CREATING NEW VALUE

THE COCA-COLA COMPANY 2002 ANNUAL REPORT


HERE.

AND EVERYWHERE.

For The Coca-Cola Company, 2002 was a decisive year in our drive to create value. You can see the evidence in our new products and our familiar brands, in breakthrough packaging and fresh approaches to our consumers. You can see it in our broadening geographic reach and deepening partnerships. And you can see it in our commitment to the communities in which we do business. Renewed innovation and reinvigorated execution are leading The Coca-Cola Company to a new era of growth and enduring economic value.

Financial Highlights

YEAR ENDED DECEMBER 31, *(in millions except per share data, ratios and percentages)*	2002	2001	PERCENT CHANGE
Net operating revenues	**$ 19,564**	$ 17,545	12
Operating income *(includes $373 in 2002 and $0 in 2001 related to the impact of the adoption of the fair value method of accounting for stock-based compensation)*	**$ 5,458**	$ 5,352	2
Net income before cumulative effect of accounting change	**$ 3,976**	$ 3,979	—
Net income	**$ 3,050**	$ 3,969	(23)
Net income per share before cumulative effect of accounting change (basic and diluted)	**$ 1.60**	$ 1.60	—
Net income per share (basic and diluted)	**$ 1.23**[1]	$ 1.60[2]	(23)
Net cash provided by operating activities	**$ 4,742**	$ 4,110	15
Dividends paid	**$ (1,987)**	$ (1,791)	11
Share repurchase activity	**$ (707)**	$ (277)	155
Return on capital	**24.5%**	26.6%	
Return on common equity	**34.3%**	38.5%	
Unit case sales *(in billions)*			
International operations	**13.1**	12.5	5
North America operations	**5.6**	5.3	6
Worldwide	**18.7**	17.8	5

[1] 2002 basic and diluted net income per share includes the following items: $.37 per share decrease after income taxes related to the cumulative effect of a change in accounting principle resulting from the adoption of Statement of Financial Accounting Standards (SFAS) No. 142, "Goodwill and Other Intangible Assets"; $.11 per share decrease after income taxes related to the impact of the adoption of the fair value method of accounting for stock-based compensation under SFAS No. 123, "Accounting for Stock-Based Compensation"; $.06 per share decrease after income taxes primarily related to the write-down of our investments in Latin America; and $.01 per share decrease after income taxes related to the Company's share of charges taken by certain investees in Latin America. These items are partially offset by $.01 per share increase after income taxes related to our Company's share of a gain recognized by an investee in Latin America, Cervejarias Kaiser S.A.

[2] 2001 basic and diluted net income per share includes a noncash gain of $.02 per share after taxes, which was recognized on the issuance of stock by Coca-Cola Enterprises Inc., one of our equity investees.