

A Letter from Our President and Chief Executive Officer

Dear Fellow Shareowner:

In a year in which the world confronted extraordinary economic challenges, The Coca-Cola Company performed with great resolve, supported by proven strategies and strong execution across our business. The true power and resilience of our business was reflected in our ability to meet or exceed our long-term growth targets for the third year in a row and add a billion incremental unit cases in volume—the equivalent to adding a market the size of Japan.

While no one can truly predict how long this financial upheaval will last, we believe that our business will continue to thrive for two reasons:

First, we are confident that we are confronting the challenges of our current reality head-on, with strategies born of experience in similarly trying times and facilitated by an ability to adapt and adjust in a focused and nimble fashion.

Second, we know that our fundamental financial and operational model, and the wider nonalcoholic ready-to-drink beverage industry, are largely resilient to times of great stress. Furthermore, we have a long history of emerging from economic downturns as a stronger Company.

A Business Built for Times Like These

Through the Great Depression, World Wars I and II, numerous regional conflicts and the energy crisis of the last century to the fragile geopolitical and economic landscape of today, The Coca-Cola Company has endured and grown.

In today's credit-starved environment, nothing is more important than the ability to generate cash. The Coca-Cola system generates up to \$50 million in cash every day, and

at year end, our Company had \$4.7 billion in cash reserves and \$2.6 billion in available lines of credit.

Our fundamentally sound balance sheet has allowed us to return value to our shareowners, and today positions us to invest in our portfolio and expand our global beverage leadership. We have made dividend payments to shareowners each year since 1920, and have increased our dividend payments annually for the last 47 years.

Our financial position enables us to maximize tremendous opportunities for our business. We are fortunate—and indeed privileged—to be stewards of some of the world's greatest brands, led by Coca-Cola® and 12 other billion-dollar brands. In a world searching for optimism and good news, we are seeing people everywhere place a greater value in brands and businesses that share their aspirations and make a positive difference in the world.

You can rest assured that we have no intention of sitting back and simply trying to ride out the current economic storm. Rather, our entire Coca-Cola system is focused on what critically matters to our business: investing in our brands;



enhancing our communications to the customers who sell our beverages and the consumers who invite us into their lives each day; and streamlining our operations.

These and other initiatives resulted in our Company growing unit case volume 5 percent in 2008; growing net operating revenues 11 percent to \$31.9 billion; and growing operating income 16 percent to \$8.4 billion.

Expanding Our Global Beverage Leadership

This past year, we made exciting advances in our beverage portfolio. We continued to expand the availability of Coca-Cola Zero®, which has become our most successful product launch since Diet Coke® in 1982. Coca-Cola Zero is now sold in 107 markets and has helped reinvigorate trademark Coca-Cola, which experienced incremental growth of more than 200 million unit cases this past year.

In 2008, our sparkling beverage portfolio grew 2 percent—the equivalent of nearly 600 million incremental unit cases. Our new global marketing campaign for trademark Coca-Cola, “Open Happiness,” picks up where the highly successful “Coke Side of Life” campaign left off and will continue to renew interest in the sparkling beverage category.

We also are excited about our recent launches of beverages sweetened with Truvia. We believe Truvia—a natural, no-calorie sweetener—has the potential to revolutionize the beverage industry.

There is no question that consumers today expect more choice and value in the beverages they choose as their lifestyles and life stages evolve in a world that is becoming more urban and mobile. We are seeing this reflected, in part, by the growing demand worldwide for juices and juice drinks. Today, we are the industry leader in juices and juice drinks, and we aim to build upon that position behind the power of such fast-growing brands as Minute Maid® Pulpy

in the Pacific and India, Cappy® in Eurasia and Europe, and the Odwalla® and Simply® brands in North America.

We also are seeing growing consumer enthusiasm for our ready-to-drink coffees and teas and our sports drinks, where we rank No. 1 and No. 2, respectively, on a global basis. Across the board, our still beverage portfolio grew profitably and in a sustainable manner in 2008, with unit case volume up 13 percent, cycling 12 percent growth in 2007.

Equally critical to expanding our global beverage leadership is achieving balanced growth across a range of geographies. We have identified emerging markets as critical to our business growth. In 2008, emerging markets accounted for just over half of our unit case volume.

Our growth in more developed markets also is important. We are taking aggressive actions to reinforce our business in key developed markets like Japan, North America and parts of Western Europe. North America, in particular, remains a challenge as economic headwinds have hit hardest in this market. We are working closely with our bottling partners to drive productivity; innovate across our supply chain; enhance our route-to-market capabilities; and align our branding, marketing and execution capabilities. We know that with the right strategies, mindset and execution, we can restore consistent performance in our home market.

Safeguarding Our Resources and Communities

Competing successfully in a global economy requires a deep sensitivity to the consumers and communities we serve, the natural resources we consume, the people we employ and everyone who places their trust in our Company and brands, beginning with you.

Sustainability is woven throughout our business model through a number of important efforts, from productivity and efficiency enhancements to improvements in water

and energy use; climate protection initiatives; sustainable packaging; healthy living; workplace rights; and community development programs. Our decision to minimize the printing of this report is saving the Company more than \$1 million. Our printer's use of renewable energy is preventing 31,177 pounds of greenhouse gas emissions and the use of 100 percent post-consumer waste paper is preserving 373 trees.

Looking Ahead to 2009 and Beyond

We enter 2009 with a simple and clear purpose: to confront the uncertain economic conditions of the world today and flourish. We intend to do this by focusing on what we can control—investing in innovative consumer marketing and commercial leadership with our customers, and strengthening alignment with our bottling partners.

Our consumer marketing efforts will focus on affordability and ensuring that we are communicating the right messages for these times. Through our shopper marketing efforts, we will enhance our relationships with our retail customers while developing strategies for better execution at the point of sale. Working with our bottling partners, we will continue to innovate in order to produce differentiated beverages and packages tailored to the needs of particular customers and consumers.

With everything we do, we will be diligent in driving productivity across our Company and focusing our resources on the highest-value opportunities.

The long-term opportunities associated with getting these and other initiatives right are truly extraordinary. In September 2008, we brought the leaders of our top bottlers together to talk about the dynamic conditions that are emerging in our business today. We also explored the opportunities that lie ahead through the year 2020, as population and wealth are expected to grow and consumer lifestyles become more conducive to ready-to-drink beverages.

We emerged from that meeting with a clear vision for the future of our business, and we began applying that vision in our planning, alignment and execution. None of this, of course, is possible without our wonderful people.

In Closing

I want to thank the 92,400 associates of our Company for their leadership through these uncharted waters; for their commitment to creating value for you; and for their belief in our Company, our bottling partners and our mission of putting a beverage in every hand, a smile on every face and adding value every step of the way.

I also would like to thank my fellow members of our Board of Directors for faithfully representing you and all of our shareowners. We welcome back to our Board, Maria Elena Lagomasino, the Chief Executive Officer of GenSpring Family Offices, one of the world's leading wealth-management firms. Her breadth of experience in banking and global finance will serve us well in the coming years.

In 2009, we say goodbye to our Chairman, Neville Isdell. After more than four decades of extraordinary service to our Company and the Coca-Cola system, Neville will be retiring and stepping down from his role as Chairman of the Board—a role he has fulfilled for the past five years with outstanding leadership and grace. I have benefited greatly from Neville's friendship over the past 20 years, and I am grateful for his guidance and support since my return to the Company four years ago. We appreciate and respect his invaluable contributions to our Company and the Coca-Cola system, and wish him and his wife Pamela the very best in his well-deserved retirement.

And most of all I thank you, my fellow shareowners, for the trust you have shown in us. We are always mindful of our great responsibility to steward the investment you have made in us. We are honored to have that responsibility, and we are committed to continuing to earn your confidence.

My best regards,



Muhtar Kent
President and Chief Executive Officer
March 5, 2009