

Coca-Cola Bottling Co. Consolidated Reports Third Quarter 2004 Results

October 20, 2004

CHARLOTTE, N.C., Oct 20, 2004 /PRNewswire-FirstCall via COMTEX/ -- Coca-Cola Bottling Co. Consolidated (Nasdaq: COKE) today announced it earned \$6.1 million or \$.67 per share for the third quarter of 2004. These results compare to net income of \$13.8 million or \$1.53 per share in the third quarter of 2003. In the third quarter of 2003, the Company's results reflected a net favorable adjustment to income tax expense of \$4.6 million or \$.51 per share.

The Company's net sales declined by 1.3% in the third quarter of 2004 reflecting a 3.8% decline in bottle/can volume and an increase in average revenue per case of approximately 2.5%. Income from operations in the third quarter of 2004 decreased approximately 19%.

J. Frank Harrison, III, Chairman and CEO, said, "The Company's financial results in the third quarter were weak, reflecting the impact of soft sales, especially in our immediate consumption business." Large portions of the Company's franchise territory experienced unseasonably cool weather in August and several tropical storms in September. The combination of adverse weather, higher fuel prices and less aggressive promotions by retailers has led to lower net sales in the recent quarter. The softness in the quarter was felt most in the Company's higher margin immediate consumption business, which had been growing at approximately 2% through the first half of 2004, but was down nearly 5% in the third quarter. The Company continues to focus on reducing its debt through managing capital spending and an ongoing focus on working capital management. The combination of debt and capital lease liabilities at the end of the third quarter of 2004 was down by more than \$80 million as compared to the end of the third quarter of 2003.

William B. Elmore, President and COO, said, "Our results in the third quarter were disappointing. Due to the high fixed cost nature of our business, a decline in sales directly impacts profit margins, especially when immediate consumption sales are down." Despite the soft sales environment, the Company's diet carbonated soft drink portfolio continued to grow, up 4% in the third quarter. PowerAde was also up, growing 19% in the third quarter. Operating expenses increased approximately 1%, reflecting increases in wage rates, benefit costs and fuel prices which were partially offset by a combination of productivity improvements and reductions in other expenses.

Cautionary Information Regarding Forward-Looking Statements

Included in this news release and other information that we make publicly available from time to time are forward-looking management comments and other statements that reflect management's current outlook for future periods. These statements include, among others, statements relating to: reducing debt through managing capital spending and an ongoing focus on working capital management. These statements and expectations are based on the currently available competitive, financial and economic data along with the Company's operating plans, and are subject to future events and uncertainties. Among the events or uncertainties which could adversely affect future periods are: lower than expected selling prices resulting from increased marketplace competition; changes in how significant customers market our products; an inability to meet performance requirements for expected levels of marketing funding support payments from The Coca-Cola Company or other beverage companies; reduced marketing and advertising spending by The Coca-Cola Company or other beverage companies; an inability to meet requirements under bottling contracts with The Coca-Cola Company or other beverage companies; the inability of our aluminum can or PET bottle suppliers to meet our demand; significant changes from expectations in the cost of raw materials; higher than expected insurance premiums; lower than anticipated return on pension plan assets; higher than anticipated health care costs; higher than expected fuel prices; unfavorable interest rate fluctuations; adverse weather conditions; inability to increase selling prices to offset higher raw material costs; terrorist attacks, war or other civil disturbances; changes in financial markets and significant changes in the Company's public debt ratings. The forward-looking statements in this news release should be read in conjunction with the detailed cautionary statements found on pages 33 and 34 of the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 2003.

--Enjoy Coca-Cola--

Coca-Cola Bottling Co. Consolidated CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED) In Thousands (Except Per Share Data)

| | Third Quarter | | First Nine Months | |
|---|---------------|-----------|-------------------|-----------|
| | 2004 | 2003 | 2004 | 2003 |
| Net sales | \$321,336 | \$325,637 | \$937,774 | \$919,002 |
| Cost of sales, excluding depreciation expense shown below | 169,938 | 168,949 | 485,174 | 474,663 |
| Gross margin | 151,398 | 156,688 | 452,600 | 444,339 |
| Selling, delivery and administrative expenses, excluding depreciation expense shown below | 109,646 | 108,329 | 328,140 | 316,785 |
| Depreciation expense | 17,795 | 18,956 | 53,108 | 57,253 |
| Amortization of intangibles | 766 | 846 | 2,356 | 2,311 |
| Income from operations | 23,191 | 28,557 | 68,996 | 67,990 |
| Interest expense | 10,838 | 10,414 | 31,822 | 31,701 |
| Minority interest | 1,346 | 1,432 | 3,444 | 2,690 |

| | | | | |
|--|----------|-----------|-----------|-----------|
| Income before income taxes | 11,007 | 16,711 | 33,730 | 33,599 |
| Income taxes | 4,899 | 2,865 | 14,204 | 6,446 |
| Net income | \$ 6,108 | \$ 13,846 | \$ 19,526 | \$ 27,153 |
| Basic net income per share | \$.67 | \$ 1.53 | \$ 2.15 | \$ 3.00 |
| Diluted net income per share | \$.67 | \$ 1.53 | \$ 2.15 | \$ 3.00 |
| Weighted average number of common shares outstanding | 9,063 | 9,043 | 9,063 | 9,043 |
| Weighted average number of common shares outstanding - assuming dilution | 9,063 | 9,043 | 9,063 | 9,043 |

SOURCE Coca-Cola Bottling Co. Consolidated

Media, Lauren C. Steele, VP Corporate Affairs, +1-704-557-4551,
or Investors, David V. Singer, Executive VP & CFO, +1-704-557-4604, both of
Coca-Cola Bottling Co. Consolidated

<http://www.cokeconsolidated.com> □