

E. Neville Isdell

Chairman and
Chief Executive Officer



Dear Fellow Shareowner:

As I write to you today, I am pleased with the progress we made in 2005 toward our goal of delivering consistent, sustainable growth. In 2005, both profits and unit case volume reached a record high, and our employee morale improved. *Our Manifesto for Growth* has set our strategic road map, and the engagement of our people has given us a solid start.

Sustainable growth is how The Coca-Cola Company will regain its position as the beverage provider of choice for consumers, the employer of choice for our people, the partner of choice for our customers and the investment of choice for our shareowners.

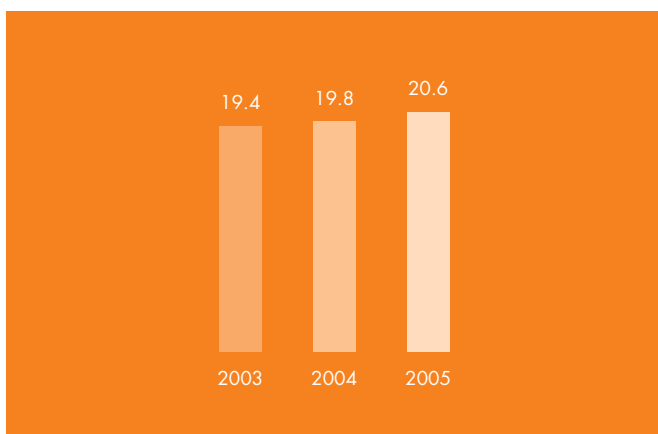
We understand the unspoken agreement between our Company and those who choose to purchase and consume our products every day around the world. We understand our responsibilities as an engaged citizen of the world. We believe we lead a system that creates value and makes a positive difference everywhere it does business. Taken as a whole, the Coca-Cola system—comprising The Coca-Cola Company and our bottling partners—is one of the largest consumer

products enterprises in the world, with hundreds of thousands of employees and an estimated \$80 billion in revenue.

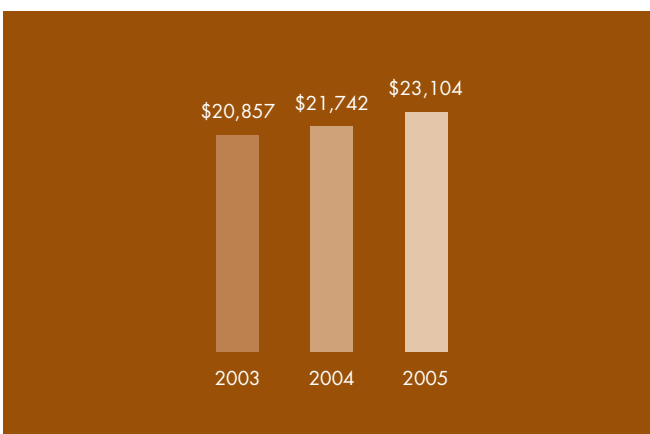
My priority in 2005 was to continue building on this unrivaled foundation to deliver long-term sustainable growth while being mindful of our short-term commitments. Our work is far from finished, but as we've moved from words to deeds and from plans to actions, the initial impact of our efforts shows clearly in our 2005 results.

In 2005, our Company earned \$2.04 per share, an increase of \$0.04—2 percent—over 2004. Volume grew 4 percent to 20.6 billion unit cases, and net operating revenues grew 6 percent to \$23.1 billion. Through *Our Manifesto for Growth*, we identified strategic corridors for expansion to complement our core carbonated soft-drink business. We more effectively integrated marketing, strategy and innovation while reinvesting an incremental \$400 million in those capabilities. And we introduced new products—capturing greater share—in juice and juice drinks, water, energy drinks and sports drinks.

Unit Case Volume (in billions)



Net Operating Revenues (in millions)



Platform for Sustainable Growth: In my letter to you a year ago, I identified six areas of focus required to accelerate sustainable growth. We made meaningful progress in each of these areas in 2005.

Build on our fundamental strengths: To help improve execution around the world, the Company revised its organizational structure in March 2005, creating the East, South Asia and Pacific Rim Group; the European Union Group; and the North Asia, Eurasia and Middle East Group. On February 1, 2006, we appointed Muhtar Kent as president, Coca-Cola International, to manage our business outside of North America. The leaders of our international operations reporting to Muhtar are Alex Cummings, Africa; Glenn Jordan, East, South Asia and Pacific Rim; Dominique Reiniche, European Union; and José Octavio Reyes, Latin America. Don Knauss continues to report to me and to lead our North America Group. Muhtar also leads the North Asia, Eurasia and Middle East Group.

This strong leadership team—together with a new organizational structure—increases our ability to monitor and fine-tune execution in individual markets. These operating group leaders are members of our Executive Committee, which is composed of 15 leaders with 264 years of combined Coca-Cola system experience—a very real expression of our commitment to talent development within our system.

Under the leadership of Sandy Douglas, our chief customer officer, we are working with our worldwide bottling system to significantly improve our ability to create value with and for our customers. Our new collaborative customer relationship process has been refined in three lead markets—Japan, Mexico and Switzerland—and is now being implemented with key customers in other markets around the world. In an increasingly complex retail environment, we are working together with our customers to improve shopper marketing and supply chain collaboration and to accelerate innovation in order to provide superior beverage selections to every consumer on every shopping trip.

Generate new avenues for growth through core brands, with a focus on diet and light products: Last year, we continued to see strong results for carbonated soft drinks, led by our core brands—Coca-Cola, Diet Coke, Sprite and Fanta. Coca-Cola, the world’s best-loved soft drink, grew 2 percent in unit case volume in 2005, the highest rate of growth in five years. We also introduced several new Trademark Coca-Cola diet and light products, including Diet Coke Sweetened with Splenda and Coca-Cola Zero in North America. By the end of 2005, Coca-Cola Zero approached a 1 percent share in supermarkets—a significant accomplishment for a new beverage—and I believe the product will be among the North America Group’s top-10 carbonated soft-drink brands in 2006.

In North America, we relaunched Fresca—with new flavors, graphics and packaging—driving unit case volume growth of 16 percent in the last quarter of 2005. Diet Sprite Zero/Sprite Zero also posted impressive unit case volume gains, increasing 16 percent globally. As we began 2006, we launched Black Cherry Vanilla Coca-Cola and Diet Black Cherry Vanilla Coca-Cola in North America, putting Vanilla Coke and Diet Vanilla Coke on hiatus as we cycle in new products and effectively manage shelf space. In 2006, we continue our focus on diet and light products to capitalize on the strong 4 percent unit case volume growth we had in 2005.

Continue to expand into other profitable segments of the nonalcoholic beverage industry: Globally, our Company significantly outperformed the market in juice and juice drinks and sports drinks, capturing more than one-third of the worldwide growth in juice and juice drinks and more than half of the growth in sports drinks.

We are the largest juice and juice drink company in the world: Minute Maid is available in 80 countries and unit case volume grew 11 percent in 2005, with share improvement in a number of key markets driven by products such as Minute Maid Premium Heart Wise and Minute Maid Premium Kids+. And in Nigeria, our Five Alive juice brand unit case volume grew 47 percent in 2005.

In 2005, our partnership with Coca-Cola Hellenic Bottling Company S.A. allowed us to jointly purchase Multon, one of Russia's leading juice providers, further strengthening our presence in an important emerging market.

Our Company is the leader in sports drinks outside of North America. In 2005, Aquarius and POWERADE grew 25 percent and 22 percent worldwide, respectively, and we continued to innovate in both brands, transforming Aquarius beyond being considered only a sports drink choice in Spain and Japan and launching POWERADE Option, a low-calorie sports drink, in North America. POWERADE gained 2 share points in North America in 2005 and is now available in 76 countries.

We also gained worldwide share in the water category in 2005, with Dasani unit case volume growing 29 percent from international expansion and flavor extensions as well as strong growth in North America. And the Coca-Cola system became the third-largest energy drink provider in the United States, launching Full Throttle in the first quarter of 2005. With the arrival of Tab Energy and Full Throttle Fury in the first quarter of 2006, I believe our momentum in this highly profitable category will continue to build.

Expand our presence in immediate-consumption

channels: Immediate-consumption unit case volume grew more than 3 percent in 2005. While this was a substantial improvement over 2004, it is still well below the long-term growth potential for the immediate-consumption channel. As a first step to better meeting that potential, we completed an occasion-based map and a global immediate-consumption strategy to target high-growth opportunities. Working with our bottling partners and suppliers, we also made progress on a new generation of equipment that will provide a more distinct immediate-consumption beverage experience. And we identified best practices from some of our best immediate-consumption markets—merchandising from Ireland, product innovation from Mexico and routes-to-market from Chile—for worldwide standardization. As these initiatives continue to progress, I believe profit and volume from immediate-consumption channels will continue to accelerate.

Re-energize marketing and innovation: In 2005, we appointed Mary Minnick to lead our new Marketing, Strategy and Innovation (MSI) Group. Mary brings to the group considerable marketing and operating experience from her work in Asia, particularly Japan, one of the world's most competitive and fastest-changing beverage markets. In 2005, the MSI Group led a comprehensive review of our marketing programs and identified key opportunities for growth. Work began on the new global campaign, "The Coke Side of Life," along with a new global digital platform, "iCoke." The MSI Group also led development of the "Make Every Drop Count" communications platform, an integrated effort to educate consumers and opinion leaders on our portfolio, policies and community programs.

Our message—make the most of what you do and how you do it—resonates in our efforts to promote health, well-being and quality of life through physical activity. Our commitment has been expressed again and again in the organizations and events to which we contribute and the activities we support. In 2005, we renewed our partnerships with the International Olympic Committee and the Fédération Internationale de Football Association (FIFA) through 2020 and 2022, respectively.

And in cities and towns throughout Asia, Europe and North America, hundreds of thousands of boys and girls enjoyed Coca-Cola-sponsored soccer clinics, tournaments and camps and the joy that comes from exercise and competition. We also continued our support of programs such as "Thai Kids on the Move," which includes classroom instruction and aerobics. More than 395,000 students have participated in this program in Thailand and have increased their daily activity and knowledge of the benefits of exercise and nutrition.

Drive increased efficiency and effectiveness: Better efficiency and effectiveness begins with the alignment of our system around shared goals and performance targets and depends on how well we collaborate with our bottling partners. Last year, we continued to work with our bottling partners to improve execution of our revenue growth strategy to increase

unit case volume profitability and efficiency around the world. Using best practices from Argentina, Brazil and other system models, we refined and improved our revenue growth strategy and trained thousands of managers on its implementation. This strategy has improved our operations in South Africa, for example, contributing to unit case volume growth of 8 percent in 2005.

Our Role in Communities: In addition to advancing profitability and identifying growth opportunities throughout our system, we aspire to be the world's most respected company. Creating sustainable growth for our system allows us to stimulate economic growth, to strengthen the communities where we do business, and to protect and preserve the planet for future generations. Good corporate citizenship has been an integral part of who we are for 120 years now, and it will be even more important going forward.

Last year, we continued our efforts through our Company's 18 local foundations and one global organization—The Coca-Cola Foundation—to fund initiatives in the countries where we operate, including the reconstruction of schools in Indonesia; Thailand's new e-Community Learning Center; and HIV/AIDS education and awareness programs in Africa. Also last year, our system donated more than \$15 million to the International Red Cross, CARE and other agencies for disaster relief efforts around the world, including the areas affected by Hurricane Katrina, the tsunami in 2004 and the Pakistan earthquake, among others. In those crisis situations, we donated hundreds of thousands of cases of water, juice and juice drinks, and other beverages for victims and relief workers.

Conclusion: In 2006, we will continue to accelerate the growth that enables us to make a positive difference in the world by refreshing people every day and inspiring them with the optimism of our brands, the actions of our Company and the spirit of our people. We will actively protect and enhance the reputation of The Coca-Cola Company and our


brand image. We will continue an expansion of our portfolio that anticipates and satisfies our consumers' preferences and needs around the world.

I want to thank the many people who contributed to our success last year—our system's employees and alumni; our bottling partners, customers and suppliers; and our consumers. I also want to thank our Directors who will not stand for re-election to our Board in April 2006. Warren Buffett, Maria Elena Lagomasino and Pedro Reinhard have been astute leaders and trusted friends of the Company during their tenure as Directors. In particular, I would like to express my appreciation to Warren for his 17 years of service to our Company. We are proud of his association with us and Berkshire Hathaway's long and continuing stake in our Company. We will miss the wise counsel and advice they have contributed over the years.

And, of course, I want to express my deepest appreciation to you, our shareowners. You have kept faith in us, believing in our tremendous opportunity for future growth and our ability to realize that opportunity. We are working hard to repay that trust and to reward you for your investment.

While we take pride in what we have accomplished to date, we recognize that our efforts have not yet been evidenced in total shareowner return. However, the path we are on to sustainable growth is the only way to build value for shareowners over time. There is much more to do, but I believe we are worthy of your trust because of the significant progress we have made.

Sincerely,



E. Neville Isdell
Chairman and Chief Executive Officer