



THE COCA-COLA COMPANY



Q1 2020 MARGIN ANALYSIS

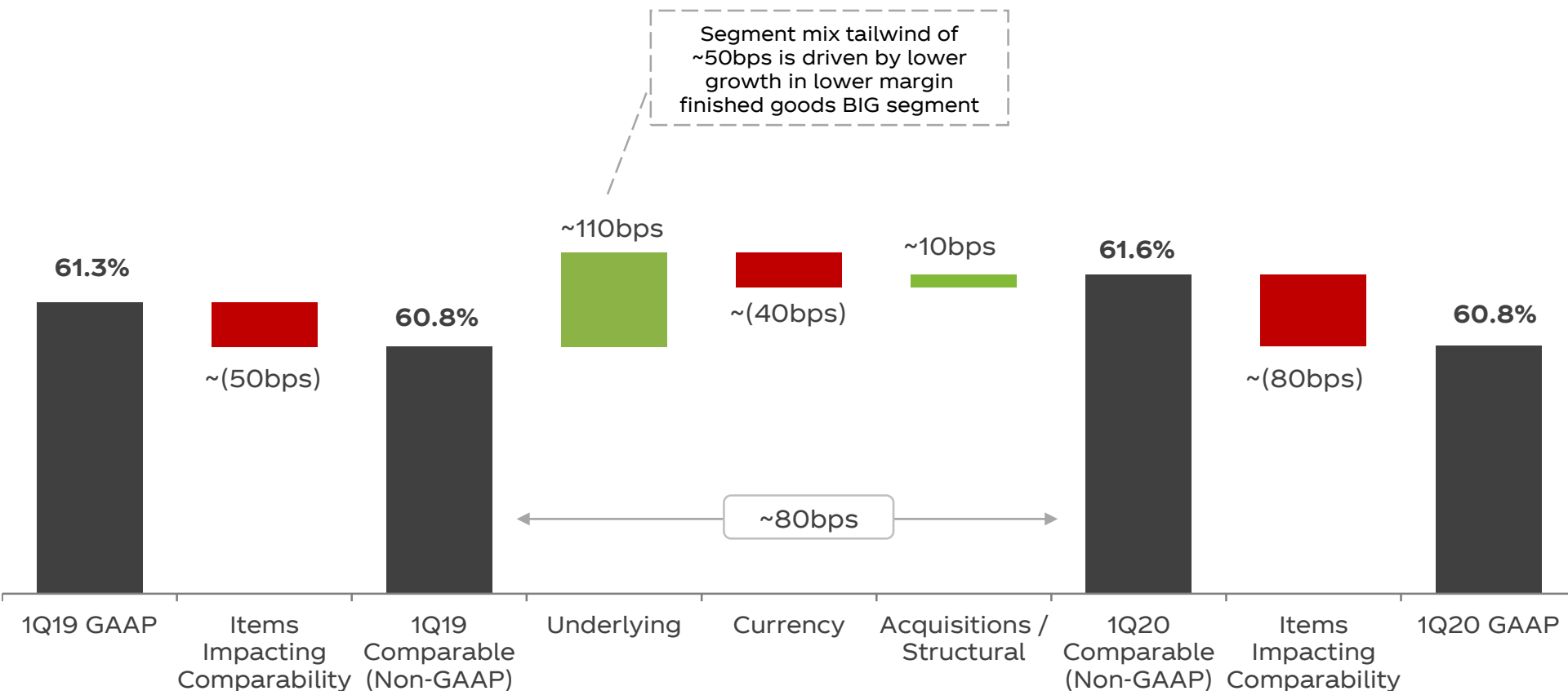
RECONCILIATION TO U.S. GAAP FINANCIAL INFORMATION

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.



Q1 2020 MARGIN ANALYSIS

CONSOLIDATED GROSS MARGIN



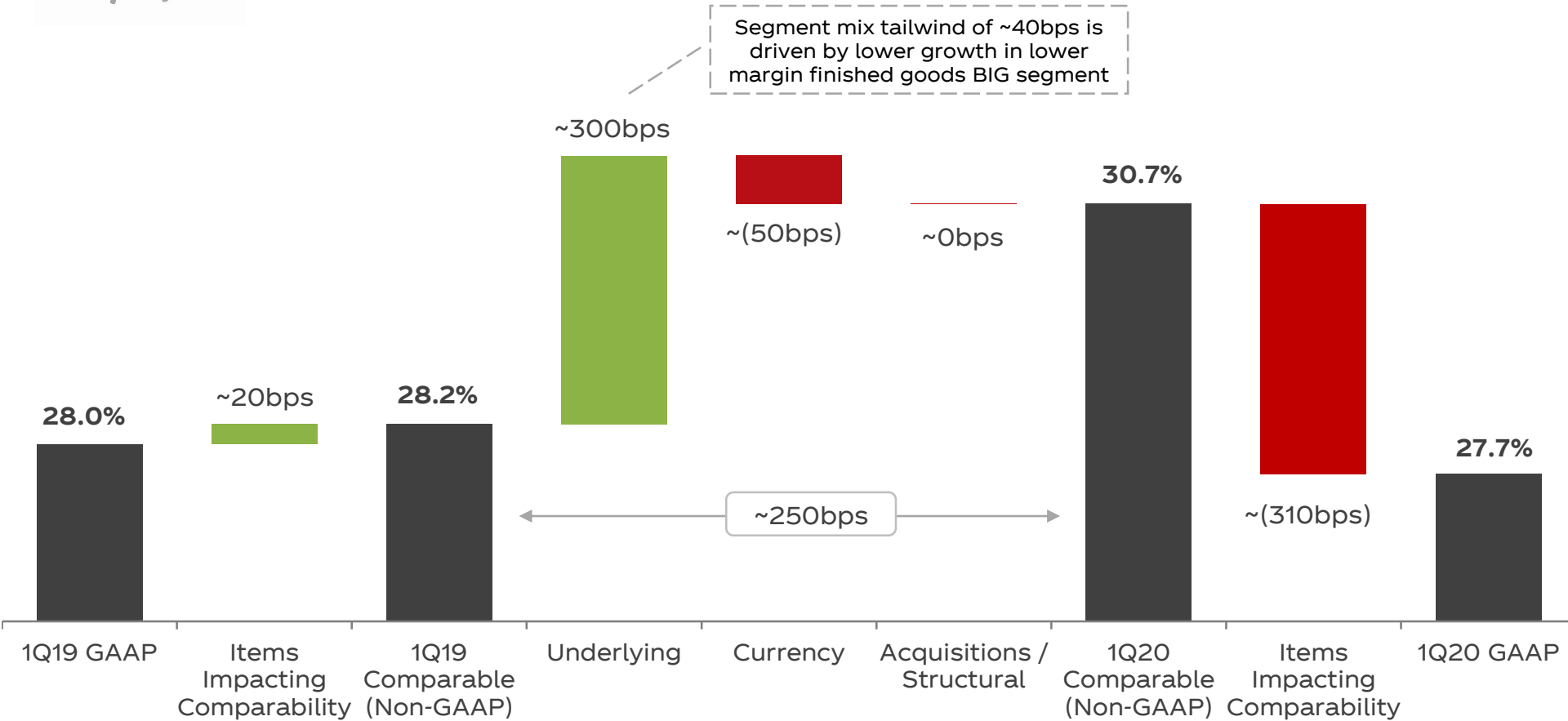
KEY TAKEAWAYS

- 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 ~110 bps driven by pricing in Latin America and innovations in North America.
- The structural impact to gross margin was primarily due to the refranchising of certain bottling operations in India and the acquisition of bottlers within Africa. The acquisition of the lower margin finished goods business of fairlife also impacted gross margin.



Q1 2020 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 ~300 bps driven by pricing in Latin America and timing of certain expenses within Corporate.

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 March 27, 2020 | Three Months Ended March 29, 2019 | Basis Point Growth (Decline) |
|---|--------------------------------------|--------------------------------------|---------------------------------|
| Reported Gross Margin (GAAP) | 60.81% | 61.30% | (49) |
| Items Impacting Comparability (Non-GAAP) | (0.80%) | 0.51% | |
| Comparable Gross Margin (Non-GAAP) | 61.61% | 60.79% | 82 |
| Comparable Currency Impact (Non-GAAP) | (0.40%) | 0.00% | |
| Comparable Currency Neutral Gross Margin (Non-GAAP) | 62.01% | 60.79% | 122 |
| Impact of Acquisitions and Structural Items on Comparable Currency Neutral Gross Margin (Non-GAAP) | (0.22%) | (0.37%) | |
| Underlying Gross Margin (Non-GAAP) | 62.23% | 61.16% | 107 |

Operating Margin:

| | Three Months Ended March 27, 2020 | Three Months Ended March 29, 2019 | Basis Point Growth (Decline) |
|---|--------------------------------------|--------------------------------------|---------------------------------|
| Reported Operating Margin (GAAP) | 27.67% | 28.01% | (34) |
| Items Impacting Comparability (Non-GAAP) | (3.06%) | (0.23%) | |
| Comparable Operating Margin (Non-GAAP) | 30.73% | 28.24% | 249 |
| Comparable Currency Impact (Non-GAAP) | (0.55%) | 0.00% | |
| Comparable Currency Neutral Operating Margin (Non-GAAP) | 31.28% | 28.24% | 304 |
| Impact of Acquisitions and Structural Items on Comparable Currency Neutral Operating Margin (Non-GAAP) | (0.32%) | (0.32%) | |
| Underlying Operating Margin (Non-GAAP) | 31.60% | 28.56% | 304 |