

THE COCA-COLA COMPANY AND SUBSIDIARIES

Reconciliation of GAAP and Non-GAAP Financial Measures

(UNAUDITED)

Gross Margin:

	Three Months Ended September 30, 2022	Three Months Ended October 1, 2021	Basis Point Growth (Decline)
Reported Gross Margin (GAAP)	58.73%	60.39%	(166)
Items Impacting Comparability (Non-GAAP)	(0.44%)	(0.70%)	
Comparable Gross Margin (Non-GAAP)	59.17%	61.09%	(192)
Comparable Currency Impact (Non-GAAP)	(0.51%)	0.00%	
Comparable Currency Neutral Gross Margin (Non-GAAP)	59.68%	61.09%	(141)
Impact of Acquisitions, Divestitures and Structural Changes on Comparable Currency Neutral Gross Margin (Non-GAAP)	(0.81%)	0.04%	
Underlying Gross Margin (Non-GAAP)	60.49%	61.05%	(56)

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(In millions except net debt leverage)

Gross Debt and Net Debt:

	As of September 30, 2022
Cash and cash equivalents	\$ 10,127
Short-term investments	1,120
Marketable securities	1,973
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Total cash, cash equivalents, short-term investments and marketable securities (Non-GAAP)	\$ 13,220
Loans and notes payable	\$ 3,396
Current maturities of long-term debt	729
Long-term debt	35,462
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Gross debt (Non-GAAP)	\$ 39,587
Net debt (Non-GAAP) ¹	\$ 26,367

¹ Net debt is calculated by subtracting total cash, cash equivalents, short-term investments and marketable securities from gross debt.

EBITDA:

	September 30, 2022 Trailing Twelve Months
Income before income taxes	\$ 12,146
<u>Less income items:</u>	
Interest income	377
Other income (loss) — net	571
<u>Add expense items:</u>	
Interest expense	743
Depreciation and amortization	1,294
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Earnings before interest, taxes, depreciation and amortization (EBITDA) (Non-GAAP)	\$ 13,235

Comparable EBITDA:

Comparable income before income taxes (Non-GAAP)	\$ 13,370
<u>Less income items:</u>	
Interest income	377
Comparable other income (loss) — net (Non-GAAP)	156
<u>Add expense items:</u>	
Comparable interest expense (Non-GAAP)	767
Depreciation and amortization	1,294
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Comparable EBITDA (Non-GAAP)	\$ 14,898

Net Debt Leverage:

	As of September 30, 2022
Net debt (Non-GAAP)	\$ 26,367
Comparable EBITDA (Non-GAAP)	\$ 14,898
Net debt leverage (Non-GAAP)	1.8x

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EBITDA:

	September 30, 2022 Trailing Twelve Months	Nine Months Ended September 30, 2022	Three Months Ended December 31, 2021
Income before income taxes	\$ 12,146	\$ 9,186	\$ 2,960
<u>Less income items:</u>			
Interest income	377	306	71
Other income (loss) — net	571	(509)	1,080
<u>Add expense items:</u>			
Interest expense	743	578	165
Depreciation and amortization	1,294	953	341 ²
Earnings before interest, taxes, depreciation and amortization (EBITDA) (Non-GAAP)	\$ 13,235	\$ 10,920	\$ 2,315

Comparable EBITDA:

Comparable income before income taxes (Non-GAAP)	\$ 13,370	\$ 10,950	\$ 2,420
<u>Less income items:</u>			
Interest income	377	306	71
Comparable other income (loss) — net (Non-GAAP)	156	38	118
<u>Add expense items:</u>			
Comparable interest expense (Non-GAAP)	767	596	171
Depreciation and amortization	1,294	953	341 ²
Comparable EBITDA (Non-GAAP)	\$ 14,898	\$ 12,155	\$ 2,743

² Calculated by subtracting depreciation and amortization of \$1,111 million during the nine months ended October 1, 2021 from depreciation and amortization of \$1,452 million during the year ended December 31, 2021.