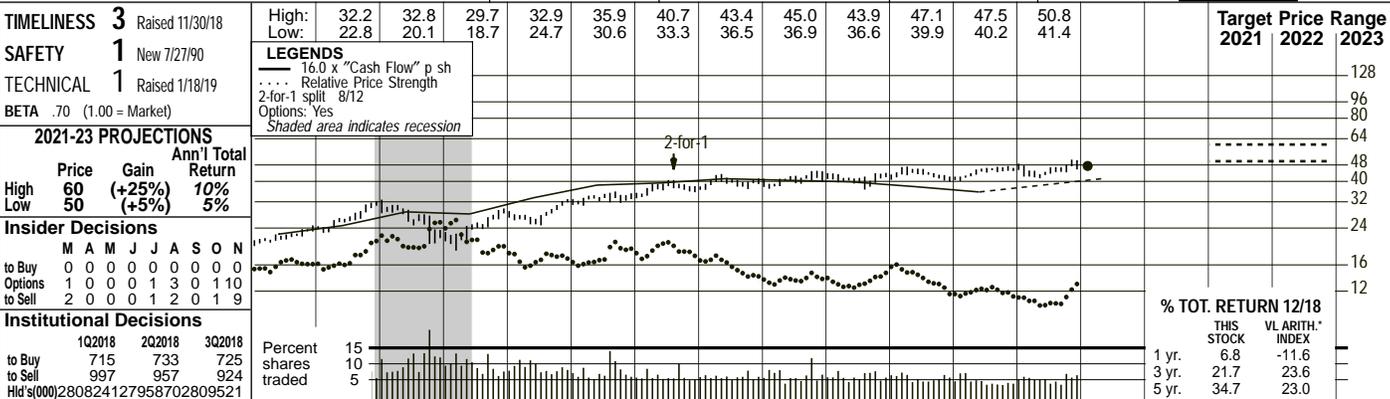


COCA-COLA NYSE-KO

RECENT PRICE **47.48** P/E RATIO **21.7** (Trailing: 23.2 Median: 19.0) RELATIVE P/E RATIO **1.38** DIV'D YLD **3.5%**

VALUE LINE



2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
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	9.76	8.31	7.55	8.25	Sales per sh	9.70
.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	2.37	2.23	2.40	2.60	"Cash Flow" per sh	3.25
.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	1.91	1.91	2.10	2.25	Earnings per sh ^A	2.80
.40	.44	.50	.56	.62	.68	.76	.82	.88	.94	1.02	1.12	1.22	1.32	1.40	1.48	1.56	1.66	Div'ds Decl'd per sh ^B	1.95
.17	.17	.16	.19	.30	.36	.43	.43	.48	.65	.62	.58	.55	.59	.53	.39	.45	.40	Cap'l Spending per sh	.45
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	5.38	4.01	4.20	4.20	Book Value per sh ^C	4.65
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	4288.0	4259.0	4225.0	4175.0	Common Shs Outst'g ^D	4025.0
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	22.8	23.2	21.5		Avg Ann'l P/E Ratio	20.0
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	1.20	1.16	1.15		Relative P/E Ratio	1.10
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%	3.2%	3.3%	3.4%		Avg Ann'l Div'd Yield	3.5%

CAPITAL STRUCTURE as of 9/28/18
 Total Debt \$44.837 bill. Due in 5 Yrs. \$31.4 bill.
 LT Debt \$25.523 bill. Total Int. \$800.0 mill.
 (Total interest coverage: 13.2x)

(58% of Cap'l)

Pension Assets-12/17 \$8.8 bill. **Oblig.** \$9.5 bill.

Pfd Stock None

Common Stock 4,256,000,000 shs.

MARKET CAP: \$202 billion (Large Cap)

31944	30990	35123	46554	48017	46854	45998	44294	41863	35410	32000	34500	Sales (\$mill)	39000
30.3%	30.5%	31.4%	27.9%	26.6%	28.3%	28.1%	27.9%	28.1%	30.9%	36.5%	37.0%	Operating Margin	37.5%
1228.0	1236.0	1443.0	1954.0	1982.0	1977.0	1976.0	1970.0	1787.0	1260.0	1175	1325	Depreciation (\$mill)	1500
7050.0	6824.0	8144.0	8932.0	9019.0	9374.0	9091.0	8797.0	8354.0	8240.0	9035	9615	Net Profit (\$mill)	11585
22.2%	22.8%	22.7%	23.9%	23.1%	23.0%	22.5%	22.5%	22.5%	24.0%	21.0%	21.0%	Income Tax Rate	21.0%
22.1%	22.0%	23.2%	19.2%	18.8%	20.0%	19.8%	19.9%	20.0%	23.3%	28.2%	27.9%	Net Profit Margin	29.7%
d812.0	3830.0	3071.0	1214.0	2507.0	3493.0	612.0	6465.0	7478.0	9351.0	10000	9500	Working Cap'l (\$mill)	9750
2781.0	5059.0	14041	13656	14736	19154	19063	28407	29684	31182	30500	30500	Long-Term Debt (\$mill)	31500
20472	24799	31003	31635	32790	33173	30320	25554	23062	17072	17670	17620	Shr. Equity (\$mill)	18745
30.6%	23.4%	18.5%	20.2%	19.4%	18.3%	18.7%	16.5%	16.3%	17.6%	19.5%	21.0%	Return on Total Cap'l	24.0%
34.4%	27.5%	26.3%	28.2%	27.5%	28.3%	30.0%	34.4%	36.2%	48.3%	51.0%	54.5%	Return on Shr. Equity	62.0%
17.2%	12.2%	13.1%	14.6%	13.5%	13.3%	12.3%	12.0%	10.0%	11.2%	13.0%	14.5%	Retained to Com Eq	19.0%
50%	56%	50%	48%	51%	53%	59%	65%	72%	77%	74%	74%	All Div'ds to Net Prof	69%

CURRENT POSITION (SMILL.)

	2016	2017	9/28/18
Cash Assets	22201	20675	18847
Receivables	3856	3667	3702
Inventory (Avg Cst)	2675	2655	2627
Other	5278	9548	8237
Current Assets	34010	36545	33413
Accts Payable	2682	2288	2500
Debt Due	16025	16503	19314
Other	7825	8403	9616
Current Liab.	26532	27194	31430

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 58% of 2017 net sales; Advertising expenses, 11.2% of 2017 revenues. Has about 61,750 employees. Directors and officers own 1.5% of stock; Berkshire Hathaway, 9.4%; Vanguard, 6.7%; BlackRock, 5.7% (3/18 Proxy). CEO: James Quincey, Inc.: DE. Address: One Coca-Cola Plaza, Atlanta, GA 30313. Tel.: 404-676-2121. Web: www.coca-cola.com.

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '15-'17 of change (per sh) to '21-'23

Sales	5.5%	-5%	-5%
"Cash Flow"	5.5%	.5%	5.5%
Earnings	5.0%	.5%	6.5%
Dividends	8.5%	8.0%	5.5%
Book Value	2.5%	-6.0%	-1.5%

The Coca-Cola Company has been making solid progress. Third-quarter results made for generally encouraging reading, as earnings rose 16% year over year, to \$0.58 a share, despite an 8% drag from currency headwinds. Organic revenues advanced 6%, with 3% volume growth in the *Coca-Cola* brand and 2% improvement in pricing/mix helping to lead the way. Meanwhile, productivity gains, particularly in North America and at the corporate level, supported healthy expansion in underlying operating margins. For the full year, we continue to look for earnings to climb 10%, to \$2.10 a share.

justments, the transaction ought to be slightly accretive to earnings this year. The company has also made a number of smaller deals to bolster its portfolio in arenas such as sports performance and kombucha, though CEO James Quincey doesn't appear to be in any hurry to add cannabis-derived products to the mix.

QUARTERLY SALES (\$ mill.)

Cal-endar	Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2015	10711	12156	11427	10000	44294
2016	10282	11539	10633	9409	41863
2017	9118	9702	9078	7512	35410
2018	7626	8927	8245	7202	32000
2019	7950	9450	9000	8100	34500

The company has completed its acquisition of Costa Limited. That deal, which was announced last August, became final in early January, with Coke paying \$3.9 billion (or \$4.9 billion) to purchase the operator of coffee shops and self-service coffee machines. Costa generates more than 85% of its total revenues (likely about \$1.5 billion last year) in the United Kingdom, but Coke aims to use the brand as a platform for global growth in the broader, fast-growing coffee category. Before factoring in purchase accounting ad-

We look for earnings to advance 7% this year, to \$2.25 a share. While the company won't provide 2019 guidance until December-quarter results are released next month, we are cautiously optimistic that the mid-single-digit advances in organic revenue growth can continue through 2019. (The addition of Costa Limited and diminishing headwinds from refranchising should bring a halt to the decline in reported revenues, as well.)

These shares have held their ground amid the recent downturn in the broader market. And this high-quality issue (Safety: 1, Highest) should continue to provide some downside protection in the event of further volatility in equity prices. However, total return potential to 2021-2023 is unexciting.

Robert M. Greene
 January 18, 2019

EARNINGS PER SHARE ^A

Cal-endar	Mar.Per	Jun.Per	Sep.Per	Dec.Per	Full Year
2015	.48	.63	.51	.38	2.00
2016	.45	.60	.49	.37	1.91
2017	.43	.59	.50	.39	1.91
2018	.47	.61	.58	.44	2.10
2019	.50	.67	.59	.49	2.25

QUARTERLY DIVIDENDS PAID ^B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	--	.33	.33	.66	1.32
2016	--	.35	.35	.70	1.40
2017	--	.37	.37	.74	1.48
2018	--	.39	.39	.78	1.56
2019	--				

(A) Based on diluted shares. Next earnings report due early February. Excludes nonrecurring gain/(losses): '02, (22c); '03, (9c); '04, (3c); '05, (7c); '06, (11c); '08, (27c); '10, 79c; '11, (8c); '13, (18c); '14, (44c); '15, (33c); '16, (42c); '17, (\$1.64). (B) Div'ds historically paid about the first April, July, Oct., Dec. ■ Div'd reinvestment plan available. (C) Includes intangibles. In '17: \$16.6 bill., \$3.91/sh. (D) In millions, adjusted for stock split.

Company's Financial Strength A++
Stock's Price Stability 100
Price Growth Persistence 20
Earnings Predictability 100