



THE COCA-COLA COMPANY



Q2 AND YTD 2020 MARGIN ANALYSIS

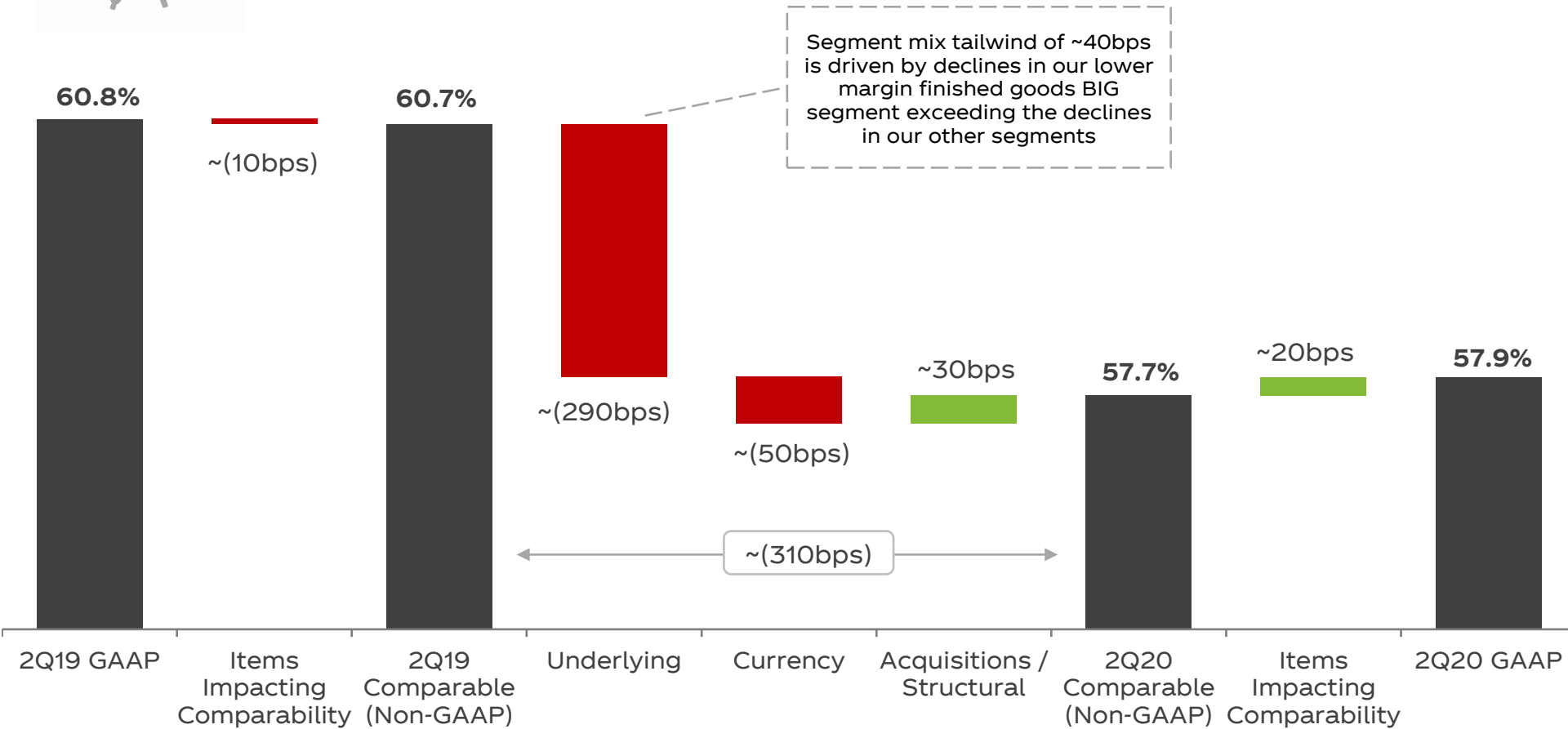
RECONCILIATION TO U.S. GAAP FINANCIAL INFORMATION

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.



Q2 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 contracted by ~290 bps driven by topline pressure due to the coronavirus along with negative channel and package mix.
- The structural benefit to gross margin was primarily due to the refranchising of certain bottling operations in India, partially offset by the acquisition of bottlers within Africa. The acquisition of finished goods business of fairlife also benefited gross margin.

Note: Numbers may not add due to rounding.

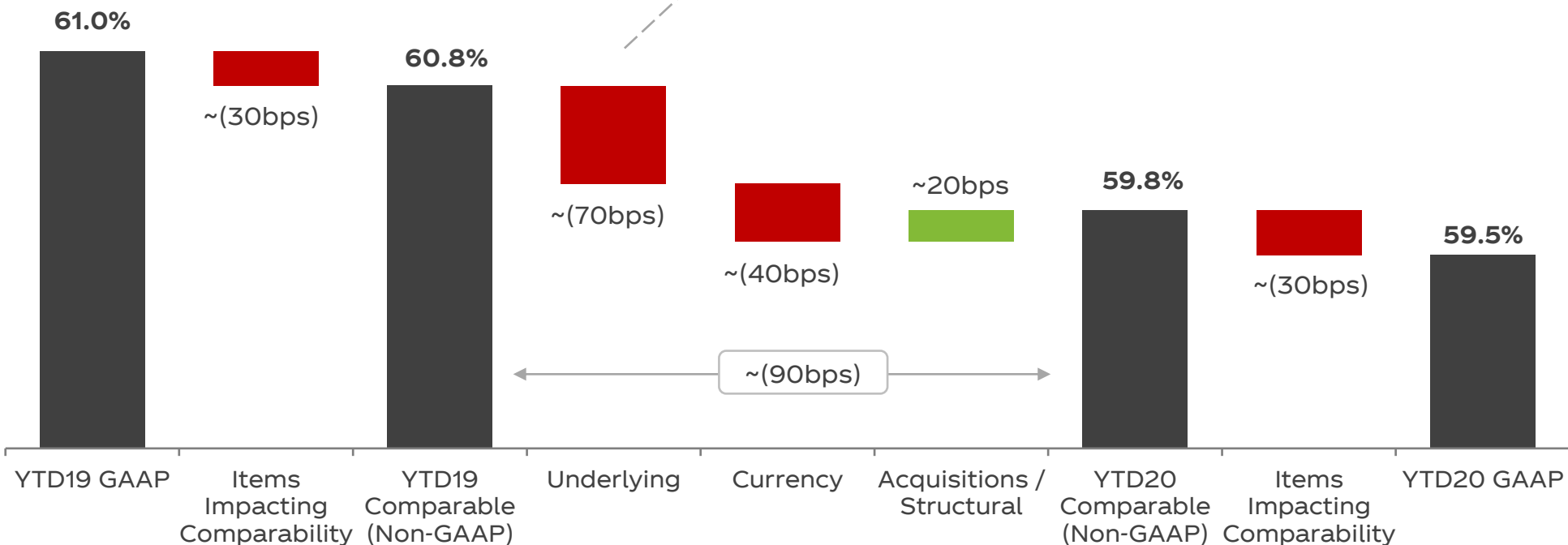


YTD 2020 MARGIN ANALYSIS

CONSOLIDATED GROSS MARGIN



Segment mix tailwind of ~40bps is by declines in our lower margin finished goods BIG segment exceeding the declines in our other segments



KEY TAKEAWAYS

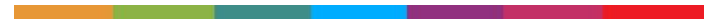
- Items impacting comparability primarily relate to economic hedging activities and previously unrecognized depreciation and amortization for CCBA.
- Underlying gross margin contracted by ~70 bps was driven by topline pressure due to the coronavirus along with negative channel and package mix.
- The structural benefit to gross margin was primarily due to the refranchising of certain bottling operations in India, partially offset by the acquisition of bottlers within Africa. The acquisition of finished goods business of fairlife and CHI also impacted gross margin.

Note: Numbers may not add due to rounding.

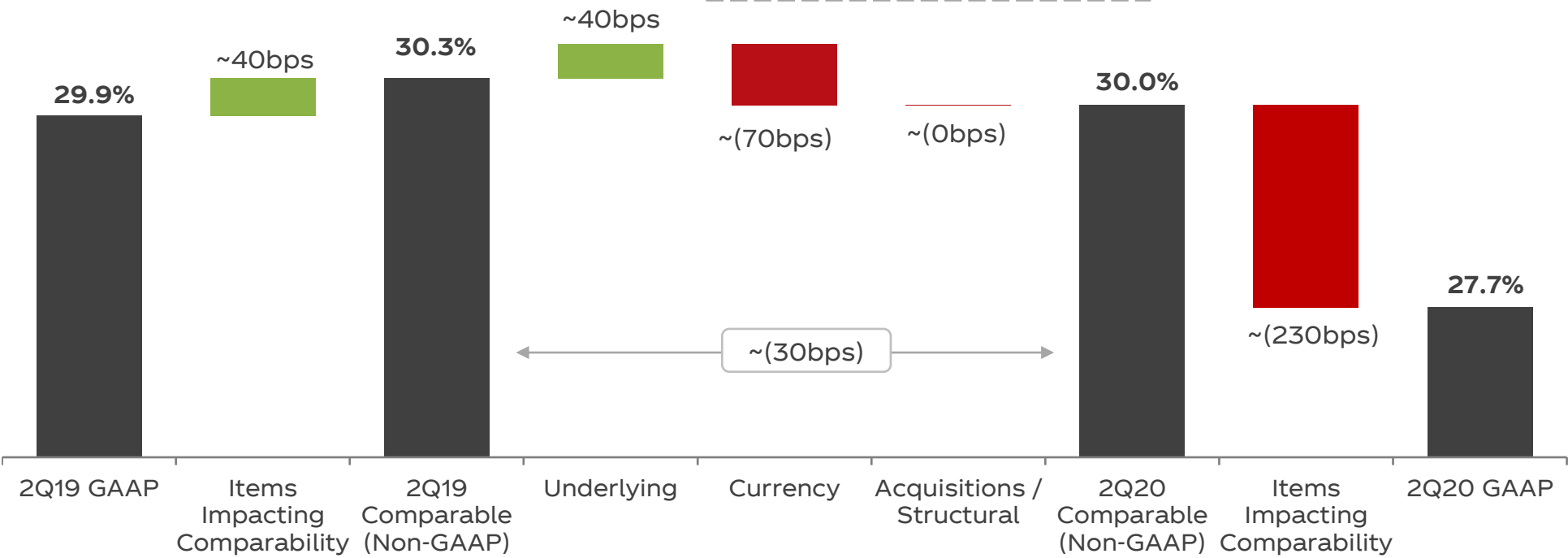


Q2 2020 MARGIN ANALYSIS

CONSOLIDATED OPERATING MARGIN



Segment mix tailwind of ~70bps is driven by declines in our lower margin finished goods BIG and Global Ventures segments exceeding the declines in our other segments



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 ~40 bps driven by effective cost management across operating groups along with some timing of expenses partially offset by pressure on the topline due to the coronavirus.

Note: Numbers may not add due to rounding.

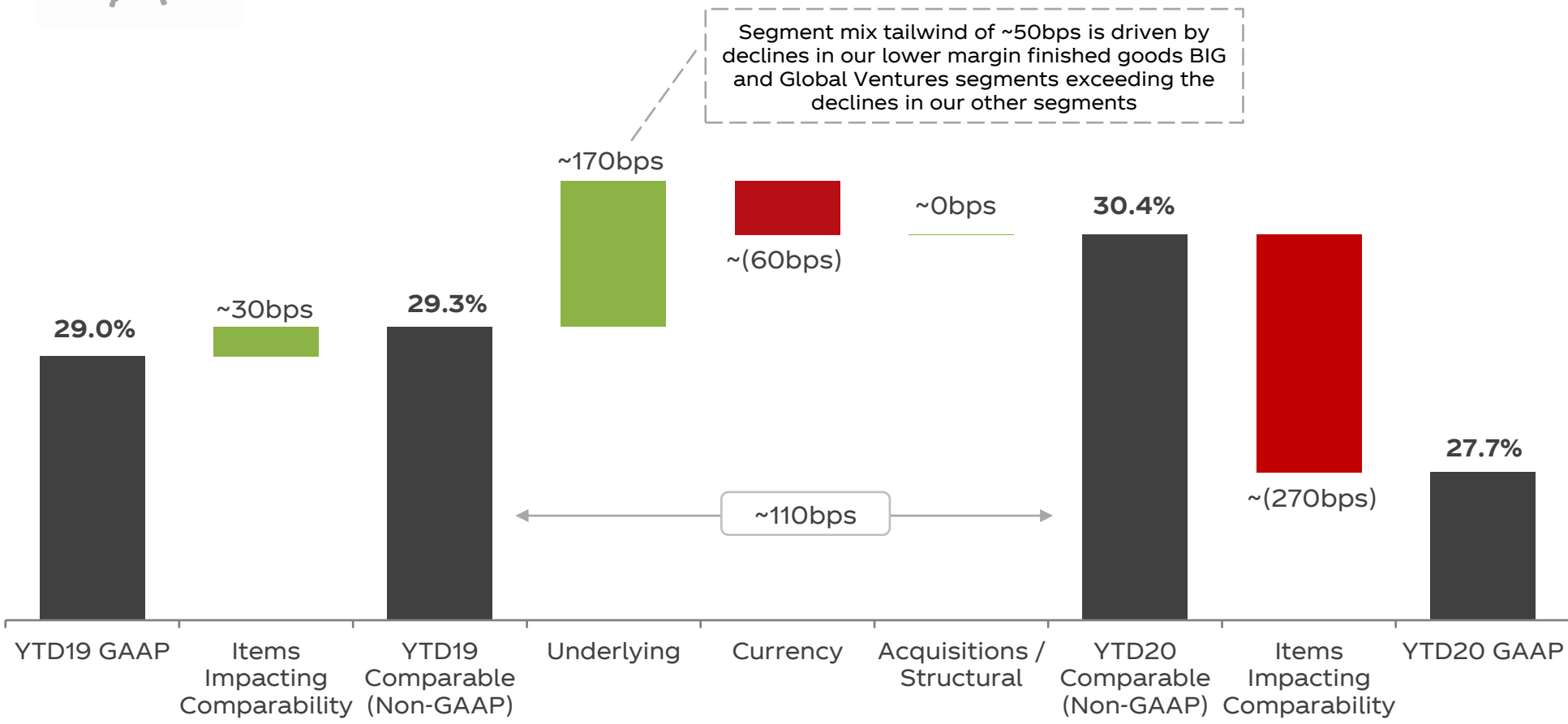


YTD 2020 MARGIN ANALYSIS

CONSOLIDATED OPERATING MARGIN



Segment mix tailwind of ~50bps is driven by declines in our lower margin finished goods BIG and Global Ventures segments exceeding the declines in our other segments



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 ~170 bps driven by effective cost management across operating groups, pricing in Latin America along with some timing of expenses.

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 June 26, 2020 | Three Months Ended June 28, 2019 | Basis Point Growth (Decline) |
|---|-------------------------------------|-------------------------------------|---------------------------------|
| Reported Gross Margin (GAAP) | 57.86% | 60.78% | (292) |
| Items Impacting Comparability | 0.21% | 0.06% | |
| Comparable Gross Margin (Non-GAAP) | 57.65% | 60.72% | (307) |
| Comparable Currency Impact (Non-GAAP) | (0.53%) | 0.00% | |
| Comparable Currency Neutral Gross Margin (Non-GAAP) | 58.18% | 60.72% | (254) |
| Impact of Acquisitions and Structural Items on Comparable Currency Neutral Gross Margin (Non-GAAP) | 0.04% | (0.28%) | |
| Underlying Gross Margin (Non-GAAP) | 58.14% | 61.00% | (286) |

| | Six Months Ended June 26, 2020 | Six Months Ended June 28, 2019 | Basis Point Growth (Decline) |
|---|-----------------------------------|-----------------------------------|---------------------------------|
| Reported Gross Margin (GAAP) | 59.47% | 61.02% | (155) |
| Items Impacting Comparability (Non-GAAP) | (0.34%) | 0.26% | |
| Comparable Gross Margin (Non-GAAP) | 59.81% | 60.76% | (95) |
| Comparable Currency Impact (Non-GAAP) | (0.44%) | 0.00% | |
| Comparable Currency Neutral Gross Margin (Non-GAAP) | 60.25% | 60.76% | (51) |
| Impact of Acquisitions and Structural Items on Comparable Currency Neutral Gross Margin (Non-GAAP) | (0.10%) | (0.33%) | |
| Underlying Gross Margin (Non-GAAP) | 60.35% | 61.09% | (74) |

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

Operating Margin:

| | Three Months Ended June 26, 2020 | Three Months Ended June 28, 2019 | Basis Point Growth (Decline) |
|---|-------------------------------------|-------------------------------------|---------------------------------|
| Reported Operating Margin (GAAP) | 27.71% | 29.89% | (218) |
| Items Impacting Comparability | (2.30%) | (0.43%) | |
| Comparable Operating Margin (Non-GAAP) | 30.01% | 30.32% | (31) |
| Comparable Currency Impact (Non-GAAP) | (0.70%) | 0.00% | |
| Comparable Currency Neutral Operating Margin (Non-GAAP) | 30.71% | 30.32% | 39 |
| Impact of Acquisitions and Structural Items on Comparable Currency Neutral Operating Margin (Non-GAAP) | (0.13%) | (0.13%) | |
| Underlying Operating Margin (Non-GAAP) | 30.84% | 30.45% | 39 |

| | Six Months Ended June 26, 2020 | Six Months Ended June 28, 2019 | Basis Point Growth (Decline) |
|---|-----------------------------------|-----------------------------------|---------------------------------|
| Reported Operating Margin (GAAP) | 27.69% | 29.01% | (132) |
| Items Impacting Comparability (Non-GAAP) | (2.71%) | (0.34%) | |
| Comparable Operating Margin (Non-GAAP) | 30.40% | 29.35% | 105 |
| Comparable Currency Impact (Non-GAAP) | (0.62%) | 0.00% | |
| Comparable Currency Neutral Operating Margin (Non-GAAP) | 31.02% | 29.35% | 167 |
| Impact of Acquisitions and Structural Items on Comparable Currency Neutral Operating Margin (Non-GAAP) | (0.23%) | (0.23%) | |
| Underlying Operating Margin (Non-GAAP) | 31.25% | 29.58% | 167 |