Exhibit 1 U.S. Industry Statistics

	1965	1970	1975	1981	1985	1986	1987	1988	1989	1990	1991	1992	1993E
Historical Soft Drink Consumption													
Cases (millions)	NA	3,090	3,780	5,180	6,500	6,770	7,155	7,530	7,680	7,914	8,040	8,160	8,395
Gallons/capita	17.8	22.7	26.6	34.5	40.8	42.1	44.1	46.0	46.6	47.4	47.2	48.0	48.9
As a % of total beverage consumption	9.8	12.4	14.4	18.7	22.4	23.1	24.2	25.2	25.5	26.0	26.2	26.3	26.8
U.S. Market Share by Flavor (%)													
Cola		57.6	58.0	64.0	67.5	68.8	69.0	69.0	69.5	69.9	69.7	68.3	67.0
Lemon-lime		12.0	12.7	12.6	12.2	11.3	10.6	10.4	12.0	11.7	11.8	12.0	12.1
Pepper		4.1	6.6	5.7	4.9	4.6	4.7	5.1	5.3	5.6	6.2	6.9	7.3
Root beer		4.4	4.1	3.0	2.7	2.2	2.4	2.4	2.6	2.7	2.8	2.7	2.7
Orange		4.8	3.9	5.7	0.8	1.4	1.0	0.8	2.4	2.3	2.3	2.2	2.3
Others		17.1	14.7	9.0	11.9	11.7	12.3	12.3	8.2	7.8	7.2	7.9	8.6
		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.00
Caffeine-Free							4.1	4.6	5.2	6.0	6.1	6.0	5.6
Diet					23.1	24.0	24.8	25.9	27.7	30.0	29.8	29.3	28.2
U.S. Liquid Consumption Trends													
Soft drinks		22.7	26.3	34.2	40.8	42.1	44.1	46.1	46.7	47.7	47.8	48.0	48.9
Coffee		35.7	33.0	27.2	26.8	27.1	27.1	26.5	26.4	26.4	26.5	26.1	25.9
Beer		18.5	21.6	24.3	23.8	24.1	23.9	23.7	23.6	24.1	23.3	23.1	22.9
Milk		22.8	21.8	20.6	19.8	19.9	19.7	19.4	19.6	19.4	19.4	19.2	18.9
Tea		5.2	7.3	7.3	7.3	7.3	7.3	7.4	7.2	7.0	6.7	6.8	6.9
Bottled water		-	1.2	2.7	5.2	5.7	6.4	7.2	8.1	9.2	9.6	9.9	10.5
Juices		6.5	6.8	6.9	7.4	7.3	7.0	7.1	6.8	6.2	6.4	6.6	7.0
Powdered drinks		-	4.8	6.0	6.3	5.2	4.9	5.3	5.4	5.7	5.9	5.6	6.0
Wine		1.3	1.7	2.1	2.4	2.4	2.4	2.2	2.1	2.0	1.9	1.8	1.7
Distilled spirits		1.8	2.0	2.0	1.8	1.7	1.6	1.5	1.5	1.5	1.4	1.3	1.3
Subtotal		114.5	126.5	133.3	141.6	142.8	144.4	146.4	147.4	149.2	148.9	148.4	149.4
Imputed water consumption		68.0	56.0	49.2	40.9	39.7	38.1	36.1	35.1	33.3	33.6	34.1	32.6
Total[a]		182.5	182.5	182.5	182.5	182.5	182.5	182.5	182.5	182.5	182.5	182.5	182.5

Source: John C. Maxwell, Jr., *Beverage Industry Annual Manual 1992/1993*, and *The Maxwell Consumer Report*, Feb. 3, 1994.

[a]This analysis assumes that each person consumes on average one-half gallon of liquid per day.

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Exhibit 2 Financial Data for the Leading Soft Drink Competitors ($ millions)

	1975	1980	1985	1986	1987	1988	1989	1990	1991	1992	1993
Coca-Cola Company[a]											
Soft drinks, United States											
Sales	NA	1,486	1,865	2,016	2,120	2,012	2,222	2,461	2,646	2,813	2,966
Operating profits/sales		11.1%	11.6%	14.5%	15.3%	17.5%	17.6%	16.5%	17.7%	18.1%	20.8%
Soft drinks, International											
Sales	NA	2,349	2,677	3,629	4,109	4,504	4,759	6,125	7,245	8,551	9,205
Operating profit/sales		21.0%	22.9%	24.5%	27.0%	29.7%	31.9%	29.4%	29.7%	29.5%	29.9%
Consolidated											
Sales	2,773	5,475	5,879	6,977	7,658	8,065	8,622	10,236	11,572	13,074	13,957
Net profit/sales	9.0%	7.7%	12.3%	13.4%	12.0%	13.0%	14.0%	13.5%	14.0%	12.7%	15.6%
Net profit/equity	21.0%	20.0%	24.0%	27.0%	29.0%	31.0%	49.0%	36.0%	38.0%	43.0%	51.7%
Long-term debt/assets	3.0%	10.0%	23.0%	19.0%	15.0%	14.0%	10.0%	8.0%	10.0%	10.0%	11.9%
Coca-Cola Enterprises (CCE)[b]											
Sales				1,951	3,329	3,821	3,822	3,933	3,915	5,127	5,465
Operating profit/sales				8.6%	10.1%	9.3%	8.1%	8.3%	3.1%	6.0%	7.0%
Net profit/sales				1.4%	2.7%	4.0%	1.9%	2.4%	-2.1%	-3.6%	-0.3%
Net profit/equity				2.0%	6.0%	8.0%	4.0%	6.0%	-5.8%	-14.8%	-1.2%
Long-term debt/assets				47.0%	49.0%	44.0%	37.0%	39.0%	51.0%	43.4%	47.0%
PepsiCo, Inc.[c]											
Soft drinks, United States											
Sales	1,065	2,368	2,725	3,450	3,113	3,667	4,623	5,035	5,172	5,485	5,918
Operating profit/sales	10.4%	10.3%	10.4%	10.1%	11.7%	11.1%	12.5%	13.4%	14.4%	14.6%	15.8%
Soft drinks, International											
Sales	NA	NA	NA	NA	863	971	1,153	1,489	1,744	2,120	2,720
Operating profit/sales					5.4%	5.5%	6.8%	6.3%	6.7%	6.7%	6.3%
Consolidated											
Sales	2,709	5,975	7,585	9,017	11,018	12,381	15,241	17,515	19,292	21,970	25,021
Net profit/sales	4.6%	4.4%	5.6%	5.1%	5.5%	6.2%	6.0%	6.2%	5.6%	5.9%	6.4%
Net profit/equity	18.0%	20.0%	30.0%	22.0%	24.0%	24.0%	23.0%	22.0%	19.5%	23.0%	25.1%
Long-term debt/assets	35.0%	31.0%	36.0%	33.0%	25.0%	21.0%	38.0%	33.0%	42.0%	38.0%	31.4%

Source:Company annual reports

[a]Coca-Cola's soft drink sales were comprised primarily of concentrate sales. Coke's 44% stake in CCE was accounted for by the equity method of accounting. Coke's share of CCE's net earnings was included in its consolidated net income figure.

[b]CCE's net loss in 1991 and 1992 was due to debt transactions which increased net income expense.

[c]PepsiCo's soft drink sales included sales from company-owned bottlers.

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Exhibit 2 (continued)

	1975	1980	1985	1986	1987	1988	1989	1990	1991	1992	1993
Dr Pepper											
Sales	138	339	174	181	207						
Net profit/sales	8.6%	7.8%	2.3%	2.5%	-0.1%						
Net profit/equity	24.0%	24.0%	30.0%	NA	-1.0%						
Long-term debt/assets	NA	38.0%	47.0%	50.0%	38.0%						
Seven-Up[a]											
Sales	214	353	678	271	297						
Net profit/sales	9.5%	NA	NA	-2.4%	2.5%						
Net profit/equity	24.0%	NA	NA	-2.5%	14.8%						
Long-term debt/assets	2.0%	NA	NA	42.0%	66.0%						
Dr Pepper/Seven-Up Companies[b]											
Sales						511	514	540	601	659	707
Operating profit/sales						11.7%	22.2%	22.8%	23.0%	24.4%	25.9%
Net loss/profit						(79)	(42)	(33)	(38)	(140)	78
Long-term debt/assets						140.6%	149.0%	152.2%	138.5%	163.4%	116.3%
Royal Crown Corporation[c]											
Sales	258	438	986	1,102	1,109	1,122	1,175	1,231	1,027	1,075	1,058
Net profit/sales	5.2%	2.3%	0.6%	-0.8%	1.6%	3.2%	-0.1%	-0.9%	-1.6%	-0.7	-5.7%
Net profit/equity	17.0%	10.0%	5.0%	-9.0%	15.0%	23.0%	-1.0%	-11.0%	-39.0%	-7.7%	NA
Long-term debt/assets	NA	38.0%	47.0%	50.0%	38.0%	46.0%	46.0%	46.0%	34.0%	35.3%	53.7%

Source:Company annual reports

[a]Seven-Up was purchased by Philip Morris in 1978; in 1986, Seven-Up's domestic operation was sold to Hicks and Haas, and its international operation was sold to PepsiCo. Seven-Up had negative shareholders equity in 1988, 1989, and 1990.

[b]Dr Pepper/Seven-Up was formed in 1988. The company experienced net losses due to charges relating to new financial accounting rules, and to a company recapitalization plan.

[c]Royal Crown was purchased by DWG Corporation in late 1984. Royal Crown Corporation was made up of RC Cola and Arby's, a franchised restaurant system.

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Exhibit 3 Comparative Cost Structure and Financial Structure of a Typical U.S. Concentrate Producer and Bottler (per standard 8-oz./24-bottle case), 1993

	Concentrate Producer		Bottler	
	Dollars per Case	Percent of Total	Dollars per Case	Percent of Total
Profit and Loss Data				
Net sales	.66	100%	2.99	100%
Cost of sales	.11	17	1.69	57
Gross profit	.55	83	1.30	43
Selling and delivery	.01	2	.85	28
Advertising and marketing	.26	39	.05	2
General and administration	.05	13	.13	4
Pretax profit	.23	29	.27	9
Balance Sheet Data				
Cash, investments	.12		.16	
Receivables	.32		.30	
Inventories	.02		.16	
Net property, plant & equipment	.07		.82	
Goodwill	.03		1.37	
Total assets	.56		2.81	
Pretax profit/total assets	.41		.10	

Source: Industry analysts and casewriter estimates.

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Exhibit 4 U.S. Soft Drink Retail Outlets, 1993

	Food Stores	Convenience and gas	Fountain	Vending	Other	Total
Percent of industry volume	40.0%	14.0%	17.0%	8.0%	21.0%	100.0%
Share of channel:						
Coca-Cola (all brands)	32.8	29.6	58.9	48.6	45.4	40.7%
Pepsi-Cola (all brands)	28.5	37.4	27.0	40.6	32.5	31.3%
Other brands	38.7	33.0	14.1	10.8	22.1	28.0%
Bottling Profitability Per Case (192 ounces per case):						
Net Price	$3.14	$3.09	$1.52	$6.05	$1.90	$3.13
NOPBT[a]	$0.25	$0.40	$0.05	$0.69	$0.31	$0.34

Source: Industry analysts and casewriter estimates.

[a]Net Operating Profit Before Tax

Exhibit 5 Comparative Profit Margin Analysis for Door-Store Delivery, Private Label, and Warehouse Delivered Soft Drinks in the United States, 1993

Category	Retail Price	Cost of Goods	Gross Profit	Handling Costs	Net/Profit Unit	Net/Profit Case	Net Margin
DSD	$1.01	$.86	$.15	$.07	$.08	$.48	7.9%
Private Label	.69	.55	.14	.17	(.03)	(.18)	N/A
Warehouse	.82	.65	.17	.17	.00	.00	.00

Source: *Jesse Meyers' Beverage Digest*, July 1993. Used with permission, John Sicher, President, March 2000. © *Beverage Digest*.

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Exhibit 6 U.S. Soft Drink Market Share by Case Volume (percent)

	1966	1970	1975	1980	1985	1986	1987	1988	1989	1990	1991	1992	1993E
Coca-Cola Company													
Classic					5.8	19.1	19.8	19.9	19.5	19.4	19.5	19.4	19.6
Coca-Cola	27.7	28.4	26.2	25.3	14.4	2.4	1.7	1.3	0.9	0.7	0.6	0.4	0.2
Cherry Coke					1.6	1.7	1.2	0.9	0.7	0.6	0.5	0.6	0.5
diet Coke					6.3	7.2	7.7	8.1	8.8	9.1	9.2	9.0	8.8
diet Cherry Coke						0.2	0.4	0.3	0.3	0.2	0.2	0.2	0.2
Tab	1.4	1.3	2.6	3.3	1.1	0.6	0.4	0.3	0.2	0.2	0.1	0.1	0.1
Caffeine Free Coke, diet Coke, and Tab					1.8	1.7	1.7	1.9	2.2	3.1	3.3	3.2	3.0
Sprite and diet Sprite	1.5	1.8	2.6	3.0	4.2	4.3	4.3	4.3	4.4	4.4	4.6	4.7	4.9
Others	2.8	3.2	3.9	4.3	1.9	2.6	2.7	2.8	3.0	2.7	2.7	3.1	3.8
Total	**33.4**	**34.7**	**35.3**	**35.9**	**37.1**	**39.8**	**39.9**	**39.8**	**40.0**	**40.4**	**40.7**	**40.7**	**41.1**
PepsiCo, Inc.													
Pepsi-Cola	16.1	17.0	17.4	20.4	18.2	18.6	18.6	18.4	17.8	17.3	16.6	16.3	16.0
Diet Pepsi	1.9	1.1	1.7	3.0	3.7	4.4	4.8	5.2	5.7	6.2	6.2	6.2	6.1
Caffeine-Free Pepsi, and Diet Pepsi					2.3	2.0	1.8	2.0	2.1	2.3	2.3	2.3	2.0
Mountain Dew	1.4	0.9	1.3	3.3	2.9	3.0	3.3	3.4	3.6	3.8	4.1	4.3	4.6
Diet Mountain Dew								0.4	0.5	0.5	0.5	0.6	0.6
Slice					0.7	1.5	1.3	1.1	1.0	0.9	0.9	0.9	1.0
Diet Slice					0.6	1.0	1.0	0.7	0.6	0.4	0.3	0.3	0.2
Others	1.0	0.8	0.7	1.1	0.2	0.1	0.0	0.1	0.4	0.4	0.6	0.4	0.5
Total	**20.4**	**19.8**	**21.1**	**27.8**	**28.6**	**30.6**	**30.8**	**31.3**	**31.7**	**31.8**	**31.5**	**31.3**	**31.0**
Seven-Up	6.9	7.2	7.6	6.3	5.7	5.0	5.1	4.7	4.3	4.0	3.9	4.0	3.9
Dr Pepper	2.6	3.8	5.5	6.0	4.7	4.8	5.0	5.3	5.6	5.8	6.6	7.1	7.5
Royal Crown Co.	6.9	6.0	5.4	4.7	2.9	3.0	2.9	2.8	2.6	2.6	2.5	2.3	2.2
Cadbury-Schweppes	NA	NA	NA	NA	4.5	4.2	3.7	3.5	3.1	3.2	3.1	3.2	3.1
Other companies	29.8	28.5	25.1	19.3	16.5	12.6	12.6	12.6	12.6	12.2	11.7	11.4	11.2
Total (mil. cases)	**2,927**	**3,670**	**4,155**	**5,180**	**6,500**	**6,770**	**7,155**	**7,530**	**7,680**	**7,914**	**8,040**	**8,160**	**8,395**

Source: John C. Maxwell, Jr., *Beverage Industry Annual Manual 1992/1993*, and *The Maxwell Consumer Report*, February 3, 1994.

E — Estimate

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Exhibit 7 Advertising Spending by Brand in the U.S. ($ millions)

	1975	1980	1985	1986	1987	1988	1989	1990	1991	1992
Coca-Cola Company										
Coca-Cola	$25.3	$47.8	$71.6	$57.4	$57.8	$85.2	$77.4	$90.4	$89.1	$112.1
Diet Coke			40.6	40.3	40.0	56.8	59.2	69.1	71.2	70.0
Cherry Coke			6.6	10.0	7.2	1.0	0.5	0.1	0.2	0.5
Sprite	2.6	10.7	22.2	24.6	22.2	22.4	22.5	23.4	27.4	28.5
Diet Sprite			6.7	5.0	3.3	7.5	2.2	7.6	5.9	*
Tab	6.5	12.6	15.6	5.1	0.5	*	*	*	0.2	0.4
Total	34.4	71.1	163.3	142.4	131.0	172.9	161.8	190.6	194.0	211.5
Pepsi-Cola Company										
Pepsi-Cola	17.9	40.2	56.9	54.9	60.2	70.9	71.9	79.4	74.8	76.2
Diet Pepsi	3.7	11.6	32.9	33.8	35.5	48.5	57.2	76.5	67.5	43.4
Pepsi Free (regular and sugar-free)			9.1	*	*	*	*	*	1.5	8.1
Mountain Dew	2.8	10.2	9.0	8.3	8.0	5.7	9.1	11.7	15.3	11.6
Diet Mountain Dew						4.2	1.6	1.6	*	8.0
Pepsi Light	0.9	5.2	0.4	*	*	*	*	*	*	*
Total	25.3	67.2	108.3	97.0	103.7	129.3	139.8	169.2	159.1	147.3
Dr Pepper Company										
Dr Pepper	6.2	15.1	9.6	9.6	11.3	14.5	17.8	24.1	23.6	29.4
Pepper Free			0.5	0.3	*	*	*	*	NA	NA
Diet Dr Pepper	1.6	2.9	5.7	6.8	9.2	9.7	9.4	6.6	23.6	18.8
Total	7.8	18.0	15.8	16.7	20.5	24.2	27.2	30.7	47.2	48.2
Seven-Up Company										
7-Up	10.2	25.5	22.3	33.3	27.1	27.6	27.2	31.4	28.1	13.6
Diet 7-Up	3.3	7.9	15.6	8.2	11.0	7.3	5.2	8.5	9.9	12.8
Cherry 7-Up					8.7	14.5	4.4	0.2	*	*
Like			1.5	*	*	*	*	*	*	*
Total	13.5	33.4	39.4	41.5	46.8	49.4	36.8	40.1	38.0	26.4
Royal Crown Cola										
Royal Crown	10.9	6.6	5.1	6.4	6.4	5.9	6.2	1.4	2.7	3.0
Diet Rite Cola	3.5	3.4	3.5	2.9	3.5	2.3	1.9	3.2	0.8	*
Total	14.4	10.0	8.6	9.3	9.9	8.2	8.1	4.6	3.5	3.0
Canada Dry	5.2	10.1	12.4	11.6	8.0	7.1	4.6	4.5	NA	NA
Shasta	2.8	4.4	4.6	*	*	1.4	*	*	*	1.2
All Others	10.5	26.3	30.4	70.5	72.1	65.5	49.7	58.3	55.0	60.0
Industry Total	114	241	383	389	392	458	428	498	502	503

Source: *Advertising Age*, *Beverage Industry*, company annual reports.

*Advertising under $250,000.

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Exhibit 8 Soft Drink Industry—Selected International Market Shares, 1993 (192 ounces per case, in thousands)

	Gallons Per Capita	Unit Cases Industry	Unit Cases Coca-Cola	Unit Cases PepsiCo	Share Coca-Cola	Share PepsiCo
Asia						
Japan	6	2,020,000	646,400	141,400	32%	7%
Philippines	7	324,000	246,240	64,800	76	20
Australia	25	260,850	153,900	26,100	59	10
Korea	8	215,460	107,710	17,230	50	8
Thailand	5	185,740	107,730	16,700	58	9
China	0.8	666,700	76,950	33,330	12	5
Other		377,350	200,070	57,780	53	15
Total		**4,050,100**	**1,539,000**	**357,340**	**38%**	**9%**
European Community						
Germany	27	1,281,450	627,910	102,520	49%	8%
Great Britain	14	651,510	201,970	78,180	31	12
Spain	19	513,000	277,020	66,690	54	13
Italy	13	436,520	240,080	48,020	55	11
France	8	300,640	129,280	21,040	43	7
Other		746,240	370,540	115,780	50	16
Total		**3,929,360**	**1,846,800**	**432,230**	**47%**	**11%**
Latin America						
Mexico	33	1,925,150	1,058,830	481,290	55%	25%
Brazil	8	902,880	541,730	108,340	60	12
Argentina	16	397,160	246,240	142,980	62	36
Chile	18	158,865	98,500	28,590	62	18
Other		1,175,945	517,100	59,600	54	5
Total		**4,560,000**	**2,462,400**	**820,800**	**54%**	**18%**
Northeast Europe/Africa		2,972,970	1,126,000	501,000	38%	17%
Canada	27	603,530	205,200	193,130	34	32
Total International		**16,115,960**	**7,179,400**	**2,304,500**	**45%**	**14%**
United States	48	**8,160,000**	**3,345,600**	**2,529,600**	**41%**	**31%**

Source: Andrew Conway, "Thirsting for Growth, Soft Drinks in the 1990s," *Salomon Brothers*, June 1993; industry analysts; casewriter estimates.

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