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 September 27, 1998

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)

1900 Rexford Road, 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 November 2, 1998
Common Stock, $1 Par Value	7,045,047
Class B Common Stock, $1 Par Value	1,319,800

PART I - FINANCIAL INFORMATION

Item l. Financial Statements

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

ASSETS	Sept. 27, 1998	Dec. 28, 1997	Sept. 28, 1997
Current Assets:			
Cash	$ 5,944	$ 4,427	$ 3,801
Accounts receivable, trade, less allowance for doubtful accounts of $529, $513 and $418	60,839	55,258	52,834
Accounts receivable from The Coca-Cola Company	13,870	4,690	12,000
Due from Piedmont Coca-Cola Bottling Partnership		2,009	2,903
Accounts receivable, other	6,818	8,776	8,029
Inventories	44,207	38,738	36,772
Prepaid expenses and other current assets	15,463	12,674	10,498
Total current assets	147,141	126,572	126,837
Property, plant and equipment, less accumulated depreciation of $189,258, $175,766 and $168,499	257,483	250,904	250,572
Investment in Piedmont Coca-Cola Bottling Partnership	64,047	63,326	64,580
Other assets	50,298	43,138	44,434
Identifiable intangible assets, less accumulated amortization of $113,303, $105,334 and $102,849	254,977	231,034	233,435
Excess of cost over fair value of net assets of businesses acquired, less accumulated amortization of $30,278, $28,560 and $27,987	61,341	63,059	63,631
Total	$835,287	$778,033	$783,489

See Accompanying Notes to Consolidated Financial Statements

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

	Sept. 27, 1998	Dec. 28, 1997	Sept. 28, 1997
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Portion of long-term debt payable within one year	$ 30,205	$ 12,000	$ 12,030
Accounts payable and accrued liabilities	78,287	71,583	64,314
Accounts payable to The Coca-Cola Company	5,726	4,108	6,222
Due to Piedmont Coca-Cola Bottling Partnership	1,733		
Accrued compensation	8,090	5,075	4,453
Accrued interest payable	9,295	14,038	8,997
Total current liabilities	133,336	106,804	96,016
Deferred income taxes	119,446	111,594	111,206
Deferred credits	5,405	7,139	7,933
Other liabilities	57,281	49,434	47,769
Long-term debt	502,898	493,789	508,689
Total liabilities	818,366	768,760	771,613
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 -10,107,421 shares	10,107	10,107	10,107
Class B Common Stock, $1 par value: Authorized - 10,000,000 shares; Issued -1,947,914 shares	1,948	1,948	1,948
Class C Common Stock, $1 par value: Authorized-20,000,000 shares; Issued-None			
Capital in excess of par value	96,800	103,074	105,165
Accumulated deficit	(30,680)	(44,602)	(43,986)
Minimum pension liability adjustment			(104)
	78,175	70,527	73,130
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	16,921	9,273	11,876
Total	$ 835,287	$ 778,033	$ 783,489

See Accompanying Notes to Consolidated Financial Statements

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

	Third Quarter		First Nine Months	
	1998	1997	1998	1997
Net sales (includes sales to Piedmont of $21,979, $15,638, $52,881 and $41,714)	$ 248,533	$ 219,079	$ 693,279	$ 605,648
Cost of products sold, excluding depreciation shown below (includes $17,088, $11,966, $41,544 and $31,975 related to sales to Piedmont)	143,081	124,966	398,515	338,809
Gross margin	105,452	94,113	294,764	266,839
Selling expenses, excluding depreciation shown below	53,553	47,465	153,299	134,843
General and administrative expenses	17,177	14,503	50,698	43,283
Depreciation expense	9,325	8,526	27,121	24,947
Amortization of goodwill and intangibles	3,302	3,086	9,839	9,241
Income from operations	22,095	20,533	53,807	54,525
Interest expense	10,723	9,541	29,069	28,050
Other income (expense), net	(611)	(440)	(2,964)	(1,225)
Income before income taxes	10,761	10,552	21,774	25,250
Federal and state income taxes	3,766	3,915	7,852	9,368
Net income	$ 6,995	$ 6,637	$ 13,922	$ 15,882
Basic net income per share	$ .84	$ .79	$ 1.66	$ 1.89
Diluted net income per share	$ .82	$ .78	$ 1.64	$ 1.87
Weighted average number of common shares outstanding	8,365	8,365	8,365	8,422
Weighted average number of common shares outstanding-assuming dilution	8,499	8,467	8,496	8,514

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	Minimum Pension Liability Adjustment	Treasury Stock
Balance on December 29, 1996	$ 10,107	$ 1,948	$111,439	$(59,868)	$ (104)	$ 41,253
Net income				15,882		
Cash dividends paid: Common			(6,274)			
Purchase of Common Stock						20,001
Balance on September 28, 1997	$ 10,107	$ 1,948	$105,165	$(43,986)	$ (104)	$ 61,254

	Common Stock	Class B Common Stock	Capital in Excess of Par Value	Accumulated Deficit	Minimum Pension Liability Adjustment	Treasury Stock
Balance on December 28, 1997	$ 10,107	$ 1,948	$103,074	$(44,602)	$ --	$ 61,254
Net income				13,922		
Cash dividends paid: Common			(6,274)			
Balance on September 27, 1998	$ 10,107	$ 1,948	$ 96,800	$(30,680)	$ --	$ 61,254

See Accompanying Notes to Consolidated Financial Statements

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

	First Nine Months 1998	First Nine Months 1997
Cash Flows from Operating Activities		
Net income	$ 13,922	$ 15,882
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	27,121	24,947
Amortization of goodwill and intangibles	9,839	9,241
Deferred income taxes	7,852	2,803
Losses on sale of property, plant and equipment	1,964	997
Amortization of debt costs	445	455
Undistributed earnings of Piedmont Coca-Cola Bottling Partnership	(721)	(118)
Increase in current assets less current liabilities	(9,889)	(10,976)
Increase in other noncurrent assets	(7,562)	(9,207)
Increase in other noncurrent liabilities	6,113	3,270
Other	83	3,015
Total adjustments	35,245	24,427
Net cash provided by operating activities	49,167	40,309
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt	9,139	69,461
Increase in current portion of long-term debt	18,205	11,925
Payments on long-term debt	(30)	(226)
Purchase of Common Stock		(20,001)
Cash dividends paid	(6,274)	(6,274)
Other	(41)	(1,166)
Net cash provided by financing activities	20,999	53,719
Cash Flows from Investing Activities		
Additions to property, plant and equipment	(34,639)	(90,076)
Proceeds from the sale of property, plant and equipment	755	742
Acquisitions of companies, net of cash acquired	(34,765)	(3,834)
Net cash used in investing activities	(68,649)	(93,168)
Net increase in cash	1,517	860
Cash at beginning of period	4,427	2,941
Cash at end of period	$ 5,944	$ 3,801

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 December 28, 1997 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:

	Third Quarter		First Nine Months	
In Thousands	1998	1997	1998	1997
Net sales	$74,415	$65,912	$202,941	$181,780
Gross margin	32,552	27,998	88,818	79,944
Income from operations	5,207	3,105	10,850	9,024
Net income	2,096	362	1,442	236

3. Inventories

Inventories are summarized as follows:

In Thousands	Sept. 27, 1998	Dec. 28, 1997	Sept. 28, 1997
Finished products	$29,720	$21,542	$21,164
Manufacturing materials	10,543	14,171	9,691
Plastic pallets and other	3,944	3,025	5,917
Total inventories	$44,207	$38,738	$36,772

The amounts included above for inventories valued by the LIFO method were greater than replacement or current cost by approximately $2.8 million, $2.8 million and $2.1 million on September 27, 1998, December 28, 1997 and September 28, 1997, respectively, as a result of inventory premiums associated with certain acquisitions.

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

4. Long-Term Debt

Long-term debt is summarized as follows:

In Thousands	Maturity	Interest Rate	Fixed(F) or Variable (V) Rate	Interest Paid	Sept. 27, 1998	Dec. 28, 1997	Sept. 28, 1997
Lines of Credit	2002	5.59% - 5.81%	V	Varies	$ 48,034	$ 10,300	$ 25,200
Term Loan Agreement	2004	6.30%	V	Varies	85,000	85,000	85,000
Term Loan Agreement	2005	6.30%	V	Varies	85,000	85,000	85,000
Medium-Term Notes	1998	6.28%	V	Quarterly		10,000	10,000
Medium-Term Notes	1998	10.05%	F	Semi-annually		2,000	2,000
Medium-Term Notes	1999	7.99%	F	Semi-annually	28,585	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
Other notes payable	1998 - 2001	6.00% - 10.00%	F	Varies	13,984	12,404	12,434
					533,103	505,789	520,719
Less: Portion of long-term debt payable within one year					30,205	12,000	12,030
Long-term debt					$502,898	$493,789	$508,689

4. 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. The net proceeds from these issuances were used for refinancing a portion of existing public debt with the remainder used to repay other debt.

On November 20, 1995, the Company entered into a $170 million term loan agreement with $85 million maturing in July 2004 and $85 million maturing in July 2005. This loan was used to repay two $60 million loans previously entered into by the Company and other bank debt.

The Company has guaranteed a portion of the debt for two cooperatives in which the Company is a member. The amounts guaranteed were $31.1 million, $31.1 million and $31.5 million as of September 27, 1998, December 28, 1997 and September 28, 1997, respectively.

5. 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 the debt portfolio of approximately 7.0%, 7.1% and 7.1% as of September 27, 1998, December 28, 1997 and September 28, 1997, respectively. The Company's overall weighted average interest rate on its long-term debt increased from an average of 6.9% during the first nine months of 1997 to an average of 7.0% during the first nine months of 1998. After taking into account the effect of all of the interest rate swap activities, approximately 25%, 50% and 49% of the total debt portfolio was subject to changes in short-term interest rates as of September 27, 1998, December 28, 1997 and September 28, 1997, respectively.

A rate increase of 1% on the floating rate component of the Company's debt would have increased interest expense for the first nine months of 1998 by approximately $1.5 million and net income for the first nine months ended September 27, 1998 would have been reduced by approximately $.9 million.

Derivative financial instruments were as follows:

	Sept. 27, 1998		Dec. 28, 1997		Sept. 28, 1997	
In Thousands	Amount	Remaining Term	Amount	Remaining Term	Amount	Remaining Term
Interest rate swaps-floating	$60,000	5 years	$60,000	5.75 years	$60,000	6 years
Interest rate swaps-floating			70,000	11.5 years	70,000	11.75 years
Interest rate swaps-floating			30,000	11.5 years	30,000	11.75 years
Interest rate swaps-fixed ..	60,000	5 years	60,000	5.75 years	60,000	6 years
Interest rate swaps-fixed ..	50,000	6.25 years				
Interest rate cap	35,000	1.75 years	35,000	2.5 years		

In January 1998, the Company terminated two floating rate interest swaps with a total notional amount of $100 million. The gain of $6.5 million resulting from this termination will be amortized over 11.5 years, the remaining term of the initial swap agreements.

5. 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	Sept. 27, 1998 Carrying Amount	Sept. 27, 1998 Fair Value	Dec. 28, 1997 Carrying Amount	Dec. 28, 1997 Fair Value	Sept. 28, 1997 Carrying Amount	Sept. 28, 1997 Fair Value
Balance Sheet Instruments						
Public debt	$ 301,085	$ 330,884	$ 313,085	$ 327,486	$ 313,085	$ 321,559
Non-public variable rate long-term debt	218,034	218,034	180,300	180,300	195,200	195,200
Non-public fixed rate long-term debt	13,984	14,944	12,404	13,297	12,434	13,314
Off-Balance-Sheet Instruments						
Interest rate swaps		(2,551)		1,854		(1,330)
Interest rate cap		4		80		

The fair values of the interest rate swaps at September 27, 1998 and September 28, 1997 represent the estimated amounts the Company would have had to pay to terminate these agreements. The fair values of the interest rate cap and the fair value of the interest rate swap at December 28, 1997 represent the estimated amounts the Company would have received upon termination of these agreements.

6. Supplemental Disclosures of Cash Flow Information

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

In Thousands	First Nine Months 1998	1997
Accounts receivable, trade, net	$ (4,925)	$ (1,809)
Accounts receivable from The Coca-Cola Company	(9,180)	(9,089)
Due from Piedmont Coca-Cola Bottling Partnership	2,009	2,985
Accounts receivable, other	2,042	(47)
Inventories	(5,247)	(5,944)
Prepaid expenses and other current assets	(2,696)	(1,040)
Accounts payable and accrued liabilities	6,505	3,940
Accounts payable to The Coca-Cola Company	1,618	2,973
Due to Piedmont Coca-Cola Bottling Partnership	1,733	
Accrued compensation	2,995	(830)
Accrued interest payable	(4,743)	(2,115)
Increase in current assets less current liabilities	$ (9,889)	$(10,976)

7. Acquisition

On January 21, 1998, the Company purchased the franchise rights and operating assets of a Coca-Cola bottler located in Florence, Alabama for $33.6 million. The bottling territory covers portions of northwest Alabama and south central Tennessee and is contiguous to the Company's Tennessee bottling territory. The Company issued notes payable to the seller for approximately $32.1 million and used the Company's existing lines of credit to fund the cash portion of the acquisition. The outstanding notes payable balance of $1.5 million is due on January 31, 1999. The interest rate for the notes payable issued is 6.5%.

The acquisition was accounted for using the purchase method of accounting. Accordingly, the Company's financial statements reflect the operating results since the acquisition date. The results of operations for the periods presented would not have been materially different had this acquisition taken place at the beginning of the periods.

8. 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 third quarter and first nine months of 1998 compared to the third quarter and first nine months of 1997 and changes in financial condition from September 28, 1997 and December 28, 1997 to September 27, 1998.

The Company reported net income of $7.0 million or $.84 per share for the third quarter of 1998 compared with net income of $6.6 million or $.79 per share for the same period in 1997. For the first nine months of 1998, net income was $13.9 million or $1.66 per share compared to net income of $15.9 million or $1.89 per share for the first nine months of 1997. The third quarter of 1998 was highlighted by strong volume growth across all significant market channels and improved pricing. Franchise bottle/can volume increased by 9% in the third quarter and was up 11% for the first nine months of 1998.

The Company purchased the franchise rights and operating assets of a Coca-Cola bottler in Florence, Alabama in January 1998. The Company purchased St. Paul Coca-Cola Bottling Company, Inc., a small Coca-Cola bottler in southwestern Virginia, in June 1998.

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 continued its trend of strong volume growth in the third quarter with an increase of approximately 9% in franchise bottle/can volume. Net sales for the quarter increased 13% over the same period in 1997. Franchise bottle/can volume for the first nine months of 1998 increased by 11% over 1997. Net sales for the first nine months of 1998 increased by 14% over the first nine months of 1997. The volume and sales gains for the third quarter and all of 1998 are being driven by targeted marketing programs with key accounts and the Company's significant investment in cold drink equipment and infrastructure. Net selling prices were up almost 2% in the third quarter of 1998 over 1997 reflecting an improved pricing trend. For the first nine months of 1998, net selling prices were even with the corresponding period in 1997. Volume growth was strong across all significant channels. In addition, fountain volume increased 18% for the third quarter and 18% for the first nine months of 1998.

The Company has enjoyed strong growth in its flagship brand, Coca-Cola classic, with volume up about 5% for the first nine months of 1998. Volume in the citrus category (Sprite, Mello Yello and Surge) increased 15% over the first nine months of the prior year. Surge, a new citrus drink which was introduced during the first quarter of 1998, now represents nearly 2% of franchise bottle/can volume. The Company's noncarbonated beverage market continued to show strong volume growth in the third quarter. Noncarbonated beverage volume grew more than 60% in the first nine months of 1998. Noncarbonated products including POWERaDE, Fruitopia, Cool from Nestea and bottled water now account for approximately 6% of the Company's franchise bottle/can volume.

Gross margin increased by 12% and 10% in the third quarter and first nine months of 1998, respectively. The increase in gross margin resulted primarily from strong volume growth. Gross margin, as a percentage of net sales, decreased from 44.1% for the first nine months of 1997 to 42.5% for the same period in 1998 as selling prices did not increase to cover higher raw material costs.

Selling expenses for the third quarter and first nine months of 1998 increased by 13% and 14%, respectively, from 1997 levels. Increased selling costs resulted from higher sales volume, employment costs for additional sales personnel, a new incentive program for certain employees, additional marketing expenses, higher costs for sales development programs and increased lease expense for cold drink equipment and vehicles, partially offset by increased marketing funding and infrastructure support from The Coca-Cola Company. 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 accelerated volume growth.

Lease expense increased 21% for the third quarter and 14% for the first nine months of 1998 over the same periods in 1997. The increased lease expense is due to the Company's continued investment in cold drink equipment and vehicles to support accelerated sales growth.

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 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 1998, 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 from The Coca-Cola Company and other beverage companies in the first nine months of 1998 and 1997 was $40.2 million and $26.6 million, respectively. Total marketing funding and infrastructure support in the third quarter of 1998 and 1997 was $14.4 million and $9.3 million, respectively.

General and administrative expenses in the third quarter increased by 18% from the third quarter of 1997. General and administrative expenses for the first nine months of 1998 increased by 17% over the same period in 1997. The increase in general and administrative expenses was due primarily to hiring of additional support personnel, higher employment costs in certain of the Company's labor markets and a new incentive program for certain employees. The Company has made an investment in additional administrative infrastructure to support the projected accelerated growth of the Company.

Depreciation expense increased 9% between both the third quarter and the first nine months of 1998 and the comparable periods in 1997. This increase was due to significant ongoing capital investment including over $100 million in 1997 and approximately $34.6 million for the first nine months of 1998.

Interest expense for the first nine months of 1998 increased by 4% over the same period in the prior year due principally to additional borrowings related to acquisitions and capital expenditures.

The Company's overall weighted average interest rate increased from an average of 6.9% during the first nine months of 1997 to an average of 7.0% during the first nine months of 1998 due largely to an increase in fixed rate debt as a percentage of the total debt portfolio. The fixed rate debt has slightly higher rates than the floating rate debt.

Other expense for the first nine months of 1998 increased by $1.7 million over the same period in 1997. The increase is due primarily to losses on the disposal of cold drink equipment.

Changes in Financial Condition:
- -------------------------------
Working capital decreased $6 million from December 28, 1997 and $17 million from September 28, 1997 to September 27, 1998. The decrease from December 28, 1997 is attributable to an increase in the current portion of long-term debt of $18.2 million and a $6.7 million increase in accounts payable and accruals, offset by increases in trade accounts receivable ($5.6 million), accounts receivable from The Coca-Cola Company ($9.2 million) and inventory ($5.5 million). The increase in the current portion of long-term debt is due to the maturing of $28.6 million of the Company's Medium-Term Notes in the first quarter of 1999 and additional debt related to the acquisition of a Coca-Cola bottler in northwest Alabama during the first quarter of 1998. The increase in trade accounts receivable resulted from the increase in sales over the prior year. The increase in inventory levels is due to the previously discussed sales increase and a greater number of products being sold. The increase in accounts receivable from The Coca-Cola Company is due to higher levels of marketing funding and infrastructure support in the current year. The decrease in working capital of $17 million from September 28, 1997 is due to the aforementioned increase in the current portion of long-term debt, an increase of $14.1 million in accounts payable and accruals, offset by an increase in trade accounts receivable of $8.0 million and an increase in inventories of $7.4 million.

Capital expenditures in the first nine months of 1998 were $34.6 million as compared to $90.1 million in the first nine months of 1997. Capital expenditures for the first nine months of 1997 include $66.3 million of previously leased equipment that was purchased during the first quarter of 1997.

Long-term debt decreased by $5.8 million from September 28, 1997 and increased $9.1 million from December 28, 1997. The decrease from September 28, 1997 is primarily due to the reclassification of $28.6 million of the Company's Medium-Term Notes to current liabilities as of September 27, 1998, offset by additional long-term debt for an acquisition of a Coca-Cola bottler during the first quarter of 1998. The increase from December 28, 1997 is due to the aforementioned acquisition in the first quarter of 1998. The Company currently intends to use its informal lines of credit to refinance the Medium-Term Notes as they come due.

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 September 27, 1998, the Company had no borrowings outstanding under the revolving credit facility and had approximately $48.0 million outstanding under the informal lines of credit.

As of September 27, 1998 the debt portfolio had a weighted average interest rate of approximately 7.0% and approximately 25% of the total portfolio of $533.1 million was subject to changes in short-term interest rates.

Other liabilities increased from December 28, 1997 to September 27, 1998 by approximately $7.8 million. This increase is primarily due to a $6.5 million gain which resulted from the termination of two interest rate swaps in the first quarter of 1998. The $6.5 million gain will be amortized over 11.5 years, the remaining term of the initial swap agreements.

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 shareholders. The Company considers the acquisition of additional franchise 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 compliance 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 80% of the remediation or replacement phase has been completed with the balance of this phase expected to be completed by mid first quarter 1999. The testing phase has begun and is expected to be completed by the end of the first quarter of 1999.

Approximately 80% of the internal application development resources were committed to Year 2000 remediation efforts in 1997 and approximately 95% of these resources were committed to this effort in 1998. 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 50% of the remediation or replacement phase has been completed with the balance of this phase expected to be completed by the end of second quarter 1999. Testing will begin in 1999 and is expected to be completed by the end of third quarter 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 Company operations. We have initiated efforts to evaluate the status of our most critical suppliers' progress. This process of evaluating our critical suppliers is scheduled for completion by mid-1999. Options to reduce the risks of interruption due to supplier failures include identification of alternate suppliers and accumulation of inventory to assure production capability, where feasible or warranted. These activities are intended to provide a means of managing risk, but cannot eliminate the potential for disruption due to third party failure.

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 and cash flow reductions. While these events are possible, the Company's customer base is broad enough to minimize somewhat the effects of a single occurrence. The Company is in the assessment phase with respect to the evaluation of critical customers' progress and is scheduled for completion by mid-1999.

The Company will develop contingency plans for those areas that are 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 will occur in the fourth quarter of 1998 and the first half of 1999.

It is currently estimated that the aggregate cost of the Company's Year 2000 efforts will be approximately $6 million to $7 million, of which approximately $4 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 in the process of being developed. The costs associated with the replacement of computerized systems, hardware or equipment (currently estimated to be $3 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 problem 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 problem, 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.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit Number	Description
27	Financial data schedule for period ended September 27, 1998.

(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: November 10, 1998

By: /s/ David V. Singer

David V. Singer

Principal Financial Officer of the Registrant
and
Vice President - Chief Financial Officer

This schedule contains summary financial information extracted from the financial statements as of and for the nine months ended September 27, 1998 and is qualified in its entirety by reference to such financial statements.

0000317540
COCA-COLA BOTTLING CO. CONSOLIDATED
1,000
U.S. DOLLARS

9-MOS
JAN-03-1999
DEC-29-1997
SEP-27-1998
1
5,944
0
61,368
529
44,207
147,141
446,741
189,258
835,287
133,336
502,898
12,055
0
0
4,866
835,287
693,279
693,279
398,515
398,515
240,957
0
29,069
21,774
7,852
13,922
0
0
0
13,922
1.66
1.64