March 9, 2018

THE Coca-Cola COMPANY

The Coca-Cola Company Announces Letter of Intent for Refranchising of Canadian Bottling Operations

Larry Tanenbaum and Junior Bridgeman to Form Canadian Joint Venture to Acquire Coca-Cola Refreshments Canada

Final Non-Binding Agreement Will Complete Refranchising of Company-Owned Bottling Operations in North America

TORONTO--(BUSINESS WIRE)-- The Coca-Cola Company today announced that Larry Tanenbaum O.C. and Junior Bridgeman have signed a non-binding Letter of Intent to acquire the company's Canadian bottling and distribution business, Coca-Cola Refreshments Canada (CCRC).

The acquirer will be a Canadian-based joint venture between Tanenbaum, a prominent Canadian businessman and philanthropist, and Bridgeman, a former NBA player, renowned entrepreneur and current President and CEO of Kansas City-based Heartland Coca-Cola Bottling Company. Each bring a distinct set of skills and expertise to the partnership that will support the long-term growth and success of the Coca-Cola business in Canada.

"Coca-Cola has been refreshing Canadians for more than 120 years and it was important for us to find the right partners that understand our business and the Canadian market," said Jim Dinkins, President of Coca-Cola North America. "Junior Bridgeman was a proud customer of The Coca-Cola Company for more than 30 years before investing in our system as a bottler, demonstrating his passion for our business and our brands. When you combine that with Larry Tanenbaum's successful track record and deep Canadian roots, this is the perfect partnership to continue to build our business in Canada with a highly local approach."

Tanenbaum's business, The Kilmer Group, has a longstanding history of building successful businesses throughout Canada, in areas as diverse as sports and media, and real estate and infrastructure. Additionally, Tanenbaum serves as chairman of Maple Leaf Sports & Entertainment, the owners of the Toronto Maple Leafs, Toronto Raptors, Toronto FC, Toronto Argonauts and the Air Canada Centre. He is also chairman of the Board of Governors of the National Basketball Association, and serves as a governor of the National Hockey League and Major League Soccer.

"As a lifelong fan of Coca-Cola, I am delighted to be joining the Coca-Cola system," said Larry Tanenbaum. "I have seen the company evolve over the years and know there is tremendous growth potential for The Coca-Cola Company's broad range of brands in the Canadian market. There is already a strong foundation and I look forward to working alongside Junior to continue to build the business through great brands, strong local execution and exceptional customer service."

Junior Bridgeman joined the Coke bottling system in 2017 with the formation of Heartland Coca-Cola, covering territories in Kansas, Missouri and Southern Illinois. Prior to this, Junior created and led one of the largest restaurant franchise operators in the United States, Manna Inc., based in Louisville, Ky. He also had a 12-year career as a professional basketball player in the NBA.

“Coca-Cola has been a big part of my life and I am excited for this opportunity to be part of the Canadian business,” said Junior Bridgeman. “Larry and I are committed to building on the traditions of The Coca-Cola Company while leveraging our heritage of putting people first, serving our local communities, and refreshing Canadians from coast to coast to coast.”

Added Shane Grant, business unit president of The Coca-Cola Company in Canada: “Looking to the future of Coca-Cola in Canada, we could not ask for better partners than Larry and Junior. We already have a strong foundation with The Kilmer Group through its various holdings, and this new partnership will provide unique and unprecedented opportunities as we continue to accelerate the growth of our business.”

CCRC employs approximately 5,800 associates and operates five production facilities and over 50 sales and distribution centres. CCRC conducts business in all 10 provinces and three territories.

This non-binding Letter of Intent initiates the final step to complete the refranchising of all of The Coca-Cola Company’s company-owned bottling operations in North America. In October 2017, the company announced the completion of refranchising in the United States.

The letter of intent announced today is subject to the parties reaching definitive agreements. 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.

The transaction is expected to close in the second half of 2018.

21st Century Beverage Partnership Model History

The Coca-Cola Company began working with its bottling partners a decade ago on plans to develop a model that evolves the system to serve the changing customer and consumer landscape, with a focus on creating stronger system alignment. A critical step was the company’s acquisition of the North American territories of Coca-Cola Enterprises in 2010, which led to the establishment of Coca-Cola Refreshments.

Since the closing of the transaction involving the North American territories of Coca-Cola Enterprises, The Coca-Cola Company has accelerated the implementation of the new model by strategically addressing the bottling system, customer service, product supply and a common information technology platform.

Ultimately, the Coca-Cola system in North America will be comprised of economically aligned bottling partners that have the capability to serve major customers, coupled with the ability to maintain strong, local ties across diverse markets in the United States and Canada.

About The Coca-Cola Company

The Coca-Cola Company (NYSE: KO) is the world’s largest total beverage company, offering over 500 brands to people in more than 200 countries. Of our 21 billion-dollar brands, 19 are available in lower- and no-sugar options to help people everywhere more easily control added sugar. In addition to our namesake Coca-Cola drinks, some of our household names around the world include: AdeS soy-based beverages, Ayataka green tea, Dasani waters, Del Valle juices and nectars, Fanta, Georgia coffee, Gold Peak teas and coffees, Honest Tea, Minute Maid juices, Powerade sports drinks, Simply juices, smartwater, Sprite, vitaminwater, and Zico coconut water. At Coca-Cola, we're serious about making positive contributions to our world. That starts with reducing sugar in our drinks and bringing new and different drinks to people everywhere. It also means continuously working to reduce our environmental impact, creating rewarding careers for our associates, and bringing economic opportunity wherever we operate. In fact, together with our bottling partners, we employ more than 700,000 people around the world. For more information, visit our digital magazine Coca-Cola Journey at www.coca-colacompany.com and follow The Coca-Cola Company on Twitter, Instagram, Facebook and LinkedIn.

About Tanenbaum and Bridgeman

The acquirer is a partnership between Canadian philanthropist and business leader, Larry Tanenbaum O.C., and NBA legend and successful Kansas City-based Heartland Coca-Cola Bottling Company owner, Junior Bridgeman. Tanenbaum and Bridgeman are both remarkable entrepreneurs who are committed to the betterment of their communities, and who invest with a multi-generational perspective and a long term horizon of vision. For more information about Bridgeman's Heartland Coca-Cola Bottling Company please visit www.heartlandcocacola.com and for more information about Tanenbaum's Kilmer Group, please visit www.kilmergroup.com.

Forward-Looking Statements

This press release may contain statements, estimates or projections that constitute "forward-looking statements" as defined under U.S. federal securities laws. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will" and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from The Coca-Cola Company's historical experience and our present expectations or projections. These risks include, but are not limited to, obesity and other health-related concerns; water scarcity and poor quality; evolving consumer preferences; increased competition; product safety and quality concerns; perceived negative health consequences of certain ingredients, such as non-nutritive sweeteners and biotechnology-derived substances, and of other substances present in our beverage products or packaging materials; an inability to be successful in our innovation activities; increased demand for food products and decreased agricultural productivity; an inability to protect our information systems against service interruption, misappropriation of data or breaches of security; changes in the retail landscape or the loss of key retail or foodservice customers; an inability to expand operations in emerging and developing markets; fluctuations in foreign currency exchange rates; interest rate increases; an inability to maintain good relationships with our bottling partners; a deterioration in our bottling partners' financial condition; increases in income tax rates, changes in income tax laws or unfavorable resolution of tax matters; increased or new indirect taxes in the United States and throughout the world; failure to realize the economic benefits from or an inability to successfully manage the possible negative consequences of our productivity initiatives; inability to attract or retain a highly skilled and diverse workforce; increased cost, disruption of supply or shortage of energy or fuels; increased cost, disruption of supply or shortage of ingredients, other raw materials, packaging materials, aluminum cans and other containers;

changes in laws and regulations relating to beverage containers and packaging; significant additional labeling or warning requirements or limitations on the marketing or sale of our products; unfavorable general economic conditions in the United States; unfavorable economic and political conditions in international markets; litigation or legal proceedings; failure to adequately protect, or disputes relating to, trademarks, formulae and other intellectual property rights; adverse weather conditions; climate change; damage to our brand image or corporate reputation from negative publicity, even if unwarranted, related to product safety or quality, human and workplace rights, obesity or other issues; changes in, or failure to comply with, the laws and regulations applicable to our products or our business operations; changes in accounting standards; an inability to achieve our overall long-term growth objectives; deterioration of global credit market conditions; default by or failure of one or more of our counterparty financial institutions; an inability to renew collective bargaining agreements on satisfactory terms, or we or our bottling partners experience strikes, work stoppages or labor unrest; future impairment charges; multi-employer pension plan withdrawal liabilities in the future; an inability to successfully integrate and manage our Company-owned or -controlled bottling operations or other acquired businesses or brands; an inability to successfully manage our refranchising activities; failure to realize a significant portion of the anticipated benefits of our strategic relationship with Monster; global or regional catastrophic events; and other risks discussed in our Company's filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K for the year ended December 31, 2017, which filings are available from the SEC. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Coca-Cola Company undertakes no obligation to publicly update or revise any forward-looking statements.

Coca-Cola Canada
Shannon Denny, 647-637-2574
sdenny@coca-cola.com
or
Kilmer Group
Isabelle Poirier, 647-282-6751
ipoirier@kilmergroup.com
or
Heartland Coca-Cola Bottling Company
Norman Ross, 954-401-9540
nross@heartlandcocacola.com

Source: The Coca-Cola Company