COMPANY NAME: Coca-Cola Bottling Co. Consolidated

U.S. EMPLOYEES: 6,100

TYPE OF PLAN(S): Traditional Defined Benefit — 4,500 participants affected

DATE ANNOUNCED: February 27, 2006

DATE EFFECTIVE: June 30, 2006

DESCRIPTION OF FREEZE: Total Freeze. Effective June 30, 2006, all members in the defined benefit plan will stop accruing benefits.

PLAN SOLVENCY: At year end 2003, defined benefit pension assets were $106 million and pension liabilities were $119 million.

REPORTED FINANCIAL IMPLICATION: Coca-Cola Bottling Co. Consolidated’s long-term savings are estimated to be $8 million.

NEW ARRANGEMENTS FOR EMPLOYEES: The 401(k) plan is to be enhanced, and effective January 1, 2007, employee contributions, up to 5 percent of eligible compensation, will be matched dollar-for-dollar. The employee will be fully vested at the time the contributions are made.

BACKGROUND: Coca-Cola Bottling Co. Consolidated was founded in 1902. Based in Charlotte, N.C., it is the nation’s second largest Coca-Cola marketer, producer, distributor and bottler. Dr. Pepper and several other beverage brands are also distributed by Coca-Cola Bottling Co. Consolidated.

REFERENCES
Coca-Cola Bottling Co. Consolidated. 2006. Form 8-K. (February 27).

Note: 'Reported Financial Implication' is authors' calculation.