

We have reshaped our business in order to realize our potential as a unique growth company. Accordingly, our mission is to respond to consumers across our entire market, focusing on four basic interacting segments: Refreshment; Rejuvenation; Health and Nutrition; and Replenishment.

As a result, our Company can better focus our energy, resources and talent on our Company's growth through brand Coca-Cola as well as through an increasing assortment of beverages.



## REFRESHMENT

Brand Coca-Cola is the heart of our Company. It always has been and always will be. It's where the magic lives. Coca-Cola, Fanta, Sprite and a host of other carbonated soft drinks continue to provide consumers with special moments of refreshment, while fueling the engine that drives our Company's growth.



## REJUVENATION

More and more, people are turning to noncarbonated beverages to give them vigor and energy. Whether it's for a lift during the day or for enjoyment after the workday ends, consumers are embracing ready-to-drink teas and coffees. With every new discovery of the health benefits of teas, demand increases even more.



## HEALTH AND NUTRITION

Consumers of all ages want great-tasting beverages that also provide nutrients for healthy growth and keep them looking and feeling their best. Led by juices and milks, health and nutrition beverages represent roughly 40 percent of all ready-to-drink commercial beverages consumed around the world.



## REPLENISHMENT

Even as lifestyles change all over the world, there is one beverage that remains the essential element for all people — water. Our local focus all around the globe has given us valuable perspectives on how we can work with every community to provide access to clean water. And, beyond our abiding and renewed dedication to ensuring proper hydration for the world, we are also focusing on our portfolio of replenishment beverages to meet differing local tastes for water and to provide sports drinks that quench the thirst of people with active lifestyles.





For generations, the simple pleasure of drinking Coca-Cola has been associated with special times, special places and timeless moments — but also with the satisfying experiences of everyday life. That's the "magic" of Coke. Our Company doesn't create the magic; it's not an ingredient in the secret formula. It's something that emerges from the imagination of everyone who is touched by Coca-Cola.

Magic and imagination are key ingredients in a partnership between Harry Potter, the world's best-known wizard, and Coca-Cola, the world's best-known brand. Author J.K. Rowling's tales of an orphaned 11-year-old wizard have taken the world by storm, delighting grownups and children alike, and helping people of all ages rediscover one of life's simplest, most important pleasures — reading. Coca-Cola and the "Kids Portfolio" of The Minute Maid Company are working with Warner Bros. Pictures as the sole marketing partner for the upcoming film, "Harry Potter and the Sorcerer's Stone."

Coca-Cola celebrates and embraces the ideals promoted through the stories of Harry Potter — friendship, love, self-reliance, the importance of family, the magic of shared experiences and the value of diversity.

Throughout our history, we have deepened our bonds with consumers through association with icons of the age that share similar values with brand Coca-Cola and help tell timeless stories.



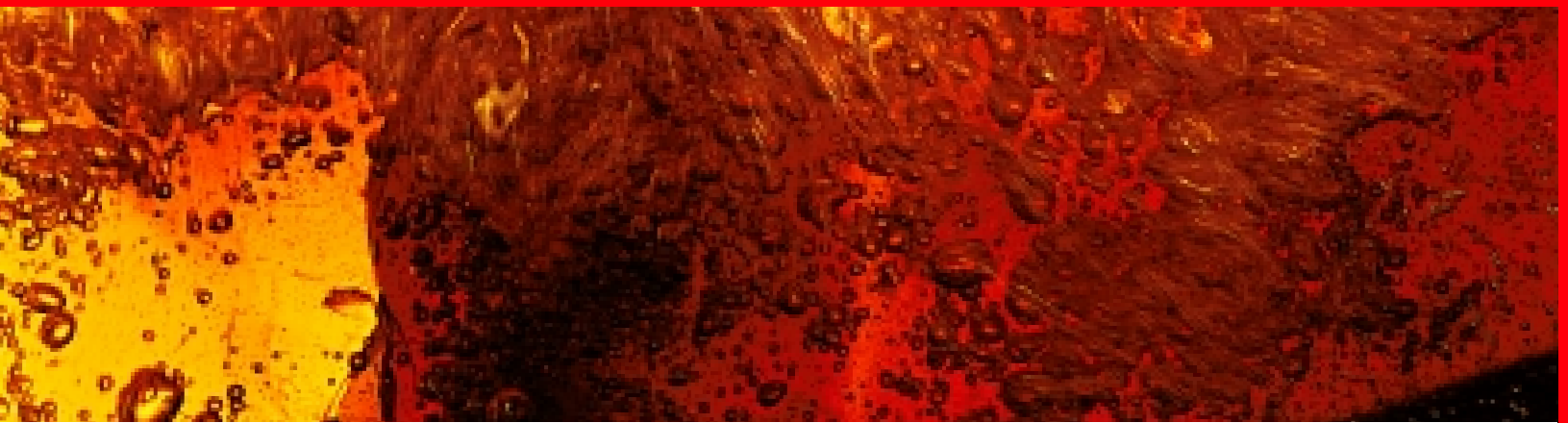


## REFRESHMENT

From a marketing standpoint, two more perfectly-suited partners would be hard to find. Harry Potter has a universal appeal, enchanting families and individuals across age groups and cultures — much like Coca-Cola. Few other companies have a global reach to match the worldwide popularity of the young wizard.

Yet as exciting as such opportunities are, the real magic of this partnership goes beyond marketing and promotions. Coca-Cola is undertaking a comprehensive campaign to bring joy and imagination through reading to youngsters and adults around the world. Over the next three years, coinciding with the release of the first two Harry Potter movies and, later, videos and DVDs, Coca-Cola will develop programs in local communities that will engage and encourage readers at all skill levels.

We're thrilled about our relationship with Harry Potter. But it's just one way Coca-Cola is connecting with consumers.



Within our range of carbonated soft drinks, we refresh consumers through a variety of brands that appeal to different tastes, different cultures and lifestyles. Our global brands, Coca-Cola, diet Coke/Coca-Cola light, Fanta and Sprite are supported by local carbonated soft drinks like Kuat, Lift Apple, Barq's root beer, Quatro grapefruit, Thums Up and Limca.

And we're also using innovative technologies to strengthen relationships between consumers and our carbonated soft-drink brands — for instance, connecting consumers with their favorite soft drink using their cellular phone and an intelligent vending machine.

Harry Potter and Coca-Cola, as well as a host of great carbonated soft-drink brands — it all comes together like magic.









In a tucked-away office in Rome, Italy, a weary account executive reaches for a can of Nestea Lemon Iced Tea. In a Tokyo club, a young couple steps onto the sidewalk, each with a Georgia coffee drink — one hot, one icy cold. In a suburb of the city, a busy young mother takes a break with a glass of Sokenbicha, a popular blend of teas and herbs.

Around the world, consumers are turning more and more to ready-to-drink coffees, teas, and herbal beverages. Rejuvenation drinks, that improve how people feel physically and mentally, are nothing new to The Coca-Cola Company.

In fact, our Company has been in a tea-marketing relationship with Nestlé S.A. for some 10 years. Recently, a proposal to expand that partnership was announced. The Coca-Cola Company and Nestlé S.A., in a proposed transaction subject to regulatory approval, will join to form a new unit, Beverage Partners Worldwide (BPW), to tap further into this promising market.

By combining the depth of knowledge in life science, research and development and innovation skills of Nestlé S.A. with our marketing expertise and distribution strength, we anticipate that BPW will represent us well in this exciting category and provide both parent companies higher growth and more attractive returns than either could achieve on its own.






## REJUVENATION

In many ways, BPW will be a continuation of an earlier joint venture known as Coca-Cola Nestlé Refreshments (CCNR). Formed in 1991, CCNR now sells beverages in 35 countries and occupies a solid position in the ready-to-drink tea category. BPW, however, will mark an important refocusing of resources for Coca-Cola. As well as enjoying the complimentary resources of each parent, the new entity will have a clear focus on marketing and sales and take an entrepreneurial approach to its business. This combination will give BPW the flexibility and capability to quickly respond to consumer trends embracing rejuvenation beverages.

Already, BPW's portfolio will feature successful products with solid presence in a wide range of markets: Nestea teas in 32 countries around the world; Nescafé coffees in Europe and Asia; the Belté teas in Italy; and, Yang Guang teas in Hong Kong, Macau and Saipan.

But even as BPW works to strengthen these markets, it will also be creating new ones, introducing its more successful brands into countries and regions where research shows similar consumer tastes.

For example, Georgia brand coffees, Japan's top brand of ready-to-drink coffee, and Nagomi teas, also a success in Japan, will be introduced into selected new markets.



BPW is an ambitious venture, one that will demonstrate our Company's commitment to new markets and new thinking. "We can't look at this category the way we look at the carbonated soft-drink business," says Jay Gould, vice president, Portfolio Development and Innovation. "The fact is, this beverage category isn't about universal appeal, it's really about differentiation and local tastes — finding out what consumers want and delivering."

That's what we are doing with Burn, a high-potency energy drink that quenches young peoples' thirst during their evenings out. Introduced in Australia, Burn was recently launched in the U.K. with an underground marketing campaign spreading the word about the beverage in nightclubs and bars.

Managers at Coca-Cola U.K. decided that Burn would be best distributed by following a strategy different from the typical route to market for our products in Great Britain. Instead, they restricted distribution to build "cool" equity and placed a premium on outlet selection. Only the "coolest" bars and clubs were chosen as customers for Burn. A word-of-mouth campaign helped build awareness of the brand and a CD, video reel and art book were developed by local creative talent to convey the essence of the Burn brand and generate interest among young adults.

