



THE COCA-COLA COMPANY



Q4 AND FULL YEAR 2019 MARGIN ANALYSIS

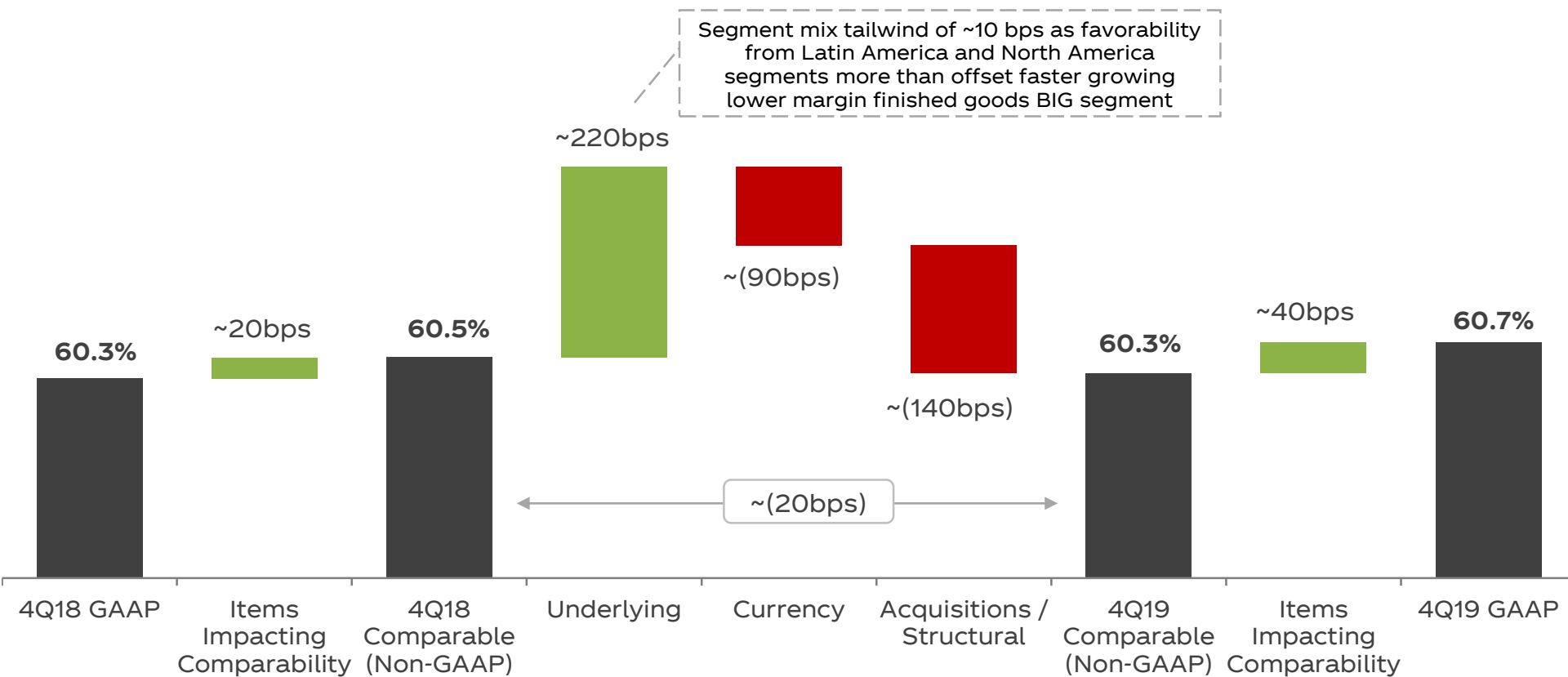
RECONCILIATION TO U.S. GAAP FINANCIAL INFORMATION

The following presentation includes certain "non-GAAP financial measures" as defined in Regulation G under the Securities Exchange Act of 1934. A schedule which reconciles our results as reported under Generally Accepted Accounting Principles and the non-GAAP financial measures included in the following presentation is attached as an appendix hereto.



Q4 2019 MARGIN ANALYSIS

CONSOLIDATED GROSS MARGIN



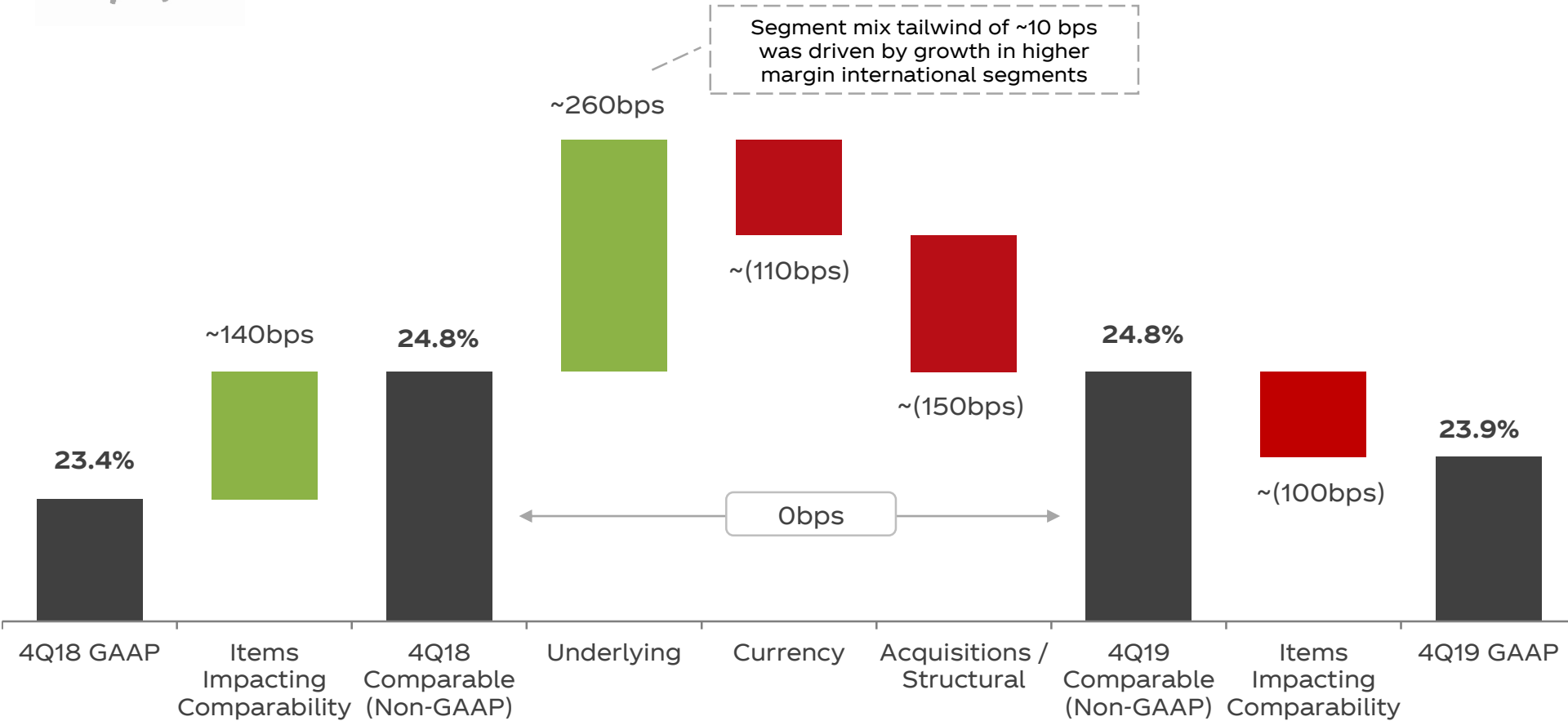
KEY TAKEAWAYS

- Items impacting comparability primarily relate to economic hedging activities and previously unrecognized depreciation and amortization for Coca-Cola Beverages Africa (CCBA).
- Underlying gross margin expanded by ~220 bps driven by margin expansion across all operating segments along with a positive segment mix.
- The structural impact to gross margin was primarily due to the purchase of Philippines bottling operations. Acquisitions of lower margin finished goods businesses of Costa & CHI impacted gross margin.



Q4 2019 MARGIN ANALYSIS

CONSOLIDATED OPERATING MARGIN



KEY TAKEAWAYS

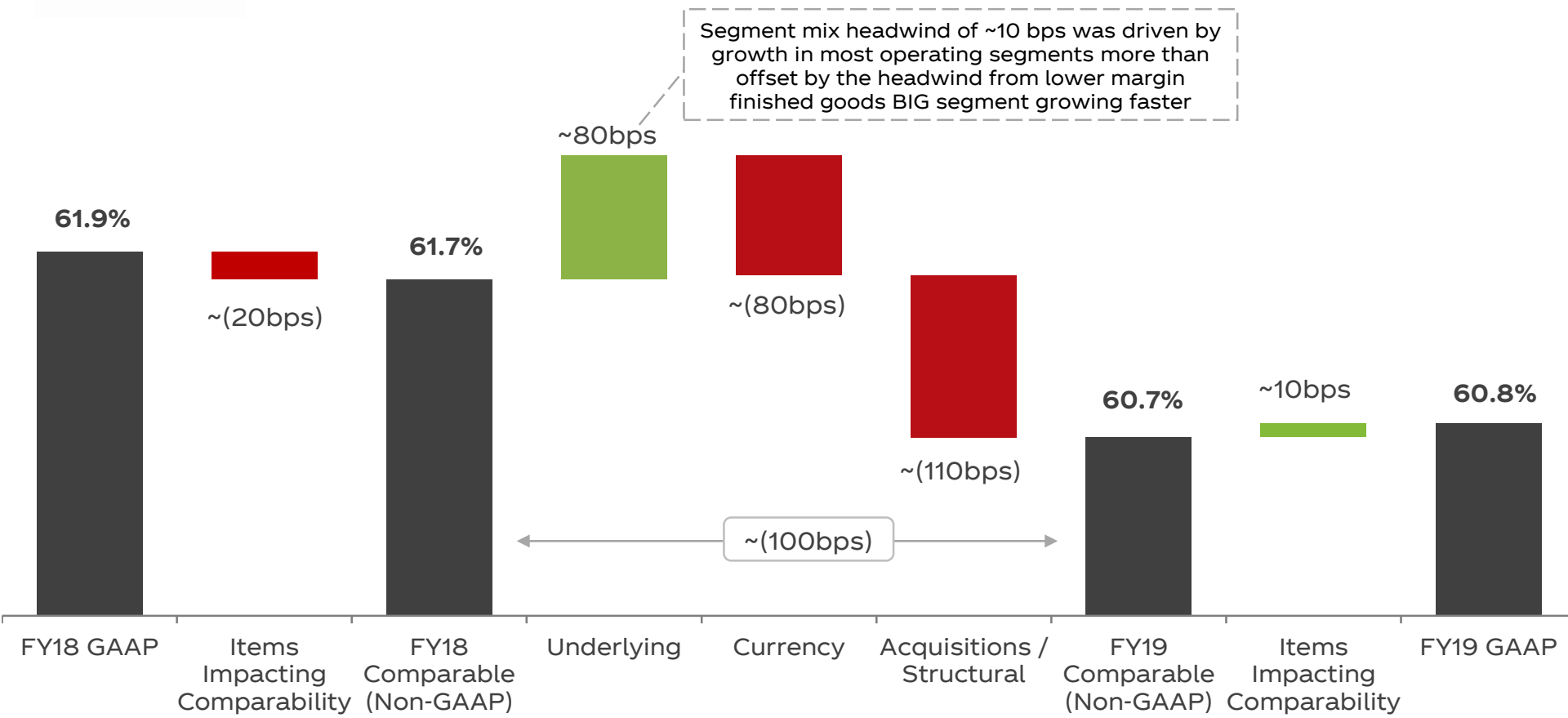
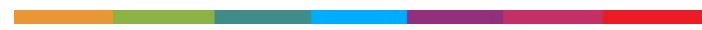
- Items impacting comparability primarily relate to productivity & reinvestment initiatives, transaction gains & losses, asset impairments, and previously unrecognized depreciation and amortization for CCBA.
- Underlying operating margin expanded by ~260 bps driven by margin expansion across most operating segments and growth of sparkling soft drinks category.
- The acquisition of lower margin finished goods businesses of Costa & CHI impacted operating margin. The structural impact was primarily due to the purchase of Philippines bottling operations.

Note: Numbers may not add due to rounding.



FY 2019 MARGIN ANALYSIS

CONSOLIDATED GROSS MARGIN



KEY TAKEAWAYS

- Items impacting comparability primarily relate to economic hedging activities and previously unrecognized depreciation and amortization for CCBA.
- Underlying gross margin expanded by ~80 bps driven by margin expansion across most operating segments.
- The structural impact to gross margin was primarily due to the net effect of the purchase of Philippines bottling operations and the refranchising of Canada, Uruguay and Guatemala bottling operations. Acquisitions of lower margin finished goods businesses of Costa & CHI impacted gross margin.

Note: Numbers may not add due to rounding.

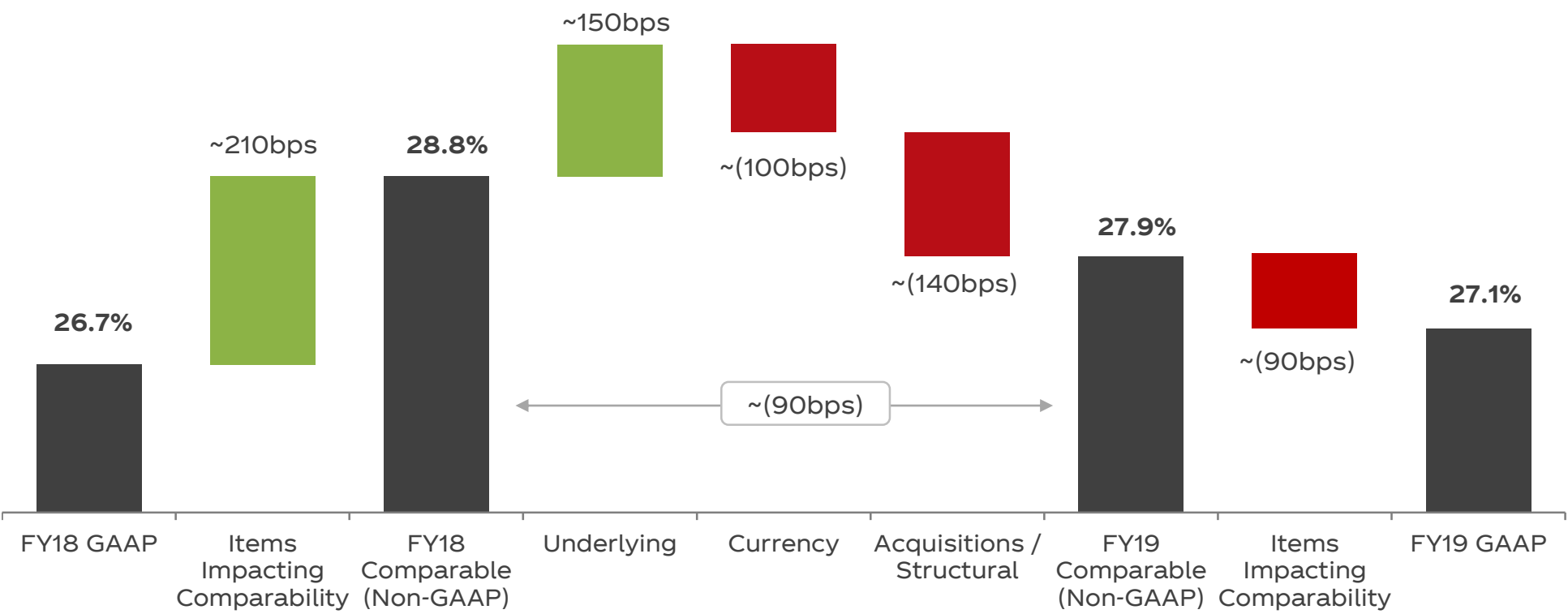


FY 2019 MARGIN ANALYSIS

CONSOLIDATED OPERATING MARGIN



Segment mix headwind of ~10 bps was driven by growth in higher margin international businesses more than offset by headwind from growth in lower margin BIG business



KEY TAKEAWAYS

- Items impacting comparability primarily relate to productivity & reinvestment initiatives, transaction gains & losses, and previously unrecognized depreciation and amortization for CCBA.
- Broad-based underlying operating margin improvement was primarily driven by revenue growth management (RGM) initiatives in EMEA and strong operating leverage in North America.
- The acquisition of lower margin finished goods businesses of Costa & CHI impacted operating margin. The structural impact was primarily due to the net effect of the purchase of Philippines bottling operations and the refranchising of Canada, Uruguay and Guatemala bottling operations.

Note: Numbers may not add due to rounding.



THE COCA-COLA COMPANY



APPENDIX RECONCILIATIONS OF GAAP AND NON-GAAP FINANCIAL MEASURES

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

Gross Margin:

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Basis Point Growth (Decline)
Reported Gross Margin (GAAP)	60.67%	60.26%	41
Items Impacting Comparability	0.35%	(0.24%)	
Comparable Gross Margin (Non-GAAP)	60.32%	60.50%	(18)
Comparable Currency Impact (Non-GAAP)	(0.89%)	0.00%	
Comparable Currency Neutral Gross Margin (Non-GAAP)	61.21%	60.50%	71
Impact of Acquisitions and Structural Items on Comparable Currency Neutral Gross Margin (Non-GAAP)	(1.43%)	0.02%	
Underlying Gross Margin (Non-GAAP)	62.64%	60.48%	216

	Year Ended December 31, 2019	Year Ended December 31, 2018	Basis Point Growth (Decline)
Reported Gross Margin (GAAP)	60.77%	61.90%	(113)
Items Impacting Comparability (Non-GAAP)	0.09%	0.18%	
Comparable Gross Margin (Non-GAAP)	60.68%	61.72%	(104)
Comparable Currency Impact (Non-GAAP)	(0.79%)	0.00%	
Comparable Currency Neutral Gross Margin (Non-GAAP)	61.47%	61.72%	(25)
Impact of Acquisitions and Structural Items on Comparable Currency Neutral Gross Margin (Non-GAAP)	(1.55%)	(0.49%)	
Underlying Gross Margin (Non-GAAP)	63.02%	62.21%	81

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

Operating Margin:

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Basis Point Growth
Reported Operating Margin (GAAP)	23.87%	23.38%	49
Items Impacting Comparability	(0.96%)	(1.45%)	
Comparable Operating Margin (Non-GAAP)	24.83%	24.83%	0
Comparable Currency Impact (Non-GAAP)	(1.08%)	0.00%	
Comparable Currency Neutral Operating Margin (Non-GAAP)	25.91%	24.83%	108
Impact of Acquisitions and Structural Items on Comparable Currency Neutral Operating Margin (Non-GAAP)	(1.53%)	0.01%	
Underlying Operating Margin (Non-GAAP)	27.44%	24.82%	262

	Year Ended December 31, 2019	Year Ended December 31, 2018	Basis Point Growth (Decline)
Reported Operating Margin (GAAP)	27.07%	26.68%	39
Items Impacting Comparability (Non-GAAP)	(0.85%)	(2.15%)	
Comparable Operating Margin (Non-GAAP)	27.92%	28.83%	(91)
Comparable Currency Impact (Non-GAAP)	(1.00%)	0.00%	
Comparable Currency Neutral Operating Margin (Non-GAAP)	28.92%	28.83%	9
Impact of Acquisitions and Structural Items on Comparable Currency Neutral Operating Margin (Non-GAAP)	(2.18%)	(0.76%)	
Underlying Operating Margin (Non-GAAP)	31.10%	29.59%	151