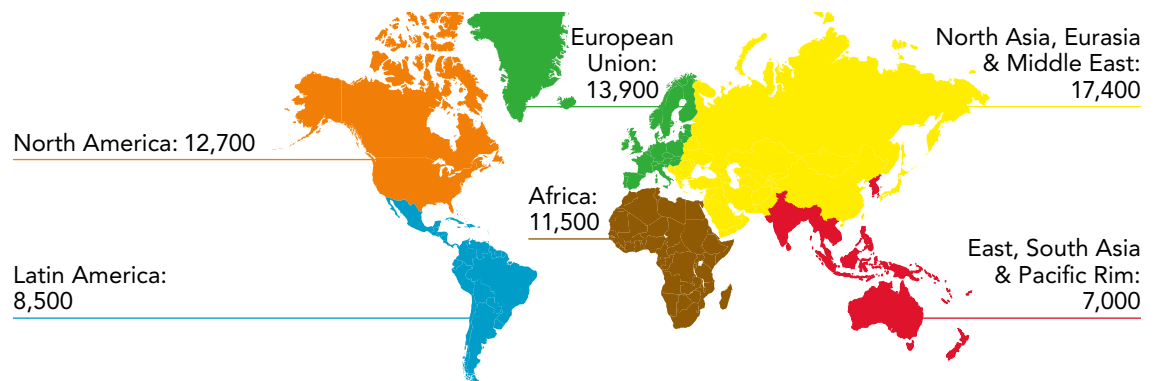




# Think locally. Refresh globally.

Global Workforce: 71,000\*



\*Corporate and Bottling Investments associates are included in the geographic area in which they work. Numbers are approximate and as of December 31, 2006.

**One of our greatest assets is our local roots.** Around the world, in almost 90 percent of more than 200 countries, our beverages are produced by *local* people with *local* resources. We create brands that embrace distinct tastes and local preferences. Our 71,000 associates around the world live and work in the markets we serve. In this geographically diverse environment, we learn from each market and share those learnings quickly. As a result, our Company culture is ever more collaborative. From beverage concept and development to merchandising, our associates are sharing ideas across departments and markets in new ways. Consequently, our associates are increasingly enthusiastic about their work and inspired to turn plans into action.

**Our geographic diversity helps to ensure balanced growth.** We have the most significant global footprint of any beverage company. International unit case volume growth of 6 percent in 2006 was led by strong growth in Brazil, China, Mexico, the Middle East, North and West Africa, Russia and Turkey. This strong growth, as well as stabilization in the European Union and improving trends in India and Japan, helped offset weak performance in the Philippines and the United States.

**We are committed to building sustainable communities.** The health of our business depends on the health of the communities in which we operate. Salaries, tax revenues and the multiplier effect of our business help to fuel local economies. For each job created within our system, many additional jobs are created through suppliers, retailers and other business partners. Our contribution is more than just economic. Through our work with many organizations, we strive to improve access to drinkable water, increase HIV/AIDS awareness and provide disaster relief.

# 73%

of our unit case volume  
from operations outside of  
North America in 2006



1.4+ billion servings each day worldwide

# Beverages for life.

Unit Case Volume Growth 2006 vs. 2005

+4%

WORLDWIDE



+3% TRADEMARK COCA-COLA



+4% SPARKLING BEVERAGES



+7% STILL BEVERAGES

## The Research

To stay competitive, we focus on getting to know our consumers better and anticipating their needs. We are creating the beverages our consumers reach for throughout their day and in every stage of their lives. We are developing more relevant connections with them through innovative marketing and merchandising programs, Internet communities and promotions.

In the largest consumer research study in our history, thousands of people in nearly 50 countries shared their ideas and opinions with us. What we learned is giving us new insight into the wide range of beverage needs, from refreshment to health, beauty and nutrition—even happiness.

**People love our core global brands.** In 2006, we developed new products and marketing campaigns to grow Coca-Cola, Diet Coke, Sprite, Fanta and Minute Maid, as well as other brands. Coca-Cola Zero has been a global hit. Introduced in late 2005, it helped boost our Trademark Coca-Cola unit case volume in Australia, Great Britain, the United States and 16 other markets.

**People expect more from their beverages.** Our Beverage Institute For Health & Wellness partners with universities and other organizations on clinical trials and research to develop the next generation of beverages to refresh, energize and nourish. For example, the Institute works with the China Academy of Chinese Medical Sciences to research the active ingredients in Chinese medicinal beverages and soups for the potential development of new beverages.



Coca-Cola Zero has been one of the most successful launches in our history and accounted for nearly one third of Trademark Coca-Cola growth in 2006.

56 percent

of our unit case volume growth represented by Trademarks Coca-Cola, Sprite and Fanta in 2006

2,600+

beverage products worldwide

367

launches of existing products in new markets in 2006



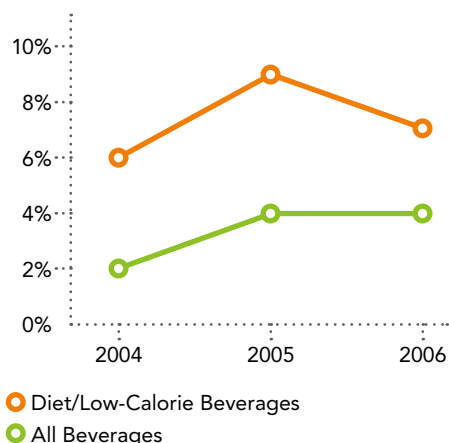


Within our juice and juice drink, energy and sports drink, and tea categories, we are innovating to provide even greater health benefits. We continue to explore growing our tea and coffee business with a focus on value-added benefits, including antioxidants. In 2006, through Beverage Partners Worldwide, our joint venture with Nestlé S.A., we launched Envigo, which is an innovative sparkling green tea beverage.

**Consumers want convenience—without sacrificing taste.** Around the world, we are introducing juice and juice drinks that are individually packaged, easy to open and ready to drink. Newly launched Minute Maid Juices to Go in 10-ounce bottles are designed for vending or cooler sales in schools and convenience stores. Easy-to-open pouches of Minute Maid Just 10 provide quick, low-calorie refreshment. And for the millions of consumers who want a great cup of coffee or tea on the go, we are test marketing Far Coast—making it quick and convenient for our customers to offer freshly brewed coffee and tea to consumers. In 2006, we opened Far Coast concept stores in Singapore and Toronto.



### Unit Case Volume Growth





## The Marketplace

Our customers are the grocery stores, restaurants, convenience stores, movie theaters and amusement parks, among many others, that sell our beverages to our consumers. In 2006, we worked more closely with our customers and other business partners to benefit our consumers.

**Our new Collaborative Customer Relationship Model** helps design “perfect shopper” scenarios. With more than 70 percent of consumer decisions made in-store, we have redesigned our marketing in the retail environment to best capture this opportunity. Through this new system, knowledge about consumers and shoppers can be shared immediately between our Company and our retail customers through technological innovations. Knowledge flows both ways. We share best practices across markets; customers bring us ideas on everything from new beverages to better supply chain and inventory management.

We have even innovated the way we go to market with some of our customers. This includes partnering on initiatives such as FIFA World Cup™ promotions, recycled packaging and an automated replenishment program that streamlines ordering.

**We are sharing knowledge with customers** large and small to multiply the mutual benefits of such partnerships. In China, we have worked with our major customers to study and share shopper insights, creating merchandising innovations in stores that have yielded more effective product displays, more competitive store placements and increased sales for our customers and our Company.



More than **70 percent**  
of consumer decisions are made in-store.

## The Art of Marketing

In 2006, we launched campaigns and activities that were global in reach and local in their messaging and visuals.

The “Coke Side of Life” is our first-ever integrated marketing campaign for Trademark Coca-Cola. The playful, consumer-friendly campaign rekindles the magic of Coca-Cola and its unifying role in daily life around today’s active, mobile and digital world. The “Coke Side of Life” has significantly outperformed historical Coca-Cola advertising and launched in almost 100 markets in 2006. “Happiness Factory” television commercial is part of this global campaign and is the highest-rated global spot in the Company’s history.

Another success for the year was our Sprite SubLYMONal multimedia marketing campaign, which celebrates the Lymon taste in a parody of subliminal advertising. These irreverent ads direct consumers to Sprite’s new interactive Web site at [www.SubLYMONal.com](http://www.SubLYMONal.com). The campaign included redesigned packaging and the first Sprite Street Couture Showcase, celebrating the brand’s hip-hop culture.



Trademark Sprite unit case volume increased 5 percent worldwide in 2006.



The Internet: Millions of users around the globe log on to our Web sites, learning more about our beverages, sponsorships and partnerships and entering to win prizes.



the **Coke** side of life





FIFA World Cup™  
product memorabilia  
in Latin America

The “Live Olympic” spirit of our marketing platform for the 2006 Olympic Winter Games in Torino, Italy, captured the imagination of consumers with a simple proposition: “What if the Olympic Spirit came around every two seconds, instead of every two years?”

Our FIFA World Cup™ campaign scored big with consumers and included creative promotions from Argentina to Germany that united Coca-Cola’s exuberance with the worldwide love of soccer.

“Make Every Drop Count” is designed to build awareness among consumers about the benefits of our beverage portfolio and to share factual information about daily beverage needs. This campaign reminds people that for all the energy or drops they expend in their daily lives, we strive to give those drops back through the benefits of what we sell—beverages that deliver hydration, energy, relaxation, nutrition or pure enjoyment.



“Make Every Drop Count”:  
featured in *US Ad Review*’s “The Best American Advertising”



“Happiness Factory”:  
winner of the Epica d’Or (the Grand Prix Gold Prize) at the Epica Awards, Europe’s premier creative awards



Coca-Cola Zero worldwide unit case volume reached over 100 million in 2006.



# Millions of parts. One smooth machine.

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Before our beverages can be enjoyed by a single consumer, they must be manufactured, marketed and merchandised for sale in customer outlets. This is the work of our bottling system. Ours is one of the largest consumer products systems in the world, with hundreds of thousands of employees and an estimated \$80 billion in revenue.

**We have renewed our focus on franchise leadership for mutual growth across the Coca-Cola system.**

We are strengthening our franchise partnerships with our bottlers through joint planning, collaborative investment, integrated marketing efforts, shared values and a sense of urgency and flexibility to meet consumers' ever-changing needs. In 2006, we made great strides in these areas, improving productivity and operational efficiencies and merchandising more effectively at the point of sale.

**Most of our bottling partners are independent companies with operations in local communities** around the world. In order to propel growth, we collaborate on the shared strategic vision that moves us closer to the marketplace, builds competitive advantages and makes us better trained and equipped to handle challenges wherever we do business. We are planning and investing together to create long-term sustainable growth for our system. For example, we are investing in new information technology that allows us to share expertise, get immediate feedback on new products and packages, and capture results and data in a consistent format. Together, such advances are improving operational effectiveness.

**In 2006, for the first time, we brought together our Company-owned bottlers** into a single operating group called Bottling Investments.

With a strong focus on customers, marketplace execution and capability development, the group has started to transform the performance of our Company-owned bottlers, achieving a significant improvement in operating income margin in 2006.

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The Coca-Cola system sells, on average,

**58 million**

unit cases of beverages every day.

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# Good for the planet. Good for business.

Environmental stewardship and corporate responsibility, alongside profitability, help to build sustainable communities and are essential for our continued success. Our future depends on healthy communities, access to clean water, fresh air and waste-free landscapes.

Today’s environmentally and socially conscious consumers and investors expect products to be good, good for you and good for the planet. They put their purchasing power behind the products and companies that meet their expectations. Caring for the planet is not just a nice thing to do; it is the smart thing to do.

Our system is becoming more productive and efficient, reducing our consumption of water, raw materials and energy. We are increasingly focused on developing manufacturing and information technology systems to help us maximize the potential of our supply chain.

Clean, fresh water is an important ingredient in the beverages we make. Protecting and replenishing water resources is a primary environmental issue for us—one that is vital to the life of our business and to the sustainability of the communities we serve. We strive to be industry leaders in responsible water use and the replenishment of water throughout our operations and beyond. We are treating water and then recycling it for use in our plants to clean bottles and wash trucks and eventually returning it to the environment.



**Global Water Challenge (GWC)**  
We co-founded this initiative to help ensure universal access to safe drinking water and sanitation. Information on projects is available at [www.globalwaterchallenge.org](http://www.globalwaterchallenge.org).

**Golden Peacock**  
Hindustan Coca-Cola Beverages Pvt. Ltd. (a Company-owned bottler in India) received the Golden Peacock Environment Management Special Commemoration Award from the World Environment Foundation.

**“Every Drop Matters”**  
This \$7 million initiative implemented with the United Nations Development Programme helps improve access to potable water and address watershed issues in Central Asia, eastern Europe and Turkey.





We are also replenishing water systems—for instance, through rainwater harvesting in India and watershed restoration in North America. Together with partners and local communities, we have developed 69 projects in 40 countries to address issues concerning access to potable water, water sanitation, watershed protection and water education.

**In 2006, we reduced our use of packaging resources in two ways:** by designing packages to be more efficient and advancing technologies that enable greater use of recycled materials. Using advanced computer design software, we successfully reduced the weight and improved the impact resistance of our glass contour bottle. This innovation saved an estimated 89,000 metric tons of glass in 2006—equivalent to the carbon dioxide reduction from planting more than 13,000 acres of trees.

**We are working with our bottling partners to reduce emissions** of greenhouse gases. We have examined the carbon dioxide (CO<sub>2</sub>) footprint of our operations, which shows that coolers and vending machines make up the largest part of our system's emissions. To improve our overall energy efficiency, we are implementing a three-part plan: adopting hydrofluorocarbon (HFC)-free refrigeration systems wherever cost-efficient alternatives are commercially available; converting to HFC-free insulation materials; and improving the energy efficiency of our coolers and vending machines by 40 percent to 50 percent by 2010 compared with efficiency rates in 2000.

#### eKOfreshment coolers

These coolers, such as those exhibited at the World Economic Forum in 2007, will help reduce our CO<sub>2</sub> emissions through the use of new technology.

#### HFC-free coolers

HFC-free coolers were placed at all 12 FIFA World Cup™ stadiums, helping us earn a Cooling Industry Award for "Green End-user of the Year" in 2006.



#### PET plastic recycling

Our system invests in PET plastic bottle to-bottle recycling technologies at facilities located around the world, including Austria, Mexico and the Philippines.