COCA-COLA NYSE-KO

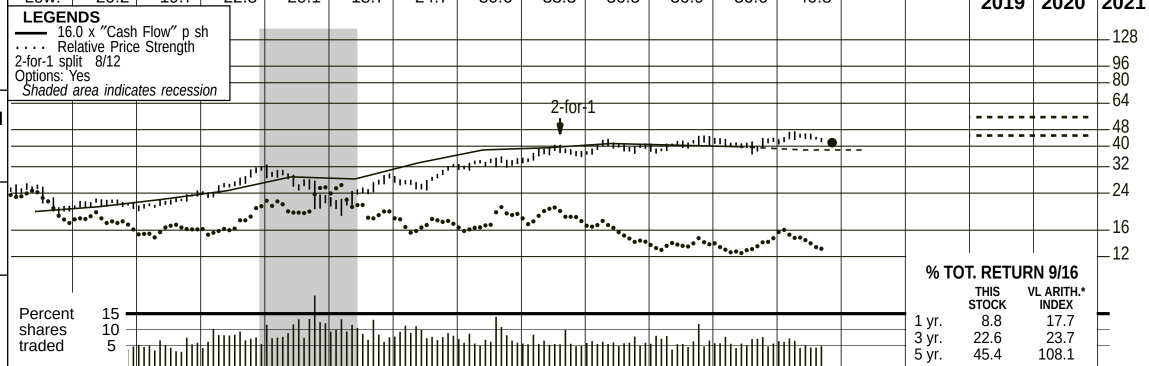
RECENT PRICE	41.54	P/E RATIO	21.7 (Trailing: 21.4 / Median: 19.0)	RELATIVE P/E RATIO	1.19	DIV'D YLD	3.5%	VALUE LINE

TIMELINESS 2 Raised 10/14/16
SAFETY 1 New 7/27/90
TECHNICAL 2 Raised 10/21/16
BETA .70 (1.00 = Market)

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

LEGENDS
16.0 x "Cash Flow" p sh
.... Relative Price Strength
2-for-1 split 8/12
Options: Yes
Shaded area indicates recession



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+30%)	*10%*
Low	45	(+10%)	*6%*

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	0	0	0	0	0	0	0	0	0
Options	2	0	2	9	4	1	1	0	1
to Sell	1	0	1	8	4	1	1	0	0

Institutional Decisions

	4Q2015	1Q2016	2Q2016
to Buy	676	688	729
to Sell	796	791	783
Hld's(000)	2789870	2856583	2785127

% TOT. RETURN 9/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	8.8	17.7
3 yr.	22.6	23.7
5 yr.	45.4	108.1

2000	2001E	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	*9.65*	*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	*2.40*	*2.40*	"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	*1.90*	*2.00*	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	*5.80*	*5.55*	Book Value per sh C	*5.05*
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 7/1/16
Total Debt $48.048 bill. **Due in 5 Yrs.** $28.7 bill.
LT Debt $29.252 bill. **Total Int.** $550.0 mill.
(Total interest coverage: 19.9x)
(52% of Cap'l)

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

Pfd Stock None

Common Stock 4,315,000,000 shs.

MARKET CAP: $179 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	*41250*	*33250*	Sales ($mill)	*35500*
31.3%	30.0%	30.3%	30.5%	31.4%	27.9%	26.6%	28.3%	28.1%	27.9%	*28.5%*	*35.0%*	Operating Margin	*37.5%*
938.0	1163.0	1228.0	1236.0	1443.0	1954.0	1982.0	1977.0	1976.0	1970.0	*1950*	*1550*	Depreciation ($mill)	*1550*
5568.0	5981.0	7050.0	6824.0	8144.0	8932.0	9019.0	9374.0	9091.0	8797.0	*8275*	*8570*	Net Profit ($mill)	*10385*
22.4%	24.0%	22.2%	22.8%	22.7%	23.9%	23.1%	23.0%	22.5%	22.5%	*22.5%*	*22.5%*	Income Tax Rate	*23.0%*
23.1%	20.7%	22.1%	22.0%	23.2%	19.2%	18.8%	20.0%	19.8%	19.9%	*20.1%*	*25.8%*	Net Profit Margin	*29.3%*
d449.0	d1120	d812.0	3830.0	3071.0	1214.0	2507.0	3493.0	612.0	6465.0	*4750*	*5250*	Working Cap'l ($mill)	*2000*
1314.0	3277.0	2781.0	5059.0	14041	13656	14736	19154	19063	28407	*28500*	*28500*	Long-Term Debt ($mill)	*28500*
16920	21744	20472	24799	31003	31635	32790	33173	30320	25554	*24885*	*23410*	Shr. Equity ($mill)	*20285*
30.7%	24.2%	30.6%	23.4%	18.5%	20.2%	19.4%	18.3%	18.7%	16.5%	*16.0%*	*17.0%*	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%	*33.5%*	*36.5%*	Return on Shr. Equity	*51.0%*
15.7%	13.0%	17.2%	12.2%	13.1%	14.6%	13.5%	13.3%	12.3%	12.0%	*8.5%*	*9.5%*	Retained to Com Eq	*13.5%*
52%	53%	50%	56%	50%	48%	51%	53%	59%	65%	*74%*	*74%*	All Div'ds to Net Prof	*73%*

CURRENT POSITION ($MILL.)	2014	2015	7/1/16
Cash Assets	18010	19900	24075
Receivables	4466	3941	4768
Inventory (Avg Cst)	3100	2902	3005
Other	7410	6652	4025
Current Assets	32986	33395	35873
Accts Payable	2089	2795	*2750*
Debt Due	22682	15806	18796
Other	7603	8329	7998
Current Liab.	32374	26930	29544

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%	*-5.0%*

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	11539	*10429*	*9000*	*41250*
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	*.47*	*.38*	*1.90*
2017	*.46*	*.61*	*.52*	*.41*	*2.00*

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	.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.

Earnings at The Coca-Cola Company remain under pressure. The biggest headwinds are foreign currency translation and structural changes (more below), which are likely to reduce pretax profits by 8%-9% and 4%, respectively, this year. The former has been particularly pronounced in Latin America, where the company generates about 20% of its operating profits. Absent these factors, the beverage giant's performance would look more encouraging, with pretax profits likely advancing at a mid-single-digit rate in 2016.

China has been a trouble spot this year. The June period was particularly weak, as case volumes there fell at a high single-digit pace year over year. This decline, as well as softness in Argentina and Venezuela, caused overall volumes to come in flat with the prior-year period, a slowdown from the 2%-3% growth registered in the previous five quarters. The sluggishness in China is likely to carry through the second half of 2016, as the rapid rate of economic growth in that country slows. On the positive side, favorable price/mix changes companywide are supporting overall revenues.

Coca-Cola continues to slim down. The company is putting more of its bottling operations, including all of those in North America, in the hands of independent partners. This refranchising effort, which is slated to wrap up by the end of 2017, will cause sales to shrink, but Coke should emerge as a higher-margin, less capital-intensive business. Too, incremental savings from productivity initiatives, as well as a continued emphasis on pricing and mix, ought to support wider margins. In all, we look for earnings climb 5% in 2017, to $2.00 a share.

Conservative investors will likely want to take a closer look here. These shares have endured a rough stretch, declining 7% since the release of June-quarter earnings, but still possess a number of appealing attributes. This equity carries our Highest rank (1) for Safety, and offers a dividend that is more than 100 basis points above the *Value Line* median. In addition, this equity has climbed a notch in our Timeliness Ranking System, which now pegs it to outperform the broader market in the year ahead.

Robert M. Greene *October 21, 2016*

(A) Based on diluted shares. Next earnings report due Oct. 26th. 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); '16 H1, (8¢). **(B)** Div'ds historically paid about the first April, July, Oct., Dec. ■ Div'd reinvestment plan available. **(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	50
Earnings Predictability	100

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