UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

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

For the quarterly period ended JULY 4, 1999

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 Number)

4100 COCA-COLA PLAZA, CHARLOTTE, NORTH CAROLINA 28211
(Address of principal executive offices) (Zip Code)

(704) 551-4400
(Registrant's telephone number, including area code)

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

Class	Outstanding at July 30, 1999
Common Stock, $1 Par Value	6,392,252
Class B Common Stock, $1 Par Value	2,341,077

PART I - FINANCIAL INFORMATION

Item l. Financial Statements

Coca-Cola Bottling Co. Consolidated
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
In Thousands (Except Share Data)

	July 4, 1999	Jan. 3, 1999	June 28, 1998
ASSETS			
Current Assets:			
Cash	$ 8,209	$ 6,691	$ 5,518
Accounts receivable, trade, less allowance for doubtful accounts of $649, $600 and $528	73,186	57,217	62,320
Accounts receivable from The Coca-Cola Company	9,793	10,091	12,971
Due from Piedmont Coca-Cola Bottling Partnership	6,187		127
Accounts receivable, other	5,542	7,997	7,752
Inventories	48,772	41,010	46,536
Prepaid expenses and other current assets	18,030	15,545	15,821
Total current assets	169,719	138,551	151,045
Property, plant and equipment, net	446,286	258,329	257,417
Leased property under capital leases, net	12,368		
Investment in Piedmont Coca-Cola Bottling Partnership	61,302	62,847	62,999
Other assets	62,627	51,576	45,879
Identifiable intangible assets, less accumulated amortization of $121,478, $116,015 and $110,630	285,119	253,156	257,757
Excess of cost over fair value of net assets of businesses acquired, less accumulated amortization of $31,995, $30,850 and $29,705	59,623	60,769	61,914
Total	$1,097,044	$825,228	$837,011

See Accompanying Notes to Consolidated Financial Statements

Coca-Cola Bottling Co. Consolidated
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
In Thousands (Except Share Data)

	July 4, 1999	Jan. 3, 1999	June 28, 1998
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Portion of long-term debt payable within one year	$ 25,530	$ 30,115	$ 60,884
Current portion of obligations under capital leases	5,081		
Accounts payable and accrued liabilities	76,942	72,623	67,117
Accounts payable to The Coca-Cola Company	5,052	5,194	9,985
Due to Piedmont Coca-Cola Bottling Partnership		435	
Accrued compensation	6,964	10,239	4,944
Accrued interest payable	12,981	15,325	14,273
Total current liabilities	132,550	133,931	157,203
Deferred income taxes	116,748	120,659	115,680
Deferred credits	3,754	4,838	5,968
Other liabilities	63,136	58,780	57,074
Obligations under capital leases	6,087		
Long-term debt	739,518	491,234	489,068
Total liabilities	1,061,793	809,442	824,993
Shareholders' Equity:			
Convertible Preferred Stock, $100 par value: Authorized-50,000 shares; Issued-None			
Nonconvertible Preferred Stock, $100 par value: Authorized-50,000 shares; Issued-None			
Preferred Stock, $.01 par value: Authorized-20,000,000 shares; Issued-None			
Common Stock, $1 par value: Authorized - 30,000,000 shares Issued - 9,454,626, 9,086,113 and 10,107,421 shares	9,454	9,086	10,107
Class B Common Stock, $1 par value: Authorized-10,000,000 shares Issued - 2,969,191, 2,969,222 and 1,947,914 shares	2,969	2,969	1,948
Class C Common Stock, $1 par value: Authorized-20,000,000 shares; Issued-None			
Capital in excess of par value	112,120	94,709	98,892
Accumulated deficit	(28,038)	(29,724)	(37,675)
	96,505	77,040	73,272
Less-Treasury stock, at cost:			
Common-3,062,374 shares	60,845	60,845	60,845
Class B Common-628,114 shares	409	409	409
Total shareholders' equity	35,251	15,786	12,018
Total	$1,097,044	$825,228	$837,011

See Accompanying Notes to Consolidated Financial Statements

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

	Second Quarter		First Half	
	1999	1998	1999	1998
Net sales (includes sales to Piedmont of $20,129, $18,699, $35,310 and $30,902)	$ 261,037	$ 241,415	$ 481,300	$ 444,746
Cost of sales, excluding depreciation shown below (includes $16,131, $13,621, $29,736 and $24,456 related to sales to Piedmont)	145,391	137,037	273,502	255,434
Gross margin	115,646	104,378	207,798	189,312
Selling expenses, excluding depreciation shown below	57,319	49,048	106,874	99,746
General and administrative expenses	17,540	17,740	36,209	33,521
Depreciation expense	14,266	9,111	28,914	17,891
Amortization of goodwill and intangibles	3,346	3,267	6,608	6,442
Income from operations	23,175	25,212	29,193	31,712
Interest expense	12,450	9,088	24,145	18,346
Other income (expense), net	(1,239)	(1,196)	(2,454)	(2,353)
Income before income taxes	9,486	14,928	2,594	11,013
Federal and state income taxes	3,320	5,539	908	4,086
Net income	$ 6,166	$ 9,389	$ 1,686	$ 6,927
Basic net income per share	$ .72	$ 1.12	$ .20	$ .83
Diluted net income per share	$ .71	$ 1.11	$ .20	$ .82
Weighted average number of common shares outstanding	8,519	8,365	8,442	8,365
Weighted average number of common shares outstanding - assuming dilution	8,638	8,496	8,563	8,495

See Accompanying Notes to Consolidated Financial Statements

Coca-Cola Bottling Co. Consolidated
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
In Thousands

	Common Stock	Class B Common Stock	Capital in Excess of Par Value	Accumulated Deficit	Treasury Stock
Balance on December 28, 1997	$10,107	$ 1,948	$103,074	$ (44,602)	$ 61,254
Net income				6,927	
Cash dividends paid			(4,182)		
Balance on June 28, 1998	$10,107	$ 1,948	$ 98,892	$ (37,675)	$ 61,254
Balance on January 3, 1999	$ 9,086	$ 2,969	$ 94,709	$ (29,724)	$ 61,254
Net income				1,686	
Cash dividends paid			(4,182)		
Issuance of Common Stock	368		21,593		
Balance on July 4, 1999	$ 9,454	$ 2,969	$112,120	$ (28,038)	$ 61,254

See Accompanying Notes to Consolidated Financial Statements

Coca-Cola Bottling Co. Consolidated
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
In Thousands

	First Half 1999	First Half 1998
Cash Flows from Operating Activities		
Net income	$ 1,686	$ 6,927
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation expense	28,914	17,891
Amortization of goodwill and intangibles	6,608	6,442
Deferred income taxes	908	4,086
Losses on sale of property, plant and equipment	1,425	1,445
Amortization of debt costs	378	297
Amortization of deferred gain related to terminated interest rate swaps	(282)	(282)
Undistributed losses of Piedmont Coca-Cola Bottling Partnership	1,545	327
Increase in current assets less current liabilities	(30,748)	(21,142)
Increase in other noncurrent assets	(7,222)	(2,968)
(Decrease) increase in other noncurrent liabilities	(3,397)	339
Other	10	(5)
Total adjustments	(1,861)	6,430
Net cash provided by (used in) operating activities	(175)	13,357
Cash Flows from Financing Activities		
Proceeds from the issuance of long-term debt	248,283	
(Decrease) increase in current portion of long-term debt	(4,585)	48,884
Payments on long-term debt		(4,721)
Cash dividends paid	(4,182)	(4,182)
Payments on capital lease obligations	(2,409)	
Proceeds from interest rate swap termination		6,480
Debt fees paid	(3,221)	(11)
Other	(204)	(67)
Net cash provided by financing activities	233,682	46,383
Cash Flows from Investing Activities		
Additions to property, plant and equipment	(213,663)	(24,511)
Proceeds from the sale of property, plant and equipment	60	656
Acquisition of companies, net of cash acquired	(18,386)	(34,794)
Net cash used in investing activities	(231,989)	(58,649)
Net increase in cash	1,518	1,091
Cash at beginning of period	6,691	4,427
Cash at end of period	$ 8,209	$ 5,518
Significant noncash investing and financing activities:		
Issuance of Common Stock for business acquired	$ 21,961	

See Accompanying Notes to Consolidated Financial Statements

Coca-Cola Bottling Co. Consolidated
Notes to Consolidated Financial Statements (Unaudited)

1. Accounting Policies

The consolidated financial statements include the accounts of Coca-Cola Bottling Co. Consolidated and its majority owned subsidiaries (the "Company"). All significant intercompany accounts and transactions have been eliminated.

The information contained in the financial statements is unaudited. The statements reflect all adjustments which, in the opinion of management, are necessary for a fair statement of the results for the interim periods presented. All such adjustments are of a normal, recurring nature.

The accounting policies followed in the presentation of interim financial results are the same as those followed on an annual basis. These policies are presented in Note 1 to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended January 3, 1999 filed with the Securities and Exchange Commission.

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

2. Summarized Income Statement Data of Piedmont Coca-Cola Bottling Partnership

On July 2, 1993, the Company and The Coca-Cola Company formed Piedmont Coca-Cola Bottling Partnership ("Piedmont") to distribute and market soft drink products primarily in portions of North Carolina and South Carolina. The Company and The Coca-Cola Company, through their respective subsidiaries, each beneficially own a 50% interest in Piedmont. The Company provides a portion of the soft drink products to Piedmont at cost and receives a fee for managing the business of Piedmont pursuant to a management agreement. Summarized income statement data for Piedmont is as follows:

In Thousands	Second Quarter 1999	Second Quarter 1998	First Half 1999	First Half 1998
Net sales	$74,645	$71,168	$137,971	$128,526
Gross margin	34,089	31,541	61,740	56,266
Income from operations	3,629	5,862	3,381	5,643
Net income (loss)	432	2,796	(3,090)	(654)

3. Inventories

Inventories are summarized as follows:

In Thousands	July 4, 1999	Jan. 3, 1999	June 28, 1998
Finished products	$30,251	$26,300	$30,523
Manufacturing materials	13,313	10,382	12,545
Plastic pallets and other	5,208	4,328	3,468
Total inventories	$48,772	$41,010	$46,536

The amounts included above for inventories valued by the LIFO method were greater than replacement or current cost by approximately $3.2 million, $3.2 million and $2.7 million on July 4, 1999, January 3, 1999 and June 28, 1998, respectively, as a result of inventory premiums associated with certain acquisitions.

4. Property, Plant and Equipment

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

In Thousands	July 4, 1999	Jan. 3, 1999	June 28, 1998	Estimated Useful Lives
Land	$ 11,856	$ 11,781	$ 10,090	
Buildings	82,945	81,527	80,013	10-50 years
Machinery and equipment	90,587	84,047	80,193	5-20 years
Transportation equipment	116,761	60,620	59,025	4-10 years
Furniture and fixtures	29,533	26,395	26,883	7-10 years
Vending equipment	279,872	152,163	148,329	6-13 years
Leasehold and land improvements	34,538	33,894	31,467	5-20 years
Construction in progress	21,502	4,532	7,861	
Total property, plant and equipment, at cost	667,594	454,959	443,861	
Less: Accumulated depreciation	221,308	196,630	186,444	
Property, plant and equipment, net	$446,286	$258,329	$257,417	

On January 15, 1999, the Company purchased approximately $155 million of equipment (principally vehicles and vending equipment) previously leased under various operating lease agreements. The assets purchased will continue to be used in the distribution and sale of the Company's products and will be depreciated over their remaining useful lives, which range from three years to 12.5 years. The Company used a combination of its revolving credit facility and its informal lines of credit with certain banks to finance this purchase.

5. Leased Property Under Capital Leases

The category and terms of the capital leases were as follows:

In Thousands	July 4, 1999	Terms
Transportation equipment	$ 13,576	1-4 years
Less: Accumulated amortization	1,208	
Leased property under capital leases, net	$ 12,368	

Coca-Cola Bottling Co. Consolidated
Notes to Consolidated Financial Statements (Unaudited)

6. Long-Term Debt

Long-term debt is summarized as follows:

In Thousands	Maturity	Interest Rate	Fixed(F) or Variable (V) Rate	Interest Paid	July 4, 1999	Jan 3, 1999	June 28, 1998
Lines of Credit	2002	5.28% - 5.39%	V	Varies	$60,000	$36,400	$34,200
Term Loan Agreement	2004	5.76%	V	Varies	85,000	85,000	85,000
Term Loan Agreement	2005	5.76%	V	Varies	85,000	85,000	85,000
Medium-Term Notes	1999	7.99%	F	Semi-annually		28,585	28,585
Medium-Term Notes	2000	10.00%	F	Semi-annually	25,500	25,500	25,500
Medium-Term Notes	2002	8.56%	F	Semi-annually	47,000	47,000	47,000
Debentures	2007	6.85%	F	Semi-annually	100,000	100,000	100,000
Debentures	2009	7.20%	F	Semi-annually	100,000	100,000	100,000
Debentures	2009	6.375%	F	Semi-annually	250,000		
Other notes payable	1999 - 2001	5.75% - 10.00%	F	Varies	12,548	13,864	44,667
					765,048	521,349	549,952
Less: Portion of long-term debt payable within one year					25,530	30,115	60,884
Long-term debt					$739,518	$491,234	$489,068

6. Long-Term Debt (cont.)

It is the Company's intent to renew its lines of credit and borrowings under the revolving credit facility as they mature. To the extent that these borrowings do not exceed the amount available under the Company's $170 million revolving credit facility, they are classified as noncurrent liabilities.

On October 12, 1994, a $400 million shelf registration for debt and equity securities filed with the Securities and Exchange Commission became effective and the securities thereunder became available for issuance. On November 1, 1995, the Company issued $100 million of 6.85% debentures due 2007 pursuant to such registration. In July 1997, the Company issued $100 million of 7.20% debentures due 2009. On April 26, 1999, the Company issued $250 million of 10-year debentures at a fixed interest rate of 6.375% under the Company's $800 million shelf registration filed in January 1999. The net proceeds from these issuances were used for refinancing a portion of existing public debt that had matured with the remainder used to repay other debt.

The Company has guaranteed a portion of the debt for two cooperatives in which the Company is a member. The amounts guaranteed were $30.3 million, $30.7 million and $30.7 million as of July 4, 1999, January 3, 1999 and June 28, 1998, respectively.

7. Derivative Financial Instruments

The Company uses derivative financial instruments to modify risk from interest rate fluctuations in its underlying debt. The Company has historically altered its fixed/floating interest rate mix based upon anticipated operating cash flows of the Company relative to its debt level and the Company's ability to absorb increases in interest rates. These derivative financial instruments are not used for trading purposes.

The Company had weighted average interest rates for its debt portfolio of approximately 6.7%, 7.3% and 7.1% as of July 4, 1999, January 3, 1999 and June 28, 1998, respectively. The Company's overall weighted average interest rate on its long-term debt decreased from an average of 7.1% during the second quarter of 1998 to an average of 6.3% during the second quarter of 1999. After taking into account the effect of all of the interest rate swap activities, approximately 32%, 23% and 28% of the total debt portfolio was subject to changes in short-term interest rates as of July 4, 1999, January 3, 1999 and June 28, 1998, respectively.

A rate increase of 1% on the floating rate component of the Company's debt would have increased interest expense for the first half of 1999 by approximately $1.2 million and net income for the six months ended July 4, 1999 would have decreased by approximately $.8 million.

Derivative financial instruments were as follows:

	July 4, 1999		January 3, 1999		June 28, 1998	
In Thousands	Amount	Remaining Term	Amount	Remaining Term	Amount	Remaining Term
Interest rate swaps-floating	$ 60,000	4.25 years	$ 60,000	4.75 years	$ 60,000	5.25 years
Interest rate swaps-floating	$ 50,000	9.75 years				
Interest rate swaps-floating	$ 50,000	9.75 years				
Interest rate swaps-fixed	$ 60,000	4.25 years	60,000	4.75 years	60,000	5.25 years
Interest rate swaps-fixed	$ 50,000	5.5 years	50,000	6 years	50,000	6.5 years
Interest rate cap	$ 35,000	1 year	35,000	1.5 years	35,000	2.0 years

The Company entered into 10-year floating interest rate swap agreements for $100 million in April related to the 6.375% 10-year debentures issued on April 26, 1999.

7. Derivative Financial Instruments (cont.)

The carrying amounts and fair values of the Company's balance sheet and off-balance-sheet instruments were as follows:

In Thousands	July 4, 1999 Carrying Amount	July 4, 1999 Fair Value	January 3, 1999 Carrying Amount	January 3, 1999 Fair Value	June 28, 1998 Carrying Amount	June 28, 1998 Fair Value
Balance Sheet Instruments						
Public debt	$522,500	$505,305	$301,085	$312,118	$301,085	$311,965
Non-public variable rate long-term debt	230,000	230,000	206,400	206,400	204,200	204,200
Non-public fixed rate long-term debt	12,548	13,293	13,864	14,476	44,667	45,429
Off-Balance-Sheet Instruments						
Interest rate swaps		(4,441)		(2,030)		(397)
Interest rate cap		5		10		18

The fair values of the interest rate swaps at July 4, 1999, January 3, 1999 and June 28, 1998 represent the estimated amounts the Company would have had to expense to terminate these agreements. The fair values of the interest rate cap at July 4, 1999, January 3, 1999 and June 28, 1998 represent the estimated amount the Company would have received upon termination of this agreement.

8. Supplemental Disclosures of Cash Flow Information

Changes in current assets and current liabilities affecting cash, net of effect of acquisition, were as follows:

	First Half	
In Thousands	1999	1998
Accounts receivable, trade, net	$(14,601)	$(6,444)
Accounts receivable from The Coca-Cola Company	298	(8,281)
Accounts receivable, other	2,564	1,069
Inventories	(6,891)	(7,610)
Prepaid expenses and other current assets	(2,562)	(3,058)
Accounts payable and accrued liabilities	2,826	(4,661)
Accounts payable to The Coca-Cola Company	(142)	5,877
Accrued compensation	(3,274)	(151)
Accrued interest payable	(2,344)	235
Due to (from) Piedmont Coca-Cola Bottling Partnership	(6,622)	1,882
Increase in current assets less current liabilities	$(30,748)	$(21,142)

9. Acquisition

On May 28, 1999, the Company acquired substantially 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 purchase price for all of the outstanding capital stock of Carolina was $36.6 million, as adjusted for required shareholders' equity of Carolina as of the acquisition date. The Company used its informal lines of credit for the cash portion of the acquisition. The acquisition has been accounted for under the purchase method of accounting.

10. Earnings Per Share

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

In Thousands (Except Per Share Data)	Second Quarter 1999	Second Quarter 1998	First Half 1999	First Half 1998
NUMERATOR:				
Numerator for basic net income and diluted net income	$ 6,166	$ 9,389	$ 1,686	$ 6,927
DENOMINATOR:				
Denominator for basic net income per share - weighted average common shares	8,519	8,365	8,442	8,365
Effect of dilutive securities - stock options	119	131	121	130
Denominator for diluted net income per share - adjusted weighted average common shares	8,638	8,496	8,563	8,495
Basic net income per share	$ .72	$ 1.12	$ .20	$ .83
Diluted net income per share	$ .71	$ 1.11	$ .20	$ .82

11. Estimates and Assumptions

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.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

INTRODUCTION:

The following discussion presents management's analysis of the results of operations for the second quarter and first six months of 1999 compared to the second quarter and first six months of 1998 and changes in financial condition from June 28, 1998 and January 3, 1999 to July 4, 1999.

The Company reported net income of $6.2 million or $.72 per share for the second quarter of 1999 compared with net income of $9.4 million or $1.12 per share for the same period in 1998. For the first half of 1999, net income was $1.7 million or $.20 per share compared to net income of $6.9 million or $.83 per share for the first half of 1998. The first half and second quarter of 1999 were highlighted by solid volume growth, which significantly exceeded the U.S. soft drink industry average, and increased net selling prices. The volume growth of 6% in the first half of 1999 is on top of 11% volume growth for all of 1998.

The decline in earnings from the first quarter and first half of the prior year reflects the Company's continued investment in its infrastructure to support accelerated growth. These investments include additional sales personnel, vehicles, cold drink equipment, additional support personnel required to service the cold drink equipment and additional facilities for corporate headquarters. The Company is also working on a Value Chain initiative which should improve the efficiency of its inventory management, warehousing and transportation of finished products. The Company plans to test the re-designed processes with a pilot project in the first quarter of 2000. Despite strong growth in gross margin, these significant infrastructure costs have adversely affected short-term operating results.

The Company acquired substantially all of the outstanding capital stock of Carolina Coca-Cola Bottling Company, a Coca-Cola bottler with operations in central South Carolina, in May 1999. The Company also purchased the franchise rights and operating assets of a small Coca-Cola bottler in central North Carolina in May 1999. It is the Company's intention to continue to grow through acquisitions of other Coca-Cola bottlers. Acquisition related costs including interest expense and non-cash charges such as amortization of intangible assets may be incurred. To the extent these expenses are incurred and are not offset by cost savings or increased sales, the Company's acquisition strategy may depress short-term earnings. The Company believes that the continued growth through acquisition will enhance long-term shareholder value.

The results for interim periods are not necessarily indicative of the results to be expected for the year due to seasonal factors.

RESULTS OF OPERATIONS:

The Company experienced strong growth in gross margin for the second quarter and first half of 1999. Gross margin increased by 11% for the second quarter and 10% for the first half of 1999 over the same periods in 1998. The growth in gross margin was attributable to volume growth of 6% and an increase in net selling price of 1.7%.

Net sales for the second quarter and first half increased 8% over the same periods in 1998. Sales related to the 4th of July holiday impacted the second quarter in 1999 versus the third quarter in 1998. The volume and sales gains for the second quarter and first half of 1998 were primarily attributable to targeted marketing programs with key accounts and the Company's significant investments in cold drink equipment. Net selling prices were up 1.7% for the second quarter and first half of 1999. Sprite sales volume continued to grow at a double-digit rate. Non-carbonated beverages experienced significant volume growth in the first half of 1999. The growth in non-carbonated beverages (excluding bottled water), including POWERaDE, Fruitopia, Minute Maid Juices To Go and Cool from Nestea, is on top of 70% volume growth for all of 1998. The Company introduced The Coca-Cola Company's new bottled water, Dasani, on April 1, 1999. Non-carbonated products including bottled water, currently account for over 6% of the Company's total sales volume.

Selling expenses for the second quarter and first half of 1999 increased by 17% and 7%, respectively, from 1998 levels. The increase in selling costs reflects additional expenses related to the Company's higher sales volume and continued investment in its infrastructure. Significant components of the increased costs include employment costs for additional sales personnel, increased commission costs related to higher sales volume, additional personnel and vehicle costs for employees to support the Company's cold drink program as well as additional purchases of cold drink equipment and additional marketing expenses related to the Company's sales development programs. The Company has made a significant investment in its sales force and anticipates that over time the increases in sales revenue from this investment will outpace the growth in costs. The significant growth in selling expenses reflects the Company's commitment to higher levels of growth.

During January 1999, the Company purchased $155 million of equipment that had previously been leased. As a result of this transaction, lease expense for the second quarter and first half of 1999 declined by $4.3 million and $7.7 million, respectively. Additionally, the terms of certain leases that were previously recorded as operating leases were changed during the first quarter of 1999. Due to the changes in the terms of the leases, they are now reflected in the Company's financial statements as capital leases. As of July 4, 1999, leased property under capital leases, net of accumulated amortization, was $12.4 million.

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 concentrate, syrups and finished products to the Company make substantial 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 1999, it is not obligated to do so under the Company's Master Bottle Contract. Also, The Coca-Cola Company has agreed to provide additional marketing funding under a multi-year program to support the Company's cold drink infrastructure. Total marketing funding and infrastructure support for bottle and can products from The Coca-Cola Company and other beverage companies in the first half of 1999 and 1998 was $26.7 million and $25.8 million, respectively.

General and administrative expenses for the first six months of 1999 increased by 8% over 1998 first half levels. The increase in general and administrative expense was due to hiring of additional support personnel to support growth, management incentive programs for certain employees that were not in place during the first half of 1998, higher employment costs in certain of the Company's labor markets and expanded corporate headquarters facilities.

Depreciation expense increased 57% and 62% between the second quarter and first half of 1999 and the comparable periods in 1998. This increase was due primarily to the purchase of previously leased equipment, as discussed above, and to the significant investments the Company continues to make in cold drink equipment. In addition, the Company invested in additional manufacturing equipment in order to produce its new bottled water, Dasani.

Interest expense during the second quarter of 1999 increased 37% from the second quarter of 1998. Interest expense for the first half of 1999 increased by 32% over the first half of 1998. The increase in interest expense for both the second quarter and the first half of 1999 is primarily attributable to the purchase of assets that were previously leased, as discussed above, and additional debt related to acquisitions of other Coca-Cola bottlers during 1998 and 1999. The Company's overall weighted average interest rate decreased from an average of 7.1% during the first half of 1998 to an average of 6.3% during the first half of 1999.

CHANGES IN FINANCIAL CONDITION:

Working capital increased $32.5 million from January 3, 1999 and $43.3 million from June 28, 1998 to July 4, 1999. The increase in working capital from January 3, 1999 is primarily attributable to growth in sales volume, seasonal increases in trade accounts receivable and inventories, an increase in the amount due from Piedmont Coca-Cola Bottling Partnership of $6.6 million and a decrease in the current portion of long-term debt of $4.6 million.

The working capital increase of $43.3 million from June 28, 1998 is primarily attributable to a decrease in the current portion of long-term debt of $35.4 million and an increase in trade accounts receivable of $10.9 million. The decrease in the current portion of long-term debt reflects the refinancing of maturing Medium-Term Notes and other short-term borrowings. The increase in trade accounts receivable is due to the higher sales volume the Company has experienced.

Capital expenditures in the first half of 1999 were $213.7 million compared to $24.5 million in the first half of 1998. The significant increase in capital expenditures in the first half of 1999 relates primarily to the purchase of approximately $155 million of previously leased equipment. In addition, the Company is purchasing its fleet requirements in 1999. The Company leased additions to fleet during 1998.

Long-term debt increased by $250.5 million from June 28, 1998 and $248.3 million from January 3, 1999. The increases from June 28, 1998 and January 3, 1999 are due primarily to the purchase of approximately $155 million of previously leased equipment discussed above, the acquisitions of other Coca-Cola bottlers and the refinancing of debt classified as a current liability at June 28, 1998 and January 3, 1999.

It is the Company's intent to renew any borrowings under its $170 million revolving credit facility and the informal lines of credit as they mature and, to the extent that any borrowings under the revolving credit facility and the informal lines of credit do not exceed the amount available under the Company's $170 million revolving credit facility, they are classified as noncurrent liabilities. As of July 4, 1999, the Company had no amounts outstanding under the revolving credit facility and $60 million outstanding under the informal lines of credit.

On April 26, 1999 the Company issued $250 million of 10-year debentures at a fixed rate of 6.375% under the Company's $800 million shelf registration filed in January 1999. The Company subsequently entered into 10-year floating interest rate swap agreements on $100 million of the newly issued debentures. The proceeds from the issuance of debentures were used to refinance the borrowings used to finance the buyout of the operating leases discussed above, refinance certain Medium-Term Notes that matured and repay other corporate borrowings.

As of July 4, 1999 the debt portfolio had a weighted average interest rate of approximately 6.7% and approximately 32% of the total portfolio of $765 million was subject to changes in short-term interest rates.

On May 28, 1999 the Company acquired substantially 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 purchase price for all of the outstanding capital stock of Carolina was $36.6 million, as adjusted for required shareholders' equity of Carolina as of the acquisition date. The Company used its informal lines of credit for the cash portion of the acquisition. The acquisition has been accounted for under the purchase method of accounting.

Management believes that the Company, through the generation of cash flow from operations and the utilization of unused borrowing capacity, has sufficient financial resources available to maintain its current operations and provide for its current capital expenditure requirements. The Company considers the acquisition of additional bottling territories on an ongoing basis.

YEAR 2000:

Since many computer systems and other equipment with embedded chips or processors (collectively, "business systems") use only two digits to represent the year, these business systems may be unable to process accurately certain data before, during or after the year 2000. As a result, business and governmental entities are at risk for possible miscalculations or systems failures causing disruptions in their business operations. This is commonly known as the Year

2000 issue. The Year 2000 issue can arise at any point in the Company's supply, manufacturing, distribution and financial chains.

The Company began work on the Year 2000 issue in 1997. The scope of the project includes: ensuring the compliance of all applications, operating systems and hardware on mainframe, PC and LAN platforms; addressing issues related to non-IT embedded software and equipment and addressing the compliance of key suppliers and customers. The project has four phases: assessment of systems and equipment affected by the Year 2000 issue; definition of strategies to address affected systems and equipment; remediation or replacement of affected systems and equipment and testing that each is Year 2000 compliant.

With respect to ensuring the compliance of all applications, operating systems and hardware on the Company's various computer platforms, the assessment and definition of strategies phases have been completed. It is estimated that more than 95% of the remediation or replacement phase has been completed with the balance of this phase expected to be completed by September 1999. The testing phase is approximately 95% complete and is expected to be completed by the end of the third quarter of 1999.

Approximately 80% of the internal application development resources were committed to Year 2000 remediation efforts in 1997, 1998 and the first quarter of 1999. Approximately 70% of the Company's internal application development resources were committed to this effort in the second quarter of 1999. In the third quarter of 1999, the Company expects approximately 20% of its internal application development resources will be committed to the Year 2000 issue. The Company has also utilized contract programmers to identify Year 2000 noncompliance problems and modify code.

With respect to addressing issues related to non-IT embedded software and equipment, which principally exists in the Company's four manufacturing plants, the assessment and definition of strategies phases have been completed. Approximately 95% of the remediation or replacement phase has been completed with the balance of this phase expected to be completed by the end of August 1999. Testing is approximately 95% complete and should be completed by the end of third quarter of 1999.

The Company relies on third party suppliers for raw materials, water, utilities, transportation and other key services. Interruption of supplier operations due to Year 2000 issues could affect the Company operations. The Company plans to accumulate additional inventory in its warehouses as a means of mitigating somewhat the risk of business interruption due to supplier failures. Also, the Company has completed its review and evaluation of its critical suppliers' Year 2000 readiness and has received satisfactory responses from all of its mission critical suppliers.

The Company is also dependent upon our customers for sales and cash flow. Year 2000 interruptions in our customers' operations could result in reduced sales, increased inventory or receivable levels, increased bad debt write-offs and cash flow reductions. While these events are possible, the Company's customer base is broad enough to minimize the effects of a single occurrence.

The Company is in the process of developing contingency plans for those areas that are mission critical to our business. These contingency plans will be designed to mitigate serious disruptions to our business flow beyond the end of 1999, where possible. The major efforts related to contingency planning are expected to be completed by the end of third quarter 1999. Contingency plan manuals will be distributed and reviewed with key management personnel during the fourth quarter of 1999.

It is currently estimated that the aggregate cost of the Company's Year 2000 efforts will be approximately $5.0 million to $5.5 million, of which approximately $4.2 million has been spent to date. These costs are being expensed as they are incurred and are being funded through operating cash flow. These costs do not include any costs associated with the implementation of contingency plans, which are currently being developed. The costs associated with the replacement of computerized systems, hardware or equipment (currently estimated to be $4.8 million), substantially all of which would be capitalized, are not included in the above estimates.

The Company's Year 2000 program is an ongoing process and the estimates of costs and completion dates for various components of the program described above are subject to change.

The failure to correct a material Year 2000 issue could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect the Company's results of operations, liquidity and financial condition. Due to the general uncertainty inherent in the Year 2000 issue, resulting in part from the uncertainty of the Year 2000 readiness of third-party suppliers and customers, the Company is unable to determine at this time whether the consequences of Year 2000 failures will have a material impact on the Company's results of operations, liquidity or financial condition.

FORWARD-LOOKING STATEMENTS:

This Quarterly Report on Form 10-Q, as well as information included in, or incorporated by reference from, 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, certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such "forward-looking statements" include information relating to, among other matters, the Company's future prospects, developments and business strategies for its operations. These forward-looking statements are identified by their use of terms and phrases such as "expect", "estimate", "project", "believe" and similar terms and phrases. Such forward-looking statements are contained in various sections of this Quarterly Report.

These statements are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments and other factors they believe are appropriate under the circumstances, and involve risks and uncertainties that may cause actual future activities and results of operations to be materially different from that suggested or described in this Quarterly Report or in such other documents. These risks include, but are not limited to (A) risks associated with any changes in the historical level of marketing funding support which the Company receives from the The Coca-Cola Company, (B) risks associated with interruptions in the Company's business operations as a result of any failure to adequately correct the Year 2000 computer problem in any systems or equipment of the Company or a similar problem in one of its major suppliers or customers and (C) other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission. You are cautioned that any such statements are not guarantees of future performance. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary from those expected, estimated or projected.

PART II - OTHER INFORMATION

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

(a) The Annual Meeting of the Company's shareholders was held on May 12, 1999.

(b) The meeting was held to consider and vote upon (i) fixing the number of the Company's directors at ten, (ii) electing three directors, each for a term of three years or until his successor shall be elected and shall qualify, and (iii) approving an award of restricted stock to the Company's Chief Executive Officer, in order to permit such award to qualify as "performance-based" compensation within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended.

The votes cast on the question of fixing the number of directors at ten are summarized as follows:

For	Against	Abstain	Total Votes
51,806,863	14,300	4,216	51,825,379

The votes cast with respect to each director are summarized as follows:

Director Name	For	Abstain	Total Votes
John M. Belk	51,810,172	15,207	51,825,379
Charles L. Wallace	51,810,128	15,251	51,825,379
Reid M. Henson	51,809,435	15,944	51,825,379

The votes cast for approving the Restricted Stock Award are summarized as follows:

For	Against	Abstain	Total Votes
51,664,018	143,913	17,448	51,825,379

Item 6. Exhibits and Reports on Form 10-Q

(a) Exhibits

Exhibit No.	Description
4.1	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 subsidiaries for which consolidated financial statements are required to be filed, and 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	Amendment to Soft Toll Agreement dated as of July 1, 1999 between Alcoa, Inc. and the Company.
27	Financial data schedule for period ended July 4, 1999.

(b) Reports on Form 8-K

None.

SIGNATURES

Pursuant to the requirements 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)

Date: August 17, 1999

By: /s/ David V. Singer

David V. Singer
Principal Financial Officer of the
Registrant and
Vice President - Chief Financial Officer

[COCA-COLA LOGO APPEARS HERE]

James L. Moore
President and C.O.O.

July 1, 1999

Mr. Michael Coleman, President
Alcoa RPD Division
900 South Gay Street
Suite 1100
Knoxville, Tennessee 37902

Subject: Amendment to Soft Toll Agreement (Agreement)

Dear Mike:

Confirming our companies' recent conversation about can promotional activities, both parties have agreed to modify the Agreement as noted below:

1. Sections 7 and 9 shall be eliminated in their entirety; and

2. The Coca-Cola Bottling Co. Consolidated (CCBCC) Metal Cost (as defined in the Agreement) shall be subject to an $0.85 midwest ceiling for the term of the Agreement at no cost to CCBCC; all other provisions of Exhibit I shall remain in full force and effect.

Enclosed are three signed originals of this letter amendment. Please indicate your agreement to the above by executing where indicated and returning one original to me, and another original to Ken Carty.

Sincerely,

James L. Moore
President and C.O.O.

cc: File

Coca-Cola Bottling Co. Consolidated	ALCOA, Inc.
By: /s/ James L. Moore	By: /s/ Mike Coleman
Title: President and COO	Title: Vice President
Date: July 1, 1999	Date: July 1, 1999

4100 Coca-Cola Plaza, (704) 551-4603 P.O. Box 31487,
Charlotte, North Carolina 28211 Charlotte, North Carolina 28231

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This schedule contains summary financial information extracted from the financial statements as of and for the six months ended July 4, 1999 and is qualified in its entirety by reference to such financial statements.

0000317540
Coca-Cola Bottling Co. Consolidated
1,000
U.S. Dollars

6-MOS
JAN-02-2000
JAN-04-1999
JUL-04-1999
1
8,209
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0.20