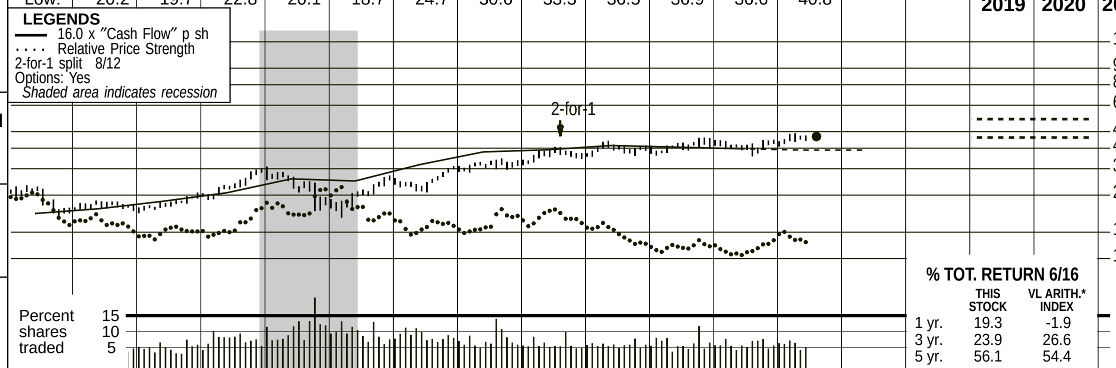
COCA-COLA NYSE-KO

RECENT PRICE	45.57	P/E RATIO	23.4 (Trailing: 23.1; Median: 19.0)	RELATIVE P/E RATIO	1.25	DIV'D YLD	3.2%	VALUE LINE

TIMELINESS 3 Raised 10/30/15
SAFETY 1 New 7/27/90
TECHNICAL 2 Lowered 7/8/16
BETA .70 (1.00 = Market)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High:	22.6	24.7	32.2	32.8	29.7	32.9	35.9	40.7	43.4	45.0	43.9	47.1		
Low:	20.2	19.7	22.8	20.1	18.7	24.7	30.6	33.3	36.5	36.9	36.6	40.8		

Target Price Range
2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+20%)	8%
Low	45	(Nil)	3%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	1	6	4	2	0	2	9	4	1
to Sell	1	4	4	1	0	1	8	4	1

Institutional Decisions

	3Q2015	4Q2015	1Q2016
to Buy	664	676	688
to Sell	766	796	791
Hld's(000)	2766270	2789870	2856583

% TOT. RETURN 6/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	19.3	-1.9
3 yr.	23.9	26.6
5 yr.	56.1	54.4

2000	2001[E]	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
4.12	3.53	3.96	4.31	4.56	4.88	5.20	6.22	6.91	6.73	7.66	10.29	10.74	10.64	10.54	10.24	*9.95*	*7.90*	Sales per sh	*8.90*
.89	.96	.99	1.16	1.23	1.29	1.40	1.54	1.79	1.75	2.09	2.41	2.46	2.58	2.53	2.49	*2.45*	*2.45*	"Cash Flow" per sh	*3.00*
.74	.80	.83	.98	1.03	1.09	1.19	1.29	1.51	1.47	1.75	1.92	1.97	2.08	2.04	2.00	*1.95*	*2.05*	Earnings per sh [A]	*2.55*
.34	.36	.40	.44	.50	.56	.62	.68	.76	.82	.88	.94	1.02	1.12	1.22	1.32	*1.40*	*1.48*	Div'ds Decl'd per sh [B]■	*1.85*
.15	.15	.17	.17	.16	.19	.30	.36	.43	.43	.48	.65	.62	.58	.55	.59	*.65*	*.50*	Cap'l Spending per sh	*.50*
1.87	2.29	2.39	2.89	3.31	3.45	3.65	4.69	4.43	5.38	6.76	6.99	7.34	7.54	6.94	5.91	*5.90*	*5.70*	Book Value per sh [C]	*5.20*
4969.5	4972.5	4942.0	4883.1	4818.7	4738.0	4636.0	4636.0	4624.0	4606.0	4584.0	4526.0	4469.0	4402.0	4366.0	4324.0	*4275.0*	*4200.0*	Common Shs Outst'g [D]	*4000.0*
37.5	30.5	30.2	22.6	22.6	19.7	18.5	21.0	17.8	16.6	16.2	17.4	18.8	19.1	20.0	20.6	*Bold figures are*		Avg Ann'l P/E Ratio	*19.0*
2.44	1.56	1.65	1.29	1.19	1.05	1.00	1.11	1.07	1.11	1.03	1.09	1.20	1.07	1.05	1.04	*Value Line*		Relative P/E Ratio	*1.20*
1.2%	1.5%	1.6%	2.0%	2.2%	2.6%	2.8%	2.5%	2.8%	3.4%	3.1%	2.8%	2.8%	2.8%	3.0%	3.2%	*estimates*		Avg Ann'l Div'd Yield	*3.7%*

CAPITAL STRUCTURE as of 4/1/16
Total Debt $46.834 bill. **Due in 5 Yrs.** $28.7 bill.
LT Debt $26.990 bill. **Total Int.** $510.0 mill.
(Total interest coverage: 21.4x)
(52% of Cap'l)

Pension Assets-12/15 $7.7 bill. **Oblig.** $9.2 bill.

Pfd Stock None

Common Stock 4,332,000,000 shs.

MARKET CAP: $197 billion (Large Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
24088	28857	31944	30990	35123	46554	48017	46854	45998	44294	*42500*	*33250*	Sales ($mill)	*35500*
31.3%	30.0%	30.3%	30.5%	31.4%	27.9%	26.6%	28.3%	28.1%	27.9%	*28.5%*	*36.0%*	Operating Margin	*37.5%*
938.0	1163.0	1228.0	1236.0	1443.0	1954.0	1982.0	1977.0	1976.0	1970.0	*1950*	*1550*	Depreciation ($mill)	*1550*
5568.0	5981.0	7050.0	6824.0	8144.0	8932.0	9019.0	9374.0	9091.0	8797.0	*8555*	*8830*	Net Profit ($mill)	*10385*
22.4%	24.0%	22.2%	22.8%	22.7%	23.9%	23.1%	23.0%	22.5%	22.5%	*22.5%*	*22.5%*	Income Tax Rate	*23.0%*
23.1%	20.7%	22.1%	22.0%	23.2%	19.2%	18.8%	20.0%	19.8%	19.9%	*20.1%*	*26.6%*	Net Profit Margin	*29.3%*
d449.0	d1120	d812.0	3830.0	3071.0	1214.0	2507.0	3493.0	612.0	6465.0	*5000*	*5500*	Working Cap'l ($mill)	*2000*
1314.0	3277.0	2781.0	5059.0	14041	13656	14736	19154	19063	28407	*28500*	*28500*	Long-Term Debt ($mill)	*28500*
16920	21744	20472	24799	31003	31635	32790	33173	30320	25554	*25160*	*23945*	Shr. Equity ($mill)	*20815*
30.7%	24.2%	30.6%	23.4%	18.5%	20.2%	19.4%	18.3%	18.7%	16.5%	*16.0%*	*17.5%*	Return on Total Cap'l	*21.5%*
32.9%	27.5%	34.4%	27.5%	26.3%	28.2%	27.5%	28.3%	30.0%	34.4%	*34.0%*	*37.0%*	Return on Shr. Equity	*50.0%*
15.7%	13.0%	17.2%	12.2%	13.1%	14.6%	13.5%	13.3%	12.3%	12.0%	*9.5%*	*10.5%*	Retained to Com Eq	*13.5%*
52%	53%	50%	56%	50%	48%	51%	53%	59%	65%	*71%*	*72%*	All Div'ds to Net Prof	*73%*

CURRENT POSITION ($MILL.)	2014	2015	4/1/16
Cash Assets	18010	19900	22211
Receivables	4466	3941	4147
Inventory (Avg Cst)	3100	2902	3052
Other	7410	6652	7100
Current Assets	32986	33395	36510
Accts Payable	2089	2795	2750
Debt Due	22682	15806	19844
Other	7603	8329	8393
Current Liab.	32374	26930	30987

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Sales	8.5%	8.0%	*-2.5%*
"Cash Flow"	7.5%	6.0%	*3.0%*
Earnings	7.0%	5.5%	*4.0%*
Dividends	9.5%	8.5%	*7.0%*
Book Value	8.0%	4.0%	*-4.5%*

Cal-endar	QUARTERLY SALES ($ mill.) Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2013	11035	12749	12030	11040	46854
2014	10576	12574	11976	10872	45998
2015	10711	12156	11427	10000	44294
2016	10282	*11750*	*11000*	*9468*	*42500*
2017	*8000*	*9250*	*8500*	*7500*	*33250*

Cal-endar	EARNINGS PER SHARE [A] Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2013	.46	.63	.53	.46	2.08
2014	.44	.64	.53	.43	2.04
2015	.48	.63	.51	.38	2.00
2016	.45	*.60*	*.50*	*.40*	*1.95*
2017	*.47*	*.62*	*.53*	*.43*	*2.05*

Cal-endar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	- -	.255	.255	.51	1.02
2013	- -	.28	.28	.56	1.12
2014	- -	.305	.305	.61	1.22
2015	- -	.33	.33	.66	1.32
2016	- -	.35	.35		

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.* Int'l markets accounted for 54% of 2015 net sales; Advertising expenses, 9.0% of 2015 revenues. Has about 123,250 employees. Directors and Officers own 1.5% of stock; Berkshire Hathaway, 9.2%; Vanguard, 6.1%; BlackRock, 5.4% (3/16 Proxy). Chairman and CEO: Muhtar Kent. Inc.: DE. Address: One Coca-Cola Plaza, Atlanta, GA 30313. Tel.: 404-676-2121. Web: www.coca-cola.com.

The Coca-Cola Company has been turning in mixed results. Foreign currency translation once again provided a big headwind in the March quarter, clipping sales and pre-tax income by 5% and 12%, respectively. Meanwhile, volumes have been climbing at a lackluster pace (2% in the March quarter), though stronger pricing and a favorable mix shift have been working to the company's advantage. Moreover, absent currency effects and structural changes (e.g., asset sales, etc.), the picture looks brighter. As it stands, full-year revenues and pre-tax income ought to climb 4%-5% and 6%-8%, respectively, roughly consistent with the management's long-term targets.

The business model will look considerably different in a few several years. In particular, revenues are set to shrink considerably, as the beverage giant refranchises most of its in-house bottling operations, which currently account for about 18% of total volume, to its independent partners. Coke, though, should emerge from the transition period as a higher-margin, less capital intensive business.

Local legislative initiatives paint the company's products in a negative light. A tax on sugary drinks was recently passed in Philadelphia, and voters in a number of other cities, such as San Francisco, will be weighing in on similar measures later this year. Any damage to demand in these areas probably won't move the needle much in terms of overall revenues. Still, the publicity resulting from this regulatory scrutiny certainly doesn't help by highlighting the possible role of soft drinks in contributing to obesity and other health problems arising from poor diets.

This stock has a number of defensive qualities. These attributes, including a top mark for Price Stability and an above average dividend yield, would likely take on added appeal should the recent turbulence in global equity markets continue. On the down side, this equity's P/E multiple is at the high end of its historic range. Too, we remain concerned that increased health consciousness will make it more difficult to drive volumes higher. Given these factors, total return potential to 2019-2021 looks unexciting, in our view.

Robert M. Greene *July 22, 2016*

(A) Based on diluted shares. Next earnings report due July 27th. Excludes nonrecurring gain/(losses): '00, (30¢); '01, (1¢); '02, (22¢); '03, (9¢); '04, (3¢); '05, (7¢); '06, (11¢); '08, (27¢); '10, 79¢; '11, (8¢); '13, (18¢); '14, (44¢); '15, ($0.33). (B) Div'ds historically paid about the first April, July, Oct., Dec. ■ Div'd reinvestment plan avail. (C) Includes intangibles. In '15: $24.1 bill., $5.58/sh. (D) In millions. (E) Reflects reclassification of sales and expenses.

Company's Financial Strength	A++
Stock's Price Stability	100
Price Growth Persistence	60
Earnings Predictability	100