

February 21, 2014



# The Coca-Cola Company Announces Letters of Intent with Two New Bottling Partners

*Builds on previously announced Letters of Intent with U.S. Bottling partners, which are expected to reach Definitive Agreement shortly*

*Implementation of 21<sup>st</sup> Century Beverage Partnership Model in U.S. Continues*

ATLANTA--(BUSINESS WIRE)-- The Coca-Cola Company today announced that it had signed Letters of Intent for the granting of territories in the greater Chicago area to J. Christopher and M. Jude Reyes of Reyes Holdings, L.L.C., and in Central Florida - including Tampa/St. Petersburg - to Troy Taylor, who will be the Chairman and Chief Executive Officer of the new Florida bottler.

The two new transactions announced today are subject to the parties reaching Definitive Agreements during 2014. The parties are committed to working together to implement a smooth transition with minimal disruption for customers, consumers and System associates. Financial terms were not disclosed.

“Our 21<sup>st</sup> Century Beverage Partnership Model underscores the strength of our franchise System,” said Muhtar Kent, Chairman and Chief Executive Officer, The Coca-Cola Company. “With the addition of these two partners we continue to transform our U.S. business and move closer to achieving our 2020 Vision.”

Reyes Holdings is one of the largest global providers of food and beverage distribution services. Its operations span North, Central and South America, as well as Europe, the Middle East and Asia Pacific. Annually, the company delivers more than 800 million cases of high-quality, well-known beer and food products from 120 strategically located warehouses.

“The Reyes family has been tremendously successful in helping drive strong brands in mature markets, and they will be invaluable to our System,” said Sandy Douglas, Group President, Coca-Cola North America.

“We are proud to be new members of the Coca-Cola family,” said J. Christopher Reyes, Founder and Co-Chairman of Reyes Holdings. “We intend to use our distribution experience to ensure that the refreshing taste of Coca-Cola is within ‘an arm’s reach of desire’ for thirsty people throughout the Greater Chicago area.”

Troy Taylor will be the Chairman and Chief Executive Officer of the new bottling company that will serve Central Florida, including Tampa/St. Petersburg. With more than 20 years of business leadership experience, Taylor has significant knowledge in leading strategic initiatives and transactions for franchise-related businesses, including multiple Coca-Cola-related investments.

“Troy Taylor has been a trusted advisor to The Coca-Cola Company on critical strategic initiatives for more than a decade,” said Douglas. “He is well-known and respected by our System, and we are pleased to welcome him as a new bottling partner.”

“I have long believed that Coca-Cola serves up moments of happiness and I am excited to join the Coca-Cola family. This new arrangement expands on an already successful, long-standing relationship I have with the Company,” said Taylor. “Together we are committed to delivering excellent service to customers and refreshing experiences to consumers in the Sunshine State.”

“As we have said, the Coca-Cola System should be a reflection of the communities where we operate and the consumers and customers that we serve,” said Douglas. “Partnering with these two top-notch ownership groups is further evidence of this commitment,” said Douglas.

“Coca-Cola has always been a leader in giving back to the communities where it does business,” said M. Jude Reyes, Founder and Co-Chairman of Reyes Holdings. “As a new member of the Coca-Cola family, we share those values and are dedicated to being the best distributor we can be while contributing back to the communities in which we operate.”

In April 2013, The Coca-Cola Company announced that it had signed Letters of Intent with five U.S. bottlers which committed to creating a stronger U.S. business model through the granting of new, expanded territories. The five bottlers are Coca-Cola Bottling Co. Consolidated, Coca-Cola Bottling Company United Inc., Swire Coca-Cola USA, Coca-Cola Bottling Company High Country and Corinth Coca-Cola Bottling Works, Inc.

The Company is very encouraged by the transition of High Country, which closed at the end of 2013. Looking ahead, the Company is aligned with the other four bottlers announced in 2013. It is expected that they will reach Definitive Agreements shortly and those transactions will begin closing later this year.

In all of the newly granted territories, the new bottlers and The Coca-Cola Company will work collaboratively to implement key elements of their evolving U.S. operating model, including:

- A grant of exclusive territory rights and the sale by Coca-Cola Refreshments (CCR) of distribution assets and cold drink equipment
- A finished goods model under which production assets will remain with CCR, which would facilitate future implementation of a national product supply system
- An improved, more integrated information technology platform
- A new beverage agreement that supports the evolving operating model

### **About The Coca-Cola Company**

The Coca-Cola Company (NYSE: KO) is the world's largest beverage company, refreshing consumers with more than 500 sparkling and still brands. Led by Coca-Cola, one of the world's most valuable and recognizable brands, our Company's portfolio features 17 billion-dollar brands including Diet Coke, Fanta, Sprite, Coca-Cola Zero, vitaminwater, Powerade, MinuteMaid, Simply, Georgia and Del Valle. Globally, we are the No. 1 provider of sparkling beverages, ready-to-drink coffees, and juices and juice drinks. Through the world's largest beverage distribution system, consumers in more than 200 countries enjoy our beverages at a rate of 1.9 billion servings a day. With an enduring commitment to building sustainable

communities, our Company is focused on initiatives that reduce our environmental footprint, support active, healthy living, create a safe, inclusive work environment for our associates, and enhance the economic development of the communities where we operate. Together with our bottling partners, we rank among the world's top 10 private employers with more than 700,000 system associates. For more information, visit Coca-Cola Journey at [www.coca-colacompany.com](http://www.coca-colacompany.com), follow us on Twitter at [twitter.com/CocaColaCo](https://twitter.com/CocaColaCo), visit our blog, Coca-Cola Unbottled, at [www.coca-colablog.com](http://www.coca-colablog.com) or find us on LinkedIn at [www.linkedin.com/company/the-coca-cola-company](http://www.linkedin.com/company/the-coca-cola-company).

### **About Reyes Holdings, L.L.C.**

Reyes Holdings, aligned with leading beer brewers and foodservice providers, delivers some of the best-known brands and widest variety of food and beverage items to retailers around the world. Annually, the company delivers more than 800 million cases of high-quality beer and food products from 120 warehouses in North, Central and South America, as well as Europe, the Middle East and Asia Pacific. Reyes Holdings operations include The Martin-Brower Company, L.L.C., a global quick-service restaurant distribution business and the largest supplier worldwide of distribution services to the McDonald's restaurant system; Reinhart Foodservice, L.L.C., one of the largest broadline foodservice distributors in the United States, and Reyes Beverage Group, the largest beer distributor in the United States representing the great majority of import, craft and domestic beer brands. Reyes Holdings is the 11<sup>th</sup> largest privately held company in the United States with more than 16,000 employees and annual sales in excess of \$22 billion. For more information about Reyes Holdings, visit the company website at [www.reyesholdings.com](http://www.reyesholdings.com).

### **About Troy Taylor**

Troy Taylor will be the Chairman and Chief Executive Officer of the new bottling company which will have territory rights in Central Florida including Tampa/St. Petersburg. Troy has been involved in the Coca-Cola Bottling System for nearly 20 years as an advisor on strategic matters. He is also Founder and Managing Partner of Spinel Investment Company.

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