

COCA-COLA NYSE-KO

RECENT PRICE **37.90** P/E RATIO **18.7** (Trailing: 19.4 Median: 19.0) RELATIVE P/E RATIO **1.21** DIV'D YLD **2.8%**

VALUE LINE

TIMELINESS 2 Raised 8/31/12
SAFETY 1 New 7/27/90
TECHNICAL 2 Raised 10/19/12
BETA .60 (1.00 = Market)

High: 31.1 29.0 25.5 26.8 22.6 24.7 32.2 32.8 29.7 32.9 35.9 40.7
 Low: 21.2 21.5 18.5 19.2 20.2 19.7 22.8 20.1 18.7 24.7 30.6 33.3

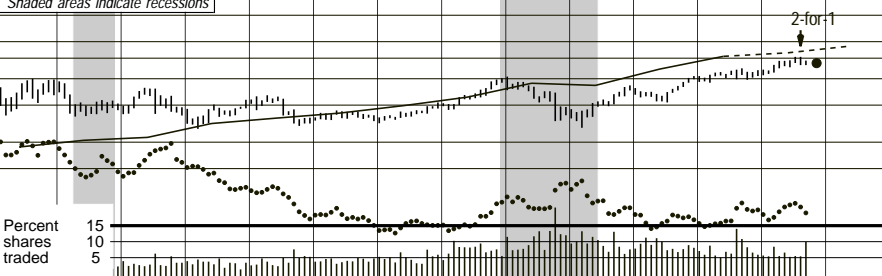
LEGENDS
 — 17.0 x "Cash Flow" p sh
 Relative Price Strength
 2-for-1 split 8/12
 Options: Yes
 Shaded areas indicate recessions

Target Price Range
 2015 2016 2017

2015-17 PROJECTIONS
 Price Gain Ann'l Total
 High 60 (+60%) 14%
 Low 50 (+30%) 10%

Insider Decisions
 D J F M A M J J A
 to Buy 0 0 4 0 2 2 0 0 0
 Options 0 0 2 5 2 4 0 4 1
 to Sell 1 0 2 5 2 4 0 4 1

Institutional Decisions
 4Q2011 1Q2012 2Q2012
 to Buy 627 606 569
 to Sell 634 667 690
 Hld's(000)280626028349362620186



% TOT. RETURN 9/12
 THIS STOCK VL ARITH. INDEX
 1 yr. 15.5 28.2
 3 yr. 54.2 42.3
 5 yr. 53.0 29.3

| 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 ^E | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | © VALUE LINE PUB. LLC | 15-17 |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------------|--------|--------|--------|--------|--------|--------|--|--------|-----------------------------------|--------|
| 3.74 | 3.82 | 3.82 | 4.01 | 4.12 | 3.53 | 3.96 | 4.31 | 4.56 | 4.88 | 5.20 | 6.22 | 6.91 | 6.73 | 7.66 | 10.29 | 10.80 | 11.55 | Sales per sh | 14.70 |
| .80 | .96 | .85 | .81 | .89 | .96 | .99 | 1.16 | 1.23 | 1.29 | 1.40 | 1.54 | 1.79 | 1.75 | 2.09 | 2.41 | 2.50 | 2.70 | "Cash Flow" per sh | 3.50 |
| .70 | .82 | .71 | .65 | .74 | .80 | .83 | .98 | 1.03 | 1.09 | 1.19 | 1.29 | 1.51 | 1.47 | 1.75 | 1.92 | 2.00 | 2.20 | Earnings per sh ^A | 2.90 |
| .25 | .28 | .30 | .32 | .34 | .36 | .40 | .44 | .50 | .56 | .62 | .68 | .76 | .82 | .88 | .94 | 1.02 | 1.10 | Div'ds Decl'd per sh ^B | 1.45 |
| .20 | .22 | .18 | .22 | .15 | .15 | .17 | .17 | .16 | .19 | .30 | .36 | .43 | .43 | .48 | .65 | .70 | .70 | Cap'l Spending per sh | .85 |
| 1.24 | 1.48 | 1.70 | 1.92 | 1.87 | 2.29 | 2.39 | 2.89 | 3.31 | 3.45 | 3.65 | 4.69 | 4.43 | 5.38 | 6.76 | 6.99 | 7.45 | 7.95 | Book Value per sh ^C | 9.25 |
| 4962.0 | 4941.3 | 4931.0 | 4943.2 | 4969.5 | 4972.5 | 4942.0 | 4883.1 | 4818.7 | 4738.0 | 4636.0 | 4636.0 | 4624.0 | 4606.0 | 4584.0 | 4526.0 | 4450.0 | 4375.0 | Common Shs Outst'g ^D | 4100.0 |
| 32.8 | 38.1 | 51.3 | 47.5 | 37.5 | 30.5 | 30.2 | 22.6 | 22.6 | 19.7 | 18.5 | 21.0 | 17.8 | 16.6 | 16.2 | 17.4 | Bold figures are Value Line estimates | | Avg Ann'l P/E Ratio | 19.0 |
| 2.05 | 2.20 | 2.67 | 2.71 | 2.44 | 1.56 | 1.65 | 1.29 | 1.19 | 1.05 | 1.00 | 1.11 | 1.07 | 1.11 | 1.03 | 1.10 | | | Relative P/E Ratio | 1.25 |
| 1.1% | .9% | .8% | 1.0% | 1.2% | 1.5% | 1.6% | 2.0% | 2.2% | 2.6% | 2.8% | 2.5% | 2.8% | 3.4% | 3.1% | 2.8% | | | Avg Ann'l Div'd Yield | 2.6% |

CAPITAL STRUCTURE as of 9/28/12
 Total Debt \$32.730 bill. Due in 5 Yrs. \$16.09 bill.
 LT Debt \$16.181 bill. Total Int. \$400.0 mill.
 (Total interest coverage: greater than 30x)
 (33% of Cap'l)

Pension Assets-12/11 \$6.17 bill. **Oblig.** \$8.26 bill.

Pfd Stock None

Common Stock 4,486,000,000 shs.

MARKET CAP: \$170 billion (Large Cap)

| CURRENT POSITION (\$MILL.) | 2010 | 2011 | 9/28/12 |
|----------------------------|-------|-------|---------|
| Cash Assets | 11337 | 14035 | 18083 |
| Receivables | 4430 | 4920 | 5083 |
| Inventory (Avg Cst) | 2650 | 3092 | 3447 |
| Other | 3162 | 3450 | 3099 |
| Current Assets | 21579 | 25497 | 29712 |
| Accts Payable | 8859 | 9009 | 9803 |
| Debt Due | 9376 | 14912 | 16549 |
| Other | 273 | 362 | 656 |
| Current Liab. | 18508 | 24283 | 27008 |

| ANNUAL RATES | Past 10 Yrs. | Past 5 Yrs. | Est'd '09-'11 to '15-'17 |
|--------------------|--------------|-------------|--------------------------|
| of change (per sh) | 8.0% | 11.0% | 10.0% |
| Sales | 9.0% | 10.0% | 9.0% |
| "Cash Flow" | 9.0% | 9.0% | 9.0% |
| Earnings | 10.0% | 9.5% | 8.5% |
| Dividends | 12.0% | 13.0% | 6.5% |
| Book Value | | | |

| Cal-endar | Mar.Per | Jun.Per | Sep.Per | Dec.Per | Full Year |
|-----------|---------|---------|---------|---------|-----------|
| 2009 | 7169 | 8267 | 8044 | 7510 | 30990 |
| 2010 | 7525 | 8674 | 8426 | 10498 | 35123 |
| 2011 | 10545 | 12729 | 12243 | 11037 | 46554 |
| 2012 | 11137 | 13085 | 12340 | 11438 | 48000 |
| 2013 | 11750 | 13500 | 13250 | 12000 | 50500 |

| Cal-endar | Mar.Per | Jun.Per | Sep.Per | Dec.Per | Full Year |
|-----------|---------|---------|---------|---------|-----------|
| 2009 | .29 | .44 | .41 | .33 | 1.47 |
| 2010 | .40 | .53 | .46 | .36 | 1.75 |
| 2011 | .42 | .59 | .52 | .39 | 1.92 |
| 2012 | .45 | .61 | .50 | .44 | 2.00 |
| 2013 | .48 | .65 | .59 | .48 | 2.20 |

| Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year |
|-----------|--------|--------|--------|--------|-----------|
| 2008 | -- | .19 | .19 | .38 | .76 |
| 2009 | -- | .205 | .205 | .41 | .82 |
| 2010 | -- | .22 | .22 | .44 | .88 |
| 2011 | -- | .235 | .235 | .47 | .94 |
| 2012 | -- | .255 | .255 | .255 | |

BUSINESS: The Coca-Cola Company is the world's largest beverage company. Markets over 500 nonalcoholic beverage brands through a network of company-owned and independent bottlers/distributors, wholesalers, and retailers. Leading company/licensed brands include Coca-Cola, Diet Coke, Sprite, Fanta, Fresca, Dasani, glaceau vitaminwater, Powerade, and Minute Maid.

The September quarter was something of a mixed bag for The Coca-Cola Company. The headline numbers for the world's largest beverage company were relatively unexciting, with revenues inching ahead 1%, to \$12.3 billion, while share net came in at \$0.50, \$0.02 below the tally in the prior-year period and \$0.05 short of our estimate. Currency headwinds had a big influence on the quarter, dragging down sales and operating income by 5% and 7%, respectively. Otherwise, **Volumes continue to push ahead at a solid clip.** The September interim increase of 4% was just below the first-half rate (up 5%), as each geographic operating group contributed to the advance in the latest three months. Progress in the developed world was respectable (up 2%), with trends in Europe showing nice improvement. Volumes there shifted from a 4% decline in the June period to a 1% improvement year over year in the latest three months. Still, emerging markets remain the big growth story, with big gains in Thailand (+19%) and India (15%) driving volumes up 7%, overall, in these parts of the world. Results from China,

Business outside the U.S. accounted for 60% of 2011 net sales; Advertising expenses, 7.0% of 2011 revenues. Has approximately 146,200 employees. Directors and Officers own 5.7% of stock; Berkshire Hathaway, 8.8% (3/12 Proxy). Chairman and CEO: Muhtar Kent. Inc.: DE. Address: One Coca-Cola Plaza, Atlanta, Georgia 30313. Tel.: 404-676-2121. Internet: www.coca-cola.com.

though, were rather lackluster, as growth slowed to 2% from 7% in the June period. **Coke figures to finish 2012 on a positive note.** Third-quarter operating profit rose just 1%, but the company should fare much better in the December interim, with two extra days in the quarter and a variety of other factors helping to drive a double-digit increase over the prior-year period. In view of this, we are keeping our earnings estimate for the final three months of 2012 at \$0.44 a share, up 13% from the prior-year period. For 2013, we expect growth to approach 10%, lifting earnings to \$2.20.

This timely stock offers good, risk-adjusted total return potential to 2015-2017. Efforts to further penetrate emerging markets (including stepped-up investments in India) should help to keep sales and earnings moving forward at a respectable clip in the 3 to 5 years ahead. In the meantime, this equity carries our top rank (1) for Safety, and its quarterly payout, which should rise roughly in line with profits, provides a yield in excess of the Value Line median.

Robert M. Greene, CFA October 26, 2012