

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

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Coca-Cola Enterprises Inc.

Date of Report (Date of earliest event reported): **October 23, 2008**

COCA-COLA ENTERPRISES INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

01-09300
(Commission File No.)

58-0503352
(IRS Employer Identification No.)

2500 Windy Ridge Parkway, Atlanta, Georgia 30339
(Address of principal executive offices, including zip code)

(770) 989-3000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Precommencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Precommencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition

The information in this Item 2.02 is being furnished herewith and shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing. On October 23, 2008, Coca-Cola Enterprises Inc. issued a press release announcing third quarter 2008 results. A copy of the press release is furnished as Exhibit 99.

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**SIGNATURE**

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 hereunto duly authorized.

**COCA-COLA ENTERPRISES INC.**  
(Registrant)

Date: October 23, 2008

By: /S./ WILLIAM T. PLYBON  
William T. Plybon  
Vice President, Secretary and  
Deputy General Counsel

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**EXHIBIT INDEX**

Exhibit No.  
99

Description  
Press Release dated October 23, 2008

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## News Release

**CONTACT:** Thor Erickson – Investor Relations(770) 989-3110  
Laura Brightwell – Media Relations(770) 989-3023

**FOR IMMEDIATE RELEASE**

**COCA-COLA ENTERPRISES INC.**  
**REPORTS THIRD-QUARTER 2008 RESULTS**

- Excluding certain items, comparable third quarter EPS totals 46 cents reflecting the impact of continued weakness in North America, growth in Europe and favorable tax rates.
- CCE continues to accelerate work to create fundamental changes in its North American operations through its own business review and in conjunction with The Coca-Cola Company.
- CCE now expects full-year 2008 diluted earnings per share in a range of \$1.25 to \$1.29, excluding items affecting comparability and including expected currency impact and reduced funding from The Coca-Cola Company.

ATLANTA, October 23, 2008 – Coca-Cola Enterprises (NYSE: CCE) today reported third-quarter 2008 net income of \$214 million, or 44 cents per diluted common share. Excluding items affecting comparability, third-quarter 2008 net income was \$226 million or 46 cents per diluted common share.

The following table provides a reconciliation of reported and comparable earnings per diluted share:

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|                                                                       | Third Quarter  |                | First Nine Months |                |
|-----------------------------------------------------------------------|----------------|----------------|-------------------|----------------|
|                                                                       | 2008           | 2007           | 2008              | 2007           |
| Reported (GAAP)                                                       | \$ 0.44        | \$ 0.55        | \$ (6.07)         | \$ 1.14        |
| Restructuring Charges                                                 | 0.01           | 0.04           | 0.08              | 0.12           |
| Franchise Impairment Charge                                           | -              | -              | 7.07              | -              |
| Gain on Asset Sale                                                    | -              | (0.03)         | -                 | (0.03)         |
| Legal Settlement Accrual Reversal                                     | -              | -              | -                 | (0.01)         |
| Debt Extinguishment Costs                                             | -              | -              | -                 | 0.01           |
| Loss on Equity Securities                                             | -              | -              | -                 | 0.02           |
| Gain on Termination of Distribution Agreement                         | -              | (0.02)         | -                 | (0.02)         |
| Net Tax Items                                                         | 0.01           | (0.10)         | 0.02              | (0.12)         |
| <b>Comparable Net Earnings Per Diluted Common Share<sup>(a)</sup></b> | <b>\$ 0.46</b> | <b>\$ 0.44</b> | <b>\$ 1.10</b>    | <b>\$ 1.11</b> |

<sup>(a)</sup> This non-GAAP financial information is provided to allow investors to more clearly evaluate operating performance and business trends. Management uses this information to review results excluding items that are not necessarily indicative of ongoing results.

The key factors influencing third quarter results include the marketplace impact of a continued difficult North American economic environment including declines in higher margin 20-ounce packages, continued growth in Europe, increased fuel costs, and the mark-to-market impact of fuel hedges. As a result, reported operating income declined 4½ percent in the third quarter, and comparable operating income declined 2 percent. Currency translation contributed approximately 1 cent to third quarter EPS results.

“Our performance remains below our expectations as we work through a combination of significant marketplace challenges, including a weakened North American economic environment, changing consumer purchasing patterns, and the impact of volatile fuel costs,” said John F. Brock, chairman and chief executive officer. “We continue to move forward with the fundamental business review that we announced at the end of the second quarter, seeking solutions to structural issues in our business as we work to renew profit growth as soon as possible. We look forward to sharing additional details of our review and its benefits with investors in December.

“We are taking the necessary steps within our Global Operating Framework to achieve the higher levels of performance we believe CCE can deliver,” Mr. Brock said. “A key example is our recent agreement for distribution of Monster energy drinks, the leading U.S. brand by volume in this growth category. This agreement demonstrates solid progress against our framework’s first strategic objective – grow the value of our brands.”

Third quarter consolidated physical case bottle and can volume increased 2½ percent, net pricing per case grew 3½ percent, and cost of sales per case increased 6 percent. Both pricing and cost of sales results exclude the effects of currency translations. Pages 11 through 15 of this release provide a reconciliation of reported and comparable operating results.

### **THIRD QUARTER PERFORMANCE**

In the third quarter, North American volume increased 1½ percent, benefiting from the addition of glacéau, Fuze, and Campbell’s brands, and growth in key sparkling beverage brands, including Coca-Cola classic, Coca-Cola Zero, and Sprite. Net pricing per case grew 3½ percent and cost of sales per case increased 7½ percent. Both pricing and costs were affected by the mix impact of increased sales of higher cost purchased finished goods, while growth in costs was also driven by higher commodity costs. Comparable operating expenses grew 5 percent primarily reflecting increases in fuel costs and the mark-to-market impact of fuel hedging.

“North American volume growth was strengthened by promotional activity planned prior to our decision to implement a September price increase,” Mr.

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Brock said. "This price increase was a key first step in our work to maintain margins and cover the impact of increasing costs in our business and seek ways to return to profit growth as soon as possible.

"Though this increase will limit our volume performance for the near term, it is essential for two reasons. First, we must respond to the ongoing high cost environment that we face as commodity cost increases remain well above historical levels and continue to contribute to margin erosion," Mr. Brock said. "Second, we believe the long-term health of our company demands that we strengthen profitability at all levels of the company, including the lower-margin future consumption segment."

Total European volume in the third quarter grew 5½ percent, benefiting from strong marketplace execution and hurdling a prior year weather-related decline of 3 percent. This improvement includes mid single-digit growth in Great Britain, driven by a 7½ percent increase in our trademark Coca-Cola brands, and 6 percent growth in continental Europe. On the continent, volume reflects strength in our core Coca-Cola trademark brands and solid improvement in France as we recover from a second quarter 2008 labor disruption. Net pricing per case grew 2½ percent and European cost of sales per case grew at a rate of 2 percent.

"We continue to achieve important progress in Europe with strong marketplace execution, the benefits of our three-cola strategy, and the success of initiatives to drive improved efficiency and effectiveness," Mr. Brock said. "Through the third quarter, performance remains in-line with our expectations,

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though we continue to monitor the marketplace and overall economic indicators closely.”

### **FINANCIAL OUTLOOK**

Management now expects comparable 2008 earnings per diluted common share in a range of \$1.25 to \$1.29 and a decrease in full year operating income of approximately 10 percent. This reflects low double-digit operating income growth in Europe and a decline in North America in a low 20 percent range. The company expects full year free cash flow from operations less capital spending of approximately \$600 million, with capital spending of approximately \$1 billion. The comparable effective tax rate for 2008 is expected to be approximately 24 percent to 25 percent.

This revised guidance excludes items affecting comparability, excludes the fourth quarter impact of mark-to-market fuel hedging, and includes expected currency translation impact. It also includes a \$35 million reduction in funding from The Coca-Cola Company and a high single-digit increase in North America concentrate costs, actions that will significantly impact fourth quarter results.

“We are working with The Coca-Cola Company on ways to revitalize primary areas of our North American business,” Mr. Brock said. “We anticipate achieving mutually beneficial solutions to key issues as we develop long-range plans that will restore growth to North America and drive meaningful benefit to CCE shareowners.”

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## CONFERENCE CALL

CCE will host a conference call with analysts and investors today at 10:00 a.m. EDT. The call can be accessed through the company's web site at [www.cokecce.com](http://www.cokecce.com).

Coca-Cola Enterprises Inc. is the world's largest marketer, distributor, and producer of bottle and can liquid nonalcoholic refreshment. CCE sells approximately 80 percent of The Coca-Cola Company's bottle and can volume in North America and is the sole licensed bottler for products of The Coca-Cola Company in Belgium, continental France, Great Britain, Luxembourg, Monaco, and the Netherlands. For more information about our Company, please visit our website at [www.cokecce.com](http://www.cokecce.com).

### ***Forward-Looking Statements***

*Included in this news release are forward-looking management comments and other statements that reflect management's current outlook for future periods. As always, these expectations are based on currently available competitive, financial, and economic data along with our current operating plans and are subject to risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements. The forward-looking statements in this news release should be read in conjunction with the risks and uncertainties discussed in our filings with the Securities and Exchange Commission, including our most recent annual report on Form 10-K and subsequent SEC filings.*

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**COCA-COLA ENTERPRISES INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited; In Millions, Except Per Share Data)

|                                                    | Third Quarter       |                     |        |
|----------------------------------------------------|---------------------|---------------------|--------|
|                                                    | 2008 <sup>(a)</sup> | 2007 <sup>(b)</sup> | Change |
| Net Operating Revenues                             | \$ 5,743            | \$ 5,405            | 6.5 %  |
| Cost of Sales                                      | 3,627               | 3,342               | 8.5 %  |
| Gross Profit                                       | 2,116               | 2,063               | 2.5 %  |
| Selling, Delivery, and Administrative Expenses     | 1,686               | 1,613               | 4.5 %  |
| Operating Income                                   | 430                 | 450                 |        |
| Interest Expense, Net                              | 144                 | 155                 |        |
| Other Nonoperating (Expense) Income, Net           | (11)                | 9                   |        |
| Income Before Income Taxes                         | 275                 | 304                 |        |
| Income Tax Expense                                 | 61                  | 36                  |        |
| Net Income                                         | \$ 214              | \$ 268              |        |
| Basic Weighted Average Common Shares Outstanding   | 485                 | 481                 |        |
| Basic Net Earnings Per Share <sup>(c)</sup>        | \$ 0.44             | \$ 0.56             |        |
| Diluted Weighted Average Common Shares Outstanding | 488                 | 488                 |        |
| Diluted Net Earnings Per Share <sup>(c)</sup>      | \$ 0.44             | \$ 0.55             |        |

(a) Third-quarter 2008 net income includes net unfavorable items totaling \$12 million, or 2 cents per diluted common share. See page 11 of this earnings release for a list of these items.

(b) Third-quarter 2007 net income includes net favorable items totaling \$55 million, or 11 cents per diluted common share. See page 11 of this earnings release for a list of these items.

(c) Per share data calculated prior to rounding to millions.

**COCA-COLA ENTERPRISES INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited; In Millions, Except Per Share Data)

|                                                      | First Nine Months   |                     |        |
|------------------------------------------------------|---------------------|---------------------|--------|
|                                                      | 2008 <sup>(a)</sup> | 2007 <sup>(b)</sup> | Change |
| Net Operating Revenues                               | \$ 16,570           | \$ 15,637           | 6 %    |
| Cost of Sales                                        | 10,466              | 9,656               | 8.5 %  |
| Gross Profit                                         | 6,104               | 5,981               | 2 %    |
| Selling, Delivery, and Administrative Expenses       | 5,015               | 4,820               | 4 %    |
| Franchise Impairment Charge                          | 5,279               | -                   |        |
| Operating (Loss) Income                              | (4,190)             | 1,161               |        |
| Interest Expense, Net                                | 434                 | 467                 |        |
| Other Nonoperating Expense, Net                      | (8)                 | (3)                 |        |
| (Loss) Income Before Income Taxes                    | (4,632)             | 691                 |        |
| Income Tax (Benefit) Expense                         | (1,688)             | 138                 |        |
| Net (Loss) Income                                    | \$ (2,944)          | \$ 553              |        |
| Basic Weighted Average Common Shares Outstanding     | 485                 | 480                 |        |
| Basic Net (Loss) Earnings Per Share <sup>(c)</sup>   | \$ (6.07)           | \$ 1.15             |        |
| Diluted Weighted Average Common Shares Outstanding   | 485                 | 485                 |        |
| Diluted Net (Loss) Earnings Per Share <sup>(c)</sup> | \$ (6.07)           | \$ 1.14             |        |

(a) First nine months of 2008 net loss includes net unfavorable items totaling \$3.5 billion, or \$7.17 per common share. See page 12 of this earnings release for a list of these items.

(b) First nine months of 2007 net income includes net favorable items totaling \$16 million, or 3 cents per diluted common share. See page 12 of this earnings release for a list of these items.

(c) Per share data calculated prior to rounding to millions.

**COCA-COLA ENTERPRISES INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited; In Millions)

|                                                                    | <b>September 26,<br/>2008</b> | <b>December 31,<br/>2007</b> |
|--------------------------------------------------------------------|-------------------------------|------------------------------|
| <b>ASSETS</b>                                                      |                               |                              |
| Current:                                                           |                               |                              |
| Cash and cash equivalents                                          | \$ 383                        | \$ 170                       |
| Trade accounts receivable, net                                     | 2,509                         | 2,217                        |
| Amounts receivable from The Coca-Cola Company                      | 179                           | 144                          |
| Inventories                                                        | 1,092                         | 924                          |
| Current deferred income tax assets                                 | 159                           | 206                          |
| Prepaid expenses and other current assets                          | 458                           | 431                          |
| Total Current Assets                                               | <u>4,780</u>                  | <u>4,092</u>                 |
| Property, plant, and equipment, net                                | 6,510                         | 6,762                        |
| Goodwill                                                           | 604                           | 606                          |
| Franchise license intangible assets, net                           | 6,254                         | 11,767                       |
| Other noncurrent assets, net                                       | 890                           | 819                          |
|                                                                    | <u><b>\$ 19,038</b></u>       | <u><b>\$ 24,046</b></u>      |
| <b>LIABILITIES AND SHAREOWNERS' EQUITY</b>                         |                               |                              |
| Current:                                                           |                               |                              |
| Accounts payable and accrued expenses                              | \$ 2,927                      | \$ 2,924                     |
| Amounts payable to The Coca-Cola Company                           | 425                           | 369                          |
| Deferred cash receipts from The Coca-Cola Company                  | 41                            | 48                           |
| Current portion of debt                                            | 2,888                         | 2,002                        |
| Total Current Liabilities                                          | <u>6,281</u>                  | <u>5,343</u>                 |
| Debt, less current portion                                         | 6,504                         | 7,391                        |
| Other long-term obligations                                        | 1,377                         | 1,309                        |
| Deferred cash receipts from The Coca-Cola Company,<br>less current | 84                            | 124                          |
| Long-term deferred income tax liabilities                          | 2,265                         | 4,190                        |
| Shareowners' equity                                                | 2,527                         | 5,689                        |
|                                                                    | <u><b>\$ 19,038</b></u>       | <u><b>\$ 24,046</b></u>      |

**COCA-COLA ENTERPRISES INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited; In Millions)

|                                                                                           | Nine Months Ended     |                       |
|-------------------------------------------------------------------------------------------|-----------------------|-----------------------|
|                                                                                           | September 26,<br>2008 | September 28,<br>2007 |
| <b><u>Cash Flows From Operating Activities</u></b>                                        |                       |                       |
| Net (loss) income                                                                         | \$ (2,944)            | \$ 553                |
| Adjustments to reconcile net (loss) income to net cash derived from operating activities: |                       |                       |
| Depreciation and amortization                                                             | 787                   | 784                   |
| Franchise impairment charge                                                               | 5,279                 | -                     |
| Share-based compensation expense                                                          | 33                    | 28                    |
| Deferred funding income from The Coca-Cola Company, net of cash received                  | (47)                  | (49)                  |
| Deferred income tax expense                                                               | (1,804)               | 45                    |
| Pension and other postretirement expense less than contributions                          | (8)                   | (47)                  |
| Net changes in assets and liabilities, net of acquisition amounts                         | (335)                 | (368)                 |
| Net cash derived from operating activities                                                | <u>961</u>            | <u>946</u>            |
| <b><u>Cash Flows From Investing Activities</u></b>                                        |                       |                       |
| Capital asset investments                                                                 | (745)                 | (633)                 |
| Capital asset disposals                                                                   | 7                     | 56                    |
| Other investing activities                                                                | (4)                   | (9)                   |
| Net cash used in investing activities                                                     | <u>(742)</u>          | <u>(586)</u>          |
| <b><u>Cash Flows From Financing Activities</u></b>                                        |                       |                       |
| Decrease in commercial paper, net                                                         | (247)                 | (328)                 |
| Issuances of debt                                                                         | 1,090                 | 1,354                 |
| Payments on debt                                                                          | (761)                 | (1,458)               |
| Dividend payments on common stock                                                         | (102)                 | (87)                  |
| Exercise of employee share options                                                        | 18                    | 88                    |
| Other financing activities                                                                | 2                     | 12                    |
| Net cash used in financing activities                                                     | <u>-</u>              | <u>(419)</u>          |
| Net effect of exchange rate changes on cash and cash equivalents                          | <u>(6)</u>            | <u>5</u>              |
| Net Change In Cash and Cash Equivalents                                                   | 213                   | (54)                  |
| Cash and Cash Equivalents at Beginning of Period                                          | 170                   | 184                   |
| Cash and Cash Equivalents at End of Period                                                | <u>\$ 383</u>         | <u>\$ 130</u>         |

**COCA-COLA ENTERPRISES INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP**  
(Unaudited; In millions, except per share data which is calculated prior to rounding)

**Reconciliation of Income<sup>(a)</sup>**

| Reconciliation of Income <sup>(a)</sup>           | Third-Quarter 2008            |                          |                       |                                                        |               |                          |
|---------------------------------------------------|-------------------------------|--------------------------|-----------------------|--------------------------------------------------------|---------------|--------------------------|
|                                                   | Items Impacting Comparability |                          |                       |                                                        |               |                          |
|                                                   | Reported<br>(GAAP)            | Restructuring<br>Charges | Gain on Asset<br>Sale | Gain on<br>Termination of<br>Distribution<br>Agreement | Net Tax Items | Comparable<br>(non-GAAP) |
| Net Operating Revenues                            | \$ 5,743                      | \$ -                     | \$ -                  | \$ -                                                   | \$ -          | \$ 5,743                 |
| Cost of Sales                                     | 3,627                         | -                        | -                     | -                                                      | -             | 3,627                    |
| Gross Profit                                      | 2,116                         | -                        | -                     | -                                                      | -             | 2,116                    |
| Selling, Delivery, and Administrative<br>Expenses | 1,686                         | (19)                     | -                     | -                                                      | -             | 1,667                    |
| Operating Income                                  | 430                           | 19                       | -                     | -                                                      | -             | 449                      |
| Interest Expense, Net                             | 144                           | -                        | -                     | -                                                      | -             | 144                      |
| Other Nonoperating Expense, Net                   | (11)                          | -                        | -                     | -                                                      | -             | (11)                     |
| Income Before Income Taxes                        | 275                           | 19                       | -                     | -                                                      | -             | 294                      |
| Income Tax Expense                                | 61                            | 11                       | -                     | -                                                      | (4)           | 68                       |
| Net Income                                        | \$ 214                        | \$ 8                     | \$ -                  | \$ -                                                   | \$ 4          | \$ 226                   |
| Diluted Net Earnings Per Common<br>Share          | \$ 0.44                       | \$ 0.01                  | \$ -                  | \$ -                                                   | \$ 0.01       | \$ 0.46                  |

**Reconciliation of Income<sup>(a)</sup>**

| Reconciliation of Income <sup>(a)</sup>           | Third-Quarter 2007            |                          |                       |                                                        |               |                          |
|---------------------------------------------------|-------------------------------|--------------------------|-----------------------|--------------------------------------------------------|---------------|--------------------------|
|                                                   | Items Impacting Comparability |                          |                       |                                                        |               |                          |
|                                                   | Reported<br>(GAAP)            | Restructuring<br>Charges | Gain on Asset<br>Sale | Gain on<br>Termination of<br>Distribution<br>Agreement | Net Tax Items | Comparable<br>(non-GAAP) |
| Net Operating Revenues                            | \$ 5,405                      | \$ -                     | \$ -                  | \$ -                                                   | \$ -          | \$ 5,405                 |
| Cost of Sales                                     | 3,342                         | -                        | -                     | -                                                      | -             | 3,342                    |
| Gross Profit                                      | 2,063                         | -                        | -                     | -                                                      | -             | 2,063                    |
| Selling, Delivery, and Administrative<br>Expenses | 1,613                         | (28)                     | 20                    | -                                                      | -             | 1,605                    |
| Operating Income                                  | 450                           | 28                       | (20)                  | -                                                      | -             | 458                      |
| Interest Expense, Net                             | 155                           | -                        | -                     | -                                                      | -             | 155                      |
| Other Nonoperating Income, Net                    | 9                             | -                        | -                     | (12)                                                   | -             | (3)                      |
| Income Before Income Taxes                        | 304                           | 28                       | (20)                  | (12)                                                   | -             | 300                      |
| Income Tax Expense                                | 36                            | 10                       | (6)                   | (4)                                                    | 51            | 87                       |
| Net Income                                        | \$ 268                        | \$ 18                    | \$ (14)               | \$ (8)                                                 | \$ (51)       | \$ 213                   |
| Diluted Net Earnings Per Common<br>Share          | \$ 0.55                       | \$ 0.04                  | \$ (0.03)             | \$ (0.02)                                              | \$ (0.10)     | \$ 0.44                  |

(a) These non-GAAP measures are provided to allow investors to more clearly evaluate our operating performance and business trends. Management uses this information to review results excluding items that are not necessarily indicative of our ongoing results.

**COCA-COLA ENTERPRISES INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP**  
(Unaudited; In millions, except per share data which is calculated prior to rounding)

**Reconciliation of Income<sup>(a)</sup>**

| First Nine-Months 2008                                  |                               |                                   |                                            |                       |                             |                              |                                                        |               |                          |
|---------------------------------------------------------|-------------------------------|-----------------------------------|--------------------------------------------|-----------------------|-----------------------------|------------------------------|--------------------------------------------------------|---------------|--------------------------|
| Reported<br>(GAAP)                                      | Items Impacting Comparability |                                   |                                            |                       |                             |                              |                                                        |               | Comparable<br>(non-GAAP) |
|                                                         | Restructuring<br>Charges      | Franchise<br>Impairment<br>Charge | Legal<br>Settlement<br>Accrual<br>Reversal | Gain on Asset<br>Sale | Debt Extinguishment<br>Cost | Loss on Equity<br>Securities | Gain on<br>Termination of<br>Distribution<br>Agreement | Net Tax Items |                          |
| <b>Net Operating Revenues</b>                           | <b>\$ 16,570</b>              | \$ -                              | \$ -                                       | \$ -                  | \$ -                        | \$ -                         | \$ -                                                   | \$ -          | <b>\$ 16,570</b>         |
| Cost of Sales                                           | 10,466                        | -                                 | -                                          | -                     | -                           | -                            | -                                                      | -             | 10,466                   |
| <b>Gross Profit</b>                                     | <b>6,104</b>                  | -                                 | -                                          | -                     | -                           | -                            | -                                                      | -             | <b>6,104</b>             |
| Selling, Delivery, and<br>Administrative Expenses       | 5,015                         | (68)                              | -                                          | -                     | -                           | -                            | -                                                      | -             | 4,947                    |
| Franchise Impairment Charge                             | 5,279                         | -                                 | (5,279)                                    | -                     | -                           | -                            | -                                                      | -             | -                        |
| <b>Operating (Loss) Income</b>                          | <b>(4,190)</b>                | 68                                | 5,279                                      | -                     | -                           | -                            | -                                                      | -             | <b>1,157</b>             |
| Interest Expense, Net                                   | 434                           | -                                 | -                                          | -                     | -                           | -                            | -                                                      | -             | 434                      |
| Other Nonoperating Expense, Net                         | (8)                           | -                                 | -                                          | -                     | -                           | -                            | -                                                      | -             | (8)                      |
| <b>(Loss) Income Before Income Taxes</b>                | <b>(4,632)</b>                | 68                                | 5,279                                      | -                     | -                           | -                            | -                                                      | -             | <b>715</b>               |
| Income Tax (Benefit) Expense                            | (1,688)                       | 27                                | 1,847                                      | -                     | -                           | -                            | -                                                      | (11)          | 175                      |
| <b>Net (Loss) Income</b>                                | <b>\$ (2,944)</b>             | \$ 41                             | \$ 3,432                                   | \$ -                  | \$ -                        | \$ -                         | \$ -                                                   | \$ 11         | <b>\$ 540</b>            |
| <b>Diluted Net (Loss) Earnings Per<br/>Common Share</b> | <b>\$ (6.07)</b>              | \$ 0.08                           | \$ 7.07                                    | \$ -                  | \$ -                        | \$ -                         | \$ -                                                   | \$ 0.02       | <b>\$ 1.10</b>           |

**Reconciliation of Income<sup>(a)</sup>**

| First Nine-Months 2007                            |                               |                                   |                                            |                       |                                |                              |                                                        |               |                          |
|---------------------------------------------------|-------------------------------|-----------------------------------|--------------------------------------------|-----------------------|--------------------------------|------------------------------|--------------------------------------------------------|---------------|--------------------------|
| Reported<br>(GAAP)                                | Items Impacting Comparability |                                   |                                            |                       |                                |                              |                                                        |               | Comparable<br>(non-GAAP) |
|                                                   | Restructuring<br>Charges      | Franchise<br>Impairment<br>Charge | Legal<br>Settlement<br>Accrual<br>Reversal | Gain on Asset<br>Sale | Debt<br>Extinguishment<br>Cost | Loss on Equity<br>Securities | Gain on<br>Termination of<br>Distribution<br>Agreement | Net Tax Items |                          |
| <b>Net Operating Revenues</b>                     | <b>\$ 15,637</b>              | \$ -                              | \$ -                                       | \$ -                  | \$ -                           | \$ -                         | \$ -                                                   | \$ -          | <b>\$ 15,637</b>         |
| Cost of Sales                                     | 9,656                         | -                                 | -                                          | -                     | -                              | -                            | -                                                      | -             | 9,656                    |
| <b>Gross Profit</b>                               | <b>5,981</b>                  | -                                 | -                                          | -                     | -                              | -                            | -                                                      | -             | <b>5,981</b>             |
| Selling, Delivery, and<br>Administrative Expenses | 4,820                         | (89)                              | -                                          | 8                     | 20                             | -                            | -                                                      | -             | 4,759                    |
| <b>Operating Income</b>                           | <b>1,161</b>                  | 89                                | -                                          | (8)                   | (20)                           | -                            | -                                                      | -             | <b>1,222</b>             |
| Interest Expense, Net                             | 467                           | -                                 | -                                          | 5                     | -                              | (5)                          | -                                                      | -             | 467                      |
| Other Nonoperating Expense, Net                   | (3)                           | -                                 | -                                          | -                     | -                              | 14                           | (12)                                                   | -             | (1)                      |
| <b>Income Before Income Taxes</b>                 | <b>691</b>                    | 89                                | -                                          | (13)                  | (20)                           | 5                            | 14                                                     | (12)          | <b>754</b>               |
| Income Tax Expense                                | 138                           | 32                                | -                                          | (5)                   | (6)                            | 2                            | 4                                                      | (4)           | 217                      |
| <b>Net Income</b>                                 | <b>\$ 553</b>                 | \$ 57                             | \$ -                                       | \$ (8)                | \$ (14)                        | \$ 3                         | \$ 10                                                  | \$ (8)        | <b>\$ 537</b>            |
| <b>Diluted Net Earnings Per Common<br/>Share</b>  | <b>\$ 1.14</b>                | \$ 0.12                           | \$ -                                       | \$ (0.01)             | \$ (0.03)                      | \$ 0.01                      | \$ 0.02                                                | \$ (0.02)     | <b>\$ 1.11</b>           |

(a) These non-GAAP measures are provided to allow investors to more clearly evaluate our operating performance and business trends. Management uses this information to review results excluding items that are not necessarily indicative of our ongoing results.



**COCA-COLA ENTERPRISES INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP**  
(Unaudited; In millions, except per share data which is calculated prior to rounding)

|                                                       | Third-Quarter 2008 |                               |                       |                          |
|-------------------------------------------------------|--------------------|-------------------------------|-----------------------|--------------------------|
|                                                       | Reported<br>(GAAP) | Items Impacting Comparability |                       | Comparable<br>(non-GAAP) |
|                                                       |                    | Restructuring<br>Charges      | Gain on Asset<br>Sale |                          |
| <b>Reconciliation of Segment Income<sup>(a)</sup></b> |                    |                               |                       |                          |
| North America                                         | \$ 273             | \$ (5)                        | \$ -                  | \$ 268                   |
| Europe                                                | 265                | 4                             | -                     | 269                      |
| Corporate                                             | (108)              | 20                            | -                     | (88)                     |
| <b>Operating Income</b>                               | <b>\$ 430</b>      | <b>\$ 19</b>                  | <b>\$ -</b>           | <b>\$ 449</b>            |

|                                                       | Third-Quarter 2007 |                               |                       |                          |
|-------------------------------------------------------|--------------------|-------------------------------|-----------------------|--------------------------|
|                                                       | Reported<br>(GAAP) | Items Impacting Comparability |                       | Comparable<br>(non-GAAP) |
|                                                       |                    | Restructuring<br>Charges      | Gain on Asset<br>Sale |                          |
| <b>Reconciliation of Segment Income<sup>(a)</sup></b> |                    |                               |                       |                          |
| North America                                         | \$ 344             | \$ 19                         | \$ (20)               | \$ 343                   |
| Europe                                                | 215                | 3                             | -                     | 218                      |
| Corporate                                             | (109)              | 6                             | -                     | (103)                    |
| <b>Operating Income</b>                               | <b>\$ 450</b>      | <b>\$ 28</b>                  | <b>\$ (20)</b>        | <b>\$ 458</b>            |

|                               | Third Quarter   |                 |
|-------------------------------|-----------------|-----------------|
|                               | 2008            | 2007            |
| <b>Segment Revenue</b>        |                 |                 |
| North America                 | \$ 3,983        | \$ 3,813        |
| Europe                        | 1,760           | 1,592           |
| <b>Net Operating Revenues</b> | <b>\$ 5,743</b> | <b>\$ 5,405</b> |

(a) These non-GAAP measures are provided to allow investors to more clearly evaluate our operating performance and business trends. Management uses this information to review results excluding items that are not necessarily indicative of our ongoing results.

**COCA-COLA ENTERPRISES INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP**  
(Unaudited; In millions, except per share data which is calculated prior to rounding)

| <b>First Nine-Months 2008</b>                         |                            |                                      |                                            |                               |                                              |                                  |
|-------------------------------------------------------|----------------------------|--------------------------------------|--------------------------------------------|-------------------------------|----------------------------------------------|----------------------------------|
| <b>Reconciliation of Segment Income<sup>(a)</sup></b> | <b>Reported<br/>(GAAP)</b> | <b>Items Impacting Comparability</b> |                                            |                               |                                              | <b>Comparable<br/>(non-GAAP)</b> |
|                                                       |                            | <b>Restructuring<br/>Charges</b>     | <b>Franchise<br/>Impairment<br/>Charge</b> | <b>Gain on Asset<br/>Sale</b> | <b>Legal Settlement<br/>Accrual Reversal</b> |                                  |
| North America                                         | \$ (4,568)                 | \$ 30                                | \$ 5,279                                   | \$ -                          | \$ -                                         | \$ 741                           |
| Europe                                                | 723                        | 9                                    | -                                          | -                             | -                                            | 732                              |
| Corporate                                             | (345)                      | 29                                   | -                                          | -                             | -                                            | (316)                            |
| <b>Operating (Loss) Income</b>                        | <b>\$ (4,190)</b>          | <b>\$ 68</b>                         | <b>\$ 5,279</b>                            | <b>\$ -</b>                   | <b>\$ -</b>                                  | <b>\$ 1,157</b>                  |

| <b>First Nine-Months 2007</b>                         |                            |                                      |                                            |                               |                                              |                                  |
|-------------------------------------------------------|----------------------------|--------------------------------------|--------------------------------------------|-------------------------------|----------------------------------------------|----------------------------------|
| <b>Reconciliation of Segment Income<sup>(a)</sup></b> | <b>Reported<br/>(GAAP)</b> | <b>Items Impacting Comparability</b> |                                            |                               |                                              | <b>Comparable<br/>(non-GAAP)</b> |
|                                                       |                            | <b>Restructuring<br/>Charges</b>     | <b>Franchise<br/>Impairment<br/>Charge</b> | <b>Gain on Asset<br/>Sale</b> | <b>Legal Settlement<br/>Accrual Reversal</b> |                                  |
| North America                                         | \$ 881                     | \$ 68                                | \$ -                                       | \$ (20)                       | \$ -                                         | \$ 929                           |
| Europe                                                | 607                        | 8                                    | -                                          | -                             | -                                            | 615                              |
| Corporate                                             | (327)                      | 13                                   | -                                          | -                             | (8)                                          | (322)                            |
| <b>Operating Income</b>                               | <b>\$ 1,161</b>            | <b>\$ 89</b>                         | <b>\$ -</b>                                | <b>\$ (20)</b>                | <b>\$ (8)</b>                                | <b>\$ 1,222</b>                  |

| <b>Segment Revenue</b>        | <b>First Nine Months</b> |                  |
|-------------------------------|--------------------------|------------------|
|                               | <b>2008</b>              | <b>2007</b>      |
| North America                 | \$ 11,372                | \$ 10,979        |
| Europe                        | 5,198                    | 4,658            |
| <b>Net Operating Revenues</b> | <b>\$ 16,570</b>         | <b>\$ 15,637</b> |

(a) These non-GAAP measures are provided to allow investors to more clearly evaluate our operating performance and business trends. Management uses this information to review results excluding items that are not necessarily indicative of our ongoing results.

**COCA-COLA ENTERPRISES INC.**  
**RECONCILIATION OF NON-GAAP MEASURES**

|                                                                                 | <b>Third-Quarter 2008 Change Versus<br/>Third-Quarter 2007</b> |               |                     | <b>First Nine-Months 2008 Change<br/>Versus First Nine-Months 2007</b> |               |                     |
|---------------------------------------------------------------------------------|----------------------------------------------------------------|---------------|---------------------|------------------------------------------------------------------------|---------------|---------------------|
|                                                                                 | <u>North America</u>                                           | <u>Europe</u> | <u>Consolidated</u> | <u>North America</u>                                                   | <u>Europe</u> | <u>Consolidated</u> |
| <b>Net Revenues Per Case</b>                                                    |                                                                |               |                     |                                                                        |               |                     |
| Change in Net Revenues per Case                                                 | 3.0 %                                                          | 5.0 %         | 3.5 %               | 4.0 %                                                                  | 8.5 %         | 5.5 %               |
| Impact of Excluding Post Mix, Non-Trade, and Other                              | 0.5 %                                                          | 0.0 %         | 0.5 %               | 0.5 %                                                                  | 0.5 %         | 0.5 %               |
| <b>Bottle and Can Net Pricing Per Case<sup>(a)</sup></b>                        | <b>3.5 %</b>                                                   | <b>5.0 %</b>  | <b>4.0 %</b>        | <b>4.5 %</b>                                                           | <b>9.0 %</b>  | <b>6.0 %</b>        |
| Impact of Currency Exchange Rate Changes                                        | 0.0 %                                                          | (2.5)%        | (0.5)%              | (0.5)%                                                                 | (7.0)%        | (2.5)%              |
| <b>Currency-Neutral Bottle and Can<br/>Net Pricing per Case<sup>(b)</sup></b>   | <b>3.5 %</b>                                                   | <b>2.5 %</b>  | <b>3.5 %</b>        | <b>4.0 %</b>                                                           | <b>2.0 %</b>  | <b>3.5 %</b>        |
| <b>Cost of Sales Per Case</b>                                                   |                                                                |               |                     |                                                                        |               |                     |
| Change in Cost of Sales per Case                                                | 6.5 %                                                          | 4.5 %         | 6.0 %               | 7.0 %                                                                  | 8.5 %         | 8.0 %               |
| Impact of Excluding Bottle and Can                                              |                                                                |               |                     |                                                                        |               |                     |
| Marketing Credits and Jumpstart Funding                                         | (0.5)%                                                         | 0.0 %         | 0.0 %               | 0.0 %                                                                  | 0.0 %         | 0.0 %               |
| Impact of Excluding Post Mix, Non-Trade, and Other                              | 1.5 %                                                          | 0.5 %         | 1.0 %               | 2.0 %                                                                  | 0.5 %         | 1.0 %               |
| <b>Bottle and Can Cost of Sales Per Case<sup>(c)</sup></b>                      | <b>7.5 %</b>                                                   | <b>5.0 %</b>  | <b>7.0 %</b>        | <b>9.0 %</b>                                                           | <b>9.0 %</b>  | <b>9.0 %</b>        |
| Impact of Currency Exchange Rate Changes                                        | 0.0 %                                                          | (3.0)%        | (1.0)%              | (1.0)%                                                                 | (7.0)%        | (3.0)%              |
| <b>Currency-Neutral Bottle and Can<br/>Cost of Sales per Case<sup>(b)</sup></b> | <b>7.5 %</b>                                                   | <b>2.0 %</b>  | <b>6.0 %</b>        | <b>8.0 %</b>                                                           | <b>2.0 %</b>  | <b>6.0 %</b>        |
| <b>Physical Case Bottle and Can Volume</b>                                      |                                                                |               |                     |                                                                        |               |                     |
| Change in Volume                                                                | 1.5 %                                                          | 5.5 %         | 2.5 %               | (0.5)%                                                                 | 3.0 %         | 0.5 %               |
| Impact of Selling Day Shift                                                     | n/a                                                            | n/a           | n/a                 | 0.5 %                                                                  | 0.5 %         | 0.5 %               |
| <b>Comparable Bottle and Can Volume<sup>(d)</sup></b>                           | <b>1.5 %</b>                                                   | <b>5.5 %</b>  | <b>2.5 %</b>        | <b>0.0 %</b>                                                           | <b>3.5 %</b>  | <b>1.0 %</b>        |

**Reconciliation of Free Cash Flow<sup>(e)</sup>**

|                                    | <b>First Nine Months</b> |               | <b>Full-Year 2008<br/>Forecast</b> |        |
|------------------------------------|--------------------------|---------------|------------------------------------|--------|
|                                    | <b>2008</b>              | <b>2007</b>   |                                    |        |
| Net Cash From Operating Activities | \$ 961                   | \$ 946        | \$ 1,600                           | Approx |
| Less: Capital Asset Investments    | (745)                    | (633)         | (1,015)                            | Approx |
| Add: Capital Asset Disposals       | 7                        | 56            | 15                                 | Approx |
| <b>Free Cash Flow</b>              | <b>\$ 223</b>            | <b>\$ 369</b> | <b>Approx \$600</b>                |        |

**Reconciliation of Net Debt<sup>(f)</sup>**

|                                 | <b>September 26,<br/>2008</b> | <b>December 31,<br/>2007</b> |
|---------------------------------|-------------------------------|------------------------------|
| Current Portion of Debt         | \$ 2,888                      | \$ 2,002                     |
| Debt, Less Current Portion      | 6,504                         | 7,391                        |
| Less: Cash and Cash Equivalents | (383)                         | (170)                        |
| <b>Net Debt</b>                 | <b>\$ 9,009</b>               | <b>\$ 9,223</b>              |

**Items Impacted Diluted Earnings Per Common Share**

|                                                               | <b>Full-Year 2008<br/>Forecast</b> |
|---------------------------------------------------------------|------------------------------------|
| Restructuring Charges (estimate)                              | \$ 0.12 to 0.15                    |
| Franchise Impairment Charge                                   | 7.07                               |
| Net Unfavorable Tax Items                                     | 0.02                               |
| <b>Total Items Impacted Diluted Earnings Per Common Share</b> | <b>\$ 7.21 to 7.24</b>             |

(a) The non-GAAP financial measure "Bottle and Can Net Pricing per Case" is used to more clearly evaluate bottle and can pricing

trends in the marketplace. The measure excludes the impact of fountain gallon volume and other items that are not directly associated with bottle and can pricing in the retail environment. Our bottle and can sales accounted for approximately 91 percent of our net revenue during the first nine months of 2008.

- (b) The non-GAAP financial measures "Currency-Neutral Bottle and Can Net Pricing per Case" and "Currency-Neutral Bottle and Can Cost of Sales per Case" are used to separate the impact of currency exchange rate changes on our operations.
- (c) The non-GAAP financial measure "Bottle and Can Cost of Sales per Case" is used to more clearly evaluate cost trends for bottle and can products. The measure excludes the impact of fountain ingredient costs as well as marketing credits and Jumpstart funding, and allows investors to gain an understanding of the change in bottle and can ingredient and packaging costs.
- (d) "Comparable Bottle and Can Volume" excludes the impact of changes in the number of selling days between periods. The measure is used to analyze the performance of our business on a constant period basis. There was one less selling day in the first nine months of 2008 versus the first nine months of 2007. There were the same number of selling days in the third quarter of 2008 versus the third quarter of 2007.
- (e) The non-GAAP measure "Free Cash Flow" is provided to focus management and investors on the cash available for debt reduction, dividend distributions, share repurchase, and acquisition opportunities.
- (f) The non-GAAP measure "Net Debt" is used to more clearly evaluate our capital structure and leverage.