\$ 678
Additions	178	99	201
Deductions	(66)	(141)	(268)
Balance, end of year	\$ 681	\$ 569	\$ 611

The Company's deferred tax asset valuation allowances are primarily the result of uncertainties regarding the future realization of recorded tax benefits on tax loss carryforwards from operations in various jurisdictions. These valuation allowances were primarily related to deferred tax assets generated from net operating losses. Current evidence does not suggest we will realize sufficient taxable income of the appropriate character (e.g., capital gain versus ordinary income) within the carryforward period to allow us to realize these deferred tax benefits. If we were to identify and implement tax planning strategies to recover these deferred tax assets or generate sufficient income of the appropriate character in these jurisdictions in the future, it could lead to the reversal of these valuation allowances and a reduction of income tax expense. The Company believes that it will generate sufficient future taxable income to realize the tax benefits related to the remaining net deferred tax assets in our consolidated balance sheets.

In 2009, the Company recognized a net increase of \$112 million in its valuation allowances. This increase was primarily related to asset impairments, increases in net operating losses during the normal course of business operations, and the impact of foreign currency exchange. In addition, the Company also recognized a reduction in the valuation allowances due to the reversal of a deferred tax asset and related valuation allowance on certain equity investments.

In 2008, the Company recognized a net decrease of \$42 million in its valuation allowances, primarily related to the utilization of capital loss carryforwards used to offset taxable gains on the sale of our investment in Refrigerantes Minas Gerais Ltda. ("Remil"), a bottler in Brazil. In addition, the Company also recognized a decrease in the valuation allowances as a result of asset write-offs, pension adjustments and the impact of foreign currency fluctuations in 2008.

In 2007, the Company recognized a net decrease of \$67 million in its valuation allowances. This decrease was primarily related to the reversal of valuation allowances on deferred tax assets recorded on the basis difference in equity investments. The Company also recognized a decrease in certain deferred tax assets and corresponding valuation allowances related to a change in German tax rates.

NOTE 12: OTHER COMPREHENSIVE INCOME

AOCI attributable to shareowners of The Coca-Cola Company is separately presented on our consolidated balance sheets as a component of The Coca-Cola Company's shareowners' equity, which also includes our proportionate share of equity method investees' AOCI. Other comprehensive income (loss) ("OCI") attributable to noncontrolling interests is allocated to, and included in, our balance sheets as part of the line item equity attributable to noncontrolling interests. AOCI attributable to the shareowners of The Coca-Cola Company consisted of the following (in millions):

December 31,	2009	2008
Foreign currency translation adjustment	\$ 130	\$ (1,694)
Accumulated derivative net losses	(78)	(112)
Unrealized net gain on available-for-sale securities	65	117
Adjustment to pension and other benefit liabilities	(874)	(985)
Accumulated other comprehensive income (loss)	\$ (757)	\$ (2,674)

OCI attributable to shareowners of The Coca-Cola Company, including our proportionate share of equity method investees' OCI, for the years ended December 31, 2009, 2008 and 2007, is as follows (in millions):

	Before-Tax Amount	Income Tax	After-Tax Amount
2009			
Net foreign currency translation adjustment	\$ 1,968	\$ (144)	\$ 1,824
Net gain (loss) on derivatives ¹	58	(24)	34
Net change in unrealized gain on available-for-sale securities ²	(39)	(13)	(52)
Net change in pension and other benefit liabilities	173	(62)	111
Other comprehensive income (loss)	\$ 2,160	\$ (243)	\$ 1,917
2008			
Net foreign currency translation adjustment	\$ (2,626)	\$ 341	\$ (2,285)
Net gain (loss) on derivatives	2	(1)	1
Net change in unrealized gain on available-for-sale securities	(56)	12	(44)
Net change in pension and other benefit liabilities	(1,561)	589	(972)
Other comprehensive income (loss)	\$ (4,241)	\$ 941	\$ (3,300)
2007			
Net foreign currency translation adjustment	\$ 1,729	\$ (154)	\$ 1,575
Net gain (loss) on derivatives	(109)	45	(64)
Net change in unrealized gain on available-for-sale securities	24	(10)	14
Net change in pension and other benefit liabilities	605	(213)	392
Other comprehensive income (loss)	\$ 2,249	\$ (332)	\$ 1,917

¹ Refer to Note 4 for information related to the net gain or loss on derivative instruments designated and qualifying as cash flow hedging instruments.

² Includes reclassification adjustments related to divestitures of certain available-for-sale securities. Refer to Note 2 for additional information related to these divestitures.

NOTE 13: FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States define fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Additionally, the inputs used to measure fair value are prioritized based on a three-level hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included in Level 1. We value assets and liabilities included in this level using dealer and broker quotations, bid prices, quoted prices for similar assets and liabilities in active markets, or other inputs that are observable or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Recurring Fair Value Measurements

In accordance with accounting principles generally accepted in the United States, certain assets and liabilities are required to be recorded at fair value on a recurring basis. For our Company, the only assets and liabilities that are adjusted to fair value on a recurring basis are investments in equity and debt securities classified as trading or available-for-sale and derivative instruments. The following tables summarize those assets and liabilities measured at fair value on a recurring basis as of December 31, 2009 and 2008 (in millions):

	December 31, 2009				
	Level 1	Level 2	Level 3	Netting Adjustment ¹	Fair Value Measurements
Assets					
Trading securities	\$ 50	\$ 8	\$ 3	\$ —	\$ 61
Available-for-sale securities	393	5	—	—	398
Derivatives	10	184	2	(108)	88
Total assets	\$ 453	\$ 197	\$ 5	\$ (108)	\$ 547
Liabilities					
Derivatives	\$ 1	\$ 110	\$ 2	\$ (111)	\$ 2
Total liabilities	\$ 1	\$ 110	\$ 2	\$ (111)	\$ 2

¹ Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions and also cash collateral held or placed with the same counterparties. Refer to Note 4.

	December 31, 2008				
	Level 1	Level 2	Level 3	Netting Adjustment ¹	Fair Value Measurements
Assets					
Trading securities	\$ 39	\$ 4	\$ 6	\$ —	\$ 49
Available-for-sale securities	518	4	—	—	522
Derivatives	5	108	—	(108)	5
Total assets	\$ 562	\$ 116	\$ 6	\$ (108)	\$ 576
Liabilities					
Derivatives	\$ 6	\$ 288	\$ 34	\$ (117)	\$ 211
Total liabilities	\$ 6	\$ 288	\$ 34	\$ (117)	\$ 211

¹ Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions and also cash collateral held or placed with the same counterparties. Refer to Note 4.

Gross realized and unrealized gains and losses on Level 3 assets and liabilities were not significant for the years ended December 31, 2009 and 2008, respectively.

Nonrecurring Fair Value Measurements

In addition to assets and liabilities that are recorded at fair value on a recurring basis, the Company records assets and liabilities at fair value on a nonrecurring basis as required by accounting principles generally accepted in the United States. Generally, assets are recorded at fair value on a nonrecurring basis as a result of impairment charges. Assets measured at fair value on a nonrecurring basis for the year ended December 31, 2009, are summarized below (in millions):

	Impairment Charge	New Cost Basis ²	Level Used to Determine New Cost Basis		
			Level 1	Level 2	Level 3
Cost method investment	\$ 271	\$ —	\$ —	\$ —	\$ —
Bottler franchise rights	233	2	—	—	2
Buildings and improvements	174	—	—	—	—
Total	\$ 67	\$ 2	\$ —	\$ —	\$ 2

¹ The Company recognized an other-than-temporary impairment charge of approximately \$27 million. The carrying value of the Company's investment prior to recognizing the impairment was approximately \$27 million. The Company determined that the fair value of the investment was zero based on Level 3 inputs. Refer to Note 14 for further discussion of the factors leading to the recognition of the impairment.

² The new cost basis represents the carrying value of the impaired asset immediately after the date of impairment. Therefore, this balance does not include the effect of translation and/or depreciation or amortization subsequent to the date of impairment, if applicable.

³ The Company recognized a charge of approximately \$23 million related to the impairment of an indefinite-lived intangible asset. The carrying value of the asset prior to the impairment was approximately \$25 million. At the time of impairment, the estimated fair value of the asset was approximately \$2 million and was estimated based on Level 3 inputs. Refer to Note 14.

⁴ The Company recognized an impairment charge of approximately \$17 million due to a change in disposal strategy related to a building that is no longer occupied. The Company had originally intended to sell the building along with the related land. However, we have determined that the maximum potential sales proceeds would likely be realized through the sale of vacant land. As a result, the building will be removed. Refer to Note 14. The carrying value of the asset prior to recognizing the impairment was approximately \$17 million.

Fair Value Measurements for Pension and Other Postretirement Benefit Plans

The fair value hierarchy discussed above is not only applicable to assets and liabilities that are included in our consolidated balance sheets, but is also applied to certain other assets that indirectly impact our consolidated financial statements. For example, our Company sponsors and/or contributes to a number of pension and other postretirement benefit plans. Assets contributed by the Company become the property of the individual plans. Even though the Company no longer has control over these assets, we are indirectly impacted by subsequent fair value adjustments to these assets. The actual return on these assets impacts the Company's future net periodic benefit cost, as well as amounts recognized in our consolidated balance sheets. Refer to Note 10. The Company uses the fair value hierarchy to measure the fair value of assets held by our various pension and other postretirement plans.

Pension Plan Assets

The following table summarizes the level within the fair value hierarchy used to determine the fair value of our pension plan assets for our U.S. and non-U.S. pension plans as of December 31, 2009 (in millions):

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 49	\$ 161	\$ —	\$ 210
Equity securities:				
U.S.-based companies	741	3	—	744
International-based companies	164	1	—	165
Fixed income securities:				
Government bonds	—	225	—	225
Corporate bonds and debt securities	—	345	10	355
Mutual, pooled and commingled funds	233	759	—	992
Hedge funds/limited partnerships	—	—	80	80
Real estate	—	—	153	153
Other	1	62	45 ¹	108
Total pension assets	\$ 1,188	\$ 1,556	\$ 288	\$ 3,032

¹ Includes approximately \$39 million of purchased annuity contracts.

The following table provides a reconciliation of the beginning and ending balance of Level 3 assets for our U.S. and non-U.S. pension plans for the year ended December 31, 2009 (in millions):

	Corporate Bonds and Debt Securities	Hedge Funds/Limited Partnerships	Real Estate	Other	Total
Beginning balance at January 1, 2009	\$ —	\$ 58	\$ 198	\$ 44	\$ 300
Actual return on plan assets:					
Related to assets still held at the reporting date	(1)	10	(57)	(1)	(49)
Related to assets sold during the period	—	—	—	—	—
Purchases, sales and settlements — net	(5)	12	6	5	18
Transfers in and/or out of Level 3 — net	16	—	—	(5)	11
Translation	—	—	6	2	8
Ending balance at December 31, 2009	\$ 10	\$ 80	\$ 153	\$ 45¹	\$ 288

¹ Includes approximately \$39 million of purchased annuity contracts.

Other Postretirement Benefit Plan Assets

The following table summarizes the level within the fair value hierarchy used to determine the fair value of our other postretirement benefit plan assets as of December 31, 2009 (in millions):

	Level 1	Level 2	Level 3 ¹	Total
Cash and cash equivalents	\$ —	\$ 86	\$ —	\$ 86
Equity securities:				
U.S.-based companies	62	—	—	62
International-based companies	13	—	—	13
Fixed income securities:				
Government bonds	—	1	—	1
Corporate bonds and debt securities	—	5	—	5
Mutual, pooled and commingled funds	—	2	—	2
Hedge funds/limited partnerships	—	—	1	1
Real estate	—	—	2	2
Other	—	1	—	1
Total other postretirement benefit plan assets	\$ 75	\$ 95	\$ 3	\$ 173

¹ Level 3 assets are not a significant portion of other postretirement benefit plan assets.

NOTE 14: SIGNIFICANT OPERATING AND NONOPERATING ITEMS***Other Operating Charges***

Other operating charges incurred by operating segment were as follows (in millions):

	2009	2008	2007
Eurasia & Africa	\$ 4	\$ 1	\$ 37
Europe	7	—	33
Latin America	—	1	4
North America	31	56	23
Pacific	1	—	3
Bottling Investments	141	46	33
Corporate	129	246	121
Total other operating charges	\$ 313	\$ 350	\$ 254

In 2009, the Company incurred other operating charges of approximately \$313 million, which consisted of \$166 million related to restructuring charges, \$107 million attributable to the Company's ongoing productivity initiatives and \$40 million due to asset impairments. Refer to Note 15 for additional information on the restructuring charges and productivity initiatives. The asset impairment charges were the result of a change in the expected useful life of an intangible asset and a change in disposal strategy related to a building that is no longer occupied. Refer to Note 13 for additional fair value information related to these impairment charges.

During 2008, the Company incurred other operating charges of approximately \$350 million, which consisted of \$194 million due to restructuring charges, \$63 million related to contract termination fees, \$55 million attributable to productivity initiatives and \$38 million as a result of asset impairments. Refer to Note 15 for additional information on the restructuring charges and productivity initiatives. The contract termination fees were primarily the result of penalties incurred by the Company to terminate existing supply and co-packer agreements. Charges related to asset impairments were primarily due to the write-down of manufacturing lines that produce product packaging materials.

In 2007, the Company incurred restructuring charges of approximately \$237 million and asset impairments of approximately \$31 million. Refer to Note 15 for additional information on the restructuring charges. The asset impairments were primarily related to certain assets and investments in bottling operations, none of which was individually significant. Of this total, \$254 million was recorded in other operating charges and \$14 million was recorded in cost of goods sold.

Other Nonoperating Items***Equity Income (Loss) — Net***

During 2009, the Company recorded charges of approximately \$86 million in equity income (loss) — net. These charges primarily represent the Company's proportionate share of asset impairments and restructuring charges recorded by equity method investees. These charges impacted the Bottling Investments and Corporate operating segments.

In 2008, the Company recognized a net charge to equity income (loss) — net of approximately \$1,686 million, primarily due to our proportionate share of approximately \$7.6 billion pretax (\$4.9 billion after-tax) of charges recorded by CCE due to impairments of its North American franchise rights in the second quarter and fourth quarter of 2008. The Company's proportionate share of these charges was approximately \$1.6 billion. The decline in the estimated fair value of CCE's North American franchise rights during the second quarter was the result of several factors including, but not limited to, (1) challenging macroeconomic conditions which contributed to lower than anticipated volume for higher-margin packages and certain higher-margin beverage categories; (2) increases in raw material costs, including significant increases in aluminum, high fructose corn syrup and resin; and (3) increased delivery costs as a result of higher fuel costs. The decline in the estimated fair value of CCE's North American franchise rights during the fourth quarter was primarily driven by financial market conditions as of the measurement date that caused (1) a dramatic increase in market debt rates, which impacted the capital charge, and (2) a significant decline in the funded status of CCE's defined benefit pension plans. In addition, the market price of CCE's common stock declined by more than 50 percent between the date of CCE's interim impairment test (May 23, 2008) and the date of CCE's annual impairment test

(October 24, 2008). The net charge to equity income (loss) — net also included a net charge of approximately \$60 million, primarily due to our proportionate share of restructuring charges recorded by our equity method investees. These charges impacted the Europe, North America and Bottling Investments operating segments.

During 2007, the Company recognized a net charge to equity income (loss) — net of approximately \$150 million. This net charge primarily related to our proportionate share of asset impairments recorded by our equity method investees, which included a charge of \$99 million due to excess and obsolete bottles and cases at Coca-Cola Bottlers Philippines, Inc., ("CCBPI") and \$62 million attributable to an impairment recorded by Coca-Cola Amatil as a result of the sale of its bottling operations in South Korea. Our proportionate share of the asset impairments recorded by our equity method investees was partially offset by a net \$11 million benefit, which represented our proportionate share of items recorded by CCE. These items impacted the Bottling Investments operating segment.

Other Income (Loss) — Net

During 2009, the Company realized a gain of approximately \$44 million in other income (loss) — net on the sale of equity securities that were classified as available-for-sale. In 2008, the Company recognized an other-than-temporary impairment on these same securities, primarily due to the length of time the market value had been less than our cost basis, and the lack of intent to retain the investment for a period of time sufficient to allow for recovery in market value. Refer to Note 2 for additional information related to the other-than-temporary impairment charges recorded in 2008. The gain on the sale of these securities represents the appreciation in market value since the impairment was recognized and impacted the Corporate operating segment.

In 2009, the Company recorded a charge of approximately \$27 million in other income (loss) — net due to an other-than-temporary decline in the fair value of a cost method investment. As of December 31, 2008, the estimated fair value of this investment approximated the Company's carrying value in the investment. However, during the first quarter of 2009, the Company was informed by the investee of its intent to reorganize its capital structure in 2009, which would result in the Company's shares in the investee being canceled. As a result, the Company determined that the decline in fair value of this cost method investment was other than temporary. This impairment charge impacted the Corporate operating segment. Refer to Note 13 for additional fair value information related to this impairment.

During 2008, the Company recognized gains of approximately \$119 million in other income (loss) — net due to divestitures, primarily related to the sale of Remil to Coca-Cola FEMSA, and the sale of 49 percent of our interest in Coca-Cola Beverages Pakistan Ltd. ("Coca-Cola Pakistan") to Coca-Cola Icecek A.S. ("Coca-Cola Icecek"). Prior to the sale of Remil, our Company owned 100 percent of the outstanding common stock of Remil. Cash proceeds from the sale were approximately \$275 million, net of the cash balance, as of the disposal date. Subsequent to the sale of a portion of our interest in Coca-Cola Pakistan, the Company owns a noncontrolling interest and accounts for our remaining investment under the equity method. These gains impacted the Bottling Investments and Corporate operating segments.

In 2008, the Company recorded charges of approximately \$84 million to other income (loss) — net, which primarily consisted of \$81 million of other-than-temporary impairment charges. As of December 31, 2008, the Company had several investments classified as available-for-sale securities in which our cost basis exceeded the fair value of the investment, each of which initially occurred between the end of the second quarter and the beginning of the third quarter of 2008. Management assessed each individual investment to determine if the decline in fair value was other than temporary. Based on these assessments, management determined that the decline in fair value of each investment was other than temporary. These impairment charges impacted the North America, Bottling Investments and Corporate operating segments. Refer to Note 2 for additional information related to the other-than-temporary impairment charges recorded in 2008.

During 2007, the Company sold a portion of its interest in Coca-Cola Amatil for proceeds of approximately \$143 million. As a result of this transaction, we recognized a pretax gain of approximately \$73 million, which impacted the Corporate operating segment and was included in other income (loss) — net in our consolidated statement of income. Our ownership interest in the total outstanding shares of Coca-Cola Amatil was reduced from approximately 32 percent to 30 percent.

In 2007, the Company sold substantially all of its interest in Vonpar Refrescos S.A. ("Vonpar"), a bottler headquartered in Brazil. Total proceeds from the sale were approximately \$238 million, and we recognized a pretax gain on this sale of approximately \$70 million, which impacted the Corporate operating segment and was included in other income (loss) — net. Prior to this sale, our Company owned approximately 49 percent of Vonpar's outstanding common stock and accounted for the investment using the equity method.

During 2007, the Company recorded pretax gains of approximately \$66 million and \$18 million in other income (loss) — net from the sale of real estate in Spain and the United States, respectively. The gains impacted the Corporate operating segment. Total proceeds amounted to approximately \$106 million.

NOTE 15: RESTRUCTURING COSTS

The following table summarizes the impact that productivity, integration, streamlining and other restructuring initiatives had on our operating segments (in millions):

Year Ended December 31,	2009	2008	2007
Eurasia & Africa	\$ 4	\$ 1	\$ 36
Europe	7	—	33
Latin America	—	1	4
North America	31	30	23
Pacific	1	—	3
Bottling Investments	118	46	29
Corporate	112	171	109
Total	\$ 273	\$ 249	\$ 237

Productivity Initiatives

During 2008, the Company announced a transformation effort centered on productivity initiatives that will provide additional flexibility to invest for growth. The initiatives are expected to impact a number of areas and include aggressively managing operating expenses supported by lean techniques; redesigning key processes to drive standardization and effectiveness; better leveraging our size and scale; and driving savings in indirect costs through the implementation of a "procure-to-pay" program.

The Company has incurred total pretax expenses of approximately \$162 million related to these productivity initiatives since they commenced in the first quarter of 2008, which were recorded in the line item other operating charges in our consolidated statements of income and impacted the Eurasia and Africa, Europe, North America, Pacific and Corporate operating segments. Other direct costs included both internal and external costs associated with the development, communication, administration and implementation of these initiatives. The Company currently expects the total cost of these initiatives to be approximately \$500 million and anticipates recognizing the remainder of the costs by the end of 2011.

The table below summarizes the balance of accrued expenses related to productivity initiatives and the changes in the accrued amounts for the years ended December 31, 2009 and 2008 (in millions):

	Costs Incurred 2008	Payments	Noncash and Exchange	Accrued Balance December 31, 2008	Costs Incurred 2009	Payments	Noncash and Exchange	Accrued Balance December 31, 2009
Severance pay and benefits	\$ 15	\$ (1)	\$ —	\$ 14	\$ 41	\$ (37)	\$ —	\$ 18
Outside services — legal, outplacement, consulting	35	(32)	—	3	47	(41)	—	9
Other direct costs	5	(5)	—	—	19	(12)	(3)	4
Total	\$ 55	\$ (38)	\$ —	\$ 17	\$ 107	\$ (90)	\$ (3)	\$ 31

Integration Initiatives

During 2009, the Company incurred approximately \$110 million of charges related to the integration of the 18 German bottling and distribution operations acquired in 2007. The Company began these integration initiatives in 2008 and has incurred total pretax expenses of approximately \$131 million since they commenced. The expenses recorded in connection with these integration activities have been primarily due to involuntary terminations. These charges were recorded in the line item other operating charges in our consolidated statements of income and impacted the Bottling Investments operating segment. The Company had approximately \$46 million and \$17 million accrued related to these integration costs as of December 31, 2009 and 2008, respectively. The Company is currently reviewing other integration and restructuring opportunities within the German bottling and distribution operations, which if implemented will result in additional charges in future periods. However, as of December 31, 2009, the Company has not finalized any additional plans.

Streamlining Initiatives

During 2007, the Company took steps to streamline and simplify its operations globally. In North America, the Company reorganized its operations around three main business units: Sparkling Beverages, Still Beverages and Emerging Brands. In Ireland, the Company announced a plan to close its beverage concentrate manufacturing and distribution plant in Drogheda, which was closed during the third quarter of 2008. The plant closure is expected to improve operating productivity and enhance capacity utilization. The costs associated with this plant closure are included in the Corporate operating segment. Selected other operations also took steps to streamline their operations to improve overall efficiency and effectiveness. The Company incurred restructuring costs as a result of our streamlining initiatives of approximately \$5 million, \$173 million and \$237 million for the years ended December 31, 2009, 2008 and 2007, respectively. The Company has incurred total pretax expenses of approximately \$415 million related to these streamlining initiatives since they commenced in 2007, which were recorded in the line item other operating charges in our consolidated statements of income. The Company does not anticipate significant additional charges, individually or in the aggregate, related to these initiatives. The Company had approximately \$2 million and \$30 million accrued related to these streamlining initiatives as of December 31, 2009 and 2008, respectively. The decrease in the accrued balance was primarily due to cash payments in 2009.

Employees separated, or to be separated, from the Company as a result of these streamlining initiatives were offered severance or early retirement packages, as appropriate, that included both financial and nonfinancial components. The expenses recorded in connection with these streamlining activities included costs related to involuntary terminations and other direct costs associated with implementing these initiatives. Other direct costs included expenses to relocate employees; contract termination costs; costs associated with the development, communication and administration of these initiatives; accelerated depreciation; and asset write-offs.

Other Restructuring Initiatives

During 2009, the Company incurred approximately \$51 million of charges related to other restructuring initiatives outside the scope of the productivity, integration and streamlining initiatives discussed above. These other restructuring charges were related to individually insignificant activities throughout many of our business units. None of these activities is expected to be individually significant. These charges were recorded in the line item other operating charges in our consolidated statement of income.

NOTE 16: NET CHANGE IN OPERATING ASSETS AND LIABILITIES

Net cash provided by (used in) operating activities attributable to the net change in operating assets and liabilities is composed of the following (in millions):

Year Ended December 31,	2009	2008	2007
(Increase) decrease in trade accounts receivable	\$ (404)	\$ 148	\$ (406)
(Increase) decrease in inventories	(50)	(165)	(258)
(Increase) decrease in prepaid expenses and other assets	(332)	63	(244)
Increase (decrease) in accounts payable and accrued expenses	319	(576)	762
Increase (decrease) in accrued taxes	81	(121)	185
Increase (decrease) in other liabilities	(178)	(104)	(79)
Net change in operating assets and liabilities	\$ (564)	\$ (755)	\$ (40)

NOTE 17: ACQUISITIONS AND INVESTMENTS

For the year ended December 31, 2009, our Company's acquisition and investment activities totaled approximately \$300 million. None of the acquisitions or investments was individually significant. Included in these investment activities was the acquisition of a minority interest in Fresh Trading Ltd. Additionally, the Company and the existing shareholders of Fresh Trading Ltd. entered into a series of put and call options for the Company to potentially acquire some or all of the remaining shares not already owned by the Company. The put and call options are exercisable in stages between 2010 and 2014.

For the year ended December 31, 2008, our Company's acquisition and investment activities totaled approximately \$759 million, primarily related to the purchase of trademarks, brands and licenses. Included in these investment activities was the acquisition of brands and licenses in Denmark and Finland from Carlsberg Group Beverages ("Carlsberg") for approximately \$225 million. None of the other acquisitions or investments was individually significant.

For the year ended December 31, 2007, our Company's acquisition and investment activity, including the acquisition of trademarks, totaled approximately \$5,653 million.

In the fourth quarter of 2007, the Company and Coca-Cola FEMSA jointly acquired Jugos del Valle, S.A.B. de C.V. ("Jugos del Valle"), the second largest producer of packaged juices, nectars and fruit-flavored beverages in Mexico and the largest producer of such beverages in Brazil. The purchase price was approximately \$370 million plus the assumption of approximately \$85 million in debt and was split equally between the Company and Coca-Cola FEMSA. As of December 31, 2009, the Company owned a 50 percent interest in Jugos del Valle. The Company's investment in Jugos del Valle is accounted for under the equity method. Equity income (loss) — net includes our proportionate share of the results of Jugos del Valle's operations beginning November 2007 and is included in the Latin America operating segment.

In order to increase the efficiency of our bottling and distribution operations in the German market, the Company, through its consolidated German bottling operation Coca-Cola Erfrischungsgetraenke AG ("CCEAG"), acquired 18 German bottling and distribution operations on September 1, 2007, for a total purchase price of approximately \$547 million plus transaction costs. Following the acquisition, the Company owns the franchise rights for all of the German market. The purchase price consisted of approximately 17 percent of the outstanding shares of CCEAG valued at approximately \$384 million, approximately \$151 million in cash and assumed net debt of approximately \$12 million. The acquisition agreements also provide the former owners of the 18 German bottling and distribution operations a put option to sell their respective shares in CCEAG back to the Company on January 2, 2014, with notification to the Company required by September 30, 2013. In addition, the agreements provide the Company with a call option to repurchase the issued shares of CCEAG back from the former owners of the 18 German bottling and distribution operations on January 2, 2014, with notification to the former owners of the 18 German bottlers and distributors by December 15, 2013. The strike price of the call option is approximately 20 percent higher than the strike price of the put option. As of the closing date of this transaction, the present value of the amounts likely to be paid under the put and call agreements and guaranteed future cash payments was approximately \$384 million. Under the purchase method of accounting, the total purchase price is allocated to the tangible assets, liabilities and identifiable intangible assets acquired based on their estimated fair values. Any excess of purchase price over the aggregate fair value of acquired net assets is recorded as goodwill. The final purchase price allocated to franchise rights was approximately \$345 million; property, plant and equipment was approximately \$227 million; deferred tax liabilities was approximately \$97 million; and goodwill was approximately \$142 million. Approximately \$33 million of the goodwill is deductible for tax purposes. The franchise rights have been assigned an indefinite life. In conjunction with this acquisition, management formulated a plan to improve the efficiency of the German bottling and distribution operations. The implementation of this plan resulted in approximately \$45 million in liabilities for anticipated costs related to production and distribution facility closings. The Company finished implementing this plan in the first quarter of 2009. In addition to the plan that was formulated at the time of acquisition and executed in months that followed, the Company has incurred additional integration related charges. Refer to Note 15. The Company's acquisition of the 18 German bottling and distribution operations was accounted for as a business combination, with the results of the acquired entities included in the Bottling Investments operating segment since September 1, 2007.

In the third quarter of 2007, the Company acquired a 34 percent interest in Tokyo Coca-Cola Bottling Company ("Tokyo CCBC"). The Company's investment in Tokyo CCBC is accounted for under the equity method. Equity income (loss) — net includes our proportionate share of the results of Tokyo CCBC's operations beginning July 2007 and is

included in the Bottling Investments operating segment. In the third quarter of 2007, the Company also acquired an additional 11 percent interest in Nordeste Refrigerantes S.A. ("NORSA"). After this acquisition, the Company owned approximately 60 percent of NORSA. The Company began consolidating this entity from the date we acquired the additional 11 percent interest. The combined purchase price for these third-quarter acquisitions was approximately \$203 million. NORSA is included in the Bottling Investments operating segment.

On June 7, 2007, in an effort to expand our still beverage offerings, our Company acquired Energy Brands Inc., also known as glacéau, the maker of enhanced water brands, such as vitaminwater and smartwater, for approximately \$4.1 billion. On the acquisition date, we made a cash payment of approximately \$2.9 billion for a 71.4 percent interest in glacéau and entered into a put and call option agreement with certain entities associated with the Tata Group ("Tata") to acquire the remaining 28.6 percent ownership interest in glacéau. As a result of the terms of these agreements with Tata, the amount to be paid under the put and call option agreement of \$1.2 billion was recorded at the acquisition date as an additional investment in glacéau, with the offset being recorded as a current liability within loans and notes payable on the consolidated balance sheets. On October 22, 2007, the Company exercised its right to call the remaining interest in glacéau and paid Tata \$1.2 billion, such that the Company owned 100 percent of glacéau as of December 31, 2007. Under the purchase method of accounting, the total purchase price of glacéau is allocated to the tangible assets, liabilities and identifiable intangible assets acquired based on their estimated fair values. Any excess of purchase price over the aggregate fair value of acquired net assets is recorded as goodwill. The final purchase price allocation was approximately \$3.3 billion to trademarks, approximately \$2.0 billion to goodwill, approximately \$0.1 billion to customer relationships and approximately \$1.1 billion to deferred tax liabilities. The trademarks have been assigned indefinite lives. The goodwill resulting from this acquisition is primarily related to our ability to optimize the route to market and increase the availability of the product, which will result in additional product sales. The goodwill also includes the recognition of deferred tax liabilities associated with the identifiable intangible assets recorded in purchase accounting. The goodwill is not deductible for tax purposes. On August 30, 2007, the Company announced its plans to transition to a new distribution model for glacéau products. This new distribution model includes a mix of legacy glacéau distributors and existing Coca-Cola system bottlers. Also, the Company will retain the distribution rights for certain channels. The implementation of this plan resulted in approximately \$0.2 billion in liabilities for anticipated costs to terminate existing glacéau distribution agreements, which was reflected as an adjustment to the original allocation of acquisition costs. Substantially all of these termination costs were paid by the end of 2008. The acquisition of glacéau was accounted for as a business combination, with the results of the acquired entity included in the North America operating segment as of the acquisition date.

In addition, certain executive officers and former shareholders of glacéau invested approximately \$179 million of their proceeds from the sale of glacéau in common stock of the Company at then-current market prices. These shares of Company common stock were placed in escrow pursuant to the glacéau acquisition agreement.

In the second quarter of 2007, the Company divested a portion of its interest in Scarlet Ibis Investment 3 (Proprietary) Limited ("Scarlet"), a bottling company in South Africa.

During the first quarter of 2007, our Company acquired the remaining 65 percent interest in CCBPI from San Miguel Corporation ("SMC") for consideration of approximately \$591 million plus assumed net debt, of which \$100 million was placed in escrow until certain matters related to the closing balance sheet audit of CCBPI were resolved. During the third quarter of 2007, the entire escrow amount was released, and our Company recovered \$70 million. The adjusted purchase price after the recovery from escrow was approximately \$521 million plus assumed debt, net of acquired cash, of approximately \$79 million. Of the \$521 million of consideration, the Company has outstanding notes payable to SMC of approximately \$100 million as of December 31, 2009. As a result of the acquisition, the Company owns 100 percent of the outstanding stock of CCBPI. The final amount of purchase price allocated to property, plant and equipment was approximately \$319 million; franchise rights was approximately \$285 million; and goodwill was approximately \$197 million. The goodwill is not deductible for tax purposes. The franchise rights have been assigned an indefinite life. Management finalized a plan to improve the efficiency of CCBPI, which included the closing of eight production facilities during the third quarter of 2007. The acquisition of CCBPI was accounted for as a business combination, with the results of the acquired entity included in the Bottling Investments operating segment as of the acquisition date.

First quarter 2007 acquisition and investing activities also included approximately \$327 million related to the purchases of Fuze and Leao Junior, S.A. ("Leao Junior"), a Brazilian tea company, which are included in the North America and Latin America operating segments, respectively. The final amount of purchase price related to these acquisitions

allocated to property, plant and equipment was approximately \$19 million; identifiable intangible assets, primarily indefinite-lived trademarks, was approximately \$265 million; and goodwill was approximately \$57 million.

The acquisitions of the 18 German bottling and distribution operations, glacéau, CCBPI, Fuze, Leao Junior, NORSA, our 34 percent investment in Tokyo CCBC and our 50 percent investment in Jugos del Valle in 2007 were primarily financed through the issuance of commercial paper and long-term debt.

Assuming the results of the businesses acquired in 2007 had been included in operations beginning on January 1, 2007, the estimated pro forma net operating revenues of the Company for the year ended December 31, 2007, would have been approximately \$29.6 billion. The estimated pro forma net income, excluding the effect of interest expense as a result of financing the acquisitions, for the year ended December 31, 2007, would not have been significantly different than the reported amount.

NOTE 18: OPERATING SEGMENTS

As of December 31, 2009, our organizational structure consisted of the following operating segments: Eurasia and Africa; Europe; Latin America; North America; Pacific; Bottling Investments; and Corporate. Prior-period amounts have been reclassified to conform to the current operating structure.

Segment Products and Services

The business of our Company is nonalcoholic beverages. Our geographic operating segments (Eurasia and Africa; Europe; Latin America; North America and Pacific) derive a majority of their revenues from the manufacture and sale of beverage concentrates and syrups and, in some cases, the sale of finished beverages. Our Bottling Investments operating segment is comprised of our Company-owned or consolidated bottling operations, regardless of the geographic location of the bottler, and equity income from the majority of our equity method investments. Company-owned or consolidated bottling operations derive the majority of their revenue from the sale of finished beverages. Generally, bottling and finished product operations produce higher net revenues but lower gross profit margins compared to concentrate and syrup operations.

Method of Determining Segment Income or Loss

Management evaluates the performance of our operating segments separately to individually monitor the different factors affecting financial performance. Our Company manages income taxes and financial costs, such as interest income and expense, on a global basis within the Corporate operating segment. We evaluate segment performance based on income or loss before income taxes.

Geographic Data (in millions)

Year Ended December 31,	2009	2008	2007
Net operating revenues:			
United States	\$ 8,011	\$ 8,014	\$ 7,556
International	22,979	23,930	21,301
Net operating revenues	\$ 30,990	\$ 31,944	\$ 28,857
December 31,	2009	2008	2007
Property, plant and equipment — net:			
United States	\$ 3,115	\$ 3,161	\$ 2,750
International	6,446	5,165	5,743
Property, plant and equipment — net	\$ 9,561	\$ 8,326	\$ 8,493

Information about our Company's operations by operating segment for the years ended December 31, 2009, 2008 and 2007, is as follows (in millions):

	Eurasia & Africa	Europe	Latin America	North America	Pacific	Bottling Investments	Corporate	Eliminations	Consolidated
2009									
Net operating revenues:									
Third party	\$ 1,977	\$ 4,308	\$ 3,700	\$ 8,191	\$ 4,533 ¹	\$ 8,193	\$ 88	\$ —	\$ 30,990
Intersegment	220	895	182	80	342	127	—	(1,846)	—
Total net revenues	2,197	5,203	3,882	8,271	4,875	8,320	88	(1,846)	30,990
Operating income (loss)	810 ²	2,946 ²	2,042	1,699 ²	1,887 ²	179 ²	(1,332) ²	—	8,231
Interest income	—	—	—	—	—	—	249	—	249
Interest expense	—	—	—	—	—	—	355	—	355
Depreciation and amortization	27	132	52	365	95	424	141	—	1,236
Equity income (loss) — net	(1)	20	(4)	(1)	(23)	785 ³	5 ³	—	781
Income (loss) before income taxes	810 ²	2,976 ²	2,039	1,701 ²	1,866 ²	980 ^{2,3}	(1,426) ^{2,3,4,5}	—	8,946
Identifiable operating assets ⁶	1,155	3,047 ⁷	2,480	10,941	1,929	9,140 ⁷	13,224	—	41,916
Investments ⁸	331	214	248	8	82	5,809	63	—	6,755
Capital expenditures	70	68	123	458	91	826	357	—	1,993
2008									
Net operating revenues:									
Third party	\$ 2,135	\$ 4,785	\$ 3,623	\$ 8,205	\$ 4,358 ¹	\$ 8,731	\$ 107	\$ —	\$ 31,944
Intersegment	192	1,016	212	75	337	200	—	(2,032)	—
Total net revenues	2,327	5,801	3,835	8,280	4,695	8,931	107	(2,032)	31,944
Operating income (loss)	834 ⁹	3,175	2,099 ⁹	1,584 ⁹	1,858	264 ⁹	(1,368) ⁹	—	8,446
Interest income	—	—	—	—	—	—	333	—	333
Interest expense	—	—	—	—	—	—	438	—	438
Depreciation and amortization	26	169	42	376	78	409	128	—	1,228
Equity income (loss) — net	(14)	(4) ¹⁰	6	(2) ¹⁰	(19)	(844) ¹⁰	3	—	(874)
Income (loss) before income taxes	823 ⁹	3,182 ¹⁰	2,098 ⁹	1,579 ^{9,10,11}	1,841	(582) ^{9,10,11,12}	(1,435) ^{9,11,12}	—	7,506
Identifiable operating assets ⁶	956	3,012 ⁷	1,849	10,845	1,444	7,935 ⁷	8,699	—	34,740
Investments ⁸	395	179	199	4	72	4,873	57	—	5,779
Capital expenditures	67	76	58	493	177	818	279	—	1,968
2007									
Net operating revenues:									
Third party	\$ 1,941	\$ 4,447	\$ 3,069	\$ 7,761	\$ 3,997 ¹	\$ 7,570	\$ 72	\$ —	\$ 28,857
Intersegment	168	845	175	75	409	125	—	(1,797)	—
Total net revenues	2,109	5,292	3,244	7,836	4,406	7,695	72	(1,797)	28,857
Operating income (loss)	667 ¹³	2,775 ¹³	1,749 ¹³	1,696 ¹³	1,699 ¹³	153 ¹³	(1,487) ¹³	—	7,252
Interest income	—	—	—	—	—	—	236	—	236
Interest expense	—	—	—	—	—	—	456	—	456
Depreciation and amortization	23	141	41	359	82	388	129	—	1,163
Equity income (loss) — net	37	11	1	4	(14)	630 ¹⁴	(1)	—	668
Income (loss) before income taxes	706 ¹³	2,796 ¹³	1,752 ¹³	1,700 ¹³	1,670 ¹³	793 ^{13,14}	(1,498) ^{13,15}	—	7,919
Identifiable operating assets ⁶	1,023	2,997 ⁷	1,989	10,510	1,468	8,962 ⁷	8,543	—	35,492
Investments ⁸	386	111	245	18	23	6,949	45	—	7,777
Capital expenditures	74	79	47	344	191	645	268	—	1,648

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

¹ Net operating revenues in Japan represented approximately 10 percent of total consolidated net operating revenues in 2009, 9 percent in 2008 and 9 percent in 2007.

² Operating income (loss) and income (loss) before income taxes were reduced by approximately \$4 million for Eurasia and Africa, \$7 million for Europe, \$31 million for North America, \$1 million for Pacific, \$141 million for Bottling Investments and \$129 million for Corporate, primarily as a result of restructuring costs, the Company's ongoing productivity initiatives and asset impairments. Refer to Note 14.

³ Equity income (loss) — net and income (loss) before income taxes were reduced by approximately \$84 million for Bottling Investments and \$2 million for Corporate, primarily attributable to the Company's proportionate share of asset impairment and restructuring charges recorded by certain of our equity method investees. Refer to Note 14.

⁴ Income (loss) before income taxes was reduced by approximately \$27 million for Corporate due to an other-than-temporary impairment of a cost method investment. Refer to Note 14.

⁵ Income (loss) before income taxes was increased by approximately \$44 million for Corporate due to realized gains on the sale of equity securities that were classified as available-for-sale. In 2008, the Company recognized an other-than-temporary impairment related to these securities. Refer to Note 14.

⁶ Principally cash and cash equivalents, trade accounts receivable, inventories, goodwill, trademarks and other intangible assets and property, plant and equipment — net.

⁷ Property, plant and equipment — net in Germany represented approximately 18 percent of total consolidated property, plant and equipment — net in 2009, 18 percent in 2008 and 21 percent in 2007.

⁸ Principally equity method investments, available-for-sale securities and nonmarketable investments in bottling companies.

⁹ Operating income (loss) and income (loss) before income taxes were reduced by approximately \$1 million for Eurasia and Africa, \$1 million for Latin America, \$56 million for North America, \$46 million for Bottling Investments and \$246 million for Corporate, primarily as a result of restructuring charges, contract termination fees, expenses related to productivity initiatives and asset impairments. Refer to Note 14.

¹⁰ Equity income (loss) — net and income (loss) before income taxes was reduced by approximately \$19 million for Europe, \$8 million for North America and \$1,659 million for Bottling Investments, primarily attributable to our proportionate share of asset impairment charges recorded by equity method investees. Refer to Note 14.

¹¹ Income (loss) before income taxes was reduced by approximately \$2 million for North America, \$30 million for Bottling Investments and \$52 million for Corporate, primarily due to other-than-temporary impairments of available-for-sale securities. Refer to Note 14.

¹² Income (loss) before income taxes was increased by approximately \$119 million for Bottling Investments and Corporate, primarily due to the gain on the sale of Remil and the sale of 49 percent of our interest in Coca-Cola Pakistan. Refer to Note 14.

¹³ Operating income (loss) and income (loss) before income taxes were reduced by approximately \$37 million for Eurasia and Africa, \$33 million for Europe, \$4 million for Latin America, \$23 million for North America, \$3 million for Pacific, \$47 million for Bottling Investments and \$121 million for Corporate, primarily due to asset impairments and restructuring charges. Refer to Note 14.

¹⁴ Equity income (loss) — net and income (loss) before income taxes were decreased by approximately \$150 million for Bottling Investments, primarily due to our proportionate share of asset impairments and restructuring costs, net of benefits from tax rate changes, recorded by equity method investees. Refer to Note 14.

¹⁵ Income (loss) before income taxes was increased by \$227 million for Corporate primarily due to gains on the sale of real estate in Spain and in the United States, the sale of our ownership in Vonpar and the sale of Coca-Cola Amatil shares. Refer to Note 14.

NOTE 19: SUBSEQUENT EVENT

On February 25, 2010, we entered into a definitive agreement with CCE that will result in the acquisition of the assets and liabilities of CCE's North American operations for consideration including the Company's current 34 percent ownership interest in CCE valued at approximately \$3.4 billion, based upon a 30 day trailing average as of February 24, 2010, and the assumption of approximately \$8.9 billion of CCE debt. At closing, CCE shareowners other than the Company will exchange their current CCE common stock for common stock in a new entity, which will retain the name CCE and hold CCE's current European operations. This new entity initially will be 100 percent owned by the CCE shareowners other than the Company. As a result of the transaction, the Company will not own any interest in the new CCE entity. The transaction is subject to CCE shareowners' approval and certain regulatory approvals.

In a concurrent transaction, we reached an agreement in principle to sell our ownership interests in our Norway bottling operation, Coca-Cola Drikker AS, and our Sweden bottling operation, Coca-Cola Drycker Sverige AB, to the new CCE entity for approximately \$822 million in cash. The transactions are subject to certain regulatory approvals.

We expect the transactions will close in the fourth quarter of 2010.

In addition, we granted the new CCE entity the right to acquire our majority interest in our German bottling operation, CCEAG, 18 to 36 months after closing of the North America transaction, at the then current fair value.

Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation and integrity of the consolidated financial statements appearing in our annual report on Form 10-K. The financial statements were prepared in conformity with generally accepted accounting principles appropriate in the circumstances and, accordingly, include certain amounts based on our best judgments and estimates. Financial information in this annual report on Form 10-K is consistent with that in the financial statements.

Management of the Company is responsible for establishing and maintaining a system of internal controls and procedures to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements. Our internal control system is supported by a program of internal audits and appropriate reviews by management, written policies and guidelines, careful selection and training of qualified personnel and a written Code of Business Conduct adopted by our Company's Board of Directors, applicable to all officers and employees of our Company and subsidiaries. In addition, our Company's Board of Directors adopted a written Code of Business Conduct for Non-Employee Directors which reflects the same principles and values as our Code of Business Conduct for officers and employees but focuses on matters of relevance to non-employee Directors.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and, even when determined to be effective, can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management's Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934 ("Exchange Act"). Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2009. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control—Integrated Framework*. Based on this assessment, management believes that the Company maintained effective internal control over financial reporting as of December 31, 2009.

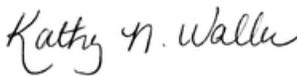
The Company's independent auditors, Ernst & Young LLP, a registered public accounting firm, are appointed by the Audit Committee of the Company's Board of Directors, subject to ratification by our Company's shareowners. Ernst & Young LLP has audited and reported on the consolidated financial statements of The Coca-Cola Company and subsidiaries and the Company's internal control over financial reporting. The reports of the independent auditors are contained in this annual report.

Audit Committee's Responsibility

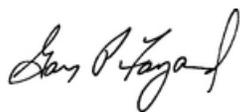
The Audit Committee of our Company's Board of Directors, composed solely of Directors who are independent in accordance with the requirements of the New York Stock Exchange listing standards, the Exchange Act, and the Company's Corporate Governance Guidelines, meets with the independent auditors, management and internal auditors periodically to discuss internal controls and auditing and financial reporting matters. The Audit Committee reviews with the independent auditors the scope and results of the audit effort. The Audit Committee also meets periodically with the independent auditors and the chief internal auditor without management present to ensure that the independent auditors and the chief internal auditor have free access to the Audit Committee. Our Audit Committee's Report can be found in the Company's 2010 Proxy Statement.



Muhtar Kent
Chairman of the Board of Directors,
Chief Executive Officer and President
February 26, 2010



Kathy N. Waller
Vice President and Controller
February 26, 2010



Gary P. Fayard
Executive Vice President
and Chief Financial Officer
February 26, 2010

Report of Independent Registered Public Accounting Firm

Board of Directors and Shareowners
The Coca-Cola Company

We have audited the accompanying consolidated balance sheets of The Coca-Cola Company and subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of income, shareowners' equity, and cash flows for each of the three years in the period ended December 31, 2009. 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 the standards of the Public Company Accounting Oversight Board (United States). 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, 2009 and 2008, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2009, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 1 to the consolidated financial statements, in 2007 the Company changed its method of accounting for uncertainty in income taxes.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), The Coca-Cola Company and subsidiaries' internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 26, 2010 expressed an unqualified opinion thereon.

Ernst + Young LLP

Atlanta, Georgia
February 26, 2010

**Report of Independent Registered Public Accounting Firm
on Internal Control Over Financial Reporting**

**Board of Directors and Shareowners
*The Coca-Cola Company***

We have audited The Coca-Cola Company and subsidiaries' internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Coca-Cola Company and subsidiaries' management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, The Coca-Cola Company and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of The Coca-Cola Company and subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of income, shareowners' equity, and cash flows for each of the three years in the period ended December 31, 2009, and our report dated February 26, 2010 expressed an unqualified opinion thereon.

Ernst + Young LLP

Atlanta, Georgia
February 26, 2010

Quarterly Data (Unaudited)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
(In millions except per share data)					
2009					
Net operating revenues	\$ 7,169	\$ 8,267	\$ 8,044	\$ 7,510	\$ 30,990
Gross profit	4,579	5,354	5,110	4,859	19,902
Net income attributable to shareowners of The Coca-Cola Company	1,348	2,037	1,896	1,543	6,824
Basic net income per share	\$ 0.58	\$ 0.88	\$ 0.82	\$ 0.67	\$ 2.95
Diluted net income per share	\$ 0.58	\$ 0.88	\$ 0.81	\$ 0.66	\$ 2.93
2008					
Net operating revenues	\$ 7,379	\$ 9,046	\$ 8,393	\$ 7,126	\$ 31,944
Gross profit	4,755	5,884	5,373	4,558	20,570
Net income attributable to shareowners of The Coca-Cola Company	1,500	1,422	1,890	995	5,807
Basic net income per share	\$ 0.65	\$ 0.61	\$ 0.82	\$ 0.43	\$ 2.51
Diluted net income per share	\$ 0.64	\$ 0.61	\$ 0.81	\$ 0.43	\$ 2.49

Our reporting period ends on the Friday closest to the last day of the quarterly calendar period. Our fiscal year ends on December 31 regardless of the day of the week on which December 31 falls.

The Company's first quarter of 2009 results were impacted by five additional shipping days as compared to the first quarter of 2008. Additionally, the Company recorded the following transactions which impacted results:

- Charges of approximately \$5 million for North America, \$65 million for Bottling Investments and \$22 million for Corporate, primarily as a result of restructuring costs, productivity initiatives and an asset impairment. Refer to Note 14 and Note 15.
- Equity income (loss) — net was reduced by approximately \$51 million for Bottling Investments and \$1 million for Corporate, primarily attributable to our proportionate share of asset impairment charges and restructuring costs recorded by equity method investees. Refer to Note 14.
- Other income (loss) — net was reduced by approximately \$27 million for Corporate due to an other-than-temporary impairment of a cost method investment. Refer to Note 13 and Note 14.
- A tax charge of approximately \$15 million related to the recognition of a valuation allowance on deferred tax assets. Refer to Note 11.
- A net tax benefit of approximately \$1 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties. Refer to Note 11.

In the second quarter of 2009, the Company recorded the following transactions which impacted results:

- Charges of approximately \$3 million for Eurasia and Africa, \$1 million for Europe, \$8 million for North America, \$26 million for Bottling Investments and \$34 million for Corporate, primarily as a result of restructuring costs, an asset impairment and productivity initiatives. Refer to Note 14 and Note 15.
- Equity income (loss) — net was reduced by approximately \$10 million for Bottling Investments, primarily attributable to our proportionate share of restructuring costs recorded by certain of our equity method investees. Refer to Note 14.
- A net tax charge of approximately \$33 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties. Refer to Note 11.

In the third quarter of 2009, the Company recorded the following transactions which impacted results:

- Charges of approximately \$2 million for Europe, \$2 million for North America, \$1 million for Pacific, \$18 million for Bottling Investments and \$25 million for Corporate, primarily due to the Company's ongoing productivity initiatives and restructuring costs. Refer to Note 14 and Note 15.

- Equity income (loss) — net was reduced by approximately \$5 million for Bottling Investments and \$1 million for Corporate, primarily attributable to the Company's proportionate share of restructuring charges recorded by certain of our equity method investees. Refer to Note 14.
- Other income (loss) — net was increased by approximately \$10 million for Corporate due to realized gains on the sale of equity securities that were classified as available-for-sale. In 2008, the Company recognized an other-than-temporary impairment related to these investments. Refer to Note 2 and Note 14.
- A tax benefit of approximately \$17 million due to the impact that tax rate changes had on certain deferred tax liabilities. Refer to Note 11.
- A net tax charge of approximately \$8 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties. Refer to Note 11.

The Company's fourth quarter of 2009 results were impacted by six fewer shipping days as compared to the fourth quarter of 2008. Additionally, the Company recorded the following transactions which impacted results:

- Charges of approximately \$1 million for Eurasia and Africa, \$4 million for Europe, \$16 million for North America, \$32 million for Bottling Investments and \$48 million for Corporate, primarily due to restructuring costs and the Company's ongoing productivity initiatives. Refer to Note 14 and Note 15.
- Equity income (loss) — net was reduced by approximately \$18 million for Bottling Investments, primarily attributable to the Company's proportionate share of restructuring charges recorded by certain of our equity method investees. Refer to Note 14.
- Other income (loss) — net was increased by approximately \$34 million for Corporate, primarily due to realized gains on the sale of equity securities that were classified as available-for-sale. In 2008, the Company recognized an other-than-temporary impairment related to these investments. Refer to Note 2 and Note 14.
- A net tax benefit of approximately \$53 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties. Refer to Note 11.

In the first quarter of 2008, the Company recorded the following transactions which impacted results:

- Charges of approximately \$2 million for North America, \$4 million for Bottling Investments and \$79 million for Corporate, primarily attributable to restructuring costs, asset impairments and productivity initiatives. Refer to Note 14 and Note 15.
- Equity income (loss) — net was increased by approximately \$5 million for Bottling Investments, primarily due to our proportionate share of a tax benefit recorded by an equity method investee, partially offset by our proportionate share of restructuring costs and asset impairment charges recorded by equity method investees. Refer to Note 14.
- A net tax charge of approximately \$2 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties. Refer to Note 11.

In the second quarter of 2008, the Company recorded the following transactions which impacted results:

- Charges of approximately \$4 million for North America, \$9 million for Bottling Investments and \$97 million for Corporate, primarily due to restructuring costs, contract termination fees, asset impairments and productivity initiatives. Refer to Note 14 and Note 15.
- Equity income (loss) — net was reduced by approximately \$1.1 billion for Bottling Investments, primarily as a result of our proportionate share of an impairment charge recorded by CCE. Refer to Note 14.
- Other income (loss) — net was increased by approximately \$102 million for Bottling Investments and Corporate, primarily due to the gain on the sale of Remil to Coca-Cola FEMSA. Refer to Note 14.
- A net tax charge of approximately \$29 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties. Refer to Note 11.

In the third quarter of 2008, the Company recorded the following transactions which impacted results:

- Charges of approximately \$1 million for Latin America, \$6 million for North America, \$12 million for Bottling Investments and \$28 million for Corporate, as a result of restructuring costs and productivity initiatives. Refer to Note 14 and Note 15.
- Equity income (loss) — net was reduced by approximately a net \$3 million for Bottling Investments, primarily due to our proportionate share of restructuring charges recorded by our equity method investees. Refer to Note 14.
- Other income (loss) — net was increased by approximately \$16 million for Corporate due to the sale of 49 percent of our interest in Coca-Cola Pakistan to Coca-Cola Icecek. Refer to Note 14.
- A net tax charge of approximately \$5 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties. Refer to Note 11.

In the fourth quarter of 2008, the Company recorded the following transactions which impacted results:

- Charges of approximately \$1 million for Eurasia and Africa, \$44 million for North America, \$21 million for Bottling Investments and \$42 million for Corporate, primarily as a result of restructuring costs, productivity initiatives, asset impairments and contract termination fees. Refer to Note 14 and Note 15.
- Equity income (loss) — net was reduced by approximately \$19 million for Europe, \$8 million for North America and \$529 million for Bottling Investments, primarily attributable to our proportionate share of asset impairment charges recorded by equity method investees. Refer to Note 14.
- Other income (loss) — net was reduced by approximately \$2 million for North America, \$30 million for Bottling Investments and \$52 million for Corporate, primarily due to other-than-temporary impairments of available-for-sale securities. Refer to Note 14.
- An approximate \$10 million tax expense related to valuation allowances recorded on deferred tax assets. Refer to Note 11.
- A net tax benefit of approximately \$41 million related to amounts required to be recorded for changes to our uncertain tax positions, including interest and penalties. Refer to Note 11.

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

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company, under the supervision and with the participation of its management, including the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of December 31, 2009.

Report of Management on Internal Control Over Financial Reporting and Attestation Report of Independent Registered Public Accounting Firm

The report of management on our internal control over financial reporting as of December 31, 2009 and the attestation report of our independent registered public accounting firm on our internal control over financial reporting are set forth in Part II. "Item 8, Financial Statements and Supplementary Data" in this report.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the quarter ended December 31, 2009 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Additional Information

The Company is in the process of several productivity and transformation initiatives that include redesigning several key business processes in a number of areas. As business processes change related to these transformation initiatives, the Company identifies, documents and evaluates controls to ensure controls over our financial reporting remain effective.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information under the principal heading "SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE" and under the subheadings "2010 Nominees for Director" and "Information About the Board of Directors and Corporate Governance — Board Meetings and Board Committees" through the subsection entitled "Audit Committee" under the principal heading "ELECTION OF DIRECTORS" in the Company's 2010 Proxy Statement is incorporated herein by reference. See Item X in Part I of this report for information regarding executive officers of the Company.

The Company has adopted a code of business conduct and ethics applicable to the Company's officers (including the Company's principal executive officer, principal financial officer and controller) and employees, known as the Code of Business Conduct. In addition, the Company has adopted a Code of Business Conduct for Non-Employee Directors. Both Codes of Business Conduct are available on the Company's website. In the event that we amend or waive any of the provisions of the Code of Business Conduct applicable to our principal executive officer, principal financial officer or controller that relates to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K, we intend to disclose the same on the Company's website at www.thecoca-colacompany.com.

ITEM 11. EXECUTIVE COMPENSATION

The information under the principal headings "DIRECTOR COMPENSATION," "COMPENSATION DISCUSSION AND ANALYSIS," "REPORT OF THE COMPENSATION COMMITTEE," "COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION" and "EXECUTIVE COMPENSATION" in the Company's 2010 Proxy Statement is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information under the principal headings "EQUITY COMPENSATION PLAN INFORMATION" and "OWNERSHIP OF EQUITY SECURITIES OF THE COMPANY" in the Company's 2010 Proxy Statement is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information under the subheading "Independence and Related Person Transactions" under the principal heading "ELECTION OF DIRECTORS" and the information under the principal heading "COCA-COLA ENTERPRISES INC." in the Company's 2010 Proxy Statement is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information under the subheadings "Audit Fees and All Other Fees" and "Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditors" below the principal heading "RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS INDEPENDENT AUDITORS" in the Company's 2010 Proxy Statement is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this report:

1. Financial Statements:

Consolidated Statements of Income — Years ended December 31, 2009, 2008 and 2007.

Consolidated Balance Sheets — December 31, 2009 and 2008.

Consolidated Statements of Cash Flows — Years ended December 31, 2009, 2008 and 2007.

Consolidated Statements of Shareowners' Equity — Years ended December 31, 2009, 2008 and 2007.

Notes to Consolidated Financial Statements.

Report of Independent Registered Public Accounting Firm.

Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting.

2. Financial Statement Schedules:

The schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission ("SEC") are not required under the related instructions or are inapplicable and, therefore, have been omitted.

3. Exhibits

In reviewing the agreements included as exhibits to this report, please remember they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about the Company or the other parties to the agreements. The agreements contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- may have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about the Company may be found elsewhere in this report and the Company's other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

<u>Exhibit No.</u>	
2.1	Agreement and Plan of Merger by and among The Coca-Cola Company, Mustang Acquisition Company, LLP, Energy Brands Inc. d/b/a Glaceau, and the Stockholder Representatives identified therein, dated as of May 24, 2007 — incorporated herein by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed May 31, 2007. In accordance with Item 601(b)(2) of Regulation S-X, the disclosure schedules to the Agreement and Plan of Merger were not filed. The Agreement and Plan of Merger contains a list briefly identifying the contents of all omitted disclosure schedules and the Company hereby agrees to furnish supplementally a copy of any omitted disclosure schedule to the Securities and Exchange Commission upon request. (With regard to applicable cross-references in this report, the Company's Current, Quarterly and Annual Reports are filed with the SEC under File No. 1-2217.)
3.1	Certificate of Incorporation of the Company, including Amendment of Certificate of Incorporation, effective May 1, 1996 — incorporated herein by reference to Exhibit 3 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1996.
3.2	By-Laws of the Company, as amended and restated through April 17, 2008 — incorporated herein by reference to Exhibit 3.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 27, 2008.
4.1	The Company 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 Company and all of its consolidated subsidiaries and unconsolidated subsidiaries for which financial statements are required to be filed with the SEC.
4.2	Amended and Restated Indenture dated as of April 26, 1988 between the Company and Deutsche Bank Trust Company Americas, as successor to Bankers Trust Company, as trustee — incorporated herein by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-3 (Registration No. 33-50743) filed on October 25, 1993.
4.3	First Supplemental Indenture dated as of February 24, 1992 to Amended and Restated Indenture dated as of April 26, 1988 between the Company and Deutsche Bank Trust Company Americas, as successor to Bankers Trust Company, as trustee — incorporated herein by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-3 (Registration No. 33-50743) filed on October 25, 1993.
4.4	Second Supplemental Indenture dated as of November 1, 2007 to Amended and Restated Indenture dated as of April 26, 1988, as amended, between the Company and Deutsche Bank Trust Company Americas, as successor to Bankers Trust Company, as trustee — incorporated herein by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K filed on March 5, 2009.
4.5	Form of Note for 5.350% Notes due November 15, 2017 — incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed October 31, 2007.
4.6	Form of Note for 3.625% Notes due March 15, 2014 — incorporated herein by reference to Exhibit 4.4 of the Company's Current Report on Form 8-K filed on March 5, 2009.
4.7	Form of Note for 4.875% Notes due March 15, 2019 — incorporated herein by reference to Exhibit 4.5 of the Company's Current Report on Form 8-K filed on March 5, 2009.
10.1	Supplemental Disability Plan of the Company, as amended and restated effective January 1, 2003 — incorporated herein by reference to Exhibit 10.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2002.*
10.2	Performance Incentive Plan of the Company, amended and restated January 1, 2009 — incorporated herein by reference to Exhibit 10.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
10.3.1	1999 Stock Option Plan of the Company, amended and restated through February 18, 2009 — incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed February 18, 2009.*

<u>Exhibit No.</u>	
10.3.2	Form of Stock Option Agreement in connection with the 1999 Stock Option Plan of the Company — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed February 14, 2007.*
10.3.3	Form of Stock Option Agreement for E. Neville Isdell in connection with the 1999 Stock Option Plan of the Company — incorporated herein by reference to Exhibit 99.2 of the Company's Current Report on Form 8-K filed February 14, 2007.*
10.3.4	Form of Stock Option Agreement for E. Neville Isdell in connection with the 1999 Stock Option Plan of the Company, as adopted December 12, 2007 — incorporated herein by reference to Exhibit 10.7 of the Company's Current Report on Form 8-K filed February 21, 2008.*
10.3.5	Form of Stock Option Agreement in connection with the 1999 Stock Option Plan of the Company, as adopted December 12, 2007 — incorporated herein by reference to Exhibit 10.8 of the Company's Current Report on Form 8-K filed February 21, 2008.*
10.3.6	Form of Stock Option Agreement in connection with the 1999 Stock Option Plan of the Company, as adopted February 18, 2009 — incorporated herein by reference to Exhibit 10.5 of the Company's Current Report on Form 8-K filed February 18, 2009.*
10.4.1	2002 Stock Option Plan of the Company, amended and restated through February 18, 2009 — incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed February 18, 2009.*
10.4.2	Form of Stock Option Agreement in connection with the 2002 Stock Option Plan, as amended — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed on December 8, 2004.*
10.4.3	Form of Stock Option Agreement for E. Neville Isdell in connection with the 2002 Stock Option Plan, as amended — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed February 23, 2005.*
10.4.4	Form of Stock Option Agreement in connection with the 2002 Stock Option Plan, as adopted December 12, 2007 — incorporated herein by reference to Exhibit 10.9 of the Company's Current Report on Form 8-K filed on February 21, 2008.*
10.4.5	Form of Stock Option Agreement in connection with the 2002 Stock Option Plan, as adopted February 18, 2009 — incorporated herein by reference to Exhibit 10.6 of the Company's Current Report on Form 8-K filed on February 18, 2009.*
10.5.1	2008 Stock Option Plan of the Company as amended and restated, effective February 18, 2009 — incorporated herein by reference to Exhibit 10.4 of the Company's Current Report on Form 8-K filed on February 18, 2009.*
10.5.2	Form of Stock Option Agreement for grants under the Company's 2008 Stock Option Plan — incorporated herein by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed July 16, 2008.*
10.5.3	Form of Stock Option Agreement for grants under the Company's 2008 Stock Option Plan, as adopted February 18, 2009 — incorporated herein by reference to Exhibit 10.7 of the Company's Current Report on Form 8-K filed February 18, 2009.*
10.6	1983 Restricted Stock Award Plan of the Company, as amended through December 1, 2007 — incorporated herein by reference to Exhibit 10.6 of the Company's Annual Report on Form 10-K or the year ended December 31, 2007.*
10.7.1	1989 Restricted Stock Award Plan of the Company, as amended through February 18, 2009 — incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed February 18, 2009.*
10.7.2	Form of Restricted Stock Agreement (Performance Share Unit Agreement) in connection with the 1989 Restricted Stock Award Plan of the Company — incorporated herein by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed April 19, 2005.*

<u>Exhibit No.</u>	
10.7.3	Form of Restricted Stock Agreement (Performance Share Unit Agreement) in connection with the 1989 Restricted Stock Award Plan of the Company, effective as of December 2005 — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed December 14, 2005.*
10.7.4	Form of Restricted Stock Agreement (Performance Share Unit Agreement) for E. Neville Isdell in connection with the 1989 Restricted Stock Award Plan of the Company, as amended — incorporated herein by reference to Exhibit 99.2 of the Company's Current Report on Form 8-K filed on February 23, 2005.*
10.7.5	Form of Restricted Stock Agreement (Performance Share Unit Agreement) in connection with the 1989 Restricted Stock Award Plan of the Company — incorporated herein by reference to Exhibit 99.2 of the Company's Current Report on Form 8-K filed on February 15, 2006.*
10.7.6	Form of Restricted Stock Agreement (Performance Share Unit Agreement) for E. Neville Isdell in connection with the 1989 Restricted Stock Award Plan of the Company — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed on February 17, 2006.*
10.7.7	Form of Restricted Stock Agreement (Performance Share Unit Agreement) in connection with the 1989 Restricted Stock Award Plan of the Company — incorporated herein by reference to Exhibit 99.3 of the Company's Current Report on Form 8-K filed February 14, 2007.*
10.7.8	Form of Restricted Stock Agreement (Performance Share Unit Agreement) for E. Neville Isdell in connection with the 1989 Restricted Stock Award Plan of the Company, as adopted December 12, 2007 — incorporated herein by reference to Exhibit 10.4 of the Company's Current Report on Form 8-K filed February 21, 2008.*
10.7.9	Form of Restricted Stock Agreement (Performance Share Unit Agreement) in connection with the 1989 Restricted Stock Award Plan of the Company, as adopted December 12, 2007 — incorporated herein by reference to Exhibit 10.5 of the Company's Current Report on Form 8-K filed February 21, 2008.*
10.7.10	Form of Restricted Stock Agreement (Performance Share Unit Agreement) for France in connection with the 1989 Restricted Stock Award Plan of the Company, as adopted December 12, 2007 — incorporated herein by reference to Exhibit 10.6 of the Company's Current Report on Form 8-K filed February 21, 2008.*
10.8.1	Compensation Deferral & Investment Program of the Company, as amended, including Amendment Number Four dated November 28, 1995 — incorporated herein by reference to Exhibit 10.13 of the Company's Annual Report on Form 10-K for the year ended December 31, 1995.*
10.8.2	Amendment Number Five to the Compensation Deferral & Investment Program of the Company, effective as of January 1, 1998 — incorporated herein by reference to Exhibit 10.8.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 1997.*
10.8.3	Amendment Number Six to the Compensation Deferral & Investment Program of the Company, dated as of January 12, 2004, effective January 1, 2004 — incorporated herein by reference to Exhibit 10.9.3 of the Company's Annual Report on Form 10-K for the year ended December 31, 2003.*
10.9.1	Executive Medical Plan of the Company, as amended and restated effective January 1, 2001 — incorporated herein by reference to Exhibit 10.10 of the Company's Annual Report on Form 10-K for the year ended December 31, 2002.*
10.9.2	Amendment Number One to the Executive Medical Plan of the Company, dated April 15, 2003 — incorporated herein by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2003.*
10.9.3	Amendment Number Two to the Executive Medical Plan of the Company, dated August 27, 2003 — incorporated herein by reference to Exhibit 10 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003.*

<u>Exhibit No.</u>	
10.9.4	Amendment Number Three to the Executive Medical Plan of the Company, dated December 29, 2004, effective January 1, 2005 — incorporated herein by reference to Exhibit 10.10.4 of the Company's Annual Report on Form 10-K for the year ended December 31, 2004.*
10.9.5	Amendment Number Four to the Executive Medical Plan of the Company — incorporated herein by reference to Exhibit 10.6 of the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2005.*
10.9.6	Amendment Number Five to the Executive Medical Plan of the Company, dated December 20, 2005 — incorporated herein by reference to Exhibit 10.10.6 of the Company's Annual Report on Form 10-K for the year ended December 31, 2005.*
10.10.1	Supplemental Pension Plan of the Company (successor plan to the Supplemental Benefit Plan and constitutes the supplemental pension component previously provided pursuant to the Supplemental Benefit Plan), effective January 1, 2008 — incorporated herein by reference to Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 28, 2008.*
10.10.2	Amendment One to the Company's Supplemental Pension Plan, dated May 5, 2008 — incorporated herein by reference to Exhibit 10.10.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
10.10.3	Amendment Two to the Company's Supplemental Pension Plan, dated June 18, 2008 — incorporated herein by reference to Exhibit 10.10.3 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
10.10.4	Amendment Three to the Company's Supplemental Pension Plan, dated December 18, 2008 — incorporated herein by reference to Exhibit 10.10.4 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
10.10.5	Amendment Four to the Company's Supplemental Pension Plan, dated April 28, 2009 — incorporated herein by reference to Exhibit 10.6 of the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 2009.*
10.10.6	Supplemental Pension Plan, Amended and Restated Effective January 1, 2010.*
10.11.1	Supplemental Thrift Plan of the Company (successor plan to the Supplemental Benefit Plan and constitutes the supplemental thrift component previously provided pursuant to the Supplemental Benefit Plan), effective January 1, 2008 — incorporated herein by reference to Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 28, 2008.*
10.11.2	Amendment One to the Company's Supplemental Thrift Plan, dated June 18, 2008 — incorporated herein by reference to Exhibit 10.11.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
10.11.3	Amendment Two to the Company's Supplemental Thrift Plan.*
10.12	The Coca-Cola Company Deferred Compensation Plan for Non-Employee Directors, as amended and restated effective April 1, 2006 — incorporated herein by reference to Exhibit 99.2 of the Company's Current Report on Form 8-K filed April 5, 2006.*
10.13	Compensation Plan for Non-Employee Directors of The Coca-Cola Company, as amended and restated on December 13, 2007 — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed on December 19, 2007.*
10.14	The Coca-Cola Company Compensation and Deferred Compensation Plan for Non-Employee Directors, effective January 1, 2009 — incorporated herein by reference to Exhibit 10.8 of the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 2009.*

<u>Exhibit No.</u>	
10.15	Long-Term Performance Incentive Plan of the Company, as amended and restated effective December 13, 2006 — incorporated herein by reference to Exhibit 10.13 of the Company's Annual Report on Form 10-K for the year ended December 31, 2007.*
10.16	Executive Incentive Plan of the Company, adopted as of February 14, 2001 — incorporated herein by reference to Exhibit 10.19 of the Company's Annual Report on Form 10-K for the year ended December 31, 2000.*
10.17	Form of United States Master Bottler Contract between the Company 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).
10.18.1	Deferred Compensation Plan of the Company, as amended and restated January 1, 2008 — incorporated herein by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 28, 2008.*
10.18.2	Amendment One, dated December 16, 2008, to the Company's Deferred Compensation Plan, as amended and restated effective January 1, 2008 — incorporated herein by reference to Exhibit 10.5 of the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 2009.*
10.18.3	Deferred Compensation Plan Delegation of Authority from the Compensation Committee to the Management Committee, adopted as of December 17, 2003 — incorporated herein by reference to Exhibit 10.26.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2003.*
10.19	The Coca-Cola Export Corporation Employee Share Plan, effective as of March 13, 2002 — incorporated herein by reference to Exhibit 10.31 of the Company's Annual Report on Form 10-K for the year ended December 31, 2002.*
10.20	Employees' Savings and Share Ownership Plan of Coca-Cola Ltd., effective as of January 1, 1990 — incorporated herein by reference to Exhibit 10.32 of the Company's Annual Report on Form 10-K for the year ended December 31, 2002.*
10.21	Share Purchase Plan — Denmark, effective as of 1991 — incorporated herein by reference to Exhibit 10.33 of the Company's Annual Report on Form 10-K for the year ended December 31, 2002.*
10.22.1	The Coca-Cola Company Benefits Plan for Members of the Board of Directors, as amended and restated through April 14, 2004 — incorporated herein by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2004.*
10.22.2	Amendment Number One to the Company's Benefits Plan for Members of the Board of Directors, dated December 16, 2005 — incorporated herein by reference to Exhibit 10.31.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2005.*
10.23	Letter, dated September 16, 2004, from the Company to E. Neville Isdell — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed on September 17, 2004.*
10.24	Stock Award Agreement for E. Neville Isdell, dated September 14, 2004, under the 1989 Restricted Stock Award Plan of the Company — incorporated herein by reference to Exhibit 99.2 of the Company's Current Report on Form 8-K filed on September 17, 2004.*
10.25	Stock Option Agreement for E. Neville Isdell, dated July 22, 2004, under the 2002 Stock Option Plan of the Company, as amended — incorporated herein by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004.*
10.26	Employment Agreement, dated as of February 20, 2003, between the Company and José Octavio Reyes — incorporated herein by reference to Exhibit 10.43 of the Company's Annual Report on Form 10-K for the year ended December 31, 2004.*

<u>Exhibit No.</u>	
10.27	Severance Pay Plan of the Company, as amended and restated, effective January 1, 2008 — incorporated herein by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 28, 2008.*
10.28	Amendment One to the Company's Severance Pay Plan, dated October 10, 2009.
10.29	Order Instituting Cease and Desist Proceedings, Making Findings and Imposing a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934 — incorporated herein by reference to Exhibit 99.2 of the Company's Current Report on Form 8-K filed on April 18, 2005.
10.30	Offer of Settlement of The Coca-Cola Company — incorporated herein by reference to Exhibit 99.2 of the Company's Current Report on Form 8-K filed on April 18, 2005.
10.31	Final Undertaking from The Coca-Cola Company and certain of its bottlers, adopted by the European Commission on June 22, 2005, relating to various commercial practices in the European Economic Area — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed June 22, 2005.
10.32	Employment Agreement, effective as of May 1, 2005, between Refreshment Services, S.A.S. and Dominique Reiniche, dated September 7, 2006 — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed on September 12, 2006.*
10.33	Refreshment Services S.A.S. Defined Benefit Plan, dated September 25, 2006 — incorporated herein by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 29, 2006.*
10.34	Share Purchase Agreement among Coca-Cola South Asia Holdings, Inc. and San Miguel Corporation, San Miguel Beverages (L) Pte Limited and San Miguel Holdings Limited in connection with the Company's purchase of Coca-Cola Bottlers Philippines, Inc., dated December 23, 2006 — incorporated herein by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K filed on December 29, 2006.
10.35	Cooperation Agreement between Coca-Cola South Asia Holdings, Inc. and San Miguel Corporation in connection with the Company's purchase of Coca-Cola Bottlers Philippines, Inc., dated December 23, 2006 — incorporated herein by reference to Exhibit 99.2 of the Company's Current Report on Form 8-K filed on December 29, 2006.
10.36	Roll-Over Agreement among Tata Tea (GB) Investments Limited, Tata Limited and Mustang Acquisition Company, LLP, dated as of May 24, 2007 — incorporated herein by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed on May 31, 2007.
10.37	Put and Call Option Agreement among Tata Tea (GB) Limited, Tata Tea (GB) Investments Limited, Tata Limited and The Coca-Cola Company, dated as of May 24, 2007 — incorporated herein by reference to Exhibit 99.2 to the Company's Current Report on Form 8-K filed on May 31, 2007.
10.38	Voting Agreement among Tata Limited, Tata Tea (GB) Investments Limited and The Coca-Cola Company, dated as of May 24, 2007 — incorporated herein by reference to Exhibit 99.3 to the Company's Current Report on Form 8-K filed on May 31, 2007.
10.39	Supplemental Indemnity Agreement between J. Darius Bikoff and The Coca-Cola Company, dated May 24, 2007 — incorporated herein by reference to Exhibit 99.4 to the Company's Current Report on Form 8-K filed on May 31, 2007.
10.40	Form of Investment Agreement, dated as of May 24, 2007, between each of J. Darius Bikoff, Michael Repole and Michael Venuti and The Coca-Cola Company — incorporated herein by reference to Exhibit 99.5 to the Company's Current Report on Form 8-K filed on May 31, 2007.
10.41	Separation Agreement between the Company and Danny Strickland, dated June 5, 2008 — incorporated herein by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 27, 2008.*

<u>Exhibit No.</u>	
10.42.1	Offer Letter dated July 20, 2007 from the Company to Joseph V. Tripodi, including Agreement on Confidentiality, Non-Competition and Non-Solicitation, dated July 20, 2007 — incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 28, 2007.*
10.42.2	Agreement between the Company and Joseph V. Tripodi, dated December 15, 2008 — incorporated herein by reference to Exhibit 10.47.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
10.43	Letter, dated July 17, 2008, from Cathleen P. Black, Chair of the Compensation Committee of the Board of Directors of the Company, to Muhtar Kent — incorporated herein by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed July 21, 2008.*
10.44	Separation Agreement between the Company and Tom Mattia, dated August 28, 2008 — incorporated herein by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 26, 2008.*
10.45	Separation Agreement between the Company and Robert Leechman, dated February 24, 2009, including form of Full and Complete Release and Agreement on Competition, Trade Secrets and Confidentiality — incorporated herein by reference to Exhibit 10.9 of the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 2009.*
10.46	Separation Agreement between the Company and Cynthia McCague, dated June 22, 2009 (effective as of July 22, 2009), including form of Full and Complete Release and Agreement on Competition, Trade Secrets and Confidentiality and summary of anticipated consulting agreement — incorporated herein by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended October 2, 2009.*
10.47	Letter of Understanding between the Company and Ceree Eberly, dated October 26, 2009, including Agreement on Confidentiality, Non-Competition and Non-Solicitation, dated November 1, 2009.*
10.48	Irrevocable Undertaking by and among Atlantic Industries, China Hui Yuan Juice Holdings Co., Ltd. and Mr. Zhu Xinli dated August 31, 2008 — incorporated herein by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed September 5, 2008.
10.49	Irrevocable Undertaking by and among Atlantic Industries, Danone Asia Pte. Ltd. and Group Danone S.A. dated August 31, 2008 — incorporated herein by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K filed September 5, 2008.
10.50	Irrevocable Undertaking by and among Atlantic Industries, Gourmet Grace International Limited and Warburg Pincus Private Equity IX, LP dated August 31, 2008 — incorporated herein by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K filed September 5, 2008.
10.51	Deed of Non-Competition by and among Mr. Zhu Xinli, China Huiyuan Juice Group Limited and Atlantic Industries dated August 31, 2008 — incorporated herein by reference to Exhibit 10.4 of the Company's Current Report on Form 8-K filed September 5, 2008.
10.52	The Coca-Cola Export Corporation Overseas Retirement Plan, as amended and restated, effective October 1, 2007 — incorporated herein by reference to Exhibit 10.55 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
10.53.1	The Coca-Cola Export Corporation International Thrift Plan, as amended and restated, effective October 1, 2007 — incorporated herein by reference to Exhibit 10.56.1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
10.53.2	Amendment Number One to The Coca-Cola Export Corporation International Thrift Plan, as amended and restated, effective October 1, 2007 — incorporated herein by reference to Exhibit 10.56.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2008.*
12.1	Computation of Ratios of Earnings to Fixed Charges for the years ended December 31, 2009, 2008, 2007, 2006 and 2005.

<u>Exhibit No.</u>	
21.1	List of subsidiaries of the Company as of December 31, 2009.
23.1	Consent of Independent Registered Public Accounting Firm.
24.1	Powers of Attorney of Officers and Directors signing this report.
31.1	Rule 13a-14(a)/15d-14(a) Certification, executed by Muhtar Kent, Chairman of the Board of Directors, Chief Executive Officer and President of The Coca-Cola Company.
31.2	Rule 13a-14(a)/15d-14(a) Certification, executed by Gary P. Fayard, Executive Vice President and Chief Financial Officer of The Coca-Cola Company.
32.1	Certifications required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350), executed by Muhtar Kent, Chairman of the Board of Directors, Chief Executive Officer and President of The Coca-Cola Company and by Gary P. Fayard, Executive Vice President and Chief Financial Officer of The Coca-Cola Company.
101	The following financial information from The Coca-Cola Company's Annual Report on Form 10-K for the year ended December 31, 2009, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Income, (ii) Consolidated Balance Sheets, (iii) Consolidated Statements of Cash Flows, (iv) Consolidated Statements of Shareowners' Equity and (v) the Notes to Consolidated Financial Statements, tagged as blocks of text.

* Management contracts and compensatory plans and arrangements required to be filed as exhibits pursuant to Item 15(c) of this report.

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/ MUHTAR KENT

Muhtar Kent
Chairman of the Board of Directors,
Chief Executive Officer and President

Date: February 26, 2010

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/ MUHTAR KENT

Muhtar Kent
Chairman of the Board of Directors,
Chief Executive Officer,
President and a Director
(Principal Executive Officer)

February 26, 2010

/s/ GARY P. FAYARD

Gary P. Fayard
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

February 26, 2010

/s/ KATHY N. WALLER

Kathy N. Waller
Vice President and Controller
(Principal Accounting Officer)

February 26, 2010

Herbert A. Allen
Director

February 26, 2010

Ronald W. Allen
Director

February 26, 2010

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Cathleen P. Black
Director

February 26, 2010

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Barry Diller
Director

February 26, 2010

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Alexis M. Herman
Director

February 26, 2010

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Donald R. Keough
Director

February 26, 2010

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Maria Elena Lagomasino
Director

February 26, 2010

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Donald F. McHenry
Director

February 26, 2010

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Sam Nunn
Director

February 26, 2010

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James D. Robinson III
Director

February 26, 2010

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Peter V. Ueberroth
Director

February 26, 2010

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Jacob Wallenberg
Director

February 26, 2010

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James B. Williams
Director

February 26, 2010

*By: /s/ GLORIA K. BOWDEN

Gloria K. Bowden
Attorney-in-fact

February 26, 2010



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**THE COCA-COLA COMPANY
SUPPLEMENTAL PENSION PLAN**

AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2010

**THE COCA-COLA COMPANY
SUPPLEMENTAL PENSION PLAN**

Amended and Restated Effective January 1, 2010

PREFACE

The Coca-Cola Company established The Coca-Cola Company Supplemental Benefit Plan (the "Supplemental Benefit Plan") effective January 1, 1984. The Coca-Cola Company Supplemental Pension Plan (the "Plan") is a successor plan to the Supplemental Benefit Plan and constitutes the supplemental pension component previously provided pursuant to the Supplemental Benefit Plan.

The Plan is an unfunded supplemental retirement plan for eligible employees and their beneficiaries as described herein. The Plan is designed to provide certain retirement benefits primarily for a select group of management or highly compensated employees which are not otherwise payable or cannot otherwise be provided under the terms of the tax-qualified retirement plans maintained by The Coca-Cola Company as a result of the limitations set forth under certain applicable sections of the Internal Revenue Code or on account of an employee's deferral of compensation under The Coca-Cola Company Deferred Compensation Plan.

The plan was most recently amended and restated effective January 1, 2008 (the "Prior Plan"). This amendment and restatement is effective January 1, 2010.

On January 1, 2010, the Company amended and restated the Qualified Pension Plan and also renamed the pension plan as The Coca-Cola Company Pension Plan. Also effective January 1, 2010, the pension formula under the Qualified Pension Plan changed. Prior to January 1, 2010, the Qualified Pension Plan's benefit formula provided a monthly benefit based on age, compensation, and length of service. For convenience, this benefit is referred to as the "FAE Benefit."

Beginning January 1, 2010, the Qualified Pension Plan formula changed to a "Cash Balance Benefit." The cash balance benefit is based on a hypothetical account established under the Qualified Pension Plan for each eligible participant (known as the "cash balance account"). Amounts are credited to each eligible participant's cash balance account based on the participant's compensation and other factors. Amounts representing interest are also credited to the cash balance account.

As a result changes of the changes to the Qualified Pension Plan, amendments were required to the Plan as reflected in this amendment and restatement.

Effective at midnight on December 31, 2009, the Company froze future accruals under the Supplemental Retirement Plan for The Coca-Cola Company Pilots ("Pilots' Plan"). In addition, the Company transferred the liabilities associated with the Pilots' Plan to this Plan. Accordingly, the Plan was amended as part of the January 1, 2010 amendment and restatement to add a new Appendix B to reflect the transfer of liabilities from the Pilots Plan to this Plan.

1

**ARTICLE I
DEFINITIONS**

"**Actuarial Equivalent**" shall mean a benefit of equivalent value. For purposes of establishing whether a benefit is the Actuarial Equivalent of another benefit, an interest rate of 7% compounded per annum and the unisex mortality table prescribed in Revenue Ruling 2001-62, which is the 1994 Group Annuity Mortality table projected to 2002 with scale AA, using 50% of the male and 50% of the female rates, with no setback, shall be used.

Notwithstanding the forgoing, for purposes of converting the Supplemental Pension Benefit into a lump sum, "Actuarial Equivalent" means a benefit of equivalent value when computed on the basis of the "applicable interest rate" required by Section 417(e)(3) of the Code for the month of September immediately preceding the first day of the Plan Year in which such distribution occurs and the "applicable mortality table" required by Section 417(e)(3) of the Code, as amended by the Pension Protection Act of 2006.

"**Beneficiary**" shall mean the spouse to the whom the Participant is married at the time benefits commence (if the Participant is married) or the individual(s) designated by the Participant to receive any survivor benefits that may be payable under Section 3.4 upon the death of a Participant if the Participant is not married at the time benefits commence. The Beneficiary designated by an unmarried Participant in the Qualified Pension Plan shall be such Participant's Beneficiary under this Plan.

"**Cash Balance Benefit**" shall have that meaning as defined in the Preface and in Section 3.1.

"**Change in Control**" shall mean a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A under the Exchange Act as in effect on January 1, 2002, provided that such a change in control shall be deemed to have occurred at such time as (i) any "person" (as that term is used in Sections 13(d) and 14(d)(2) of the Exchange Act), is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act as in effect on January 1, 2002) directly or indirectly, of securities representing 20% or more of the combined voting power for election of directors of the then outstanding securities of the Company or any successor of the Company; (ii) during any period of two consecutive years or less, individuals who at the beginning of such period constituted the Board of Directors of the Company cease, for any reason, to constitute at least a majority of the Board of Directors, unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period; (iii) the share owners of the Company approve any merger or consolidation as a result of which the Common Stock shall be changed, converted or exchanged (other than a merger with a wholly owned subsidiary of the Company) or any liquidation of the Company or any sale or other disposition of 50% or more of the assets or earning power of the Company, and such merger, consolidation, liquidation or sale is completed; or (iv) the share owners of the Company approve any merger or consolidation to which the Company is a party as a result of which the persons who were share owners of the Company immediately prior to the

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effective date of the merger or consolidation shall have beneficial ownership of less than 50% of the combined voting power for election of directors of the surviving corporation following the effective date of such merger or consolidation, and such merger, consolidation, liquidation or sale is completed; provided, however, that no Change in Control shall be deemed to have occurred if, prior to such times as a Change in Control would otherwise be deemed to have occurred, the Board of Directors determines otherwise. Additionally, no Change in Control will be deemed to have occurred under clause (a) if, subsequent to such time as a Change of Control would otherwise be deemed to have occurred, a majority of the Directors in office prior to the acquisition of the securities by such person determines otherwise.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Committee” shall mean The Coca-Cola Company Benefits Committee appointed by the Senior Vice President, Human Resources (or the most senior Human Resources officer of the Company), to administer the Plan as provided in Article V.

“Company” shall mean The Coca-Cola Company.

“Compensation” for purposes of this Plan shall (except as modified below) have the same meaning given such term in the Qualified Pension Plan. Unlike the Qualified Pension Plan, however, Compensation shall include salary, bonus or other compensation that the Company would otherwise have been paid to a Participant but for the Participant’s election to defer the receipt of such salary, bonus or other compensation pursuant to the Deferred Compensation Plan (“Deferred Compensation”). A Participant’s Deferred Compensation shall not be included in Compensation under this Plan in the year such Deferred Compensation is paid to the Participant.

“Deferred Compensation Plan” shall mean The Coca-Cola Company Deferred Compensation Plan or any other similar nonqualified deferred compensation plan maintained by the Employer established on or after the Effective Date which provides for deferral of compensation.

“Disability” or “Disabled” shall mean a condition for which a Participant becomes eligible for and receives a disability benefit under the long term disability insurance policy issued to the Company providing Basic Long Term Disability Insurance benefits pursuant to The Coca-Cola Company Health and Welfare Benefits Plan, or under any other long term disability plan that hereafter may be maintained by the Company or any Related Company, provided that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve months.

“Earliest Retirement Date” shall mean, with respect to a Participant, the earlier of: (a) the date the Participant attains age 60; or (b) the date he has both attained age 55 and completed 10 Years of Vesting Service.

“Employee” shall mean any person who is currently employed by an Employer. An individual shall be treated as employed by an Employer under this Plan for any period only if (i)

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he or she is actually classified during such period by the Employer on its payroll, personnel and benefits system as an employee, and (ii) he or she is paid for services rendered during such period through the payroll system, as distinguished from the accounts payable department of the Employer. No other individual shall be treated as employed by an Employer under this Plan for any period, regardless of his or her status during such period as an employee under common law or under any statute.

“Employer” shall mean the Company and any Participating Subsidiary of the Company.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

“FAE Benefit” shall have that meaning as defined in the Preface and in Section 3.1.

“Participant” shall mean an Employee or former Employee of an Employer who is eligible to receive benefits provided by the Plan.

“Participating Subsidiary” shall mean a subsidiary of the Company which the Committee has designated as such and whose Employees are eligible to participate in this Plan, as set forth in Appendix A.

“Pension Benefit” shall be the benefit payable to a Participant under Sections 5.1 — 5.4, as applicable, of the Qualified Pension Plan.

“Pilot Participant” shall mean an Employee who previously participated in the Pilots’ Plan and whose liability under the Pilots Plan has been transferred to this Plan. See Appendix B. References to a Pilot Participant refers only to those terms and benefits set forth in Appendix B and does not refer to eligibility to participate in the remaining portions of the Plan. Thus, the term “Pilot Participant” does not mean “Participant” under this Plan.

“Pilots’ Plan” shall mean the Supplemental Retirement Plan for The Coca-Cola Company Pilots. See Appendix B.

“Plan” shall mean The Coca-Cola Company Supplemental Pension Plan, as amended from time to time.

“Plan Year” shall mean January 1 to December 31 each calendar year.

“Qualified Pension Plan” shall mean The Coca-Cola Company Pension Plan (formerly known as the Employee Retirement Plan of The Coca-Cola Company), as amended from time to time.

“Separation from Service” shall mean that employment with an Employer terminates such that it is reasonably anticipated that no further services will be performed. Separation from Service shall be interpreted in a manner consistent with Section 409A of the Code and the regulations thereunder.

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“Specified Employee” shall mean a key employee of an Employer who meets the requirements of Section 416(i)(1)(A)(i), (ii) or (iii) of the Code, as defined in Section 409A of the Code and the regulations thereunder.

“Supplemental Pension Benefit” shall mean the benefit provided pursuant to this Plan. It does not include a benefit provided in Appendix B (Pilots’ Plan).

“Supplemental Pension Benefit/Cash Balance Benefit” shall mean the portion of the Participant’s Supplemental Pension Benefit attributable to the Cash Balance Benefit.

“Supplemental Pension Benefit/FAE Benefit” shall mean the portion of the Participant’s Supplemental Pension Benefit attributable to the FAE Benefit.

“Years of Benefit Service” shall mean Years of Benefit Service as defined in the Qualified Pension Plan.

“Years of Vesting Service” shall mean Years of Vesting Service as defined in the Qualified Pension Plan.

ARTICLE II
ELIGIBILITY

2.1 Eligibility for Participation.

- (a) All Employees of the Employer who are eligible for the Qualified Pension Plan and i) whose benefits under the Qualified Pension Plan are limited by the limitations set forth in Code Sections 401(a)(17) or 415 or (ii) who defer compensation under the Deferred Compensation Plan and, solely on account of such deferrals, the Employee’s benefit under the Qualified Pension Plan is limited shall be eligible to participate in the Plan.
- (b) Pilot Participants are Employees of the Employer who previously participated in the Pilots’ Plan and whose liability under the Pilots Plan has been transferred to this Plan. See Appendix B.

2.2 Duration of Participation.

An Employee who becomes a Participant shall continue to be a Participant until his Separation from Service or the date he is no longer entitled to benefits under this Plan.

ARTICLE III
SUPPLEMENTAL PENSION BENEFIT

3.1 Amount of Benefit.

- (a) If a Participant has Years of Benefit Service as defined in the Qualified Pension Plan and the Participant is vested in his Supplemental Pension Benefit under this Plan, he shall be entitled to a Supplemental Pension Benefit equal to (1) minus (2) where:
 - (1) Equals the Pension Benefit that would be paid to the Participant from the Qualified Pension Plan assuming (i) the Qualified Pension Plan benefit commenced on the date the Supplemental Pension Benefit commences pursuant to Section 3.3, whether or not the Qualified Pension Plan benefit actually commences on that date, (ii) the limitations of Code Sections 401(a)(17) and 415 did not apply and (iii) the definition of Compensation in this Plan applied in lieu of the definition of Compensation found in the Qualified Pension Plan.
 - (2) Equals the Qualified Pension Benefit which the Participant is actually entitled to receive under the Qualified Pension Plan beginning on the date the Supplemental Pension Benefit commences pursuant to Section 3.3, whether or not the Qualified Pension Plan benefit actually commences on that date.

As noted in the Preface, the Qualified Pension Plan changed benefit formulas on January 1, 2010. Accordingly, for many Participants, the formula above will be used twice to compute a Participant’s Supplemental Pension Benefit. First, the formula will be used to compute Supplemental Pension Benefits earned prior to January 1, 2010 (the “FAE Benefit”). Second, the formula will be used to compute Supplemental Pension Benefits earned on or after January 1, 2010 (the “Cash Balance Benefit”). Certain participants in the Qualified Pension Plan are entitled to transition benefits to assist such employees who are employed on December 31, 2009 as the Qualified Pension Plan’s benefit formula changes from a FAE formula to a cash balance formula. To the extent a transition rule impacts a Participant’s Pension Benefit under the Qualified Pension Plan, such transition rule will also impact the Participant’s Supplemental Pension Benefit under this Plan. For example, some Participants are grandfathered in the FAE formula of the Qualified Pension Plan. Thus, for those Participants their FAE Benefit may include all years under the Qualified Pension Plan including years prior to January 1, 2010 and years on or after January 1, 2010.

No additional accruals shall be credited under this Plan after the Supplemental Pension Benefit commences or is paid unless a Participant is rehired as provided in Section 3.6.

- (b) In no event shall the sum of the Supplemental Pension Benefit and the Pension Benefit calculated under the Qualified Pension Plan as of the date the Supplemental Pension Benefit commences exceed the amount of Pension Benefit determined under the formula set forth in the Qualified Pension Plan assuming compensation had not been deferred and

assuming the limitations imposed by the Code in Sections 401(a)(17) and 415 do not apply.

- (c) Any benefit payable pursuant to this Section 3.1 shall be offset by the monthly benefit, if any, payable to a Participant under The Coca-Cola Company Key Executive Retirement Plan. The Supplemental Pension Benefit calculated under this Section 3.1 shall also be offset by the value of benefits to which the Participant is entitled under any other retirement plan (other than the Qualified Pension Plan) to which the Company or an affiliate of the Company contributed.

3.2 Distribution Events and Form of Payment.

The Supplemental Pension Benefit shall be payable only upon Separation from Service, Disability, or death as described herein.

- (a) Separation from Service

- (1) Participants who have a Separation from Service on or after Earliest Retirement Date

If a Participant has a Separation from Service on or after his Earliest Retirement Date, the Participant’s Supplemental Pension Benefit/FAE Benefit shall be in the form of monthly annuity payments commencing as described in Section 3.3 below. The Participant may choose between the following annuities, provided that all the annuities must be Actuarially Equivalent to a Single Life Annuity.

- (i) Single Life Annuity
- (ii) Joint and 50% Contingent Annuity
- (iii) Joint and 75% Contingent Annuity
- (iv) Joint and 100% Contingent Annuity

The Participant must elect the annuity form no earlier than 180 days and no later than fifteen days before the date the Supplemental Pension Benefit/FAE

Benefit commences. A married Participant's spouse must consent in writing to the form of annuity elected. If no timely election is made, a married Participant shall receive a Joint and 50% Contingent Annuity and an unmarried Participant shall receive a Single Life Annuity. The election of the annuity form is irrevocable as of fifteen days prior the date benefits commence.

Notwithstanding the foregoing, if the Participant's Supplemental Pension Benefit/FAE Benefit, as calculated in the form of a Single Life Annuity, is less than \$50 per month, then the Actuarial Equivalent of the Supplemental Pension Benefit shall be paid in a lump sum.

If a Participant has a Separation from Service on or after his Earliest Retirement Date, the Participant's Supplemental Pension Benefit/Cash Balance Benefit shall be paid in a lump sum commencing as described in Section 3.3 below.

(2) Participants who have a Separation from Service prior to Earliest Retirement Date

If a Participant has a Separation from Service prior to his Earliest Retirement Date, his vested Supplemental Pension Benefit, if any, shall be paid in a single lump sum on the date set forth in Section 3.3 below.

(b) Death

The survivor benefit payable in the event of a Participant's death shall be as described in Section 3.4 below.

(c) Disability

If a Participant is Disabled and has a Separation from Service, the Supplemental Pension Benefit shall be distributed in the same manner and time as described in Section 3.2(a) above.

3.3 Timing of Payment.

(a) Monthly Annuity Payments

(1) General

If a Participant is entitled to monthly annuity payments, the annuity shall be determined as of the first day of the month following the month in which he has a Separation from Service, provided the Participant is vested in his Supplemental Pension Benefit.

(2) Transition Rule

If a Participant has a Separation from Service prior to March 1, 2008 and made an election with respect to the date of commencement of his Supplemental Pension Benefit no later than December 31, 2007, his Supplemental Pension Benefit shall commence on the date the Participant has elected. If no proper election is made, the monthly annuity shall commence on March 1, 2010.

(b) Lump Sum Payments

(1) General

If a Participant is entitled to a lump sum payment, his Supplemental Pension Benefit shall be paid on the last business day of the sixth month following the month in which the Participant has a Separation from Service.

If a Participant is not vested in his Supplemental Pension Benefit at the time of Separation from Service, but later becomes vested, the lump sum shall be paid on the first day of July following the year in which the Participant vests.

(2) Transition Rule

If a Participant is entitled to a lump sum payment and had a Separation from Service prior to January 1, 2008 and his Supplemental Pension Benefit has not been paid, except as provided below, the Supplemental Pension Benefit shall be paid on October 1, 2008.

If a Participant elected to receive serial severance benefits prior to January 1, 2008, his Supplemental Pension Benefit shall be paid on the date elected, provided that such election is received by December 31, 2007. If no proper election is made, the lump sum shall be paid on March 1, 2010. If a Participant elected to receive lump sum severance benefits prior to January 1, 2008, the lump sum shall be paid on July 1, 2008.

3.4 Death.

(a) Death after benefits commence

If a Participant who is receiving a monthly annuity dies, the Participant's Beneficiary shall be entitled to the survivor benefit, if any, consistent with the form of annuity elected by the Participant. For example, if the Participant elected a Joint and 50% Contingent Annuity, the Beneficiary shall continue to receive monthly payments equal to 50% of the payments received by the Participant for the Beneficiary's life. If the Participant had elected a Single Life Annuity, there shall be no additional benefit payable to the Beneficiary or any other person.

If a Participant has received a lump sum, there shall be no additional payments to a Beneficiary or any other person in the event of the Participant's death.

(b) Pre-Separation Survivor's Benefit

(1) Death on or after Earliest Retirement Date

If a married Participant dies on or after his Earliest Retirement Date and prior to Separation from Service, his surviving spouse, if any, shall receive a survivor benefit as described in this section. If an unmarried Participant dies on or after his Earliest Retirement Date but prior to Separation from Service and has made an election described below to name a Beneficiary, such Beneficiary shall receive a survivor benefit as described in this section.

unmarried). The survivor benefit attributable to the Participant's Cash Balance Benefit shall be paid as soon as administratively feasible following the Participant's death.

The survivor annuity based on the Supplemental Pension Benefit/FAE Benefit shall be equal to the monthly benefit that would have been payable to the surviving spouse or Beneficiary if the Participant:

- (i) had a Separation from Service on the date of death; and
- (ii) elected to have his FAE Benefit paid in the form of a Single Life Annuity.

The monthly benefit described above shall then be converted to the Actuarial Equivalent of a Single Life Annuity for the life of the Participant's Spouse (if married) or the Participant's designated Beneficiary (if unmarried). If an unmarried Participant's Beneficiary is his or her estate or the unmarried Participant fails to designate a Beneficiary, no death benefit attributable to the Participant's FAE Benefit shall be paid.

The survivor benefit (whether married or unmarried) based on the Supplemental Pension Benefit/Cash Balance Benefit shall be 100% of the lump sum that would have been payable to the Participant if he had Separated from Service on the date of death and survived to receive such lump sum payment.

(2) **Death prior to Earliest Retirement Date**

If a married Participant dies prior to his Earliest Retirement Date and prior to Separation from Service, his surviving spouse, if any, shall receive a survivor benefit as calculated in Section 3.4(b)(1) above. The survivor benefit attributable to the Participant's FAE Benefit shall commence on the first day of the month following the month in which the Participant would have attained his Earliest Retirement Date. The survivor benefit attributable to the Participant's Cash Balance Benefit shall be paid on the last business day of the sixth month following the month in which the Participant has a Separation from Service.

If an unmarried Participant dies prior to his Earliest Retirement Date and prior to Separation from Service, no survivor benefit shall be paid attributable to the Participant's FAE Benefit. However, a survivor benefit attributable to the Participant's Cash Balance Benefit shall be paid to the Participant's Beneficiary in a lump sum on the last business day of the sixth month following the month in which the Participant has a Separation from Service. The survivor benefit attributable to the Cash Balance Benefit shall be 100% of the lump sum that would have been payable to the Participant if he had Separated from Service on the date of death and survived to receive such lump sum payment.

3.5 Change in Control.

In the event of a Change in Control, while this provision remains in effect, no amendment will thereafter be made to this Section for a period of at least two consecutive years following the date when the Change in Control occurs. The enhancement of benefits described in this Section is conditional upon this Section remaining in effect until a Change in Control occurs, and is not part of any Participant's accrued benefit as defined in the Qualified Pension Plan. If any Participant's employment terminates for any reason whatsoever during the two consecutive year period which begins on the date when a Change in Control occurs, i) the Participant will be fully vested in his Supplemental Pension Benefit as long as the Participant has completed at least five Years of Vesting Service and ii) the Participant's Earliest Retirement Date shall be the first day of the month on or after the earlier of (A) his 60th birthday or (B) the date he has both attained his 50th birthday and completed at least 10 Years of Vesting Service.

3.6 Rehired Participants.

If a Participant is rehired after Separation from Service monthly payments, if applicable, shall continue. Upon the Participant's subsequent Separation from Service, his additional benefit, if any, shall be calculated as follows:

- i) the Participant's accrued benefit shall be recalculated taking into account all applicable Years of Benefit Service and eligible compensation;
- ii) all prior payments from the Plan shall be valued by assuming the payments have increased in value at the rate of interest used for determining Actuarial Equivalent in effect for each period of time, compounded annually through the date of the Participant's subsequent Separation from Service; and
- iii) the Participant's Supplemental Pension Benefit, recalculated per subsection (i) shall be reduced by the current value of the prior Plan payments calculated per subsection (ii).

Upon the Participant's subsequent Separation from Service, any additional Supplemental Pension Benefit shall be paid in the form and at the time set forth in Sections 3.2 and 3.3.

**ARTICLE IV
VESTING AND FORFEITABILITY**

4.1 Forfeitability of Supplemental Pension Benefit Attributable to the Code Sections 401(a)(17) and 415.

- (a) Separation from Service on or after January 1, 2010

For Participants who have a Separation from Service on or after January 1, 2010, except as provided in Section 4.3 and Section 4.4, all rights to the Participant's entire Supplemental Pension Benefit shall be forfeited if the Participant has a Separation from Service prior to earning three Years of Vesting Service.

If the Participant has been credited with at least three Years of Vesting Service but terminates employment with the Employer or has a Separation from Service prior to his Earliest Retirement Date, the portion of the Participant's Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415 shall be vested, however, final average compensation used to calculate the portion of the Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415 shall not exceed four times the compensation limit set forth in Section 401(a)(17) in effect in the year of Separation from Service, as adjusted from time to time by the Internal

Revenue Service.

A Participant who has a Separation from Service on or after January 1, 2010 cannot earn additional Years of Vesting Service after his Separation from Service.

(b) Separation from Service prior to January 1, 2009

For Participants who have a Separation from Service prior to January 1, 2009, except as provided in Section 4.3 and Section 4.4, all rights to the Participant's Supplemental Pension Benefit shall be forfeited if a Participant either terminates employment with the Employer or Separates from Service prior to his Earliest Retirement Date, except in the case of death as described below. However, if the Participant earns Years of Vesting Service after Separation from Service, the Participant may later become vested in the portion of the Participant's Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415. If a Participant dies prior to Separation from Service, the portion of the Participant's Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415 shall vest, provided that the Participant had been credited with at least five Years of Vesting Service.

(c) Separation from Service during 2009

For Participants who have a Separation from Service during 2009, all rights to the portion of the Participant's Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415 shall be forfeited if the Participant has not been credited with at least five Years of Vesting Service at the time of Separation from Service.

If the Participant has been credited with at least five Years of Vesting Service but terminates employment with the Employer or has a Separation from Service prior to his Earliest Retirement Date, the portion of the Participant's Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415 shall be vested, however, final average compensation used to calculate the that portion of the Participant's Supplemental Pension Benefit shall not exceed four times the compensation limit set forth in Section 401(a)(17) in effect in the year of Separation from Service, as adjusted from time to time by the Internal Revenue Service.

If the Participant terminates employment or has a Separation from Service on or after his Earliest Retirement Date, the Participant shall be fully vested in the portion of his Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415.

If the Participant earns Years of Vesting Service after Separation from Service and was not vested at the time of his Separation from Service, the Participant may later become

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vested in the portion of the Participant's Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415.

4.2 Forfeitability of Supplemental Pension Benefit Attributable to Deferred Compensation.

(a) Separation from Service on or after January 1, 2010

As noted above, except as provided in Section 4.3 and Section 4.4, if a Participant has a Separation from Service on or after January 1, 2010 and prior to earning three Years of Vesting Service, the Participant's entire Supplemental Pension Benefit will be forfeited.

A Participant who has a Separation from Service on or after January 1, 2010 cannot earn additional Years of Vesting Service after his Separation from Service.

(b) Separation from Service prior to January 1, 2010

All rights to the portion of the Participant's Supplemental Pension Benefit attributable to Deferred Compensation shall be forfeited if a Participant terminates employment with the Employer or Separates from Service prior to being credited with five Years of Vesting Service. However, if the Participant earns Years of Vesting Service after Separation from Service, the Participant may later become vested in the portion of the Participant's Supplemental Pension Benefit attributable to Deferred Compensation.

4.3 Participants on December 31, 1993.

Notwithstanding anything in this Plan to the contrary, each Employee who was a Participant in the Plan as of December 31, 1993 shall be deemed vested in the portion of his Supplemental Pension Benefit, if any, calculated as of December 31, 1993 (based on his compensation and years of benefit service as of such date and assuming that he is vested under the Qualified Pension Plan of the Employer), and such benefit under the Plan shall not be subject to forfeiture under Section 4.1.

4.4 Special vesting rule for certain involuntarily terminated Participants prior to January 1, 2009

Notwithstanding Section 4.1(b) above, if a Participant meets all of the following criteria, such Participant shall be vested in the portion of the Participant's Supplemental Pension Benefit attributable to Code Sections 401(a)(17) and 415 as of the date he has a Separation from Service; however, final average compensation used to calculate such portion of the Participant's Supplemental Pension Benefit shall not exceed four times the compensation limit set forth in Section 401(a)(17) in effect in the year of Separation from Service, as adjusted from time to time by the Internal Revenue Service.

This special vesting rule shall apply if:

(a) the Participant is an Employee of an Employer on September 30, 2008;

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(b) the Participant is eligible to participate in the Plan or had a Supplemental Pension Benefit credited to him as of September 30, 2008;

(c) the Participant is involuntarily terminated (other than for cause) between September 30, 2008 and December 31, 2008, "cause" for this purpose to mean a termination of employment by the Company or a Participating Subsidiary which is based on a violation of the Company's Code of Business Conduct or any other policy of the Company or a Participating Subsidiary, or for gross misconduct;

(d) as of the date on which he is involuntarily terminated (other than for cause), the Participant has not attained his Earliest Retirement Date but has either: i) attained at least age 50 and completed at least ten Years of Vesting Service, or ii) attained at least age 45 and the sum of his attained age (computed as whole years and whole months attained) plus his Years of Vesting Service (as defined in Section 1.67 of the Qualified Pension Plan) is greater than or equal to 65; and

(e) the participant has signed any release, agreement on trade secrets and confidentiality and/or any noncompetition agreement requested by the Company, and has mailed such documents to the Company in accordance with the Company's instructions on or before the date specified in the release and whose release becomes irrevocable.

Provided that, a Participant shall not be eligible for this special vesting provision if:

- (a) the Participant is a job grade 18 or higher at the time of his involuntary separation;
- (b) the Participant is receiving or has been approved to receive long term disability benefits under any plan which provides such benefits and which is maintained by the Company or any Subsidiary; or
- (c) the Participant has entered into a separate, written agreement with an Employer with respect to the termination of his Employment.

ARTICLE V
ADMINISTRATION

5.1 Committee.

The Committee shall be responsible for the general administration of the Plan and shall establish regulations for the day-to-day administration of the Plan. The Committee and its designated agents shall have the exclusive right and discretion to interpret the terms and conditions of the Plan and to decide all matters arising with respect to the Plan's administration and operation (including factual issues). Any interpretations or decisions so made shall be conclusive and binding on all persons. The Committee or its designee may pay the expenses of administering the Plan or may reimburse the Company or other person performing administrative services with respect to the Plan if the Company or such other person directly pays such expenses at the request of the Committee.

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5.2 Authority to Appoint Advisors and Agents

The Committee may appoint and employ such persons as it may deem advisable and as it may require in carrying out the provisions of the Plan. To the extent permitted by law, the members of the Committee shall be fully protected by any action taken in reliance upon advice given by such persons and in reliance on tables, valuations, certificates, determinations, opinions and reports that are furnished by any accountant, counsel, claims administrator or other expert who is employed or engaged by the Committee.

5.3 Compensation and Expenses of Committee

The members of the Committee shall receive no compensation for its duties hereunder, but the Committee shall be reimbursed for all reasonable and necessary expenses incurred in the performance of its duties, including counsel fees and expenses. Such expenses of the Committee, including the compensation of administrators, actuaries, counsel, agents or others that the Committee may employ, shall be paid out of the general assets of the Company.

5.4 Records.

The Committee shall keep or cause to be kept books and records with respect to the operations and administration of this Plan.

5.5 Indemnification of Committee.

The Company agrees to indemnify and to defend to the fullest extent permitted by law any employee serving as a member of the Committee or as their delegate(s) against all liabilities, damages, costs and expenses, including attorneys' fees and amounts paid in settlement of any claims approved by the Company, occasioned by any act or failure to act in connection with the Plan, unless such act or omission arises out of such employee's gross negligence, willful neglect or willful misconduct.

ARTICLE VI
CLAIMS PROCEDURE

6.1 Right to File a Claim.

Any Participant who believes he is entitled to a benefit hereunder that has not been received, may file a claim in writing with the Committee. The claim must be filed within one year after the date of the Participant's Separation from Service. The Committee may require such claimant to submit additional documentation, if necessary, in support of the initial claim.

6.2 Denial of a Claim.

Any claimant whose claim to any benefit hereunder has been denied in whole or in part shall receive a notice from the Committee within 90 days of such filing or within 180 days after such receipt if special circumstances require an extension of time. If the Committee determines that an extension of time is required, the claimant will be notified in writing of the extension and

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reason for the extension within 90 days after the Committee's receipt of the claim. The extension notice will also include the date by which the Committee expects to make the benefit determination. The notice of the denial of the claim will set forth the specific reasons for such denial, specific references to the Plan provisions on which the denial was based and an explanation of the procedure for review of the denial.

6.3 Claim Review Procedure.

A claimant may appeal the denial of a claim to the Committee by written request for review to be made within 60 days after receiving notice of the denial. The request for review shall set forth all grounds on which it is based, together with supporting facts and evidence that the claimant deems pertinent, and the Committee shall give the claimant the opportunity to review pertinent Plan documents in preparing the request. The Committee may require the claimant to submit such additional facts, documents or other material as it deems necessary or advisable in making its review. The Committee will provide the claimant a written or electronic notice of the decision within 60 days after receipt of the request for review, except that, if there are special circumstances requiring an extension of time for processing, the 60-day period may be extended for an additional 60 days. If the Committee determines that an extension of time is required, the claimant will be notified in writing of the extension and reason for the extension within 60 days after the Committee's receipt of the request for review. The extension notice will also include the date by which the Committee expects to complete the review. The Committee shall communicate to the claimant in writing its decision, and if the Committee confirms the denial, in whole or in part, the communication shall set forth the reasons for the decision and specific references to the Plan provisions on which the decision is based.

6.4 Limitation on Actions.

Any suit for benefits must be brought within one year after the date the Committee (or its designee) has made a final denial (or deemed denial) of the claim. Notwithstanding any other provision herein, any suit for benefits must be brought within two years of the date of termination of active employment. No claimant may file suit for benefits until exhausting the claim review procedure described herein.

ARTICLE VII
MISCELLANEOUS

7.1 Unsecured General Creditor.

Participants and their Beneficiaries, heirs, successors, and assigns shall have no legal or equitable rights, claims, or interest in any specific property or assets of the Company. No assets of the Company shall be held in any way as collateral security for the fulfilling of the obligations of the Company under this Plan. Any and all of the Company's assets shall be, and remain, the general unpledged, unrestricted assets of the Company. The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Company to pay money in the future, and the rights of the Participants and Beneficiaries shall be no greater than those of unsecured general creditors. It is the intention of the Company that this Plan be unfunded for purposes of the Code and for purposes of Title 1 of ERISA. Nothing contained in this Plan, and no actions taken pursuant to the provisions of this Plan shall create or be construed to create a trust or any kind of fiduciary relationship between the Employer and any Participant, his Beneficiary, or any other person.

7.2 Restriction Against Assignment.

The Company shall pay all amounts payable hereunder only to the person or persons designated by the Plan and not to any other person or corporation. No part of a Participant's Account or benefit shall be liable for the debts, contracts, or engagements of any Participant, his or her Beneficiary, or successors in interest, nor shall a Participant's Account or benefit be subject to execution by levy, attachment, or garnishment or by any other legal or equitable proceeding, nor shall any such person have any right to alienate, anticipate, sell, transfer, commute, pledge, encumber, or assign any benefits or payments hereunder in any manner whatsoever. If any Participant, Beneficiary or successor in interest is adjudicated bankrupt or purports to anticipate, alienate, sell, transfer, commute, assign, pledge, encumber or charge any distribution or payment from the Plan, voluntarily or involuntarily, the Committee, in its discretion, may cancel such distribution or payment (or any part thereof) to or for the benefit of such Participant, Beneficiary or successor in interest in such manner as the Committee shall direct.

7.3 Tax Withholding.

There shall be deducted from each payment made under the Plan or any other compensation payable to the Participant (or Beneficiary) all taxes which are required to be withheld by the Company in respect to any payment under this Plan. The Company shall have the right to reduce any payment (or compensation) by the amount of cash sufficient to provide the amount of said taxes.

7.4 Amendment, Modification, Suspension or Termination.

The Committee may amend, modify, suspend or terminate the Plan in whole or in part, at any time.

7.5 Governing Law.

Except to extent preempted by Federal Law, this Plan shall be construed, governed and enforced under the laws of the State of Delaware (without regard to the conflicts of law principles thereof) and any and all disputes arising under this Plan are to be resolved exclusively by courts sitting in Delaware.

7.6 Receipt or Release.

Any payment to a Participant or the Participant's Beneficiary in accordance with the provisions of the Plan shall, to the extent thereof, be in full satisfaction of all claims against the Committee and the Company. The Committee may require such Participant or Beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect.

7.7 Limitation of Rights and Employment Relationship.

Neither the establishment of the Plan nor any modification thereof, nor the creating of any fund or Account, nor the payment of any benefits shall be construed as giving to any Participant, or Beneficiary or other person any legal or equitable right against the Company except as provided in the Plan; and in no event shall the terms of employment of any Employee or Participant be modified or in any way be affected by the provisions of the Plan.

7.8 Offset for Monies Owed.

The benefits provided hereunder will be offset for any monies that the Committee determines are owed to the Company or any Participating Affiliate.

IN WITNESS WHEREOF, the Committee has caused this amendment and restatement of the Plan to be executed by the duly-authorized chairman of the Committee this 14th day of December, 2009.

THE COCA-COLA COMPANY BENEFITS COMMITTEE

/s/ Susan M. Fleming

Chairman

The Coca-Cola Export Corporation
Refreshment Products Services, Inc.
Soft Drinks International, Inc.
Rocketcash LLC
Coca-Cola India, Inc.
Coca-Cola Properties, LLC
International Auditors, Inc.

**APPENDIX B
PILOTS' PLAN
As of January 1, 2010**

- I. Effective at midnight on December 31, 2009, the Pilots' Plan was frozen. This means that no additional individuals could become a Pilot Participant on or after January 1, 2010. Furthermore, Pilot Participants shall cease earning Flight Duty and Flight Duty Credit on or after January 1, 2010. In summary, no additional benefits can be earned under this Appendix B. Nevertheless, a Pilot Participant may continue to earn Years of Vesting Service after December 31, 2009 solely for purposes of becoming vested in his or her benefit earned under this Appendix B and for attaining his Earliest Retirement Date.
- Also effective January 1, 2010, all liabilities associated with the Pilots' Plan transferred to this Plan and all vested benefits earned under this Plan shall be distributed under the provisions of this Appendix B.
- The Pilots' Plan shall continue in existence after December 31, 2009 as a historic document in the event the Committee needs to refer to that document to determine a Pilot Participant's benefit under the SPP Plan or for related purposes.
- II. All benefits paid to Pilot Participants shall be in accordance with this Appendix B. However, if needed to interpret or determine a Pilot Participant's benefit under this Appendix B, the Committee may review the terms of the Pilot's Plan in effect on January 1, 2010.
- III. The terms of this Plan shall NOT apply to this Schedule B except for those provisions identified below or as later determined by the Committee to be necessary or appropriate to determine a Pilot Participant's benefits under this Plan.
- (a) Section 3.5 dealing with Change in Control
 - (b) Article V dealing with administration of the Plan;
 - (c) Article VI dealing with claims procedures;
 - (d) Article VII dealing with miscellaneous procedures (including the right to amend or terminate the Plan (including this Appendix B); and,
 - (e) Article II, dealing with the participation of a Pilot Participant in this Appendix B; and
 - (f) Definitions of Actuarial Equivalent, Change in Control, Code, Committee, Company, Disability or Disabled, Employee, Employer, ERISA, Pilot Participant, Pilot's Plan, Plan Year, Qualified Pension Plan, Separation from Service, Specified Employee, Years of Benefit Service and Years of Vesting Service.

- IV. Other Definitions used in this Appendix B.
- (a) "Earliest Retirement Date" shall mean, with respect to a Pilot Participant, the earlier of: (a) the date the Pilot Participant attains age 60; or (b) the date he has both attained age 55 and completed 20 Years of Vesting Service.
 - (b) "Beneficiary" shall mean shall mean the person designated to receive any survivor benefits that may be payable upon the death of a Pilot Participant. A Pilot Participant shall designate a Beneficiary in the manner required by the Committee.

Unless subsequently changed by the Pilot Participant, the Beneficiary designated by the Pilot Participant under the Pilots' Plan and in effect as of December 31, 2009, shall also apply for purposes of this Appendix B.
 - (c) "Benefit Commencement Date" shall mean the first day of the month following the month a Participant entitled to a Supplemental Pension Benefit has a Separation from Service.
 - (d) "Flight Duty" shall mean a period of employment during which a Pilot has either direct or secondary responsibility for the operation of aircraft for the Company. One year of Flight Duty will be credited for each twelve month period during which a Pilot Participant performs Flight Duty.

No additional Flight Duty shall be earned under this Appendix B.
 - (e) "Flight Duty Credit" shall mean a credit given to a Pilot Participant for purposes of the Pilots' Plan. A Pilot Participant shall receive one Flight Duty Credit for each four whole years of completed Flight Duty. No Pilot Participant shall receive more than five Flight Duty Credits regardless of the number of years of Flight Duty.

No additional Flight Duty Credit shall be earned under this Appendix B. However, on January 1, 2010, all Pilot Participants in Appendix B shall have any partial Flight Duty Credit rounded up to the next whole number and such whole number shall be the Pilot Participant's Flight Duty Credit under this Appendix B. As noted above, however, in no event shall a Pilot Participant receive more than five Flight Duty Credits under this Appendix B.

Example. If a Pilot who is a Pilot Participant in this Appendix B has 13.5 whole years of completed Flight Duty as of midnight on December 31, 2009, such Pilot Participant has earned three Flight Duty Credits plus an additional 1.5 years of completed Flight Duty. Effective January 1, 2010, such Pilot will be deemed to have earned four Flight Duty Credits (rounded up to the nearest whole year of Flight Duty Credit).
 - (f) "Normal Retirement Date" shall mean, with respect to a Pilot Participant, the first of the month or next following the Pilot Participant's attainment of age 60.

- (g) “Pilot” shall mean an employee of the Company who regularly and continuously has either direct or secondary responsibility for the operation of aircraft for the Company.
- (h) “Pilots’ Supplemental Pension Benefit” shall mean the benefit provided pursuant to this Appendix B.
- (i) “Social Security Supplement” shall mean an amount equal to the difference between the primary insurance amount the Pilot Participant would have received had he remained in employment until age 65 minus either the amount of the monthly Social Security benefit he actually receives or the amount of temporary income he receives under the Qualified Pension Plan, whichever is applicable.

Effective January 1, 2010, regardless of a Pilot Participant’s vested status or his or Flight Duty Credits, no Social Security Supplement shall be payable from the Pilots’ Plan or from this Appendix B for any Pilot Participant who has a Separation from Service on or after January 1, 2010.

V. Pilot’s Supplemental Pension Benefit.

- (a) The Pilot’s Supplemental Pension Benefit for a Pilot Participant who is in pay status as of January 1, 2010 is identified in Schedule A below.
- (b) The Pilot’s Supplemental Pension Benefit for a Pilot Participant who is employed on January 1, 2010 and who becomes entitled to a Supplemental Pension Benefit on his Normal Retirement Date shall equal (1) minus (2) where:
- (1) Equals the monthly retirement income payable under the Qualified Pension Plan the Pilot Participant would have received under the Qualified Pension Plan if that amount was calculated by adding the number of Flight Duty Credits to the Pilot Participant’s Years of Benefit Service under the Qualified Pension Plan.
- (2) Equals the monthly retirement income actually payable under the Qualified Pension Plan.

Each Pilot Participant who is employed on January 1, 2010 has his number of Flight Duty Credits as of January 1, 2010 reflected on Schedule B below.

(c) Early Retirement

A Pilot Participant who has a Separation from Service on or after his Earliest Retirement Date but prior to his Normal Retirement Date shall receive a monthly Pilot’s Supplemental Pension Benefit as determined under Section V(b) except such Pilot’s Supplemental Pension Benefit shall be reduced by 0.25% for each month that his Benefit Commencement Date precedes his Normal Retirement Date.

(d) Separation from Service prior to Earliest Retirement Date

A Pilot Participant who has a Separation from Service prior to his Earliest Retirement Date shall receive a Pilot’s Supplemental Pension Plan in the form of a lump sum as determined under Section V(b) except such Pilot’s Supplemental Pension Benefit shall be reduced by 0.4 percent for each complete calendar month by which the date that would have been his or her Earliest Retirement Date precedes his or her Normal Retirement Date, then reduced actuarially to the Benefit Commencement Date and converted to a lump sum, using the “applicable interest rate” and “applicable mortality table” as such terms are defined in the definition of Actuarial Equivalent found in the Qualified Retirement Plan (see Article One of the Qualified Retirement Plan).

(d) Delayed Retirement

A Pilot Participant who retires from Flight Duty after his Normal Retirement Date shall receive a Pilot’s Supplemental Pension Benefit as determined under Section V(b) except such Pilot’s Supplemental Pension Benefit shall be reduced 1/24th for each month that his Benefit Commencement Date occurs after his Normal Retirement Date.

VI. Distribution Events and Form of Payment.

The Pilot’s Supplemental Pension Benefit shall be payable only upon Separation from Service or death as described herein.

(a) Separation from Service on or after the Pilot Participant’s Earliest Retirement Date

If a Pilot Participant has a Separation from Service on or after his Earliest Retirement Date, the Pilot’s Supplemental Pension Benefit shall be in the form of monthly annuity payments commencing as described in Section VII below. The Pilot Participant may choose between the following annuities, provided that all the annuities must be Actuarially Equivalent to a Single Life Annuity.

- (i) Single Life Annuity
 (ii) Joint and 50% Contingent Annuity
 (iii) Joint and 75% Contingent Annuity
 (iv) Joint and 100% Contingent Annuity

The Pilot Participant must elect the annuity form no earlier than 180 days before the date the Pilot’s Supplemental Pension Benefit commences. A married Pilot Participant’s spouse must consent in writing to the form of annuity elected. If no timely election is made, a married Pilot Participant shall receive a Joint and 50% Contingent Annuity and an unmarried Pilot Participant shall receive a Single Life Annuity. The election of the annuity form is irrevocable as of the date benefits commence.

Notwithstanding the foregoing, if the Pilot’s Supplemental Pension Benefit, as calculated in the form of a Single Life Annuity, is less than \$50 per month, then the Actuarial Equivalent of the Pilot’s Supplemental Pension Benefit shall be paid in a lump sum.

(b) Separation from Service prior to the Pilot Participant's Earliest Retirement Date

If a Pilot Participant has a Separation from Service prior to his Earliest Retirement Date, the Pilot's Supplemental Pension Benefit shall be in a single lump sum commencing as described in Section VII below.

(c) Death

The survivor benefit payable in the event of a Pilot Participant's death shall be as described in Section VIII below.

VII Timing of payment.

(a) Separation from Service on or after the Pilot Participant's Earliest Retirement Date

If a Pilot Participant has a Separation from Service on or after his Earliest Retirement Date, the monthly payments provided under this Plan shall be determined as of the Pilot Participant's Benefit Commencement Date and shall begin within 90 days from the Pilot Participant's Separation from Service. For lump sum payments of small amounts as described in Section VI above, the payment shall be made within 90 days from the Pilot Participant's Separation from Service.

(b) Separation from Service prior to the Pilot Participant's Earliest Retirement Date

If a Pilot Participant has a Separation from Service prior to his Earliest Retirement Date, the Pilot's Supplemental Pension Benefit shall be in a single lump sum within 90 days from the Pilot Participant's Separation from Service.

(c) Exception for Specified Employees

Notwithstanding the foregoing, the Pilot's Supplemental Pension Benefit of a Specified Employee shall commence on the first day of the seventh month following the month in which the Specified Employee has a Separation from Service, if vested. With the first payment to the Specified Employee, the payments for the prior months shall also be paid; however, no interest shall be due.

VIII. Death.

(a) Death after benefits commence

If a Pilot Participant who is receiving a monthly annuity dies, the Pilot Participant's Beneficiary shall be entitled to the survivor benefit, if any, consistent with the form of annuity elected by the Pilot Participant. For example, if the Pilot Participant elected a Joint and 50% Contingent Annuity, the Beneficiary shall continue to receive monthly payments equal to 50% of the payments received by the Pilot Participant for the Beneficiary's life. If the Pilot Participant had elected a Single Life Annuity, there shall be no additional benefit payable to the Beneficiary or any other person.

If a Pilot Participant has received a lump sum, there shall be no additional payments to a Beneficiary or any other person in the event of the Pilot Participant's death.

(b) Pre-Separation Survivor's Benefit

If a married Pilot Participant dies on or after his Earliest Retirement Date and prior to Separation from Service, his surviving spouse, if any, shall receive a survivor benefit as described in this section. If an unmarried Pilot Participant dies on or after his Earliest Retirement Date but prior to Separation from Service and has made an election described below to name a Beneficiary, such Beneficiary shall receive a survivor benefit as described in this section.

The survivor benefit attributable to the Pilot's Supplemental Pension Benefit shall commence on the first day of the month following the Pilot Participant's death and shall end on the death of the Pilot Participant's spouse (if married) or designated Beneficiary (if unmarried).

The survivor annuity based on the Pilot's Supplemental Pension Benefit shall be equal a monthly 50% survivor annuity that would have been payable to the surviving spouse or Beneficiary if the Pilot Participant:

(1) had a Separation from Service on the date of death; and

(1) elected to have his benefits paid in the form of a Joint and 50% Contingent Annuity

At any time on or after the Pilot's Participant's Earliest Retirement Date, the Pilot Participant may elect an optional form of survivor benefit, consisting of either a 100% survivor annuity or a 75% survivor annuity. Such survivor annuity shall be calculated as described above, except that 100% or 75%, as applicable, shall be substituted for 50%.

At any time on or after an unmarried Pilot Participant's Earliest Retirement Date, the unmarried Pilot Participant may make an election for a specified Beneficiary

to receive a survivor annuity under this section, provided the unmarried Participant has a vested benefit under the Qualified Retirement Plan. Such Pilot Participant may also elect an optional form of survivor benefit, consisting of either a 100% survivor annuity or a 75% survivor annuity. Such survivor annuity shall be calculated as described above, except that 100% or 75%, as applicable, shall be substituted for 50%.

If an unmarried Pilot Participant's Beneficiary is his or her estate or the unmarried Pilot Participant fails to designate a Beneficiary, no death benefit attributable to the Pilot's Supplemental Pension Benefit shall be paid

(c) Death prior to Earliest Retirement Date

If a married Pilot Participant dies prior to his Earliest Retirement Date and prior to Separation from Service and has a vested benefit under the Qualified Pension Plan, his surviving spouse, if any, shall receive a survivor benefit as calculated in Section VIII(b) above. Such survivor annuity shall be paid as a 50% survivor annuity (not a 75% or 100% survivor annuity) and shall commence on the first day of the month following the month in which the Pilot

**AMENDMENT TWO TO
THE COCA-COLA COMPANY SUPPLEMENTAL THRIFT PLAN**

This Amendment Two to The Coca-Cola Company Supplemental Thrift Plan, as amended and restated effective January 1, 2008 (the "Plan"), is adopted by The Coca-Cola Company Benefits Committee (the "Committee").

WITNESSETH:

WHEREAS, pursuant to Section 6.4 of the Plan, the Committee has the authority to amend the Plan;

WHEREAS, the Committee wishes to amend the Plan;

NOW THEREFORE, the Committee hereby amends the Plan as follows effective as of January 1, 2010:

1.

The last sentence of Section 3.1 (Amount Credited to Account) shall be amended as follows:

"No amounts shall be credited to a Participant after Separation from Service or death."

2.

The last sentence of Section 3.2 (Deemed Investment of Accounts) shall be amended as follows:

"No hypothetical dividends shall be credited to a Participant or his Beneficiary following the Participant's Separation from Service or death."

3.

The first sentence of Section 3.5 (Valuation of Account) shall be amended as follows:

"The value of a Participant's Account shall be calculated as the value of hypothetical shares of Common Stock credited to the Participant's Account as of the date of Separation from Service or death, as applicable."

Except as specifically amended hereby, the Plan shall remain in full force and effect as prior to this Amendment Two.

IN WITNESS WHEREOF, the Committee has adopted this Amendment on the date shown below, but effective as of the dates indicated above.

THE COCA-COLA COMPANY
BENEFITS COMMITTEE

By: /s/ Susan M. Fleming

Date: 12/14/09

**AMENDMENT ONE TO
THE COCA-COLA COMPANY
SEVERANCE PAY PLAN**

THIS AMENDMENT to The Coca-Cola Company Severance Pay Plan (the "Plan") is adopted by The Coca-Cola Company Benefits Committee (the "Committee").

WITNESSETH:

WHEREAS, The Coca-Cola Company currently maintains the Plan for the benefit of its eligible employees; and

WHEREAS, Section 6.1 of the Plan provides that the Committee may amend the Plan at any time; and

WHEREAS, the Committee wishes to amend the Plan in order to add Participating Affiliates.

NOW THEREFORE, the Committee hereby amends the Plan as follows effective as of October 19, 2009:

The following entities shall be added to Appendix A — Participating Affiliates:

Energy Brands, Inc.

Fuze Beverage LLC

IN WITNESS WHEREOF, the Committee has adopted this Amendment Number One on the date shown below, but effective as of the date indicated above.

The Coca-Cola Company Benefits Committee

By: /s/ Susan M. Fleming

Date: 10/19/09

The Coca-Cola Company

COCA-COLA PLAZA
ATLANTA, GEORGIA

ALEXANDER B. CUMMINGS
EXECUTIVE VICE PRESIDENT AND
CHIEF ADMINISTRATIVE OFFICER

ADDRESS REPLY TO
P.O. BOX 1734
ATLANTA, GA 30301

404-676-6926
FAX: 404-515-2411

October 26, 2009

Ms. Ceree Eberly
Beverage Services, Ltd.
London, England

Dear Ceree,

We are delighted to confirm your offer for the position of Chief People Officer, with an effective target date of December 1, 2009, reporting to me. The information contained in this letter provides details of the offer.

- Your principal place of assignment will be Atlanta, Georgia at the Company's Corporate Center.
- Your annual base gross salary will be \$460,000 and will be reviewed annually according to Company practice. Your next salary review will occur in April 2011.
- Your target annual incentive will be 85% of gross annual salary. The plan may be modified from time to time.
- You will continue to be eligible to participate in The Coca-Cola Company's Long-Term Incentive program, currently consisting of stock options and performance share units (PSUs). Awards are made at the discretion of the Compensation Committee of the Board of Directors based upon recommendations by Senior Management. You will be eligible to receive equity awards within guidelines for the job grade assigned to your position and based upon your personal performance, Company performance, and your leadership potential to add value to the system in the future. The current reference value for your position is \$1,462,000. As a discretionary program, the award timing, frequency, size and distribution between stock options and PSUs are variable.

Ms. Ceree Eberly
October 26, 2009
Page 2

- The Compensation Committee has approved a transition payment for you in the amount of \$45,000. This payment is subject to hypothetical tax under the normal terms of the International Service Program.
- You are expected to attain share ownership valued at two times your salary over the next five years. You will be asked to provide information in December each year on your progress toward your ownership goal, and that information will be reviewed with the Compensation Committee of the Board of Directors the following February.
- You will be eligible for the financial planning program which provides for the reimbursement of certain financial planning and counseling services, up to \$10,000 annually, subject to taxes and withholding. This program is available to you beginning December 1, 2009. More information about the details of this program will be provided to you by Executive Compensation.
- You will continue to participate in the International Service Program through your repatriation date but no later than June 30, 2010. You will be provided the standard repatriation benefits provided under the International Service Program.
- You will be eligible for certain relocation benefits under the Company's policy. Your Relocation Client Services Manager, Linda Straw, will contact you to review the details of these benefits.
- You will be eligible for membership and reimbursement of dues and initiation fees associated with one country club, social club or similar club as long as the club use is for ordinary and necessary business purposes. You will be required to track and report any personal use of the Company-paid club membership and dues. Club use that is personal will be considered taxable income and will not be grossed-up by the Company.
- It will be necessary for you to execute the enclosed Agreement on Confidentiality, Non-Competition and Non-Solicitation.

Ms. Ceree Eberly
October 26, 2009
Page 3

Ceree, I feel certain that you will find challenge, satisfaction and opportunity in this new role and as we continue our journey to create a sustainable growth business at The Coca-Cola Company.

Should you have any questions, about the foregoing or the enclosure, please call me or Ginny Sutton at 404-676-4147. Please signify your acceptance of such position by signing as indicated below.

Sincerely,

/s/ Alexander B. Cummings

Enclosure

C: Ginny Sutton

I have read and I hereby acknowledge and accept this offer.

/s/ Ceree T. Eberly
Ceree Eberly

1-November 2009
Date

**AGREEMENT ON CONFIDENTIALITY,
NON-COMPETITION AND NON-SOLICITATION**

In consideration of my continued employment by The Coca-Cola Company, a Delaware corporation, I agree with The Coca-Cola Company as follows:

1. Definitions. For the purposes of this Agreement, the following definitions apply:

(a) "Confidential Information" means any data or information, other than Trade Secrets, that is valuable to The Coca-Cola Company and/or its subsidiaries and affiliates (collectively "the Company") and not generally known to competitors of the Company or other outsiders, regardless of whether the information is in print, written, or electronic form, retained in my memory, or has been compiled or created by me, including, but not limited to, technical, financial, personnel, staffing, payroll, computer systems, marketing, advertising, merchandising, product, vendor, or customer data, or other information similar to the foregoing;

(b) "Trade Secret" means any information, including a formula, pattern, compilation, program, device, method, technique, or process, that (i) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can derive economic value from its disclosure or use and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy; and

(c) "Customer" means anyone who (i) is or was a customer of the Company during my employment with The Coca-Cola Company, or (ii) is a prospective customer of the Company to whom the Company has made a presentation (or similar offering of services) within the one-year period immediately preceding the termination of my employment with The Coca-Cola Company or, if my employment has not terminated, the one-year period immediately preceding any alleged violation of this Agreement.

2. Acknowledgement. My services for The Coca-Cola Company are of a special, unique, extraordinary, and intellectual character, and are performed on behalf of the Company throughout the world. My position as

a high-level executive of The Coca-Cola Company places me in a position of confidence and trust with the Customers and employees of the Company. So long as I shall remain in the employ of The Coca-Cola Company, I shall devote my whole time and ability to the service of the Company in such capacity as The Coca-Cola Company shall from time to time direct, and I shall perform my duties faithfully and diligently.

I acknowledge that the rendering of services to the Company's Customers necessarily requires the disclosure of the Company's Confidential Information and Trade Secrets to me. In addition, in the course of my employment with The Coca-Cola Company, I will develop a personal acquaintanceship and relationship with certain of the Company's Customers, and a knowledge of those Customers' affairs and requirements, which may constitute a significant contact between the Company and such Customers. Finally, the Customers with whom I will have business dealings on behalf of the Company are located throughout the world.

I further acknowledge that the provisions in this Agreement, including, but not limited to, the restrictive covenants and the governing law and forum selection provisions, are fair and reasonable, that enforcement of the provisions of this Agreement will not cause me undue hardship, and that the provisions of this Agreement are necessary and commensurate with the need to protect the Company's established goodwill and proprietary information from irreparable harm. In the event that I breach, I threaten in any way to breach, or it is inevitable that I will breach any of the provisions of this Agreement, damages shall be an inadequate remedy and The Coca-Cola Company shall be entitled, without bond, to injunctive or other equitable relief. The Coca-Cola Company's rights in this respect are in addition to all rights otherwise available at law or in equity.

3. Non-Competition and Non-Solicitation. I agree that while I am in The Coca-Cola Company's employ and for two years after the termination of my employment with The Coca-Cola Company for any reason whatsoever, I shall not, directly or indirectly, except on behalf of or with the prior written consent of The Coca-Cola Company:

(a) enter into or maintain an employment, contractual, or other relationship to render any services of the type I performed for the Company during the last two years of my employment with (i) any person or entity in

competition with the Company, or (ii) any Customer of the Company with whom I had business dealings during the last two years of my employment with The Coca-Cola Company;

(b) solicit or attempt to solicit any Customer to do business of the type performed by the Company or to persuade any Customer to do business with any person or entity in competition with the Company or to reduce the amount of business which any such Customer has customarily done or contemplates doing with the Company, whether or not the relationship between the Company and such Customer was originally established in whole or in part through my efforts; provided, however, that the Customer solicited is one with which I had business dealings during the last two years of my employment with The Coca-Cola Company; or

(c) solicit or attempt to solicit for employment any person who is an employee of the Company.

4. Confidential Information and Trade Secrets.

(a) During my employment with The Coca-Cola Company, I will acquire and have access to the Company's Confidential Information. I agree that while I am in The Coca-Cola Company's employ and for two years after the termination of my employment with The Coca-Cola Company for any reason whatsoever, I shall hold in confidence all Confidential Information of the Company and will not disclose, publish, or make use of such Confidential Information, directly or indirectly, unless compelled by law and then only after providing written notice to The Coca-Cola Company. If I have any questions regarding what data or information would be considered by the Company to be Confidential Information, I agree to contact the appropriate person(s) at the Company for written clarification; and

(b) During my employment with The Coca-Cola Company, I will also acquire and have access to the Company's Trade Secrets. I acknowledge that the Company has made and will continue to make reasonable efforts under the circumstances to maintain the secrecy of its Trade Secrets. I agree to hold in confidence all Trade Secrets of the Company that come into my knowledge during my employment with The Coca-Cola Company and shall not directly or indirectly disclose, publish, or make use of at any time such Trade Secrets for so long as the information

remains a Trade Secret. If I have any questions regarding what data or information constitutes a Trade Secret, I agree to contact the appropriate person(s) at the Company for written clarification. Nothing in this provision shall be interpreted to diminish the protections afforded trade secrets under applicable law.

5. Company Property. Upon leaving the employ of The Coca-Cola Company, I shall not take with me any written, printed, or electronically stored Trade Secrets, Confidential Information, or any other property of the Company obtained by me as a result of my employment, or any reproductions thereof. All such Company property and all copies thereof shall be surrendered by me to the Company on my termination or at any time upon request of the Company.

6. Inventions, Discoveries, and Authorship. I shall disclose to the Company and I agree to and do hereby assign to the Company, without charge, all my rights, title, and interest in and to any and all inventions and discoveries that I may make, solely or jointly with others, while in the employ of The Coca-Cola Company, that relate to or are useful or may be useful in connection with business of the character carried on or contemplated by the Company, and all my rights, title, and interest in and to any and all domestic and foreign applications for patents as well as any divisions or continuations thereof covering such inventions and discoveries and any and all patents granted for such inventions and discoveries and any and all reissues, extensions, and revivals of such patents; and upon request of the Company, whether during or subsequent to my employment with The Coca-Cola Company, I shall do any and all acts and execute and deliver such instruments as may be deemed by the Company necessary or proper to vest all my rights, title, and interest in and to said inventions, discoveries, applications, and patents in the Company and to secure or maintain such applications, patents, reissues, extensions, and/or revivals thereof. All necessary and proper expenses in connection with the foregoing shall be borne by the Company, and if services in connection therewith are performed at the Company's request after termination of my employment with The Coca-Cola Company, the Company will pay reasonable compensation for such services. Any inventions and discoveries relating to the Company's business made by me within one year after termination of my employment with The Coca-Cola Company shall be deemed to be within this provision, unless I can prove that the same were conceived and made

following said termination and such conception or invention is not based upon or related to any Trade Secrets, as defined herein, received pursuant to my employment with The Coca-Cola Company.

Attached is a list of patent applications and unpatented inventions made prior to my employment with The Coca-Cola Company, which I agree is a complete list and which I desire to remove from the operation of this Agreement.

I also hereby assign to the Company, without charge, all my rights, title, and interest in and to all original works of authorship filed in any tangible form, prepared by me, solely or jointly with others, within the scope of my employment with The Coca-Cola Company. In addition, the Company and I hereby agree that any such original work of authorship that qualifies as a "work made for hire" under the U.S. copyright laws shall be a "work made for hire" and shall be owned by the Company.

7. Governing Law. This Agreement shall be construed, interpreted, and applied in accordance with the laws of the State of Delaware, without giving effect to the choice-of-law provisions thereof.

8. Mandatory Forum Selection. The Company and I hereby irrevocably submit any dispute arising out of, in connection with, or relating to this Agreement, including with respect to my employment by The Coca-Cola Company or the termination of such employment, to the exclusive concurrent jurisdiction of the state and federal courts located in the State of Delaware. The Company and I also both irrevocably waive, to the fullest extent permitted by applicable law, any objection either may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Finally, I waive formal service of process and agree to accept service of process worldwide.

9. Severability. In the event that any provision of this Agreement is found to be invalid or unenforceable by a court of law or other appropriate authority, the invalidity or unenforceability of such provision shall not affect the other provisions of this Agreement, which shall remain in full force and effect, and that court or other appropriate authority shall modify the provisions found to be unenforceable or invalid so as to make them

enforceable, taking into account the purposes of this Agreement and the nationwide and international scope of the Company's business.

10. Waiver. No waiver of any provision of this Agreement shall be effective unless pursuant to a writing signed by me and the Company, and such waiver shall be effective only in the specific instance and for the specific purpose stated in the writing.

11. Tolling. Provided that I have not been enjoined from breaching any of the terms of this Agreement, the time periods set forth in Paragraphs 3 and 4 above shall be tolled upon the filing of a lawsuit challenging the enforceability of this Agreement until the aforementioned dispute is resolved and all periods for appeal have expired.

12. Assignment. This Agreement shall inure to the benefit of the Company, allied companies, successors and assigns, or nominees of the Company, and I specifically agree to execute any and all documents considered convenient or necessary to assign transfer, sustain and maintain inventions, discoveries, copyrightable material, applications, and patents, both in this and foreign countries, to and on behalf of the Company.

I HAVE READ THIS AGREEMENT IN ITS ENTIRETY AND, INTENDING TO BE LEGALLY BOUND, I HEREBY VOLUNTARILY ACCEPT AND AGREE TO ITS TERMS.

I have hereunto signed my name this 1 day of November, 2009.

/s/ Cerec T. Eberly

Employee Signature

Ceree T. Eberly

Print Name

THE COCA-COLA COMPANY AND SUBSIDIARIES
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,				
	2009	2008	2007	2006	2005
<small>(In millions except ratios)</small>					
EARNINGS:					
Income from continuing operations before income taxes and changes in accounting principles	\$ 8,946	\$ 7,506	\$ 7,919	\$ 6,628	\$ 6,723
Fixed charges	422	513	524	271	281
Less:					
Capitalized interest, net	(4)	(7)	(12)	(10)	(3)
Equity (income) loss, net of dividends	(359)	1,128	(452)	124	(446)
Adjusted earnings	\$ 9,005	\$ 9,140	\$ 7,979	\$ 7,013	\$ 6,555
FIXED CHARGES:					
Gross interest incurred	\$ 359	\$ 445	\$ 468	\$ 230	\$ 243
Interest portion of rent expense	63	68	56	41	38
Total fixed charges	\$ 422	\$ 513	\$ 524	\$ 271	\$ 281
Ratios of earnings to fixed charges	21.3	17.8	15.2	25.9	23.3

As of December 31, 2009, the Company was contingently liable for guarantees of indebtedness owed by third parties in the amount of approximately \$245 million. 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. The interest amount, in the above table, does not include interest expense associated with unrecognized tax benefits.

QuickLinks

[Exhibit 12.1](#)

[THE COCA-COLA COMPANY AND SUBSIDIARIES COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES](#)

Subsidiaries of The Coca-Cola Company
As of December 31, 2009

	<u>Organized Under Laws of:</u>
The Coca-Cola Company Subsidiaries:	Delaware
Apollinaris Brands GmbH	Germany
Atlantic Industries	Cayman Islands
Atlantic Manufacturing	Cayman Islands
Bottling Investments Corporation	Delaware
Brucephil, Inc.	Delaware
Caribbean Refrescos, Inc.	Delaware
CCDA Waters, LLC	Delaware
CCHBC Grouping Inc.	Delaware
Coca-Cola (Japan) Company, Limited	Japan
Coca-Cola Beverages (Shanghai) Company Limited	China
Coca-Cola Bottlers Philippines, Inc.	Philippines
Coca-Cola Cannery of Southern Africa (Pty) Ltd.	South Africa
Coca-Cola China Industries, Limited	China
Coca-Cola de Chile, S.A.	Chile
Coca-Cola Drikker AS	Norway
Coca-Cola Drycker Sverige AB	Sweden
Coca-Cola Erfrischungsgetranke AG	Germany
Coca-Cola G.m.b.H.	Germany
Coca-Cola Holdings (Asia) Limited	Japan
Coca-Cola Holdings (Overseas) Limited	Delaware
Coca-Cola India Private Limited	India
Coca-Cola Industrias Ltda.-Brazil	Brazil
Coca-Cola Industrias Ltda.-Costa Rica	Costa Rica
Coca-Cola Midi SAS	France
Coca-Cola Overseas Parent Limited	Delaware
Coca-Cola Properties, LLC.	Delaware
Coca-Cola Servicios de Venezuela C.A.	Venezuela
Coca-Cola Shanduka Beverages South Africa (Pty) Ltd.	South Africa
Coca-Cola South Asia Holdings, Inc.	Delaware
CMR Industria de Refrigerantes Ltda.	Brazil
Compania de Servicios de Bebidas Refrescantes S.L.	Spain
Conco Limited	Cayman Islands
Corporacion Inca Kola Peru S.R.L.	Peru
Dulux CBAI 2003 BV	The Netherlands
Energy Brands, Inc.	New York
European Refreshments	Ireland
FUZE Beverage, LLC.	Delaware
Hindustan Coca-Cola Beverages Private Ltd.	India
Hindustan Coca-Cola Holdings Private Ltd.	India
Hindustan Coca-Cola Overseas Holdings Pte. Ltd.	India

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Subsidiaries of The Coca-Cola Company
As of December 31, 2009

	<u>Organized Under Laws of:</u>
JDV LLC CBS de R.L. de C.V.	Mexico
Mais Industrias de Alimentos S/A	Brazil
Nordeste Refrigerantes S.A.	Brazil
Odwalla, Inc.	Delaware
Recofarma Industria do Amazonas Ltda.	Brazil
Refrescos Guararapes Ltda.	Brazil
Refreshment Products Finland OY	Finland
SA Coca-Cola Services NV	Belgium
Servicios Integrados de Administracion y Alta Gerencia, S.A. de C.V.	Mexico
Servicios y Productos Para Bebidas Refrescantes S.R.L.	Argentina
Shanghai Shen-mei Beverage & Food Co. Ltd.	China
Soira Investments Limited	British Virgin Islands
The Coca-Cola Bottling Company of Egypt S.A.E.	Egypt
The Coca-Cola Export Corporation	Delaware
The Innex Corporation	Florida
The Minute Maid Company Canada Inc.	Canada

Other subsidiaries whose combined size is not significant:

28 consolidated domestic wholly-owned subsidiaries

217 consolidated foreign wholly-owned subsidiaries

5 consolidated foreign majority-owned subsidiaries

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the registration statements and related prospectuses of The Coca-Cola Company listed below of our reports dated February 26, 2010, with respect to the consolidated financial statements of The Coca-Cola Company and subsidiaries, and the effectiveness of internal control over financial reporting of The Coca-Cola Company and subsidiaries, included in this Annual Report (Form 10-K) for the year ended December 31, 2009:

1. Registration Statement Number 2-88085 on Form S-8
2. Registration Statement Number 33-39840 on Form S-8
3. Registration Statement Number 333-78763 on Form S-8
4. Registration Statement Number 2-58584 on Form S-8
5. Registration Statement Number 33-26251 on Form S-8
6. Registration Statement Number 2-98787 on Form S-3
7. Registration Statement Number 33-45763 on Form S-3
8. Registration Statement Number 33-50743 on Form S-3
9. Registration Statement Number 33-61531 on Form S-3
10. Registration Statement Number 333-27607 on Form S-8
11. Registration Statement Number 333-35298 on Form S-8
12. Registration Statement Number 333-59936 on Form S-3
13. Registration Statement Number 333-59938 on Form S-3
14. Registration Statement Number 333-83270 on Form S-8
15. Registration Statement Number 333-83290 on Form S-8
16. Registration Statement Number 333-88096 on Form S-8
17. Registration Statement Number 333-123239 on Form S-8
18. Registration Statement Number 333-146983 on Form S-3
19. Registration Statement Number 333-150447 on Form S-8

ERNST & YOUNG LLP

Atlanta, Georgia
February 26, 2010

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of The Coca-Cola Company (the "Company"), do hereby appoint GARY P. FAYARD, Executive Vice President and Chief Financial Officer of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

/s/ Muhtar Kent
 Chairman of the Board of Directors, Chief
 Executive Officer, President and Director
 The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, GARY P. FAYARD, Executive Vice President and Chief Financial Officer of The Coca-Cola Company (the "Company"), do hereby appoint MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 24th day of February, 2010.

/s/ Gary P. Fayard
 Executive Vice President
 and Chief Financial Officer
 The Coca-Cola Company

Classified - Use Current Classification

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, KATHY N. WALLER, Vice President and Controller of The Coca-Cola Company (the "Company"), do hereby appoint MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 23rd day of February, 2010.

/s/ Kathy N. Waller
 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 MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

/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 MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

/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 MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

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

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, BARRY DILLER, a Director of The Coca-Cola Company (the "Company"), do hereby appoint MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

/s/ Barry Diller
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, ALEXIS M. HERMAN, a Director of The Coca-Cola Company (the "Company"), do hereby appoint MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

/s/ Alexis M. Herman
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, DONALD R. KEOUGH, a Director of The Coca-Cola Company (the "Company"), do hereby appoint MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, Assistant Secretary of the Company, 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 on Form 10-K for the year ended December 31, 2009, 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 24 day of February, 2010.

/s/ Donald R. Keough
Director
The Coca-Cola Company

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, MARIA ELENA LAGOMASINO, a Director of The Coca-Cola Company (the "Company"), do hereby appoint MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18 day of February, 2010.

/s/ Maria Elena Lagomasino
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 MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

/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 MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 22nd day of February, 2010.

/s/ Sam Nunn
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 MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, Assistant Secretary of the Company, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

/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 MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18 day of February, 2010.

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

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS THAT I, JACOB WALLENBERG, a Director of The Coca-Cola Company (the "Company"), do hereby appoint MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18 day of February, 2010.

/s/ Jacob Wallenberg
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 MUHTAR KENT, Chairman of the Board of Directors, Chief Executive Officer, President and a Director of the Company, GEOFFREY J. KELLY, Senior Vice President and General Counsel of the Company, and GLORIA K. BOWDEN, 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 on Form 10-K for the year ended December 31, 2009, 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 18th day of February, 2010.

/s/ James B. Williams
Director
The Coca-Cola Company

CERTIFICATIONS

I, Muhtar Kent, Chairman of the Board of Directors, Chief Executive Officer and President of The Coca-Cola Company, certify that:

1. I have reviewed this annual report on Form 10-K of The Coca-Cola Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2010

/s/ MUHTAR KENT

Muhtar Kent
*Chairman of the Board of Directors, Chief Executive Officer and
President*

QuickLinks

[EXHIBIT 31.1](#)

[CERTIFICATIONS](#)

CERTIFICATIONS

I, Gary P. Fayard, Executive Vice President and Chief Financial Officer of The Coca-Cola Company, certify that:

1. I have reviewed this annual report on Form 10-K of The Coca-Cola Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2010

/s/ GARY P. FAYARD

Gary P. Fayard
Executive Vice President and Chief Financial Officer

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[EXHIBIT 31.2](#)

[CERTIFICATIONS](#)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of The Coca-Cola Company (the "Company") on Form 10-K for the period ended December 31, 2009 (the "Report"), I, Muhtar Kent, Chairman of the Board of Directors, Chief Executive Officer and President of the Company and I, Gary P. Fayard, Executive Vice President and Chief Financial Officer of the Company, each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) to my knowledge, the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ MUHTAR KENT

Muhtar Kent
*Chairman of the Board of Directors, Chief Executive Officer and
President*

February 26, 2010

/s/ GARY P. FAYARD

Gary P. Fayard
Executive Vice President and Chief Financial Officer

February 26, 2010

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[EXHIBIT 32.1](#)