UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 30, 2001
Commission file number 0-9286

Coca-Cola Bottling Co. Consolidated
(Exact name of Registrant as specified in its charter)

Delaware	56-0950585
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4100 Coca-Cola Plaza, Charlotte, North Carolina (Address of principal executive offices)	28211 (Zip Code)

(704) 557-4400
(Registrant's telephone number, including area code)

Securities Registered Pursuant to Section 12(b) of the Act: None
Securities Registered Pursuant to Section 12(g) of the Act:

Common Stock, $l.00 par value
(Title of Class)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [_]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

State the aggregate market value of voting stock held by non-affiliates of the Registrant.

	Market Value as of March 8, 2002
Common Stock, $l.00 par value	$191,130,092
Class B Common Stock, $l.00 par value	*

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* No market exists for the shares of Class B Common Stock, which is neither registered under Section 12 of the Act nor subject to Section 15(d) of the Act. The Class B Common Stock is convertible into Common Stock on a share-for-share basis at the option of the holder.

Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding as of March 8, 2002
Common Stock, $1.00 par value	6,392,477
Class B Common Stock, $1.00 par value	2,380,852

Documents Incorporated by Reference

Portions of Proxy Statement to be filed pursuant to
Section 14 of the Exchange Act with respect to the 2002
Annual Meeting of Stockholders.....Part III, Items 10-13

Part I

Item 1. Business

Introduction and Recent Developments

Coca-Cola Bottling Co. Consolidated, a Delaware corporation (the "Company"), produces, markets and distributes carbonated and noncarbonated beverages, primarily products of The Coca-Cola Company, Atlanta, Georgia ("The Coca-Cola Company"). The Company was incorporated in 1980 and its predecessors have been in the soft drink manufacturing and distribution business since 1902.

The Company has grown significantly since 1984. In 1984, net sales were approximately $130 million. In 2001, net sales were approximately $1.02 billion. The Company's bottling territory was concentrated in North Carolina prior to 1984. A series of acquisitions since 1984 has significantly expanded the Company's bottling territory. The more significant transactions since 1993 were as follows:

- July 2, 1993--Formation of Piedmont Coca-Cola Bottling Partnership ("Piedmont"). Piedmont is a joint venture originally owned equally by the Company and The Coca-Cola Company through their respective subsidiaries. Piedmont distributes and markets soft drink products, primarily in parts of North Carolina and South Carolina. The Company sold and contributed certain territories to Piedmont upon formation. The Company currently provides part of the finished product requirements for Piedmont and receives a fee for managing the operations of Piedmont pursuant to a management agreement.

- June 1, 1994--The Company executed a management agreement with South Atlantic Canners, Inc. ("SAC"), a manufacturing cooperative located in Bishopville, South Carolina. The Company is a member of the cooperative and receives a fee for managing the day-to-day operations of SAC pursuant to a ten-year management agreement. SAC significantly expanded its operations by adding two PET (plastic) bottling lines in 1994. These bottling lines supply a portion of the Company's and Piedmont's volume requirements for finished product in PET containers.

- May 28, 1999--Acquisition of all the outstanding capital stock of Carolina Coca-Cola Bottling Company, Inc. which included bottling territory covering central South Carolina.

- September 29, 2000--Sale of bottling territory in Kentucky and Ohio. The bottling territory sold represented approximately 3% of the Company's annual sales volume.

- January 2, 2002--Purchase of an additional 4.651% interest in Piedmont from The Coca-Cola Company, increasing the Company's ownership in Piedmont to 54.651%. As a result of the increase in ownership, the results of operations, financial position and cash flows of Piedmont will be consolidated with those of the Company beginning in the first quarter of 2002.

These transactions, along with several smaller acquisitions of additional bottling territories, have resulted in the Company becoming the second largest Coca-Cola bottler in the United States. The Company considers acquisition opportunities for additional territories on an ongoing basis. To achieve its goals, further purchases and sales of bottling rights and entities possessing such rights and other related transactions designed to facilitate such purchases and sales may occur.

The Coca-Cola Company currently owns an economic interest of approximately 28.3% and a voting interest of approximately 22.1% in the Company. J. Frank Harrison, Jr., J. Frank Harrison, III and Reid M. Henson (as trustee of certain trusts), J. Frank Harrison Family LLC and the Harrison Family Limited Partnerships are parties to a Voting Agreement and Irrevocable Proxy with The Coca-Cola Company pursuant to which, among other things, Mr. Harrison, III has been granted an Irrevocable Proxy for life concerning the shares of Common Stock and Class B Common Stock owned by The Coca-Cola Company.

General

In its soft drink operations, the Company holds Bottle Contracts and Allied Bottle Contracts under which it produces and markets, in certain regions, carbonated soft drink products of The Coca-Cola Company, including Coca-Cola classic, caffeine free Coca-Cola classic, diet Coke, diet Coke with lemon, caffeine free diet Coke, Cherry Coke, diet Cherry Coke, TAB, Sprite, diet Sprite, Surge, Citra, Mello Yello, diet Mello Yello, Mello Yello Cherry, Mello Yello Melon, Mr. PiBB, Fruitopia, Barq's Root Beer, diet Barq's Root Beer, Fresca, Minute Maid orange and diet Minute Maid orange sodas.

The Company also distributes and markets under Marketing and Distribution Agreements POWERade, Dasani and Minute Maid Juices To Go in certain of its markets. The Company produces and markets Dr Pepper in most of its regions. The Company also distributes and markets various other products, including Seagrams' products and Sundrop, in one or more of the Company's regions under agreements with the companies that manufacture the concentrate for those beverages. In addition, the Company also produces soft drinks for other Coca-Cola bottlers.

The Company's principal soft drink is Coca-Cola classic. During the last three fiscal years, sales of products under the Coca-Cola trademark have accounted for more than half of the Company's soft drink sales. In total, the products of The Coca-Cola Company accounted for approximately 90% of the Company's soft drink sales during 2001.

Beverage Agreements

The Company holds contracts with The Coca-Cola Company which entitle the Company to produce and market The Coca-Cola Company's soft drinks in bottles, cans and five gallon, pressurized, pre-mix containers. The Company is one of many companies holding such contracts. The Coca-Cola Company is the sole owner of the secret formulas pursuant to which the primary components (either concentrates or syrups) of Coca-Cola trademark beverages and other trademark beverages are manufactured. The concentrates, when mixed with water and sweetener, produce syrup which, when mixed with carbonated water, produces the soft drink known as "Coca-Cola classic" and other soft drinks of The Coca-Cola Company which are manufactured and marketed by the Company. The Company also purchases natural sweeteners from The Coca-Cola Company. No royalty or other compensation is paid under the contracts with The Coca-Cola Company for the Company's right to use in its territories the tradenames and trademarks, such as "Coca-Cola classic" and their associated patents, copyrights, designs and labels, all of which are owned by The Coca-Cola Company. The Company has similar arrangements with Dr Pepper Company and other beverage companies.

Bottle Contracts. The Company is party to standard bottle contracts with The Coca-Cola Company for each of its bottling territories (the "Bottle Contracts") which provide that the Company will purchase its entire requirement of concentrates and syrups for Coca-Cola classic, caffeine free Coca-Cola classic, diet Coke, diet Coke with lemon, caffeine free diet Coke, Cherry Coke and diet Cherry Coke (together, the "Coca-Cola Trademark Beverages") from The Coca-Cola Company. The Company has the exclusive right to distribute Coca-Cola Trademark Beverages for sale in its territories in authorized containers of the nature currently used by the Company, which include cans and refillable and nonrefillable bottles. The Coca-Cola Company may determine from time to time what containers of this type to authorize for use by the Company.

The price The Coca-Cola Company charges for syrup or concentrate under the Bottle Contracts is set by The Coca-Cola Company from time to time. Except as provided in the Supplementary Agreement described below, there are no limitations on prices for concentrate or syrup. Consequently, the prices at which the Company purchases concentrates and syrup under the Bottle Contracts may vary materially from the prices it has paid during the periods covered by the financial information included in this report.

Under the Bottle Contracts, the Company is obligated to maintain such plant, equipment, staff and distribution facilities as are required for the manufacture, packaging and distribution of the Coca-Cola Trademark Beverages in authorized containers, and in sufficient quantities to satisfy fully the demand for these beverages in its territories; to undertake adequate quality control measures and maintain sanitation standards prescribed by The Coca-Cola Company; to develop, stimulate and satisfy fully the demand for Coca-Cola Trademark Beverages and to use all approved means, and to spend such funds on advertising and other forms of marketing, as may be reasonably required to meet that objective; and to maintain such sound financial capacity as may be reasonably necessary to assure performance by the Company and its affiliates of their obligations to The Coca-Cola Company.

The Bottle Contracts require the Company to submit to The Coca-Cola Company each year its plans for marketing, management and advertising with respect to the Coca-Cola Trademark Beverages for the ensuing year. Such plans must demonstrate that the Company has the financial capacity to perform its duties and obligations to The Coca-Cola Company under the Bottle Contracts. The Company must obtain The Coca-Cola Company's approval of those plans, which approval may not be unreasonably withheld, and if the Company carries out its plans in all material respects, it will have satisfied its contractual obligations. Failure to carry out such plans in all material respects would constitute an event of default that, if not cured within 120 days of notice of such failure, would give The Coca-Cola Company the right to terminate the Bottle Contracts. If the Company at any time fails to carry out a plan in all material respects with respect to any geographic segment (as defined by The Coca-Cola Company) of its territory, and if that failure is not cured within six months of notice of such failure, The Coca-Cola Company may reduce the territory covered by the applicable Bottle Contract by eliminating the portion of the territory with respect to which the failure has occurred.

The Coca-Cola Company has no obligation under the Bottle Contracts to participate with the Company in expenditures for advertising and marketing. As it has in the past, The Coca-Cola Company may contribute to such expenditures and undertake independent advertising and marketing activities, as well as cooperative advertising and sales promotion programs which require mutual cooperation and financial support of the Company. The future levels of marketing support and promotional funds provided by The Coca-Cola Company may vary materially from the levels provided during the periods covered by the financial information included in this report.

The Coca-Cola Company has the right to reformulate any of the Coca-Cola Trademark Beverages and to discontinue any of the Coca-Cola Trademark Beverages, subject to certain limitations, so long as all Coca-Cola Trademark Beverages are not discontinued. The Coca-Cola Company may also introduce new beverages under the trademarks "Coca-Cola" or "Coke" or any modification thereof, and in that event the Company would be obligated to manufacture, package, distribute and sell the new beverages with the same duties as exist under the Bottle Contracts with respect to Coca-Cola Trademark Beverages.

If the Company acquires the right to manufacture and sell Coca-Cola Trademark Beverages in any additional territory, the Company has agreed that such new territory will be covered by a standard contract in the same form as the Bottle Contracts and that any existing agreement with respect to the acquired territory automatically shall be amended to conform to the terms of the Bottle Contracts. In addition, if the Company acquires control, directly or indirectly, of any bottler of Coca-Cola Trademark Beverages, or any party controlling a bottler of Coca-Cola Trademark Beverages, the Company must cause the acquired bottler to amend its franchises for the Coca-Cola Trademark Beverages to conform to the terms of the Bottle Contracts.

The Bottle Contracts are perpetual, subject to termination by The Coca-Cola Company in the event of default by the Company. Events of default by the Company include (1) the Company's insolvency, bankruptcy, dissolution, receivership or similar conditions; (2) the Company's disposition of any interest in the securities of any bottling subsidiary without the consent of The Coca-Cola Company; (3) termination of any agreement regarding the manufacture, packaging, distribution or sale of Coca-Cola Trademark Beverages between The Coca-Cola Company and any person that controls the Company; (4) any material breach of any obligation

occurring under the Bottle Contracts (including, without limitation, failure to make timely payment for any syrup or concentrate or of any other debt owing to The Coca-Cola Company, failure to meet sanitary or quality control standards, failure to comply strictly with manufacturing standards and instructions, failure to carry out an approved plan as described above, and failure to cure a violation of the terms regarding imitation products), that remains uncured for 120 days after notice by The Coca-Cola Company; (5) producing, manufacturing, selling or dealing in any "Cola Product," as defined, or any concentrate or syrup which might be confused with those of The Coca-Cola Company; (6) selling any product under any trade dress, trademark or tradename or in any container that is an imitation of a trade dress or container in which The Coca-Cola Company claims a proprietary interest; or (7) owning any equity interest in or controlling any entity which performs any of the activities described in (5) or (6) above. In addition, upon termination of the Bottle Contracts for any reason, The Coca-Cola Company, at its discretion, may also terminate any other agreements with the Company regarding the manufacture, packaging, distribution, sale or promotion of soft drinks, including the Allied Bottle Contracts described elsewhere herein.

The Company is prohibited from assigning, transferring or pledging its Bottle Contracts, or any interest therein, whether voluntarily or by operation of law, without the prior consent of The Coca-Cola Company. Moreover, the Company may not enter into any contract or other arrangement to manage or participate in the management of any other Coca-Cola bottler without the prior consent of The Coca-Cola Company.

The Coca-Cola Company may automatically amend the Bottle Contracts if 80% of the domestic bottlers who are parties to agreements with The Coca-Cola Company containing substantially the same terms as the Bottle Contracts, which bottlers purchased for their own account 80% of the syrup and equivalent gallons of concentrate for Coca-Cola Trademark Beverages purchased for the account of all such bottlers, agree that their bottle contracts shall be likewise amended.

Supplementary Agreement. The Company and The Coca-Cola Company are also parties to a Supplementary Agreement (the "Supplementary Agreement") that modifies some of the provisions of the Bottle Contracts. The Supplementary Agreement provides that The Coca-Cola Company will exercise good faith and fair dealing in its relationship with the Company under the Bottle Contracts; offer marketing support and exercise its rights under the Bottle Contracts in a manner consistent with its dealings with comparable bottlers; offer to the Company any written amendment to the Bottle Contracts (except amendments dealing with transfer of ownership) which it offers to any other bottler in the United States; and, subject to certain limited exceptions, sell syrups and concentrates to the Company at prices no greater than those charged to other bottlers which are parties to contracts substantially similar to the Bottle Contracts. The Supplementary Agreement permits transfers of the Company's capital stock that would otherwise be limited by the Bottle Contracts.

Allied Bottle Contracts. Other contracts with The Coca-Cola Company (the "Allied Bottle Contracts") grant similar exclusive rights to the Company with respect to the distribution of Sprite, Mr. PiBB, Citra, Mello Yello, diet Mello Yello, Mello Yello Cherry, Mello Yello Melon, Fanta, TAB, diet Sprite, sugar free Mr. PiBB, Fresca, Fruitopia, Minute Maid orange and diet Minute Maid orange sodas (the "Allied Beverages") for sale in authorized containers in its territories. These contracts contain provisions that are similar to those of the Bottle Contracts with respect to pricing, authorized containers, planning, quality control, trademark and transfer restrictions and related matters. Each Allied Bottle Contract has a term of ten years and is renewable by the Company for an additional ten years at the end of each ten-year period, but is subject to termination in the event of (1) the Company's insolvency, bankruptcy, dissolution, receivership or similar condition; (2) termination of the Company's Bottle Contract covering the same territory by either party for any reason; and (3) any material breach of any obligation of the Company under the Allied Bottle Contract that remains uncured for 120 days after notice by The Coca-Cola Company.

The Coca-Cola Company purchased all rights of Barq's, Inc. under its Bottler's Agreements with the Company. These contracts cover both Barq's Root Beer and diet Barq's Root Beer and remain in effect unless terminated by The Coca-Cola Company for breach by the Company of their terms, insolvency of the Company or

the failure of the Company to manufacture, bottle and sell the products for 15 consecutive days or to purchase extract for a period of 120 consecutive days.

Post-mix Rights. The Company also has the non-exclusive right to sell Coca-Cola classic and other fountain syrups ("post-mix syrup") of The Coca-Cola Company. In 2001, post-mix net sales were $42.5 million.

Other Bottling Agreements. The bottling agreements from most other soft drink franchisers are similar to those described above in that they are renewable at the option of the Company and the franchisers. The price the franchisers may charge for syrup or concentrate is set by the franchisers from time to time. They also contain similar restrictions on the use of trademarks, approved bottles, cans and labels and sale of imitations or substitutes as well as termination for cause provisions. Sales of beverages by the Company under these agreements represented approximately 10% of the Company's sales for fiscal year 2001.

The territories covered by the Allied Bottle Contracts and by bottling agreements for products of franchisers other than The Coca-Cola Company in most cases correspond with the territories covered by the Bottle Contracts. The variations do not have a material effect on the Company's business.

Markets and Production and Distribution Facilities

As of March 1, 2002, the Company held bottling rights from The Coca-Cola Company covering the majority of central, northern and western North Carolina, and portions of Alabama, Mississippi, Tennessee, Kentucky, Virginia, West Virginia, Pennsylvania, South Carolina, Georgia and Florida. The total population within the Company's bottling territory is approximately 13.6 million.

As of March 1, 2002, the Company operated in six principal geographical regions. Certain information regarding each of these markets follows:

1. North Carolina/South Carolina. This region includes the majority of central and western North Carolina, including Raleigh, Greensboro, Winston-Salem, High Point, Hickory, Asheville, Fayetteville and Charlotte and the surrounding areas and a portion of central South Carolina, including Sumter. The region has an estimated population of 6.4 million. A production/distribution facility is located in Charlotte and 13 other distribution facilities are located in the region.

2. South Alabama. This region includes a portion of southwestern Alabama, including Mobile and surrounding areas, and a portion of southeastern Mississippi. The region has an estimated population of 1.1 million. A production/distribution facility is located in Mobile and four other distribution facilities are located in the region.

3. South Georgia. This region includes a small portion of eastern Alabama, a portion of southwestern Georgia including Columbus, Georgia and surrounding areas, and a portion of the Florida Panhandle. This region has an estimated population of 1.0 million. A distribution facility is located in Columbus, Georgia and four other distribution facilities are located in the region.

4. Middle Tennessee. This region includes a portion of central Tennessee, including Nashville and surrounding areas, a small portion of southern Kentucky and a small portion of northwest Alabama. The region has an estimated population of 2.0 million. A production/distribution facility is located in Nashville and seven other distribution facilities are located in the region.

5. Western Virginia. This region includes most of southwestern Virginia, including Roanoke and surrounding areas, a portion of the southern piedmont of Virginia, a portion of northeastern Tennessee and a portion of southeastern West Virginia. The region has an estimated population of 1.7 million. A production/distribution facility is located in Roanoke and seven other distribution facilities are located in the region.

6. West Virginia. This region includes most of the state of West Virginia and a portion of southwestern Pennsylvania. The region has an estimated population of 1.4 million. There are eight distribution facilities located in the region.

The Company owns 100% of the operations in each of the regions previously listed.

In July 1993, the Company sold the majority of the South Carolina bottling territory that it then owned to Piedmont. Pursuant to a management agreement, the Company produces a portion of the soft drink products for Piedmont. The Company initially owned a 50% interest in Piedmont. On January 2, 2002, the Company purchased an additional 4.651% interest in Piedmont from The Coca-Cola Company, increasing the Company's interest in Piedmont to 54.651%. Piedmont's bottling territory covers parts of eastern North Carolina and most of South Carolina (other than portions of central South Carolina). This region has an estimated population of 4.5 million.

On June 1, 1994, the Company executed a management agreement with SAC, a manufacturing cooperative located in Bishopville, South Carolina. The Company is a member of the cooperative and receives a fee for managing the day-to-day operations of SAC pursuant to a ten-year management agreement. Management fees from SAC were $1.2 million, $1.0 million and $1.3 million in 2001, 2000 and 1999, respectively. SAC significantly expanded its operations by adding two PET bottling lines in 1994. The bottling lines supply a portion of the Company's and Piedmont's volume requirements for finished products in PET containers. In 1994, the Company executed member purchase agreements with SAC that require minimum annual purchases of canned product, 20 ounce PET product, 2 liter PET product and 3 liter PET product by the Company of approximately $40 million. Purchases from SAC by the Company and Piedmont for finished products were $110 million, $110 million and $109 million in 2001, 2000 and 1999, respectively.

In addition to producing bottled and canned soft drinks for the Company's bottling territories, each production facility also produces some products for sale by other Coca-Cola bottlers. With the exception of the Company's production of soft drink products for Piedmont, this contract production is currently not a material portion of the Company's total production volume.

Raw Materials

In addition to concentrates obtained by the Company from The Coca-Cola Company and other concentrate companies for use in its soft drink manufacturing, the Company also purchases sweeteners, carbon dioxide, plastic bottles, cans, closures, pre-mix containers and other packaging materials as well as equipment for the production, distribution and marketing of soft drinks. Except for sweetener, cans, carbon dioxide and plastic bottles, the Company purchases its raw materials from multiple suppliers.

The Company has a supply agreement with its aluminum can supplier which requires the Company to purchase substantially all of its aluminum can requirements. This agreement, which extends through the end of 2003, also reduces the variability of the cost of cans.

The Company purchases substantially all of its plastic bottles (20 ounce, half liter, 1 liter, 2 liter and 3 liter sizes) from manufacturing plants which are owned and operated by two cooperatives of Coca-Cola bottlers, including the Company.

None of the materials or supplies used by the Company is in short supply, although the supply of specific materials could be adversely affected by strikes, weather conditions, governmental controls or national emergency conditions.

Marketing

The Company's soft drink products are sold and distributed directly by its employees to retail stores and other outlets, including food markets, institutional accounts and vending machine outlets. During 2001, approximately 78% of the Company's physical case volume was in the take-home channel through supermarkets, convenience stores, drug stores and other retail outlets. The remaining volume was in the cold drink channel, primarily through dispensing machines, owned either by the Company, retail outlets or third party vending companies. No individual customer accounted for as much as 10% of the Company's total sales volume. All of the Company's sales are to customers in the United States.

New product introductions, packaging changes and sales promotions have been the major competitive techniques in the soft drink industry in recent years and have required and are expected to continue to require substantial expenditures. Product introductions in the last three years include Dasani, Mello Yello Cherry, Mello Yello Melon and diet Coke with lemon. New product introductions have resulted in increased operating costs for the Company due to special marketing efforts, obsolescence of replaced items and, in some cases, higher raw materials costs.

After new package introductions in recent years, the Company sells its soft drink products primarily in nonrefillable bottles and cans, in varying proportions from market to market. There may be as many as thirteen different packages for Coca-Cola classic within a single geographical area. Physical unit sales of soft drinks during fiscal year 2001 were approximately 54% cans, 45% nonrefillable bottles and 1% pre-mix.

Advertising in various media, primarily television and radio, is relied upon extensively in the marketing of the Company's soft drinks. The Coca-Cola Company and Dr Pepper Company ("Beverage Companies") each have joined the Company in making substantial expenditures in cooperative advertising in the Company's marketing areas. The Company has benefited from national advertising programs conducted by The Coca-Cola Company and Dr Pepper Company, respectively. In addition, the Company expends substantial funds on its own behalf for extensive local sales promotions of the Company's soft drink products. Historically, these expenses have been partially offset by marketing funds which the Beverage Companies provide to the Company in support of a variety of marketing programs, such as point-of-sale displays and merchandising programs. However, the Beverage Companies are under no obligation to provide the Company with marketing funding in the future.

The substantial outlays which the Company makes for advertising are generally regarded as necessary to maintain or increase sales volume, and any significant curtailment of the marketing funding provided by The Coca-Cola Company for advertising or marketing programs which benefit the Company could have a material effect on the business and financial results of the Company.

Seasonality

Sales are somewhat seasonal, with the highest sales volume occurring in May, June, July and August. The Company has adequate production capacity to meet sales demands during these peak periods.

Competition

The soft drink industry is highly competitive. The Company's competitors include several large soft drink manufacturers engaged in the distribution of nationally advertised products, as well as similar companies which market lesser-known soft drinks in limited geographical areas and manufacturers of private brand soft drinks. In each region in which the Company operates, between 75% and 90% of carbonated soft drink sales in bottles, cans and pre-mix containers are accounted for by the Company and its principal competition, which in each region includes the local bottler of Pepsi-Cola and, in some regions, also includes the local bottler of Royal Crown products. The Company's products also compete with, among others, noncarbonated beverages and citrus and noncitrus fruit drinks.

The principal methods of competition in the soft drink industry are point-of-sale merchandising, new product introductions, packaging changes, price promotions, product quality, frequency of distribution and advertising.

Government Regulation

The production and marketing of beverages are subject to the rules and regulations of the United States Food and Drug Administration ("FDA") and other federal, state and local health agencies. The FDA also regulates the labeling of containers.

As a manufacturer, seller and distributor of beverage products of The Coca-Cola Company and other soft drink manufacturers in exclusive territories, the Company is subject to antitrust laws of general applicability. However, pursuant to the United States Soft Drink Interbrand Competition Act, soft drink bottlers such as the Company may have an exclusive right to manufacture, distribute and sell a soft drink product in a defined geographic territory if that soft drink product is in substantial and effective competition with other products of the same general class in the market. The Company believes that there is such substantial and effective competition in each of the exclusive geographic territories in the United States in which the Company operates.

From time to time, legislation has been proposed in Congress and by certain state and local governments which would prohibit the sale of soft drink products in nonrefillable bottles and cans or require a mandatory deposit as a means of encouraging the return of such containers in an attempt to reduce solid waste and litter. The Company is currently not impacted by this type of proposed legislation.

Soft drink and similar-type taxes have been in place in West Virginia and Tennessee for several years.

Environmental Remediation

The Company does not currently have any material capital expenditure commitments for environmental compliance or environmental remediation for any of its properties.

Employees

As of March 1, 2002, the Company had approximately 5,500 full-time employees, of whom approximately 400 were union members. The total number of employees, including part-time employees, is approximately 6,050.

Less than 10% of the Company's labor force is currently covered by collective bargaining agreements. Two collective bargaining contracts covering approximately 6% of the Company's employees expire during 2002.

In March 2000, at the end of a collective bargaining agreement in Huntington, West Virginia, the Company and Teamsters Local Union 505 were unable to reach an agreement on wages and benefits. The union elected to strike and other Teamster-represented sales centers in West Virginia joined in a sympathy strike. In August 2000, the Company and the respective local unions settled all outstanding issues.

Item 2. Properties

The principal properties of the Company include its corporate headquarters, its four production/distribution facilities and its 44 distribution centers. The Company owns two production/distribution facilities and 39 distribution centers, and leases its corporate headquarters, two other production/distribution facilities and five distribution centers.

The Company leases its 110,000 square foot corporate headquarters and a 65,000 square foot adjacent office building from an affiliate for a ten-year term expiring January 2009. Total rent expense for these facilities was $3.3 million in 2001.

The Company leases its 542,000 square foot Snyder Production Center and an adjacent 105,000 square foot distribution center in Charlotte, North Carolina from an affiliate for a ten-year term expiring in December 2010. Rent expense under this lease totaled $3.3 million in 2001.

The Company also leases its 297,500 square foot production/distribution facility in Nashville, Tennessee. The lease requires monthly payments through 2009. Rent expense under this lease totaled $.4 million in 2001.

The Company's other real estate leases are not material.

The Company owns and operates a 316,000 square foot production/distribution facility in Roanoke, Virginia and a 271,000 square foot production/distribution facility in Mobile, Alabama.

The current percentage utilization of the Company's production centers as of March 1, 2002 is approximately as indicated below:

Production Facilities

Location	Percentage Utilization *
Charlotte, North Carolina	79%
Mobile, Alabama	53%
Nashville, Tennessee	62%
Roanoke, Virginia	75%

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* Estimated 2002 production divided by capacity (based on operations of 6 days per week and 16 hours per day).

The Company currently has sufficient production capacity to meet its operational requirements. In addition to the production facilities noted above, the Company also has access to production capacity from SAC, a 113,000 square foot manufacturing cooperative located in Bishopville, South Carolina.

The Company's products are transported to distribution centers for storage pending sale. The number of distribution facilities by market area as of March 1, 2002 is as follows:

Distribution Facilities

Region	Number of Facilities
North Carolina/South Carolina	14
South Alabama	5
South Georgia	5
Middle Tennessee	8
Western Virginia	8
West Virginia	8

The Company's distribution facilities are all in good condition and are adequate for the Company's operations as presently conducted.

The Company also operates approximately 2,900 vehicles in the sale and distribution of its soft drink products, of which approximately 1,300 are route delivery trucks. In addition, the Company owns approximately 171,000 soft drink dispensing and vending machines for the sale of its products in its bottling territories.

Item 3. Legal Proceedings

On August 3, 1999, North American Container, Inc. filed a complaint in the United States District Court for the Northern District of Texas against the Company and 44 other defendants. By its First Amended Complaint filed in April 2000, the plaintiff seeks to enforce United States Reissue Patent No. RIE 36,639 and alleges that the plastic containers used by the Company in connection with the distribution of soft drinks and other products infringe the patent. The Company has notified its suppliers of the lawsuit and has asserted indemnification claims against them. The Company's suppliers have assumed the defense of the claim pursuant to a written agreement providing for indemnification. The Company's suppliers are vigorously defending the claim and the Company believes it has meritorious defenses against the imposition of any liability in this action.

There are various other lawsuits and claims pending against the Company arising in the ordinary course of its business. The Company believes that any losses that may arise from these lawsuits or claims will not have a materially adverse result on the financial condition or results of operation of the Company.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year ended December 30, 2001.

Executive Officers Of The Registrant

Pursuant to General Instruction G(3) of Form 10-K, the following list is included as a separate item in Part I of this Report.

The following is a list of names and ages of all the executive officers of the Registrant as of March 1, 2002, indicating all positions and offices with the Registrant held by each such person. All officers have served in their present capacities for the past five years except as otherwise stated.

J. FRANK HARRISON, III, age 47, is Chairman of the Board of Directors and Chief Executive Officer of the Company. Mr. Harrison, III was appointed Chairman of the Board of Directors in December 1996. Mr. Harrison, III served as Vice Chairman from November 1987 through December 1996 and was appointed as the Company's Chief Executive Officer in May 1994. He was first employed by the Company in 1977, and has served as a Division Sales Manager and as a Vice President of the Company. Mr. Harrison, III is a Director of Wachovia Bank & Trust Co., N.A., Southern Region Board. He is Chairman of the Finance Committee and Vice Chairman of the Executive Committee.

JAMES L. MOORE, JR., age 59, is Vice Chairman of the Board of Directors of the Company, a position he was appointed to in January 2001. Prior to that time, Mr. Moore had served as President of the Company since 1987. Mr. Moore is a Director of Park Meridian Financial Corp. He has served as a Director of the Company since March 1987. Mr. Moore is Chairman of the Retirement Benefits Committee and a member of the Executive Committee.

WILLIAM B. ELMORE, age 46, is President and Chief Operating Officer and a Director of the Company, positions he has held since January 2001. Previously, he was Vice President, Value Chain since July 1999 and Vice President, Business Systems from August 1998 to June 1999. He was Vice President, Treasurer from June 1996 to July 1998. He was Vice President, Regional Manager for the Virginia Division, West Virginia Division and Tennessee Division from August 1991 to May 1996. Mr. Elmore is a member of the Executive Committee and the Retirement Benefits Committee.

ROBERT D. PETTUS, JR., age 57, is Executive Vice President and Assistant to the Chairman, a position to which he was appointed in January 1997. Mr. Pettus was previously Vice President, Human Resources, a position he held since September 1984.

DAVID V. SINGER, age 46, is Executive Vice President and Chief Financial Officer, a position to which he was appointed in January 2001. He was previously Vice President and Chief Financial Officer, a position he had held since October 1987.

CLIFFORD M. DEAL, III, age 40, is Vice President and Treasurer, a position he has held since June 1999. Previously, he was Director of Compensation and Benefits from October 1997 to May 1999. He was Corporate Benefits Manager from December 1995 to September 1997. From November 1993 to November 1995 he was Manager of Tax Accounting.

NORMAN C. GEORGE, age 46, is Senior Vice President, Chief Marketing and Customer Officer, a position he was appointed to in September 2001. Prior to that he was Vice President, Marketing and National Sales, a position he was appointed to in December 1999. Prior to that he was Vice President, Corporate Sales, a position he had held since August 1998. Previously, he was Vice President, Sales for the Carolinas South Region, a position he held beginning in November 1991.

RONALD J. HAMMOND, age 46, is Vice President, Value Chain, a position he was appointed to in January 2001. Prior to that he was Vice President, Manufacturing, a position he had held since September 1999. Before joining

the Company, he was Vice President, Operations, Asia Pacific at Pepsi-Cola International, where he was an employee since 1981.

KEVIN A. HENRY, age 34, is Vice President, Human Resources, a position he has held since February 2001. Prior to joining the Company he was Senior Vice President, Human Resources at Nationwide Credit Inc., where he was an employee since January 1997. Prior to that he was Director, Human Resources, at Office Depot Inc. since December 1994.

UMESH M. KASBEKAR, age 44, is Vice President, Planning and Administration, a position he has held since January 1995.

C. RAY MAYHALL, JR., age 54, is Senior Vice President, Sales, a position he was appointed to in September 2001. Prior to that he was Vice President, Distribution and Technical Services, a position he was appointed to in December 1999. Prior to that he was Regional Vice President, Sales, a position he had held since November 1992.

LAUREN C. STEELE, age 47, is Vice President, Corporate Affairs, a position he has held since May 1989. He is responsible for governmental, media and community relations for the Company.

STEVEN D. WESTPHAL, age 47, is Vice President and Controller of the Company, a position he has held since November 1987.

JOLANTA T. ZWIREK, age 46, is Vice President and Chief Information Officer, a position she has held since June 1999. Prior to joining the Company, she was Vice President and Chief Technology Officer for Bank One during a portion of 1999. Prior to that, she was a Senior Director in the Information Services organization at McDonald's Corporation, where she was an employee since 1984.

Part II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The Company has two classes of common stock outstanding, Common Stock and Class B Common Stock. The Common Stock is traded on the Nasdaq National Market tier of the Nasdaq Stock Market(R) under the symbol COKE. The table below sets forth for the periods indicated the high and low reported sales prices per share of Common Stock. There is no established public trading market for the Class B Common Stock. Shares of Class B Common Stock are convertible on a share-for-share basis into shares of Common Stock.

	Fiscal Year			
	2001		2000	
	High	Low	High	Low
First quarter.....	$45.13	$36.50	$53.00	$46.50
Second quarter.....	41.00	38.06	52.75	41.38
Third quarter.....	42.24	36.17	47.75	36.50
Fourth quarter.....	40.95	36.09	45.00	32.05

The quarterly dividend rate of $.25 per share on both Common Stock and Class B Common Stock shares was maintained throughout 2000 and 2001.

Pursuant to the Company's Certificate of Incorporation, no cash dividend or dividend of property or stock other than stock of the Company may be declared and paid, per share, on the Class B Common Stock unless a dividend of an amount greater than or equal to such cash or property or stock has been declared and paid on the Common Stock.

The amount and frequency of future dividends will be determined by the Company's Board of Directors in light of the earnings and financial condition of the Company at such time, and no assurance can be given that dividends will be declared in the future.

The number of stockholders of record of the Common Stock and Class B Common Stock, as of March 8, 2002, was 3,311 and 13, respectively.

On March 6, 2002, the Compensation Committee determined that 20,000 shares of restricted Class B Common Stock, $1.00 par value, vested and should be issued pursuant to a performance-based award to J. Frank Harrison, III, in connection with his services as Chairman of the Board of Directors and Chief Executive Officer of the Company. This award was approved by the Company's stockholders in 1999. The shares were issued without registration under the Securities Act of 1933 in reliance on Section 4(2) thereof.

Item 6. Selected Financial Data

The following table sets forth certain selected financial data concerning the Company for the five years ended December 30, 2001. The data for the five years ended December 30, 2001 is derived from audited financial statements of the Company. This information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in Item 7 hereof and is qualified in its entirety by reference to the more detailed financial statements and notes contained in Item 8 hereof. This information should also be read in conjunction with the "Introduction and Recent Developments" section in Item 1 hereof.

Selected Financial Data *

	Fiscal Year **				
	2001	2000***	1999	1998	1997
In Thousands (Except Per Share Data)					
Summary of Operations					
Net sales	$1,022,686	$ 995,134	$ 972,551	$928,502	$802,141
Cost of sales	555,570	530,241	543,113	534,919	452,893
Selling, general and administrative expenses	323,668	323,223	291,907	276,245	239,901
Depreciation expense	66,134	64,751	60,567	37,076	33,783
Amortization of goodwill and intangibles	15,296	14,712	13,734	12,972	12,221
Restructuring expense			2,232		
Total costs and expenses	960,668	932,927	911,553	861,212	738,798
Income from operations	62,018	62,207	60,998	67,290	63,343
Interest expense	44,322	53,346	50,581	39,947	37,479
Other income (expense), net	(6,000)	974	(5,431)	(4,098)	(1,594)
Income before income taxes	11,696	9,835	4,986	23,245	24,270
Income taxes	2,226	3,541	1,745	8,367	9,004
Net income	$ 9,470	$ 6,294	$ 3,241	$ 14,878	$ 15,266
Basic net income per share	$ 1.08	$ .72	$ .38	$ 1.78	$ 1.82
Diluted net income per share	$ 1.07	$ .71	$ .37	$ 1.75	$ 1.79
Cash dividends per share:					
Common	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Class B Common	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Other Information					
Weighted average number of common shares outstanding	8,753	8,733	8,588	8,365	8,407
Weighted average number of common shares outstanding--assuming dilution	8,821	8,822	8,708	8,495	8,509
Year-End Financial Position					
Total assets	$1,064,459	$1,062,097	$1,108,392	$822,702	$775,507
Portion of long-term debt payable within one year	56,708	9,904	28,635	30,115	12,000
Current portion of obligations under capital leases	1,489	3,325	4,483		
Long-term debt	620,156	682,246	723,964	491,234	493,789
Obligations under capital leases	935	1,774	4,468		
Stockholders' equity	17,081	28,412	30,851	14,198	7,685

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* See Management's Discussion and Analysis for additional information.

** All years presented are 52-week years except 1998 which is a 53-week year. See Note 3 and Note 15 to the consolidated financial statements for additional information about Piedmont Coca-Cola Bottling Partnership.

*** In September 2000, the Company sold bottling territory which represented approximately 3% of the Company's annual sales volume.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

The Company

Coca-Cola Bottling Co. Consolidated (the "Company") produces, markets and distributes carbonated and noncarbonated beverages, primarily products of The Coca-Cola Company, which include some of the most recognized and popular beverage brands in the world. The Company is currently the second largest bottler of products of The Coca-Cola Company in the United States. The Company also distributes several other beverage brands. The Company's product offerings include carbonated soft drinks, teas, juices, isotonics and bottled water. Over the past several years, the Company has expanded its bottling territory primarily throughout the southeast via acquisitions and, combined with internally generated growth, had net sales of over $1 billion in 2001. The Company is also a partner with The Coca-Cola Company in Piedmont Coca-Cola Bottling Partnership ("Piedmont"), a partnership that operates additional bottling territory with net sales of $297 million in 2001.

Acquisitions and Divestitures

On January 2, 2002, the Company purchased an additional 4.651% interest in Piedmont for $10.0 million from The Coca-Cola Company, increasing the Company's ownership in Piedmont to 54.651%. As a result of the increase in ownership, the results of operations, financial position and cash flows of Piedmont will be consolidated with those of the Company beginning in the first quarter of 2002. The Company's investment in Piedmont has been accounted for using the equity method for 2001 and prior years. Summarized financial information for Piedmont is included in the notes to the Company's financial statements.

During 2000, the Company sold most of its bottling territory in Kentucky and Ohio to another Coca-Cola bottler. The territory sold represented approximately 3% of the Company's annual sales volume. During 1999, the Company expanded its bottling territory by acquiring three Coca-Cola bottlers as follows:

- Carolina Coca-Cola Bottling Company, Inc., a Coca-Cola bottler with operations in central South Carolina in May 1999;
- The bottling rights and operating assets of a small Coca-Cola bottler in north central North Carolina in May 1999; and
- Lynchburg Coca-Cola Bottling Co., Inc., a Coca-Cola bottler with operations in central Virginia in October 1999.

New Accounting Pronouncements

On January 1, 2001, the Company adopted Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended ("SFAS No. 133"), which requires that all derivative instruments be recognized in the financial statements at fair value. The adoption of SFAS No. 133 did not have a significant impact on the results of operations, financial position or cash flows during 2001.

In June 2001, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 141, "Business Combinations," ("SFAS No. 141") and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," ("SFAS No. 142"). These standards require that all business combinations be accounted for using the purchase method and that goodwill and intangible assets with indefinite useful lives not be amortized but instead be tested for impairment at least annually. These standards provide guidelines for new disclosure requirements and outline the criteria for initial recognition and measurement of intangibles, assignment of assets and liabilities including goodwill to reporting units and goodwill impairment testing. The provisions of SFAS Nos. 141 and 142 apply to all business combinations consummated after June 30, 2001. The provisions of SFAS No. 142 for existing goodwill and other intangible assets are required to be implemented effective the first day of fiscal year 2002. The Company

anticipates the adoption of SFAS No. 142 will reduce amortization expense in 2002 by approximately $12.6 million for the Company and by approximately $8.4 million for Piedmont.

In October 2001, the FASB issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," ("SFAS No. 144"). SFAS No. 144 supersedes Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of," but it retains many of the fundamental provisions of that Statement. SFAS No. 144 also extends the reporting requirements to report separately as discontinued operations, components of an entity that have either been disposed of or classified as held for sale. The provisions of SFAS No. 144 are required to be adopted at the beginning of fiscal year 2002. The Company believes that such adoption will not have a material effect on its financial statements.

The Year in Review

The year was highlighted by an increase in constant territory physical case volume of slightly over 4%, a significant increase in net income and strong free cash flow. Total debt and capital lease obligations decreased from $697.2 million at December 31, 2000 to $679.3 million at December 30, 2001. Strong cash flow from operations enabled the Company to repay approximately $18 million in debt and purchase approximately $49 million of equipment previously leased. New products, new packaging, growth in noncarbonated beverages and an emphasis on our core carbonated brands helped the Company increase volume by 4% in 2001. This increase in volume for 2001 comes after a volume decline of 5% in 2000. Net selling price per case was relatively unchanged for the year. The Company increased its net selling price per case by approximately 6.5% in 2000.

The Company reported net income of $9.5 million or $1.08 per share for 2001 compared with net income of $6.3 million or $.72 per share for 2000. Net income for 2001 was favorably impacted by an income tax benefit of approximately $2.9 million, which resulted from the settlement of certain income tax matters with the Internal Revenue Service during the year. Operating results for 2000 included nonrecurring items that increased net income for the year by approximately $3.6 million. The nonrecurring income items in 2000 included a $5.6 million gain, net of tax, on the sale of bottling territory in Kentucky and Ohio offset partially by a provision for impairment of certain fixed assets of $2.0 million, net of tax.

The Company benefited from declining interest rates over the course of the year. The combination of lower interest rates and reduced long-term debt balances contributed to a decline in interest expense of approximately $9 million from 2000. The Company's operations produced record free cash flow during 2001. Total debt and capital lease obligations decreased from $697.2 million at December 31, 2000 to $679.3 million at December 30, 2001. Strong cash flow from operations enabled the Company to repay approximately $18 million in debt and purchase approximately $49 million of equipment previously leased. The Company reduced its long-term debt and lease liabilities by approximately $64 million in 2000.

The Company continues to focus on its key long-term objectives, including increasing per capita consumption, operating cash flow, free cash flow and stockholder value.

Significant Events of Prior Years

On June 1, 1994, the Company executed a management agreement with South Atlantic Canners, Inc. ("SAC"), a manufacturing cooperative located in Bishopville, South Carolina. SAC produces bottle and can product for its members. The Company is a member of the cooperative and receives a fee for managing the day-to-day operations of SAC pursuant to this ten-year management agreement.

On July 2, 1993, the Company and The Coca-Cola Company formed Piedmont to distribute and market soft drink products of The Coca-Cola Company and other third party licensors, primarily in certain portions of North Carolina and South Carolina. The Company provides a portion of the soft drink products to Piedmont and

receives a fee for managing the business of Piedmont pursuant to a management agreement. The Company and The Coca-Cola Company, through their respective subsidiaries, each beneficially owned a 50% interest in Piedmont at December 30, 2001. The Company has historically accounted for its investment in Piedmont using the equity method of accounting. As noted above, on January 2, 2002, the Company increased its ownership interest in Piedmont to 54.651% and The Coca-Cola Company's ownership in Piedmont was reduced to 45.349%. The results of operations, financial position and cash flows of Piedmont will be consolidated with those of the Company beginning in the first quarter of 2002.

Discussion of Critical Accounting Policies

In the ordinary course of business, the Company has made a number of estimates and assumptions relating to the reporting of results of operations and financial position in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ significantly from those estimates under different assumptions and conditions. The Company believes that the following discussion addresses the Company's most critical accounting policies, which are those that are most important to the portrayal of the Company's financial condition and results of operations and require management's most difficult, subjective and complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

Allowance for Doubtful Accounts

The Company evaluates the collectibility of its trade accounts receivable based on a number of factors. In circumstances where we are aware of a specific customer's inability to meet its financial obligations to the Company, a specific reserve for bad debts is estimated and recorded which reduces the recognized receivable to the estimated amount the Company believes will ultimately be collected. In addition to specific customer identification of potential bad debts, bad debt charges are recorded based on the Company's recent past loss history and an overall assessment of past due trade accounts receivable amounts outstanding.

Property, Plant and Equipment

Property, plant and equipment is recorded at cost and is depreciated on a straight-line basis over the estimated useful lives of such assets. Changes in circumstances such as technological advances, changes to the Company's business model or changes in the Company's capital strategy could result in the actual useful lives differing from the Company's estimates. In those cases where the Company determines that the useful life of property, plant and equipment should be shortened, the Company would depreciate the net book value in excess of the estimated salvage value over its revised remaining useful life. Factors such as changes in the planned use of manufacturing equipment, vending equipment, transportation equipment or software could result in shortened useful lives. Long-lived assets are reviewed by the Company for impairment whenever events or changes in circumstances indicate that the carrying amount of any such asset may not be recoverable. The estimate of future cash flow is based upon, among other things, certain assumptions about expected future operating performance. The Company's estimates of undiscounted cash flow may differ from actual cash flow due to, among other things, technological changes, economic conditions, changes to its business model or changes in its operating performance. If the sum of the projected undiscounted cash flows (excluding interest) is less than the carrying value of the asset, the asset will be written down to its estimated fair value.

Goodwill and Other Intangible Assets

In the first quarter of 2002, the Company will adopt the provisions of SFAS No. 142. The Company anticipates the adoption of SFAS No. 142 will reduce amortization expense in 2002 by approximately $12.6 million for the Company and by approximately $8.4 million for Piedmont. During 2002, the Company will perform the first of the annual impairment tests of its goodwill and intangible assets with indefinite useful lives. The Company has performed a preliminary impairment test of its goodwill and intangible assets with indefinite

useful lives and anticipates that this test will have no significant impact on the results of operations and financial condition of the Company in 2002.

Deferred Tax Assets

The Company records a valuation allowance to reduce the carrying value of its deferred tax assets to an amount that is more likely than not to be realized. While the Company has considered future taxable income and prudent and feasible tax planning strategies in assessing the need for the valuation allowance, should the Company determine that it would not be able to realize all or part of its net deferred tax assets in the future, an adjustment to the carrying value of the deferred tax assets would be charged to income in the period in which such determination was made.

Pension Benefits

The Company sponsors pension plans covering substantially all nonunion employees who meet eligibility requirements. Several statistical and other factors which attempt to anticipate future events are used in calculating the expense and liability related to the plans. These factors include assumptions about the discount rate, expected return on plan assets and rate of future compensation increases as determined by the Company, within certain guidelines. In addition, the Company's actuarial consultants also use subjective factors such as withdrawal and mortality rates to estimate the projected benefit obligation. The actuarial assumptions used by the Company may differ materially from actual results due to changing market and economic conditions, higher or lower withdrawal rates or longer or shorter life spans of participants. These differences may result in a significant impact to the amount of pension expense recorded by the Company in future periods.

Results Of Operations

2001 Compared to 2000

Net Income

The Company reported net income of $9.5 million or $1.08 per share for the fiscal year 2001 compared with net income of $6.3 million or $.72 per share for the fiscal year 2000. Diluted net income per share for 2001 was $1.07 compared to $.71 in 2000. Net income for 2001 was favorably impacted by an income tax benefit of approximately $2.9 million, which resulted from the settlement of certain income tax matters with the Internal Revenue Service during the year. Operating results for 2000 included nonrecurring items that increased net income for the year by approximately $3.6 million. The nonrecurring income items in 2000 included a $5.6 million gain, net of tax, on the sale of bottling territory in Kentucky and Ohio offset partially by a provision for impairment of certain fixed assets of $2.0 million, net of tax.

Net Sales and Gross Margin

The Company's net sales for 2001 were $1.02 billion, an increase of 2.8% compared to 2000. On a constant territory basis, net sales increased by approximately 4% in 2001 due to an increase in physical case volume of 4% with net selling price relatively unchanged compared to 2000. The growth in the Company's constant territory physical case volume was attributable to several different items. Sales of carbonated soft drinks were positively impacted by the introduction of new packaging for twelve-pack cans called Fridge Pack(TM) and line extensions for Mello Yello and diet Coke. Fridge Pack(TM) has been very popular with both retailers and consumers. The new Mello Yello flavors and diet Coke with lemon have helped these brands to grow at an increased rate. On a constant territory basis, volume for the Company's three largest selling brands, Coca-Cola classic, Sprite and diet Coke, increased during 2001 after volume declines during 2000.

Sales of the Company's noncarbonated beverages comprised 8.5% of the Company's total sales volume in 2001 compared to 7% in 2000. The Company continued to experience strong growth in its bottled water, Dasani.

New packaging, including twelve-ounce bottles and multi-packs, contributed to an increase in volume of 52% for Dasani on a constant territory basis over 2000. New packages for POWERade, including twelve-ounce bottles, helped increase volume by 30% over prior year volume.

The Company's products are sold and distributed directly by its employees to retail stores and other outlets. During 2001, approximately 78% of the Company's physical case volume was sold in the take-home channel through supermarkets, convenience stores, drug stores and mass merchandisers. However, no individual customer accounted for as much as 10% of the Company's total sales volume.

While the Company's gross margin as a percentage of net sales declined in 2001 compared to 2000, it was 1.5% higher in 2001 than in 1999. Gross margin as a percentage of net sales increased from 44.2% in 1999 to 46.7% in 2000 and declined to 45.7% in 2001. The decline in the gross margin percentage in 2001 as compared to 2000 was attributable to an increase in cost of sales as a result of higher raw material costs and brand mix.

Cost of Sales and Operating Expenses

Cost of sales on a per unit basis increased approximately 0.9% for the year 2001 compared to 2000. Increases in raw material costs were partially offset by a package mix shift from bottles to cans and improvements in productivity.

Selling, general and administrative ("S,G&A") expenses for 2001 increased by approximately 1.4% over the prior year on a constant territory basis. The increase in S,G&A expenses for 2001 was due primarily to higher employee compensation costs and an increase in sales development costs, offset by a reduction in lease expense resulting from the Company's purchase of certain assets that were previously leased and increased productivity. S,G&A expenses included an increase in the Company's allowance for doubtful accounts due to the bankruptcy filing of a large retail customer shortly after the end of the fiscal year. The Company produced, sold and delivered 4% more physical cases with 4% fewer employees than the prior year.

Based on the performance of the Company's pension plan investments and lower interest rates, it is anticipated that pension expense will increase from approximately $2 million in 2001 to approximately $6 million in 2002. The Company anticipates that due to current market conditions, its costs associated with nonhealth-related insurance will increase by approximately $1.5 million in 2002. The Company anticipates that the cost increases related to its pension plan and insurance will be offset partially by increased productivity.

The Company relies extensively on advertising and sales promotion in the marketing of its products. The Coca-Cola Company and other beverage companies that supply concentrates, syrups and finished products to the Company make substantial marketing and advertising expenditures to promote sales in the local territories served by the Company. The Company also benefits from national advertising programs conducted by The Coca-Cola Company and other beverage companies. Certain of the marketing expenditures by The Coca-Cola Company and other beverage companies are made pursuant to annual arrangements. Although The Coca-Cola Company has advised the Company that it intends to provide marketing funding support in 2002, it is not obligated to do so under the Company's master bottle contract. Significant decreases in marketing support from The Coca-Cola Company or other beverage companies could adversely impact operating results of the Company. Direct marketing funding and other support from The Coca-Cola Company and other beverage companies were $56.3 million in 2001 compared to $56.8 million in 2000.

In 2002, The Coca-Cola Company is providing the Company an opportunity to earn incremental marketing funding as part of a strategic growth initiative. The incremental marketing funding, which could amount to approximately $7 million for the Company and Piedmont on a combined basis, is subject to certain volume performance requirements in 2002.

Depreciation expense in 2001 increased $1.4 million or 2.1% on a reported basis and $1.8 million or 2.7% on a constant territory basis from 2000. The increase was due primarily to the purchase during the second quarter

of 2001 of approximately $49 million of cold drink equipment that had previously been leased. This purchase was financed with the Company's lines of credit. Capital expenditures in 2001 totaled $96.7 million, which includes approximately $49 million of previously leased equipment as discussed above.

Investment in Piedmont

The Company's share of Piedmont's net income in 2001 was $.4 million. This compares to the Company's share of Piedmont's net income of $2.5 million in 2000. The decrease in income from Piedmont of $2.1 million resulted primarily from an increase in operating expenses. Piedmont's operating expenses increased by $10.4 million in 2001 due to higher employee compensation costs, an increase in sales development costs and an increase in management fees paid to the Company.

Interest Expense

Interest expense for 2001 of $44.3 million decreased by $9.0 million or 17% from 2000. The decrease in interest expense was attributable to lower average interest rates on the Company's outstanding debt and lower debt balances. The Company's overall weighted average interest rate decreased from an average of 7.3% during 2000 to an average of 6.5% during 2001. Total debt and capital lease obligations decreased from $697.2 million at December 31, 2000 to $679.3 million at December 30, 2001. Strong cash flow from operations enabled the Company to repay approximately $18 million in debt and purchase approximately $49 million of equipment previously leased.

Other Income (Expense)

Other expense for 2001 was $6.0 million, compared to other income of $1.0 million in 2000 and other expense of $5.4 million in 1999. The change in other income (expense) from 2000 is primarily due to nonrecurring items in 2000 that included a gain on the sale of bottling territory of $8.8 million, offset partially by a provision for impairment of certain fixed assets of $3.1 million. The Company recorded a provision for impairment of certain real estate for $.9 million in the fourth quarter of 2001. The impairment charge reflects an adjustment to estimated net realizable value of the real estate which was no longer required for the Company's ongoing operations. Also in 2001, the Company recorded a gain of $1.1 million on the sale of certain corporate transportation equipment and a loan loss provision of $1.6 million related to an outstanding loan to its equity investee, Data Ventures LLC.

Income Taxes

The effective tax rate for federal and state income taxes was approximately 19% in 2001 versus approximately 36% in 2000. The Company's income tax rate for 2001 was favorably impacted by the settlement of certain income tax issues with the Internal Revenue Service.

2000 Compared to 1999

Net Income

The Company reported net income of $6.3 million or basic net income per share of $.72 for fiscal year 2000 compared to $3.2 million or $.38 basic net income per share for fiscal year 1999. Diluted net income per share for 2000 was $.71 compared to $.37 in 1999. Net income in 2000 included the gain on the sale of bottling territory discussed above, offset partially by a provision for impairment of certain fixed assets.

Net Sales and Gross Margin

Net sales for 2000 grew by 2.3% to $995 million, compared to $973 million in 1999. On a constant territory basis, net sales increased by approximately 1% due to an increase in net selling price for the year of approximately 6.5% partially offset by a decline in unit volume of approximately 5% for the year.

Gross margin increased by $35.5 million from 1999 to 2000 representing an 8% increase. The increase in gross margin was driven by higher selling prices, which more than offset a decline in unit volume as discussed above. The Company's gross margin as a percentage of sales increased from 44.2% in 1999 to 46.7% in 2000. On a per unit basis, gross margin increased 13% in 2000 over 1999.

Cost of Sales and Operating Expenses

Cost of sales on a per unit basis increased by approximately 2% in 2000. This increase was due to significantly higher costs for concentrate and increased packaging costs, offset partially by decreases in manufacturing labor and overhead expenses.

S,G&A expenses increased by $31.3 million or 11% in 2000 over 1999 levels primarily due to a reduction in marketing funding received from The Coca-Cola Company. Direct marketing funding and other support from The Coca-Cola Company and other beverage companies declined from $74.7 million in 1999 to $56.8 million in 2000. The balance of the increase in S,G&A expenses was due to enhancements in employee compensation programs, higher fuel costs, costs associated with a strike by employees in certain branches of the Company's West Virginia territory (primarily security costs to protect Company personnel and assets) and compensation expense related to a restricted stock award for the Company's Chairman and Chief Executive Officer.

Depreciation expense in 2000 increased $4.2 million or 7%. The increase for 2000 was due to significant capital expenditures in 1999 of $264.1 million, of which approximately $155 million related to the purchase of equipment that was previously leased. Capital expenditures in 2000 totaled $49.2 million.

Investment in Piedmont

The Company's share of Piedmont's net income in 2000 was $2.5 million. This compares to the Company's share of Piedmont's net loss of $2.6 million in 1999. The increase in income from Piedmont of $5.1 million was due to improved operating results at Piedmont primarily due to higher gross margin resulting from increased net selling prices.

Interest Expense

Interest expense increased by $2.8 million or 5.5% in 2000. The increase was primarily due to higher interest rates on the Company's floating rate debt. The Company's overall weighted average borrowing rate for 2000 was 7.3% compared to 6.8% in 1999.

Other Income (Expense)

Other income for 2000 was approximately $1 million, a change of $6.4 million versus other expense of $5.4 million in 1999. The change in other income (expense) in 2000 was primarily due to a gain on the sale of bottling territory of $8.8 million, before tax, offset partially by a provision for impairment of certain fixed assets of $3.1 million, before tax.

Income Taxes

The effective tax rate for federal and state income taxes was approximately 36% in 2000 versus approximately 35% in 1999.

Financial Condition

Total assets increased slightly from $1.062 billion at December 31, 2000 to $1.064 billion at December 30, 2001. An increase in property, plant and equipment, including the purchase of $49 million of previously leased equipment, was offset by depreciation of property, plant and equipment and amortization of intangible assets, principally acquired franchise rights. The adoption of SFAS No. 142, as discussed above, will significantly reduce amortization of intangible assets in 2002.

Working capital decreased by $68.5 million to a deficit of $54.2 million at December 30, 2001 from $14.3 million at December 31, 2000. The change in working capital was primarily due to increases in the current portion of long-term debt of $46.8 million, in accounts payable, trade of $6.9 million and in amounts due to Piedmont of $8.2 million.

Total debt and capital lease obligations decreased from $697.2 million at December 31, 2000 to $679.3 million at December 30, 2001. Strong cash flow from operations enabled the Company to repay approximately $18 million in debt and purchase approximately $49 million of equipment previously leased.

The Company recorded a minimum pension liability adjustment of $11.0 million, net of tax, in the fourth quarter of 2001 to reflect the difference between the fair market value of the Company's pension plan assets and the accumulated benefit obligation of the plan.

Liquidity and Capital Resources

Capital Resources

Sources of capital for the Company include operating cash flows, bank borrowings, issuance of public or private debt and the issuance of equity securities. Management believes that the Company, through these sources, has sufficient financial resources available to maintain its current operations and provide for its current capital expenditure and working capital requirements, scheduled debt payments, interest and income tax liabilities and dividends for stockholders. The amount and frequency of future dividends will be determined by the Company's Board of Directors in light of the earnings and financial condition of the Company at such time, and no assurance can be given that dividends will be declared in the future.

Investing Activities

Additions to property, plant and equipment during 2001 were $96.7 million, which included approximately $49 million of equipment that had previously been leased. Capital expenditures during 2001 were funded with cash flow from operations and short-term borrowings on the Company's available lines of credit. Leasing is used for certain capital additions when considered cost effective relative to other sources of capital. The Company currently leases two production facilities and certain distribution and administrative facilities.

At the end of 2001, the Company had no material commitments for the purchase of capital assets other than those related to normal replacement of equipment. The Company considers the acquisition of bottling territories on an ongoing basis. The Company anticipates that additions to property, plant and equipment in 2002 will be in the range of $50 to $60 million for the Company and Piedmont on a combined basis.

Financing Activities

In January 1999, the Company filed an $800 million shelf registration for debt and equity securities. The Company has used this shelf registration to issue $250 million of long-term debentures in 1999. The Company currently has $550 million available for use under this shelf registration.

The Company borrows periodically under its available lines of credit. These lines of credit, in the aggregate amount of $95 million at December 30, 2001, are made available at the discretion of the three participating banks and may be withdrawn at any time by such banks. The Company has a revolving credit facility of $170 million that can be used in the event the lines of credit are not available. There were no amounts outstanding under either the lines of credit or the revolving credit facility as of December 30, 2001. The Company intends to refinance its short-term debt maturities with currently available lines of credit and to negotiate a new revolving credit facility to replace the current facility that matures in December 2002.

The Company is a member of two cooperatives and guarantees a portion of these cooperatives' debt. The total of all debt guarantees on December 30, 2001 was $37.4 million.

The Company currently intends to refinance $97.5 million of debt that matures at Piedmont in May 2002 through its available credit facilities, which include its $170 million revolving credit facility and a shelf registration, of which approximately $550 million is available for use. The Company currently plans to loan $97.5 million to Piedmont to repay the debt which matures in May 2002. It is anticipated that Piedmont will pay the Company interest based on a spread over the Company's average cost of funds.

With regards to the Company's $170 million term loan agreement, the Company must maintain its public debt ratings at investment grade as determined by both Moody's and Standard & Poor's. If the Company's public debt ratings fall below investment grade within 90 days after the public announcement of certain designated events and such ratings stay below investment grade for an additional 40 days, a trigger event resulting in a default occurs. The Company does not anticipate a trigger event will occur.

Interest Rate Hedging

The Company periodically uses interest rate hedging products to modify risk from interest rate fluctuations. The Company has historically altered its fixed/floating rate mix based upon anticipated cash flows from operations relative to the Company's debt level and the potential impact of increases in interest rates on the Company's overall financial condition. Sensitivity analyses are performed to review the impact on the Company's financial position and coverage of various interest rate movements. The Company does not use derivative financial instruments for trading purposes nor does it use leveraged financial instruments.

In October 2001, the Company terminated two interest rate swaps with a total notional amount of $100 million. The gain of $6.7 million from the termination of these swaps is being amortized as an adjustment to interest expense over 7.5 years, the remaining term of the initial swap agreements which corresponds to the life of the debt instrument being hedged. In 2002, interest expense will be approximately $.7 million lower than in 2001 as a result of this termination. In December 2001, two interest rate swap agreements were entered into with a total notional amount of $46 million. These new swap agreements allowed the Company to fix the interest rate on certain variable rate lease obligations and will be accounted for as cash flow hedges.

The weighted average interest rate of the debt portfolio as of December 30, 2001 was 5.7% compared to 7.1% at the end of 2000. The Company's overall weighted average borrowing rate on its long-term debt in 2001 decreased to 6.5% from 7.3% in 2000. Approximately 34% of the Company's debt portfolio of $676.9 million as of December 30, 2001 was maintained on a floating rate basis and is subject to changes in short-term interest rates. An increase in interest rates of 1% would have resulted in an increase in interest expense of approximately $2.2 million on a pre-tax basis in 2001.

Forward-looking Statements

This Annual Report to Stockholders, as well as information included in future filings by the Company with the Securities and Exchange Commission and information contained in written material, press releases and oral

statements issued by or on behalf of the Company, contains, or may contain, several forward-looking management comments and other statements that reflect management's current outlook for future periods. These statements include, among others, statements relating to: the consolidation of results of operations, financial position and cash flows of Piedmont with those of the Company, the effects of the adoption of SFAS No. 142 and SFAS No. 144, the Company's focus on key long-term objectives, including increasing per capita consumption, operating cash flow, free cash flow and stockholder value, anticipated increases in pension expense, anticipated costs associated with nonhealth-related insurance, anticipated increased productivity, potential marketing support from The Coca-Cola Company, sufficiency of financial resources, anticipated additions to property, plant and equipment, the amount and frequency of future dividends, refinancing of short-term debt maturities, negotiation of a new revolving credit facility, refinancing of certain debt at Piedmont, Piedmont's payment of interest to the Company and management's belief that a trigger event will not occur under the Company's $170 million term loan agreement. These statements and expectations are based on the current 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 net pricing resulting from increased marketplace competition, changes in how significant customers market our products, an inability to meet performance requirements for expected levels of marketing support payments from The Coca-Cola Company, an inability to meet requirements under bottling contracts, the inability of our aluminum can or PET bottle suppliers to meet our demand, material changes from expectations in the cost of raw materials, higher than expected fuel prices, an inability to meet projections for performance in acquired bottling territories and unfavorable interest rate fluctuations.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

The Company is exposed to certain market risks that are inherent in the Company's financial instruments, which arise in the ordinary course of business. The Company may enter into derivative financial instrument transactions to manage or reduce market risk. The Company does not enter into derivative financial instrument transactions for trading purposes. A discussion of the Company's primary market risk exposure in financial instruments is presented below.

Long-Term Debt

The Company is subject to interest rate risk on its long-term fixed interest rate debt. Borrowings under lines of credit and other variable rate long-term debt do not give rise to significant interest rate risk because these borrowings either have maturities of less than three months or have variable interest rates. All other things being equal, the fair market value of the Company's debt with a fixed interest rate will increase as interest rates decline and the fair market value of the Company's debt will decrease as interest rates rise. This exposure to interest rate risk is generally managed by borrowing funds with a variable interest rate or using interest rate swaps to effectively change fixed interest rate borrowings to variable interest rate borrowings. The Company generally maintains between 40% and 60% of total borrowings at variable interest rates after taking into account all of the interest rate hedging activities. While this is the target range, the financial position of the Company and market conditions may result in strategies outside of this range at certain points in time.

As it relates to the Company's variable rate debt, if market interest rates average 1% more in 2002 than the rates as of December 30, 2001, interest expense for 2002 would increase by $2.1 million. If market interest rates had averaged 1% more in 2001 than the rates at December 31, 2000, interest expense for 2001 would have increased by $2.7 million. These amounts were determined by calculating the effect of the hypothetical interest rate on our variable rate debt after giving consideration to all our interest rate hedging activities. This sensitivity analysis assumes that there are no changes in the Company's financial structure.

Raw Material and Commodity Price Risk

The Company is subject to commodity price risk arising from price movements for certain commodities included as part of its raw materials. The Company generally manages this risk by entering into long-term contracts with adjustable prices. The Company has not used derivative commodity instruments in the management of this risk.

Item 8. Financial Statements and Supplementary Data

COCA-COLA BOTTLING CO. CONSOLIDATED

Consolidated Balance Sheets

In Thousands (Except Share Data)	Dec. 30, 2001	Dec. 31, 2000
ASSETS		
Current assets:		
Cash	$ 16,912	$ 8,425
Accounts receivable, trade, less allowance for doubtful accounts of $1,863 and $918	63,974	62,661
Accounts receivable from The Coca-Cola Company	3,935	5,380
Accounts receivable, other	5,253	8,247
Inventories	39,916	40,502
Prepaid expenses and other current assets	13,379	14,026
Total current assets	143,369	139,241
Property, plant and equipment, net	462,689	437,926
Investment in Piedmont Coca-Cola Bottling Partnership	60,203	62,730
Other assets	52,140	60,846
Franchise rights and goodwill, net	335,662	347,207
Other identifiable intangible assets, net	10,396	14,147
Total	$1,064,459	$1,062,097

See Accompanying Notes to Consolidated Financial Statements.

COCA-COLA BOTTLING CO. CONSOLIDATED

Consolidated Balance Sheets

In Thousands (Except Share Data)	Dec. 30, 2001	Dec. 31, 2000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Portion of long-term debt payable within one year	$ 56,708	$ 9,904
Current portion of obligations under capital leases	1,489	3,325
Accounts payable, trade	28,370	21,477
Accounts payable to The Coca-Cola Company	7,925	3,802
Other accrued liabilities	49,169	45,321
Due to Piedmont Coca-Cola Bottling Partnership	24,682	16,436
Accrued compensation	17,350	14,201
Accrued interest payable	11,878	10,483
Total current liabilities	197,571	124,949
Deferred income taxes	133,743	148,655
Other liabilities	94,973	76,061
Obligations under capital leases	935	1,774
Long-term debt	620,156	682,246
Total liabilities	1,047,378	1,033,685
Commitments and Contingencies (Note 11)		
Stockholders' Equity:		
Convertible Preferred Stock, $100.00 par value:		
Authorized-50,000 shares; Issued-None		
Nonconvertible Preferred Stock, $100.00 par value:		
Authorized-50,000 shares; Issued-None		
Preferred Stock, $.01 par value:		
Authorized-20,000,000 shares; Issued-None		
Common Stock, $1.00 par value:		
Authorized-30,000,000 shares; Issued-9,454,651 shares	9,454	9,454
Class B Common Stock, $1.00 par value:		
Authorized-10,000,000 shares; Issued-2,989,166 and 2,969,166 shares.	2,989	2,969
Class C Common Stock, $1.00 par value:		
Authorized-20,000,000 shares; Issued-None		
Capital in excess of par value	91,004	99,020
Accumulated deficit	(12,307)	(21,777)
Accumulated other comprehensive loss	(12,805)	
	78,335	89,666
Less-Treasury stock, at cost:		
Common-3,062,374 shares	60,845	60,845
Class B Common-628,114 shares	409	409
Total stockholders' equity	17,081	28,412
Total	$1,064,459	$1,062,097

See Accompanying Notes to Consolidated Financial Statements.

COCA-COLA BOTTLING CO. CONSOLIDATED

Consolidated Statements of Operations

In Thousands (Except Per Share Data)	Fiscal Year 2001	2000	1999
Net sales (includes sales to Piedmont of $71,170, $69,539 and $68,046)	$1,022,686	$995,134	$972,551
Cost of sales, excluding depreciation shown below (includes $53,033, $53,463 and $56,439 related to sales to Piedmont)	555,570	530,241	543,113
Gross margin	467,116	464,893	429,438
Selling, general and administrative expenses, excluding depreciation shown below	323,668	323,223	291,907
Depreciation expense	66,134	64,751	60,567
Amortization of goodwill and intangibles	15,296	14,712	13,734
Restructuring expense			2,232
Income from operations	62,018	62,207	60,998
Interest expense	44,322	53,346	50,581
Other income (expense), net	(6,000)	974	(5,431)
Income before income taxes	11,696	9,835	4,986
Income taxes	2,226	3,541	1,745
Net income	$ 9,470	$ 6,294	$ 3,241
Basic net income per share	$ 1.08	$ .72	$ .38
Diluted net income per share	$ 1.07	$ .71	$ .37
Weighted average number of common shares outstanding	8,753	8,733	8,588
Weighted average number of common shares outstanding--assuming dilution	8,821	8,822	8,708

See Accompanying Notes to Consolidated Financial Statements.

COCA-COLA BOTTLING CO. CONSOLIDATED

Consolidated Statements of Cash Flows

In Thousands	Fiscal Year 2001	2000	1999
Cash Flows from Operating Activities			
Net income	$ 9,470	$ 6,294	$ 3,241
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation expense	66,134	64,751	60,567
Amortization of goodwill and intangibles	15,296	14,712	13,734
Deferred income taxes	2,226	3,541	1,745
Gain on sale of bottling territory		(8,829)	
Provision for impairment of property, plant and equipment	947	3,066	
Losses on sale of property, plant and equipment	1,297	2,284	2,755
Amortization of debt costs	830	938	836
Amortization of deferred gain related to terminated interest rate swaps	(1,183)	(819)	(563)
Undistributed (earnings) losses of Piedmont	(417)	(2,514)	2,631
(Increase) decrease in current assets less current liabilities	32,770	(2,554)	9,639
(Increase) decrease in other noncurrent assets	501	(506)	(8,451)
Increase (decrease) in other noncurrent liabilities	(6,010)	3,868	9,702
Other	82	58	334
Total adjustments	112,473	77,996	92,929
Net cash provided by operating activities	121,943	84,290	96,170
Cash Flows from Financing Activities			
Proceeds from the issuance of long-term debt			251,165
Repayment of current portion of long-term debt	(2,385)	(26,750)	(30,115)
Proceeds from (repayment of) lines of credit, net	(12,900)	(33,700)	10,200
Cash dividends paid	(8,753)	(8,733)	(8,549)
Payments on capital lease obligations	(2,868)	(4,528)	(4,938)
Termination of interest rate swap agreements	6,704	(292)	
Debt fees paid			(3,266)
Other	(230)	(387)	(468)
Net cash provided by (used in) financing activities	(20,432)	(74,390)	214,029
Cash Flows from Investing Activities			
Additions to property, plant and equipment	(96,684)	(49,168)	(264,139)
Proceeds from the sale of property, plant and equipment	3,660	16,366	753
Acquisitions of companies, net of cash acquired		(723)	(44,454)
Proceeds from sale of bottling territory		23,000	
Net cash used in investing activities	(93,024)	(10,525)	(307,840)
Net increase (decrease) in cash	8,487	(625)	2,359
Cash at beginning of year	8,425	9,050	6,691
Cash at end of year	$ 16,912	$ 8,425	$ 9,050
Significant non-cash investing and financing activities			
Capital lease obligations incurred	$ 456	$ 1,313	$ 14,225
Issuance of Class B Common Stock in connection with stock award	757		
Issuance of Common Stock in connection with acquisition			21,961

See Accompanying Notes to Consolidated Financial Statements.

COCA-COLA BOTTLING CO. CONSOLIDATED

Consolidated Statements of Changes in Stockholders' Equity

In Thousands	Common Stock	Class B Common Stock	Capital in Excess of Par Value	Accum. Deficit	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance on January 3, 1999	$9,086	$2,969	$ 94,709	$(31,312)	$ --	$(61,254)	$ 14,198
Net income				3,241			3,241
Cash dividends paid			(8,549)				(8,549)
Issuance of Common Stock in connection with acquisition	368		21,593				21,961
Balance on January 2, 2000	$9,454	$2,969	$107,753	$(28,071)	$ --	$(61,254)	$ 30,851
Net income				6,294			6,294
Cash dividends paid			(8,733)				(8,733)
Balance on December 31, 2000	$9,454	$2,969	$ 99,020	$(21,777)	$ --	$(61,254)	$ 28,412
Comprehensive income (loss):							
Net income				9,470			9,470
Change in fair market value of cash flow hedges, net of tax					4		4
Proportionate share of Piedmont's accum. other comprehensive loss at adoption of SFAS No. 133, net of tax					(947)		(947)
Change in proportionate share of Piedmont's accum. other comprehensive loss, net of tax					(878)		(878)
Minimum pension liability adjustment, net of tax					(10,984)		(10,984)
Total comprehensive income (loss)							(3,335)
Cash dividends paid			(8,753)				(8,753)
Issuance of Class B Common Stock		20	737				757
Balance on December 30, 2001	$9,454	$2,989	$ 91,004	$(12,307)	$(12,805)	$(61,254)	$ 17,081

See Accompanying Notes to Consolidated Financial Statements.

(1) Significant Accounting Policies

Coca-Cola Bottling Co. Consolidated (the "Company") is engaged in the production, marketing and distribution of carbonated and noncarbonated beverages, primarily products of The Coca-Cola Company. The Company operates in portions of 11 states, principally in the southeastern region of the United States.

The consolidated financial statements include the accounts of the Company and its majority owned subsidiaries. All significant intercompany accounts and transactions have been eliminated. Acquisitions recorded as purchases are included in the statement of operations from the date of acquisition.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The fiscal years presented are the 52-week periods ended December 30, 2001, December 31, 2000 and January 2, 2000. The Company's fiscal year ends on the Sunday closest to December 31.

Certain prior year amounts have been reclassified to conform to current year classifications.

The Company's significant accounting policies are as follows:

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks and cash equivalents, which are highly liquid debt instruments with maturities of less than 90 days.

Credit Risk of Trade Accounts Receivable

The Company sells its products to large chain stores and other customers and extends credit, generally without requiring collateral, based on an ongoing evaluation of the customer's business prospects and financial condition. The Company monitors its exposure to losses on trade accounts receivable and maintains an allowance for potential losses or adjustments. The Company's trade accounts receivable are typically collected within approximately 30 days from the date of sale.

Inventories

Inventories are stated at the lower of cost, determined on the first-in, first-out method ("FIFO") or market.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets. Additions and major replacements or betterments are added to the assets at cost. Maintenance and repair costs and minor replacements are charged to expense when incurred. When assets are replaced or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and the gains or losses, if any, are reflected in income.

Software

The Company adopted the provisions of the American Institute of Certified Public Accountants' Statement of Position 98-1, "Accounting for the Cost of Computer Software Developed or Obtained for Internal Use" in the first quarter of 1999. This statement requires capitalization of certain costs incurred in the development of internal-use software. Software is amortized using the straight-line method over its estimated useful life.

Investment in Piedmont Coca-Cola Bottling Partnership

Prior to January 2, 2002, the Company beneficially owned a 50% interest in Piedmont Coca-Cola Bottling Partnership ("Piedmont"). The Company accounted for its interest in Piedmont using the equity method of accounting. With respect to Piedmont, sales of soft drink products at cost, management fee revenue and the Company's share of Piedmont's results from operations are included in "Net sales" for all periods presented. See Note 3 and Note 15 for additional information.

On January 2, 2002, the Company purchased an additional 4.651% interest in Piedmont from The Coca-Cola Company, increasing the Company's ownership to 54.651%. As a result of the increase in ownership, the results of operations, financial position and cash flows of Piedmont will be consolidated with those of the Company beginning in the first quarter of 2002. See Note 3 for additional information.

Revenue Recognition

Revenues are recognized when finished products are delivered to customers and both title and the risks and rewards of ownership are transferred. Appropriate provision is made for uncollectible accounts.

Income Taxes

The Company provides deferred income taxes for the tax effects of temporary differences between the financial reporting and income tax bases of the Company's assets and liabilities.

Benefit Plans

The Company has a noncontributory pension plan covering substantially all nonunion employees and one noncontributory pension plan covering certain union employees. Costs of the plans are charged to current operations and consist of several components of net periodic pension cost based on various actuarial assumptions regarding future experience of the plans. In addition, certain other union employees are covered by plans provided by their respective union organizations. The Company expenses amounts as paid in accordance with union agreements. The Company recognizes the cost of postretirement benefits, which consist principally of medical benefits, during employees' periods of active service.

Amounts recorded for benefit plans reflect estimates related to future interest rates, investment returns, employee turnover, wage increases and health care costs. The Company reviews all assumptions and estimates on an ongoing basis.

Intangible Assets and Goodwill

Identifiable intangible assets resulting from the acquisition of Coca-Cola bottling franchises accounted for by the purchase method are recorded based upon fair market value at the date of acquisition and are being

amortized on a straight-line basis over periods ranging from 17 to 40 years. Goodwill is being amortized on a straight-line basis over 40 years.

Impairment of Long-lived Assets

The Company continually monitors conditions that may affect the carrying value of its intangible or other long-lived assets. When conditions indicate potential impairment of an intangible or other long-lived asset, the Company will undertake necessary market studies and reevaluate projected future cash flows associated with the asset. When projected future cash flows, not discounted for the time value of money, are less than the carrying value of the asset, the asset will be written down to its estimated net realizable value.

Net Income Per Share

Basic earnings per share ("EPS") excludes dilution and is computed by dividing net income available for common stockholders by the weighted average number of Common and Class B Common shares outstanding. Diluted EPS gives effect to all securities representing potential common shares that were dilutive and outstanding during the period.

Derivative Financial Instruments

On January 1, 2001, the Company adopted Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended ("SFAS No. 133"), which requires that all derivative instruments be recognized in the financial statements at fair value. The adoption of SFAS No. 133 did not have a significant impact on the results of operations, financial position or cash flows during 2001.

The Company uses derivative financial instruments to manage its exposure to movements in interest rates. The use of these financial instruments modifies the exposure of these risks with the intent to reduce the risk to the Company. The Company does not use financial instruments for trading purposes, nor does it use leveraged financial instruments. The Company has determined that its derivative financial instruments qualify as either fair value or cash flow hedges, having values that highly correlate with the underlying hedged exposures and have designated such instruments as hedging transactions. Credit risk related to the derivative financial instruments is considered minimal and is managed by requiring high credit standards for its counterparties and periodic settlements.

Changes in fair value of derivative financial instruments are recorded as adjustments to the assets or liabilities being hedged in the statement of operations or in accumulated other comprehensive income (loss), depending on whether the derivative is designated and qualifies for hedge accounting, the type of hedge transaction represented and the effectiveness of the hedge.

Insurance Programs

In general, the Company is self-insured for costs of casualty claims and medical claims. The Company uses commercial insurance for casualty claims and medical claims as a risk reduction strategy to minimize catastrophic losses. Casualty losses are provided for using actuarial assumptions and procedures followed in the insurance industry, adjusted for company-specific history and expectations.

Marketing Costs and Support Arrangements

The Company directs various advertising and marketing programs supported by The Coca-Cola Company or other franchisers. Under these programs, certain costs incurred by the Company are reimbursed by the applicable franchiser. Franchiser funding is recognized when performance measures are met or as funded costs are incurred.

(2) Acquisitions And Divestitures

On May 28, 1999, the Company acquired all of the outstanding capital stock of Carolina Coca-Cola Bottling Company, Inc. ("Carolina") in exchange for 368,482 shares of the Company's Common Stock, installment notes and cash. The total purchase price was approximately $37 million. Carolina was a Coca-Cola bottler with operations in central South Carolina.

On October 29, 1999, the Company acquired substantially all of the outstanding capital stock of Lynchburg Coca-Cola Bottling Company, Inc. ("Lynchburg") for approximately $24 million, in cash. Lynchburg was a Coca-Cola bottler with operations in central Virginia.

The Company used its lines of credit for the cash portion of the acquisitions described above. These acquisitions have been accounted for under the purchase method of accounting.

On September 29, 2000, the Company sold substantially all of its bottling territory in the states of Kentucky and Ohio to Coca-Cola Enterprises Inc. The Company received cash proceeds of $23.0 million related to the sale of this territory and certain other operating assets. The Company recorded a pre-tax gain of $8.8 million as a result of this sale. The bottling territory sold represented approximately 3% of the Company's annual sales volume.

(3) Investment in Piedmont Coca-Cola Bottling Partnership

On July 2, 1993, the Company and The Coca-Cola Company formed Piedmont to distribute and market carbonated and noncarbonated beverages primarily in certain portions of North Carolina and South Carolina. Prior to January 2, 2002, the Company and The Coca-Cola Company, through their respective subsidiaries, each beneficially owned a 50% interest in Piedmont. The Company provides a portion of the soft drink products for Piedmont at cost and receives a fee for managing the operations of Piedmont pursuant to a management agreement.

Summarized financial information for Piedmont was as follows:

In Thousands	Dec. 30, 2001	Dec. 31, 2000
Current assets	$ 55,848	$ 48,068
Noncurrent assets	309,664	319,788
Total assets	$365,512	$367,856
Current liabilities	$114,132	$ 17,342
Noncurrent liabilities	130,974	225,054
Total liabilities	245,106	242,396
Partners' equity	126,294	125,460
Accumulated other comprehensive loss	(5,888)	
Total liabilities and partners' equity	$365,512	$367,856
Company's equity investment	$ 60,203	$ 62,730

In Thousands	Fiscal Year 2001	2000	1999
Net sales	$296,900	$286,781	$278,202
Cost of sales	153,643	147,671	152,042
Gross margin	143,257	139,110	126,160
Income from operations	13,330	18,948	7,803
Net income (loss)	$ 834	$ 5,028	$ (5,262)
Company's equity in net income (loss)	$ 417	$ 2,514	$ (2,631)

The Company currently intends to refinance $97.5 million of debt that matures at Piedmont in May 2002 through its available credit facilities, which include its $170 million revolving credit facility and a shelf registration, of which approximately $550 million is available for use. The Company currently plans to loan $97.5 million to Piedmont to repay the debt which matures in May 2002. It is anticipated that Piedmont will pay the Company interest based on a spread over the Company's average cost of funds.

On January 2, 2002, the Company purchased an additional 4.651% interest in Piedmont from The Coca-Cola Company, increasing the Company's ownership in Piedmont to 54.651%. As a result of the increase in ownership, the results of operations, financial position and cash flows of Piedmont will be consolidated with those of the Company beginning in the first quarter of 2002.

The following unaudited proforma condensed financial information reflects the consolidation of Piedmont's financial position and results of operations with those of the Company as if the additional purchase had occurred at the beginning of 2001.

In Thousands	Dec. 30, 2001
Current assets	$ 174,535
Noncurrent assets	1,172,271
Total assets	$1,346,806
Current liabilities	$ 287,671
Noncurrent liabilities	988,057
Total liabilities	1,275,728
Minority interest	54,603
Stockholders' equity	16,475
Total liabilities, minority interest and stockholders' equity	$1,346,806

In Thousands	Fiscal Year 2001
Net sales	$1,237,018
Cost of sales	656,180
Gross margin	580,838
Income from operations	74,827
Minority interest	378
Net income	$ 9,034

Piedmont has several interest rate swap agreements that have been designated as cash flow hedges. The Company's proportionate share of Piedmont's accumulated other comprehensive loss, net of tax, resulting from the effect of adoption of SFAS No. 133 and the impact during 2001 related to Piedmont were as follows:

In Thousands	Fiscal Year 2001
Impact of adoption, net of tax	$ 947
Change in fair market value of cash flow hedges during 2001, net of tax	878
Company's proportionate share of Piedmont's accumulated other comprehensive loss, net of tax	$1,825

(4) Inventories

Inventories were summarized as follows:

In Thousands	Dec. 30, 2001	Dec. 31, 2000
Finished products	$23,637	$22,907
Manufacturing materials	11,893	13,330
Plastic pallets and other	4,386	4,265
Total inventories	$39,916	$40,502

(5) Property, Plant and Equipment

The principal categories and estimated useful lives of property, plant and equipment were as follows:

In Thousands	Dec. 30, 2001	Dec. 31, 2000	Estimated Useful Lives
Land	$ 11,158	$ 11,311	
Buildings	95,338	97,012	10-50 years
Machinery and equipment	93,658	94,652	5-20 years
Transportation equipment	140,512	133,886	4-13 years
Furniture and fixtures	38,119	36,519	4-10 years
Vending equipment	334,975	285,714	6-13 years
Leasehold and land improvements	40,969	39,597	5-20 years
Software for internal use	21,850	17,207	3-7 years
Construction in progress	1,908	1,162	
Total property, plant and equipment, at cost	778,487	717,060	
Less: Accumulated depreciation and amortization	315,798	279,134	
Property, plant and equipment, net	$462,689	$437,926	

In the fourth quarter of 2001, the Company recorded a provision for impairment of certain real estate for $.9 million, which was classified in "Other income (expense), net." The impairment charge reflects an adjustment to estimated net realizable value of the real estate which was no longer required for the Company's ongoing operations. In the third quarter of 2000, the Company recorded a provision for impairment of certain fixed assets for $3.1 million, which was classified in "Other income (expense), net."

(6) Franchise Rights And Goodwill

In Thousands	Dec. 30, 2001	Dec. 31, 2000	Estimated Useful Lives
Franchise rights	$353,388	$353,388	40 years
Goodwill	112,097	112,097	40 years
Franchise rights and goodwill	465,485	465,485	
Less: Accumulated amortization	129,823	118,278	
Franchise rights and goodwill, net	$335,662	$347,207	

(7) Other Identifiable Intangible Assets

In Thousands	Dec. 30, 2001	Dec. 31, 2000	Estimated Useful Life
Customer lists	$54,864	$54,864	20 years
Other	16,316	16,316	17-23 years
Other identifiable intangible assets	71,180	71,180	
Less: Accumulated amortization	60,784	57,033	
Other identifiable intangible assets, net	$10,396	$14,147	

(8) Long-term Debt

Long-term debt was summarized as follows:

In Thousands	Maturity	Interest Rate	Interest Paid	Dec. 30, 2001	Dec. 31, 2000
Lines of Credit	2002		Varies	$ --	$ 12,900
Term Loan Agreement	2004	2.64%	Varies	85,000	85,000
Term Loan Agreement	2005	2.64%	Varies	85,000	85,000
Medium-Term Notes	2002	8.56%	Semi-annually	47,000	47,000
Debentures	2007	6.85%	Semi-annually	100,000	100,000
Debentures	2009	7.20%	Semi-annually	100,000	100,000
Debentures	2009	6.38%	Semi-annually	250,000	250,000
Other notes payable	2002-2006	5.75%-10.00%	Varies	9,864	12,250
				676,864	692,150
Less: Portion of long-term debt payable within one year				56,708	9,904
Long-term debt				$620,156	$682,246

The principal maturities of long-term debt outstanding on December 30, 2001 were as follows:

In Thousands	
2002	$ 56,708
2003	31
2004	85,025
2005	85,020
2006	80
Thereafter	450,000
Total long-term debt	$676,864

The Company has a revolving credit facility for borrowings of up to $170 million that matures in December 2002. The Company intends to negotiate a new revolving credit facility to replace the current facility. The agreement contains covenants which establish ratio requirements related to debt, interest expense and cash flow. A facility fee of 1/8% per year on the banks' commitment is payable quarterly. There was no outstanding balance under this facility as of December 30, 2001.

The Company borrows periodically under its available lines of credit. These lines of credit, in the aggregate amount of $95 million at December 30, 2001, are made available at the discretion of the three participating banks and may be withdrawn at any time by such banks. There were no borrowings outstanding under the lines of credit as of December 30, 2001. The Company intends to refinance short-term maturities with currently available lines of credit.

In January 1999, the Company filed an $800 million shelf registration for debt and equity securities. The Company used this shelf registration to issue $250 million of long-term debentures in 1999. The Company currently has $550 million available for use under this shelf registration.

After taking into account all of the interest rate hedging activities, the Company had a weighted average interest rate of 5.7% for the debt portfolio as of December 30, 2001 compared to 7.1% at December 31, 2000. The Company's overall weighted average borrowing rate on its long-term debt was 6.5%, 7.3% and 6.8% for 2001, 2000 and 1999, respectively.

As of December 30, 2001, approximately $230 million or 34% of the total debt portfolio was subject to changes in short-term interest rates. The Company considers all floating rate debt and fixed rate debt with a maturity of less than one year to be subject to changes in short-term interest rates.

If average interest rates for the floating rate component of the Company's debt portfolio increased by 1%, annual interest expense for the year ended December 30, 2001 would have increased by approximately $2.2 million and net income would have been reduced by approximately $1.4 million.

With regards to the Company's $170 million term loan agreement, the Company must maintain its public debt ratings at investment grade as determined by both Moody's and Standard & Poor's. If the Company's public debt ratings fall below investment grade within 90 days after the public announcement of certain designated events and such ratings stay below investment grade for an additional 40 days, a trigger event resulting in a default occurs. The Company does not anticipate a trigger event will occur.

(9) Derivative Financial Instruments

The Company uses interest rate hedging products to modify risk from interest rate fluctuations. The Company has historically used derivative financial instruments from time to time to achieve a targeted fixed/floating interest rate mix. This target is based upon anticipated cash flows from operations relative to the Company's debt level and the potential impact of increases in interest rates on the Company's overall financial condition.

The Company does not use derivative financial instruments for trading or other speculative purposes nor does it use leveraged financial instruments. All of the Company's outstanding interest rate swap agreements are LIBOR-based.

Derivative financial instruments were summarized as follows:

	December 30, 2001		December 31, 2000	
	Notional Amount	Remaining Term	Notional Amount	Remaining Term
In Thousands				
Interest rate swap-fixed....	$27,000	.95 years		
Interest rate swap-fixed....	19,000	.95 years		
Interest rate swaps-floating			$100,000	8.25 years

In October 2001, the Company terminated two interest rate swaps with a total notional amount of $100 million. The gain of $6.7 million from the termination of these swaps is being amortized as an adjustment to interest expense over 7.5 years, the remaining term of the initial swap agreements which corresponds to the life of the debt instrument being hedged.

In December 2001, interest rate swap agreements were entered into with a total notional amount of $46 million. These new swap agreements are accounted for as cash flow hedges. These agreements allowed the Company to fix the interest rate on certain variable rate lease obligations.

The counterparties to these contractual arrangements are major financial institutions with which the Company also has other financial relationships. The Company is exposed to credit loss in the event of nonperformance by these counterparties. However, the Company does not anticipate nonperformance by the other parties.

(10) Fair Values of Financial Instruments

The following methods and assumptions were used by the Company in estimating the fair values of its financial instruments:

Cash, Accounts Receivable and Accounts Payable: The fair values of cash, accounts receivable and accounts payable approximate carrying values due to the short maturity of these financial instruments.

Public Debt: The fair values of the Company's public debt are based on estimated market prices.

Non-Public Variable Rate Long-Term Debt: The carrying amounts of the Company's variable rate borrowings approximate their fair values.

Non-Public Fixed Rate Long-Term Debt: The fair values of the Company's fixed rate long-term borrowings are estimated using discounted cash flow analyses based on the Company's current incremental borrowing rates for similar types of borrowing arrangements.

Derivative Financial Instruments: Fair values for the Company's interest rate swaps are based on current settlement values.

The carrying amounts and fair values of the Company's long-term debt and derivative financial instruments were as follows:

	December 30, 2001		December 31, 2000	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
In Thousands				
Public debt	$497,000	$493,993	$497,000	$480,687
Non-public variable rate long-term debt	170,000	170,000	182,900	182,900
Non-public fixed rate long-term debt	9,864	9,868	12,250	12,433
Interest rate swaps	(7)	(7)		1,669

The fair values of the interest rate swaps at December 30, 2001 represent the estimated amount the Company would have received upon termination of these agreements. The fair values of the interest rate swaps at December 31, 2000 represent the estimated amount the Company would have had to pay to terminate these agreements.

(11) Commitments and Contingencies

Operating lease payments are charged to expense as incurred. Such rental expenses included in the consolidated statements of operations were $12.4 million, $15.7 million and $13.7 million for 2001, 2000 and 1999, respectively.

The following is a summary of future minimum lease payments for all capital leases and operating leases as of December 30, 2001.

In Thousands	Capital Leases	Operating Leases	Total
2002	$1,489	$ 9,905	$11,394
2003	798	9,144	9,942
2004	313	8,818	9,131
2005		8,149	8,149
2006		7,980	7,980
Thereafter		24,493	24,493
Total minimum lease payments	$2,600	$68,489	$71,089
Less: Amounts representing interest	176		
Present value of minimum lease payments	2,424		
Less: Current portion of obligations under capital leases	1,489		
Long-term portion of obligations under capital leases	$ 935		

The Company is a member of South Atlantic Canners, Inc. ("SAC"), a manufacturing cooperative, from which it is obligated to purchase a specified number of cases of finished product on an annual basis. The

contractual minimum annual purchases required from SAC are approximately $40 million. See Note 15 to the consolidated financial statements for additional information concerning SAC.

The Company guarantees a portion of the debt for one cooperative from which the Company purchases plastic bottles. The Company also guarantees a portion of debt for SAC. See Note 15 to the consolidated financial statements for additional information concerning these financial guarantees. The total of all debt guarantees on December 30, 2001 was $37.4 million.

The Company entered into a purchase agreement for aluminum cans on an annual basis through 2003. The estimated annual purchases under this agreement are approximately $100 million for 2002 and 2003.

On August 3, 1999, North American Container, Inc. filed a complaint in the United States District Court for the Northern District of Texas against the Company and 44 other defendants. By its First Amended Complaint filed in April 2000, the plaintiff seeks to enforce United States Reissue Patent No. RIE 36,639 and alleges that the plastic containers used by the Company in connection with the distribution of soft drinks and other products infringe the patent. The Company has notified its suppliers of the lawsuit and has asserted indemnification claims against them. The Company's suppliers have assumed the defense of the claim pursuant to a written agreement providing for indemnification. The Company's suppliers are vigorously defending the claim and the Company believes it has meritorious defenses against the imposition of any liability in this action.

The Company is involved in other various claims and legal proceedings which have arisen in the ordinary course of its business. The Company believes that the ultimate disposition of the above noted litigation and its other claims and legal proceedings will not have a material adverse effect on the financial condition, cash flows or results of operations of the Company.

(12) Income Taxes

The provision for income taxes consisted of the following:

	Fiscal Year		
	2001	2000	1999
In Thousands			
Current:			
Federal	$ --	$ --	$ --
Total current provision.	--	--	--
Deferred:			
Federal	891	865	206
State	1,335	2,676	1,539
Total deferred provision	2,226	3,541	1,745
Income tax expense	$2,226	$3,541	$1,745

Deferred income taxes are recorded based upon differences between the financial statement and tax bases of assets and liabilities and available tax credit carryforwards. Temporary differences and carryforwards that comprised deferred income tax assets and liabilities were as follows:

In Thousands	Dec. 30, 2001	Dec. 31, 2000
Intangible assets	$ 80,506	$ 105,746
Depreciation	94,955	83,943
Investment in Piedmont	25,202	27,428
Lease obligations	--	19,775
Other	18,543	13,315
Gross deferred income tax liabilities	219,206	250,207
Net operating loss carryforwards	(60,334)	(80,446)
Leased assets	--	(15,820)
AMT credits	(17,562)	(12,030)
Deferred compensation	(7,082)	(4,152)
Postretirement benefits	(12,101)	(11,858)
Interest rate swap terminations	(4,748)	(2,624)
Gross deferred income tax assets	(101,827)	(126,930)
Valuation allowance for deferred tax assets	34,526	35,048
Net deferred income tax liabilities	151,905	158,325
Tax benefit of minimum pension liability adjustment	(6,732)	
Tax benefit related to Piedmont's accumulated other comprehensive loss	(1,119)	
Current deferred tax assets	(10,311)	(9,670)
Deferred income tax liability	$ 133,743	$ 148,655

Except for amounts for which a valuation allowance has been provided, the Company believes the other deferred tax assets will be realized primarily through the reversal of existing temporary differences. The valuation allowance of $34.5 million and $35.0 million as of December 30, 2001 and December 31, 2000, respectively, relates primarily to state net operating loss carryforwards.

Reported income tax expense is reconciled to the amount computed on the basis of income before income taxes at the statutory rate as follows:

	Fiscal Year		
In Thousands	2001	2000	1999
Statutory expense	$ 4,094	$3,442	$1,745
Amortization of franchise and goodwill assets	486	418	373
State income taxes, net of federal benefit	307	548	257
Valuation allowance change	(522)	(539)	(538)
Favorable tax settlement	(2,850)		
Other	711	(328)	(92)
Income tax expense	$ 2,226	$3,541	$1,745

On December 30, 2001, the Company had $58 million and $87 million of federal and state net operating losses, respectively, available to reduce future income taxes. The net operating loss carryforwards expire in varying amounts through 2021.

(13) Capital Transactions

On March 8, 1989, the Company granted J. Frank Harrison, Jr. an option for the purchase of 100,000 shares of Common Stock exercisable at the closing market price of the stock on the day of grant. The closing market price of the stock on March 8, 1989 was $27.00 per share. The option is exercisable, in whole or in part, at any time at the election of Mr. Harrison, Jr. over a period of 15 years from the date of grant. This option has not been exercised with respect to any such shares.

On August 9, 1989, the Company granted J. Frank Harrison, III an option for the purchase of 150,000 shares of Common Stock exercisable at the closing market price of the stock on the day of grant. The closing market price of the stock on August 9, 1989 was $29.75 per share. The option may be exercised, in whole or in part, during a period of 15 years beginning on the date of grant. This option has not been exercised with respect to any such shares.

Effective November 23, 1998, J. Frank Harrison, Jr. exchanged 792,796 shares of the Company's Common Stock for 792,796 shares of Class B Common Stock in a transaction previously approved by the Company's Board of Directors (the "Harrison Exchange"). Mr. Harrison, Jr. already owned the shares of Common Stock used to make this exchange. This exchange took place in connection with a series of simultaneous transactions related to Mr. Harrison, Jr.'s personal estate planning.

Pursuant to a Stock Rights and Restriction Agreement dated January 27, 1989, between the Company and The Coca-Cola Company, in the event that the Company issues new shares of Class B Common Stock upon the exchange or exercise of any security, warrant or option of the Company which results in The Coca-Cola Company owning less than 20% of the outstanding shares of Class B Common Stock and less than 20% of the total votes of all outstanding shares of all classes of the Company, The Coca-Cola Company has the right to exchange shares of Common Stock for shares of Class B Common Stock in order to maintain its ownership of 20% of the outstanding shares of Class B Common Stock and 20% of the total votes of all outstanding shares of all classes of the Company. Under the Stock Rights and Restrictions Agreement, The Coca-Cola Company also has a preemptive right to purchase a percentage of any newly issued shares of any class as necessary to allow it to maintain ownership of both 29.67% of the outstanding shares of Common Stock of all classes and 22.59% of the total votes of all outstanding shares of all classes. Effective November 23, 1998, in connection with the Harrison Exchange and the related Harrison family limited partnership transactions, The Coca-Cola Company, in the exercise of its rights under the Stock Rights and Restrictions Agreement, exchanged 228,512 shares of the Company's Common Stock which it held for 228,512 shares of the Company's Class B Common Stock.

On May 12, 1999, the stockholders of the Company approved a restricted stock award for J. Frank Harrison, III, the Company's Chairman of the Board of Directors and Chief Executive Officer, consisting of 200,000 shares of the Company's Class B Common Stock. The award provides that the shares of restricted stock vest at the rate of 20,000 shares per year over a ten-year period. The vesting of each annual installment is contingent upon the Company achieving at least 80% of the Overall Goal Achievement Factor for the six selected performance indicators used in determining bonuses for all officers under the Company's Annual Bonus Plan. In 2001, the Company achieved more than 80% of the Overall Goal Achievement Factor which resulted in the vesting of 20,000 shares, effective as of January 1, 2002. Compensation expense in 2001 related to the restricted stock award was $1.4 million. In 2000, the Company achieved more than 80% of the Overall Goal Achievement Factor which resulted in the vesting of 20,000 shares, effective as of January 1, 2001. Compensation expense in 2000

related to the restricted stock award was $1.4 million. In 1999, the Company did not achieve at least 80% of the Overall Goal Achievement Factor and thus, the 20,000 shares of restricted stock for 1999 did not vest.

Shares of Class B Common Stock are convertible on a share-for-share basis into shares of Common Stock. There is no trading market for the Company's Class B Common Stock.

(14) Benefit Plans

Retirement benefits under the Company's principal pension plan are based on the employee's length of service, average compensation over the five consecutive years which gives the highest average compensation and the average of the Social Security taxable wage base during the 35-year period before a participant reaches Social Security retirement age. Contributions to the plan are based on the projected unit credit actuarial funding method and are limited to the amounts that are currently deductible for income tax purposes.

The following tables set forth a reconciliation of the beginning and ending balances of the projected benefit obligation, a reconciliation of beginning and ending balances of the fair value of plan assets and funded status of the two Company-sponsored pension plans:

	Fiscal Year	
	2001	2000
In Thousands		
Projected benefit obligation at beginning of year	$ 86,353	$81,121
Service cost	3,290	3,606
Interest cost	6,578	6,180
Actuarial (gain) loss	8,894	(1,732)
Benefits paid	(2,999)	(2,855)
Other	211	33
Projected benefit obligation at end of year	$102,327	$86,353
Fair value of plan assets at beginning of year	$ 87,723	$88,609
Actual return on plan assets	(4,461)	(1,100)
Employer contributions	309	3,069
Benefits paid	(2,999)	(2,855)
Fair value of plan assets at end of year	$ 80,572	$87,723

	Dec. 30, 2001	Dec. 31, 2000
In Thousands		
Funded status of the plans	$(21,755)	$1,370
Unrecognized prior service cost	21	(324)
Unrecognized net loss	29,116	8,012
Net amount recognized	$ 7,382	$9,058
Accrued benefit liability	$(10,334)	
Prepaid pension cost		$9,058
Accumulated other comprehensive income	17,716	
Net amount recognized in the balance sheet	$ 7,382	$9,058

Net periodic pension cost for the Company-sponsored pension plans included the following:

In Thousands	Fiscal Year 2001	2000	1999
Service cost	$ 3,290	$ 3,606	$ 3,375
Interest cost	6,578	6,180	5,508
Expected return on plan assets	(7,763)	(7,963)	(6,659)
Amortization of prior service cost	(135)	(133)	(135)
Recognized net actuarial loss	15		965
Net periodic pension cost	$ 1,985	$ 1,690	$ 3,054

The weighted average rate assumptions used in determining net periodic pension cost and the projected benefit obligation were:

	2001	2000
Weighted average discount rate used in determining the actuarial present value of the projected benefit obligation	7.75%	7.75%
Weighted average expected long-term rate of return on plan assets	9.00%	9.00%
Weighted average rate of compensation increase	4.00%	4.00%

The Company also participates in various multi-employer pension plans covering certain employees who are part of collective bargaining agreements. Total pension expense for multi-employer plans was $1.2 million, $1.1 million and $1.2 million in 2001, 2000 and 1999, respectively.

The Company provides a 401(k) Savings Plan for substantially all of its employees who are not part of collective bargaining agreements. Under provisions of the Savings Plan, an employee is vested with respect to Company contributions upon the completion of two years of service with the Company. The total cost for this benefit in 2001, 2000 and 1999 was $2.8 million, $3.1 million and $3.2 million, respectively.

The Company currently provides employee leasing and management services to Piedmont and SAC. Piedmont and SAC employees participate in the Company's employee benefit plans.

The Company provides postretirement benefits for substantially all of its employees. The Company recognizes the cost of postretirement benefits, which consist principally of medical benefits, during employees' periods of active service. The Company does not pre-fund these benefits and has the right to modify or terminate certain of these benefits in the future. The Company amended certain provisions of this postretirement benefit plan in 2001. Under the amended plan, qualifying active employees will be eligible for coverage upon retirement until they become eligible for Medicare (normally age 65), at which time coverage under the plan will cease.

The following tables set forth a reconciliation of the beginning and ending balances of the benefit obligation, a reconciliation of the beginning and ending balances of fair value of plan assets and funded status of the Company's postretirement plan:

In Thousands	Fiscal Year 2001	2000
Benefit obligation at beginning of year.	$47,960	$36,501
Service cost	331	852
Interest cost	3,253	2,816
Plan participants' contributions	675	607
Actuarial loss	252	10,251
Benefits paid	(3,423)	(3,067)
Change in plan provisions	(2,988)	
Benefit obligation at end of year	$46,060	$47,960
Fair value of plan assets at beginning of year	$ --	$ --
Employer contributions	2,748	2,460
Plan participants' contributions	675	607
Benefits paid	(3,423)	(3,067)
Fair value of plan assets at end of year	$ --	$ --

In Thousands	Dec. 30, 2001	Dec. 31, 2000
Funded status of the plan	$(46,060)	$(47,960)
Unrecognized net loss	20,559	21,414
Unrecognized prior service cost	(2,962)	(271)
Contributions between measurement date and fiscal year-end	738	864
Accrued liability	$(27,725)	$(25,953)

The components of net periodic postretirement benefit cost were as follows:

In Thousands	Fiscal Year 2001	2000	1999
Service cost	$ 331	$ 852	$ 954
Interest cost	3,253	2,816	2,608
Amortization of unrecognized transitional assets	(25)	(25)	(25)
Recognized net actuarial loss	1,106	493	745
Amortization of prior service cost	(271)		
Net periodic postretirement benefit cost	$4,394	$4,136	$4,282

The weighted average discount rate used to estimate the postretirement benefit obligation was 7.75% as of December 30, 2001 and December 31, 2000, respectively.

The weighted average health care cost trend used in measuring the postretirement benefit expense was 12% in 2001 graded down 1% per year to an ultimate rate of 5%. A 1% increase or decrease in this annual cost trend

would have impacted the postretirement benefit obligation and net periodic postretirement benefit cost as follows:

In Thousands Impact on	1% Increase	1% Decrease
Postretirement benefit obligation at December 30, 2001	$9,719	$(8,104)
Net periodic postretirement benefit cost in 2001.....	790	(658)

(15) Related Party Transactions

The Company's business consists primarily of the production, marketing and distribution of soft drink products of The Coca-Cola Company, which is the sole owner of the secret formulas under which the primary components (either concentrates or syrups) of its soft drink products are manufactured. Accordingly, the Company purchases a substantial majority of its requirements of concentrates and syrups from The Coca-Cola Company in the ordinary course of its business. The Company paid The Coca-Cola Company approximately $241 million, $237 million and $258 million in 2001, 2000 and 1999, respectively, for sweetener, syrup, concentrate and other miscellaneous purchases. The Company engages in a variety of marketing programs, local media advertising and similar arrangements to promote the sale of products of The Coca-Cola Company in bottling territories operated by the Company. Direct marketing funding and other support provided to the Company by The Coca-Cola Company was approximately $52 million, $52 million and $70 million in 2001, 2000 and 1999, respectively. The Company paid approximately $27 million, $26 million and $29 million in 2001, 2000 and 1999, respectively, for local media and marketing program expense pursuant to cooperative advertising and cooperative marketing arrangements with The Coca-Cola Company.

The Company has a production arrangement with Coca-Cola Enterprises Inc. ("CCE") to buy and sell finished products at cost. Sales to CCE under this agreement were $21.0 million, $20.0 million and $21.0 million in 2001, 2000 and 1999, respectively. Purchases from CCE under this arrangement were $21.0 million, $15.0 million and $15.3 million in 2001, 2000 and 1999, respectively. The Coca-Cola Company has significant equity interests in the Company and CCE. As of December 30, 2001, CCE had a 7.95% equity interest in the Company's total outstanding Common Stock and Class B Common Stock.

The Company entered into an agreement for consulting services with J. Frank Harrison, Jr. beginning in 1997. Payments in 2001, 2000 and 1999 related to the consulting services agreement totaled $200,000 each year.

On July 2, 1993, the Company and The Coca-Cola Company formed Piedmont. Prior to January 2, 2002, the Company and The Coca-Cola Company, through their respective subsidiaries, each beneficially owned a 50% interest in Piedmont. On January 2, 2002, the Company purchased an additional 4.651% interest in Piedmont from The Coca-Cola Company, increasing the Company's ownership in Piedmont to 54.651%. The Company provides a portion of the soft drink products for Piedmont at cost and receives a fee for managing the operations of Piedmont pursuant to a management agreement. The Company sold product at cost to Piedmont during 2001, 2000 and 1999 totaling $53.0 million, $53.5 million and $56.4 million, respectively. The Company received $17.8 million, $13.6 million and $14.2 million for management services pursuant to its management agreement with Piedmont for 2001, 2000 and 1999, respectively.

The Company also subleases various fleet and vending equipment to Piedmont at cost. These sublease rentals amounted to $11.2 million, $11.0 million and $10.0 million in 2001, 2000 and 1999, respectively. In addition, Piedmont subleases various fleet and vending equipment to the Company at cost. These sublease rentals amounted to $.2 million, each year for all periods presented.

On November 30, 1992, the Company and the previous owner of the Company's Snyder Production Center in Charlotte, North Carolina, who was unaffiliated with the Company, agreed to the early termination of the Company's lease. Harrison Limited Partnership One ("HLP") purchased the property contemporaneously with the termination of the lease, and the Company leased its Snyder Production Center from HLP pursuant to a ten-year lease that was to expire on November 30, 2002. HLP's sole general partner is a corporation of which J. Frank Harrison, Jr. is the sole shareholder. HLP's sole limited partner is a trust of which J. Frank Harrison, III, Chairman of the Board of Directors and Chief Executive Officer of the Company, and Reid M. Henson, Director of the Company, are co-trustees. On August 9, 2000, a Special Committee of the Board of Directors approved the sale by the Company of property and improvements adjacent to the Snyder Production Center to HLP and a new lease of both the conveyed property and the Snyder Production Center from HLP, which expires on December 31, 2010. The sale closed on December 15, 2000 at a price of $10.5 million. The annual base rent the Company is obligated to pay for its lease of this property is subject to adjustment for an inflation factor and for increases or decreases in interest rates, using LIBOR as the measurement device. Rent expense for these properties totaled $3.3 million, $2.9 million and $2.6 million in 2001, 2000 and 1999, respectively.

In May 2000, the Company entered into a five-year consulting agreement with Reid M. Henson. Mr. Henson served as a Vice Chairman of the Board of Directors from 1983 to May 2000. Payments in 2001 and 2000 related to the consulting agreement totaled $350,000 and $204,000, respectively.

On June 1, 1993, the Company entered into a lease agreement with Beacon Investment Corporation related to the Company's headquarters office building. Beacon Investment Corporation's sole shareholder is J. Frank Harrison, III. On January 5, 1999, the Company entered into a new ten-year lease agreement with Beacon Investment Corporation which includes the Company's headquarters office building and an adjacent office facility. The annual base rent the Company is obligated to pay under this lease is subject to adjustment for increases in the Consumer Price Index and for increases or decreases in interest rates using the Adjusted Eurodollar Rate as the measurement device. Rent expense under this lease totaled $3.3 million, $3.6 million and $3.1 million in 2001, 2000 and 1999, respectively.

The Company is a shareholder in two cooperatives from which it purchases substantially all its requirements for plastic bottles. Net purchases from these entities were approximately $50 million, $49 million and $45 million in 2001, 2000 and 1999, respectively. In connection with its participation in one of these cooperatives, the Company has guaranteed a portion of the cooperative's debt. Such guarantee amounted to $20.4 million as of December 30, 2001.

The Company is a member of SAC, a manufacturing cooperative. SAC sells finished products to the Company and Piedmont at cost. Purchases from SAC by the Company and Piedmont for finished products were $110 million, $110 million and $109 million in 2001, 2000 and 1999, respectively. The Company also manages the operations of SAC pursuant to a management agreement. Management fees from SAC were $1.2 million, $1.0 million and $1.3 million in 2001, 2000 and 1999, respectively. Also, the Company has guaranteed a portion of debt for SAC. Such guarantee was $16.8 million as of December 30, 2001.

The Company purchases certain computerized data management products and services related to inventory control and marketing program support from Data Ventures LLC ("Data Ventures"), a Delaware limited liability company in which the Company holds a 31.25% equity interest. J. Frank Harrison, III, Chairman of the Board of Directors and Chief Executive Officer of the Company, holds a 32.5% equity interest in Data Ventures. On September 30, 1997, Data Ventures obtained a $1.9 million unsecured line of credit from the Company. In December 1999, this line of credit was increased to $3.0 million. In July 2001, this line of credit was increased to $4.5 million. Data Ventures was indebted to the Company for $3.9 million and $2.8 million as of December 30,

2001 and December 31, 2000, respectively. The Company recorded a loan loss provision of $1.6 million, $.2 million and $.6 million in 2001, 2000 and 1999, respectively, related to its outstanding loan to Data Ventures. The Company purchased products and services from Data Ventures for $435,000, $414,000 and $154,000 in 2001, 2000 and 1999, respectively.

(16) Restructuring

In November 1999, the Company announced a plan to restructure its operations by consolidating sales divisions and reducing its workforce. Approximately 300 positions were eliminated as a result of the restructuring. The Company recorded a pre-tax restructuring charge of $2.2 million in the fourth quarter of 1999, which was funded by cash flow from operations. The restructuring has been completed and substantially all amounts have been paid.

(17) Earnings Per Share

The following table sets forth the computation of basic net income per share and diluted net income per share:

	Fiscal Year		
	2001	2000	1999
In Thousands (Except Per Share Data)			
Numerator:			
Numerator for basic net income and diluted net income	$9,470	$6,294	$3,241
Denominator:			
Denominator for basic net income per share--weighted average common shares	8,753	8,733	8,588
Effect of dilutive securities--Stock options	68	89	120
Denominator for diluted net income per share--adjusted weighted average common shares	8,821	8,822	8,708
Basic net income per share	$ 1.08	$ .72	$ .38
Diluted net income per share	$ 1.07	$ .71	$ .37

(18) Risks And Uncertainties

Approximately 90% of the Company's sales are products of The Coca-Cola Company, which is the sole supplier of the concentrate required to manufacture these products. The remaining 10% of the Company's sales are products of various other beverage companies. The Company has bottling contracts under which it has various requirements to meet. Failure to meet the requirements of these bottling contracts could result in the loss of distribution rights for the respective product.

The Company currently obtains all of its aluminum cans from one domestic supplier. The Company currently obtains all of its PET bottles from two domestic cooperatives. The inability of either of these aluminum can or PET bottle suppliers to meet the Company's requirement for containers could result in short-term shortages until alternative sources of supply could be located. The Company attempts to mitigate these risks by working closely with key suppliers and by purchasing business interruption insurance where appropriate.

The Company's products are sold and distributed directly by its employees to retail stores and other outlets. During 2001, approximately 78% of the Company's physical case volume was sold in the take-home channel through supermarkets, convenience stores, drug stores and mass merchandisers. However, no individual customer accounted for as much as 10% of the Company's total sales volume.

The Company makes significant expenditures each year on fuel for product delivery. Material increases in the cost of fuel may result in a reduction in earnings to the extent the Company is not able to increase its selling prices to offset the increase in fuel costs.

Certain liabilities of the Company are subject to risk of changes in both long-term and short-term interest rates. These liabilities include floating rate debt, leases with payments determined on floating interest rates, postretirement benefit obligations and the Company's nonunion pension liability.

Less than 10% of the Company's labor force is currently covered by collective bargaining agreements. Two collective bargaining contracts covering approximately 6% of the Company's employees expire during 2002.

In March 2000, at the end of a collective bargaining agreement in Huntington, West Virginia, the Company and Teamsters Local Union 505 were unable to reach agreement on wages and benefits. The union elected to strike and other Teamster-represented sales centers in West Virginia joined in a sympathy strike. In August 2000, the Company and the respective local unions settled all outstanding issues.

Material changes in the performance requirements or decreases in levels of marketing funding historically provided under marketing programs with The Coca-Cola Company and other franchisers, or the Company's inability to meet the performance requirements for the anticipated levels of such marketing funding support payments, would adversely affect future earnings. The Coca-Cola Company is under no obligation to continue marketing funding at past levels.

Changes in the market value of assets in the Company's pension plan as well as material changes in interest rates, may result in significant changes in net periodic pension cost and Company contributions to the plan.

Changes in the insurance markets may significantly impact insurance premiums, or in certain situations, may impact the Company's ability to secure insurance coverages.

(19) Supplemental Disclosures of Cash Flow Information

Changes in current assets and current liabilities affecting cash, net of effects of acquisitions and divestitures, were as follows:

In Thousands	Fiscal Year 2001	2000	1999
Accounts receivable, trade, net	$(1,313)	$ (2,294)	$(1,017)
Accounts receivable from The Coca-Cola Company	1,445	638	4,073
Accounts receivable, other	2,994	5,691	(5,419)
Inventories	586	712	(2,487)
Prepaid expenses and other assets	647	(757)	2,542
Accounts payable, trade	6,893	(249)	22
Accounts payable to The Coca-Cola Company	4,123	1,456	(2,848)
Other accrued liabilities	3,848	(22,145)	14,046
Accrued compensation	3,906	7,041	(3,079)
Accrued interest payable	1,395	(6,347)	1,505
Due to Piedmont	8,246	13,700	2,301
(Increase) decrease in current assets less current liabilities	$32,770	$ (2,554)	$ 9,639

Cash payments for interest and income taxes were as follows:

In Thousands	Fiscal Year 2001	2000	1999
Interest	$42,084	$58,736	$48,221
Income taxes (net of refunds)	2,673	2,830	1,939

(20) New Accounting Pronouncements

In June 2001, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 141, "Business Combinations," ("SFAS No. 141") and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets," ("SFAS No. 142"). These standards require that all business combinations be accounted for using the purchase method and that goodwill and intangible assets with indefinite useful lives not be amortized but instead be tested for impairment at least annually. These standards provide guidelines for new disclosure requirements and outline the criteria for initial recognition and measurement of intangibles, assignment of assets and liabilities including goodwill to reporting units and goodwill impairment testing. The provisions of SFAS Nos. 141 and 142 apply to all business combinations consummated after June 30, 2001. The provisions of SFAS No. 142 for existing goodwill and other intangible assets are required to be implemented effective the first day of fiscal year 2002. The Company anticipates the adoption of SFAS No. 142 will reduce amortization expense in 2002 by approximately $12.6 million for the Company and by approximately $8.4 million for Piedmont.

In October 2001, the FASB issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," ("SFAS No. 144"). SFAS No. 144 supersedes Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of," but it retains many of the fundamental provisions of that Statement. SFAS No. 144 also extends the reporting requirements to report separately as discontinued operations, components of an

entity that have either been disposed of or classified as held for sale. The provisions of SFAS No. 144 are required to be adopted at the beginning of fiscal year 2002. The Company believes that such adoption will not have a material effect on its financial statements.

EITF No. 01-09 "Accounting for Consideration Given by a Vendor to a Customer or Reseller of Vendor's Products" is effective for the Company at the beginning of fiscal year 2002 and will require certain expenses currently classified as selling, general and administrative expenses to be reclassified as deductions from net sales. This change will occur beginning in the first quarter of 2002 and all comparable periods will be reclassified. The Company estimates that approximately $28.6 million of net expense associated with payments to customers in 2001 which were previously classified as selling, general and administrative expenses will be reclassified as a reduction in net sales in accordance with the EITF consensus.

(21) Quarterly Financial Data (Unaudited)

Set forth below are unaudited quarterly financial data for the fiscal years ended December 30, 2001 and December 31, 2000.

	Quarter			
	1	2	3	4
In Thousands (Except Per Share Data)				
Year Ended December 30, 2001				
Net sales	$230,057	$271,678	$266,604	$254,347
Gross margin	106,467	124,708	121,108	114,833
Net income (loss)	(1,782)	5,009	7,915	(1,672)
Basic net income (loss) per share	(.20)	.57	.90	(.19)
Diluted net income (loss) per share	(.20)	.57	.90	(.19)

	Quarter			
	1	2	3	4
In Thousands (Except Per Share Data)				
Year Ended December 31, 2000				
Net sales	$228,184	$270,933	$258,565	$237,452
Gross margin	105,941	127,931	121,006	110,015
Net income (loss)	(1,957)	6,317	6,398	(4,464)
Basic net income (loss) per share	(.22)	.72	.73	(.51)
Diluted net income (loss) per share	(.22)	.71	.73	(.51)

Report of Independent Accountants

To the Board of Directors and Stockholders
of Coca-Cola Bottling Co. Consolidated:

In our opinion, the consolidated financial statements listed in the accompanying index present fairly, in all material respects, the financial position of Coca-Cola Bottling Co. Consolidated and its subsidiaries at December 30, 2001 and December 31, 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 30, 2001 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. These financial statements and financial statement schedule are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PRICEWATERHOUSECOOPERS LLP
Charlotte, North Carolina
February 15, 2002

The financial statement schedule required by Regulation S-X is set forth in response to Item 14 below.

The supplementary data required by Item 302 of Regulation S-K is set forth in Note 21 to the financial statements.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Part III

Item 10. Directors and Executive Officers of the Company

For information with respect to the executive officers of the Company, see "Executive Officers of the Registrant" included as a separate item at the end of Part I of this Report. For information with respect to the directors of the Company, see the "Election of Directors" section of the Proxy Statement for the 2002 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission before April 29, 2002, which is incorporated herein by reference. For information with respect to Section 16 reports, see the "Election of Directors--Section 16(a) Beneficial Ownership Reporting Compliance" section of the Proxy Statement for the 2002 Annual Meeting of Stockholders, which is incorporated herein by reference.

Item 11. Executive Compensation

For information with respect to executive and director compensation, see the "Executive Compensation," "Compensation Committee Interlocks and Insider Participation," and "Election of Directors--The Board of Directors and its Committees" sections of the Proxy Statement for the 2002 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission, which are incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

For information with respect to security ownership of certain beneficial owners and management, see the "Principal Stockholders" and "Election of Directors--Beneficial Ownership of Management" sections of the Proxy Statement for the 2002 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission, which are incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions

For information with respect to certain relationships and related transactions, see the "Certain Transactions" section of the Proxy Statement for the 2002 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission, which is incorporated herein by reference.

Part IV

Item 14. Exhibits, Financial Statement Schedule and Reports on Form 8-K

A. List of Documents filed as part of this report.

1. Financial Statements

   Consolidated Balance Sheets
   Consolidated Statements of Operations
   Consolidated Statements of Cash Flows
   Consolidated Statements of Changes in Stockholders' Equity
   Notes to Consolidated Financial Statements
   Report of Independent Accountants

2. Financial Statement Schedule

   Schedule II--Valuation and Qualifying Accounts and Reserves

   All other financial statements and schedules not listed have been omitted because the required information is included in the consolidated financial statements or the notes thereto, or is not applicable or required.

3. Listing of Exhibits:

Exhibit Index

Number	Description	Incorporated by Reference or Filed Herewith
(3.1)	Bylaws of the Company, as amended.	Exhibit 3.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2000.
(3.2)	Restated Certificate of Incorporation of the Company.	Exhibit 3.1 to the Company's Registration Statement (No. 33-54657) on Form S-3 as filed on July 20, 1994.
(4.1)	Specimen of Common Stock Certificate.	Exhibit 4.1 to the Company's Registration Statement (No. 2-97822) on Form S-1 as filed on May 31, 1985.
(4.2)	Supplemental Indenture, dated as of March 3, 1995, between the Company and Citibank, N.A., as Successor, as Trustee.	Exhibit 4.15 to the Company's Annual Report, as amended, on Form 10-K/A-2 for the fiscal year ended January 1, 1995.
(4.3)	Form of the Company's 6.85% Debentures due 2007.	Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 1, 1995.

Number	Description	Incorporated by Reference or Filed Herewith
(4.4)	Loan Agreement dated as of November 20, 1995 between the Company and LTCB Trust Company, as Agent, and other banks named therein.	Exhibit 4.13 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1995.
(4.5)	Amended and Restated Credit Agreement dated as of December 21, 1995 between the Company and NationsBank, N.A., Bank of America National Trust and Savings Association and other banks named therein.	Exhibit 4.14 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1995.
(4.6)	Waiver dated as of December 31, 2001, to the Amended and Restated Credit Agreement, designated as Exhibit 4.5.	Filed herewith.
(4.7)	Amendment, dated as of July 22, 1997, to Loan Agreement (designated as Exhibit 4.4), between the Company and LTCB Trust Company, as Agent, and other banks named therein.	Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 29, 1997.
(4.8)	Form of the Company's 7.20% Debentures due 2009.	Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 29, 1997.
(4.9)	Form of the Company's 6.375% Debentures due 2009.	Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 4, 1999.
(4.10)	Assignment and Release Agreement, dated as of October 6, 1999 (relating to the Loan Agreement designated as Exhibit 4.4), by and between The Long-Term Credit Bank of Japan, Limited and General Electric Capital Corporation.	Exhibit 4.11 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 2000.
(4.11)	Second Amendment dated as of February 24, 2000 (to Loan Agreement designated as Exhibit 4.4) by and among the Company and General Electric Capital Corporation, as agent.	Exhibit 4.12 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 2000.
(4.12)	The Registrant, by signing this report, agrees to furnish the Securities and Exchange Commission, upon its request, a copy of any instrument which defines the rights of holders of long-term debt of the Registrant and its consolidated subsidiaries which authorizes a total amount of securities not in excess of 10 percent of total assets of the Registrant and its subsidiaries on a consolidated basis.	
(10.1)	Stock Rights and Restrictions Agreement by and between Coca-Cola Bottling Co. Consolidated and The Coca-Cola Company dated January 27, 1989.	Exhibit 28.01 to the Company's Current Report on Form 8-K dated January 27, 1989.
(10.2)	Description and examples of bottling franchise agreements between the Company and The Coca-Cola Company.	Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1988.

Number	Description	Incorporated by Reference or Filed Herewith
(10.3)	Lease, dated as of January 1, 1999, by and between the Company and the Ragland Corporation, related to the production/ distribution facility in Nashville, Tennessee.	Exhibit 10.5 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2000.
(10.4)	Description and example of Deferred Compensation Agreement, dated as of October 1, 1987, between Eligible Employees of the Company and the Company under the Officer's Split-Dollar Life Insurance Plan. **	Exhibit 19.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 1990.
(10.5)	Purchase and Sale Agreement, dated as of December 15, 2000, between the Company and Harrison Limited Partnership One, related to land adjacent to the Snyder Production Center in Charlotte, North Carolina.	Exhibit 10.9 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2000.
(10.6)	Lease Agreement, dated as of December 15, 2000, between the Company and Harrison Limited Partnership One, related to the Snyder Production Center in Charlotte, North Carolina and a distribution center adjacent thereto.	Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2000.
(10.7)	Partnership Agreement of Carolina Coca-Cola Bottling Partnership,* dated as of July 2, 1993, by and among Carolina Coca-Cola Bottling Investments, Inc., Coca-Cola Ventures, Inc., Coca-Cola Bottling Co. Affiliated, Inc., Fayetteville Coca-Cola Bottling Company and Palmetto Bottling Company.	Exhibit 2.01 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.8)	Definition and Adjustment Agreement, dated July 2, 1993, by and among Carolina Coca-Cola Bottling Partnership,* Coca-Cola Ventures, Inc., Coca-Cola Bottling Co. Consolidated, CCBC of Wilmington, Inc., Carolina Coca-Cola Bottling Investments, Inc., The Coca-Cola Company, Carolina Coca-Cola Holding Company, The Coastal Coca-Cola Bottling Company, Eastern Carolina Coca-Cola Bottling Company, Inc., Coca-Cola Bottling Co. Affiliated, Inc., Fayetteville Coca-Cola Bottling Company and Palmetto Bottling Company.	Exhibit 2.05 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.9)	Management Agreement, dated as of July 2, 1993, by and among Coca-Cola Bottling Co. Consolidated, Carolina Coca-Cola Bottling Partnership,* CCBC of Wilmington, Inc., Carolina Coca-Cola Bottling Investments, Inc., Coca-Cola Ventures, Inc. and Palmetto Bottling Company.	Exhibit 10.01 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.10)	First Amendment to Management Agreement designated As Exhibit 10.13, dated as of January 1, 2001.	Exhibit 10.14 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2000.
(10.11)	Post-Retirement Medical and Life Insurance Benefit Reimbursement Agreement, dated July 2, 1993, by and between Carolina Coca-Cola Bottling Partnership* and Coca-Cola Bottling Co. Consolidated.	Exhibit 10.02 to the Company's Current Report on Form 8-K dated July 2, 1993.
(10.12)	Amended and Restated Guaranty Agreement, dated as of July 15, 1993 re: Southeastern Container, Inc.	Exhibit 10.06 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 4, 1993.

Number	Description	Incorporated by Reference or Filed Herewith
(10.13)	Management Agreement, dated as of June 1, 1994, by and among Coca-Cola Bottling Co. Consolidated and South Atlantic Canners, Inc.	Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 3, 1994.
(10.14)	Agreement, dated as of March 1, 1994, between the Company and South Atlantic Canners, Inc.	Exhibit 10.85 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(10.15)	Stock Option Agreement, dated as of March 8, 1989, of J. Frank Harrison, Jr. **	Exhibit 10.86 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995
(10.16)	Stock Option Agreement, dated as of August 9, 1989, of J. Frank Harrison, III. **	Exhibit 10.87 to the Company's Annual Report on Form 10-K for the fiscal year ended January 1, 1995.
(10.17)	Guaranty Agreement, dated as of May 18, 2000, between the Company and Wachovia Bank of North Carolina, N.A.	Filed herewith.
(10.18)	Guaranty Agreement, dated as of December 1, 2001, between the Company and Wachovia, N.A.	Filed herewith.
(10.19)	Description of the Company's 2002 Bonus Plan for officers. **	Filed herewith.
(10.20)	Agreement for Consultation and Services between the Company and J. Frank Harrison, Jr. **	Exhibit 10.54 to the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 1996.
(10.21)	Retirement and Consulting Agreement, effective as of May 31, 2000, between the Company and Reid M. Henson. **	Exhibit 10.25 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2000.
(10.22)	Agreement to assume liability for postretirement benefits between the Company and Piedmont Coca-Cola Bottling Partnership.	Exhibit 10.55 to the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 1996.
(10.23)	Franchise Asset Purchase Agreement, dated as of January 21, 1998, by and among Coca-Cola Bottling Company Southeast, Incorporated, as Seller, NABC, Inc., an indirect wholly-owned subsidiary of Guarantor, as Buyer, and Coca-Cola Bottling Co. Consolidated, as Guarantor.	Exhibit 10.58 to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1997.
(10.24)	Operating Asset Purchase Agreement, dated as of January 21, 1998, by and among Coca-Cola Bottling Company Southeast, Incorporated, as Seller, CCBC of Nashville, L.P., an indirect wholly-owned subsidiary of Guarantor, as Buyer, and Coca-Cola Bottling Co. Consolidated, as Guarantor.	Exhibit 10.59 to the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 1997.

Number	Description	Incorporated by Reference or Filed Herewith
(10.25)	Lease Agreement, dated as of January 5, 1999, between the Company and Beacon Investment Corporation, related to the Company's corporate headquarters and an adjacent office building in Charlotte, North Carolina.	Exhibit 10.61 to the Company's Annual Report on Form 10-K for the fiscal year ended January 3, 1999.
(10.26)	Coca-Cola Bottling Co. Consolidated Director Deferral Plan, dated as of January 1, 1998. **	Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 29, 1998.
(10.27)	Agreement and Plan of Merger dated as of September 29, 1999, by and among Lynchburg Coca-Cola Bottling Co., Inc., Coca-Cola Bottling Co. Consolidated, LCCB Merger Co., Certain Shareholders of Lynchburg Coca-Cola Bottling Co., Inc. and George M. Lupton, Jr. as the shareholders' representative.	Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 3, 1999.
(10.28)	Agreement and Plan of Merger, dated as of March 26, 1999, by and among the Company and Carolina Coca-Cola Bottling Company, Inc.	Annex A to the Company's Registration Statement (No. 333-75751) on Form S-4.
(10.29)	Restricted Stock Award to J. Frank Harrison, III (effective January 4, 1999). **	Annex A to the Company's Proxy Statement for the 1999 Annual Meeting.
(10.30)	Can Supply Agreement, dated as of February 22, 2000, between American National Can Company and the Company.	Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 2, 2000.
(10.31)	Asset Acquisition Agreement, dated as of September 29, 2000, by and among The Coca-Cola Bottling Company of West Virginia, Inc. Coca-Cola Bottling Company of Roanoke, Inc. and Coca-Cola Enterprises Inc.	Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 1, 2000.
(10.32)	Franchise Acquisition Agreement, dated as of September 29, 2000, by and among WVBC, Inc., ROBC, Inc. and Coca-Cola Enterprises Inc.	Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 1, 2000.
(10.33)	Guaranty Agreement, dated as of September 29, 2000, between the Company and Coca-Cola Enterprises Inc.	Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 1, 2000.
(10.34)	Supplemental Savings Incentive Plan, as amended and restated as of January 1, 2001, between Eligible Employees of the Company and the Company. **	Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 1, 2001.
(10.35)	Employment Agreement Termination dated as of April 27, 2001, between the Company and James L. Moore, Jr. **	Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2001.

Number	Description	Incorporated by Reference or Filed Herewith
(10.36)	Officer Retention Plan (ORP), as amended and restated as of January 1, 2001, between Eligible Employees of the Company and the Company. **	Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2001.
(10.37)	Master Amendment to Partnership Agreement, Management Agreement and Definition and Adjustment Agreement dated as of January 2, 2002 by and among Piedmont Coca-Cola Bottling Partnership, The Coca-Cola Company and the Company.	Exhibit 10.1 to the Company's Current Report on Form 8-K dated January 2, 2002.
(10.38)	Securities Purchase Agreement, dated as of January 2, 2002, by and between Piedmont Partnership Holding Company, a Delaware corporation (KO Subsidiary), and, Coca-Cola Ventures, Inc., a Delaware corporation (Consolidated Subsidiary).	Filed herewith.
(10.39)	Assignment, dated as of January 2, 2002, by and between Piedmont Partnership Holding Company, a Delaware corporation (KO Subsidiary), and Coca-Cola Ventures, Inc. a Delaware corporation (Consolidated Subsidiary).	Filed herewith.
(10.40)	Loan Agreement, dated as of May 28, 1996, between Piedmont Coca-Cola Bottling Partnership and LTCB Trust Company, as Agent, and other banks named therein.	Filed herewith.
(10.41)	First Amendment, dated February 24, 2000, to Loan Agreement designated as Exhibit 10.40.	Filed herewith.
(10.42)	Assignment and release agreement, dated as of October 6, 1999, by and between LTCB Trust Company, as Agent, and General Electric Capital Corporation to loan agreement designated as Exhibit 10.40.	Filed herewith.
(21.1)	List of subsidiaries.	Filed herewith.
(23.1)	Consent of Independent Accountants to Incorporation by Reference into Form S-3 (Registration No. 33-4325), Form S-3 (Registration No. 33-54657) and Form S-3 (Registration No. 333-71003).	Filed herewith.

- --------
* Carolina Coca-Cola Bottling Partnership's name was changed to Piedmont Coca-Cola Bottling Partnership.
** Management contracts and compensatory plans and arrangements required to be filed as exhibits to this form pursuant to Item 14(c) of this report.

B. Reports on Form 8-K

The Company filed a Current Report on Form 8-K on January 14, 2002 reporting pursuant to Item 5 thereof that it had purchased an additional 4.651% ownership interest in Piedmont Coca-Cola Bottling Partnership from The Coca-Cola Company. No financial statements were required to be filed as part of such Form 8-K.

C. Exhibits

See Item 14.A.3

D. Financial Statement Schedules

See Item 14.A.2

Schedule II

COCA-COLA BOTTLING CO. CONSOLIDATED

VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

(In Thousands)

Description	Balance at Beginning of Year	Additions Charged to Costs and Expenses	Deductions	Balance at End of Year
Allowance for doubtful accounts:				
Fiscal year ended December 30, 2001....	$918	$1,463	$518	$1,863
Fiscal year ended December 31, 2000....	$850	$ 580	$512	$ 918
Fiscal year ended January 2, 2000.....	$600	$ 824	$574	$ 850

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Coca-Cola Bottling Co. Consolidated
(Registrant)

By: /s/ J. Frank Harrison, III

J. Frank Harrison, III
Chairman of the Board of Directors
and Chief Executive Officer

Date: March 26, 2002

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
By: /s/ J. Frank Harrison, III J. Frank Harrison, III	Chairman of the Board of Directors, Chief Executive Officer and Director	March 26, 2002
By: /s/ J. Frank Harrison, Jr. J. Frank Harrison, Jr.	Chairman Emeritus of the Board of Directors and Director	March 26, 2002
By: /s/ H.W. McKay Belk H. W. McKay Belk	Director	March 26, 2002
By: /s/ John M. Belk John M. Belk	Director	March 26, 2002
By: /s/ Sharon A. Decker Sharon A. Decker	Director	March 26, 2002
By: /s/ William B. Elmore William B. Elmore	President, Chief Operating Officer and Director	March 26, 2002

By:	/s/ Reid M. Henson Reid M. Henson	Director	March 26, 2002
By:	/s/ Ned R. McWherter Ned R. McWherter	Director	March 26, 2002
By:	/s/ James L. Moore, Jr. James L. Moore, Jr.	Vice Chairman of the Board of Directors and Director	March 26, 2002
By:	/s/ John W. Murrey, III John W. Murrey, III	Director	March 26, 2002
By:	/s/ Carl Ware Carl Ware	Director	March 26, 2002
By:	/s/ Dennis A. Wicker Dennis A. Wicker	Director	March 26, 2002
By:	/s/ David V. Singer David V. Singer	Executive Vice President and Chief Financial Officer	March 26, 2002
By:	/s/ Steven D. Westphal Steven D. Westphal	Vice President, Controller and Chief Accounting Officer	March 26, 2002

Exhibit 4.6

WAIVER

THIS WAIVER (the "Waiver") with respect to the Credit Agreement referred to below is made and entered into as of this 31st day of December, 2001 by and among COCA-COLA BOTTLING CO. CONSOLIDATED, a Delaware corporation, as Borrower (the "Borrower"), BANK OF AMERICA, N.A., as Administrative and Syndication Agent (the "Agent") and the Banks listed on the signature pages hereto (the "Banks").

Statement of Purpose

I. The Borrower, the Agent and the Banks are parties to that certain Amended and Restated Credit Agreement, dated as of December 21, 1995 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Banks have extended certain credit facilities to the Borrower.

II. Coca-Cola Ventures, Inc., a Delaware corporation ("CCBCC Sub") is a wholly-owned subsidiary of the Borrower. CCBCC Sub and Piedmont Partnership Holding Company, a Delaware corporation and wholly-owned subsidiary of The Coca-Cola Company ("KO Sub") are equal partners in Piedmont Coca-Cola Bottling Partnership, a Delaware general partnership (the "Partnership"). The Borrower, CCBCC Sub and KO Sub are pursuing a transaction pursuant to which CCBCC Sub would purchase a 4.651% interest in the capital, profits and losses of the Partnership from KO Sub (the "Purchase Transaction"). After the Purchase Transaction, the interests of the Partnership will be held 54.651% by CCBCC Sub and 45.349% by KO Sub, thereby causing the Partnership to fall within the definition of "Subsidiary" contained in the Credit Agreement. It is anticipated that the Purchase Transaction will close on January 2, 2002.

III. On December 7, 2001, the Borrower delivered to the Agent and the Banks a certificate of the chief financial officer of the Borrower certifying that the Purchase Transaction is permitted under Section 6.04 of the Credit Agreement, including subsection (h) thereof as required by Section 6.04(h) of the Credit Agreement (the "CFO Certificate").

IV. The Partnership is the borrower under that certain Loan Agreement, dated May 28, 1996, among the Partnership and the banks party thereto (the "Partnership Loan Agreement") pursuant to which the banks party to the Partnership Loan Agreement have extended certain credit facilities to the Partnership. The Borrower has requested that the Agent and the Banks agree to waive certain requirements of Section 6.10 of the Credit Agreement in order to permit the Indebtedness incurred by the Partnership under the Partnership Loan Agreement (the "Partnership Indebtedness"). Subject to the terms and conditions set forth below, the Agent and the Banks are willing to agree to such request.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Capitalized Terms. All capitalized terms used and not defined herein shall have the meanings given thereto in the Credit Agreement.

2. Acknowledgements. The Agent and the Banks hereby acknowledge receipt of the CFO Certificate and that the Borrower has complied with the requirements of Section 6.04(h) of the Credit Agreement with respect to the Purchase Transaction.

3. Waiver. The Banks hereby waive compliance by the Borrower and its Subsidiaries with Section 6.10 of the Credit Agreement solely with respect to the Partnership Indebtedness.

4. No Event of Default. The Borrower hereby certifies that after giving effect to the waiver contemplated hereby, no Event of Default exists under the Credit Agreement.

5. Effectiveness. Except for the waiver contemplated hereby, the Credit Agreement shall be and remain in full force and effect. The waiver granted herein is specific and limited and shall not constitute a modification, acceptance, consent or waiver of any other provision of or any default under the Credit Agreement or any other document or instrument entered into in connection therewith or a future modification, acceptance, consent or waiver of the provisions set forth therein. This Waiver shall be effective upon receipt by the Agent of a duly executed copy hereof by the Borrower, the Agent and the Required Banks.

6. Counterparts. This Waiver may be executed in separate counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.

7. Fax Transmission. A facsimile, telecopy or other reproduction of this Waiver may be executed by one or more parties hereto, and an executed copy of this Waiver may be delivered by one or more parties hereto by facsimile or similar instantaneous electronic transmission device pursuant to which the signature of or on behalf of such party can be seen, and such execution and delivery shall be considered valid, binding and effective for all purposes. At the request of any party hereto, all parties hereto agree to execute an original of this Waiver as well as any facsimile, telecopy or other reproduction hereof.

* * * * *

IN WITNESS WHEREOF, the parties hereto have caused this Waiver to be duly executed as of the date and year first above written.

[CORPORATE SEAL]

COCA-COLA BOTTLING CO. CONSOLIDATED,
as Borrower

By: /s/ CLIFFORD M. DEAL, III

Name: Clifford M. Deal III

Title: Vice-President and Treasurer

[Signature Pages Continue]

BANK OF AMERICA, N.A.,
as Agent and Bank

By: /s/ WILLIAM F. SWEENEY
Name: William F. Sweeney
Title: Managing Director

[Signature Pages Continue]

CITIBANK, N.A., as Bank

By: /s/ HENRY J. MATTHEWS

Name: Henry J. Matthews

Title: Vice President

[Signature Pages Continue]

SUNTRUST BANK, ATLANTA, as Bank

By: /s/ SAMUEL M. JANNETTA, JR.
Name: Samuel M. Jannetta, Jr.
Title: Assistant Vice President

[Signature Pages Continue]

SOCIETE GENERALE, as Bank

By: ----------

Name: ----------

Title: ----------

[Signature Pages Continue]

KBC BANK N.V., as Bank

By: /s/ ROBERT SNAUFFER /s/ ERIC RASKIN

Name: Robert Snauffer Eric Raskin

Title: First Vice President Vice President

[Signature Pages Continue]

FIRST UNION NATIONAL BANK, as Bank

By: /s/ Meg Beveridge

Name: Meg Beveridge

Title: Vice President

[Signature Pages Continue]

GE CAPITAL COMMERCIAL FINANCE,
as Bank

By: /s/ C. MARK SMITH
Name: C. Mark Smith
Title: Duly Authorized Signatory

Exhibit 10.17

WACHOVIA

Amended and Restated

Guaranty Agreement
Wachovia Bank, N.A.

WHEREAS, the undersigned has requested WACHOVIA BANK, N.A. (herein called "Bank") to extend credit or make certain financial accommodations to SOUTH ATLANTIC CANNERS, INC., a South Carolina Corporation (herein called "Borrower") or to review or extend, in whole or in part, existing indebtedness or financial accommodations of the Borrower to the Bank, and the Bank has extended credit or extended or renewed existing indebtedness or made financial accommodations and/or may in the future extend credit or extend or renew existing indebtedness or make certain financial accommodations by reason of such request and in reliance upon this guaranty;

NOW, THEREFORE, in consideration of such credit extended or renewed and/or to be extended or renewed or such financial accommodations made or to be made in its discretion by the Bank to the Borrower,* in consideration of $5.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby unconditionally guarantees to the Bank and any of "Bank's Affiliates", as hereinafter defined (the Bank and the Bank's Affiliates being hereinafter collectively and/or individually, as the context shall require, referred to as "Lender"), and their successors, endorsees, transferees and assigns the punctual payment when due, whether by acceleration or otherwise, and at all times thereafter of (a) all debts, liabilities and obligations whatsoever of the Borrower to the Lender,** now existing or hereafter coming into existence, whether joint or several, whether created directly or acquired by endorsement, assignment or otherwise, whether absolute or contingent, secured or unsecured, due or not due, including but not being limited to notes, checks, drafts, credits, advances and obligations to reimburse draws against letters of credit; (b) accrued but unpaid interest on such debts, liabilities and obligations, whether accruing before or after any maturity(ies) thereof; and (c) reasonable attorneys' fees*** if any such debts, liabilities or obligations of the Borrower are collected, or the liability of the undersigned hereunder enforced, by or through any attorney at law (all of (a), (b) and (c) being hereinafter referred to as the "Obligations"). As used herein, "Bank's Affiliates" means any entity or entities now or hereafter directly or indirectly controlled by Wachovia Corporation or any successor thereto. References herein to Borrower shall be deemed to include any successor corporations to Borrower, if Borrower is a corporation, or any reconstituted partnerships of Borrower, if Borrower is a partnership.

*under the terms of the Credit Agreement
**arising under the terms of the Credit Agreement

The undersigned consents that, at any time, and from time to time, either with or without consideration, the whole or any part of any security now or hereafter held for any Obligations may be substituted, exchanged, compromised, impaired, released, or surrendered with or without consideration; the time or place of payment of any Obligations or of any security thereof may be changed or extended, in whole or in part, to a time certain or otherwise, and may be renewed or accelerated, in whole or in part; the Borrower may be granted indulgences generally; any of the provisions of any note or other instrument evidencing any Obligations or any security therefor may be modified or waived; any party liable for the payment thereof (including but not being limited to any co-guarantor) may be granted indulgences or released; neither the death, termination of existence, bankruptcy, incapacity, lack of authority nor disability of the Borrower or any one or more of the guarantors, including any of the undersigned, shall affect the continuing obligation of any other guarantor, including any of the undersigned, and that no claim need be asserted against the personal representative, guardian, custodian, trustee or debtor in bankruptcy or receiver of any deceased, incompetent, bankrupt or insolvent guarantor; any deposit balance to the credit of the Borrower or any other party liable for the payment of the Obligations or liable upon any security therefor may be released, in whole or in part, at, before and/or after the stated, extended or accelerated maturity of any Obligations; and the Lender may release, discharge, compromise or enter into any accord and satisfaction with respect to any collateral for the Obligations, or the liability of the Borrower or any of the undersigned, or any liability of any other person primarily or secondarily liable on any of the Obligations, all without notice to or further assent by the undersigned, who shall remain bound hereon, notwithstanding any such exchange, compromise, surrender, extension, renewal, acceleration, modification, indulgence, release, discharge or accord and satisfaction.

Without limiting any of the foregoing, in the event of dissolution of the Borrower, or should the Borrower become insolvent (as defined by the North Carolina Uniform Commercial Code as in effect at the time), or if a petition in bankruptcy be filed by or against the Borrower, or if a receiver be appointed for any part of the property or assets of the Borrower or if any final judgment or judgments for money damages be entered against the Borrower in a court of competent jurisdiction and remain unsatisfied for a period of sixty (60) days of more, **** or if the Lender shall deem itself insecure with respect to the Obligations and whether or not such event occurs at a time when any of such Obligations are otherwise due and payable, the undersigned agrees to pay to the Lender upon demand, the full amount which would be payable hereunder by the undersigned if all such Obligations were then due and payable.

The undersigned expressly waives: (a) notice of acceptance of this guaranty and of all extensions or renewals of credit or other financial accommodations to the borrower; (b) presentment and demand for payment of any of the Obligations; (c) protest and notice of dishonor or of default to the undersigned or to any other party with respect to any of the Obligations or with respect to any security

therefor; (d) any invalidity or disability in whole or in part at the time of the acceptance of, or at any time with respect to, any security for the Obligations or with respect to any party primarily or secondarily liable for the payment of the Obligations to the Lender; (e) the fact that any security for the Obligations may at any time or from time to time be in default or be inaccurately estimated or may deteriorate value for any cause whatsoever; (f) any diligence in the creation or perfection of a security interest or collection or protection of or realization upon the Obligation or any security therefor, any liability hereunder, or any party primarily or secondarily liable for the Obligations or any lack of commercial reasonableness in dealing with any security for the Obligations; (g) any duty or obligation on the part of the Lender to ascertain the extent or nature of any security for the Obligations, any insurance or other rights respecting such security, or the liability of any party primarily or secondarily liable for the Obligations, or to take any steps or action to safeguard, protect, handle, obtain or convey information respecting, or otherwise follow in any manner, any such security, insurance or other rights; (h) any debt or obligation on the Lender to proceed to collect the Obligations from, or to commence an action against, the Borrower, any other guarantor, or any other person or to resort to any security or to any balance of any deposit account or credit on the books of the Lender in favor of the Borrower or any other person, despite any note or request of the undersigned to do so; (i) any rights of the undersigned pursuant to North Carolina General Statute Section 26-7 or any similar or subsequent law; (j) to the extent not prohibited by law, the right to assert any of the benefits under any statute providing appraisal or other rights which may reduce or prohibit any deficient judgments in any foreclosure or other action; (k) all other notices to which the undersigned might otherwise be entitled; and (1) demand for payment under this guaranty.

This is a guaranty of payment and not of collection. The liability of the undersigned on this guaranty shall be continuing, direct or immediate and not conditional or contingent upon either the pursuit of any remedies against the Borrower or any other person or foreclosure of any security interests or liens available to Lender, its successors, endorses or assigns. The Lender may accept any payment(s), plan for adjustment of debts, plan for reorganization or liquidation, or plan composition or extension proposed by, or on behalf of, the Borrower or any other guarantor without in any way affecting or discharging the liability of the undersigned hereunder. If the Obligations are partially paid, the undersigned shall remain liable for any balance of such Obligations. This guaranty shall be revived reinstated in the event any payment received by the Lender on any Obligation is required to be repaid or rescinded under present or future federal or state law or resolution relating to bankruptcy, insolvency or other relief of debtors. The undersigned agrees to furnish promptly to the Bank annual financial statements and such other current financial information as the Bank may reasonably request from time to time.

The undersigned expressly represents and acknowledges that loans and other financial accommodations by the Lender to the Borrower are and will be to the direct interest and advantage of the undersigned.

The Lender may, without notice of any kind, sell, assign or transfer all or any of the Obligations, and in such event each and every immediate and successor assignee, transferee or holder of all or any of the Obligations shall have the right to enforce this guaranty, by suit or otherwise, for the benefit of such assigned

*** determined without regard to any statutory presumption and based upon the standard hourly rates of attorneys performing the work

transferee or holder, as fully as if such assignee, transferee or holder were herein by name specifically given such rights, powers and benefits, but the Lender shall have an unimpaired right, prior and superior to that of any such assignee, transferee of holder, to enforce this guaranty for the benefit of the Lender, as to so much of the Obligations as it has not sold, assigned or transferred.

No delay or failure on the part of the Lender in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by the Lender of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

For the purpose of this guaranty, the Obligations shall include all debts, liabilities and obligations of the Borrower to the Lender, notwithstanding any right or power of the Borrower or anyone else to assert any claim or defense as to the invalidity or unenforceability thereof, and no such claim or defense shall impair or affect the obligations and liabilities of the undersigned hereunder. Without limiting the generality of the foregoing, if the Borrower is a corporation, partnership, joint venture, trust or other form of business organization, this guaranty covers all Obligations purporting to be made in behalf of such organization by any officer or agent of the same, without regard to the actual authority of such officer or agent. The term "corporation" shall include associations of all kinds and all purported corporations, whether or not correctly and legally chartered and organized.

To the extent not prohibited by law, the undersigned hereby grants to the Lender a security interest in and security title and hereby assigns, pledges, transfers and conveys to Lender (i) all property of the undersigned of every kind or description now or hereafter in the possession or control of the Lender, exclusive of any such property in the possession or control of the Lender as a fiduciary other than as agent, for any reason including, without limitation, all cash, stock or other dividends and all proceeds thereof, and all rights to subscribe for securities incident thereto and any substitutions or replacements therefor and (ii) any balance or deposit accounts of the undersigned, whether such accounts be general or special, or individual or multiple party, and upon all drafts, notes, or other items deposited for collection or presented for payment by the undersigned with the Lender, exclusive of any such property in the possession or control of the Lender as a fiduciary other than as agent, and the Lender may at any time, without demand or notice, appropriate and apply any of such to the payment of any of the Obligations, whether or not due.

Any amount received by the Lender from whatever source and applied by it toward the payment of the Obligations shall be applied in such order of application as the Lender may from time to time elect; and notwithstanding any payments made by or for the account of the undersigned pursuant to this guaranty, the undersigned shall not be subrogated to any rights of the Lender until such time as this guaranty shall have been discontinued as to all of the undersigned and the Lender shall have received payment of the full amount of all of the Obligations and all of the obligations of the undersigned hereunder.

This guaranty shall bind and inure to the benefit of the Lender, its successors and assigns, and likewise shall bind and inure to the benefit of the undersigned, their heirs, executors, administrators, successors and assigns. If more than one person shall execute this guaranty or a similar, contemporaneous guaranty, the term "undersigned," shall mean, as used herein, all parties executing this guaranty and such similar guaranties and all such parties shall be liable, jointly and severally, one with the other and with the Borrower, for each of the undertakings, agreements, obligations, covenants and liabilities provided for herein with respect to the undersigned. This guaranty contains the entire agreement and there is no understanding that any other person shall execute this or a similar guaranty. Furthermore, no course of dealing between the parties, no usage of trade, and no parol or extrinsic evidence shall be used to supplement or modify any terms of this guaranty; nor are there any conditions to the complete effectiveness of this guaranty.

This guaranty shall be deemed accepted by Lender in the State of North Carolina. The parties agree that this guaranty shall be deemed, made, delivered, performed and accepted by Lender in the State of North Carolina and shall be governed by the laws of the State of North Carolina. Wherever possible each provision of this guaranty shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this guaranty shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this guaranty.

The undersigned (a) submits to personal jurisdiction in the State of North Carolina, the courts thereof and any United States District Court sitting therein, for the enforcement of this guaranty, (b) waives any and all personal rights under the law of any jurisdiction to object on any basis (including, without limitation, inconvenience of forum) to jurisdiction or venue within the State of North Carolina for the purpose of litigation to enforce this guaranty, and (c) agrees that service of process may be made upon the undersigned by first class postage prepaid mail, addressed to the undersigned at the latest address of the undersigned known to the Bank (or at such other address as the undersigned may specify for the purpose by notice to the Bank). Nothing herein contained, however, shall prevent the Lender from bringing any action or exercising any rights against any security and against the Borrower personally, and against any assets of the Borrower, within any other state or jurisdiction.

This guaranty shall remain in full force and effect as to each of the undersigned unless and and until terminated as to one or more of the undersigned by notice to that effect actually received by the Bank, by registered mail, addressed to Bank at 100 N. Main St., Suite 37263, Winston-Salem, NC 27101, but no such notice shall affect or impair the liabilities hereunder of such of the

undersigned who gives or on whose behalf is given any such notice for the Obligations existing at the date of receipt by the Bank of such notice, any renewals, modifications or extensions thereof (whether made before or after such notice is received), any interest thereon, or any costs or expenses, including without limitation, reasonable attorneys fees incurred in the collection thereof* or any future advances made by Lender to Borrower as required or permitted pursuant to the terms of the **. Any such notice of terminated by or on behalf of any of the undersigned shall affect only that person and shall not affect or impair the liabilities and obligations hereunder of any other person.

*determined as set forth hereinabove

**Credit Agreement or any other Loan Document (as defined therein).

IN WITNESS WHEREOF, each of the undersigned has executed this guaranty under seal, this _____, _____.

Witness: _____ (Seal)
(Individual Guarantor)

/s/ Cecilia C. Watson
- ----------
Alison E. Patient

_____ (Seal)
(Individual Guarantor)

Attest:

/s/ Karen R. D'Eredita
- ----------
Title Assistant Secretary

[Corporate Seal]

COCA-COLA BOTTLING CO. CONSOLIDATED

(Name of Corporation or Partnership)

_____ By /s/ Clifford M. Deal, III
---------- (Seal)
Clifford M. Deal, III

Title Vice President and Treasurer

[Corporate Seal]

*** The term "Credit Agreement" as used herein means the Amended and Restated Credit Agreement of even date herewith between the Bank and the Borrower.

Exhibit 10.18

Execution Copy

GUARANTY AGREEMENT

From

COCA-COLA BOTTLING CO. CONSOLIDATED

To

WACHOVIA BANK, N.A.

Dated as of December 1, 2001

Prepared by: Caroline Wannamaker Sink, Esq.
Robinson, Bradshaw & Hinson, P.A.
101 North Tryon Street, Suite 1900
Charlotte, North Carolina 28246
(tel) 704-377-8302
(fax) 704-373-3902

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this "Agreement"), dated as of December 1, 2001, is made and given by COCA-COLA BOTTLING CO. CONSOLIDATED, a corporation organized and existing under the laws of Delaware (the "Guarantor"), to WACHOVIA BANK, N.A., a national banking association with its main office in Winston-Salem, North Carolina (the "Bank").

W I T N E S S E T H:

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Issuer") intends to issue its Tax-Exempt Adjustable Mode Economic Development Revenue Bonds (South Atlantic Canners, Inc. Project) Series 2001 in the aggregate principal amount of $5,000,000 (the "Bonds") pursuant to an Indenture of Trust dated as of even date herewith (as supplemented from time to time in accordance with its terms, the "Indenture"), between the Issuer and The Bank of New York, as trustee (the "Trustee"); and

WHEREAS, pursuant to a Loan Agreement dated as of even date herewith (as amended from time to time in accordance with its terms and the terms of the Indenture, the "Loan Agreement") between the Issuer and South Atlantic Canners, Inc., a South Carolina corporation (the "Company"), the Issuer will loan the proceeds of the Bonds to the Company to finance the acquisition, construction and equipping of certain facilities more fully described in the Loan Agreement (the "Project"); and

WHEREAS, to provide additional security for the payment of the Bonds, the Company has requested that the Bank issue an irrevocable direct-pay letter of credit in the amount of $5,188,334 (the "Letter of Credit") in favor of the Trustee; and

WHEREAS, the Bank is willing to issue the Letter of Credit, subject to the terms and conditions of a Reimbursement and Security Agreement dated as of even date herewith (as amended, modified, supplemented, or restated from time to time, the "Reimbursement Agreement") between the Company and the Bank, substantially in the form of Exhibit A to the Reimbursement Agreement; and

WHEREAS, the Company also may become indebted and obligated to the Bank pursuant to an International Swap Dealers Association, Inc. Master Agreement, between the Company and the Bank (together with all amendments and schedules thereto and confirmations thereof as the same may be further amended, restated, supplemented, extended, or renewed from time to time, the "Master Agreement");

WHEREAS, as a condition precedent to the execution, delivery and performance of the Reimbursement Agreement and any Master Agreement, and the issuance of the Letter of Credit, the Bank has requested that the Guarantor execute and deliver this Agreement as additional security for the payment and performance of the obligations of the Company to the Bank under the Reimbursement Agreement and any Master Agreement; and

WHEREAS, by virtue of its (i) ownership of 1/7th of the issued and outstanding common stock of the Company, and (ii) its role as Manager of the Company under the Management Agreement (as defined in the Reimbursement Agreement), the Guarantor will materially and directly benefit from the issuance of the Letter of Credit;

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor does hereby covenant and agree with the Bank as follows:

Section 1. The Guaranty. The Guarantor hereby unconditionally and absolutely guarantees to the Bank, the full and prompt payment when due, whether at stated maturity, acceleration or otherwise, of (a) all of the obligations, whether now existing or hereafter arising of the Company to the Bank under the Reimbursement Agreement, including without limitation amounts drawn and paid under the Letter of Credit that have not been reimbursed by the Company under the terms of the Reimbursement Agreement, in the maximum principal amount of $5,188,334, and the unpaid principal and accrued interest due and owing under the Promissory Note dated December 1, 2001 (the "Reimbursement Note"), from the Company to the Bank in the maximum principal amount of $5,000,000, to evidence all Tender Advances, if any, to be made under the Reimbursement Agreement, and (b) all of the obligations, whether now existing or hereafter arising of the Company to the Bank under any Master Agreement (collectively, the "Obligations"). The Bond Documents (as defined in the Loan Agreement), any Master Agreement, and all other documents and instruments evidencing or securing the Obligations, as the same may be amended, modified, or restated from time to time, are referred to herein collectively as the "Credit Documents."

Section 2. Guaranty of Payment. This is a guaranty of payment and not of collection, and the Guarantor expressly waives any right to require that any action be brought against the Company or that the Bank proceed against, exhaust or resort to any security, including but not limited to North Carolina General Statute (S) 26-7. The Guarantor shall pay all reasonable costs and expenses, including reasonable attorneys' fees, paid or incurred by the Bank in connection with the collection of the Obligations or the enforcement of the Guarantor's obligations under this Agreement. All payments by the Guarantor shall be paid in lawful money of the United States of America at the main office of the Bank or at such other location as the Bank shall direct in writing to the Guarantor.

Section 3. Guaranty Unconditional. The obligations of the Guarantor hereunder shall arise absolutely and unconditionally when the Letter of Credit has been issued and delivered by the Bank to the Trustee. This Agreement shall be a continuing, absolute and unconditional guaranty and shall remain in full force and effect until the Bank's obligations to honor drawings under the Letter of Credit and to make advances under any of the other Credit Documents have terminated, all of the Obligations shall have been paid in full and the period during which any payment of the Obligations to the Bank could be recovered as an avoidable preference under 11 U.S.C. (S) 547, or any successor provision thereof, has expired. The Guarantor agrees that to the extent all or part of any payment of the Obligations is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party, then, to the extent of such repayment, this Guaranty shall continue in full force and effect

or be revived and reinstated, as the case may be, as to the Obligations intended to be satisfied, as if such payment had not been received.

Section 4. Absolute and Primary Liability. The Guarantor agrees that its obligations hereunder are irrevocable, absolute and unconditional, are independent of the Obligations, and shall not be discharged, released, limited, deferred, reduced or otherwise affected to any extent by reason of any of the following, whether or not the Guarantor has notice or knowledge thereof: (a) the invalidity or unenforceability of the Credit Documents; (b) any bankruptcy, reorganization, arrangement, liquidation or insolvency of, or dissolution, termination, reorganization or other change in the structure or existence of, the Company, whether or not resulting in a discharge, reduction or restructuring of the Obligations; or (c) the application of any statute, regulation, order, rule, decree or other determination of any court or other governmental authority, the effect of which is to extend the term or time for payment of the Obligations.

Section 5. Releases, Extensions, Modifications, etc. The Guarantor agrees that the Bank may at any time and from time to time, upon or without any terms or conditions and in whole or in part: (a) change the manner, place or terms of payment of, change or extend the time for payment of, or renew, accelerate or otherwise alter, the Obligations; (b) sell, exchange, release, substitute, compromise, realize upon or otherwise deal with in any manner and in any order, or fail to create, protect, perfect, secure, insure, continue or maintain any liens in, any collateral or other security for the Obligations; (c) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to or substitutions for, the Obligations; (d) make or permit any amendment, modification or supplement to or restatement of, or consent to any rescission or waiver of or departure from, any provisions (including provisions relating to events of default) of the Credit Documents; and (e) exercise or refrain from exercising (whether voluntarily or involuntarily as a result of court order, operation of law or otherwise) any rights and remedies available under the Credit Documents, including, without limitation, foreclosing on any security held by the Bank in any order and by any manner of sale permitted under the Credit Documents and applicable law, whether or not every aspect of such sale is commercially reasonable. The Bank may act or fail to act in the foregoing manner without notice to or further assent by the Guarantor, whose obligations hereunder shall not be discharged, released, limited, deferred, reduced or otherwise affected in any manner or to any extent by reason of any of the foregoing, notwithstanding that any such action or failure to act may impair or extinguish any right of indemnification, contribution, reimbursement or subrogation or other right or remedy of the Guarantor against the Company or any collateral or other security for the Obligations.

Section 6. Waiver of Certain Rights; Subordination. The Guarantor hereby knowingly, voluntarily and expressly waives all presentments, demands for payment, demands for performance, protests and notices, including, without limitation, notices of nonpayment or other nonperformance, protest, dishonor, acceptance hereof, and of any of the matters referred to in Sections 4 and 5 and of any rights to consent thereto. During the occurrence and continuance of an Event of Default as defined herein, any indebtedness of the Company to the Guarantor now or hereafter existing, together with any interest thereon, shall be deferred, postponed and subordinated to the Obligations. As regards any such indebtedness, neither the Company nor the Guarantor shall commit or allow the commission of any transfer, acceleration, forgiveness, prepayment, modification, conversion or further subordination without the express written

consent of the Bank. Should any such indebtedness be or become represented by any written instrument, such instrument shall forthwith be endorsed and delivered to the Bank. Should the Company become a "debtor" as that term is defined under Bankruptcy Code or any successive statute, the Bank is authorized, but not required, to file proofs of claims on the Guarantor's behalf and vote the rights of the Guarantor in any plan of reorganization. The Bank is further empowered to demand, sue for, collect and receive every payment and distribution on such indebtedness in the Company's bankruptcy proceeding.

Section 7. Representations and Warranties. In order to induce the Bank to accept this Agreement, to enter into the Reimbursement Agreement and to issue the Letter of Credit, the Guarantor represents and warrants to the Bank (which representations and warranties shall survive the execution and delivery of this Agreement) that:

(a) Corporate Organization. The Guarantor is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation.

(b) Corporate Power and Authority. The execution, delivery and performance of this Agreement (i) are within the corporate power and authority of the Guarantor, and (ii) have been duly authorized by all necessary corporate action on the part of the Guarantor.

(c) Due Execution and Delivery. This Agreement has been duly executed and delivered to the Bank by an officer of the Guarantor who has been duly authorized to perform such acts.

(d) Enforceability. This Agreement constitutes the legal, valid and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws, statutes or rules of general application affecting the enforcement of creditors' rights or general principles of equity.

(e) No Conflict. The execution and delivery by the Guarantor of this Agreement and the performance by the Guarantor of its obligations hereunder (i) do not violate provisions of statutory laws or regulations applicable to it, (ii) do not violate its articles of incorporation or bylaws, (iii) do not breach or result in a default under any material agreement to which it is a party, and (iv) do not violate the terms of any judicial or administrative judgment, order, decree or arbitral decision that names the Guarantor and is specifically directed to it or its properties.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending, or, to the best knowledge of the Guarantor, threatened against or affecting the Guarantor wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition of the Guarantor or would materially adversely affect the transactions contemplated by, or the validity or enforceability of, this Agreement.

(g) Full Disclosure. All written information heretofore furnished by the Guarantor to the Bank, financial or otherwise, for purposes of or in connection with this Agreement or any transaction contemplated hereby was, at the time the same was so furnished, complete and correct in all material respects or based on good faith estimates as of the time the same was

prepared. The Guarantor has disclosed to the Bank in writing any and all facts which materially and adversely affect or may affect (to the extent the Guarantor can now reasonably foresee), the business, operations, or condition, financial or otherwise, of the Guarantor, or the ability of the Guarantor to perform its obligations under this Agreement.

Section 8. Financial Information; Notices. The Guarantor covenants and agrees that during the term of this Guaranty, unless the Bank otherwise consents in writing, the Guarantor shall deliver to the Bank: (a) as soon as practicable and in any event within 90 days after the close of the fiscal year of the Guarantor, beginning with the close of the current fiscal year, an audited consolidated balance sheet of the Guarantor and its subsidiaries (including the Company) as of the close of such fiscal year and audited consolidated statements of income, retained earnings and cash flows for the Guarantor and its subsidiaries (including the Company) for the fiscal year then ended, including the notes to each, all in reasonable detail setting forth in comparative form the corresponding figures for the preceding fiscal year, prepared by an independent certified public accountant acceptable to the Bank in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year or containing disclosure of the effect on the financial position or results of operation of any change in the application of accounting principles and practices during the year, and accompanied by a report thereon by such certified public accountant containing an opinion that is not qualified with respect to scope limitations imposed by the Guarantor or its subsidiaries or with respect to accounting principles followed by the Guarantor or its subsidiaries not in accordance with generally accepted accounting principles; (b) within a reasonable time, upon the Bank's request, such other information about the financial condition, operations and property of the Guarantor and its subsidiaries as the Bank may from time to time reasonably request; and (c) prompt notice of any Event of Default or any event that, with the passage of time or giving of notice, or both, would constitute an Event of Default.

Section 9. Events of Default. The occurrence of any one or more of the following events shall constitute an Event of Default hereunder:

(a) Failure of the Guarantor to pay any Obligation after the same shall become due, whether at maturity, by acceleration or otherwise;

(b) Failure of the Guarantor to observe and perform the covenant contained in Section 8 of this Agreement for 30 days after receipt by the Guarantor of written notice from the Bank of such failure;

(c) Any warranty or representation made by the Guarantor in this Agreement or in any document, instrument or certificate delivered to the Bank in connection with this Agreement shall be incorrect in any material respect when made or deemed made;

(d) The occurrence and continuance of any default or event of default under the Reimbursement Agreement, the Reimbursement Note, or any of the other Credit Documents; or

(e) The Guarantor shall cease to be a member in the Company in accordance with the Company's bylaws.

Section 10. Rights and Remedies. Upon the occurrence and during the continuance of any Event of Default:

(a) Acceleration of Obligations. The Bank may, in its sole discretion (i) declare all Obligations to be immediately due and payable, without presentment, demand, protest, notice of intent to accelerate, notice or legal process of any kind, all of which are hereby knowingly and expressly waived by the Guarantor, (ii) notify the Trustee in writing that an Event of Default has occurred and is continuing and request that (1) the Bonds be accelerated pursuant to Section 6.2 of the Indenture, or (2) all of the Bonds be required to be tendered for purchase, and (iii) pursue all remedies available to it by contract, at law or in equity.

(b) Right of Set-off. The Bank may, and is hereby authorized by the Guarantor, at any time and from time to time, to the fullest extent permitted by applicable laws, without advance notice to the Guarantor (any such notice being expressly waived by the Guarantor), to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and any other indebtedness at any time owing by the Bank or any of its affiliates to or for the credit or the account of the Guarantor against any or all of the obligations of the Guarantor under this Agreement now or hereafter existing, whether or not such obligations have matured. The Bank agrees promptly to notify the Guarantor after any such set-off or application; provided, however, that the failure to give such notice shall not affect the validity of such set-off and application.

(c) Rights and Remedies Cumulative; Non-Waiver; etc. The enumeration of the Bank's rights and remedies set forth in this Agreement is not intended to be exhaustive and the exercise by the Bank of any right or remedy shall not preclude the exercise of any other rights or remedies, all of which shall be cumulative, and shall be in addition to any other right or remedy given hereunder, under any other agreement between the Guarantor and the Bank, under any of the Credit Documents, or that may now or hereafter exist in law or in equity or by suit or otherwise. No delay or failure to take action on the part of the Bank in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Event of Default. No course of dealing between the Guarantor and the Bank or their agents or employees shall be effective to change, modify or discharge any provision of this Agreement or to constitute a waiver of any Event of Default.

Section 11. Jurisdiction and Venue. AS PART OF THE CONSIDERATION FOR NEW VALUE THIS DAY RECEIVED, THE GUARANTOR HEREBY CONSENTS TO THE NONEXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING WITHIN THE STATE OF NORTH CAROLINA FOR ANY ACTION TO WHICH THE GUARANTOR AND THE BANK ARE PARTIES. TO THE EXTENT PERMITTED BY LAW, THE GUARANTOR WAIVES ANY OBJECTION WHICH THE GUARANTOR MAY HAVE BASED ON LACK OF JURISDICTION OR IMPROPER VENUE OR FORUM NON CONVENIENS TO THE CONDUCT OF ANY ACTION INSTITUTED HEREUNDER OR UNDER THE REIMBURSEMENT AGREEMENT, THE REIMBURSEMENT NOTE OR ANY OF THE OTHER CREDIT DOCUMENTS, OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE

REIMBURSEMENT AGREEMENT, THE REIMBURSEMENT NOTE, OR ANY OF THE OTHER CREDIT DOCUMENTS, OR ANY OTHER PROCEEDING TO WHICH THE BANK IS A PARTY, INCLUDING ANY ACTIONS BASED UPON, ARISING OUT OF OR IN CONNECTION WITH ANY COURSE OF CONDUCT, COURSE OF DEALING OR STATEMENT (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE BANK OR THE GUARANTOR, AND THE GUARANTOR CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT. NOTHING IN THIS SECTION SHALL AFFECT THE RIGHT OF THE BANK TO BRING ANY ACTION OR PROCEEDING AGAINST THE GUARANTOR IN THE COURTS OF ANY OTHER JURISDICTION THAT HAS JURISDICTION OVER THE GUARANTOR.

Section 12. Waiver of Automatic or Supplemental Stay. IN THE EVENT THAT A PETITION FOR RELIEF UNDER ANY CHAPTER OF THE BANKRUPTCY CODE IS FILED BY OR AGAINST THE COMPANY, THE GUARANTOR PROMISES AND COVENANTS THAT IT WILL NOT SEEK, OR CAUSE OR PERMIT THE COMPANY TO SEEK, A SUPPLEMENTAL STAY PURSUANT TO BANKRUPTCY CODE (S)(S) 105 OR 362 OR ANY OTHER RELIEF PURSUANT TO BANKRUPTCY CODE (S) 105 OR ANY OTHER PROVISION OF THE BANKRUPTCY CODE, WHETHER INJUNCTIVE OR OTHERWISE, WHICH WOULD STAY, INTERDICT, CONDITION, REDUCE OR INHIBIT THE BANK'S ABILITY TO ENFORCE ANY RIGHTS IT HAS UNDER THIS AGREEMENT, OR AT LAW OR IN EQUITY, OR ANY OTHER RIGHTS THE BANK HAS, WHETHER NOW OR HEREAFTER ACQUIRED, AGAINST THE GUARANTOR.

Section 13. Notices. All demands, notices, approvals, consents, requests, and other communications hereunder shall be in writing and shall be deemed to have been given when the writing is delivered if given or delivered by hand, overnight delivery service or facsimile transmitter (with confirmed receipt) or five days after being mailed, if mailed, by first class, registered or certified mail, postage prepaid, addressed as follows:

(a) if to the Guarantor:

Coca-Cola Bottling Co. Consolidated
Post Office Box 31487 (28231-1487)
4100 Coca-Cola Plaza
Charlotte, North Carolina 28211-3481
Attention: Clifford M. Deal, III
Vice President and Treasurer
Telephone: (704) 557-4633
Telecopy: (704) 557-4451

with a copy to:

Kennedy Covington Lobdell & Hickman, L.L.P.
Bank of America Corporate Center, 42nd Floor
100 North Tryon Street
Charlotte, North Carolina 28202-4006
Attention: Henry W. Flint, Esquire
Telephone: (704) 331-7487
Telecopy: (704) 331-7598

(b) if to the Bank:

Wachovia Bank, N.A.
Mail Code NC-21319
400 South Tryon Street
Charlotte, North Carolina 28202
Attention: Christopher L. Fincher
Senior Vice President
Telephone: (704) 378-5702
Telecopy: (704) 378-5035

with a copy to:

First Union National Bank
Mail Code NC0600
301 South College Street, DC8
Charlotte, North Carolina 28288-0600
Attention: Mr. William T. Bingham

Robinson, Bradshaw & Hinson, P.A.
101 North Tryon Street, Suite 1900
Charlotte, North Carolina 28246
Attention: Caroline Wannamaker Sink, Esquire
Telephone: (704) 377-8302
Telecopy: (704) 373-3902

The Guarantor or the Bank may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, or other communications shall be sent or persons to whose attention the same shall be directed.

Section 14. Controlling Law. This Agreement has been accepted at, and shall
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be deemed to have been made in, North Carolina and shall be interpreted in accordance with the internal laws (as opposed to conflicts of laws provisions) of the State of North Carolina.

Section 15. Successors and Assigns. This Agreement shall be binding upon the Guarantor, its successors and assigns and all rights against the Guarantor arising under this Agreement shall be for the sole benefit of the Bank.

Section 16. Amendment. This Agreement can be amended or modified only by an instrument in writing signed by the parties hereto.

Section 17. Entire Agreement. THIS AGREEMENT AND THE DOCUMENTS AND INSTRUMENTS EXECUTED AND DELIVERED CONTEMPORANEOUSLY HEREWITH EMBODY THE ENTIRE AGREEMENT AND UNDERSTANDING BETWEEN THE PARTIES HERETO AND SUPERSEDE ALL PRIOR AGREEMENTS AND UNDERSTANDINGS OF SUCH PERSONS, VERBAL OR WRITTEN, RELATING TO THE SUBJECT MATTER HEREOF. THIS AGREEMENT AND THE DOCUMENTS AND INSTRUMENTS EXECUTED IN CONNECTION HEREWITH REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Section 18. Severability. In the event that any provision of this Agreement shall be determined to be invalid or unenforceable by any court of competent jurisdiction, such determination shall not invalidate or render unenforceable any other provision hereof.

Section 19. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which, together shall constitute but one and the same instrument.

[The remainder of this page if left blank intentionally.]

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty Agreement to be executed under seal as of the date first written above.

COCA-COLA BOTTLING CO. CONSOLIDATED

[CORPORATE SEAL]

By: /s/ CLIFFORD M. DEAL III

Clifford M. Deal III
Vice President

ATTEST:

/s/ KAREN D'EREDITA
- ---
Karen D'Eredita, Assistant Secretary

[Execution by the Bank appears on the following page.]

ACCEPTED BY:

WACHOVIA BANK, N.A.

By: CHRISTOPHER L. FINCHER

Christopher L. Fincher
Senior Vice President

COCA-COLA BOTTLING CO. CONSOLIDATED

ANNUAL BONUS PLAN - 2002

PURPOSE

The purpose of this Annual Bonus Plan (the "Plan") is to promote the best interests of the Company and its Shareholders by providing key management employees with additional incentives to assist the Company in meeting and exceeding its business goals.

PLAN ADMINISTRATION

The Plan will be administered by the Compensation Committee as elected by the Board of Directors; provided that, so long as the Company and the Plan are subject to the provisions of Section 162(m) of the Internal Revenue Code of 1986, as amended ("Section 162(m)"), either the Compensation Committee shall be composed solely of two or more directors who qualify as "outside directors" under Section 162(m) or, if for any reason one or more members of the Compensation Committee cannot qualify as "outside directors," the Board shall appoint a separate Bonus Plan Committee composed of two or more "outside directors" which shall have all of the powers otherwise granted to the Compensation Committee to administer the Plan. All references herein to the "Committee" shall be deemed to refer to either the

Compensation Committee or to the Bonus Plan Committee, as applicable at any given time. The Committee is authorized to establish new guidelines for administration of the Plan, delegate certain tasks to management, make determinations and interpretations under the Plan, and to make awards pursuant to the Plan; provided, however, that the Committee shall at all times be required to exercise these discretionary powers in a manner, and subject to such limitations, as will permit all payments under the Plan to "covered employees" (as defined in Section 162(m)) to continue to qualify as "performance-based compensation" for purposes of Section 162(m), and any action taken by the Committee shall automatically be deemed null and void to the extent (if any) that it would have the effect of destroying such qualification. Subject to the foregoing, all determinations and interpretations of the Committee will be binding upon the Company and each participant.

PLAN GUIDELINES
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Eligibility: The Committee is authorized to grant cash awards to any officer, including officers who are directors and to other employees of the Company and its affiliates in key positions.

Participation: Management will recommend annually key positions which should qualify for awards under the Plan.

The Committee has full and final authority in its discretion to select the key positions eligible for awards. Management will inform individuals in selected key positions of their participation in the Plan.

Qualification and Amount of Award:

1. Participants will qualify for awards under the Plan based on:
   (a) Corporate goals set for the fiscal year.
   (b) Division/Manufacturing Center goals or individual goals set for the fiscal year.
   (c) The Committee may, in its sole discretion, eliminate any individual award, or reduce (but not increase) the amount of compensation payable with respect to any individual award.

2. The total cash award to the participant will be computed as follows:
   Gross Cash Award = Base Salary X Approved Bonus % Factor X Indexed Performance Factor X Overall Goal Achievement Factor.

   Notwithstanding the above formula, the maximum cash award that may be made to any individual participant based upon performance for any fiscal year period shall be $1,000,000.

3. The Base Salary is the participant's base salary level set for the fiscal year. The Approved Bonus % Factor is a number set by the Committee (maximum = 100%) to

reflect each participant's relative responsibility and the contribution to Company performance attributed to each participant's position with the Company.

4. The Indexed Performance Factor is determined by the Committee prior to making payments of awards for each fiscal year, based on each individual's performance during such fiscal year. Since the Committee is necessarily required to evaluate subjective factors related to each individual's performance in order to arrive at this number, and since such evaluations cannot be made until after the close of the fiscal year to which the award relates, the Indexed Performance Factor will automatically be set at 1.2 for all participants who are "covered employees" (as defined in Section 162(m)), in order to allow awards to such participants to qualify as "performance-based compensation" that is not subject to the deduction limits of Section 162(m).

5. The Overall Goal Achievement Factor used in calculating the Gross Cash Award for each participant will be determined on the basis of multiplying the weightage factor specified in ANNEX A attached hereto for each of the six performance criteria specified therein (Operating Cash Flow (as defined in ANNEX A), Free Cash Flow (as defined in ANNEX A), Net Income, Unit Volume, Market Share, and an overall Value Measure (as defined in ANNEX A)) by the percentage specified in the

following table for the level of performance achieved with respect to each such goal:

Goal Achievement (in percent)	Amount of Award (as a % of max.)
89.0 or less	0
89.1-94	80
94.1-97	90
97.1-100	100
100.1-105	110
105.1-110	120

6. The Committee will review and approve all awards. The Committee has full and final authority in its discretion to adjust the Gross Cash Award determined in accordance with the formula described above in arriving at the actual gross amount of the award to be paid to any participant; subject, however, to the limitation that such authority may be exercised in a manner which reduces (by using lower numbers for the Indexed Performance Factor or otherwise), but not in a manner which increases, the Gross Cash Award calculated in accordance with the formula prescribed in Paragraph 2 above. The gross amount will be subject to all local, state and federal minimum tax withholding requirements.

7. Participant must be an employee of the Company on the date of payment to qualify for an award. Any participant who leaves the employ of the Company, voluntarily or involuntarily, prior to the payment date, is ineligible for any bonus. An employee who

assumes a key position during the fiscal year may be eligible for a pro-rated award at the option of the Committee, provided the participant has been employed a minimum of three (3) months during the calendar year.

8. Awards under the bonus program will not be made if any material aspects of the bottle contracts with The Coca-Cola Company are violated.

Payment Date: Awards shall be paid upon determination (and certification by the Committee, as provided below) of the results under each of the performance criteria specified in Paragraph 5 above following the closing of the Company's books for the fiscal year to which such awards relate; provided, however, that the Committee shall have discretion to delay its certification and payment of awards for any fiscal year until following notification from the Company's independent auditors of the final audited results of operations for the fiscal year. In any event, the Committee shall provide written certification that the annual performance goals have been attained, as required by Section 162(m), prior to any payments being made for any fiscal year.

AMENDMENTS, MODIFICATIONS AND TERMINATION
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The Committee is authorized to amend, modify or terminate the Plan retroactively at any time, in part or in whole;

provided, however, that any such amendment may not cause payments to "covered employees" under the Plan to cease to qualify as "performance-based compensation" under Section 162(m) unless such amendment has been approved by the full Board of Directors of the Company.

SHAREHOLDER APPROVAL REQUIREMENT
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So long as the Company and the Plan are subject to the provisions of Section 162(m), no awards shall be paid to any participants under the Plan unless the performance goals under the Plan (including any subsequent Plan amendments as contemplated above) shall have received any approval of the Company's shareholders required in order for all such payments to "covered employees" to qualify as "performance-based compensation" under Section 162(m).

Exhibit 10.38

SECURITIES PURCHASE AGREEMENT

SECURITIES PURCHASE AGREEMENT (this "Agreement") dated as of January 2, 2002, by and between Piedmont Partnership Holding Company, a Delaware corporation ("KO Subsidiary"), and, Coca-Cola Ventures, Inc., a Delaware corporation ("Consolidated Subsidiary").

W I T N E S S E T H:

WHEREAS, each of KO Subsidiary and Consolidated Subsidiary owns a 50% general partnership interest in Piedmont Coca-Cola Bottling Partnership, a Delaware general partnership (the "Partnership"); and

WHEREAS, the Partnership was formerly known as Carolina Coca-Cola Bottling Partnership; and

WHEREAS, the Partnership was formed pursuant to the Partnership Agreement of Carolina Coca-Cola Bottling Partnership, dated as of July 2, 1993, as amended by the First Amendment, dated as of August 5, 1993, and the Second Amendment, dated as of August 12, 1993 (as amended, the "Partnership Agreement"); and

WHEREAS, KO Subsidiary desires to sell to Consolidated Subsidiary and Consolidated Subsidiary desires to purchase from KO Subsidiary, on the terms and subject to the conditions set forth herein, a 4.651% interest in the capital, profits and losses of the Partnership, including, without limitation, 9.302% of KO Subsidiarys Capital Account, KO Subsidiarys rights to allocations of net profit and net loss and distributions of cash flow and capital items of the Partnership (the "Interest").

NOW, THEREFORE, in consideration of the representations, warranties and agreements set forth herein and for other good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows.

1. Purchase and Sale. Upon the terms and subject to the conditions set forth in this Agreement, KO Subsidiary agrees to sell to Consolidated Subsidiary, and Consolidated Subsidiary agrees to purchase from KO Subsidiary, the Interest (the "Sale") for an aggregate purchase price of $10 million (the Purchase Price).

2. Representations and Warranties of KO Subsidiary. KO Subsidiary hereby represents and warrants to Consolidated Subsidiary as of the date hereof as follows:

(a) KO Subsidiary (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and (ii) has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement.

(b) The execution, delivery and performance of this Agreement by KO Subsidiary has been duly authorized by all requisite corporate action and no further consent or authorization of KO Subsidiary, its Board of Directors or its stockholders is required. This Agreement has been duly executed and delivered by KO Subsidiary and, when duly authorized, executed and delivered by Consolidated Subsidiary, will constitute the valid and binding obligations of KO Subsidiary enforceable against KO Subsidiary in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance or transfer, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity relating to enforceability (regardless of whether considered in a proceeding at law or in equity).

(c) No consent, approval, authorization or order ("Consent") of any court, governmental agency or other body or of any other third party is required for execution and delivery by KO Subsidiary of this Agreement or the performance of its obligations hereunder, other than those that (i) may arise under the Partnership Agreement or (ii) as may already have been received.

(d) Neither the execution and delivery by KO Subsidiary of this Agreement nor the performance by KO Subsidiary of any of its obligations hereunder violates, conflicts with, results in a breach of, or constitutes a default (or an event which with the giving of notice or the lapse of time or both would be reasonably likely to constitute a default) under (i) the certificate of incorporation or other organizational documents of KO Subsidiary; (ii) any decree, judgment, order, law, rule, regulation or other restriction of any court, governmental agency or body, or arbitrator having jurisdiction over KO Subsidiary or any of its subsidiaries, other than the Partnership, or any of their respective properties or, (iii) except as set forth in paragraph (c) above, the terms of any material agreement to which KO Subsidiary or any of its subsidiaries, other than the Partnership, is a party, by which KO Subsidiary or any of its subsidiaries, other than the Partnership, is bound, or to which any of the properties or assets of KO Subsidiary or any of its subsidiaries, other than the Partnership, are subject, other than violations, conflicts, breaches or defaults which, individually or in the aggregate, would not have a material adverse effect on the ability of KO Subsidiary to perform its obligations hereunder.

(e) KO Subsidiary has good and valid title to the Interest, free and clear of any security interests, liens, claims or other encumbrances (other than encumbrances that may arise under the Partnership Agreement and federal or state securities laws).

(f) There are no brokerage commissions, finder's fees or similar fees or

commissions payable by KO Subsidiary in connection with the transactions contemplated hereby.

3. Representations and Warranties of Consolidated Subsidiary. Consolidated Subsidiary hereby represents and warrants to KO Subsidiary as of the date hereof as follows:

(a) Consolidated Subsidiary (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and (ii) has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement.

(b) The execution, delivery and performance of this Agreement by Consolidated Subsidiary has been duly authorized by all requisite corporate action and no further consent or authorization of Consolidated Subsidiary, its Board of Directors or its stockholders is required. This Agreement has been duly executed and delivered by Consolidated Subsidiary and, when duly authorized, executed and delivered by KO Subsidiary, will constitute the valid and binding obligations of Consolidated Subsidiary enforceable against Consolidated Subsidiary in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance or transfer, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity relating to enforceability (regardless of whether considered in a proceeding at law or in equity).

(c) No Consent of any court, governmental agency or other body or any other third party is required for execution and delivery by Consolidated Subsidiary of this Agreement or the performance of its obligations hereunder other than those that (i) may arise under the Partnership Agreement or (ii) are set forth on Schedule I hereto, which Consents have already been received.

(d) Neither the execution and delivery by Consolidated Subsidiary of this Agreement nor the performance by Consolidated Subsidiary of any of its obligations hereunder violates, conflicts with, results in a breach of, or constitutes a default (or an event which with the giving of notice or the lapse of time or both would be reasonably likely to constitute a default) under (i) the certificate of incorporation or other organizational documents of Consolidated Subsidiary, (ii) any decree, judgment, order, law, rule, regulation or other restriction of any court, governmental agency or body, or arbitrator having jurisdiction over Consolidated Subsidiary or any of its subsidiaries or any of their respective properties or assets, or (iii) the terms of any material agreement to which Consolidated Subsidiary or any of its subsidiaries is a party, by which Consolidated Subsidiary or any of its subsidiaries are bound, or to which any of the properties or assets of Consolidated Subsidiary or any of its subsidiaries are subject, other than violations, conflicts, breaches or defaults which, individually or in the aggregate, would not have a material adverse effect on the ability of Consolidated Subsidiary to perform its obligations hereunder.

(e) The Interest is being acquired by Consolidated Subsidiary for its own account and with no intention of distributing or reselling the Interest or any part thereof in any transaction that would be in violation of the securities laws of the United States of America, or any state, without prejudice, however, to the rights of Consolidated Subsidiary at all times to sell or otherwise dispose of all or any part of the Interest under an effective registration available under the securities Act of 1933, as amended (the Securities Act) or an applicable exemption from registration, and subject, nevertheless, to the disposition of Consolidated Subsidiary's property being at all times within its control. If Consolidated Subsidiary should in the future decide to dispose of all or any portion of the Interest, Consolidated Subsidiary understands and agrees that it may do so only in compliance with the Securities Act and applicable state securities laws, as then in effect.

(f) Consolidated Subsidiary understands that the Interests has not been and will not be registered under the Securities Act for the reason that the sale provided for in this Agreement is exempt pursuant to Section 4(2) of the Securities Act and that the reliance of KO Subsidiary on such exemption is predicated in part on Consolidated Subsidiary's representations set forth herein. Consolidated Subsidiary represents that it is experienced in evaluating companies such as the Partnership, has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment and has the ability to suffer the total loss of its investment.

(g) Consolidated Subsidiary is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act.

(h) There are no brokerage commissions, finder's fees or similar fees or commissions payable by Consolidated Subsidiary in connection with the transactions contemplated hereby.

4. Survival of the Representations, Warranties, etc. The respective representations, warranties and agreements made in this Agreement shall survive the date hereof.

5. Closing. The closing of the Sale (the "Closing") shall occur on the date hereof. At the Closing, (a) KO Subsidiary shall deliver to Consolidated Subsidiary: (i) a duly executed Assignment of Interest and (ii) a duly executed Master Amendment to Partnership Agreement, Management Agreement and Definition and Adjustment Agreement and (b) Consolidated Subsidiary shall deliver to KO Subsidiary: (i) the Purchase Price by wire transfer of immediately available funds, (ii) a duly executed Assignment of Interest and (iii) a duly executed Master Amendment to Partnership Agreement, Management Agreement and Definition and Adjustment Agreement.

6. Tax Covenants. KO Subsidiary and Consolidated Subsidiary each covenants and agrees to cause the Partnership to timely file federal and, if applicable, state income tax returns

including Internal Revenue Form 1065) for the Partnerships taxable year during which the Closing occurs and, unless such elections would already be in effect, to include with the federal return an election under section 754 of the Internal Revenue Code of 1986, as amended, or any successor statute thereto (the Code) to adjust the basis of Partnership property under section 734(b) with respect to distributions of Partnership property and section 743(b) of the Code with respect to transfers of partnership interests of the Partnership (and to include with such state income tax returns any comparable election that may be applicable with respect to any state income tax return to be filed by the Partnership) (the Section 754 Elections). The Section 754 Elections shall be filed in such form and manner as determined by Consolidated Subsidiary in its sole discretion. In addition, if requested by Consolidated Subsidiary, KO Subsidiary shall join with Consolidated Subsidiary to cause the Partnership to timely file protective Section 754 Elections with any other income tax returns filed by the Partnership with respect to its 2002 fiscal year in such form and manner as Consolidated Subsidiary in its sole discretion deems to be appropriate to be assured that the adjustments described in section 743(b) of the Code with respect to the adjusted tax basis of the Partnerships property are made with respect to Consolidated Subsidiarys purchase of the Interest.

7. Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given (a) when delivered by hand or certified mail, return receipt requested, postage prepaid, (b) when transmitted by telecopier, confirmation of which is mechanically received, or (c) when received if sent by overnight courier, to the addressee at the following addresses or telecopier numbers (or to such other address or telecopier number as a party may specify from time to time by notice hereunder):

(i) if to KO Subsidiary:

Piedmont Partnership Holding Company
c/o The Coca-Cola Company
One Coca-Cola Plaza
Atlanta, GA 30301
Attn: Chief Financial Officer
Facsimile: (404) 676-6675

with a copy to:

The Coca-Cola Company
One Coca-Cola Plaza
Atlanta, GA 30301
Attn: General Counsel
Facsimile: (404) 676-2546

(ii) if to consolidated Subsidiary:

Coca-Cola Ventures, Inc.
c/o Coca-Cola Bottling Co. Consolidated
Coca-Cola Corporate Center
9100 Coca-Cola Plaza (28211-3481)
P.O. Box 31487
Charlotte, North Carolina 28211-3481
Attn: Chief Financial Officer
Facsimile: (704) 557-4451

with a copy to:

Kennedy Covington Lobdell & Hickman, L.L.P.
Bank of America Corporate Center
100 North Tryon Street, 42nd Floor
Charlotte, North Carolina 28202-4006
Attn: Henry W. Flint, Esq.
Facsimile: (704) 331-7598

8. Miscellaneous

(a) This Agreement may be executed in one or more counterparts and it is not necessary that signatures of all parties appear on the same counterpart, but such counterparts together shall constitute but one and the same agreement.

(b) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns, and no other person shall have any right or obligation hereunder. Neither party may assign this Agreement without the prior written consent of the other party.

(d) In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

(e) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and is signed by the parties hereto.

(f) Each party hereto shall execute any and all further documents, agreements and instruments, and take all further action, that may be required under applicable law or which the other party hereto may reasonably request, in order to effectuate the transactions contemplated hereby.

(g) The headings of the sections and subsections of this document have been inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose and shall not in any way define or affect the meaning, construction or scope of any provision hereof.

(h) Each party to this Agreement shall bear its own costs and expenses incurred in connection with the transactions contemplated hereby.

(i) This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties hereto with respect to the subject matter of this Agreement. This Agreement is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed as of the date first above written.

PIEDMONT PARTNERSHIP HOLDING COMPANY

By: /s/ GARY P. FAYARD

Name: Gary P. Fayard
Title: President

COCA-COLA VENTURES, INC.

By: /s/ DAVID V. SINGER

Name: David V. Singer
Title: Vice President

ASSIGNMENT

This Assignment (this "Assignment") dated January 2, 2002, is by and between Piedmont Partnership Holding Company, a Delaware corporation ("KO Subsidiary"), and Coca-Cola Ventures, Inc., a Delaware corporation ("Consolidated Subsidiary").

R E C I T A L S

WHEREAS, pursuant to the Securities Purchase Agreement, dated as of January 2, 2002 (the "Purchase Agreement"), by and between KO Subsidiary and Consolidated Subsidiary, KO Subsidiary agreed to sell to Consolidated Subsidiary, and Consolidated Subsidiary agreed to purchase from KO Subsidiary, the Interest (as defined in the Purchase Agreement) for an aggregate purchase price of $10 million (the Purchase Price), all on the terms and subject to the conditions set forth in the Purchase Agreement; and

WHEREAS, capitalized terms used herein, and not otherwise defined herein, shall have the respective meanings ascribed to them in the Purchase Agreement; NOW, THEREFORE, in consideration of the foregoing premises and the payment of the Purchase Price by Consolidated Subsidiary to KO Subsidiary, KO Subsidiary and Consolidated Subsidiary hereby agree as follows:

1. Transfer of the Partnership Interest. KO Subsidiary hereby sells, conveys, transfers and assigns to Consolidated Subsidiary, the Interest, free and clear of all security interests, liens, judgements or encumbrances of any kind or nature (other than encumbrances that may arise under the Partnership Agreement and federal or state securities laws).

2. Further Assurances. Each of KO Subsidiary and Consolidated Subsidiary agrees that it will, at any time and from time to time, execute and deliver to the other party such further documents and instruments and take such other actions, that may reasonably be requested by the other party to evidence the sale, conveyance, transfer and assignment of the Interest described in Section 1.

3. No Amendment. This Assignment is an instrument of transfer contemplated by, and is executed pursuant to, the Purchase Agreement. Nothing contained in this Assignment shall be deemed to supersede, amend or modify any of the terms, conditions or provisions of the Purchase Agreement or any rights or obligations of the parties hereto under the Purchase Agreement, and, to the extent of any conflict between the Purchase Agreement and this Assignment, the terms and provisions of the Purchase Agreement shall prevail.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned has caused this Assignment to be executed as of the day and year first written above.

PIEDMONT PARTNERSHIP HOLDING COMPANY

By: /s/ GARY P. FAYARD

Name: Gary P. Fayard
Title: President

COCA-COLA VENTURES, INC.

By: /s/ DAVID V. SINGER

Name: David V. Singer
Title: Vice President

Exhibit 10.40

EXECUTION COPY

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PIEDMONT COCA-COLA BOTTLING PARTNERSHIP

as Borrower

LOAN AGREEMENT

Dated as of May 28, 1996

The financial institutions identified herein
as Banks

LTCB TRUST COMPANY

as Agent

CREDIT LYONNAIS ATLANTA AGENCY
DEUTSCHE BANK AG, NEW YORK BRANCH
DG BANK DEUTSCHE GENOSSENSCHAFTSBANK, and
THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY

as Co-Agents

****

LOAN AGREEMENT, dated as of May 28, 1996, among PIEDMONT COCA-COLA BOTTLING PARTNERSHIP, a general partnership duly organized and validly existing under the laws of the State of Delaware (the "Company"); the financial institutions named herein as lenders (the "Banks"); LTCB TRUST COMPANY, a trust company organized under the laws of the State of New York, as agent on behalf of the Banks (in such capacity, the "Agent"); and CREDIT LYONNAIS ATLANTA AGENCY, DEUTSCHE BANK AG, NEW YORK BRANCH, DG BANK DEUTSCHE GENOSSENSCHAFTSBANK, CAYMAN ISLANDS BRANCH and THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY as co-agents (in such capacity, the "Co-Agents").

WHEREAS, the Company has requested the Banks to make term loans to the Company in an aggregate principal amount up to but not exceeding $195,000,000 for the purpose of refinancing certain existing indebtedness of the Company and for other general corporate purposes of the Company;

WHEREAS, the Banks are willing to make such loans to the Company on the terms and conditions of this Agreement; and

WHEREAS, the Agent has been requested to act as agent for the Banks, and the Agent is willing to act as such agent on the terms and conditions of this Agreement,

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties hereto hereby agree as follows:

Section 1. Definitions and Accounting Matters.

1.01 Certain Defined Terms. As used herein, the following terms shall have the following meanings (all terms defined in this Section 1 or in other provisions of this Agreement in the singular shall have the same meanings when used in the plural and vice versa):

"Affiliate" shall mean, as to any Person, any Subsidiary of such Person and any other Person which, directly or indirectly, controls, is controlled by, or is under direct or indirect common control with, such Person. For purposes of this definition "control" of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have corresponding meanings. Each of the Partners, Consolidated and Coca-Cola in any event shall be deemed to be Affiliates of the Company.

"Applicable Lending Office" shall mean, for any Bank, the Lending Office or Lending Offices of such Bank (or of an affiliate of such Bank) designated on the signature pages hereof or such other office or offices of such Bank (or of an affiliate of such Bank) as such Bank may from time to time specify to the Company and the Agent in writing as the office or offices at which all or a portion of its LIBOR Loans or its Base Rate Loans, as the case may be, are to be made and maintained.

"Applicable Margin" shall mean, for any day, the percentage rate per annum set forth below in the column below such term in the row corresponding to the "Level" status in existence on such day:

	Applicable Margin
Level 1	0.50%
Level 2	0.60%
Level 3	0.75%
Level 4	(Post-Default Rate).

Each change in the Applicable Margin resulting from a change in the Level status (which shall change simultaneously with a change in the Company's Corporate Credit Rating) shall take effect on the earlier of (i) the date on which the Company is required to give notice of such change to the Agent and the Banks pursuant to Section 8.01 (g) hereof, and (ii) the date on which the Agent and the Banks receive such notice; provided, that if at any time any notice from the Company to the Agent pursuant to Sections 8.01 (c) or (g) indicates that the Corporate Credit Rating of the Company changed on a date prior to the date of such notice, such change shall be effective with regard to the Applicable Margin as follows:

(i) if such notice was received by the Agent and the Banks on a timely basis as required by said Sections 8.01(c) or (g), any change in the Applicable Margin by reason of such notice shall be effective on the date of the Agent's receipt of such notice; and

(ii) if such notice was not received by the Agent and the Banks on a timely basis as required by said Sections 8.01 (c) or (g), then without prejudice to any other remedies that the Agent or any Bank may have, (A) if such notice indicates that there should have been an increase in the Applicable Margin, such increase shall be retroactive to the date on which such notice was required to have been delivered pursuant to the respective Section, and (B) if such notice indicates that there should have been a decrease in the Applicable Margin, such decrease shall be effective on the date of the Agent's receipt of such notice.

"Base Rate" shall mean, for any day, a rate per annum equal to the higher of (i) the Prime Rate for such day or (ii) the sum of 1% plus the Federal Funds Effective Rate for such day. Each change in the Base Rate resulting from a change in the Prime Rate or the Federal Funds Effective Rate shall take effect on the date when such change in the Prime Rate or the Federal Funds Effective Rate, as the case may be, occurs.

"Base Rate Loan" shall mean a Loan made or to be made by a Bank bearing interest on the basis of the Base Rate in accordance with Section 3.02(a)(ii) hereof.

"Business Day" shall mean any day (but not a Saturday or Sunday) on which commercial banks are not authorized or required to close in New York City, and which is also a day on which dealings in Dollar deposits are carried out in the London interbank market.

"Capital Stock", as applied to the stock of any Corporation, shall
mean the capital stock of every class whether now or hereafter authorized, regardless of whether such capital stock shall be limited to a fixed sum or percentage with respect to the rights of the holders thereof to participate in dividends and in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of such Corporation.

"Carolina" shall mean Carolina Coca-Cola Bottling Investments, Inc.,
a Delaware corporation and a wholly-owned Subsidiary of Coca-Cola, and its successors.

"Coca-Cola" shall mean The Coca-Cola Company, a Delaware
corporation, and its successors.

"Coca-Cola Ventures" shall mean Coca-Cola Ventures, Inc., a Delaware
corporation and a wholly-owned Subsidiary of Consolidated, and its successors.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commitment" shall mean, with respect to each Bank, the obligation
of such Bank to make a Loan to the Company on the borrowing date pursuant to Section 2.01 hereof, such Loan to be in a principal amount up to but not exceeding the amount set forth opposite such Bank's name on the signature pages hereof, on the terms and conditions of this Agreement.

"Commitment Termination Date" shall mean June 30,1996.

"Common Stock" shall mean, with respect to any Person, any and all
Capital Stock of such Person that is not Preferred Stock. In the case of Consolidated, all Common Stock is, on the date hereof, designated "Common Stock", "Class B Common Stock" and "Class C Common Stock".

"Consolidated" shall mean Coca-Cola Bottling Co. Consolidated, a
Delaware corporation, and its successors.

"Container Supply Cooperatives" shall mean Southeastern Container,
Inc., a North Carolina corporation, and each other cooperative Corporation or other Person in which the Company holds Equity Interests, that supplies cans and other containers to the Company.

"Corporate Credit Rating" shall mean S&P's "corporate credit
rating", which rating (i) is S&P's most widely known rating product, (ii) describes a company's overall creditworthiness, (iii) applies to all of such Company's senior unsecured debt obligations, whether short-term or long-term, without the benefit of any third-party credit enhancement (including, without limitation, the Loans under this Agreement) and (iv) is currently denoted by the symbols "AAA", "AA", "A", "BBB", "BB" and the like.

"Corporation" includes corporations, associations, companies,
limited liability companies and business trusts.

"Default" shall mean an Event of Default or an event which with
notice or lapse of time or both would become an Event of Default.

"Disposition" shall mean any sale, assignment, lease, sublease or other disposition of any asset, revenue or other property (including, without limitation, any such transaction effected by way of merger or consolidation by the Company and any investment or other injection of cash into a Subsidiary of the Company or any other Person).

"Dollars" and "$" shall mean lawful money of the United States of America.

"Employee Benefit Plan" shall mean at any time an employee benefit plan within the meaning of Section 3(3) of ERISA, providing for current, post-retirement or other benefits, and includes, without limitation, any Multiemployer Plan and any plan subject to Section 4063 of ERISA.

"Environmental Claims" shall mean any and all administrative, regulatory or judicial actions, suits, demands, demand letters, directives, claims, Liens, notices of noncompliance or violation, investigations or proceedings relating in any way to any Environmental Law or Health Law or any permit issued, or approval given, under any Environmental Law or Health Law, including, without limitation, any of the foregoing (a) for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law or Health Law, and (b) by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief in connection with any alleged injury or threat of injury to health, safety or the environment.

"Environmental Laws" shall mean the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq., the Clean Air Act, 42 U.S.C. 7401, et seq., the Clean Water Act, 33 U.S.C. 1251, et seq., the Toxic Substances Control Act, 15 U.S.C. 2601, et seq., the Safe Drinking Water Act, 42 U.S.C. 3803, et seq., the Oil Pollution Act of 1990, 33 U.S.C. 2701, et seq., the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. 11001, et seq., the Hazardous Material Transportation Act, 49 U.S.C. 1801, et seq., the Occupational Safety and Health Act, 29 U.S.C. 651, et seq., and all other federal, state, local and foreign statutes, laws, ordinances, regulations, rules, codes, binding and enforceable guidelines, binding and enforceable written policies, rules of common law, orders and permits now or hereafter in effect, and any judicial or administrative consent decrees, judgments and interpretations) relating to the protection or clean-up of the environment (or of human health in connection with the environment), employee health and safety, industrial hygiene or Hazardous Materials, or relating to emissions, discharges or other Releases or threatened Releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes or other Hazardous Materials into the environment (including, without limitation, air, surface water, ground water or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals, wastes or industrial, toxic or hazardous substances or other Hazardous Materials.

"Environmental Liabilities" shall mean all liabilities, obligations, responsibilities, obligations to conduct Remedial Actions, losses, damages, punitive damages, consequential damages, treble damages, costs and expenses (including, without limitation, all reasonable fees, disbursements and expenses of counsel, expert and consulting fees and costs of investigations and feasibility studies), fines, penalties, and monetary sanctions, interest, direct or indirect, known or unknown, absolute or contingent, past, present or future, resulting from any claim or demand, by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute, including any Environmental Law or Health Law, arising from on-site environmental, health or safety conditions, or the Release or threatened Release into the environment, as a result of past, present or future operations of the Company or any previous owners or lessees of any properties.

"Environmental Licenses" shall mean all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws or Health Laws, including, without limitation, all lawful orders and directives of governmental authorities with respect to the foregoing.

"Equity Interests" of any Person shall mean the aggregate amount invested in all shares of stock (whether common or preferred), partnership or membership interests in such Person.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.

"ERISA Affiliate" shall mean any member of the ERISA Group and any other "affiliate" as defined in Section 407(d)(7) of ERISA.

"ERISA Group" shall mean the Company, Consolidated and all members of a controlled group of Corporations, and all trades or businesses (whether or not incorporated) under common control which, together with the Company and/or Consolidated, are treated as a single employer under Section 414 of the Internal Revenue Code.

"Euro-Dollar Reserve Percentage" shall mean for any day that percentage (expressed as a decimal) which is in effect on such day, as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirement in respect of "Eurocurrency liabilities" (or in respect of any other category of liabilities which includes deposits by reference to which the interest rate on LIBOR Loans is determined or any category of extensions of credit or other assets which includes loans by a non-United States office of any Bank to United States residents).

"Event of Default" shall have the meaning assigned to that term in Section 9 hereof.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Executive Committee" shall mean the Executive Committee of the Company, as provided in the Partnership Agreement.

"Existing Credit Agreement" shall mean the Credit Agreement, dated as of August 31, 1993, among the Company, the financial institutions named therein, and Bank of America, National Trust & Savings Association, as agent on behalf of such banks, as heretofore amended.

"FDA" shall mean the United States Food and Drug Administration, and any successor thereto.

"Federal Funds Effective Rate" shall mean, for any day, the rate per annum (rounded upward, if necessary, to the nearest 1/100th of 1%) equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the New York Business Day next succeeding such day; provided that (i) if such day is not a New York Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding New York Business Day as so published on the next succeeding New York Business Day, and (ii) if no such rate is so published on such next succeeding New York Business Day, the Federal Funds Effective Rate for such day shall be the rate per annum determined by the Agent to be the average of the rates quoted to the Agent on such day on such transactions by at least three independent federal funds brokers in New York City selected by the Agent. For purposes of this definition, "New York Business Day" means any day, except a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to close.

"GAAP" has the meaning set forth in Section 1.02.

"Governmental Authority" shall mean (a) the government of any federal, state, municipal or other political subdivision in which property of the Company or any of its Subsidiaries is located and (b) any other government exercising jurisdiction over the Company or any of its Subsidiaries, including all agencies and instrumentalities of such government.

"Governmental Requirements" shall mean laws, ordinances, statutes, codes, rules, regulations, orders, decrees and judgments of any Governmental Authority.

"Guarantee" by any Person shall mean any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing or otherwise providing (by direct agreement, by causing a bank to issue a letter of credit, or otherwise) for the payment of any indebtedness, lease, dividend or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) any such indebtedness, lease, dividend or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, accounts, receivables, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise)

or (ii) entered into for the purpose of assuring in any other manner the obligee of such indebtedness, lease, dividend or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part) or (iii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; provided that the term Guarantee shall not include endorsements of instruments for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

For purposes of this Agreement, the amount of a Guarantee shall be (A) if such Guarantee states a maximum principal amount of obligations Guaranteed thereby, such maximum principal amount, and (B) if such Guarantee does not state such a maximum principal amount of obligations Guaranteed thereby, the maximum principal amount of all Indebtedness or other obligations that are the subject of such Guarantee from time to time.

"Hazardous Materials" shall mean (a) any regulated petroleum or petroleum products, radioactive materials, asbestos that is or could become friable, urea formaldehyde, polychlorinated biphenyls ("PCBs") and any transformers or other equipment that contain dielectric fluid containing PCBs, ammonia- and hydrochloroflurocarbons, radon gas, and (b) any chemicals, flammable materials, acids, solvents, waste waters, and all other materials or substances defined as or included in the definition of "hazardous substances", "hazardous waste", "hazardous materials", "extremely hazardous substances", "restricted hazardous waste", "toxic substances", "toxic pollutants", "contaminants" or "pollutants", or words of similar import, under any applicable Environmental Law or Health Law, and (c) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority under, or which otherwise may form the basis of liability (whether for cleanup or otherwise) under, any Environmental Law or Health Laws.

"Health Laws" shall mean all Governmental Requirements, whether promulgated by the FDA, any state agency charged with the supervision of public health or related matters or otherwise, in any way relating to the production, marketing or distribution of beverages (including, without limitation, any thereof relating to labeling of containers).

"Indebtedness" shall mean, with respect to any Person (but without duplication):

(a) all indebtedness and other obligations of such Person for borrowed money or for the deferred purchase price of property or services, and without duplication, all obligations of such Person evidenced by bonds, debentures, promissory notes or other similar evidences of indebtedness;

(b) all indebtedness and other obligations of such Person arising under interest rate and currency swaps and other similar hedging arrangements, the full face amount of all bankers acceptances issued for the account of such Person, and the full stated amount of all letters of credit issued for account of such Person and, without duplication, all drafts drawn thereunder, and all obligations of such Person arising in respect of the sale

by such Person, with or without recourse, or discount of any notes, leases or accounts receivable of such Person;

(c) all obligations of such Person under leases or other contractual arrangements which have been, or should be, recorded as capital leases in accordance with GAAP;

(d) all shares of capital stock and other interests of such Person (or warrants therefor) that are redeemable in whole or in part at the election of the holder thereof for cash or any other property (other than for other shares of capital stock of such Person);

(e) all Guarantees of such Person; and

(f) all indebtedness and other obligations referred to above in clauses (a), (b), (c), (d) or (e) secured by (or for which the holder of such indebtedness or other obligation has a right, contingent or otherwise, to be secured by) any Lien upon or in property (including, without limitation, contract rights and accounts receivable) owned by such Person, whether or not such Person has assumed or become liable beyond the value of the property pledged for the payment of such indebtedness or other obligation.

"Interest Period" shall mean, with respect to each LIBOR Loan, each successive period commencing on the date on which such Loan is made or converted from a Loan of another Type or (in the case of Interest Periods for such Loan after the initial Interest Period therefor) the last day of the next preceding Interest Period for such Loan, and ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Company may select as provided in Section 3.02(d) hereof, except that each Interest Period which commences on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month. Notwithstanding the foregoing: (i) each Interest Period which would otherwise end on a day which is not a Business Day shall end on the next succeeding Business Day, unless such next succeeding Business Day falls in a subsequent calendar month, in which case such Interest Period shall end on the next preceding Business Day; and (ii) each Interest Period which would otherwise commence before and end after the Interim Maturity Date or the Maturity Date shall end on the Interim Maturity Date or the Maturity Date, as the case may be.

"Interim Maturity Date" shall mean May 28, 2002; provided, that if such date is not a Business Day, the Interim Maturity Date shall be the next succeeding Business Day, unless such next succeeding Business Days falls in a subsequent calendar month, in which case the Interim Maturity Date shall be the next preceding Business Day.

"Letter of Authorization" has the meaning assigned to that term in Section 6.01 (r) hereof.

"Level" shall mean, for any day, the level set forth below based on the Company's Corporate Credit Rating with S&P on such day:

Level	S&P Rating
Level 1	BBB or higher
Level 2	BBB-
Level 3	BB+
Level 4	Below BB+ or not rated by S&P.

"LIBOR" shall mean, for any Interest Period, the rate per annum, as determined by the Agent (rounded upwards, if necessary, to the nearest 1/16 of 1%) to be the arithmetic mean of the interest rates per annum quoted by each of the Reference Banks at approximately 11:00 a.m. London time (or as soon thereafter as practicable) two Business Days prior to the first day of such Interest Period for the offering by such Reference Bank to leading banks in the London interbank market of Dollar deposits having a term comparable to such Interest Period and in an amount comparable to the principal amount of the Loan of such Reference Bank scheduled to be outstanding for such Interest Period; provided that if any Reference Bank is not scheduled to have a Loan outstanding for such Interest Period, the LIBOR for such Interest Period shall be determined by such Reference Bank by reference to such principal amount as the Agent shall determine. If any Reference Bank does not timely furnish information for determination of the LIBOR for any Interest Period, the Agent shall determine the LIBOR for such Interest Period on the basis of information timely furnished by the remaining Reference Bank or Reference Banks.

"LIBOR Loan" shall mean a Loan made or to be made by a Bank bearing interest on the basis of LIBOR in accordance with Section 3.02(a)(i) hereof.

"Lien" shall mean, with respect to any asset, revenue or other property, any mortgage, lien, pledge, charge, security interest, attachment, right of set off or other encumbrance of any kind (whether consensual or arising by operation of law) in respect of such asset, revenue or property, the filing of any financing statement or any similar document in any jurisdiction with respect thereto (except for precautionary filings in connection with operating leases of personal property), or any other type of preferential arrangement that has the practical effect of any of the foregoing, and any agreement to grant any of the foregoing. For the purposes of this Agreement, a Person shall be deemed to own subject to a Lien any asset, revenue or other property which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset, revenue or other property, and any receivable or other account that has been sold with full or partial recourse.

"Loans(s)" shall mean the loans provided for by Section 2.01 hereof.

"Loan Documents" shall mean this Agreement, the Notes and the fee letters dated April 12, 1996 and May 17, 1996 between the Agent and the Company.

"LTCB" shall mean The Long-Term Credit Bank of Japan, Limited;
provided, that for purposes of Section 10.04 hereof, "LTCB" shall mean each of The Long-Term Credit Bank of Japan, Limited and LTCB Trust Company.

"Management Agreement" shall mean the Management Agreement, made and entered into as of the 2nd day of July 1993, by and among Consolidated, as Manager, the Company, CCBC of Wilmington, Inc., Carolina, Coca-Cola Ventures and Palmetto Bottling Company, as amended and in effect from time to time.

"Manager" shall mean the Person from time to time appointed as manager of the Company pursuant to the Partnership Agreement.

"Master Bottling Agreement" has the meaning assigned to that term in Section 7.17 hereof.

"Material Adverse Effect" shall mean a material adverse effect on the business, properties, operations, condition (financial or otherwise) results of operations or prospects of the Company, or on the legality, validity or enforceability of this Agreement or the Notes, or on the Company's ability to perform its obligations under this Agreement or the Notes.

"Maturity Date" shall mean May 28, 2003; provided, that if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

"Multiemployer Plan" shall mean, at any time, a Plan defined as such in Section 3(37) of ERISA to which contributions have been made by the Company or any ERISA Affiliate and which is covered by Title IV of ERISA, and an employee pension benefit plan within the meaning of Section 4001(a)(3) of ERISA to which any member of the ERISA Group is then making or accruing an obligation to make contributions or has within the preceding six plan years made contributions, including for these purposes any Person which ceased to be a member of the ERISA Group during such six-year period.

"Note(s)" shall mean the promissory notes provided for by Section 2.06 hereof to further evidence the Loans and, collectively, any promissory note or notes issued in substitution therefor.

"Occupying Person(s)" shall mean any and all Persons under contract (either directly or indirectly) with the Company or any of its Subsidiaries or any of the Partners or the Manager and who are constructing, occupying or conducting operations on properties owned or leased by the Company or any of its Subsidiaries.

"Partners" shall mean, collectively, each of Carolina and Coca-Cola Ventures, and any other Person that hereafter becomes a partner in the Company pursuant to the Partnership Agreement or that otherwise owns Voting Interests in the Company.

"Partnership Agreement" shall mean the Partnership Agreement of
Carolina Coca-Cola Bottling Partnership dated as of the 2nd day of July 1933 between Carolina Coca-Cola Bottling Ventures, Inc., Coca-Cola Ventures, Inc., Coca-Cola Bottling Co. Affiliated, Inc., Fayetteville Coca-Cola Bottling Company and Palmetto Bottling Company, as amended on August 5, 1993 and August 12, 1993 and as otherwise amended or modified from time to time.

"PBGC" shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

"Permitted Corporate Conversion" has the meaning assigned to that term in Section 8.02(a) hereof.

"Person" shall mean an individual, a Corporation, a company, a limited liability company, a voluntary association, a partnership, a limited liability partnership, a trust, an unincorporated organization or a government or any agency, instrumentality or political subdivision thereof, or any other type of entity or organization.

"Plan" shall mean at any time an Employee Benefit Plan which either (i) is maintained, or contributed to, by any member of the ERISA Group for employees of any member of the ERISA Group or (ii) has at any time within the preceding six years been maintained, or contributed to, by any Person which was at such time a member of the ERISA Group for employees of any Person which was at such time a member of the ERISA Group, and in any event shall include each Multiemployer Plan.

"Post-Default Rate" shall mean a rate per annum equal to 2% above the Base Rate as in effect from time to time

"Preferred Stock", as applied to the Capital Stock of any Corporation, shall mean Capital Stock ranking prior to the shares of any other class of Capital Stock of said Corporation as to the payment of dividends or the distribution of assets on any voluntary or involuntary liquidation.

"Prime Rate" shall mean the rate of interest from time to time announced by LTCB at its New York Branch as its prime commercial lending rate for extensions of credit in Dollars, which rate is not necessarily the lowest rate of interest charged by LTCB. Each change in any interest rate provided for herein or in the Notes based upon the Prime Rate resulting from a change in the Prime Rate shall take effect at the time of such change in the Prime Rate.

"Reference Banks" shall mean the principal London offices of LTCB, DG Bank Deutsche Genossenschaftsbank and Credit Lyonnais.

"Regulation D" shall mean Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended or supplemented from time to time.

"Regulation G" shall mean Regulation G of the Board of Governors of
the Federal Reserve System, as in effect from time to time.

"Regulation T" shall mean Regulation T of the Board of Governors of
the Federal Reserve System, as in effect from time to time.

"Regulation U" shall mean Regulation U of the Board of Governors of
the Federal Reserve System, as in effect from time to time.

"Regulation X" shall mean Regulation X of the Board of Governors of
the Federal Reserve System, as in effect from time to time.

"Regulatory Change" shall mean (i) any change after the date of this
Agreement in Japanese, United States Federal or state, or foreign law or regulations (including, without limitation, Regulation D) or (ii) the adoption or making after such date of any interpretations, directives or requests applying to a class of banks including LTCB or any of the Banks, of or under any Japanese, United States Federal or state, or foreign law or regulations (whether or not having the force of law) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

"Release" shall mean any release, spilling, leaking, pumping,
pouring, emitting, emptying, discharging, injecting, escaping, leaching, deposit, dispersal, dumping, disposing or migrating into earth, air, water or other parts of the environment, including, without limitation, the movement of any Hazardous Materials through the air, soil, surface waters, groundwater or property.

"Remedial Actions" shall mean all actions required by any
Governmental Authority or Environmental Law or Health Law to (i) clean up, remove, treat or in any other way adjust Hazardous Materials in the indoor or outdoor environment; (ii) prevent the Release or threat of Release or minimize the further Release of Hazardous Materials so that they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; or (iii) perform pre-remedial studies and investigations and post-remedial monitoring and care.

"Required Banks" shall mean, at any time, Banks then holding 51 % or
more of the aggregate outstanding principal amount of the Loans, or if no Loans are then outstanding, which hold 51% or more of the aggregate amount of the Commitments, or if no Loans or Commitments are then outstanding, which held 51 % of more of the aggregate principal amount of the Loans immediately prior to the payment thereof in full.

"Reserve-Adjusted LIBOR" shall mean, with respect to any Interest
Period, a rate per annum (expressed as a percentage) equal to LIBOR for such Interest Period, multiplied by a fraction, the numerator of which is 100%, and the denominator of which is 100% minus the Euro-Dollar Reserve Percentage, if any, for such Interest Period.

"Restricted Payment" shall mean, for any Person, (a) the payment, distribution or application of its funds or other assets or properties for any dividend or other distribution (in cash, property or obligations) on or with respect to any shares of any class of capital stock, partnership interests, membership interests or other comparable interests (now or hereafter outstanding) of such Person or on any warrants, options or other rights with respect to any such shares or other interests, and (b) the purchase, redemption or other retirement of any such shares, interests, warrants, options or other rights.

"S&P" shall mean Standard & Poor's, and its successors.

"SEC" shall mean the Securities and Exchange Commission, or any successor thereto.

"Senior Financial Officer" shall mean, with respect to the Company, the chief financial officer or the treasurer of the Manager.

"Subsidiary" of any Person shall mean any Corporation, partnership, limited liability company or other entity of which at least a majority of the outstanding Voting Interests is at the time directly or indirectly owned or controlled by such Person and/or one or more of its Subsidiaries.

"Type" of any Loan refers to such Loan being a LIBOR Loan or a Base Rate Loan.

"Voting Interests" in any Person shall mean securities of or other ownership interests in such Person having ordinary voting power to elect members of the board of directors, managers, trustees or other persons performing similar functions of such Person.

"Voting Power" in any Person shall mean the exclusive ability to control, through the ownership of shares of capital stock, partnership interests, membership interests or otherwise, the election of members of the board of directors or other similar governing body of such Person, and the holding of a designated percentage of Voting Power of a Person means the ownership of shares of capital stock, partnership interests, membership interests or other interests of such Person sufficient to control exclusively the election of that percentage of the members of the board of directors or similar governing body of such Person.

1.02 Accounting Terms. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in the United States and, except as otherwise herein expressly provided, the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder shall mean such accounting principles and practices as are generally accepted in the United States at the date of such computation ("GAAP").

1.03 Compliance Certificates and Opinions. Except as otherwise expressly provided by this Agreement, upon any application or request by the Company to the Agent and

the Banks to take any action under any provision of this Agreement, the Company shall furnish to the Agent a certificate of a Senior Financial Officer on behalf of the Company stating that all conditions precedent, if any, provided for in this Agreement relating to the proposed action have been complied with and, if reasonably requested by the Agent, an opinion of counsel selected by the Company and satisfactory to the Agent and the Banks stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Agreement shall include:

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 1.04 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

Section 2. Commitments and Loans.

2.01 Commitments. Each Bank severally agrees, subject to the terms and conditions of this Agreement, to make one loan to the Company on any one Business Day on or prior to the Commitment Termination Date, which loan shall be in a principal amount up to but not exceeding the respective Commitment amount specified opposite such Bank's name on the signature pages hereof. The Loans shall be made by the Banks pro rata in accordance with their respective Commitments. No portion of the Commitments may be voluntarily reduced or terminated by the Company.

The obligations of the Banks to make the Loans are several and not joint, and no Bank shall be responsible for the failure of any other Bank to make its Loan hereunder.

2.02 Borrowing. The Company shall give the Agent written notice of the requested borrowing of the Loans not later than 10:00 a.m. (New York time) on the date that is not less than three Business Days prior to the date of such requested borrowing. Such notice of

borrowing shall specify the aggregate principal amount of the Loans to be borrowed (which shall not, in the aggregate, exceed $195,000,000), the date of borrowing (which shall be a Business Day not later than the Commitment Termination Date), the Type of such Loans (LIBOR or Base Rate) and, if LIBOR Loans, the initial Interest Period that will apply to the Loans. Such notice of borrowing shall be irrevocable and shall be effective upon receipt thereof by the Agent. Promptly after the Agent's receipt of such notice of borrowing, the Agent shall give each Bank notice of the contents thereof and of each Bank's pro rata share (based on the Commitments of the Banks) of the aggregate principal amount of the requested borrowing.

Not later than 10:00 a.m. New York time on the date of the requested borrowing, each Bank shall make available to the Agent the principal amount of such Bank's Loan to be made as part of such borrowing by paying the same, in Dollars and in immediately available funds, to the Agent's account no. 04-203-606 maintained at Bankers Trust Company, New York, New York, ABA no. 021001033, ref. "Piedmont Coca-Cola Bottling Partnership". Not later than 3:00 p.m. (New York time) on the date of the requested borrowing, the Agent shall, subject to the terms and conditions of this Agreement, make available to the Company the amounts so received from the Banks by depositing the same, in immediately available funds, in the Company's account no. 1863082966 "Piedmont Coca-Cola Bottling Partnership" maintained with Wachovia Bank of North Carolina, N.A., Charlotte, North Carolina, ABA no. 053100494; provided, that, notwithstanding the foregoing, the Company hereby irrevocably authorizes and instructs the Agent (A) first, to pay directly to Bank of America, National Trust and Savings Association (pursuant to wire transfer instructions to be notified to the Agent prior to the date of such borrowing) a portion of the proceeds of the Loans in such amount (but not exceeding the aggregate proceeds of the Loans) as may be necessary to repay or prepay (as the case may be) in full, on the borrowing date of the Loans, the principal amount of the loans then outstanding under the Existing Credit Agreement, together with all interest accrued to the date of repayment and all fees and other amounts then due thereunder, for application to such payment or prepayment, and (B) if any proceeds of the Loans remain after making such payment and application, to pay the remaining proceeds of the Loans directly to Consolidated (pursuant to wire transfer instructions to be notified to the Agent prior to the date of such borrowing) for application to the repayment or prepayment of loans outstanding from Consolidated to the Company. The borrowing of the Loans shall terminate any Commitments that remain unborrowed. Any portion of the Commitments not utilized on June 30, 1996 will terminate on such date.

2.03 Fees. The Company shall pay to the Agent for its own account such fees in such amounts and at the times set forth in the letters dated April 12, 1996 and May 17, 1996 between the Agent and the Company.

2.04 Lending Offices. Each Bank shall make and maintain its Loans at such Bank's Applicable Lending Office(s) or at such other Applicable Lending Office(s) as such Bank may select in accordance with the definition of such term in Section 1.01 hereof.

2.05 Loan Accounts. Each Bank shall record on its internal records the amount of the Loans made by it and each payment of principal, interest, fees and other amounts payable

by the Company hereunder and under the Notes, and such records shall be reputably presumptive evidence of the Company's obligations in respect of such amounts; provided that the failure of any Bank to make any such recordation
shall not affect the obligations of the Company hereunder or under the Notes. The Agent also shall record on its internal records the amount of all Loans of the Banks and each payment of principal, interest, fees and other amounts payable by the Company hereunder and under the Notes, and such records shall be reputably presumptive evidence of the Company's obligations in respect of such amounts; provided that the failure of the Agent to make any such recordation
shall not affect the obligations of the Company hereunder or under the Notes; and provided, further, that in the event of any discrepancy between the records of the Agent and the records of any Bank, the records of such Bank shall prevail.

2.06 Notes.

(a) Without limiting the provisions of Section 2.05 hereof, each Loan made by each Bank shall be further evidenced by a promissory note of the Company in substantially the form of Exhibit A hereto. Each Note to the order of a Bank shall be dated the date of the borrowing of the Loans hereunder, shall be payable to the order of such Bank in a principal amount equal to the amount of such Loan and shall be otherwise duly completed, executed and delivered. Any payments and prepayments made on account of the principal of each Note shall be recorded by the Bank holding such Note on its books and, prior to any transfer of such Note, endorsed by such Bank on the schedule attached to such Note or any continuation thereof; but no failure by such Bank to make, or delay in making, such recording or endorsement shall affect the obligations of the Company under this Agreement or such Note.

(b) Each Bank shall be entitled to have its Notes subdivided, by exchange for promissory notes in minimum denominations of $10,000,000 (in the aggregate amount of all Notes of such Bank).

(c) The Company agrees to issue new Notes to any Bank to reflect any assignment made by such Bank pursuant to Section 11.06(b) or if such Bank certifies to the Company that its Note or Notes have been mutilated or destroyed.

2.07 Several Obligations and Remedies. The obligations of the Banks under this Agreement are several, and neither the Agent nor any other Bank shall be responsible for the failure of any Bank to make its Loans hereunder. The rights of the Banks also are several, and the amounts payable by the Company at any time under this Agreement and the Notes to each Bank shall be a separate and independent debt. Each Bank shall be entitled separately to protect and enforce its rights arising out of this Agreement and the Notes, and it shall not be necessary for any other Bank or the Agent to consent to, or be joined as an additional party in, any proceedings for such purpose.

Section 3. Payments of Principal and Interest.

3.01 Repayment of Loans. The Company will pay to the Agent for the account of each Bank the unpaid principal amount of each Loan in full in two equal consecutive annual installments, the first of which shall be in the principal amount of one-half of the original principal amount of such Loan and shall be payable on the Interim Maturity Date, and the second of which shall be in the aggregate principal amount of one-half of the original principal amount of such Loan (or such other amount as shall equal the aggregate principal amount of all Loans that are then outstanding) and shall be payable on the Maturity Date.

3.02 Interest.

(a) The Company will pay to the Agent for the account of each Bank interest on the unpaid principal amount of each installment of each Loan and Note for the period commencing on and including the date of such Loan to but excluding the date on which such installment shall be paid in full, as follows:

(i) at such times when the Loans are LIBOR Loans, the Company will pay interest on each such Loan for each Interest Period at a rate per annum equal to the Reserve-Adjusted LIBOR for such Interest Period plus the Applicable Margin in effect from time to time during such Interest Period; and

(ii) at such times when the Loans are Base Rate Loans, the Company will pay interest on each such Loan at a rate per annum equal to the Base Rate in effect from time to time.

(b) Notwithstanding the foregoing, the Company will pay to the Agent for the account of each Bank interest at the Post-Default Rate on any principal of the Loans and (to the fullest extent permitted by law) on interest on the Loans and each other amount that may be or become payable hereunder or under the Notes, which shall not be paid in full when due (whether at stated maturity, by acceleration or otherwise), for the period commencing on the due date thereof to but excluding the date on which the same is paid in full.

(c) Accrued interest on each Loan and Note shall be payable:

(i) in the case of LIBOR Loans (A) on the last day of each Interest Period for such Loans, (B) on the date on which such Loan or any installment thereof shall become due (whether at stated maturity, by acceleration or otherwise), (C) on the date on which such Loan or any installment thereof shall be paid in full, and (D) additionally, if such Interest Period is longer than three months, on the dates that fall at three-month intervals after the first day of such Interest Period, and

(ii) in the case of Base Rate Loans, (A) on the last Business Day of each calendar month, (B) on the date on which such Loan or any installment thereof

shall become due (whether at stated maturity, by acceleration or otherwise), and (C) on the date on which such Loan or any installment thereof shall be paid in full;

except that interest payable on any amount at the Post-Default Rate shall be payable from time to time on demand by the Agent or any Bank.

(d) (i) The Company shall select the Type and, if LIBOR Loans, the duration of the initial Interest Period for each Loan in the notice of borrowing for such Loan given pursuant to Section 2.02 hereof. Thereafter, the Company may elect to continue a Loan of one Type as the same Type, or to convert a Loan of one Type to another Type, in each case by giving written notice to the Agent in accordance with this Section 3.02(d). Each such election shall apply to all Loans then outstanding. Such election shall be made by giving written notice to the Agent specifying (A) the Business Day on which the continuation or conversion shall be effective (which Business Day, in the case of a continuation of LIBOR Loans as LIBOR Loans or a conversion of LIBOR Loans into Base Rate, shall be the last day of the Interest Period then in effect for the Loans), (B) the Type of Loans to be in effect after such continuation or conversion, and (C) if the Loans are to be continued as or converted into LIBOR Loans, the duration of the Interest Period therefor. Each such notice with respect to any Interest Period shall be irrevocable and shall be effective only if received by the Agent not later than 10:00 a.m. New York time on the date three Business Days prior to the first day of such proposed Interest Period. In the event that, by 10:00 a.m. New York time on the date three Business Days prior to the last day of any Interest Period the Company fails to select the Type or, if LIBOR Loans, the duration of any Interest Period for, the Loans as provided in this Section 3.02, all Loans shall be continued as, or convert into (as the case may be), Base Rate Loans on the last day of such Interest Period.

(ii) Anything in this Agreement to the contrary notwithstanding, the Company may not select Reserve-Adjusted LIBOR as the interest basis for the Loans at any time when a Default has occurred and is continuing, or, without limiting the generality of the foregoing, when the Company does not have a Corporate Credit Rating by S&P.

(iii) The Agent shall promptly notify the Banks of the Type of Loans elected by the Company and the duration of each Interest Period.

(e) The Agent shall determine each interest rate applicable to the Loans hereunder. The Agent shall give prompt notice to the Company and the Banks of each rate of interest so determined, and its determination thereof shall be conclusive in the absence of manifest error.

3.03 Prepayments, of the Loans.

(a) The Company shall have the right to prepay the Loans in full or in part at any time or from time to time; provided, that: (i) the Company
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shall give the Agent written notice of each such prepayment, which notice shall be irrevocable, shall specify the aggregate

principal amount of the Loans of all the Banks to be prepaid (which, if less than the full unpaid principal amount of the Loans, shall be at least $1,000,000 or, if higher, an integral multiple of $500,000), and the date of prepayment, and shall be effective only if received by the Agent not later than 10:00 a.m. New York time on the date 10 days prior to the requested date of such prepayment, (ii) such prepayment shall be accompanied by all amounts that may be required to be paid to each Bank pursuant to Section 5.04 hereof, (iii) except in the case of non-ratable prepayments pursuant to Sections 5.01 (b) or 5.03 hereof, such prepayment shall be applied ratably to the Loans of all the Banks in accordance with the unpaid principal amount of the respective Loans then held by each of them, and (iv) such prepayment shall be applied to the installments of the Loans in the inverse order of their maturity. The Agent shall promptly notify the Banks of each notice of prepayment.

(b) On the date of each Disposition of assets of the Company or any Subsidiary of the Company other than pursuant to clauses (a), (b), (c), (d) or (e) of Section 8.09 hereof, the Company shall prepay the Loans in an amount equal to the proceeds of such sale (net of reasonable costs and taxes incurred by the Company or such Subsidiary in connection with such sale). Such prepayment shall be (i) accompanied by all amounts that may be required pursuant to Section 5.04 hereof, (ii) applied ratably to the Loans of all the Banks in accordance with the unpaid principal amount of the respective Loans then held by each of them, and (iii) applied to the installments of the Loans in the inverse order of their maturity.

(c) Any portion of the Loans prepaid, whether pursuant to this Section 3.03, Section 5.01 or 5.03 or otherwise, may not be reborrowed.

3.04 Limitation on Interest. Anything in this Agreement or in any Note to the contrary notwithstanding, in no event shall any Bank be entitled to take, charge, collect or receive interest on the Loans or the Notes in excess of the maximum rate permitted under applicable law.

Section 4. Payments and Computations.

4.01 Payments.

(a) All payments of principal of the Loans, interest thereon and all other fees, indemnities and other amounts to be paid by the Company under this Agreement and the Notes shall be made in Dollars, in immediately available funds, to the Agent at its account No. 04-203-606 at Bankers Trust Company, New York, New York ABA no. 021001033, ref.: "Piedmont Coca-Cola Bottling Partnership-1996 Term Loan Facility" (or at such other account or at such other place in New York City as the Agent may notify the Company from time to time), for account of each Bank's Applicable Lending Office not later than 10:00 a.m. New York time on the date on which such payment shall become due. Each such payment made after such time on any such due date shall be deemed to have been made on the next succeeding Business Day, and interest shall accrue thereon as provided in Section 3.02(b). Each payment received by the Agent under this Agreement or any Note for account of a Bank shall be paid promptly to such Bank, in immediately available funds, for account of such Bank's Applicable Lending Office.

(b) All payments and prepayments of principal of the Loans shall be accompanied by interest on the Loans accrued to the date of payment or prepayment.

(c) All payments shall be made without set-off, counterclaim or deduction of any kind. Upon the occurrence and during the continuance of a Default, then in addition to any rights that the Agent or any Bank may have under applicable law, the Agent and each Bank may (but shall not be obligated to) debit the amount of any such payment to any deposit account (whether ordinary or special, time deposit or otherwise) of the Company with the Agent or such Bank or any affiliate of the Agent or such Bank and whether denominated in Dollars or any other currency and, in the case of time deposits, whether or not such time deposit shall then be matured, and apply the proceeds of such debit to the payment of all amounts then due hereunder and under the Notes. The Agent or any Bank effecting such debit and application shall give written notice thereof to the Company promptly thereafter, but the failure to give any notice to the Company shall not affect the validity of such debit and application.

(d) If the stated due date of any payment under this Agreement or the Notes would otherwise fall on a day which is not a Business Day, such date shall be extended to the next succeeding Business Day and interest shall be payable for any principal so extended for the period of such extension.

(e) Each payment or prepayment of principal of or interest on the Loans shall be made to the Agent for the account of the Banks pro rata in accordance with the respective unpaid principal amounts of their respective Loans.

4.02 Computations. Interest on the Loans and the Notes and on any other amounts hereunder shall be computed on the basis of a year of 360 days and actual days elapsed (including the first day but excluding the last day) occurring in the period for which payable, except that interest calculated by reference to the Prime Rate shall be computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed.

4.03 Non-Receipt of Funds by the Agent. Unless the Agent shall have been notified by a Bank or the Company prior to the date on which such Bank or the Company (as the case may be) is scheduled to make any payment to the Agent of any amount required to be paid under this Agreement or any Note (such payment being herein called a "Required Payment"), which notice shall be effective upon receipt, that it does not intend to make the Required Payment to the Agent, the Agent may assume that the Required Payment has been made and may, in reliance upon that assumption (but shall not be required to), make the amount of such Required Payment available to the intended recipient(s) on such date. If such Bank or the Company (as the case may be) has not in fact made the Required Payment to the Agent, the recipient(s) of such payment shall, on demand, repay to the Agent the amount so made available together with interest thereon in respect of each day during the period from and including the date such amount was so made available by the Agent to but not including the date on which the Agent recovers such amount at a rate per annum equal to (i) in the case of payments due from the Banks, the Federal Funds Effective Rate for such day (as determined by the Agent) for the first two Business Days after the date on which such payment was due to be made and thereafter at

the Base Rate in effect from time to time, and (ii) in the case of payments due from the Company, the Base Rate in effect from time to time for the first two Business Days after the date on which such payment was due to be made, and thereafter at the Post-Default Rate.

4.04 Sharing of Payments. If any Bank shall obtain payment of any principal of or interest on any Loan through the exercise of any right of set-off, banker's lien, counterclaim or similar right or otherwise, and, as a result of such payment, such Bank shall have received a greater percentage of the principal or interest then due hereunder to such Bank than the percentage received by any other Banks, it shall promptly purchase from such other Banks participations in the Loans made by such other Banks in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Banks shall share the benefit of such excess payment (net of any expenses which may be incurred by such Bank in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans held by each of the Banks. To such end, all the Banks shall make appropriate adjustments among themselves (by the resale of participations sold or otherwise) if such excess payment is rescinded or must otherwise be restored. The Company agrees that any Bank so purchasing a participation in the Loans made by other Banks may exercise all rights of set-off, banker's lien, counterclaim or similar rights with respect to such participation as fully as if such Bank were a direct holder of the Loans in the amount of such participation. Nothing contained herein shall require any Bank to exercise any such right or shall affect the right of any Bank to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of the Company or any of its Affiliates. If under any applicable bankruptcy, insolvency or other similar law, any Bank receives a secured claim in lieu of a right of set-off to which this Section 4.04 applies, such Bank shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Banks entitled under this Section 4.04 to share in the benefits of any recovery on such secured claim.

Section 5. Yield Protection and Illegality.

5.01 Additional Costs.

(a) The Company shall pay to the Agent for the account of each Bank from time to time such amounts as such Bank may reasonably determine to be necessary to compensate it for any costs which such Bank determines are attributable to its making or maintaining of any of its Loans or its obligation to make Loans hereunder or any reduction in any amount receivable by such Bank from the Company hereunder or under the Notes in respect of its Loans or such obligation (such increases in costs and reductions in amounts receivable being herein called "Additional Costs"), resulting from any Regulatory Change which: (i) changes the basis of taxation of any amounts payable to the Agent or such Bank by the Company under this Agreement or any Note (other than taxes imposed on the overall net income of such Bank or of its Applicable Lending Office by the jurisdiction in which such Bank has its principal office or such Applicable Lending Office); or (ii) imposes or modifies any reserve, special deposit, minimum capital, capital ratio or similar requirements, or increases the rate of any such requirements, relating to any extensions of credit or other assets of, or any deposits with or other liabilities of, such Bank (including any of such Bank's Loans or any deposits referred to in the

definition of "LIBOR' in Section 1.01 hereof), or the Commitments or the Notes; or (iii) imposes any other condition affecting this Agreement or the Notes (or any of such extensions of credit or liabilities) or the Commitments. Notwithstanding the foregoing provisions of this Section 5.01(a), in no event may any Bank requesting payment of Additional Costs under this Section 5.01 (a) be entitled to payment of any Additional Costs to the extent that such Additional Costs arose with respect to periods prior to the date 18 months prior to the date of the first such request. Each Bank will designate a different Applicable Lending Office for its Loans if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the opinion of such Bank, be disadvantageous to such Bank in any material respect. Each Bank will furnish the Company (with a copy to the Agent) with a certificate setting forth in reasonable detail the basis and amount of each request for compensation under this Section 5.01(a).

(b) Without limiting the effect of the provisions of Section 5.01(a) hereof (but without duplication), in the event that, by reason of any Regulatory Change, any Bank becomes subject to restrictions on the amount of any category of liabilities or assets (relating to any Loan held by it or its funding), then, if such Bank so elects by notice to the Company (with a copy to the Agent), the following provisions shall apply:

(x) During the 30-day period following the date of any such notice (the "Negotiation Period"), such Bank and the Company will
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negotiate in good faith (through the Agent) to agree upon a substitute basis (the "Substitute Basis") for determining the rate of interest to be
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applicable to the Loans held by such Bank (including, if appropriate, alternative periods for such determinations). If so agreed, the Substitute Basis (plus the Applicable Margin) shall thereafter be the rate at which such Loans bear interest pursuant to Section 3.02(a) hereof (subject to Section 3.04) and shall be retroactive to, and take effect from, the beginning of the then current Interest Period for each Loan.

(y) If at the expiry of the Negotiation Period a Substitute Basis shall not have been agreed upon, such Bank shall notify the Company from time to time (with a copy to the Agent) of the cost (as reasonably determined by such Bank) of funding its Loans (plus the Applicable Margin) and the interest payable to such Bank on such Loans, and the Company shall be obligated to pay all such costs and interest in the amounts and at the rates (plus the Applicable Margin) specified by such Bank. The failure of the Company and such Bank to agree upon a Substitute Basis at the expiry of the Negotiation Period shall, so long as no Default has occurred and is continuing, be deemed to be an election by the Company to prepay the Loans of such Bank in accordance with Section 3.03(a) hereof on the date 30 days after such expiry (or, if earlier, on the last day of the then current Interest Period), subject to Section 5.04 hereof.

(c) Without limiting the effect of the foregoing provisions of this Section 5.01 (but without duplication), the Company shall pay to the Agent for the account of each Bank from time to time on request by such Bank (with a copy to the Agent) such amounts as such Bank may reasonably determine to be necessary to compensate such Bank for any costs which it determines are attributable to the maintenance by such Bank (or any Applicable Lending Office), pursuant to any law or regulation or any interpretation, directive or request (whether or not having the

force of law) of any court or governmental or monetary authority, by reason of any Regulatory Change, of capital in respect of the Commitment, the Loans or the Notes held by it (such compensation to include, without limitation, an amount equal to any reduction of the rate of return on assets or equity of such Bank (or any Applicable Lending Office) to a level below that which such Bank (or any Applicable Lending Office) could have achieved but for such law, regulation, interpretation, directive or request). Notwithstanding the foregoing provisions of this Section 5.01(c), in no event may any Bank requesting payment of compensation under this Section 5.01 (c) be entitled to payment of such compensation to the extent that such compensation is for costs with respect to periods prior to the date 18 months prior to the date of the first such request. Each Bank will furnish the Company with a certificate setting forth in reasonable detail the basis and amount of each request for compensation under this Section 5.01(c).

(d) Determinations and allocations by each Bank for purposes of this Section 5.01 of the effect of any Regulatory Change pursuant to Section 5.01 (a) or (b) hereof, or of the effect of capital maintained pursuant to Section 5.01 (c) hereof, on its costs or rate of return of maintaining its Loans or its obligation to make its Loans, or on amounts receivable by it in respect of its Loans, and of the amounts required to compensate such Bank under this Section 5.01, shall be conclusive, provided that such determinations and allocations are reasonable.

5.02 Changes in Circumstances. Anything herein to the contrary notwithstanding, if, on or prior to the determination of the interest rate for any LIBOR Loan for any Interest Period therefor either (i) the Agent determines (which determination shall be conclusive) that quotations of interest rates for the deposits referred to in the definition of "LIBOR" in Section 1.01 hereof are not being provided in the relevant amounts or for the relevant maturities for purposes of determining the rate of interest for such LIBOR Loan as provided herein, then the Agent shall give the Company and the Banks prompt written notice thereof, or (ii) any Bank determines that the LIBOR for such Interest Period will not adequately reflect the cost to such Bank of funding its LIBOR Loan or LIBOR Loans for such Interest Period, then such Bank shall give the Agent and the Company prompt written notice thereof; and, if such LIBOR Loan has not then been made, the obligation of the Banks to make the LIBOR Loans shall immediately terminate, and if such Loan has been made, the following provisions shall apply:

(a) During the 30-day period following the date of any such notice (the "Negotiation Period"), all of the Banks and the Company will negotiate in good faith (through the Agent) to agree upon a substitute basis (the "Substitute Basis") for determining the rate of interest to be applicable to the LIBOR Loans (including, if appropriate, alternative periods for such determinations). If agreed among the Company and all of the Banks, the Substitute Basis (plus the Applicable Margin) shall thereafter be the rate at which the LIBOR Loans bear interest pursuant to Section 3.02(a) hereof (subject to Section 3.04) and shall be retroactive to, and take effect from, the beginning of the then current Interest Period.

(b) If at the expiry of the Negotiation Period a Substitute Basis shall not have been agreed upon, each Bank shall notify the Company from time to time (with a copy to

the Agent) of the cost (as reasonably determined by such Bank) of funding its LIBOR Loans (plus the Applicable Margin) and the interest payable to such Bank on such LIBOR Loans, and the Company shall be obligated to pay all such costs and interest in the amounts and at the rates (plus the Applicable Margin) specified by such Bank. The failure of the Company and the Banks to agree upon a Substitute Basis at the expiry of the Negotiation Period shall be deemed to be an election by the Company to prepay the LIBOR Loans of the Banks in accordance with Section 3.03(a) hereof on the date 30 days after such expiry (or, if earlier, the last day of the then current Interest Period), subject to Section 5.04 hereof.

5.03 Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Bank or its Applicable Lending Office to make or maintain its Loans hereunder as LIBOR Loans, then such Bank shall promptly notify the Company and the Agent and, if the Loans have not then been made, the obligation of such Bank to make its Loans as LIBOR Loans shall immediately terminate, and if the Loans have been made, the Company shall prepay the LIBOR Loans of such Bank in full on the last day of the then current Interest Period therefor, or on such earlier date as such Bank may reasonably require in light of the applicable legal requirements. Such Bank agrees that it will designate a different Applicable Lending Office for its Loans if such designation will avoid the illegality that is the reason for the required prepayment pursuant to this Section 5.03 and will not, in the opinion of such Bank, be disadvantageous to such Bank in any material respect.

5.04 Compensation. Whether or not any Loan is made, the Company shall pay to the Agent for its own account or for the account of each Bank (as the case may be), immediately upon the request of the Agent or such Bank from time to time, such amount or amounts as shall be sufficient (in the reasonable opinion of the Agent or such Bank) to compensate it for any loss, cost or expense which the Agent or such Bank determines are attributable to:

(a) any payment or prepayment of any LIBOR Loan for any reason (including, without limitation, any prepayment or acceleration of the Loans pursuant to Section 3.03, 5.01, 5.03 or 9 hereof for any reason) on a date other than the last day of an Interest Period for such Loan or any failure to continue a LIBOR Loan as a LIBOR Loan or to convert a Base Rate Loan into a LIBOR Loan for the designated Interest Period on the date scheduled for such conversion or continuation; or

(b) any failure of the Company for any reason to make a prepayment on a date for which notice of such prepayment has been given in accordance with this Agreement; or

(c) any failure by the Company for any reason (including, without limitation, the failure of any of the conditions precedent specified in Section 6 hereof to be satisfied) to borrow the Loans on any date scheduled for the borrowing thereof.

Without limiting the effect of the first sentence of this Section 5.04, such compensation to any Bank shall include an amount equal to the excess, if any, of (i) the amount of interest which otherwise would have accrued on the principal amount so paid, prepaid or not borrowed for the period from the date of such payment, prepayment or failure to borrow to the last day of the then current Interest Period for the respective Loans (or, in the case of a failure to borrow, the Interest Period for such Loans which would have commenced on the date specified for such borrowing) at the applicable rate of interest for such Loan provided for herein over (ii) the interest component of the amount such Bank would have bid in the London interbank market for Dollar deposits of leading banks in amounts comparable to such principal amount and with maturities comparable to such period (as reasonably determined by such Bank). Each Bank will furnish the Company with a certificate setting forth in reasonable detail the basis and amount of each request for compensation under this Section 5.04.

5.05 Taxes. All payments of principal, interest, fees and other amounts under this Agreement or the Notes paid or payable to the Agent or any Bank (as used in this Section 5.05, "Payments") shall be made free and clear of, and without deduction by reason of, any and all taxes, duties, assessments, withholdings, retentions or other similar charges whatsoever imposed, levied, collected, withheld or assessed by any jurisdiction or any agency or taxing authority thereof or therein (as used in this Section 5.05, "Taxes"), all of which shall be paid by the Company for its own account not later than the date when due. If the Company is required by law or regulation to deduct or withhold any Taxes from any Payment, the Company shall: (a) make such deduction or withholding; (b) pay the amount so deducted or withheld to the appropriate taxing authority not later than the date when due; (c) deliver to the Agent, promptly and in any event within 15 days after the date on which such Taxes become due, original tax receipts and other evidence satisfactory to, the Agent of the payment when due of the full amount of such Taxes; and (d) pay to the Agent for the account of itself or of the respective Bank, forthwith upon any request by the Agent or such Bank therefor from time to time, such additional amounts as may be necessary so that the Agent or such Bank receives, free and clear of all Taxes, the full amount of such Payment stated to be due under this Agreement or the Notes as if no such deduction or withholding had been made. The Company hereby indemnifies the Agent and each Bank and holds each of them harmless for any loss, cost, damage, penalty or expense whatsoever arising from any failure of the Company to make, or delay in making, any deduction or withholding of Taxes, or its failure to pay when due the amount so deducted or withheld to the appropriate taxation authority or its failure otherwise to comply with the terms and conditions of this Section 5.05. Each Bank will designate a different Applicable Lending Office for its Loans if such designation will avoid the need for, or reduce the amount of, any additional amount that the Company is required to pay to such Bank under this Section 5.05 and will not, in the opinion of such Bank, be disadvantageous to such Bank in any material respect.

Each Bank that is organized under the laws of a jurisdiction other than the United States or any state or other political subdivision, district or territory thereof agrees that it will deliver to the Company on the date of its execution of this Agreement and thereafter as may be required from time to time by applicable law or regulation United States Internal Revenue Service Form 4224 or 1001 (or any successor form) or such other form as from time to time may be required to, demonstrate that payments made by the Company to such Bank under this

Agreement and the Notes either are exempt from United States Federal withholding taxes or are payable at a reduced rate (if any) specified in any applicable tax treaty or convention.

Section 6. Conditions Precedent.

6.01 Conditions Precedent to the Initial Borrowing. The obligation of each Bank to make its Loan hereunder on the occasion of the borrowing under Section 2.02 hereof is subject to the receipt by the Agent of the following documents, each of which shall be satisfactory to the Agent in form and substance, and with sufficient copies for the Agent and each Bank:

(a) this Agreement, duly executed and delivered by all parties provision for whose signature is made on the signature pages hereof;

(b) the Notes, duly executed and delivered by the Company to the order of each Bank and otherwise appropriately completed.

(c) (i) a certificate of partnership good standing dated as of a recent date for the Company from the Secretary of State of Delaware, to the extent available from such Secretary of State; (ii) a long-form certificate of good standing dated as of a recent date for each Subsidiary of the Company, each of the Partners and Consolidated from the Secretary of State or other comparable officer of the State of its respective incorporation; and (iii) a short-form certificate of good standing dated as of a recent date for the Company, each Subsidiary of the Company, each of the Partners and Consolidated from the Secretary of State or other comparable officer of each other jurisdiction in which the Company, such Subsidiary, such Partner or Consolidated, respectively, is qualified to do business as a foreign corporation or partnership;

(d) a copy of the Partnership Agreement (including, without limitation, all amendments, modifications, supplements and extensions thereto), certified as being true, correct, complete and up-to-date by the Secretary of the Manager on behalf of the Company and by the Secretary of Coca-Cola Ventures;

(e) a copy of any by-laws and other organizational documents of the Company, certified as being true, correct, complete and up-to-date by the Secretary of the Manager on behalf of the Company;

(f) a copy of the certificate of incorporation of each Subsidiary of the Company, each of the Partners and Consolidated, certified as of a recent date by the Secretary of State of the jurisdiction in which the relevant Subsidiary, Partner or Consolidated, as the case may be, is organized;

(g) a copy of the by-laws and any other organizational documents of each of the Partners and of Consolidated, certified by the Secretary of such Partner or Consolidated, as the case may be;

(h) a copy, certified by the Secretary of the Manager on behalf of the Company, of the resolutions of the Executive Committee of the Company and of all other action taken by the Company to authorize the execution, delivery and performance by the Company of this Agreement and the Notes and the Management Agreement, the borrowing of the full amount of the Commitments, the performance of each of the Company's obligations hereunder and thereunder, and the consummation of each of the other transactions contemplated by this Agreement and by the Management Agreement;

(i) a copy, certified by the Secretary of each of the Partners, of the resolutions of the board of directors of each of the Partners and of all other corporate action taken by such Partner to authorize the execution, delivery and performance of this Agreement and the Notes, the borrowing by the Company of the full amount of the Commitments hereunder, the performance by such Partner of each of the obligations of the Company hereunder and thereunder, and the consummation of each of the other transactions contemplated by this Agreement, and to the extent necessary, copies of any shareholder action taken in respect of the foregoing, which certificate shall include authentication by the President or another senior executive officer of the relevant Partner of the signature and office of the Secretary who signed such certificate;

(j) a copy, certified by the Secretary of Consolidated, of the resolutions of the board of directors of Consolidated and of all other corporate action taken by Consolidated to authorize the execution, delivery and performance of the Management Agreement, the performance by Consolidated of each of its obligations thereunder, and the consummation of each of the other transactions contemplated thereby, and to the extent necessary, copies of any shareholder action taken in respect of the foregoing, together with such authentication of the signature of the officer or officers that executed the Management Agreement on behalf of Consolidated in form and substance satisfactory to the Agent;

(k) a certificate of incumbency executed by the Secretary of the Company setting forth the name, title and specimen signature of each officer of the Company: (1) who has signed this Agreement on behalf of the Company, (2) who will sign the Notes on behalf of the Company, or (3) who will, until replaced by another officer or representative duly authorized for that purpose, act as the representative of the Company for the purposes of signing documents and giving notices and other communications by the Company in connection with this Agreement and the transactions contemplated hereby, which certificate shall include authentication by the President of the Company of the signature and office of the Secretary who signed such certificate;

(l) evidence of the acceptance by the process agent referred to in Section 11.11 hereof of its appointment as such;

(m) the certificates referred to in Section 6.02 hereof;

(n) an opinion of Witt, Gaither & Whitaker, special counsel to the Company and Coca-Cola Ventures, substantially in the form of Exhibit B-1 hereto, and as to such other matters related to this Agreement as the Agent or any Bank may reasonably request;

(o) an opinion of Witt, Gaither & Whitaker, special counsel to Consolidated, substantially in the form of Exhibit B-2 hereto, and as to such other matters related to the Management Agreement as the Agent or any Bank may reasonably request;

(p) copies, certified by the Secretary of the Manager on behalf of the Company, of each of the Management Agreement, the sample master bottle contract referred to in Section 7.17 hereof and the Letter of Authorization (including, without limitation, all amendments thereto to and including the borrowing date);

(q) evidence of the payment of the fees described in Section 2.03 hereof;

(r) evidence that the Company has delivered to S&P a letter of authorization (as amended and in effect and as supplemented and replaced from time to time, the "Letter of Authorization") providing for (i) S&P to
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provide a Corporate Credit Rating for the Company that applies to the Loans under this Agreement, and (ii) S&P to be authorized throughout the life of this Agreement to report the Corporate Credit Rating of the Company to the Agent (for itself and the Banks) and to notify the Agent (for itself and the Banks) of any decline or other change in such Corporate Credit Rating; and evidence that pursuant to such Letter of Authorization, S&P shall have assigned a Corporate Credit Rating to the Company that applies to the Loans under this Agreement of not less than BB+;

(s) Evidence that all commitments under the Existing Credit Agreement have been terminated and that all principal of and interest on all loans outstanding under the Existing Credit Agreement and any other amounts that may be or become due and payable thereunder have been or, simultaneously with the making of the Loans hereunder are being, irrevocably paid in full, together with such broken funding payments and other costs as may be provided for in the Existing Credit Agreement (such evidence to include, without limitation, (1) a copy of a written notice to the agent under the Existing Credit Agreement terminating the commitments thereunder and giving notice of repayment or prepayment of all loans outstanding thereunder, and (2) a written statement from said agent to the Agent setting forth the principal amount of all loans outstanding under the Existing Credit Agreement, the full amount of interest, fees and all other amounts that are required to repay the Existing Credit Agreement in full, and stating that upon receipt of such payment the Existing Credit Agreement will be terminated); and

(t) such other certificates, opinions and other documents as the Agent or any Bank may reasonably request.

Except as otherwise expressly stated in this Section 6.01, each of the foregoing documents shall be dated the date of the borrowing of the Loans.

6.02 Further Conditions Precedent to the Borrowing. The obligation of the Banks to make the Loans to the Company upon the occasion of the borrowing hereunder is subject to the further condition precedent that, as of the date of the Loans to be made as part of such borrowing, and both before and after giving effect thereto: (a) no Default shall have occurred and be continuing; and (b) the representations and warranties made by the Company in this Agreement and by the Company, each Partner and Consolidated in each certificate or other document delivered in connection with this Agreement, shall be true and correct in all material respects on and as of the date of the making of such Loans, with the same force and effect as if made on and as of such date and a Senior Financial Officer on behalf of the Company and the chief financial officer of Coca-Cola Ventures shall have furnished to the Agent and the Banks a certificate with respect to compliance with clauses (a) and (b) above.

Section 7. Representations and Warranties. The Company represents and warrants to the Agent and each Bank that:

7.01 Existence. The Company is a general partnership duly organized, validly existing and in good standing under the laws of the State of Delaware. Each Subsidiary of the Company is a corporation duly organized and incorporated, validly existing and in good standing under the laws of its jurisdiction of organization. Each of the Partners and Consolidated is a corporation duly organized and incorporated, validly existing and in good standing under the laws of the State of Delaware. Each of the Company and each of its Subsidiaries and each of the Partners: (a) has all requisite partnership or corporate power, as the case may be, and has all governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being conducted; and (b) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary. Without limiting the generality of the preceding sentence, Carolina is qualified to do business as a foreign corporation in the States of Georgia, North Carolina, South Carolina and Virginia, Coca-Cola Ventures is qualified to do business as a foreign corporation in the States of Georgia, North Carolina, South Carolina and Virginia, and the Subsidiary of the Company is qualified to do business in the States of North Carolina and Virginia.

7.02 Financial Condition. (a) The audited consolidated balance sheet of the Company and its consolidated Subsidiaries as at December 31, 1995 and the related consolidated statements of operations, cash flows and changes in partners' equity of the Company and its consolidated Subsidiaries for the fiscal year ended on said date, with the opinion thereon of Price Waterhouse LLP, and the unaudited consolidated balance sheet of the Company and its consolidated Subsidiaries as at March 31, 1996 and the related consolidated statements of operations, cash flows and changes in partners' equity of the Company and its consolidated Subsidiaries for the three-month period ended on such date, heretofore furnished to the Agent and each Bank, are complete and correct and fairly present the consolidated financial condition of the Company and its consolidated Subsidiaries as at said dates and the consolidated results of their operations for the fiscal year and three-month period, respectively, ended on said dates, in

accordance with GAAP consistently applied (subject, in the case of such financial statements as at March 31, 1996, to normal year-end adjustments) all in conformity with GAAP applied on a consistent basis, except that the footnotes to such financial statements omitted reference to the Amended and Restated Guaranty Agreement referred to in item #4 of Schedule 7.19 hereto (which omission will be corrected in future financial statements). As at such dates, neither the Company nor any of its Subsidiaries had any material contingent liabilities, liabilities for taxes, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in said balance sheets as at said dates and except as are not required by GAAP to be disclosed on the financial statements referred to herein. Since December 31, 1995, there has been no material adverse change in the business, properties, operations, condition (financial or otherwise) or prospects of the Company and its consolidated Subsidiaries or of either of the Partners from that set forth in said financial statements as at said date.

(b) The audited consolidated balance sheet of Consolidated and its consolidated Subsidiaries as at December 31, 1995 and the related consolidated statements of operations, cash flows and changes in shareholders' equity of Consolidated and its consolidated Subsidiaries for the fiscal year ended on said date, with the opinion thereon of Price Waterhouse LLP, and the unaudited consolidated balance sheet of Consolidated and its consolidated Subsidiaries as at March 31, 1996 and the related consolidated statements of operations, cash flows and changes in shareholders' equity of Consolidated and its consolidated Subsidiaries for the three-month period ended on such date, heretofore furnished to the Agent and each Bank, are complete and correct and fairly present the consolidated financial condition of Consolidated and its consolidated Subsidiaries as at said dates and the consolidated results of their operations for the fiscal year and three-month period, respectively, ended on said dates (subject, in the case of such financial statements as at March 31, 1996, to normal year-end adjustments) all in conformity with GAAP applied on a consistent basis. As at such dates, neither Consolidated nor any of its Subsidiaries had any material contingent liabilities, liabilities for taxes, unusual forward or long-terms commitments or unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in said balance sheets as at said dates and except as are not required by GAAP to be disclosed on the financial statements referred to herein. Since December 31, 1995, there has been no material adverse change in the business, properties, operations, condition (financial or otherwise) or prospects of Consolidated and its consolidated Subsidiaries from that set forth in said financial statements as at said date.

The representations and warranties in this Section 7.02 (other than the last sentence of each of clauses (a) and (b)) shall be deemed to be automatically repeated on the last day of each quarter of each fiscal year of the Company, with respect to the financial statements of the Company and Consolidated, as the case may be, for the fiscal year then most recently ended and for the one-, two- or three-fiscal quarter period, as the case may be, then ended.

7.03 Litigation. There are no legal or arbitral proceedings or any
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proceedings by or before any governmental or regulatory authority or agency, now pending or (to the best knowledge of the Company) threatened by or against the Company or any of its Subsidiaries or

either of the Partners which, individually or in the aggregate, if adversely determined, could reasonably be expected to have a Material Adverse Effect.

7.04 No Breach. None of the execution and delivery of this Agreement or the Notes, the borrowing of the Loans, the consummation of the other transactions herein or therein contemplated and compliance with the terms and provisions hereof and thereof will conflict with or result in a breach of, or require any consent under, (i) the Partnership Agreement or other organizational documents of the Company or either of its Partners, (ii) any applicable law, rule or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or (iii) any agreement or other instrument to which the Company or any of its Subsidiaries or either of the Partners is a party or by which its respective assets, revenues or other properties may be bound, or constitute a default under any such agreement or instrument, or result in the creation or imposition of any Lien upon any of the assets, revenues or other properties of the Company or any of its Subsidiaries or either of the Partners pursuant to the terms of any such agreement or instrument.

7.05 Partnership and Corporate Action. Each of the Company and the Partners has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and the Notes and to borrow the full amount of the Commitments; and the execution, delivery and performance by the Company of this Agreement and the Notes and the borrowing of the full amount of the Commitments have been duly authorized by all necessary partnership or corporate action, as the case may be, on the part of the Company and each of the Partners and, to the extent necessary, all shareholder action on the part of the shareholders of the Partners. This Agreement has been duly and validly executed and delivered by the Company and constitutes, and the Notes when executed and delivered for value will constitute, the legal, valid and binding obligation of the Company and each of the Partners, enforceable against the Company and each of the Partners in accordance with their respective terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws of general applicability affecting the enforcement of creditors' rights and (b) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

7.06 Approvals. No authorizations, approvals or consents of or licenses from, and no filings or registrations with, any governmental or regulatory authority or agency are necessary for the execution, delivery or performance by the Company or either of the Partners of this Agreement or the Notes or for the validity or enforceability thereof, or for the borrowing of the Loans.

7.07 Use of Proceeds. Neither the Company nor any of its Subsidiaries nor either of the Partners is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation G, U or X of the Board of Governors of the Federal Reserve System) and no part of the proceeds of the Loans hereunder will be used to buy or carry any margin stock. Without prejudice to the foregoing, a portion of the proceeds of the borrowing of the Loans equal to at least $190,000,000 will be used solely to refinance the

loans outstanding under the Existing Credit Agreement and to pay all accrued interest, fees and other amounts in connection therewith, and any remaining proceeds of the Loans will be used solely to refinance loans outstanding from Consolidated, and all such proceeds in any event will be used for working capital and other general corporate purposes of the Company.

7.08 ERISA. The Company has no employees (all Persons working at the Company being employed by Consolidated as Manager). Each of the Company, Consolidated and the ERISA Affiliates have fulfilled all obligations under the minimum funding standards of ERISA and the Code with respect to each Plan, is in compliance in all substantial respects with all applicable provisions of ERISA and the Code, and has not incurred any liability to the PBGC in excess of $25,000, except for premiums due, or in the case of any Plan except for claims for benefits or requirements for contributions, in either case made in accordance with the terms of such Plan. Neither the Company nor Consolidated nor any of the ERISA Affiliates is party to any Multiemployer Plan. There are no disputes relating to ERISA or employee benefits or relations to which the Company, Consolidated or any of the ERISA Affiliates is a party and which, even if adversely determined, would subject the Company to any liability. Each Plan qualifies under Section 401 of the Internal Revenue Code. With respect to each Plan, there is: (i) no accumulated funding deficiency (within the meaning of ERISA and the Internal Revenue Code) with respect to any Plan under Title IV of ERISA; (ii) no termination of any Plan or trust which could result in any material liability to the PBGC; (iii) no "reportable event" (as that term is defined in ERISA) which could reasonably be expected to constitute grounds for termination of any Plan or trust by the PBGC; and (iv) no "prohibited transaction" (as that term is defined in Section 406 of ERISA and Section 4975 of the Internal Revenue Code) which could result in any liability to the Company. The Company does not have any liabilities with respect to welfare plans of any member of the ERISA Group and has no liabilities for post-retirement welfare benefits of any Person.

7.09 Taxes. United States Federal income tax returns of the Company and the Subsidiaries and Coca-Cola Ventures have been filed for all fiscal years of the Company ended on or prior to January 1, 1995. None of those tax returns is under examination or otherwise is the subject of any audit or other proceedings. The Company and its Subsidiaries and Coca-Cola Ventures have filed all United States Federal income tax returns, all applicable state income tax returns and all other material tax returns which are required to be filed by each of them and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company or any such Subsidiary or Coca-Cola Ventures. The charges, accruals and reserves on the books of the Company and its Subsidiaries and Coca-Cola Ventures, respectively, in respect of taxes and other governmental charges are, in the opinion of the Company and its independent auditors, adequate.

7.10 Ownership. (a) 29.67% of the shares of the Common Stock of Consolidated issued and outstanding as of the date hereof are owned and controlled, both beneficially and of record and free and clear of all Liens, directly by Coca-Cola. All such shares of Common Stock have been legally and validly issued and are fully paid and non-assessable. Except as disclosed in Schedule 7.10 hereto, there are no outstanding options, warrants, rights, agreements, contracts, calls, commitments or demands of any character obligating or entitling

either Consolidated or Coca-Cola to sell, issue, redeem or repurchase any Capital Stock of Consolidated.

(b) 100% of the shares of the Common Stock of Carolina issued and outstanding as of the date hereof are owned and controlled, both beneficially and of record and free and clear of all Liens, by Coca-Cola indirectly through one or more wholly-owned Subsidiaries. All such shares of Common Stock have been legally and validly issued and are fully paid and non-assessable. There are no outstanding options, warrants, rights, agreements, contracts, calls, commitments or demands of any character obligating or entitling either Coca-Cola or Carolina to sell, issue, redeem or repurchase any Capital Stock of Carolina.

(c) 100% of the shares of the Common Stock of Coca-Cola Ventures issued and outstanding as of the date hereof are owned and controlled, both beneficially and of record and free and clear of all Liens, by Consolidated indirectly through one or more wholly-owned Subsidiaries. All such shares of Common Stock have been legally and validly issued and are fully paid and non-assessable. There are no outstanding options, warrants, rights, agreements, contracts, calls, commitments or demands of any character obligating or entitling either Consolidated or Coca-Cola Ventures to sell, issue, redeem or repurchase any Capital Stock of Coca-Cola Ventures.

(d) 50% of the Voting Interests in the Company are directly owned and controlled by Carolina, and 50% of such Voting Interests are directly owned and controlled by Coca-Cola Ventures, in each case both beneficially and of record and free and clear of all Liens. There are no outstanding options, warrants, rights, agreements, contracts, calls, commitments or demands of any character obligating or entitling either Partner or the Company to sell, issue, redeem or repurchase any Voting Interests of the Company.

7.11 Ranking. The obligations of the Company under this Agreement and the Notes rank and will rank at least pari passu in right of payment and of security and in all other respects with all other unsubordinated Indebtedness and other obligations of the Company and, each of the Partners, except that any Indebtedness of the Company, secured to the extent permitted by Section 8.06 hereof, may, solely with respect to the collateral securing such Indebtedness, rank senior in right of security to the obligations of the Company under this Agreement and the Notes with respect to the collateral securing such Indebtedness.

7.12 Investment Company Act. Neither of the Partners nor the Company nor any of their respective Subsidiaries is, nor is any of them "controlled by", an "investment company" within the meaning of the Investment Company Act of 1940, as amended, nor is any of them subject to regulation under said Act.

7.13 Public Utility Holding Company Act. Neither the Company nor either of the Partners nor any of their respective Subsidiaries is a "holding company" nor is any of them a "subsidiary company" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended, nor is any of them a public utility under any applicable state law.

7.14 Compliance with Laws. Each of the Company and each of its Subsidiaries and each of the Partners is in compliance with all applicable laws, ordinances and regulations, including, without limitation, all Environmental Laws and Health Laws, except to the extent that the failure to comply with any such laws, ordinances and regulations, individually or in the aggregate, could not have a Material Adverse Effect or impose any liability whatsoever on the Agent, any of the Co-Agents or any of the Lenders.

7.15 Ownership of Property; Licenses. Each of the Company and each of its Subsidiaries and each of the Partners has good record and marketable title to, or a valid leasehold interest in, all of its respective properties as shown on the financial statements referred to in Section 7.02 hereof and owns or is licensed to use all relevant copyrights, patents, trademarks, tradenames, technical information, technology, know-how, and all other intellectual property, licenses, franchises and processes necessary for the normal operation and business of the Company or such Subsidiary or such Partner, in each case without any known conflict with the rights of any other Person. All such assets, revenues and other properties (including, without limitation, all such intellectual property, licenses, franchises and processes, and the partnership interests in the Company) are free and clear of Liens except for Liens permitted by Section 8.06 hereof.

7.16 Nature of Business. The Company and its Subsidiaries are engaged solely in the business of bottling, canning, marketing and distribution of soft drinks, primarily products of Coca-Cola and other beverages and activities directly related thereto. Not less than 80% of the annual revenues of the Company and its consolidated Subsidiaries are derived from the bottling, canning, marketing and distribution of products of Coca-Cola.

7.17 Master Bottling Agreement. The Company is party to master bottle contracts with Coca-Cola that cover all territories in which the Company sells or distributes Coca-Cola products (collectively, as amended and in effect from time to time, the "Master Bottling Agreement"). A true, correct, complete and up-to-date copy of a sample of one such master bottle contract has been delivered to the Agent, and all master bottle contracts with Coca-Cola are in substantially the same form as such sample. The Master Bottling Agreement is in full force and effect and the Company and each of its Subsidiaries are in substantial compliance with the terms and conditions applicable to them contained therein.

7.18 Management Agreement. The Company is party to the Management Agreement with Consolidated, and has delivered to the Agent and each Bank a true, correct, complete and up-to-date copy thereof. The Management Agreement is in full force and effect and the Company and each of its Subsidiaries are in substantial compliance with all of the terms and conditions applicable to them contained therein. The Manager is duly authorized to take all actions under or in connection with this Agreement on behalf of the Company.

7.19 Debt Instruments. The agreements identified in Schedule 7.19 are all of the agreements, bonds, debentures, notes and other instruments evidencing Indebtedness of the Company or any of its Subsidiaries. Each of the Company and each of its Subsidiaries is in full

compliance with the terms and conditions applicable to them contained in each such agreement, bond, debenture, note or other instrument.

7.20 Subsidiaries. The Company has no Subsidiaries other than CCBC of Wilmington, Inc., a Delaware corporation.

7.21 Partners. Each of the Partners is a special purpose corporation, owning no assets other than the partnership interests in the Company, engaging in no business other than the ownership of such partnership interests, and having no liabilities other than its obligations under the Partnership Agreement and its joint and several liability by operation of law for the Indebtedness and other obligations of the Company.

7.22 Solvency. Neither the Company nor either of the Partners is entering into the arrangements contemplated hereby, or intends to make any transfer or incur any obligations hereunder, with actual intent to hinder, delay or defraud either present or future creditors. On the date of the making of the Loans, on a pro forma basis after giving effect to such Loans:

(i) no judgments against the Company or either of the Partners arising out of any pending or threatened litigation will be rendered at a time when, or in an amount such that, the Company or such Partner, as the case may be will be unable to satisfy such judgments promptly in accordance with their terms (taking into account the maximum reasonable amount of such judgments in any such actions and the earliest reasonable time at which such judgments might be rendered);

(ii) the cash available to the Company and each of the Partners, as the case may be, after taking into account all other anticipated uses of the cash of the Company, is anticipated to be sufficient to pay all such judgments promptly in accordance with their terms;

(iii) the sum of the present realizable value of the assets of the Company will exceed the probable liability of the Company on its debts, and the sum of the present realizable value of the assets of each of the Partners will exceed the probable liability of such Partner on its debts;

(iv) neither the Company nor either of the Partners intends to, or believe that it will, incur debts beyond its ability to pay such debts as such debts mature (taking into account the timing and amounts of cash to be received by the Company from any source, and of amounts to be payable on or in respect of debts of the Company and the amounts referred to in clause (i));

(v) the cash available to the Company, after taking into account all other anticipated uses of the cash of the Company, is anticipated to be sufficient to pay all such amounts on or in respect of debts of the Company, when such amounts are required to be paid, and the cash available to each of the Partners, after taking into account all other anticipated uses of the cash of such Partner, is anticipated to be sufficient to pay all such

amounts on or in respect of debts of such Partner, when such amounts are required to be paid; and

(vi) the Company will have sufficient capital with which to conduct its present and proposed business and the property of the Company does not constitute unreasonably small capital with which to conduct its present or proposed business, and each of the Partners will have sufficient capital with which to conduct its present and proposed business and the property of such Partner does not constitute unreasonably small capital with which to conduct its present or proposed business.

For purposes of this Section 7.22 "debt" means any liability on a claim, and "claim" means (y) right of payment whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (z) right to an equitable remedy for breach of performance if such breach gives rise to a payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

7.23 Environmental Matters. (a) The Company and each of its Subsidiaries and each of the Partners comply, and each of the properties and operations of each of them complies, in all material respects with all applicable Environmental Laws and Health Laws;

(b) The Company has obtained or made timely application for all Environmental Licenses which, to the best of the Company's knowledge, are necessary for the operation of the Company and each of its Subsidiaries and each of its Partners of its respective business and properties. All such Environmental Licenses previously obtained are in full force and effect or timely application for renewal thereof is pending, and no action to revoke the same is pending and the period to appeal such Environmental Licenses has expired, and each of the Company and each of its Subsidiaries and each of the Partners is in compliance with all terms and conditions of each such Environmental License;

(c) With respect to property currently or formerly owned or operated by it, none of the Company or its Subsidiaries or the Partners is subject to any outstanding written notice or order from, or agreement with, any Governmental Authority or other Person in respect to which the Company or any of its Subsidiaries or either of the Partners (i) is required to take any Remedial Action or (ii) would be reasonably likely to incur any Environmental Liabilities arising from any Release or threatened Release;

(d) Neither the Company nor any of its Subsidiaries nor either of the Partners has received written notification pursuant to Environmental Laws or Health Laws that any of its current or past operations, or any by-product thereof, is related to or subject to any investigation by any Governmental Authority evaluating whether any Remedial Action is needed to respond to a Release or threatened Release; and

(e) Neither the Company nor any of its Subsidiaries nor either of the Partners has filed any notice under any applicable Environmental Law or Health Law reporting a Release which is reasonably possible to lead to any Governmental Authority or any other Person having to take Remedial Action or having to incur Environmental Liabilities.

(f) Neither the Company nor any of its Subsidiaries nor either of the Partners is subject to any suit, action or proceeding by or before any court, arbitrator or administrative authority alleging violations by any of them of any Environmental Law or Health Law or seeking to impose on any of them any Environmental Liability.

7.24 No Default. No Default or Event of Default has occurred and is continuing.

7.25 Disclosure. All written information furnished by or on behalf of the Company or any of its Subsidiaries or either of the Partners or Consolidated to the Agent or any Bank for purposes of or in connection with this Agreement or any transaction contemplated hereby is true and accurate in all material respects. No such information contained, contains or will contain any material misstatement of fact or omitted, omits or will omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances existing at the time.

Section 8. Covenants of the Company. The Company agrees that, so long as any Commitment is in effect and until payment in full of the Loans hereunder, all interest thereon and all other amounts payable by the Company hereunder and under the Notes:

8.01 Information. The Company shall deliver directly to each Bank and also to the Agent:

(a) as soon as available and in any event within 60 days after the end of each of the first three fiscal quarterly periods of each fiscal year of the Company, (i) unaudited consolidated statements of operations, cash flows and changes in partners' equity of the Company and its consolidated Subsidiaries for such period and for the period from the beginning of the respective fiscal year to the end of such period, and the related consolidated balance sheet as at the end of such period, setting forth in each case in comparative form the corresponding figures for the corresponding period in the preceding fiscal year, accompanied by a certificate of a Senior Financial Officer on behalf of the Company, which certificate shall state that said financial statements fairly present the consolidated financial condition and results of operations of the Company and its consolidated Subsidiaries in accordance with GAAP consistently applied (except for changes to which the Company's auditors have agreed), as at the end of, and for, such period (subject to normal year-end audit adjustments), and (ii) unaudited consolidated statements of operations, cash flows and changes in shareholders' equity of Consolidated and its consolidated Subsidiaries for such period and for the period from the beginning of the respective fiscal year to the end of such period, and the related consolidated balance sheet as at the end of such period, setting forth in each case in comparative form the

corresponding figures for the corresponding period in the preceding fiscal year, accompanied by an certificate of the chief financial officer of Consolidated, which certificate shall state that said financial statements fairly present the consolidated financial condition and results of operations of Consolidated and its consolidated Subsidiaries in accordance with GAAP consistently applied (except for changes to which the auditors of Consolidated have agreed), as at the end of, and for, such period (subject to normal year-end audit adjustments);

(b) as soon as available and in any event within 90 days after the end of each fiscal year of the Company, (i) audited consolidated statements of operations, cash flows and changes in partners' equity of the Company and its consolidated Subsidiaries for such year and the related consolidated balance sheet as at the end of such year, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, and accompanied by an opinion thereon of Price Waterhouse LLP or other comparable independent public accountants of recognized national standing, which opinion shall state that said financial statements fairly present the consolidated financial condition and results of operations of the Company and its consolidated Subsidiaries as at the end of, and for, such fiscal year, in accordance with GAAP consistently applied, and a certificate of such accountants stating that, in making the examination necessary for their opinion, they obtained no knowledge, except as specifically stated, of any Default and (ii) audited consolidated statements of operations, cash flows and changes in shareholders' equity of Consolidated and its consolidated Subsidiaries for such year and the related consolidated balance sheet as at the end of such year, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, and accompanied by an opinion thereon of Price Waterhouse LLP or other comparable independent public accountants of recognized national standing, which opinion shall state that said financial statements fairly present the consolidated financial condition and results of operations of Consolidated and its consolidated Subsidiaries as at the end of, and for, such fiscal year in accordance with GAAP consistently applied;

(c) at the time the Company furnishes each set of financial statements pursuant to paragraph (a) or (b) above, a certificate of a Senior Financial Officer on behalf of the Company to the effect that, during the most recent fiscal quarter reported on such financial statement, no Default has occurred and is continuing (or, if any Default has occurred and is continuing, describing the same in reasonable detail) and a certification as to the Corporate Credit Rating of the Company in effect at the end of the period covered by such financial statements and at the time of such certificate;

(d) promptly upon their becoming available, copies of all registration statements and regular periodic reports, if any, which Consolidated shall have filed with the SEC (or any governmental agency substituted therefor) or any national securities exchange, and copies of all press releases material to the operations or financial condition of the Company or Consolidated issued by the Company or any of its Subsidiaries or by Consolidated;

(e) not later than 60 days prior to the last day of each fiscal year of the Company, a copy of the Company's annual business plan (annual operating budget);

(f) promptly (and in any event not later than 3 Business Days) after the occurrence of any Default, a notice of such Default stating that it is a "Notice of Default", and describing the same in reasonable detail and the actions which the Company is taking and proposes to take with respect to such Default;

(g) promptly (and in any event no later than 3 Business Days) after the occurrence of any decline or other change in the Corporate Credit Rating (including, without limitation, any withdrawal or elimination thereof), notice of such decline or other change;

(h) promptly (and in any event no later than 3 Business Days) after the occurrence thereof, notice of all other events or matters which the Company would be required to report to the SEC on a Form 8-K if the Company were a reporting company under the Exchange Act;

(i) promptly after the filing thereof by Consolidated or any of the other ERISA Affiliates with the Internal Revenue Service, a copy of each annual report (form 5500 or any successor form) required to be filed with the Internal Revenue Service with respect to each Employee Benefit Plan that has been established by or contributed to or is maintained by the Company, Consolidated or any other ERISA Affiliate, together with the audited annual report of such Plan and ERISA footnotes;

(j) as soon as possible, and in any event within ten days after the Company or the Manager knows or has reason to know that any of the events or conditions specified below with respect to any Plan has occurred or exists, a statement signed by a Senior Financial Officer on behalf of the Company setting forth details respecting such event or condition and the action, if any, which the Company, Consolidated or any other ERISA Affiliate proposes to take with respect thereto (and a copy of any report or notice given by, or required to be filed with or given to PBGC, the Internal Revenue Service or the United States Department of Labor by the Company, Consolidated or any other ERISA Affiliate with respect to such event or condition):

(i) any reportable event, as defined in Section 4043(b) of ERISA and the regulations issued thereunder, with respect to a Plan;

(ii) the filing under ERISA of a notice of intent to terminate any Plan or the termination of any Plan;

(iii) the institution by PBGC or any other Person of proceedings for the termination of any Plan, or the appointment of a trustee to administer any Plan;

(iv) the complete or partial withdrawal by the Company, Consolidated or any other ERISA Affiliate under ERISA from a Plan; and

(v) the failure of the Company, Consolidated or any other ERISA Affiliate to make a required contribution to any Plan if such failure, individually or in the aggregate, could reasonably be expected to give rise to a Lien under ERISA;

(vi) any action by the Company, Consolidated or any other ERISA Affiliate which, individually or in the aggregate, could reasonably be expected to result in the imposition of a Lien or require the Company or any of its Subsidiaries to furnish a bond or security in connection with any Plan;

(viii) the incurrence of any "accumulated funding deficiency" (as such term is defined in Section 302 of ERISA), whether or not waived; and

(ix) any event that, individually or in the aggregate, could reasonably be expected to result in a material liability (contingent or otherwise) under ERISA or the Internal Revenue Code (as it relates to ERISA);

(k) promptly upon the creation or acquisition of any Subsidiary, a notice of such creation, identifying such Subsidiary, the jurisdiction of its incorporation, its address and nature of its business, and a pro forma
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balance sheet showing its assets and liabilities as at such time;

(l) promptly, and in any event within 10 days after the Company becomes aware thereof, notice of all court or arbitral proceedings, audits and other investigations before any governmental or regulatory authority, department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting the Company or any of its Subsidiaries (whether as plaintiff, defendant, appellant, appellee or otherwise), except proceedings or investigations which, if adversely determined, could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(m) promptly, and in any event within 10 days after the Company becomes aware thereof, notice of any change in the beneficial or record ownership or control of any of the Voting Interests or Equity Interests of the Company or of any Subsidiary in the chain of ownership between Coca-Cola or Consolidated (as the case may be) and the Company;

(n) immediately upon becoming aware thereof, notice of any actual or proposed amendment or supplement to or waiver of or termination of any provision of the Partnership Agreement, the Management Agreement, the Master Bottling Agreement or the Letter of Authorization; and

(o) from time to time such other information regarding the business, properties, operations, condition (financial or otherwise) or prospects of the Company or

any of its Subsidiaries or any of the Partners as the Agent or any of the Banks may reasonably request.

8.02 Existence, Etc. The Company shall, and shall cause each of its Subsidiaries to:

(a) preserve and maintain its existence as a partnership and all of its rights, licenses, privileges and franchises; provided, that, in accordance with the provisions of the Partnership Agreement, and without changing the material terms and conditions thereof, the Partners may form or cause to be formed a corporation under the laws of a state of the United States of America and contribute thereto, in exchange for Capital Stock of such corporation, their respective partnership interests in the Company in the same proportions as the partnership interests for which capital stock will be issued (the corporate conversion described in this Section 8.02(a) being called the "Permitted Corporate Conversion"), but only if (1) no Default has occurred and is continuing and the representations and warranties of the Company in this Agreement and in each other certificate or other document delivered pursuant to this Agreement are true and correct both before and immediately after the consummation of the Permitted Corporate Conversion, (2) the resulting corporation shall have assumed in writing satisfactory to the Agent and each Bank all of the obligations and duties of the Company under this Agreement and the Notes and any related documents, (3) the Company shall have furnished to the Agent and the Banks satisfactory evidence of the corporate existence, good standing, corporate power and authority of the new corporate borrower and of its due execution and delivery of all relevant documents, together with such incumbency and signature certificates and legal opinions as the Agent or any Bank may reasonably request, (4) the Management Agreement, the Master Bottling Agreement and the Letter of Authorization shall remain in full force and effect with respect to the new corporate borrower, and a senior officer, respectively, of Consolidated, Coca-Cola and S&P shall have so certified to the Agent and the Banks, (5) the Company, the Agent and the Banks shall have entered into an amendment to this Agreement and the Notes containing such technical changes as may be required to reflect the new name, corporate status and share ownership of the new corporate borrower; and (6) each of the Partners shall have executed and delivered to the Agent and the Banks an unconditional, irrevocable guarantee of all of the obligations of the new corporate borrower under this Agreement and the Note, each in form and substance satisfactory to the Agent and each Bank, together with such evidence of the corporate existence, good standing, corporate power and authority of such Partner as guarantor and of its due execution and delivery of such guarantee and any other relevant documents, together with such incumbency and signature certificates and legal opinions as the Agent or any Bank may reasonably request in connection with such guarantee;

(b) comply with the requirements of all applicable laws, rules, regulations and orders of governmental or regulatory authorities (including, without limitation, all Environmental Laws and all Health Laws), except to the extent that the failure to comply with therewith, individually or in the aggregate, could not reasonably be expected to have

a Material Adverse Effect or impose any liability on the Agent, any of the Co-Agents or any Bank;

(c) pay and discharge when due all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its property, sales or revenues, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained and in connection with which execution of any Lien has been stayed and an adverse decision in which proceedings, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;

(d) maintain all of its properties used or useful in its business in good repair, working order and condition, ordinary wear and tear excepted, except to the extent that the failure to do so, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect; maintain title to and ownership of, or a valid license to, all copyrights, patents, trademarks, tradenames, technical information, technology, know-how, and all other intellectual property, licenses, franchises and processes necessary for the normal operation and business of the Company or such Subsidiary (other than intellectual property, licenses, franchises and processes the failure of which to be owned by or licensed to the Company, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect), in each case without any conflict, with the rights of any other Person;

(e) maintain proper books of record and account in accordance with sound business practices and applicable law reflecting all of their respective dealings, transactions and other business affairs in accordance with GAAP, and, at the Company's expense, permit representatives of the Agent and each Bank, during normal business hours, to examine and make extracts from its books and records, to inspect its properties, and to discuss its business and affairs with its officers and officers of the Manager and with its independent public accountants, all to the extent reasonably requested by the Agent or such Bank with reasonable notice;

(f) keep insured by reputable insurers all property of a character usually insured by Corporations engaged in the same or similar business against loss or damage of the kinds and in the amounts customarily insured against by such Corporations and carry such other insurance as is usually carried by such Corporations (including, without limitation, general liability and products liability insurance); and

(g) comply in all material respects with all leases of real and personal property necessary in the operation of the business of the Company or any of its Subsidiaries.

8.03 Use of Proceeds. The Company shall use a portion of the proceeds of the Loans equal to at least $190,000,000 solely to refinance the loans outstanding under the Existing Credit Agreement and to pay all accrued interest, fees and other amounts in connection therewith, and shall use any remaining proceeds of the Loans solely to refinance loans

outstanding from Consolidated, and in any event shall use all such proceeds for the Company's working capital and other general corporate purposes; and in any event shall use all proceeds of the Loans solely in compliance with Regulations G, T, U and X and all other applicable laws, rules and regulations. The Company shall not use the proceeds of any of the Loans to purchase, acquire or carry any margin stock (within the meaning of Regulation G, T, U or X of the Board of Governors of the Federal Reserve System).

8.04 Mergers and Consolidations. The Company will not, and will not permit any of its Subsidiaries to, consolidate with or merge into any other Person or convey or transfer all or substantially all of its assets, revenues and other properties as an entirety to any Person, whether in a single transaction or in a series of related transactions, except for (a) the Permitted Corporate Conversion and (b) a merger of the Company with another Person organized under the laws of a state of the United States of America so long as the Company is the entity that survives such merger and, both before and immediately after the consummation of such merger, the Company is in compliance with all terms, conditions and covenants in this Agreement and no Default has occurred and is continuing.

8.05 Restrictions on Indebtedness. The Company will not, and will not permit any Subsidiary to, create, incur, issue, assume, suffer to exist or Guarantee any Indebtedness (including, without limitation, Indebtedness owed to Consolidated or its Affiliates), whether or not evidenced by negotiable instruments or securities, or any notes, bonds, debentures or other similar evidences of indebtedness for money borrowed, except for:

(a) trade indebtedness incurred by the Company in the ordinary course of the Company's business on ordinary trade terms and not past due;

(b) the Loans under this Agreement,

(c) unsecured Guarantees by the Company of Indebtedness of Container Supply Cooperatives, provided that the aggregate principal amount of all Indebtedness Guaranteed thereby does not exceed $10,000,000 at any time outstanding;

(d) unsecured interest rate swaps and other similar interest rate hedging arrangements entered into by the Company with one or more Banks or other creditworthy counterparties, which swaps or other arrangements protect the Company against interest rate fluctuations in specific liabilities that appear on the balance sheet of the Company in accordance with GAAP, and which are not entered into for speculative purposes;

(e) unsecured letters of credit backing obligations of the Company or any of its Subsidiaries in respect of workmen's compensation, unemployment insurance and other similar obligations (not constituting Indebtedness) arising in the ordinary course of the Company's or such Subsidiary's business; provided, that the aggregate stated amount of all such letters of credit outstanding at any time, together with all unreimbursed drawings thereunder at such time, shall not exceed $5,000,000; and

(f) additional Indebtedness of the Company in an aggregate principal amount up to but not exceeding $20,000,000 at any time outstanding;

provided, that (1) no Subsidiary of the Company shall create, incur, assume, issue, suffer to exist or Guarantee any Indebtedness, except for Indebtedness owed to the Company and (2) in no event may the Company or any Subsidiary sell, factor or otherwise make any Disposition of receivables, leases, notes or other accounts, with or without recourse.

8.06 Limitation on Liens. The Company will not, and will not permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Lien with respect to any of its assets, revenues or other properties, whether now owned or hereafter acquired, other than:

(i) Liens existing on the date of this Agreement and listed in Schedule 8.06 hereto;

(ii) easements, rights-of-way, minor defects or irregularities in title and other similar encumbrances on real property having no material effect on the use or value of such real property or on the conduct of the business of the Company or any of its Subsidiaries and not securing Indebtedness;

(iii) unexercised Liens for taxes not delinquent or being contested in good faith by appropriate proceedings and for which reserves adequate under GAAP are being maintained;

(iv) mechanics', suppliers', materialmen's and similar Liens arising in the ordinary course of business (and not securing Indebtedness) which are being contested by the Company or its applicable Subsidiary, as the case may be, in good faith by appropriate action and in connection with which adequate reserves are being maintained and so long as execution of such Liens has been stayed;

(v) deposits to secure workmen's compensation, unemployment insurance and other similar items to the extent required by applicable law and not securing Indebtedness;

(vi) (a) purchase money liens on any property acquired by the Company after the date hereof for use in the ordinary course of business of the Company solely to secure the purchase price of such property or to secure Indebtedness incurred solely for the purpose of financing the acquisition of such property, so long as (1) such Lien extends to no other assets, revenues or other properties and secures no other Indebtedness and (2) such Indebtedness is in a principal amount not in excess of the purchase price of the relevant property so acquired, and (b) Liens existing on property at the time of its acquisition by the Company or any Subsidiary of the Company and not created in anticipation of such acquisition; provided, that the aggregate principal amount of all Indebtedness secured as permitted by this clause (vi) shall not exceed $10,000,000 at any time outstanding; and

(vii) other Liens, in addition to the Liens permitted under clauses (i), (ii), (iii), (iv), (v) and (vi) of this Section 8.06, securing Indebtedness in an aggregate principal amount not exceeding $5,000,000 at any time outstanding.

It is understood that any Lien permitted under this Section 8.06 shall, if it secures Indebtedness, be permitted only to the extent that such Indebtedness is permitted to be incurred under Section 8.05 hereof.

8.07 Ranking. The Company will ensure that at all times its obligations under this Agreement and the Notes continue to rank at least pari passu in right of payment and security and in all other respects with all other Indebtedness and other obligations of the Company and each of the Partners, except that any Indebtedness of the Company, secured to the extent permitted by Section 8.06 hereof may, solely with respect to the collateral securing such Indebtedness, rank senior in right of security to the obligations of the Company under this Agreement and the Notes.

8.08 Business. The Company will not, and will not permit any of its Subsidiaries to, engage in any business other than that described in Section 7.16 hereof and the Company shall, and shall cause each of its Subsidiaries to, maintain in full force and effect the Master Bottling Agreement covering all territories in which the Company distributes Coca-Cola products.

8.09 Dispositions of Assets. The Company will not, and will not permit any of its Subsidiaries to, make any Disposition of any of its assets, revenues or other properties, whether in one or in a series of transactions, other than:

(a) sales of inventory in the ordinary course of business;

(b) sales for cash of obsolete, worn-out or surplus equipment, no longer used or useful in the Company's business, all in the ordinary course of the Company's business;

(c) sales of equipment to the extent that (1) such equipment is exchanged for credit against the purchase price of similar replacement equipment of at least equal usefulness to the Company or any Subsidiary, or (2) substantially simultaneously with such sale, the proceeds of such sale are applied to the purchase of replacement equipment of at least equal usefulness to the Company or any Subsidiary;

(d) the sale or other transfer of assets by the Company to any of its wholly-owned Subsidiaries or by a Subsidiary of the Company to another wholly-owned Subsidiary of the Company not in the ordinary course of business; provided, that prior to such sale or transfer the transferee Subsidiary shall have executed and delivered to the Agent and the Banks a guarantee, in form and substance satisfactory to the Agent and each of the Banks, pursuant to which such Subsidiary guarantees the payment when due of each of the obligations of the Company under this Agreement and the Notes, together with such corporate documents, authorizing resolutions, incumbency certificates, opinions of

counsel and other certificates and documents that the Agent or any Bank may reasonably request; and provided, further, that, after giving effect
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to such transfer, the consolidated total assets of all Subsidiaries of the Company shall not exceed 20% of the consolidated total assets of the Company and its consolidated Subsidiaries at such time;

(e) the sale, whether or not in the ordinary course of business, of other assets of the Company or any of its Subsidiaries having an aggregate fair market value, calculated for each asset at the time of sale of each thereof, of not more than $5,000,000 during the term in which this Agreement is in effect (from the date hereof until the date on which all Loans and other obligations hereunder and under the Notes have been paid in full) in each case so long as such sale is an arm's-length transaction for fair market value; and

(f) the sale for cash of assets of the Company or any of its Subsidiaries not otherwise permitted by the foregoing clauses (a) through (e) of this Section 8.09; provided that, simultaneously with such sale the
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Company shall prepay the Loans in an aggregate principal amount at least equal to the proceeds of such sale (net of reasonable .costs and taxes incurred by the Company or such Subsidiary in connection with such sale) in accordance with Section 3.03(b) hereof, together with interest accrued on the principal so prepaid and all other amounts in connection therewith.

Notwithstanding the foregoing, in no event may the Company or any of its Subsidiaries sell, factor or otherwise make any Disposition of receivables, leases, notes or other accounts, with or without recourse.

8.10 Transactions with Affiliates. The Company will not, and will
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not permit any of its Subsidiaries to, directly or indirectly, pay any funds to or for the account of, make any investment in or loan to, lease, sell, transfer or otherwise dispose of any assets, tangible or intangible, to, or participate in, or effect any other transaction with, any of its Affiliates, except on fair and reasonable terms that are no less favorable to the Company or such Subsidiary than those that would obtain in an arm's length transaction with a Person not an Affiliate of the Company.

8.11 Basic Documents. The Company will maintain in full force and
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effect, and comply in all material respects with, each of the Management Agreement, the Partnership Agreement, the Master Bottling Agreement and the Letter of the Authorization, and will not permit any such agreement to be amended, modified, supplemented, replaced, assigned or terminated in any way that could adversely affect the interests of the Agent or any Bank.

8.12 Restricted Payments. The Company shall not declare or make
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any Restricted Payment at any time when a Default has occurred and is continuing or would occur immediately after the declaration or making of such Restricted Payment, except for payments of management fees and expenses pursuant to Sections 5.01 and 5.02 of the Management Agreement incurred by Consolidated for value received in the ordinary course of managing the Company's business.

8.13 Limitation on Certain Clauses. The Company will not, and will not permit any of its Subsidiaries to, enter into any agreement with any Person (a) that prohibits or limits the ability of the Company or any of its Subsidiaries to create, incur, assume or suffer to exist any Lien in favor of the Agent or the Lenders, or (b) that prohibits or limits the ability of any of the Subsidiaries of the Company to declare or pay any Restricted Payments to the Company.

8.14 Environmental Matters. The Company will, and will cause each of its Subsidiaries to, and will use its best efforts to cause all Occupying Persons (in connection with such Occupying Persons' operations on property owned or leased by the Company or any of its Subsidiaries) to:

(a) comply, and ensure compliance of all properties owned, leased or operated by the Company or its Subsidiaries to comply, in all material respects with all Environmental Laws and Health Laws and Environmental Licenses now or hereafter applicable thereto;

(b) obtain, at or prior to the time required by applicable Environmental Laws and Health Laws, all Environmental Licenses for the operations of the Company and its Subsidiaries, and the construction, operations and maintenance of all facilities and other properties of the Company and its Subsidiaries, and maintain such Environmental Licenses in full force and effect;

(c) not generate, use, treat, recycle, store, Release or dispose of, or permit the generation, use, treatment, recycling, storage, Release or disposal of Hazardous Materials at any of the facilities or other properties of the Company or any of its Subsidiaries (whether owned or leased), or transport or permit the transportation of Hazardous Materials to or from such facilities or properties, other than in compliance with all applicable Environmental Laws and Health Laws;

(d) undertake any cleanup, removal, remedial or other action necessary to remove and clean up all Hazardous Materials Released at, on, in, under, adjoining or emanating from the any facilities or other properties (whether owned, leased or operated) of the Company or any of its Subsidiaries, in accordance with all applicable Environmental Laws and Health Laws; and

(e) provide the Banks (through the Agent) with written notice of (i) any fact, circumstance, condition, occurrence or release at, on, in, under, adjoining or emanating from any of the facilities or other properties (whether owned, leased or operated) of the Company or any of its Subsidiaries that results in non-compliance with any Environmental Law, Health Law or Environmental License or that has resulted or may result in personal injury or property damage or in any Lien on any asset, revenue or other property of the Company or any of its Subsidiaries or any Partner, such notice to be given promptly after the condition is discovered or such Release or occurrence takes place, and (ii) any pending or threatened Environmental Claim against the Company or any of its Subsidiaries or any Occupying Person (whether owned, leased or operated) of the

Company or of any of its Subsidiaries, such notice to be given promptly after the Company becomes aware that such Environmental Claim is commenced or threatened. All such notices shall describe in reasonable detail the nature of the claim, investigation, condition, incident, or occurrence and the Company's response thereto.

8.15 Furnish Information to S&P. The Company will from time to time furnish to S&P, as and when required by S&P, all information regarding the Company, its Subsidiaries, the Partners and Consolidated and their respective business, operations, properties, condition (financial or otherwise) or prospects necessary for the issuance and maintenance by S&P of a Corporate Credit Rating that applies to the Loans under this Agreement. The Company will maintain the Letter of Authorization in full force and effect, and will not amend, modify, waive or terminate the Letter of Authorization or any provision thereof. Immediately upon any request therefor by the Agent or any Bank, the Company will deliver to S&P written authorization and instructions to report the Corporate Credit Rating of the Company and any changes therein and any other information in connection therewith to the Agent.

8.16 No Change in Fiscal Year. The Company will not change its fiscal year from that which is in effect on the date hereof.

8.17 ERISA. The Company will not, and will not permit any of its Subsidiaries or any of the other ERISA Affiliates to, become party to or make contributions to any Multiemployer Plan.

8.18 Manager. The Company will at all times maintain Consolidated as the Manager of the Company.

Section 9. Events of Default. If one or more of the following events (herein called "Events of Default") shall occur and be continuing unremedied:

(a) The Company shall fail to pay any principal of the Loans or Notes when due; or the Company shall fail to pay any interest or any other amount payable by it under this Agreement or under the Notes and such failure shall not be fully remedied within five Business Days after the date when due; or

(b) The Company or any Partner or any Subsidiary of any thereof shall fail to pay when due any principal of or interest on any bond, debenture, note or other Indebtedness (other than under this Agreement) having an aggregate principal amount of $2,000,000 (or its equivalent in other currencies) or more and such failure shall continue unremedied after the expiry of any grace period under the agreement or instrument evidencing or relating to such Indebtedness; or any default specified in any bond, debenture, note, agreement, indenture or other document evidencing or relating to any such Indebtedness shall occur if the effect of such event is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, such Indebtedness to become due prior to its stated maturity; or any

Indebtedness of the Company or any of the Partners or any of their respective Subsidiaries is declared to be or otherwise becomes due prior to its stated maturity; or

(c) Any representation or warranty made or deemed made herein by the Company, or by any officer of the Company or the Manager or by any other Person in any certificate or other document furnished to the Agent or any Bank pursuant to any of the provisions hereof, shall have been inaccurate, incorrect, false, incomplete or misleading in any material respect as of the time made, deemed made or furnished; or

(d) The Company shall default in the performance of any of its obligations under Section 8.01(f), 8.01(g), 8.01(1), 8.02(a), 8.03, 8.04, 8.05, 8.06, 8.07, 8.09, 8.11 or 8.12, hereof; or the Company shall default in the performance of any of its other obligations in this Agreement and such default shall continue unremedied for a period of 30 days after the occurrence of such default; or

(e) The Company, any Partner, Consolidated, or any Subsidiary of any of the foregoing shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property, (ii) make a general assignment for the benefit of its creditors, (iii) commence a voluntary case under any relevant bankruptcy code or similar law (as now or hereafter in effect), (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or readjustment of debts, (v) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under any relevant bankruptcy code or similar law (as now or hereafter in effect), or (vi) admit in writing its inability to pay its debts generally as they become due, or (vii) take any corporate or partnership action for the purpose of effecting any of the foregoing; or

(f) A proceeding or case shall be commenced, without the application or consent of the Company, any Partner, Consolidated, or any Subsidiary of any of the foregoing in any court of competent jurisdiction, seeking (i) its liquidation, reorganization, dissolution or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of the Company, such Partner, Consolidated or such Subsidiary, as the case may be, or of all or any substantial part of its assets, or (iii) similar relief in respect of the Company, such Partner, Consolidated or such Subsidiary, as the case may be, under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 days; or an order for relief against the Company, any Partner, Consolidated or any Subsidiary of any of the foregoing shall be entered in an involuntary case under any relevant bankruptcy code or similar law (as now or hereafter in effect); or

(g) A final judgment or judgments for the payment of money in excess of $2,000,000 in the aggregate shall be rendered by a court or courts against the Company and/or any Subsidiary and/or any Partner, and the same shall not be appealed from and a stay of execution thereof pending appeal shall not be procured, within 30 days from the date of entry thereof; or

(h) Coca-Cola shall fail to directly own, both beneficially and of record and free and clear of all Liens, at least 20% of the Common Stock of Consolidated and such failure shall continue unremedied for a period of 90 days after the date on which such failure occurred; or

(i) Coca-Cola shall fail to own and control, both beneficially and of record and free and clear of all Liens, either directly or through one or more wholly-owned Subsidiaries, 100% of the Common Stock of Carolina; or Consolidated shall fail to own and control, both beneficially and of record and free and clear of all Liens, either directly or through one or more wholly-owned Subsidiaries, 100% of the Common Stock of Coca-Cola Ventures; or

(j) Carolina and Coca-Cola Ventures shall fail to directly own and control, both beneficially and of record and free and clear of all Liens, at least 40% and 50%, respectively, of the outstanding Voting Power of the Company and at least 40% and 50%, respectively, of the outstanding Equity Interests of the Company; or

(k) Consolidated shall, for any reason whatsoever, no longer be the Manager of the Company;

(1) the Company or any of its ERISA Affiliates shall fail to pay when due any amount or amounts which it shall have become liable to pay under ERISA or under the Internal Revenue Code as it relates to ERISA; or any notice of intent to terminate one or more Plans having unfunded accrued pension liabilities shall be filed under Title IV of ERISA by any member of the ERISA Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate, to impose liability (other than for premiums under Section 4007 of ERISA) in respect of, or to cause a trustee to be appointed to administer any Plan having unfunded accrued pension liabilities; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Plan must be terminated; in the case of any or all of the foregoing matters, if the aggregate amount of the payment(s) so due, or of the unfunded accrued pension liabilities so incurred, or of the liabilities imposed, or the current payment obligation so incurred, collectively shall exceed $2,000,000 in the aggregate; or

(m) any of the Partners, Consolidated, Coca-Cola or any of their respective Affiliates shall Guarantee, secure or otherwise provide for the payment of any other Indebtedness of the Company without equally and ratably Guaranteeing, securing or

otherwise providing for the payment of the obligations of the Company under this Agreement and the Notes; or

(n) any event shall occur that could result in the termination of the Company or the Partnership Agreement, or the Executive Committee shall take any action in anticipation of such termination (except for the Permitted Corporate Conversion); or

(o) the Company's Corporate Credit Rating by S&P shall be below BB+ or S&P shall have no Corporate Credit Rating for the Company that applies to the Loans under this Agreement; or

(p) there shall occur any amendment or modification of, supplement to, or waiver or termination of, any provision of the Partnership Agreement, the Management Agreement, the Master Bottling Agreement or the Letter of Authorization which, in each case, the Required Banks determine to have a material adverse effect on the interests of the Banks; or

(q) there shall occur any default by any of the Partners or by Consolidated or any of their respective Affiliates, as the case may be, under the Partnership Agreement, the Master Bottling Agreement or the Management Agreement, or any of those agreements or the Letter of Authorization shall not be in full force and effect;

THEREUPON: (1) in the case of an Event of Default other than one referred to in clause (e) or (f) of this Section 9, the Agent may, and upon instructions from the Required Banks shall, by written notice to the Company, cancel the Commitments and/or declare the principal amount then outstanding of and the accrued interest on the Loans and the Notes and all other amounts payable by the Company hereunder and under the Notes to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind (other than the notice expressly provided for above in this subclause (1)), all of which are hereby expressly waived by the Company; and (2) in the case of an Event of Default referred to in clause (e) or (f) of this Section 9, the Commitments shall be automatically canceled and the principal amount then outstanding of, and the accrued interest on, the Loans and the Notes and all other amounts payable by the Company hereunder and under the Notes shall become automatically immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Company.

Section 10. The Agent.

10.01 Appointment, Powers and Immunities. Each Bank hereby
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irrevocably appoints and authorizes the Agent to act as its agent hereunder with such powers as are specifically delegated to the Agent by the terms of this Agreement, together with such other powers as are reasonably incidental thereto. The Agent (which term as used in this sentence and in Section 10.05 and the first sentence of Section 10.06 hereof shall include reference to its affiliates and its own and its affiliates' officers, directors, employees and agents) and the Co-Agents: (a) shall

have no duties or responsibilities except those expressly set forth in this Agreement, and shall not by reason of this Agreement be a trustee or other fiduciary for any Bank; (b) shall not be responsible to the Banks for any recitals, statements, representations or warranties contained in this Agreement, or in any certificate or other document referred to or provided for in, or received by any of them under, this Agreement, or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement, any Note or any other document referred to or provided for herein or therein or for any failure by the Company or any other Person to perform any of its obligations hereunder or thereunder; (c) shall not be required to initiate or conduct any litigation or collection proceedings hereunder; and (d) shall not be responsible for any action taken or omitted to be taken by it hereunder or under any other document or instrument referred to or provided for herein or in connection herewith, except for its own gross negligence or willful misconduct. The Agent may employ agents and attorneys-in-fact and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith. The Agent may deem and treat the payee of any Note as the holder thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof shall have been filed with the Agent.

10.02 Reliance by Agent. The Agent shall be entitled to rely upon
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any certification, notice or other communication (including any thereof by telephone, telex, telegram, facsimile or cable) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the Agent. As to any matters not expressly provided for by this Agreement, the Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder in accordance with instructions signed by the Required Banks, and such instructions of the Required Banks and any action taken or failure to act pursuant thereto shall be binding on all of the Banks.

10.03 Defaults. The Agent shall not be deemed to have knowledge of
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the occurrence of a Default (other than the nonpayment of principal of or interest on the Loans) unless the Agent has received notice from a Bank or the Company specifying such Default and stating that such notice is a "Notice of Default". In the event that the Agent receives such a notice of the occurrence of a Default, the Agent shall give prompt notice thereof to the Banks (and shall give each Bank prompt notice of each such nonpayment). The Agent shall (subject to Section 10.07 hereof) take such action with respect to such Default as shall be directed by the Required Banks, provided that, unless and until the Agent shall have received such directions, the Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interest of the Banks.

10.04 Rights as a Bank. (a) With respect to the Commitment, Loans
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and Notes held by it, LTCB (and any, successor acting as Agent), in its capacity as a Bank hereunder, shall have the same rights and powers hereunder as any, other Bank and may exercise the same as though it (or its affiliates) were not acting as the Agent, and the term "Bank" or "Banks" shall, unless the context otherwise indicates, include the Agent in its individual capacity. LTCB (and any successor acting as Agent) and its affiliates may (without having to account therefor to any Bank) accept deposits from, lend money to and generally engage in any kind of banking, trust or

other business with the Company (and any of its affiliates) as if it (or its affiliate) were not acting as the Agent, and LTCB and its affiliates may accept fees and other consideration from the Company for services in connection with this Agreement or otherwise without having to account for the same to the Banks.

(b) With respect to the Commitment, Loans and Notes held by it, each of the Co-Agents, in its capacity as a Bank hereunder, shall have the same rights and powers hereunder as any, other Bank and may exercise the same as though it (or its affiliates) were not acting as a Co-Agent, and the term "Bank" or "Banks" shall, unless the context otherwise indicates, include each of the Co-Agents in its individual capacity. Each of the Co-Agents and its affiliates may (without having to account therefor to any Bank) accept deposits from, lend money to and generally engage in any kind of banking, trust or other business with the Company (and any of its affiliates) as if it (or its affiliate) were not acting as a Co-Agent hereunder, and each Co-Agent and its affiliates may accept fees and other consideration from the Company for services in connection with this Agreement or otherwise without having to account for the same to the Banks.

10.05 Indemnification. The Banks agree to indemnify the Agent and each of the Co-Agents (to the extent not reimbursed under Section 11.03 hereof, but without limiting the obligations of the Company under said Section 11.03), ratably in accordance with the aggregate principal amount of the Loans held by the Banks (or, if no Loans are at the time outstanding, ratably in accordance with their respective Commitments, or, if no Loans or Commitments are then outstanding, ratably in accordance with the principal amount of the Loans held by each of them immediately prior to the payment thereof in full), for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Agent or any Co-Agent in any way relating to or arising out of this Agreement or any other documents contemplated by or referred to herein or the transactions contemplated hereby (including, without limitation, the costs and expenses which the Company is obligated to pay under Section 11.03 hereof) or the enforcement of any of the terms hereof or of any such other documents, provided that no Bank shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

10.06 Non-Reliance on Agent, Co-Agents and other Banks. Each Bank agrees that it has, independently and without reliance on the Agent, any of the Co-Agents or any other Bank, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the Company and its Affiliates and decision to enter into this Agreement and that it will, independently and without reliance upon the Agent, any of the Co-Agents or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decisions in taking or not taking action under this Agreement. Neither the Agent nor any of the Co-Agents shall be required to keep itself informed as to the performance or observance by the Company of this Agreement or any other document referred to or provided for herein or to inspect the properties or books of the Company or any of its Affiliates. Except for notices, reports and other documents and information expressly required to be furnished to the Banks by the Agent hereunder, neither the Agent nor

any of the Co-Agents shall have any duty or responsibility to provide any Bank with any credit or other information concerning the affairs, financial condition or business of the Company or any of its Affiliates which may come into the possession of the Agent or any of the Co-Agents or any of their respective affiliates.

10.07 Failure to Act. Except for action expressly required of the Agent hereunder, the Agent shall in all cases be fully justified in failing or refusing to act hereunder unless it shall be indemnified to its satisfaction by the Banks against any and all liabilities and expenses which may be incurred by it by reason of taking or continuing to take any such action.

10.08 Resignation or Removal of Agent. Subject to the appointment and acceptance of a successor Agent as provided below, the Agent may resign at any time by giving notice thereof to the Banks and the Company and the Agent may be removed at any time with or without cause by the Required Banks. Upon any such resignation or removal, the Required Banks shall have the right, with the consent of the Company (which consent shall not be unreasonably withheld, but in any event shall not be required at any time when a Default has occurred and is continuing), to appoint a successor Agent. If no successor Agent shall have been so appointed by the Required Banks and shall have accepted such appointment within 30 days after the retiring Agent's giving of notice of resignation or the Required Banks' removal of the retiring Agent, then the retiring Agent may, on behalf of the Banks, appoint a successor Agent, which shall be a bank which has an office in New York, New York and which has a combined capital and surplus of at least $100,000,000. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder. After any retiring Agent's resignation or removal hereunder as Agent, the provisions of this Section 10 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Agent.

10.09 Agent's Office. The Agent acts initially through the New York office of LTCB Trust Company, but may hereafter change the office at which it performs its functions as Agent to any other office of itself or any of its affiliates (including, without limitation, to any office of LTCB) by giving prompt subsequent notice to the Company and the Banks.

10.10 Co-Agents. None of the Co-Agents, in their respective capacities as such, shall have any duties, liabilities or other obligations under this Agreement or any of the Notes.

Section 11 Miscellaneous.

11.01 Waiver. No failure on the part of the Agent or any Bank to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Agreement or the Notes shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Agreement or the Notes preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

11.02 Notices. All notices and other communications provided for herein (including, without limitation, any modifications of, or waivers or consents under, this Agreement or the Notes) shall be given or made by telex, telecopy, telegraph, cable or in writing and telexed, telecopied, telegraphed, cabled, mailed or delivered to the intended recipient at the "Address for Notices" specified below its name on the signature pages hereof; or, as to any party, at such other address as shall be designated by such party in a notice to the other parties. Exceptas otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted by telex or telecopier, delivered to the telegraph or cable office or personally delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid; provided that any such communication which is not received during normal business hours of the recipient shall be deemed to be duly given at the opening of business on its next business day. Except as otherwise provided in this Agreement, all notices and other communications by or to the Company shall be given by or to (as the case may be) the Manager on behalf of the Company.

11.03 Expenses. Whether or not any Loan is made hereunder, the Company agrees, promptly upon request by the Agent or any Bank therefor from time to time, to pay or reimburse the Agent and each Bank for paying:

(a) all reasonable out-of-pocket costs and expenses of the Agent (including, without limitation, the reasonable fees and expenses of Christy & Viener, special New York counsel to the Agent, and of all other outside counsels to the Agent and the Banks) in connection with the preparation, execution and delivery of this Agreement and the Notes and the making of the Loans hereunder and the consummation of the transactions contemplated hereby and thereby, and any costs or expenses of the Agent in connection with the syndication of this Agreement (whether before or after the date of the initial borrowing hereunder);

(b) all reasonable out-of-pocket costs and expenses of the Agent and each Bank in connection with (i) any amendment, modification or waiver of any of the terms of this Agreement or the Notes, or (ii) the enforcement of or exercise or preservation of any rights of the Agent or such Bank under this Agreement or the Notes (including, without limitation, the reasonable fees and expenses of all outside counsels to the Agent or such Bank and all court costs);

(c) all transfer, stamp, documentary or other similar taxes, assessments or charges levied by any governmental or revenue authority in any jurisdiction in respect of this Agreement or the Notes or any other document referred to herein; and

(d) all normal administrative costs and expenses of the Agent incident to the performance of its agency duties hereunder.

The Company hereby further agrees to indemnify the Agent and each Bank and its respective directors, officers, employees, counsels and agents from, and hold each of them harmless

against, any and all losses, liabilities, claims, damages or expenses incurred by any of them arising out of or by reason of any investigation or litigation or other proceedings (including any threatened investigation or litigation or other proceedings) relating to any actual or proposed use by the Company or any of its Affiliates of the proceeds of the Loans or any Environmental Claim or any claim arising out of (i) any violation or alleged violation of any Environmental Law, Health Law or Environmental License, (ii) the presence, handling, use, transportation or disposal, or allegation thereof, of Hazardous Materials, (iii) the imposition of Environmental Liabilities on the Company or any of its Subsidiaries, in each case including, without limitation, the reasonable fees and expenses of counsel incurred in connection with any such investigation or litigation or other proceedings (but excluding any such losses, liabilities, claims, damages or expenses incurred solely by reason of the gross negligence or willful misconduct of the Person to be indemnified).

11.04 Amendments. Any provision of this Agreement may be modified, amended or waived, but only in writing signed by the Company and the Required Banks; provided, that any modification, amendment or waiver that would (a) extend the date fixed for the payment of principal of or interest on any of the Loans or any other amounts payable hereunder or under the Notes, (b) reduce any payment of principal of or interest on any of the Loans or any other amounts payable hereunder or under the Notes, (c) reduce the rate at which interest is payable hereunder or under the Notes, (d) increase the amount of any Bank's Commitment, or (e) change this Section 11.04 or the definition of "Required Banks" in Section 1.01 hereof or otherwise change the number of parties hereto whose approval or consent is necessary for any modification, amendment or waiver of any of the terms of, or any other action under, this Agreement or the Notes, shall be in writing signed by the Company, the Agent and all of the Banks. The Agent or any Bank may grant or withhold its consent to any requested modification, amendment or waiver at its sole discretion, and provided, further, that any modification, amendment or waiver that would affect the rights, duties or liabilities of the Agent shall require the prior written consent of the Agent.

11.05 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.06 Assignments and Participations.

(a) The Company may not assign its rights or obligations hereunder or under the Notes without the prior written consent of the Agent and all of the Banks.

(b) Any Bank may assign to any bank or other financial institution all or any portion of its Commitment, Loans or Notes with the prior written consent of the Company and the Agent (which consent in either case shall not be unreasonably withheld or delayed), except that no such consent shall be required for an assignment to another Bank or to an affiliate of any Bank or to any Federal Reserve Bank; provided, that any assignment of less than the full Commitment, Loans or Notes held by a Bank shall be in an aggregate principal amount of not less than $10,000,000, except that no such requirement shall apply to an assignment to another Bank or to an affiliate of any Bank or to any Federal Reserve Bank. Any such assignment shall

be effected pursuant to an Assignment and Assumption Agreement in substantially the form of Exhibit C hereto (each an "Assignment and Assumption Agreement").

Prior and as a condition precedent to the effectiveness of any such assignment (including, without limitation, an assignment by a Bank to its own affiliate, but excluding an assignment to another Bank or to any Federal Reserve Bank), the Agent shall have received for its own account a non-refundable recordation fee of $3,000. Each assignee shall have, to the extent of such assignment (unless otherwise provided in such assignment), the obligations, rights and benefits of a "Bank" hereunder holding the Commitment and Loans (or portions thereof) assigned to it.

By entering into an Assignment and Assumption Agreement, the assignor shall be deemed to have represented and warranted to the assignee thereunder that: (1) such assignor has full power and authority, and has taken all action necessary, to execute and deliver such Assignment and Assumption Agreement and any other documents contemplated thereby, to fulfill its obligations thereunder and to fully consummate the transactions contemplated thereby, and that no governmental or other consents are necessary in connection with the foregoing, (2) such Assignment and Assumption Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms and that it is not in breach of any of its obligations under this Agreement, (3) such assignor owns, and is assigning, the Loans that are the subject of such Assignment and Assumption Agreement free and clear or all adverse claims. Such assignor shall not be deemed to have made any other representation or warranty with respect to any statements, warranties or representations made in or in connection with this Agreement, the Notes or any other documents contemplated hereby or the due execution, legality, validity, enforceability, genuineness, sufficiency or value of any thereof and shall not be deemed to have made any representation or warranty as to the financial condition of the Company or any of its Subsidiaries or any of the Partners or Consolidated or the performance or observance by the Company or any of the Partners or Consolidated of any of their respective obligations under this Agreement, the Notes or any other document.

By entering into such Assignment and Assumption Agreement the assignee shall be deemed to have represented, warranted, acknowledged and affirmed to the assignor thereunder that: (i) it has full power and authority, and has taken all action necessary, to execute and deliver such Assignment and Assumption Agreement and any other documents contemplated thereby, to fulfill its obligations thereunder and to consummate the transactions contemplated thereby, and that no governmental or other consents are necessary in connection with the foregoing, (ii) that such Assignment and Assumption Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms, (iii) it has received copies of this Agreement, the Note held by the assignor, the financial statements most recently delivered by the Company pursuant to this Agreement and such other documents and information as it has deemed appropriate to make its own credit analysis and decision with respect to its participation in the transactions contemplated hereby, (iv) it will continue to make its own credit and other decisions with respect to taking or not taking any action under this Agreement independent of and without reliance upon the Agent, the Co-Agents, such assignor or

any other Bank and based on such documents and information as it shall deem appropriate at the time.

(c) Any Bank may sell to one or more other banks or financial institutions a participation in all or any part of its Commitment, Loans and Notes. Such Bank shall remain responsible for its performance under this Agreement, shall remain the holder of its Note for all purposes under this Agreement, and the Agent and the Company shall continue to deal solely and directly with such Bank, in connection with such Bank's rights and obligations under this Agreement. Such Bank shall be entitled to collect on behalf of its participant and pass through to such participant payment of all costs, expenses, indemnities and other amounts provided by Sections 5.01, 5.04, 5.05 and 11.03 hereof calculated as if such participant were a "Bank" hereunder and a direct lender to the Company, provided that no participant shall be entitled to receive
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any greater payment pursuant to Section 5.01 or 5.05 hereof than the Bank selling such participant's participation would have been entitled to receive with respect to the rights subject to the relevant participation. The participant also shall have all rights under Section 8.01 hereof as if such participant were a "Bank" holding a "Loan" to the Company. The participant's rights against the Bank selling such participant's participation in respect of such participation shall be those set forth in the agreement (the "Participation
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Agreement") executed by such Bank in favor of such participant. In no event
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shall a Bank grant a participation that conveys to the participant the right to vote under this Agreement, except that a Bank may agree in the Participation Agreement that it will not, without the consent of the participant, agree to (i) the extension of any date fixed for the payment of principal of or interest on the Loans or under the Notes held by such Bank, (ii) the reduction of any payment of principal of the Loans or the Notes held by such Bank, or (iii) the reduction of the rate at which interest is payable thereon to a level below the rate at which the participant is entitled to receive interest or fee (as the case may be) in respect of such participation.

(d) Any Bank may furnish any information concerning the Company or any of its Subsidiaries or Partners or Consolidated, or any of their respective Affiliates, in the possession of such Bank from time to time to assignees and participants (including prospective assignees and participants).

(e) In addition to the assignments and participations permitted under the foregoing provisions of this Section 11.06, any Bank may assign or pledge all or any portion of its Loans and its Notes to any Federal Reserve Bank, as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System or any operating circular issued by such Federal Reserve Bank or otherwise.

11.07 Survival. Without limiting the survival of any other
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provisions of this Agreement or the Notes, the obligations of the Company under Sections 5.01, 5.04, 5.05 and 11.03 hereof and of the Banks under Section 10.05 hereof shall survive the repayment of the Loans and the termination of the Commitments.

11.08 Captions. Captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

11.09 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

11.10 Governing Law. THIS AGREEMENT AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

11.11 JURISDICTION AND SERVICE OF PROCESS. (A) ANY SUIT, ACTION OR PROCEEDING AGAINST THE COMPANY WITH RESPECT TO THIS AGREEMENT, THE LOANS OR THE NOTES OR ANY JUDGMENT ENTERED BY ANY COURT IN RESPECT THEREOF MAY BE BROUGHT IN THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NEW YORK, IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, OR IN ANY STATE OR FEDERAL COURT SITTING IN THE STATE OF NORTH CAROLINA OR IN THE STATE OF SOUTH CAROLINA (COLLECTIVELY, THE "SUBJECT COURTS"), AS THE AGENT OR ANY BANK MAY ELECT IN ITS SOLE DISCRETION AND

THE COMPANY HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF EACH OF THE SUBJECT COURTS FOR THE PURPOSE OF ANY SUCH SUIT, ACTION, PROCEEDING OR JUDGMENT. THE COMPANY HEREBY AGREES THAT SERVICE OF ALL WRITS, PROCESS AND SUMMONSES IN ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN THE STATE OF NEW YORK MAY BE MADE UPON CT CORPORATION SYSTEM (THE "NEW YORK PROCESS AGENT"), CURRENTLY LOCATED AT 1633 BROADWAY, NEW YORK, NEW YORK 10019. THE COMPANY HEREBY IRREVOCABLY APPOINTS THE NEW YORK PROCESS AGENT AS ITS AGENT TO ACCEPT SERVICE OF ANY AND ALL SUCH WRITS, PROCESS AND SUMMONSES, AND AGREES THAT THE FAILURE OF SUCH PROCESS AGENT TO GIVE NOTICE OF ANY SUCH SERVICE TO THE COMPANY SHALL NOT IMPAIR OR AFFECT THE VALIDITY OF SUCH SERVICE OR OF ANY JUDGMENT BASED THEREON. THE COMPANY HEREBY FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS IN ANY SUIT, ACTION OR PROCEEDING IN ANY OF THE SUBJECT COURTS BY THE MAILING THEREOF BY THE AGENT OR ANY BANK BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE COMPANY ADDRESSED AS PROVIDED IN SECTION 11.02 HEREOF. NOTHING HEREIN SHALL IN ANY WAY BE DEEMED TO LIMIT THE ABILITY OF THE AGENT OR ANY BANK TO SERVE ANY WRITS, PROCESS

OR SUMMONSES IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW OR TO BRING PROCEEDINGS AGAINST THE COMPANY IN ANY COMPETENT COURT OF ANY OTHER JURISDICTION OR JURISDICTIONS, AND IN SUCH MANNER, AS MAY BE PERMITTED BY APPLICABLE LAW.

(B) THE COMPANY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY NOW OR HEREAFTER HAVE TO TRIAL BY JURY IN, AND ANY OBJECTION WHICH IT NOW OR HEREAFTER MAY HAVE TO THE LAYING OF VENUE OF, ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF THIS AGREEMENT OR ANY NOTE BROUGHT IN ANY OF THE SUBJECT COURTS, AND HEREBY FURTHER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY OF THE SUBJECT COURTS HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

11.12 Severability. Any provision of this Agreement or the Notes that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

11.13 Waiver of Stay or Extension Law. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Agreement or the Notes; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Agent or any Bank,

but will suffer and permit the execution of every such power as though no such law had been enacted.

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

PIEDMONT COCA-COLA BOTTLING PARTNERSHIP, a Delaware general partnership,

By: COCA-COLA BOTTLING CO. CONSOLIDATED, a Delaware corporation, being the Manager of the Company, duly authorized for these purposes by each of the general partners of the Company

By /s/ BRENDA B. JACKSON

Title: VP & TREASURER

Address for Notices:

c/o Coca-Cola Bottling Co. Consolidated
1900 Rexford Road
Charlotte, NC 28231-1487
Attention: Brenda Jackson, Vice President and Treasurer
Telephone No.: (704) 551-4565
Telecopier No.: (704) 551-4451

with a copy to:

Witt, Gaither & Whitaker
1100 American National Bank Building
Chattanooga, Tennessee 37402-2606
Attention: Geoffrey G. Young, Esq.
Telephone No.: (423) 265-8881
Telecopier No.: (423) 266-4138

LTCB TRUST COMPANY, as Agent

By /s/ John A. Krob

Title: SVP

Address for Notices:

165 Broadway
New York, New York 10006
Telex No.: 425722 LTCB UI
Telecopier No.: (212) 608-3081
Telephone No.: (212) 355-4854
Attention: Winston Brown

with a copy to:

The Long-Term Credit Bank of Japan, Ltd.
245 Peachtree Center Avenue, N.E.
Suite 2801
Atlanta, Georgia 30303
Telecopier No.: (404) 658-9751
Telephone No.: (404) 659-7210
Attention: Ms. Rebecca Silbert

CREDIT LYONNAIS ATLANTA AGENCY,
as Co-Agent

By /s/ DAVID M. CAWRSE

David M. Cawrse
Title: Vice President

DEUTSCHE BANK AG, NEW YORK BRANCH,
as Co-Agent

By /s/ Stephan A. Weidemann

Stephan A. Weidemann
Title: Vice President

By /s/ Thomas A. Foley

Thomas A. Foley
Title: Assistant Vice President

DG BANK DEUTSCHE
GENOSSENSCHAFTSBANK, CAYMAN
ISLANDS BRANCH, as Co-Agent

By /s/ William J.Bartlett

Title: AVP

By /s/ Bobby Ryan Oliver

Title: AVP

THE INDUSTRIAL BANK OF JAPAN,
LIMITED, ATLANTA AGENCY, as Co-Agent

By /s/ Shusai Nagai

Shusai Nagai
General Manager

$ 25,000,000

LTCB TRUST COMPANY, as lender

By /s/ John A. Krob

Title: Senior Vice President

Lending Office (LIBOR):

165 Broadway
New York, New York 10006

Lending Office (Base Rate):

165 Broadway
New York, New York 10006

Address for Notices:

165 Broadway
New York, New York 10006
Telex No.: 425722 LTCB UI
Telecopier No.: (212) 608-3081
Telephone No.: (212) 335-4854
Attention: Winston Brown

with a copy to:

The Long-Term Credit Bank of Japan, Ltd.
245 Peachtree Center Avenue, N.E.
Suite 2801
Atlanta, Georgia 30303
Telecopier No.: (404) 658-9751
Telephone No.: (404) 659-7210
Attention: Ms. Rebecca Silbert

$ 17,000,000

THE INDUSTRIAL BANK OF JAPAN,
LIMITED, ATLANTA AGENCY, as lender

By /s/ Shusai Nagai

Shusai Nagai
Title: General Manager

Lending Office (LIBOR):

One Ninety One Peachtree Tower
- Suite 3600
191 Peachtree Street, N.E.
Atlanta, Georgia 30303-1757

Lending Office (Base Rate):

One Ninety One Peachtree Tower
- Suite 3600
191 Peachtree Street, N.E.
Atlanta, Georgia 30303-1757

Address for Notices:

One Ninety One Peachtree Tower
- Suite 3600
191 Peachtree Street, N.E.
Atlanta, Georgia 30303-1757

For Credit Matters:

Telecopier No.: (404) 420-3325
Telephone No.: (404) 524-8509
Attention: Jackie Brunetto

For Operations Matter:

Telecopier No.: (404) 420-3307
Telephone No.: (404) 577-6818
Attention: Tracy Tull

$ 17,000,000

DEUTSCHE BANK AG, NEW YORK
BRANCH AND/OR CAYMAN ISLANDS BRANCH

By /s/ STEPHAN A. WIEDEMANN

Stephan A. Wiedemann
Title: Vice President

By /s/ THOMAS A. FOLEY

Thomas A. Foley
Title: Assistant Vice President

Lending Office (LIBOR):

Cayman Islands Branch
c/o Deutsche Bank AG
New York Branch
31 West 52nd Street
New York, New York 10019

Lending Office (Base Rate):

New York Branch
31 West 52nd Street
New York, New York 10019

Address for Notices:

31 West 52nd Street
New York, New York 10019
Attention: FCP

Telecopier No.: (212) 474-8212
Telephone No.: (212) 474-8663
Attention: Stephan Wiedemann

$ 17,000,000

DG BANK DEUTSCHE
GENOSSENSCHAFTSBANK, CAYMAN
ISLANDS BRANCH, as lender

By /s/ WILLIAM J. BARTLETT

Title: Assistant Vice President

By /s/ Bobby Ryan Oliver

Title: Assistant Vice President

Lending Office (LIBOR):

609 Fifth Avenue
New York, New York 10017

Lending Office (Base Rate):

609 Fifth Avenue
New York, New York 10017

Address for Notices:

For Credit Matters:
---

1 Peachtree Center, Suite 2900
303 Peachtree Street, N.E.
Atlanta, Georgia 30308
Telecopier No.: (404) 524-4006
Telephone No.: (404) 524-3966
Attention: William Bartlett

For Operations Matters:
---

609 Fifth Avenue
New York, New York 10017
Telecopier No.: (212) 745-1556/1550
Telephone No.: (212) 745-1564
Attention: Trevor Brooks

$ 17,000,000

CREDIT LYONNAIS ATLANTA AGENCY,
as lender

By /s/ DAVID M. CAWRSE

David M. Cawrse
Title: Vice President

Lending Office (LIBOR):

303 Peachtree Street, N.E.
Suite 4400
Atlanta, Georgia 30308

Lending Office (Base Rate):

303 Peachtree Street, N.E.
Suite 4400
Atlanta, Georgia 30308

Address for Notices:

303 Peachtree Street, N.E.
Suite 4400
Atlanta, Georgia 30308

For Credit Matters:

Telecopier No. (404) 584-5249
Telephone No. (404) 524-3700
Attention: Mr. David J. Edge

For Operations Matters:

Telecopier No.: (404) 584-5249
Telephone No.: (404) 524-3700
Attention: Ms. Lisa Dawson

$ 12,500,000

THE SAKURA BANK, LIMITED, ATLANTA AGENCY, as lender

By /s/ Hiroyasu Imanishi

Title: V.P. and Senior Manager

Lending Office (LIBOR):

245 Peachtree Center Avenue, N.E.
Suite 2703
Atlanta, Georgia 30303

Lending Office (Base Rate):

245 Peachtree Center Avenue, N.E.
Suite 2703
Atlanta, Georgia 30303

Address for Notices:
---

245 Peachtree Center Avenue, N.E.
Suite 2703
Atlanta, Georgia 30303

For Credit Matters:

Telecopier No.: (404) 521-1133
Telephone No.: (404) 521-3111
Attention: Hutch Corbett

For Operations Matters:

Telecopier No.: (404) 521-1133
Telephone No.: (404) 521-3111
Attention: Christy Joel

$ 12,500,000

THE TOKAI BANK, LIMITED, ATLANTA AGENCY, as lender

By

Title: Deputy General Manage & SVP

Lending Office (LIBOR):

285 Peachtree Center Avenue, N.E.
Marquis II Tower, Suite 2802
Atlanta, Georgia 30303

Lending Office (Base Rate):

285 Peachtree Center Avenue, N.E. .
Marquis II Tower, Suite 2802
Atlanta, Georgia 30303

Address for Notices:
---

285 Peachtree Center Avenue, N.E.
Marquis II Tower, Suite 2802
Atlanta, Georgia 30303

For Credit Matters:

Telecopier No.: (404) 653-0737
Telephone No.. (404) 880-4602
Attention: Ted Steinkamp, Jr.

For Operations Matters:

Telecopier No.: (404) 653-0737
Telephone No.: (404) 880-4623
Attention: Lisa Masisak, U.S. Corporate Loans Administrator

$ 12,000,000

CREDIT SUISSE, as lender

By /s/ JAN KOFOL

Jan Kofol
Title: Member of Senior Management

/s/ KRISTINN R. KRISTINSSON

Kristinn R. Kristinsson
Associate

Lending Office (LIBOR):

12 East 49th Street
New York, New York 10017

Lending Office (Base Rate):

12 East 49th Street
New York, New York 10017

Address for Notices:

For Credit Matters:
---
191 Peachtree Street, N.E.
Suite 3500
Atlanta, Georgia 30303-1757
Telecopier No.: (404) 577-9029
Telephone No.: (404) 577-6100
Attention: R.N. Finney

For Operations Matters:
---
12 East 49th Street
New York, New York 10017
Telecopier No.: (212) 238-5246
Telephone No.: (212) 238-5218
Attention: Hazel Leslie

with a copy to:
---

191 Peachtree Street, N.E.
Suite 3500
Atlanta, Georgia 30303-1757
Telecopier No.: (404) 577-9029
Telephone No.: (404) 577-6100
Attention:. Pamela Meyers

$ 11,500,000

THE FUJI BANK LIMITED, ATLANTA AGENCY, as lender

By /s/ T. MITSUI

Toshiro Mitsui
Title: Vice President and Manager

Lending Office (LIBOR):

Marquis One Tower, Suite, 2100
245 Peachtree Center Avenue, N.E.
Atlanta, Georgia 30303

Lending Office (Base Rate):

Marquis One Tower, Suite 2100
245 Peachtree Center Avenue, N.E.
Atlanta, Georgia 30303

Address for Notices:

Marquis One Tower, Suite 2100
245 Peachtree Center Avenue, N.E.
Atlanta, Georgia 30303

For Credit Matters:

Telecopier No.: (404) 653-2119
Telephone No.: (404) 215-3314
Attention: David Hart

For Operations Matters:

Telecopier No.: (404) 653-2119
Telephone No: (404) 215-3304
Attention: Connie Fowls

$ 11,500,000

SOCIETE GENERALE, as lender

By /s/ Ralf Saheb

Title: Vice President

Lending Office (LIBOR):

2001 Ross Avenue, Suite 4800
Dallas, Texas 75201

Lending Office (Base Rate):

2001 Ross Avenue, Suite 4800
Dallas, Texas 75201

Address for Notices:

For Credit Matters:
---

303 Peachtree Street, N.E.
Suite 3840
Atlanta, Georgia 30308
Telecopier No.: (404) 865-7419
Telephone No.: (404) 865-7414
Attention: Jerome Jacques

For Operations Matters:

2001 Ross Avenue
Suite 4800
Dallas, Texas 75201
Telecopier No.: (214) 754-2171
Telephone No.: (214) 979-2758
Attention: Meredith Carlisle

$ 11,500,000

WACHOVIA BANK OF NORTH CAROLINA,
N.A., as lender

By /s/ CHRISTOPHER L. FINCHER

Christopher L. Fincher
Title: Vice President

Lending Office (LIBOR):

400 South Tryon Street
Charlotte, North Carolina 28202

Lending Office (Base Rate):

400 South Tryon Street
Charlotte, North Carolina 28202

Address for Notices:

400 South Tryon Street
Charlotte, North Carolina 28202

For Credit Matters:

Telecopier No.: (704) 378-5035
Telephone No.: (704) 378-5702
Attention: Christopher L. Fincher

For Operations Matters:

Telecopier No.: (704) 378-5035
Telephone No.: (704) 378-5204
Attention: Sue Crawford

$ 11,500,000

KREDIETBANK N.V., GRAND CAYMAN BRANCH,
as lender

By /s/ ROBERT SNAUFFER

Robert Snauffer
Title: Vice President

By /s/ TOD R. ANGUS

Tod R. Angus
Title: Vice President

Lending Office (LIBOR):

Grand Cayman Branch
c/o New York Branch
125 West 55thh Street
New York, New York 10019

Lending Office (Base Rate):

Grand Cayman Branch
c/o New York Branch
125 West 55th Street
New York, New York 10019

Address for Notices:

For Credit Matters:

Atlanta Representative Office
1349 West Peachtree Street, Suite 1750
Atlanta, Georgia 30309
Telecopier No.: (404) 876-3212
Telephone No.: (404) 876-2556
Attention: Kojo J. Asakura

For Operations. Matters:

Grand Cayman Branch
c/o New York Branch
125 West 55th Street
New York, New York 10019
Telecopier No.: (212) 956-5580
Telephone No.: (212) 541-0657/0658
Attention: Lynda Resuma/Mayra Ramirez
Loan Administration

$ 11,500,000

THE DAI-ICHI KANGYO BANK, LIMITED,
ATLANTA AGENCY, as lender

By /s/ Toshiaki Kurihara

Title: Joint General Manager

Lending Office (LIBOR):

Atlanta Agency
Marquis Two Tower, Suite 2400
285 Peachtree Center Avenue, N.E.
Atlanta, Georgia 30303

Lending Office (Base Rate):

Atlanta Agency
Marquis Two Tower, Suite 2400
285 Peachtree Center Avenue, N.E.
Atlanta, Georgia 30303

Address for Notices:

Atlanta Agency
Marquis Two Tower, Suite 2400
285 Peachtree Center Avenue, N.E.
Atlanta, Georgia 30303
Telecopier No.. (404) 581-9657
Telephone No.: (404) 581-0200
Attention: Patrick J. Tracy,
First Vice President

Second Contact:

Telecopier No.: (404) 222-9556
Telephone No.: (404) 581-0200
Attention: Dina Roach

$ 7,500,000

COMMERZBANK AG, ATLANTA AGENCY,
as lender

By /s/ ANDREAS K. BREMER

Andreas K. Bremer
Title: Senior Vice President
and Manager

/s/ ERIC R. KAGERER

Eric R. Kagerer
Assistant Vice President

Lending Office (LIBOR):

Promenade Two, Suite 3500
1230 Peachtree Street, N.E.
Atlanta, Georgia 30309

Lending Office (Base Rate):

Promenade Two, Suite 3500
1230 Peachtree Street, N.E.
Atlanta, Georgia 30309

Address for Notices:

For Credit Matters:

Promenade Two, Suite 3500
1230 Peachtree Street, N.E.
Atlanta, Georgia 30309
Telecopier No.: (404) 888-6539
Telephone No.: (404) 888-6517
Attention: Eric Kagere, Corporate Banking

For Operations Matters:

Commerzbank AG New York Branch
2 World Financial Center
New York, New York 10281
Telecopier No.: (212) 266-7593
Telephone No.: (212) 266-7345
Attention: Gabriela Schmidtchen

Exhibit 10.41

FIRST AMENDMENT

THIS FIRST AMENDMENT (this "Amendment") is made as of February 24, 2000, by and among PIEDMONT COCA-COLA BOTTLING PARTNERSHIP, a Delaware general partnership (the "Borrower"), the lending institutions signatory hereto (the "Lenders"), and GENERAL ELECTRIC CAPITAL CORPORATION, as agent (the "Agent", or in its capacity as a Lender, "GECC"). Capitalized terms not otherwise defined herein shall be ascribed the meanings set forth in the Loan Agreement (defined hereafter).

WHEREAS, Borrower has heretofore entered into that certain Loan Agreement, dated as of May 28, 1996, with the Lenders and LTCB Trust Company ("LTCB"), as agent (the "Loan Agreement"), pursuant to which the Lenders have agreed to make term loans in the amount of $195,000,000 (the "Loan") to the Borrower; and

WHEREAS, effective October 6, 1999, LTCB has assigned all of its interests as a Lender under the Loan Agreement to GECC and LTCB has resigned its position as agent under the Loan Agreement; and

WHEREAS, effective October 6, 1999, the Agent has been appointed by the Required Banks to serve as agent under the Loan Agreement in replacement of LTCB; and

WHEREAS, in light of the change in agent under the Loan Agreement from LTCB to Agent, the Borrower has requested that the Agent and the Lenders agree to amend certain definitions contained in the Loan Agreement and make certain other modifications to the Loan Agreement and the other Loan Documents as more particularly set forth below; and

WHEREAS, the Agent and the Lenders signing this Amendment are willing to amend such definitions and make certain other modifications to the Loan Agreement all upon the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment of Definitions. Subject to the terms and conditions of this Amendment, the Loan Agreement and the other Loan Documents are hereby amended as follows:

(a) The definition of "LIBOR" in Section 1.01 of the Loan Agreement is hereby deleted in its entirety and the following is inserted in lieu thereof:

> "'LIBOR' shall mean, for any Interest Period, the rate per annum, as determined by the Agent (rounded upwards, if necessary, to the nearest 1/16 of 1%) to be the rate for deposits in Dollars for the applicable Interest Period which appears on the Telerate Page 3750 at approximately 11:00 a.m. London time, two Business Days prior to the first day of such Interest Period having a term comparable to such

Interest Period and in an amount comparable to the principal amount of the Loan scheduled to be outstanding for such Interest Period. If, for any reason, such rate is not available, then 'LIBOR' shall mean the rate per annum at which, in the opinion of the Agent, Dollars in an amount comparable to the principal amount of the Loan scheduled to be outstanding are being offered to leading banks for settlement in the London interbank market at approximately 11:00 a.m. London time, two Business Days prior to the first day of such Interest Period having a term comparable to such Interest Period."

(b) The definition of "Prime Rate" in Section 1.01 of the Loan Agreement is hereby deleted in its entirety and the following is inserted in lieu thereof

"'Prime Rate' shall mean the rate of interest from day to day announced by the Agent as the higher on that day of (i) the rate publicly quoted from time to time by The Wall Street Journal in the Money Rates section as the 'prime rate' (or, if The Wall Street Journal ceases quoting a prime rate, the highest per annum rate of interest published by the Federal Reserve Board in Federal Reserve statistical release H.15 (519) entitled 'Selected Interest Rates' as the bank prime loan rate or its equivalent), and (ii) the weighted average of the interest rates on overnight federal funds transactions among members of the Federal Reserve System plus fifty (50) basis points per annum. Each change in any interest rate provided for herein or in the Notes based upon the Prime Rate resulting from a change in the Prime Rate shall take effect at the time of such change in the Prime Rate."

(c) The definition of "Reference Banks" in Section 1.01 is hereby deleted in its entirety. Any reference to the term "Reference Banks" elsewhere in the Loan Documents shall be deemed to be a reference to Agent.

(d) Any reference in any of the Loan Documents to LTCB shall be deemed to be a reference to GECC.

2. Change of Notice Address; Lending Offices. The notice address for each of Agent and GECC shall be as follows:

Address: 3379 Peachtree Road, Northeast

Suite 600

Atlanta, Georgia 30326

Telex No.:

Telecopier No.: (404) 262-9034

Telephone No.: (404) 814-3100

Attention: Ms. Elaine Moore, Senior Vice President

The Lending Office (LIBOR) of GECC shall be as follows:

Address: 3379 Peachtree Road, Northeast

Suite 600

Atlanta, Georgia 30326

The Lending Office (Base Rate) of GECC shall be as follows:

Address: 3379 Peachtree Road, Northeast

Suite 600

Atlanta, Georgia 30326

3. Representations and Warranties. The Borrower hereby represents and warrants to the Agent and the Lenders that (a) this Amendment has been duly authorized, executed and delivered by the Borrower, (b) no Default or Event of Default has occurred and is continuing as of this date, and (c) all of the representations and warranties made by the Borrower Sections 7.01 through 7.03, 7.07 through 7.14, 7.16, 7.19 through 7.21, and 7.24 through 7.25 of the Loan Documents are true and correct in all material respects on and as of the date of this Amendment (except to the extent that any such representations or warranties expressly referred to a specific prior date). Any breach by the Borrower of any of the representations and warranties contained in this Section shall be an Event of Default for all purposes under the Loan Agreement and the other Loan Documents.

4. Conditions Precedent. The effectiveness of the amendments in Section 1 of this Amendment shall be conditioned upon receipt by the Agent of the following (or upon the written waiver thereof approved and executed by the Agent and the Required Banks, in their respective discretion):

(a) The Agent shall have received a certificate of an appropriate officer of the Borrower, in form and substance satisfactory to the Agent, with respect to (i) the organizational documents of the Borrower, (ii) the resolutions authorizing the execution, delivery and performance of this Amendment and all documents executed and delivered to the Agent in connection therewith and (iii) the incumbency of officers of such Credit Party authorized to execute and deliver this Amendment.

(b) The Agent shall have received evidence satisfactory to it of the Borrower's existence and good standing in its jurisdiction of formation.

(c) The Agent shall have received an opinion of counsel to the Borrower regarding (i) the due authorization and execution of the this Amendment, (ii) the enforceability of this Amendment and (iii) such other matters as may be requested by the Agent or the Required Banks, all in form and substance satisfactory to the Agent and the Required Banks.

(d) The Agent shall have received such other documents, certificates and instruments as the Agent may reasonably request.

(e) The Agent shall have received all fees and expenses incurred by the Agent in connection with the negotiation, preparation and execution of this Amendment including, without limitation, the legal fees and other out of pocket expenses of the Agent.

5. Ratification. The Borrower hereby ratifies and reaffirms each and every term, covenant and condition set forth in the Loan Agreement and all other documents delivered by the Borrower in connection therewith (including without limitation the other Loan Documents to which the Borrower is a party), effective as of the date hereof.

6. Estoppel. To induce the Agent and the Lenders to enter into this Amendment, the Borrower hereby acknowledges and agrees that, as of the date hereof, there exists no right of offset, defense or counterclaim in favor of the Borrower as against the Agent or any Lender with respect to the obligations of the Borrower to the Agent or any Lender under the Loan Agreement or the other Loan Documents, either with or without giving effect to this Amendment. The Borrower hereby confirms its obligation to repay the entire outstanding principal balance of the Loan, together with all interest accrued thereon, and any other charges and fees now due or hereafter becoming due to Agent or any Lender, all in accordance with the provisions of the Loan Agreement and the other Loan Documents.

7. Effectiveness of this Amendment. All of the provisions of this Amendment shall be effective immediately upon the delivery to the Agent of this Amendment executed by the Borrower, the Agent and the requisite number of Lenders whose consent is required under the Loan Agreement to effect the amendments herein.

8. Reimbursement of Expenses. The Borrower agrees that it shall reimburse the Agent on demand for all costs and expenses (including, without limitation, reasonable attorney's fees) actually incurred by the Agent in connection with the negotiation, preparation and execution of the Amendment and all documents executed and delivered to the Agent in connection therewith. The reimbursement obligations under this Amendment shall constitute Obligations under the Loan Agreement.

9. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

10. Severability of Provisions. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. To the extent permitted by applicable law, the Borrower hereby waives any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

11. Successors and Assigns; Counterparts; Facsimile Delivery. This Amendment shall be binding upon all parties hereto, their successors and permitted assigns. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall be deemed to be one instrument. This Amendment may be delivered by facsimile transmission with the same effect as if originally executed counterparts of this Amendment were delivered to all parties hereto.

12. Entire Agreement. The Loan Agreement and the other Loan Documents, as amended by this Amendment, embody the entire agreement among the parties hereto relating to the subject matter hereof and supersede all prior agreements, representations and understandings, if any, relating to the subject matter hereof.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER:

PIEDMONT COCA-COLA BOTTLING COMPANY PARTNERSHIP, a Delaware general partnership,

By: Coca Cola Bottling Co. Consolidated, a Delaware corporation, being the Manager of the Borrower, duly authorized by each of the general partners of the Borrower

By: /s/ CLIFFORD M. DEAL, III
Name: Clifford M. Deal, III
Title: VP & Treasurer

GENERAL ELECTRIC CAPITAL CORPORATION, as Lender

By: /s/ ELAINE L. MOORE
Name: ELAINE L. MOORE
Title: SVP

W. DAVID SUTTLES
W. David Suttles
Vice President

CREDIT SUISSE FIRST BOSTON, as Lender

By: /s/ ROBERT N. FINNEY THOMAS G. MUOIO
Name: Robert N. Finney Thomas G. Muoio
Title: Managing Director Vice President

AGENT:

GENERAL ELECTRIC CAPITAL CORPORATION

By: /s/ ELAINE L. MOORE
Name: Elaine L. Moore
Title: SVP

COMMERZBANK AG, as Lender
NEW YORK AND GRAND CAYMAN BRANCHES

By: /s/ HARRY P. YERGEY /s/ W. DAVID SUTTLES
Name: Harry P. Yergey W. David Suttles
Title: SVP & Manager Vice President

DEUTSCHE BANK AG, New York and/or Cayman Islands branches, as Lender

By: /s/ SUSAN L. PEARSON
Name: Susan L. Pearson
Title: Director

/s/ ALEXANDER KAROW
Alexander Karow
Assistant Vice President

DG BANK, as Lender

By: /s/ J.W. SOMERS /s/ KURT A. MORRIS
Name: J.W. Somers Kurt A. Morris
Title: S.V.P. Vice President

FLEET NATIONAL BANK, as Lender

By: /s/ THOMAS ENGELS
Name: Thomas Engels
Title: Sr. Vice President

INDUSTRIAL BANK OF JAPAN, LTD., as Lender

By: /s/ MINAMI MICRA
Name: Minami Micra
Title: Vice President

KBC BANK, as Lender

By: /s/ ROBERT SNAUFFER /s/ PATRICK A. JANSSENS
Name: Robert Snauffer Patrick A. Janssens
Title: First Vice President Vice President

SOCIETE GENERALE, as Lender

By: /s/ ROBERT PETERSEN
Name: Robert Petersen
Title: Vice President

WACHOVIA BANK OF NORTH CAROLINA, N.A., as Lender

By: /s/ CHRISTOPHER L. FINCHER
Name: Christopher L. Fincher
Title: Senior Vice President

ASSIGNMENT AND RELEASE AGREEMENT

ASSIGNMENT AND RELEASE AGREEMENT, dated as of October 6, 1999 (this "Agreement"), by and between LTCB TRUST COMPANY (the "Assignor"), as Agent under the Credit Agreement (as defined below), and GENERAL ELECTRIC CAPITAL CORPORATION (the "Assignee"), individually and in its capacity as successor Agent.

WITNESSETH:

WHEREAS, the Assignor (i) has acted as Agent under that certain Loan Agreement, dated as of May 28, 1996 (as amended, the "Credit Agreement"), among Piedmont Coca-Cola Bottling Partnership, the Assignor, as Agent, and the banks, financial institutions and other entities party thereto;

WHEREAS, pursuant to an Assignment and Assumption Agreement, dated as of the date hereof (the "Assignment and Assumption"), the Assignee has acquired all of the Loans and Commitments of the Assignor under the Credit Agreement;

WHEREAS, in connection with the acquisition by the Assignee of all the Loans and Commitments of the Assignor under the Credit Agreement, the Assignor will resign as Agent pursuant to Section 10.08 of the Credit Agreement, and the Required Banks have informed the Assignor and the Assignee that they have appointed the Assignee, effective as of the Assignment Effective Date (as defined in the Assignment and Assumption) as the successor Agent under the Credit Agreement pursuant to Section 10.08 thereof; and

WHEREAS, in connection with the resignation of the Assignor as Agent, the Assignee has requested that the Assignor enter into this Agreement;

NOW, THEREFORE, the parties hereto hereby agree as follows:

SECTION 1.

DEFINITIONS AND OTHER MATTERS

Section 1.1 Unless otherwise defined herein, terms which are defined in the Credit Agreement and used herein shall have the meanings given to such terms in the Credit Agreement.

Section 1.2 The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement and all section references herein are to this Agreement unless otherwise specified.

Section 1.3 All terms in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

SECTION 2.

RESIGNATION OF AGENT

Section 2.1 Confirmation of Resignation. The Assignor hereby confirms its resignation as Agent pursuant to Section 10.08 of the Credit Agreement, effective as of the Assignment Effective Date.

Section 2.2 Confirmation of Appointment of Successor. The Assignor and the Assignee hereby confirm the appointment by the Required Banks of the Assignee, effective as of the Assignment Effective Date, to be successor Agent under the Credit Agreement pursuant to Section 10.08 thereof.

Section 2.3 Acceptance by Successor. The Assignee hereby accepts its appointment as successor Agent pursuant to Section 10.08 of the Credit Agreement, effective as of the Assignment Effective Date.

SECTION 3.

EFFECTIVENESS OF AGREEMENT; MISCELLANEOUS

Section 3.1 Conditions. This Agreement shall be and become effective as of the date first above written upon (i) execution and delivery of this Agreement by each of the parties hereto and (ii) the occurrence of the Assignment Effective Date.

Section 3.2 Headings. Headings used in this Agreement are for convenience only and shall not affect the construction of this Agreement.

Section 3.3 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 3.4 Governing Law. The provisions of this Agreement shall be governed by and construed in accordance with the law of the State of New York.

Section 3.5 Counterparts. This Agreement may be executed via facsimile and in separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement or caused this Agreement to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

LTCB TRUST COMPANY

By: /s/ Rebecca J.S. Silbert

Name: Rebecca J.S. Silbert
Title: SVP

GENERAL ELECTRIC CAPITAL CORPORATION

By:

Name:
Title:

ACKNOWLEDGED AND AGREED TO BY:

PIEDMONT COCA-COLA BOTTLING PARTNERSHIP

By: /s/ Clifford M. Deal, III

Name: Clifford M. Deal, III
Title: Vice President and Treasurer

EXHIBIT 21.1

Subsidiary List

List of Subsidiaries

Entity's Legal Name	Date Incorporated/ Organized	State Incorporated/ Organized	Ownership By	Percent Owned
Coca-Cola Bottling Co. Consolidated	4/08/1980	DE		
Carolina Coca-Cola Bottling Co.	10/26/1998	DE	Coca-Cola Bottling Co. Consolidated	100%
Case Advertising, Inc.	2/18/1988	DE	Coca-Cola Bottling Co. Consolidated	100%
Category Management Consulting, LLC	6/29/1995	NC	Coca-Cola Bottling Co. Consolidated &	99%
			Coca-Cola Bottling Co. of Roanoke, Inc.	1%
CC Beverage Packing, Inc.	3/15/1988	DE	Coca-Cola Bottling Co. Consolidated	100%
Nashville Coca-Cola Bottling Partnership	12/20/1996	TN	Coca-Cola Bottling Co. Consolidated &	51%
			Consolidated Volunteer, Inc.	49%
CCBC of Wilmington, Inc.	6/17/1993	DE	Piedmont Coca-Cola Bottling Partnership	100%
CCBCC Relief Foundation, Inc.	6/13/1995	NC	Coca-Cola Bottling Co. Consolidated	100%
CCBCC, Inc.	12/20/1993	DE	Coca-Cola Bottling Co. Consolidated	100%
Chesapeake Treatment Company, LLC	6/5/1995	NC	Coca-Cola Bottling Co. Consolidated &	99%
			Case Advertising, Inc.	1%
COBC, Inc.	11/23/1993	DE	Columbus Coca-Cola Bottling Co.	
Coca-Cola Bottling Co. of Roanoke, Inc.	2/05/1985	DE	Coca-Cola Bottling Co. Consolidated	100%
Coca-Cola Bottling Company of Alabama, LLC	12/26/1996	DE	Coca-Cola Bottling Co. Consolidated &	1%
			CC Beverage Packing, Inc.	99%
Coca-Cola Bottling Company of Mobile, LLC	12/20/1996	AL	Coca-Cola Bottling Company of Alabama, LLC	51%
			& CC Beverage Packing, Inc.	49%
Coca-Cola Ventures, Inc.	6/17/1993	DE	Coca-Cola Bottling Co. Consolidated	100%
Columbus Coca-Cola Bottling Co.	7/10/1984	DE	Coca-Cola Bottling Co. Consolidated	100%
Consolidated Leasing, LLC	1/14/1997	NC	Coca-Cola Bottling Co. Consolidated &	99%
			The Coca-Cola Bottling Company of WV, Inc.	1%
Consolidated Real Estate Group, LLC	1/4/2000	NC	Coca-Cola Bottling Co. Consolidated	100%
Consolidated Volunteer, Inc.	12/11/1996	DE	Coca-Cola Bottling Co. Consolidated	100%
ECBC, Inc.	11/23/1993	DE	Coca-Cola Bottling Co. Consolidated	100%
Heath Oil Co., Inc.	9/9/1986	SC	Carolina Coca-Cola Bottling Co.	100%
Jackson Acquistions, Inc.	1/24/1990	DE	Coca-Cola Bottling Co. Consolidated	100%
LYBC, Inc.	9/10/1999	DE	Lynchburg Coca-Cola Bottling Co., Inc.	100%
Lynchburg Coca-Cola Bottling Co., Inc.	9/14/1999	DE	Coca-Cola Bottling Co. of Roanoke, Inc.	100%
Metrolina Bottling Company	5/21/1993	DE	Coca-Cola Bottling Co. Consolidated	100%
MOBC, Inc.	11/23/1993	DE	CC Beverage Packing, Inc.	100%
NABC, Inc.	11/23/1993	DE	Consolidated Volunteer, Inc.	100%
Panama City Coca-Cola Bottling Co.	10/5/1931	FL	Columbus Coca-Cola Bottling Co.	100%
PCBC, Inc.	11/23/1993	DE	Panama City Coca-Cola Bottling Co.	100%
Reidsville Transaction Corporation	5/16/1999	DE	Coca-Cola Bottling Co. Consolidated	100%
ROBC, Inc.	11/23/1993	DE	Coca-Cola Bottling Co. of Roanoke, Inc.	100%
SUBC, Inc.	12/02/1998	DE	Carolina Coca-Cola Bottling Co.	100%
Tennessee Soft Drink Production	12/22/1988	TN	Consolidated Volunteer, Inc.	100%
The Coca-Cola Bottling Company of West Virginia, Inc.	12/28/1992	WV	Coca-Cola Bottling Co. Consolidated	100%
Thomasville Acquisitions, Inc.	1/08/1997	DE	Coca-Cola Bottling Co. Consolidated	100%
TOBC, Inc.	3/24/1997	DE	Coca-Cola Bottling Co. Consolidated	100%
TXN, Inc.	1/03/1990	DE	Data Ventures, LLC	100%
WCBC, Inc.	11/23/1993	DE	Coca-Cola Bottling Co. Consolidated	100%
Whirl-I-Bird, Inc.	11/03/1986	TN	Coca-Cola Bottling Co. Consolidated	100%
WVBC, Inc.	11/23/1993	DE	The Coca-Cola Bottling Company of WV, Inc.	100%

Exhibit 23.1

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statement on Forms S-3 (Nos. 33-4325, 33-54657 and 333-71003) of Coca-Cola Bottling Co. Consolidated of our report dated February 15, 2002 relating to the financial statements and financial statement schedule, which appears in this Form 10-K.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
March 25, 2002