

**The Merriam Report KO 12/31/10 COCA COLA CO**

All amounts in millions except for earnings per share

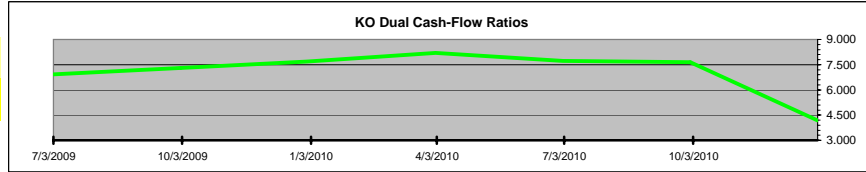
Quarterly period ending:	2 7/3/2009	3 10/2/2009	4 12/31/2009	1 4/2/2010	2 7/2/2010	3 10/1/2010	4 12/31/2010	Averages	
Earnings Per Share (Incl. Ext. Items)	\$ 0.880	\$ 0.810	\$ 0.660	\$ 0.690	\$ 1.02000	\$ 0.880	\$ 2.470	\$ 1.059	1
% Change in E.P.S. (from prev. qtr.)		-8.0%	-18.5%	4.5%	47.8%	-13.7%	180.7%	32.1%	1
Total Revenues	826700.0	804400.0	751000.0	752500.0	867400.0	842600.0	1049400.0	842000.0	1
% Change in Revenues (from prev. qtr.)		-2.7%	-6.6%	0.2%	15.3%	-2.9%	24.5%	4.6%	1
Cost of Revenues	291300.0	2934000.0	2651000.0	2541000.0	2955000.0	2918000.0	4279000.0	2652757.1	-1
Accounts Receivable:	374600.0	346500.0	375800.0	370500.0	400100.0	372000.0	443000.0	383214.3	-1
% Change in Receivables (from prev. qtr.)		-7.5%	8.5%	-1.4%	8.0%	-7.0%	19.1%	3.3%	-1 -2.26%
DSO's (# of days it took customers to pay)	41.2	39.2	45.5	44.8	42.0	40.2	38.4	41.6	1 1.10%
Inventories:	248300.0	234100.0	235400.0	232700.0	236300.0	225900.0	265000.0	239671.4	-1
% Change in Inventory (from prev. qtr.)		-5.7%	0.6%	-1.1%	1.5%	-4.4%	17.3%	1.4%	-1 -2.28%
Inventory as a % of Sales	30.0%	29.1%	31.3%	30.9%	27.2%	26.8%	25.3%	28.67%	1
Prepaid Expenses:	219,800.00	206,100.00	222,600.00	238,200.00	204,400.00	324,800.00	316,200.00	247442.9	
Other Current Assets:	0.0	0.0	0.0	0.0	0.0	61300.0	0.0	8757.1	1
Property, Plant & Equip. (net):	890400.0	909900.0	956100.0	903600.0	893100.0	914500.0	1472700.0	991471.4	
% Change in P,P& E (from prev. qtr.)		2.2%	5.1%	-5.5%	-1.2%	2.4%	61.0%	10.7%	
Accounts Payable:	635600.0	675500.0	665700.0	596300.0	620200.0	769100.0	885900.0	692614.3	-1
% Change in Payables (from prev. qtr.)		6.3%	-1.5%	-10.4%	4.0%	24.0%	15.2%	6.3%	-1 -0.0127
Quarterly period ending:	7/3/2009	10/2/2009	12/31/2009	4/2/2010	7/2/2010	10/1/2010	12/31/2010		
Total Liabilities:	2297800.0	2315200.0	2387200.0	2253100.0	2292600.0	2618300.0	4191800.0	2622285.7	
Shareholder equity:	2307600.0	2395500.0	2479900.0	2487200.0	2551800.0	2790600.0	3100300.0	2587557.1	
Retained Earnings (Accum. Deficit)	3999900.0	4094400.0	4153700.0	4213600.0	4349000.0	4454100.0	4927800.0	4313214.3	
Operating Cash Flow (OCF)	5898186.1	6079785.6	6211080.9	6310186.4	6519687.1	6856386.0	6861426.2	6390962.6	1
OCF as % of Revenues	713.5%	755.8%	827.0%	838.6%	751.6%	813.7%	653.8%	764.87%	-1 -0.0243
Balance Sheet Cash Flow (BSCF)	2297677.0	2315077.2	2387073.6	2252979.5	2292477.5	2618147.3	4191635.5	2622152.5	-1
BSCF as % of Revenues	277.9%	287.8%	317.9%	299.4%	264.3%	310.7%	399.4%	308.20%	-1 -0.0423
Spread between OCF & BSCF	3600509.1	3764708.4	3824007.3	4057206.9	4227209.5	4238238.7	2669790.7	3768810.1	-2 -0.0423
Ratios									
Spread to Revenues	435.53%	468.01%	509.19%	539.16%	487.34%	503.00%	254.41%	4.567	
Spread to OCF	2.567	2.626	2.602	2.801	2.844	2.619	1.637	2.528	
MR Dual Cash-Flow Figure	6.922	7.306	7.694	8.192	7.717	7.649	4.181	7.095	

**The Merriam Report**

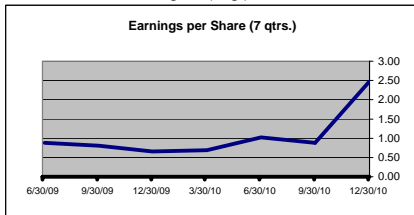
Quarterly period ending:	7/3/09	10/2/09	12/31/09	4/2/10	7/2/10	10/1/10	12/31/10	
MR Dual Cash-Flow Figure	6.922	7.306	7.694	8.192	7.717	7.649	4.181	-1 -1

**Merriam Report Signals:**

- Recent Bearish
- Confirmed Bearish
- Recent Bullish
- Confirmed Bullish



**MR Dual Cash-Flow Figure (avg.)**



	07/03/09	10/02/09	12/31/09	04/02/10	07/02/10	10/01/10	12/31/10	
P/E	18.04	19.88	19.32	18.19	15.74	18.19	12.85	1 17.459
P/S	3.67	4.1	4.28	4.11	3.66	4.3	4.37	0 4.07
P/FCF	79.5713	80.0668	55.4756	45.0729	38.8276	42.7965	47.2273	0 55.577
PEG	1.8563	5.7868	1.0935	0.7246	0.9075	0.893	0.1767	1 1.6341
Earnings Yield	0.0554	0.0503	0.0518	0.055	0.0635	0.055	0.0778	1 0.0584
Cash-to-Total-Asse	0.1725	0.1937	0.188	0.184	0.2085	0.2432	0.1536	-1 0.1919
Debt-to-Assets	0.2486	0.2381	0.2437	0.2454	0.2417	0.2476	0.3211	-1 0.2552

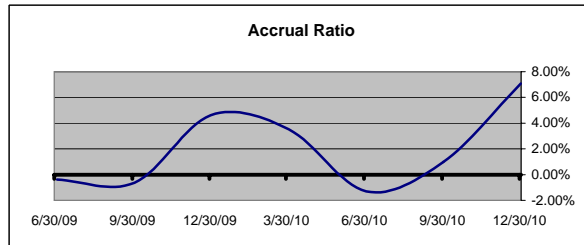
	7/3/09	10/2/09	12/31/09	4/2/10	7/2/10	10/1/10	12/31/10	
Accrual Ratios	-0.38%	-0.62%	4.62%	3.52%	-1.30%	0.98%	7.09%	-1.2
Average Accruals	1.99%							

**Revenue Metrics (as % of Sales)**

	Recent Qtr.		Combined Avg.
Research & Development	0.00%	0	0.00%
Cost of Sales	40.78%	-1	35.95%
S/G/A	42.99%	-1	37.14%
Payables	84.42%	-1	82.26%

	Recent Qtr.		Combined Avg.
Inventory / Revenues	\$ 0.253	1	\$ 0.285
Receivables / Revenues	\$ 0.4221	1	\$ 0.4551
Inventory & Receivables / Revenues	\$ 0.675	1	\$ 0.740
P,P&E / Revenues	\$ 1.403	-1	\$ 1.178



-4.82% -5.84%

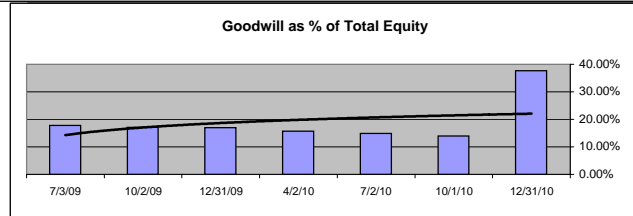
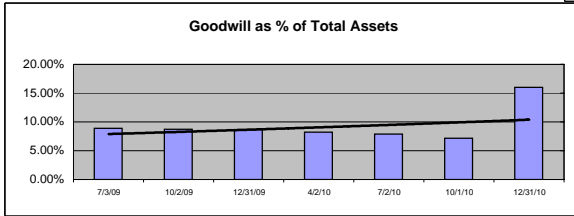
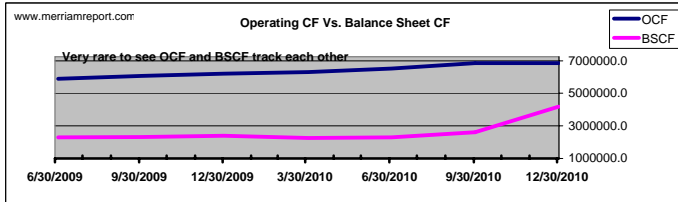
## Summary of Merriam Report Signals

Dual Cash-Flow Figures

	Recent Bearish	Confirmed Bearish	Recent Bullish	Confirmed Bullish	7/3/09	10/2/09	12/31/09	4/2/10	7/2/10	10/1/10	12/31/10
Operating Cash-Flow Trend		OCF	5898186.1	6079785.6	6211080.9	6310186.4	6519687.1	6856386.0	6861426.2		
Balance Sheet Cash-Flow Trend		BSCF	2297677.0	2315077.2	2387073.6	2252979.5	2292477.5	2618147.3	4191635.5		

### Comparison of Recent Quarter Changes to Average

EPS	
Revenues	
Accounts Receivable	
Days Sales Outstanding	
Inventory	
Accounts Payable	
Accrual Ratios	Bearish



	7/3/09	10/2/09	12/31/09	4/2/10	7/2/10	10/1/10	12/31/10	AVG.	
Goodwill as % of Total Assets	8.89%	8.70%	8.68%	8.24%	7.86%	7.18%	16.00%	9.36%	-1
Goodwill as % of Total Equity	17.73%	17.12%	17.03%	15.70%	14.93%	13.91%	37.63%	19.15%	-1
	2.00	1.97	1.96	1.91	1.90	1.94	2.35	2.05	-1
									-3

Dual Cash Flow Trend	-2
Financial Ratios (conventional)	1
Balance Sheet and Income Statement	-2
Accrual Ratios	-1.2
Revenue Metrics and Capital Productivity	-1
Goodwill Trends	-3
<b>Merriam Report Score</b>	<b>-8.2</b>

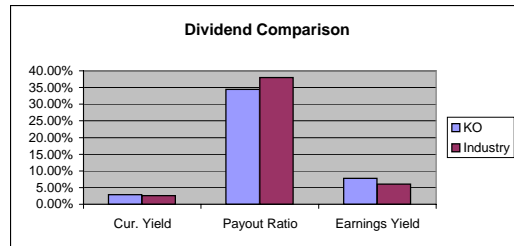
COCA COLA CO	12/31/2010	3/11/2011
Ending Period Share Price	65.77	64.81
Estimated Fair Value	\$ 55.30	
End Price to Est. FV	5.41%	17.20%

SHORT CANDIDATE	
AVOID	
HOLD	<input checked="" type="checkbox"/>
BUY	
STRONG BUY	

Valuation	Beverages (Non-Alcoholic)	
OVERVALUED	Consumer/Non-Cyclical Beverages	
Earnings Quality	KO	Industry
A+		
A-	Cur. Yield	2.86% 2.61%
<b>B+</b>	Payout Ratio	34.46% 37.97%
B-	Earnings Yield	7.78% 6.04%
C+		
C-		

Adjustments (Payables)	\$	(0.79)
Adjustments (Receivables)	\$	(1.41)
Adjustments (DSO)	\$	0.69
Adjustments (OCF)	\$	(1.51)
Adjustments (BSCF)	\$	(2.64)
Adjustments (Inventory)	\$	(1.42)
<b>Total Adjustments</b>	<b>\$</b>	<b>(7.09)</b>

Next Earnings 4/18/2011



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