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 JUNE 29, 1997

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 August 4, 1997
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)

	June 29, 1997	Dec. 29, 1996	June 30, 1996
ASSETS			
Current Assets:			
Cash	$ 3,733	$ 2,941	$ 3,593
Accounts receivable, trade, less allowance for doubtful accounts of $420, $410 and $432	52,097	50,918	17,988
Accounts receivable from The Coca-Cola Company	7,758	2,392	2,673
Due from Piedmont Coca-Cola Bottling Partnership	3,531	5,888	3,466
Accounts receivable, other	10,522	8,216	5,531
Inventories	37,265	30,787	36,795
Prepaid expenses and other current assets	9,732	9,453	8,249
Total current assets	124,638	110,595	78,295
Property, plant and equipment, less accumulated depreciation of $170,982, $161,615 and $153,947	251,409	190,073	190,728
Investment in Piedmont Coca-Cola Bottling Partnership	64,399	64,462	64,757
Other assets	40,321	33,802	33,688
Identifiable intangible assets, less accumulated amortization of $100,365, $95,403 and $90,469	235,890	238,115	243,049
Excess of cost over fair value of net assets of businesses acquired, less accumulated amortization of $27,415, $26,269 and $25,124	64,204	65,349	66,495

Total	$780,861	$702,396	$677,012

See Accompanying Notes to Consolidated Financial Statements

Coca-Cola Bottling Co. Consolidated

CONSOLIDATED BALANCE SHEETS (UNAUDITED)
In Thousands (Except Share Data)

	June 29, 1997	Dec. 29, 1996	June 30, 1996
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Portion of long-term debt payable within one year	$ 12,135	$ 105	$ 100
Accounts payable and accrued liabilities	55,302	56,939	54,495
Accounts payable to The Coca-Cola Company	6,795	3,249	3,174
Accrued compensation	3,801	5,275	3,768
Accrued interest payable	11,097	11,112	8,212
Total current liabilities	89,130	76,680	69,749
Deferred income taxes	109,667	108,403	104,189
Deferred credits	11,751	12,096	10,223
Other liabilities	47,135	43,495	32,825
Long-term debt	515,847	439,453	415,219
Total liabilities	773,530	680,127	632,205
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, 10,107,359 and 10,090,859 shares	10,107	10,107	10,090
Class B Common Stock, $1 par value:			
Authorized-10,000,000 shares; Issued- 1,947,914, 1,947,976 and 1,964,476 shares	1,948	1,948	1,965
Class C Common Stock, $1 par value:			
Authorized-20,000,000 shares; Issued-None			
Capital in excess of par value	107,257	111,439	116,086
Accumulated deficit	(50,623)	(59,868)	(65,550)
Minimum pension liability adjustment	(104)	(104)	(138)
	68,585	63,522	62,453
Less-Treasury stock, at cost:			
Common-3,062,374, 2,641,490 and 2,132,800 shares	60,845	40,844	17,237
Class B Common-628,114 shares	409	409	409
Total shareholders' equity	7,331	22,269	44,807
Total	$ 780,861	$ 702,396	$ 677,012

See Accompanying Notes to Consolidated Financial Statements

Coca-Cola Bottling Co. Consolidated

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
In Thousands (Except Per Share Data)

	Second Quarter		First Half	
	1997	1996	1997	1996
Net sales (includes sales to Piedmont of $15,485, $17,614, $26,076 and $29,689)	$ 208,174	$ 213,579	$ 386,569	$ 385,575
Cost of sales, excluding depreciation shown below (includes $11,407, $14,414, $20,010 and $24,998 related to sales to Piedmont)	114,393	119,626	213,843	217,894
Gross margin	93,781	93,953	172,726	167,681
Selling expenses	43,314	44,748	87,378	85,474
General and administrative expenses	14,792	14,135	28,780	26,843
Depreciation expense	8,288	7,055	16,421	14,062
Amortization of goodwill and intangibles	3,091	3,058	6,155	6,115
Income from operations	24,296	24,957	33,992	35,187
Interest expense	9,385	7,466	18,509	15,159
Other income (expense), net	(378)	(1,628)	(785)	(2,610)
Income before income taxes	14,533	15,863	14,698	17,418
Federal and state income taxes	5,392	6,318	5,453	6,936
Net income	$ 9,141	$ 9,545	$ 9,245	$ 10,482
Net income per share	$ 1.09	$ 1.03	$ 1.09	$ 1.13
Cash dividends per share:				
Common Stock	$ .25	$ .25	$ .50	$ .50
Class B Common Stock	.25	.25	.50	.50
Weighted average number of Common and Class B Common shares outstanding	8,365	9,294	8,450	9,294

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 Common Stock	Capital in Excess of Par Value	Accumulated Deficit	Minimum Pension Liability Adjustment	Treasury Stock
Balance on December 31, 1995	$ 10,090	$ 1,965	$120,733	$(76,032)	$ (138)	$ 17,646
Net income				10,482		
Cash dividends paid: Common			(4,647)			
Balance on June 30, 1996	$ 10,090	$ 1,965	$116,086	$(65,550)	$ (138)	$ 17,646
Balance on December 29, 1996	$ 10,107	$ 1,948	$111,439	$(59,868)	$ (104)	$ 41,253
Net income				9,245		
Cash dividends paid: Common			(4,182)			
Purchase of Common Stock						20,001
Balance on June 29, 1997	$ 10,107	$ 1,948	$107,257	$(50,623)	$ (104)	$ 61,254

See Accompanying Notes to Consolidated Financial Statements

Coca-Cola Bottling Co. Consolidated

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
In Thousands

	First Half	
	1997	1996
Cash Flows from Operating Activities		
Net income	$ 9,245	$ 10,482
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	16,421	14,062
Amortization of goodwill and intangibles	6,155	6,115
Deferred income taxes		6,936
Losses on sale of property, plant and equipment	838	1,191
Amortization of debt costs	280	262
Undistributed losses of Piedmont Coca-Cola Bottling Partnership	63	867
Increase in current assets less current liabilities	(12,679)	(17,684)
Increase in other noncurrent assets	(6,005)	(682)
Increase in other noncurrent liabilities	4,858	3,467
Other	3,009	1
Total adjustments	12,940	14,535
Net cash provided by operating activities	22,185	25,017
Cash Flows from Financing Activities		
Proceeds from the issuance of long-term debt	76,619	
Increase (decrease) in current portion of long-term debt	12,030	(20)
Payments on long-term debt	(226)	(4,677)
Purchase of Common Stock	(20,001)	
Cash dividends paid	(4,182)	(4,647)
Other	(352)	(333)
Net cash provided by (used in) financing activities	63,888	(9,677)
Cash Flows from Investing Activities		
Additions to property, plant and equipment	(81,578)	(14,652)
Proceeds from the sale of property, plant and equipment	103	471
Acquisition of companies, net of cash acquired	(3,806)	
Net cash used in investing activities	(85,281)	(14,181)
Net increase in cash	792	1,159
Cash at beginning of period	2,941	2,434
Cash at end of period	$ 3,733	$ 3,593

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 29, 1996 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:

	Second Quarter		First Half	
In Thousands	1997	1996	1997	1996
Net sales	$63,037	$62,254	$115,868	$110,179
Gross margin	28,218	25,841	51,946	46,250
Income from operations	4,535	2,999	5,919	3,727
Net income (loss)	1,508	115	(126)	(1,734)

3. Inventories

Inventories are summarized as follows:

In Thousands	June 29, 1997	Dec. 29, 1996	June 30, 1996
Finished products	$20,914	$18,888	$23,312
Manufacturing materials	10,394	9,894	10,596
Plastic pallets and other	5,957	2,005	2,887
Total inventories	$37,265	$30,787	$36,795

The amounts included above for inventories valued by the LIFO method were greater than replacement or current cost by approximately $2.1 million, $2.1 million and $1.0 million on June 29, 1997, December 29, 1996 and June 30, 1996, 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	June 29, 1997	Dec. 29, 1996	June 30, 1996
Lines of Credit	2001	5.70% - 5.78%	V	Varies	$132,350	$ 19,720	$ 19,370
Revolving Credit						24,000	
Term Loan Agreement	2004 - 2005	6.20%	V	Varies	170,000	170,000	170,000
Medium-Term Notes	1998	6.38%	V	Quarterly	10,000	10,000	10,000
Medium-Term Notes	1998	10.05%	F	Semi-annually	2,000	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
Other notes payable	2000 - 2001	6.85% - 10.00%	F	Varies	12,547	12,753	12,864
					527,982	439,558	415,319
Less: Portion of long-term debt payable within one year					12,135	105	100
Long-term debt					$515,847	$439,453	$415,219

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.

The Company previously had an arrangement under which it had the right to sell an undivided interest in a designated pool of trade accounts receivable up to a maximum of $40 million. This arrangement was suspended in the fourth quarter of 1996. The Company had no trade accounts receivable outstanding as of June 29, 1997 and December 29, 1996 under this arrangement.

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. The net proceeds from this issuance were used principally for refinancing a portion of existing public indebtedness with the remainder used to repay other bank debt.

On November 20, 1995, the Company entered into a $170 million term loan agreement. This loan was used to repay two $60 million loans previously entered into by the Company and other bank debt. On July 22, 1997, the maturities under this agreement were extended such that $85 million matures in 2004 and $85 million matures in 2005.

The Company has guaranteed a portion of the debt for two cooperatives in which the Company is a member. The amounts guaranteed were $31.5 million, $32.2 million and $32.5 million as of June 29, 1997, December 29, 1996 and June 30, 1996, respectively.

During July 1997, the Company issued $100 million of 7.20% debentures due 2009 pursuant to the $400 million shelf registration filed in October 1994. The proceeds from the issuance of the debentures were used to pay down borrowings under the Company's lines of credit. The lines of credit had been used primarily to fund the repurchase of shares of Common Stock and the purchase of assets previously leased. The Company entered into floating rate interest swap agreements on the $100 million of debentures issued.

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 6.8%, 7.2% and 7.0% as of June 29, 1997, December 29, 1996 and June 30, 1996, respectively. The Company's overall weighted average interest rate on its long-term debt decreased from an average of 7.0% during the first half of 1996 to an average of 6.9% during the first half of 1997. After taking into account the effect of all of the interest rate swap activities, approximately 59%, 51% and 48% of the total debt portfolio was subject to changes in short-term interest rates as of June 29, 1997, December 29, 1996 and June 30, 1996, respectively.

A rate increase of 1% on the floating rate component of the Company's debt would have increased interest expense for the first half of 1997 by approximately $1.6 million and net income for the first six months ended June 29, 1997 would have been reduced by approximately $1.0 million.

Derivative financial instruments were as follows:

	June 29, 1997		December 29, 1996		June 30, 1996	
In Thousands	Amount	Remaining Term	Amount	Remaining Term	Amount	Remaining Term
Interest rate swaps-floating	$ 60,000	6.25 years	$ 60,000	6.75 years	$60,000	7.25 years
Interest rate swaps-fixed	60,000	6.25 years	60,000	6.75 years	60,000	7.25 years

During July 1997, the Company entered into new interest rate swap agreements related to $100 million of long-term debt.

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:

	June 29, 1997		June 30, 1996	
In Thousands	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Balance Sheet Instruments				
Public debt	$213,085	$216,850	$213,085	$214,697
Non-public variable rate long-term debt	302,350	302,350	189,370	189,370
Non-public fixed rate long-term debt	12,547	13,334	12,864	14,386
Off-Balance-Sheet Instruments				
Interest rate swaps		(3,730)		(4,327)

The fair values of the interest rate swaps represent the estimated amounts the Company would have had to pay to terminate these agreements.

6. Supplemental Disclosures of Cash Flow Information

Changes in current assets and current liabilities affecting cash were as follows:

In Thousands	First Half 1997	1996
Accounts receivable, trade, net	$ (1,074)	$ (5,890)
Accounts receivable from The Coca-Cola Company	(5,366)	4,052
Due from Piedmont Coca-Cola Bottling Partnership	2,357	1,118
Accounts receivable, other	(2,020)	3,961
Inventories	(6,438)	(8,806)
Prepaid expenses and other current assets	(274)	(1,314)
Accounts payable and accrued liabilities	(1,913)	(10,055)
Accounts payable to The Coca-Cola Company	3,546	(461)
Accrued compensation	(1,482)	(1,281)
Accrued interest payable	(15)	992
Increase in current assets less current liabilities	$(12,679)	$(17,684)

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

Introduction:

The following discussion presents management's analysis of the results of operations for the second quarter and first six months of 1997 compared to the second quarter and first six months of 1996 and changes in financial condition from June 30, 1996 and December 29, 1996 to June 29, 1997.

The Company reported net income of $9.1 million or $1.09 per share for the second quarter of 1997 compared with net income of $9.5 million or $1.03 per share for the same period in 1996. For the first half of 1997, net income was $9.2 million or $1.09 per share compared to net income of $10.5 million or $1.13 per share for the first half of 1996.

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:

Net sales for the second quarter of 1997 decreased by about 2% from the second quarter of 1996. The decrease in net sales for the second quarter was primarily attributable to unseasonably cool and wet weather and highly competitive pricing. Contract sales declined by $5.0 million and $8.6 million from the second quarter and first half of 1996, respectively. A significant portion of the reduction in contract sales reflects lower sales to Piedmont Coca-Cola Bottling Partnership, which is purchasing more of its product from South Atlantic Canners, Inc.

Net sales for the first half of 1997 increased approximately 1% over the same period in 1996. The Company experienced 4.5% case volume sales growth in franchise sales in the first half of 1997 over the first half of 1996. The increase in franchise sales volume was offset by a 2.5% decrease in franchise net selling price per case. The decrease in franchise net selling price per case was due to extremely competitive market conditions. The Company's flagship brand, Coca-Cola Classic, showed solid growth during the first half of 1997. Sprite continued its strong performance with double-digit volume growth over the first half of 1996. The Company also had significant growth in non-carbonated products, including POWERaDE and Cool from Nestea. Franchise selling prices in the second quarter and first half of 1997 decreased approximately 2.5% from comparable periods in 1996 due to highly competitive pricing.

Gross margin on net franchise sales for the second quarter of 1997 was basically unchanged from the second quarter of 1996. Gross margin for the first half of 1997 increased by approximately 3% as compared to the same period in 1996. Gross margin for both the second quarter and first half of 1997 was positively impacted by a decline in the cost of sales. Cost of sales on a per unit basis for the second quarter and first half of 1997 declined by 2.7% and 2.8%, respectively, from the same periods in 1996. The reduction in cost of sales was attributable to lower costs for sweetener, cans and PET bottles.

For the second quarter of 1997, selling expenses decreased 3.2% from the same quarter in 1996. The decline in selling expenses in the second quarter of 1997 was due to lower net marketing program costs and a reduction in equipment lease expense. The reduction in net marketing program costs is primarily due to additional funding from The Coca-Cola Company for support of cold drink activities. Selling expenses for the first six months of 1997 increased by 2.2% over the first half of 1996.

General and administrative expenses in the second quarter increased by 4.6% from the second quarter of 1996. General and administrative expenses for the first six months of 1997 increased by 7.2% over 1996 first half levels. The increase in general and administrative expenses was impacted by higher employment costs.

Depreciation expense increased 17% between the second quarter and first half of 1997 and the comparable periods in 1996. This increase was due primarily to depreciation expense on vending equipment that was previously leased. The Company bought out $66.3 million of vending equipment leases in January 1997. As a result of this transaction, lease expense declined by 15% for the second quarter and 13% for the first half of 1997 from the same periods in 1996.

Interest expense in 1997 increased 26% from the second quarter of 1996 and 22% from the first half of 1996 primarily due to several transactions that increased outstanding long-term debt from June 30, 1996 to June 29, 1997. The Company repurchased approximately 930,000 shares of its Common Stock in three separate transactions between December 1996 and February 1997 for $43.6 million. The Company repurchased vending leases for $66.3 million during January 1997. Additionally, the Company suspended its arrangement to sell trade accounts receivable in the fourth quarter of 1996. As of June 30, 1996 the Company had sold $35 million of its trade accounts receivable under this program. The Company's overall weighted average interest rate decreased from an average of 7.0% during the first half of 1996 to an average of 6.9% during the first half of 1997.

Other expense for the first half of 1997 decreased by $1.8 million over the same period in 1996. This decrease in other expense is primarily due to the suspension of the program to sell trade accounts receivable. The discount on the sale of trade accounts receivable was included in other expense while the program was active.

CHANGES IN FINANCIAL CONDITION:

Working capital increased $1.6 million from December 29, 1996 and $27 million from June 30, 1996 to June 29, 1997. The change from December 29, 1996 is attributable to a seasonal increase in inventory and an increase in amounts due from The Coca-Cola Company, offset by an increase of $12 million in the current portion of long-term debt. The increase from June 30, 1996 was due principally to an increase in trade accounts receivable of $34.1 million, offset partially by the $12 million increase in the current portion of long-term debt. The Company had sold trade accounts receivable of $35 million as of June 30, 1996 under an agreement to sell up to $40 million

of its trade accounts receivable. The trade accounts receivable sales agreement was suspended during the fourth quarter of 1996 and no trade accounts receivable had been sold as of December 29, 1996 or June 29, 1997.

Capital expenditures in the first half of 1997, excluding the $66.3 million purchase of previously leased equipment, were $15.3 million as compared to $14.7 million in the first half of 1996.

The Company entered into an agreement in April 1997 that will provide up to $61 million for the leasing of equipment in 1997. This agreement has a favorable overall cost structure and will be used to obtain the majority of the Company's capital requirements for fleet and vending assets in 1997. As of June 29, 1997, the Company had leased $45.0 million of equipment under this agreement.

Long-term debt increased by $100 million from June 30, 1996 and increased $76.4 million from December 29, 1996. The significant increase in long-term debt is primarily due to the repurchase of approximately 930,000 shares of the Company's Common Stock during December 1996 and the first quarter of 1997 for $43.6 million; the buyout of leases from Coca-Cola Financial Corporation in January 1997 for approximately $66.3 million and the suspension of the arrangement to sell trade accounts receivable. The Company used its informal lines of credit for the additional borrowings as of June 29, 1997.

During July 1997, the Company issued $100 million of 7.20% debentures due 2009 pursuant to the $400 million shelf registration filed in October 1994. The proceeds from the issuance of the debentures were used to pay down borrowings under the Company's lines of credit. The lines of credit had been used to fund the repurchase of Common Stock and the purchase of assets previously leased, as discussed above. The Company entered into floating rate interest swap agreements on the $100 million of debentures issued. Additionally, the Company extended the maturity dates on its $170 million Term Loan Agreement such that $85 million matures in 2004 and $85 million matures in 2005.

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 June 29, 1997, the Company had no amounts outstanding under the revolving credit facility and had approximately $132.3 million outstanding under the informal lines of credit.

As of June 29, 1997 the debt portfolio had a weighted average interest rate of approximately 6.8% and approximately 59% of the total debt portfolio of $528.0 million was subject to changes in short-term interest rates.

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

PART II - OTHER INFORMATION

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

(a) The Annual Meeting of the Company's shareholders was held on May 14, 1997.

(b) The meeting was held to consider and vote upon (i) fixing the number of the Company's directors at ten, (ii) electing three directors, each for a term of three years or until his successor shall be elected and shall qualify, and (iii) approving the performance goals under the Company's Annual Bonus Plan in order to permit bonuses paid thereunder to qualify as "performance based" compensation within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended.

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

For	Abstain	Total Votes
32,547,173	6,141	32,553,314

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

Director Name	For	Abstain	Total Votes
H.W. McKay Belk	32,521,020	32,295	32,553,315
H. Reid Jones	32,521,355	31,960	32,553,315
John W. Murrey, III	32,520,799	32,516	32,553,315

The votes cast for approving the performance goals under the Company's Annual Bonus Plan are summarized as follows:

For	Against	Abstain	Total Votes
32,429,033	49,524	59,651	32,538,208

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit No.	Description
1.1	Underwriting Agreement dated July 1, 1997 among the Company, Citicorp Securities, Inc. and BancAmerica Securities, Inc.
4.1	Amendment, dated as of July 22, 1997, to Loan Agreement dated November 20, 1995, between the Company and LTCB Trust Company, as Agent, and other banks named therein.
4.2	Form of the Company's 7.20% Debentures Due 2009.
27	Financial data schedule for period ended June 29, 1997.

(b) Reports on Form 8-K

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COCA-COLA BOTTLING CO. CONSOLIDATED
(REGISTRANT)

Date: August 13, 1997

By: /s/ David V. Singer

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

Coca-Cola Bottling Co. Consolidated

UNDERWRITING AGREEMENT

New York, New York
July 1, 1997

Tothe Representative
named in Schedule I
hereto of the
Underwriters named in
Schedule II hereto

Dear Sirs:

Coca-Cola Bottling Co. Consolidated, a Delaware corporation (the "Company"), proposes to sell to the underwriters named in Schedule II hereto (the "Underwriters"), for whom you (the "Representatives") are acting as representatives, (1) the principal amount, if any, of its debt securities (including debt securities convertible into common stock or preferred stock of the Company ("Convertible Debt") identified in Schedule I hereto (such debt securities, including Convertible Debt, the "Debt Securities"), to be issued under an indenture (the "Indenture") dated as of July 20, 1994, between the Company and NationsBank of Georgia, National Association, as trustee (the "Trustee"), as supplemented and restated by a Supplemental Indenture dated March 3, 1995 between the Company and the Trustee (all references herein to the "Indenture" are to the Indenture as so supplemented, and all references to the "Trustee" are to Citibank, N.A., which succeeded to all of the rights, powers, duties and obligations of the initial Trustee under the Indenture by agreement of all parties, effective September 15, 1995); (2) the shares of common stock, $1.00 par value, of the Company, if any, identified in Schedule I hereto (the Common Stock"); (3) the shares of Class C common stock, $1.00 par value, of the Company, if any, identified in Schedule I hereto (the "Class C Common Stock"); (4) the shares of preferred stock, $0.01 par value, of the Company, if any, identified in Schedule I hereto (the "Preferred Stock"); (5) the shares of convertible preferred stock, $100.00 par value, of the

Company, if any, identified in Schedule I hereto (the "Convertible Preferred Stock"); and/or (6) the shares of non-convertible preferred stock, $100.00 par value, of the Company, if any, identified in Schedule I hereto (the "Nonconvertible Preferred Stock"). The Debt Securities, Common Stock, Class C Common Stock, Preferred Stock, Convertible Preferred Stock, and Nonconvertible Preferred Stock may be sold either separately or as units (the "Units") together with any of the foregoing. The Debt Securities, Common Stock, Class C Common Stock, Preferred Stock, Convertible Preferred Stock, and Nonconvertible Preferred Stock described in Schedule I hereto shall collectively be referred to herein as the "Securities". The Common Stock, Class C Common Stock, Preferred Stock, Convertible Preferred Stock, and Nonconvertible Preferred Stock described in Schedule I hereto shall collectively be referred to herein as the "Equity Securities." If the firm or firms listed in Schedule II hereto include only the firm or firms listed in Schedule I hereto, then the terms "Underwriters" and "Representatives", as used herein, shall each be deemed to refer to such firm or firms.

1. Representations and Warranties. The Company represents and warrants to, and agrees with, each Underwriter as set forth below in this Section 1. Certain terms used in this Section 1 are defined in paragraph (c) hereof.

(a) If the offering of the Securities is a Delayed Offering (as specified in Schedule I hereto), paragraph (i) below is applicable and, if the offering of the Securities is a Non-Delayed Offering (as so specified), paragraph (ii) below is applicable.

(i) The Company meets the requirements for the use of Form S-3 under the Securities Act of 1933 (the "Act") and has filed with the Securities and Exchange Commission (the "Commission") a registration statement (the file number of which is set forth in Schedule I hereto) on such Form, including a basic prospectus, for registration under the Act of the offering and sale of the Securities. The Company may have filed one or more amendments thereto, and may have used a Preliminary Final Prospectus, each of which has previously been furnished to you. Such registration statement, as so amended, has become effective. The offering of the Securities is a Delayed Offering and, although the Basic Prospectus may not include all the information with respect to the Securities and the offering thereof required by the Act and the rules thereunder to be included in the Final Prospectus, the Basic Prospectus includes all such information required by the Act and the rules thereunder to be included therein as of the Effective

Date. The Company will next file with the Commission pursuant to Rules 415 and 424(b)(2) or (5) a final supplement to the form of prospectus included in such registration statement relating to the Securities and the offering thereof. As filed, such final prospectus supplement shall include all required information with respect to the Securities and the offering thereof and, except to the extent the Representatives shall agree in writing to a modification, shall be in all substantive respects in the form furnished to you prior to the Execution Time or, to the extent not completed at the Execution Time, shall contain only such specific additional information and other changes (beyond that contained in the Basic Prospectus and any Preliminary Final Prospectus) as the Company has advised you, prior to the Execution Time, will be included or made therein.

(ii) The Company meets the requirements for the use of Form S-3 under the Act and has filed with the Commission a registration statement (the file number of which is set forth in Schedule I hereto) on such Form, including a basic prospectus, for registration under the Act of the offering and sale of the Securities. The Company may have filed one or more amendments thereto, including a Preliminary Final Prospectus, each of which has previously been furnished to you. The Company will next file with the Commission either (x) a final prospectus supplement relating to the Securities in accordance with Rules 430A and 424(b)(1) or (4), or (y) prior to the effectiveness of such registration statement, an amendment to such registration statement, including the form of final prospectus supplement. In the case of clause (x), the Company has included in such registration statement, as amended at the Effective Date, all information (other than Rule 430A Information) required by the Act and the rules thereunder to be included in the Final Prospectus with respect to the Securities and the offering thereof. As filed, such final prospectus supplement or such amendment and form of final prospectus supplement shall contain all Rule 430A Information, together with all other such required information, with respect to the Securities and the offering thereof and,

except to the extent the Representatives shall agree in writing to a modification, shall be in all substantive respects in the form furnished to you prior to the Execution Time or, to the extent not completed at the Execution Time, shall contain only such specific additional information and other changes (beyond that contained in the Basic Prospectus and any Preliminary Final Prospectus) as the Company has advised you, prior to the Execution Time, will be included or made therein.

(b) On the Effective Date, the Registration Statement did or will, and when the Final Prospectus is first filed (if required) in accordance Rule 424(b) and on the Closing Date, the Final Prospectus (and any supplement thereto) will, comply in all material respects with the applicable requirements of the Act, the Securities Exchange Act of 1934 (the "Exchange Act") and the Trust Indenture Act of 1939 (the "Trust Indenture Act") and the respective rules thereunder; on the Effective Date, the Registration Statement did not or will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading; on the Effective Date and on the Closing Date the Indenture did or will comply in all material respects with the requirements of the Trust Indenture Act and the rules thereunder; and, on the Effective Date, the Final Prospectus, if not filed pursuant to Rule 424(b), did not or will not, and on the date of any filing pursuant to Rule 424(b) and on the Closing Date, the Final Prospectus (together with any supplement thereto) will not, include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representations or warranties as to (i) that part of the Registration Statement which shall constitute the Statement of Eligibility and Qualification (Form T-1) under the Trust Indenture Act of the Trustee or (ii) the information contained in or omitted from the Registration Statement or the Final Prospectus (or any supplement thereto) in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter through the Representatives specifically for inclusion in the Registration Statement or the Final Prospectus (or any supplement thereto).

(c) The terms which follow, when used in this Agreement, shall have the meanings indicated. The term

"the Effective Date" shall mean each date that the Registration Statement and any post-effective amendment or amendments thereto became or become effective and each date after the date hereof on which a document incorporated by reference in the Registration Statement is filed. "Execution Time" shall mean the date and time that this Agreement is executed and delivered by the parties hereto. "Basic Prospectus" shall mean the prospectus referred to in paragraph (a) above contained in the Registration Statement at the Effective Date including, in the case of a Non-Delayed Offering, any Preliminary Final Prospectus. "Preliminary Final Prospectus" shall mean any preliminary prospectus supplement to the Basic Prospectus which describes the Securities and the offering thereof and is used prior to filing of the Final Prospectus. "Final Prospectus" shall mean the prospectus supplement relating to the Securities that is first filed pursuant to Rule 424(b) after the Execution Time, together with the Basic Prospectus or, if, in the case of a Non-Delayed Offering, no filing pursuant to Rule 424(b) is required, shall mean the form of final prospectus relating to the Securities, including the Basic Prospectus, included in the Registration Statement at the Effective Date. "Registration Statement" shall mean the registration statement referred to in paragraph (a) above, including incorporated documents, exhibits and financial statements, as amended at the Execution Time (or, if not effective at the Execution Time, in the form in which it shall become effective) and, in the event any post-effective amendment thereto becomes effective prior to the Closing Date (as hereinafter defined), shall also mean such registration statement as so amended. Such term shall include any Rule 430A Information deemed to be included therein at the Effective Date as provided by Rule 430A. "Rule 415", "Rule 424", "Rule 430A" and "Regulation S- K" refer to such rules or regulation under the Act. "Rule 430A Information" means information with respect to the Securities and the offering thereof permitted to be omitted from the Registration Statement when it becomes effective pursuant to Rule 430A. Any reference herein to the Registration Statement, the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 which were filed under the Exchange Act on or before the Effective Date of the Registration Statement or the issue date of the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus, as the case may be; and any reference herein to the terms "amend", "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, any Preliminary Final

Prospectus or the Final Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act after the Effective Date of the Registration Statement or the issue date of the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus, as the case may be, deemed to be incorporated therein by reference. A "Non-Delayed Offering" shall mean an offering of securities which is intended to commence promptly after the effective date of a registration statement, with the result that, pursuant to Rules 415 and 430A, all information (other than Rule 430A Information) with respect to the securities so offered must be included in such registration statement at the effective date thereof. A "Delayed Offering" shall mean an offering of securities pursuant to Rule 415 which does not commence promptly after the effective date of a registration statement, with the result that only information required pursuant to Rule 415 need be included in such registration statement at the effective date thereof with respect to the securities so offered. Whether the offering of the Securities is a Non-Delayed Offering or a Delayed Offering shall be set forth in Schedule I hereto.

2. Purchase and Sale. (a) Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company agrees to sell to each Underwriter, and each Underwriter agrees, severally and not jointly, to purchase from the Company, at the purchase price set forth in Schedule I hereto the principal amount or number of shares or Units of Securities set forth opposite such Underwriter's name in Schedule II hereto, except that, in the case of Debt Securities, if Schedule I hereto provides for the sale of such Debt Securities pursuant to delayed delivery arrangements, the respective principal amount of Securities to be purchased by the Underwriters shall be as set forth in Schedule II hereto less the respective amounts of Contract Securities determined as provided below. Securities to be purchased by the Underwriters are herein sometimes called the "Underwriters' Securities" and Securities to be purchased pursuant to Delayed Delivery Contracts as hereinafter provided are herein called "Contract Securities".

(b) If so provided in Schedule I hereto, the Underwriters are authorized to solicit offers to purchase Securities from the Company pursuant to delayed delivery contracts ("Delayed Delivery Contracts"), substantially in the form of Schedule II hereto but with such changes therein as the Company may authorize or approve. The Underwriters will endeavor to make such arrangements and, as compensation therefor, the Company will pay to the Representatives, for the account of the Underwriters, on the Closing Date, the

percentage set forth in Schedule I hereto of the principal amount of the Debt Securities for which such Delayed Delivery Contracts are made. Delayed Delivery Contracts are to be with institutional investors, including commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions. The Company will enter into Delayed Delivery Contracts in all cases where such sales of Contract Securities arranged by the Underwriters have been approved by the Company (it being understood that the Company may reasonably withhold such approval) but, except as the Company may otherwise agree, each such Delayed Delivery Contract must be for not less than the minimum principal amount set forth in Schedule I hereto and the aggregate principal amount set forth in Schedule I hereto and the aggregate principle amount of Contract Securities may not exceed the maximum aggregate principal amount set forth in Schedule I hereto. The Underwriters will not have any responsibility in respect of the validity or performance of Delayed Delivery Contracts. The principal amount of Securities to be purchased by each Underwriter as set forth in Schedule II hereto shall be reduced by an amount which shall bear the same proportion to the total principal amount of Contract Securities as the principal amount of Securities set forth opposite the name of such Underwriter bears to the aggregate principal amount set forth in Schedule II hereto, except to the extent that you determine that such reduction shall be otherwise than in such proportion and so advise the Company in writing; provided, however, that the total principal amount of Securities to be purchased by all Underwriters shall be the aggregate principal amount set forth in Schedule II hereto less the aggregate principal amount of Contract Securities.

3. Delivery and Payment. Delivery of and payment for the Underwriter's Securities shall be made on the date and at the time specified in Schedule I hereto (or such later date not later than five business days after such specified date as the Representatives shall designate), which date and time may be postponed by agreement between the Representatives and the Company or as provided in Section 8 hereof (such date and time of delivery and payment for the Underwriter's Securities being herein called the "Closing Date"). Delivery of the Underwriter's Securities shall be made to the Representatives for the respective accounts of the several Underwriters against payment by the several Underwriters through the Representatives of the purchase price thereof to or upon the order of the Company by certified or official bank check or checks drawn on or by a New York Clearing House bank and payable in next day funds. Delivery of the Underwriter's Securities shall be made at such location as the Representatives shall reasonably designate at least one business day in advance of the Closing Date and payment for the Securities shall be made at

the office specified in Schedule I hereto. Certificates for the Underwriter's Securities shall be registered in such names and in such denominations as the Representatives may request not less than three full business days in advance of the Closing Date.

The Company agrees to have the Underwriter's Securities available for inspection, checking and packaging by the Representatives in New York, New York, not later than 1:00 PM on the business day prior to the Closing Date.

4. Agreements. The Company agrees with the several Underwriters that:

(a) The Company will use its best efforts to cause the Registration Statement, if not effective at the Execution Time, and any amendment thereto, to become effective. Prior to the termination of the offering of the Securities, the Company will not file any amendment of the Registration Statement or supplement (including the Final Prospectus or any Preliminary Final Prospectus) to the Basic Prospectus unless the Company has furnished you a copy for your review prior to filing and will not file any such proposed amendment or supplement to which you reasonably object. Subject to the foregoing sentence, the Company will cause the Final Prospectus, properly completed, and any supplement thereto to be filed with the Commission pursuant to the applicable paragraph of Rule 424(b) within the time period prescribed and will provide evidence satisfactory to the Representatives of such timely filing. The Company will promptly advise the Representatives (i) when the Registration Statement, if not effective at the Execution Time, and any amendment thereto, shall have become effective, (ii) when the Final Prospectus, and any supplement thereto, shall have been filed with the Commission pursuant to Rule 424(b), (iii) when, prior to termination of the offering of the Securities, any amendment to the Registration Statement shall have been filed or become effective, (iv) of any request by the Commission for any amendment of the Registration Statement or supplement to the Final Prospectus or for any additional information, (v) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the institution or threatening of any proceeding for that purpose and (vi) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. The Company will use its best efforts to prevent the issuance of any such stop

order and, if issued, to obtain as soon as possible the withdrawal thereof.

(b) If, at any time when a prospectus relating to the Securities is required to be delivered under the Act, any event occurs as a result of which the Final Prospectus as then supplemented would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading, or if it shall be necessary to amend the Registration Statement or supplement the Final Prospectus to comply with the Act or the Exchange Act or the respective rules thereunder, the Company promptly will (i) prepare and file with the Commission, subject to the second sentence of paragraph (a) of this Section 4, an amendment or supplement which will correct such statement or omission or effect such compliance and (ii) supply any supplemented Prospectus to you in such quantities as you may reasonably request.

(c) As soon as practicable, the Company will make generally available to its security holders and to the Representatives an earnings statement or statements of the Company and its subsidiaries which will satisfy the provisions of Section 11(a) of the Act and Rule 158 under the Act.

(d) The Company will furnish to the Representatives and counsel for the Underwriters, without charge, copies of the Registration Statement (including exhibits thereto) and, so long as delivery of a prospectus by an Underwriter or dealer may be required by the Act, as many copies of any Preliminary Final Prospectus and the Final Prospectus and any supplement thereto as the Representatives may reasonably request. The Company will pay the expenses of printing or other production of all documents relating to the offering.

(e) The Company will arrange for the qualification of the Securities and any Debt Securities, Common Stock, Class C Common Stock, Preferred Stock, Convertible Preferred Stock, or Nonconvertible Preferred Stock that may be issuable pursuant to the exercise, conversion or exchange, as the case may be, of the Securities offered by the Company, for sale under the laws of such jurisdictions as the Representatives may designate (provided, however, that in connection therewith, the Company will not be required to (i) qualify generally to do business in any jurisdiction where it is not then so qualified, (ii) subject itself to taxation in any such

jurisdiction or (iii) consent to general service of process in any such jurisdiction where it is not then so subject), will maintain such qualifications in effect so long as required for the distribution of the Securities, will arrange for the determination of the legality of the Securities for purchase by institutional investors, and will pay the fee of the National Association of Securities Dealers, Inc., in connection with its review, if any, of the offering.

(f) Until the business date set forth on Schedule I hereto, the Company will not, without the consent of the Representatives, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, or announce the offering of, any securities issued or guaranteed by the Company (other than the Securities) and other than (i) as specified in Schedule I, or (ii) sales of Equity Securities to The Coca-Cola Company pursuant to its rights under the Stock Rights and Restrictions Agreement (the "Stock Agreement") dated as of January 27, 1989.

(g) The Company will arrange for the listing of any Equity Securities upon notice of issuance on any national securities exchange or automated quotation system designated in Schedule I hereto.

(h) The Company confirms as of the date hereof that it is in compliance with all provisions of Section 1 of Laws of Florida, Chapter 92-198, An Act Relating to Disclosure of Doing Business with Cuba, and the Company further agrees that if it commences engaging in business with the government of Cuba or with any person or affiliate located in Cuba after the date the Registration Statement becomes or has become effective with the Securities and Exchange Commission or with the Florida Department of Banking and Finance (the "Department"), whichever date is later, or if the information reported in the Prospectus, if any, concerning the Company's business with Cuba or with any person or affiliate located in Cuba changes in any material way, the Company will provide the Department notice of such business or change, as appropriate, in a form acceptable to the Department.

5. Conditions to the Obligations of the Underwriters. The obligations of the Underwriters to purchase the Underwriters' Securities shall be subject to the accuracy of the representations and warranties on the part of the Company contained herein as of the Execution Time and the Closing Date, to the accuracy of the statements of the Company made in any certificates pursuant to the provisions hereof, to the performance by the Company of its

obligations hereunder and to the following additional conditions:

(a) If the Registration Statement has not become effective prior to the Execution Time, unless the Representatives agree in writing to a later time, the Registration Statement will become effective not later than (i) 6:00 PM New York City time, on the date of determination of the public offering price, if such determination occurred at or prior to 3:00 PM New York City time on such date or (ii) 12:00 Noon on the business day following the day on which the public offering price was determined, if such determination occurred after 3:00 PM New York City time on such date; if filing of the Final Prospectus, or any supplement thereto, is required pursuant to Rule 424(b), the Final Prospectus, and any such supplement, shall have been filed in the manner and within the time period required by Rule 424(b); and no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or threatened.

(b) The Company shall have furnished to the Representatives the opinion of Witt, Gaither & Whitaker, P.C., counsel for the Company, dated the Closing Date, to the effect that:

(i) each of the Company, Coca-Cola Bottling Company of Mobile, LLC, CCBC of Nashville, L.P., Coca-Cola Bottling Company of North Carolina, LLC, Coca-Cola Bottling Company of Roanoke, Inc., Columbus Coca-Cola Bottling Company, Panama City Coca-Cola Bottling Company, Tennessee Soft Drink Production Company, Thomasville Coca-Cola Bottling Company, Coca-Cola Ventures, Inc., CCBC of Wilmington, Inc., The Coca-Cola Bottling Company of West Virginia, Inc., Metrolina Bottling Company, COBC, Inc., ECBC, Inc., MOBC, Inc., NABC, Inc., PCBC, Inc., ROBC, Inc., TOBC, Inc., WCBC, Inc., and WVBC, Inc. (individually a "Subsidiary" and collectively the "Subsidiaries"), is duly incorporated and validly exists as a corporation in good standing under the laws of the jurisdiction in which it is chartered or organized, with full corporate power and authority to own, lease and operate its properties, and conduct its business as described in the Final Prospectus, and is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction which requires such qualification wherein it owns or leases material properties or conducts material business, other than jurisdictions, except where the failure

so to qualify would not have a material adverse effect.

(ii) the Company's 50% owned general partnership, Piedmont Coca-Cola Bottling Partnership ("Piedmont") is duly organized and validly existing under the laws of the State of Delaware, with full power and authority to own, lease and operate its properties, and to conduct its business as described in the Final Prospectus and each of its corporate partners is duly registered and qualified and is in good standing as a foreign corporation authorized to do business in each jurisdiction which requires such qualification wherein Piedmont owns or leases material properties or conducts material business, other than jurisdictions, except where the failure so to qualify would not have a material adverse effect.

(iii) all the outstanding shares of capital stock of each Subsidiary have been duly and validly authorized and issued and are fully paid and nonassessable, and, except as otherwise set forth in the Final Prospectus, all outstanding shares of capital stock of the Subsidiaries and the 50% partnership interest in Piedmont are owned by the Company either directly or through wholly owned subsidiaries free and clear of any perfected security interest and, to the knowledge of such counsel, after due inquiry, any other security interests, claims, liens or encumbrances;

(iv) the Company's authorized equity capitalization is as set forth in the Final Prospectus; the Securities conform to the description thereof contained in the Final Prospectus; and, if the Securities are to be listed on any securities exchange or automated quotation system, authorization therefor has been given, subject to official notice of issuance and evidence of satisfactory distribution, or the Company has filed a preliminary listing application and all required supporting documents with respect to the Securities with such securities exchange or automated quotation system and such counsel has no reason to believe that the Securities will not be authorized for listing, subject to official notice of issuance and evidence of satisfactory distribution;

(v) in the case of an offering of Debt Securities, the Indenture has been duly authorized, executed and delivered, and has been

duly qualified under the Trust Indenture Act; the Indenture constitutes a legal, valid and binding instrument enforceable against the Company in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, fraudulent transfer, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally from time to time in effect and by general equitable principles, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether such enforceability is considered in equity or at law); and the Debt Securities have been duly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters pursuant to this Agreement, in the case of the Underwriters' Securities, or by the purchasers thereof pursuant to Delayed Delivery Contracts, in the case of any Contract Securities, will constitute legal, valid and binding obligations of the Company, be convertible or exercisable for other securities of the Company in accordance with their terms as set forth in the Final Prospectus, as the case may be, and will be entitled to the benefits of the Indenture; if the Debt Securities are convertible or exercisable into Equity Securities, the shares of Equity Securities issuable upon such conversion or exercise will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be validly issued, fully paid and nonassessable; the outstanding shares of such Equity Securities will have been duly authorized and issued, will be fully paid and nonassessable and will conform to the description thereof contained in the Final Prospectus; and the holders of outstanding capital stock of the Company have no preemptive rights with respect to any of such shares of Equity Securities issuable upon such conversion, except as provided in the Stock Agreement;

(vi) in the case of an offering of Common Stock or Class C Common Stock, the shares of Common Stock or Class C Common Stock have been duly and validly authorized and, when issued and delivered and paid for by the Underwriters pursuant to this agreement, will be fully paid and nonassessable and will conform to the description thereof contained in the Final Prospectus; the Common Stock has been duly authorized for listing, subject to official notice of issuance, on the

National Association of Securities Dealers Automated Quotation National Market System; the certificates for the Common Stock or Class C Common Stock are in valid and sufficient form; and the holders of outstanding shares of capital stock of the Company are not entitled to preemptive or other rights to subscribe for the Common Stock or Class C Common Stock, except as provided in the Stock Agreement.

(vii) in the case of an offering of Preferred Stock, Convertible Preferred Stock or Nonconvertible Preferred Stock, the Company has authorized capital stock as set forth in the Final Prospectus; the shares of Preferred Stock, Convertible Preferred Stock, or Nonconvertible Preferred Stock being delivered at such Closing Date have been duly and validly authorized and, when issued and delivered and paid for by the Underwriters pursuant to this Agreement, will be fully paid and nonassessable; the shares of Preferred Stock, Convertible Preferred Stock, or Nonconvertible Preferred Stock conform to the descriptions thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such shares of Preferred Stock, Convertible Preferred Stock or Nonconvertible Preferred Stock, except as provided in the Stock Agreement. If the shares of Preferred Stock or Convertible Preferred Stock being delivered at such Closing Date are convertible or exchangeable into Common Stock or other securities (including Securities), such shares of Preferred Stock or Convertible Preferred Stock are, and the Contract Securities, when so issued, delivered and sold, will be, convertible or exchangeable into Common Stock or such other securities in accordance with their terms; the shares of such Common Stock or other securities initially issuable upon conversion or exchange of such shares of Preferred Stock or Convertible Preferred Stock will have been duly authorized and reserved for issuance upon such conversion or exchange and, when issued upon such conversion or exchange, will be duly issued, fully paid and nonassessable; the outstanding shares of such Common Stock have been duly authorized and issued, are fully paid and nonassessable and conform to the description thereof contained in the Final Prospectus;

(viii) to the best knowledge of such counsel, there is no pending or threatened action, suit or proceeding before any court or governmental

agency, authority or body or any arbitrator involving the Company or any of its subsidiaries or Piedmont, of a character required to be disclosed in the Registration Statement which is not adequately disclosed in the Final Prospectus, and there is no franchise, contract or other document of a character required to be described in the Registration Statement or Final Prospectus, or to be filed as an exhibit, which is not described or filed as required; and the statements included or incorporated in the Final Prospectus describing any legal proceedings or material contracts or agreements relating to the Company, its subsidiaries and Piedmont fairly summarize such matters;

(ix) the Registration Statement has become effective under the Act; any required filing of the Basic Prospectus, any Preliminary Final Prospectus and the Final Prospectus, and any supplements thereto, pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); to the best knowledge of such counsel, no stop order suspending the effectiveness of the Registration Statement has been issued, no proceedings for that purpose have been instituted or threatened, and the Registration Statement and the Final Prospectus (other than the financial statements and other financial and statistical information contained therein as to which such counsel need express no opinion) comply as to form in all material respects with the applicable requirements of the Act, the Exchange Act and the Trust Indenture Act and the respective rules thereunder; and such counsel has no reason to believe that at the Effective Date the Registration Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Final Prospectus includes any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(x) this Agreement has been duly authorized, executed and delivered by the Company;

(ix) any Delayed Delivery Contracts have been duly authorized, executed and delivered by the Company and are valid and binding agreements of the Company enforceable in accordance with their

terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, fraudulent transfer, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally from time to time in effect and by general equitable principles, including, without limitation, concepts of materiality, good faith and fair dealing, regardless of whether such enforceability is considered in equity or at law);

(xii) no consent, approval, authorization or order of any court or governmental agency or body is required for the consummation of the transactions contemplated herein or in any Delayed Delivery Contracts, except such as have been obtained under the Act and such as may be required under the blue sky laws of any jurisdiction in connection with the purchase and distribution of the Securities by the Underwriters and such other approvals (specified in such opinion) as have been obtained;

(xiii) neither the execution and delivery of the Indenture, the issue and sale of the Securities, nor the consummation of any other of the transactions herein contemplated nor the fulfillment of the terms hereof or of any Delayed Delivery Contracts will conflict with, result in a breach or violation of, or constitute a default under any law or the charter or by-laws of the Company or the terms of any indenture or other agreement or instrument known to such counsel and to which the Company or any of its subsidiaries or Piedmont is a party or bound or any judgment, order or decree known to such counsel to be applicable to the Company or any of its subsidiaries or Piedmont of any court, regulatory body, administrative agency, governmental body or arbitrator having jurisdiction over the Company or any of its subsidiaries or Piedmont;

(xiv) the information, if any, in the Final Prospectus under "Taxation", has been reviewed by them and constitutes a complete and accurate summary of the matters disclosed thereunder;

(xv) no holders of securities of the Company have rights to the registration of such securities under the Registration Statement; and

(xvi) such other legal opinions as are set forth on Schedule I hereto.

In rendering such opinion, Witt, Gaither & Whitaker, P.C. may rely (A) as to matters involving the application of laws of any jurisdiction other than the States of Delaware and Tennessee or the United States, to the extent deemed proper and specified in such opinion, upon the opinion of other counsel of good standing believed to be reliable and who are satisfactory to counsel for the Underwriters and (B) as to matters of fact, to the extent deemed proper, on certificates of responsible officers of the Company and public officials. References to the Final Prospectus in this paragraph (b) include any supplements thereto at the Closing Date.

(c) The Representatives shall have received from Cravath, Swaine & Moore, counsel for the Underwriters, such opinion or opinions, dated the Closing Date, with respect to the issuance and sale of the Securities, the Indenture, any Delayed Delivery Contracts, the Registration Statement, the Final Prospectus (together with any supplement thereto) and other related matters as the Representatives may reasonably require, and the Company shall have furnished to such counsel such documents as they may reasonably request for the purpose of enabling them to pass upon such matters.

(d) The Company shall have furnished to the Representatives a certificate of the Company, signed by the Chairman of the Board or the President and the principal financial or accounting officer of the Company, dated the Closing Date, to the effect that the signers of such certificate have carefully examined the Registration Statement, the Final Prospectus, any supplement to the Final Prospectus and this Agreement and that:

(i) the representations and warranties of the Company in this Agreement are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date and the Company has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Date;

(ii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the Company's knowledge, threatened; and

(iii) since the date of the most recent financial statements included in the Final Prospectus (exclusive of any supplement thereto),

there has been no material adverse change in the condition (financial or other), earnings, business affairs, properties or business prospects of the Company and its subsidiaries or Piedmont, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Final Prospectus (exclusive of any supplement thereto).

(e) At the Closing Date, Price Waterhouse shall have furnished to the Representatives a letter or letters (which may refer to letters previously delivered to one or more of the Representatives), dated as of the Closing Date, in form and substance satisfactory to the Representatives, confirming that they are independent accountants within the meaning of the Act and the Exchange Act and the respective applicable published rules and regulations thereunder and that they have performed the procedures specified by the American Institute of Certified Public Accountants for a review of interim financial information in accordance with, and as described in, Statement of Auditing Standards No. 71 for the latest unaudited financial statements in or incorporated in the Registration Statement or the Final Prospectus and stating in effect that:

(i) in their opinion the audited financial statements and financial statement schedules and any pro forma financial statements of the Company and its subsidiaries and of Piedmont included or incorporated in the Registration Statement and the Final Prospectus and reported on by them comply in form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the related published rules and regulations;

(ii) on the basis of a reading of the latest unaudited financial statements made available by the Company and its subsidiaries; their limited review in accordance with standards established by the American Institute of Certified Public Accountants under Statement of Auditing Standards No. 71, of the unaudited interim financial information of the Company and its subsidiaries; carrying out certain specified procedures (but not an examination in accordance with generally accepted auditing standards) which would not necessarily reveal matters of significance with respect to the comments set forth in such letter; a reading of the minutes of the meetings of the stockholders, directors and the executive, finance, audit, pension and compensation

committees of the Company and the Subsidiaries and of the partnership proceedings of Piedmont; and inquiries of certain officials of the Company and Piedmont who have responsibility for financial and accounting matters of the Company and its subsidiaries and of Piedmont as to transactions and events subsequent to the date of the most recent audited financial statements in or incorporated in the Final Prospectus, nothing came to their attention which caused them to believe that:

(1) any unaudited financial statements included or incorporated in the Registration Statement and the Final Prospectus do not comply in form in all material respects with applicable accounting requirements and with the published rules and regulations of the Commission with respect to financial statements included or incorporated in quarterly reports on Form 10-Q under the Exchange Act; or that said unaudited financial statements are not in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited financial statements included or incorporated in the Registration Statement and the Final Prospectus;

(2) with respect to the period subsequent to the date of the most recent financial statements (other than any capsule information), audited or unaudited, in or incorporated in the Registration Statement and the Final Prospectus, there were any increases, at a specified date not more than five business days prior to the date of the letter, in the long-term debt of the Company and its subsidiaries and of Piedmont or capital stock of the Company, or decreases in the stockholders' equity of the Company as compared with the amounts shown on the most recent consolidated balance sheet included or incorporated in the Registration Statement and the Final Prospectus, or for the period from the date of the most recent financial statements included or incorporated in the Registration Statement and the Final Prospectus to such specified date there were any decreases, as compared with the corresponding period in the preceding year in net sales, gross margin, income from operations, income before income taxes and effect of accounting changes or in total or

per share amounts of net income applicable to common stockholders of the Company and its subsidiaries, except in all instances for changes or decreases set forth in such letter, in which case the letter shall be accompanied by an explanation by the Company as to the significance thereof unless said explanation is not deemed necessary by the Representatives;

(3) the information included in the Registration Statement and Prospectus in response to Regulation S-K, Item 301 (Selected Financial Data), Item 302 (Supplementary Financial Information), Item 402 (Executive Compensation) and Item 503(d) (Ratio of Earnings to Fixed Charges) is not in conformity with the applicable disclosure requirements of Regulation S-K; or

(4) the amounts included in any unaudited "capsule" information included or incorporated in the Registration Statement and the Final Prospectus do not agree with the amounts set forth in the unaudited financial statements for the same periods or were not determined on a basis substantially consistent with that of the corresponding amounts in the audited financial statements included or incorporated in the Registration Statement and the Final Prospectus;

(iii) they have performed certain other specified procedures as a result of which they determined that certain information of an accounting, financial or statistical nature (which is limited to accounting, financial or statistical information derived from the general accounting records of the Company, its subsidiaries and Piedmont) set forth in the Registration Statement and the Final Prospectus and in Exhibit 12 to the Registration Statement, including the information included or incorporated in Items 1, 2, 6, 7 and 11 of the Company's Annual report on Form 10-K, incorporated in the Registration Statement and the Prospectus, and the information included in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" included or incorporated in the Company's Quarterly Reports on Form 10-Q, incorporated in the Registration Statement and the Final Prospectus, agrees with the accounting records of the Company, its subsidiaries and Piedmont, excluding any questions of legal interpretation; and

(iv) if unaudited pro forma financial statements are included or incorporated in the Registration Statement and the Final Prospectus, on the basis of a reading of the unaudited pro forma financial statements, carrying out certain specified procedures, inquiries of certain officials of the Company and the acquired company who have responsibility for financial and accounting matters, and proving the arithmetic accuracy of the application of the pro forma adjustments to the historical amounts in the pro forma financial statements, nothing came to their attention which caused them to believe that the pro forma financial statements do not comply in form in all material respects with the applicable accounting requirements of Rule 11-02 of Regulation S-X or that the pro forma adjustments have not been properly applied to the historical amounts in the compilation of such statements.

References to the Final Prospectus in this paragraph (e) include any supplement thereto at the date of the letter.

In addition, except as provided in Schedule I hereto, at the Execution Time, Price Waterhouse shall have furnished to the Representatives a letter or letters, dated as of the Execution Time, in form and substance satisfactory to the Representatives, to the effect set forth above.

(f) Subsequent to the Execution Time or, if earlier, the dates as of which information is given in the Registration Statement (exclusive of any amendment thereof) and the Final Prospectus (exclusive of any supplement thereto), there shall not have been (i) any change or decrease specified in the letter or letters referred to in paragraph (e) of this Section 5 or (ii) any change, or any development involving a prospective change, in or affecting the business or properties of the Company, its subsidiaries and Piedmont the effect of which, in any case referred to in clause (i) or (ii) above, is, in the judgment of the Representatives, so material and adverse as to make it impractical or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the Registration Statement (exclusive of any amendment thereof) and the Final Prospectus (exclusive of any supplement thereto).

(g) Subsequent to the Execution Time, there shall not have been any decrease in the rating of any of the Company's debt securities by any "nationally recognized statistical rating organization" (as defined for purpose of Rule 436(g) under the Act) or any notice given of any intended or potential decrease in any such

rating or of a possible change in any such rating that does not indicate the direction of the possible change.

(h) At the Execution Time, the Company shall have furnished to the Representatives a letter from each officer and director of the Company and certain major shareholders specified in Schedule I hereto, addressed to the Representatives, in which each such person agrees not to offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, or announce an offering of, any shares of Equity Securities beneficially owned by such person or any securities convertible into, or exchangeable for, shares of such Securities for a period specified in Schedule I hereto following the Execution Time without the prior written consent of the Representatives.

(i) Prior to the Closing Date, the Company shall have furnished to the Representatives such further legal opinions, information, certificates and documents as the Representatives may reasonably request.

(j) The Company shall have accepted Delayed Delivery Contracts in any case where sales of Contract Securities arranged by the Underwriters have been approved by the Company.

If any of the conditions specified in this Section 5 shall not have been fulfilled in all material respects when and as provided in this Agreement, or if any of the opinions and certificates mentioned above or elsewhere in this Agreement shall not be in all material respects reasonably satisfactory in form and substance to the Representatives and counsel for the Underwriters, this Agreement and all obligations of the Underwriters hereunder may be canceled at, or at any time prior to, the Closing Date by the Representatives. Notice of such cancellation shall be given to the Company in writing or by telephone or telegraph confirmed in writing.

The documents required to be delivered by this Section 5 shall be delivered at the office of Cravath, Swaine & Moore, counsel for the Underwriters, at Worldwide Plaza, 825 Eighth Avenue, New York, New York, on the Closing Date.

6. Reimbursement of Underwriters' Expenses. If the sale of the Securities provided for herein is not con- summated because any condition to the obligations of the Underwriters set forth in Section 5 hereof is not satisfied, because of any termination pursuant to Section 9 hereof or because of any refusal, inability or failure on the part of the Company to perform any agreement herein or comply with any provision hereof other than by reason of a default by

any of the Underwriters, the Company will reimburse the Underwriters severally upon demand for all out-of-pocket expenses (including reasonable fees and disbursements of one Underwriters' counsel and one local counsel in each juris- diction) that shall have been incurred by them in connection with the proposed purchase and sale of the Securities.

7. Indemnification and Contribution. (a) The Company agrees to indemnify and hold harmless each Under- writer, the directors, officers, employees and agents of each Underwriter and each person who controls any Under- writer within the meaning of either the Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the registration statement for the registration of the Securities as originally filed or in any amendment thereof, or in the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and agrees to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that (i) the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through the Representatives specifically for inclusion therein, and (ii) such indemnity with respect to any Preliminary Final Prospectus shall not inure to the benefit of any Underwriter (or any person controlling such Underwriter) from whom the person asserting any such loss, claim, damage or liability purchased the Securities which are the subject thereof if such person did not receive a copy of the Final Prospectus (or the Final Prospectus as supplemented), excluding documents incorporated therein by reference, at or prior to the confirmation of the sale of such Securities to such person in any case where such delivery is required by the Act and the untrue statement or omission of a material fact contained in such Preliminary Final Prospectus was corrected in the Final Prospectus (or the Final Prospectus as supplemented). This indemnity

agreement will be in addition to any liability which the Company may otherwise have.

(b) Each Underwriter severally agrees to indemnify and hold harmless the Company, each of its directors, each of its officers who signs the Registration Statement, and each person who controls the Company within the meaning of either the Act or the Exchange Act, to the same extent as the foregoing indemnity from the Company to each Underwriter, but only with reference to written information relating to such Underwriter furnished to the Company by or on behalf of such Underwriter through the Representatives specifically for inclusion in the documents referred to in the foregoing indemnity. This indemnity agreement will be in addition to any liability which any Underwriter may otherwise have. The Company acknowledges that the statements set forth in the last paragraph of the cover page, under the heading "Underwriting" or "Plan of Distribution" and, if Schedule I hereto provides for sales of Securities pursuant to delayed delivery arrangements, in the last sentence under the heading "Delayed Delivery Arrangements" in any Preliminary Final Prospectus or the Final Prospectus constitute the only information furnished in writing by or on behalf of the several Underwriters for inclusion in the documents referred to in the foregoing indemnity, and you, as the Representatives, confirm that such statements are correct.

(c) Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 7, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ one separate counsel (including

local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding.

(d) In the event that the indemnity provided in paragraph (a) or (b) of this Section 7 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the Company and the Underwriters agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) (collectively "Losses") to which the Company and one or more of the Underwriters may be subject in such proportion as is appropriate to reflect the relative benefits received by the Company and by the Underwriters from the offering of the Securities; provided, however, that in no such case shall any Underwriter (except as may be provided in any agreement among underwriters relating to the offering of the Securities) be responsible for any amount in excess of the underwriting discount or commission applicable to the Securities purchased by such Underwriter hereunder. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the Company and the Underwriters shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and of the Underwriters in connection with the statements or omissions which resulted in such Losses as well as any other relevant equitable considerations. Benefits received by the Company shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses), and benefits received by the Underwriters shall be

deemed to be equal to the total underwriting discounts and commissions, in each case as set forth on the cover page of the Final Prospectus. Relative fault shall be determined by reference to whether any alleged untrue statement or omission relates to information provided by the Company or the Underwriters. The Company and the Underwriters agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 7, each person who controls an Underwriter within the meaning of either the Act or the Exchange Act and each director, officer, employee and agent of an Underwriter shall have the same rights to contribution as such Underwriter, and each person who controls the Company within the meaning of either the Act or the Exchange Act, each officer of the Company who shall have signed the Registration Statement and each director of the Company shall have the same rights to contribution as the Company, subject in each case to the applicable terms and conditions of this paragraph (d).

8. Default by an Underwriter. If any one or more Underwriters shall fail to purchase and pay for any of the Securities agreed to be purchased by such Underwriter or Underwriters hereunder and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Underwriters shall be obligated severally to take up and pay for (in the respective proportions which the amount of Securities set forth opposite their names in Schedule II hereto bears to the aggregate amount or number of Securities set forth opposite the names of all the remaining Underwriters) the Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase; provided, however, that in the event that the aggregate amount or number of Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase shall exceed 10% of the aggregate amount or number of Securities set forth in Schedule II hereto, the remaining Underwriters shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Securities, and if such nondefaulting Underwriters do not purchase all the Securities, this Agreement will terminate without liability to any nondefaulting Underwriter or the Company. In the event of a default by any Underwriter as set forth in this Section 8, the Closing Date shall be postponed for such period, not exceeding seven

days, as the Representatives shall determine in order that the required changes in the Registration Statement and the Final Prospectus or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Underwriter of its liability, if any, to the Company and any nondefaulting Underwriter for damages occasioned by its default hereunder.

9. Termination. This Agreement shall be subject to termination in the absolute discretion of the Representatives, by notice given to the Company prior to delivery of and payment for the Securities, if prior to such time (i) trading in the Company's Common Stock or Class C Common Stock shall have been suspended by the New York Stock Exchange or National Association of Securities Dealers Automated Quotation National Market System or trading in securities generally on the New York Stock Exchange or National Association of Securities Dealers Automated Quotation National Market System shall have been suspended or limited or minimum prices shall have been established on [either of] such Exchange or market system, (ii) a banking moratorium shall have been declared either by Federal or New York State authorities or (iii) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the judgment of the Representatives, impracticable or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the Final Prospectus (exclusive of any supplement thereto).

10. Representations and Indemnities to Survive. The respective agreements, representations, warranties, indemnities and other statements of the Company or its officers and of the Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of any Underwriter or the Company or any of the officers, directors or controlling persons referred to in Section 7 hereof, and will survive delivery of and payment for the Securities. The provisions of Sections 6 and 7 hereof shall survive the termination or cancellation of this Agreement.

11. Notices. All communications hereunder will be in writing and effective only on receipt, and, if sent to the Representatives, will be mailed, delivered or telecopied and confirmed to them, at the address specified in Schedule I hereto; or, if sent to the Company, will be mailed, delivered or telecopied and confirmed to it at 1900 Rexford Road, Charlotte, NC 28211, attention of the Treasurer, with a copy sent to the Company's counsel, Witt, Gaither & Whitaker, P.C., at 1100 American National Bank Building, Chattanooga, Tennessee 37402.

12. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 7 hereof, and no other person will have any right or obligation hereunder.

13. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York without reference to principles of conflicts of laws.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement among the Company and the several Underwriters.

Very truly yours,

Coca-Cola Bottling Co.
Consolidated,

/s/ William B. Elmore
By: .....
Name: William B. Elmore
Title: Vice President & Treasurer

The foregoing Agreement is
hereby confirmed and accepted
as of the date specified in
Schedule I hereto.

Citicorp Securities, Inc.
BancAmerica Securities, Inc.

By: Citicorp Securities, Inc.

/s/ Donald J. Donahue
By: .....
Name: Donald J. Donahue
Title: Vice President

For themselves and the other
several Underwriters, if any,
named in Schedule II to the
foregoing Agreement.

SCHEDULE I

Underwriting Agreement dated July 1, 1997

Registration Statement No. 33-54657

Representative(s): Citicorp Securities, Inc.
BancAmerica Securities, Inc.

Title, Purchase Price and Description of Securities:

Title: 7.20% Debentures 2009

Principal Amount: $100,000,000

Purchase price (include accrued interest or amortization, if any):
$99,180,000 (99.855% or Principal Amount, less a discount of 0.675%).

Sinking fund provisions: None

Redemption provisions: None

Other provisions: Notwithstanding Section 3, payment will be made by wire transfer or immediately available funds

Closing Date, Time and Location: 10:00 a.m. New York City Time on July 7, 1997 at the offices of Cravath, Swaine & Moore, 825 Eighth Avenue, New York, New York 10019

Type of Offering: Delayed Offering

Delayed Delivery Arrangements: None

Fee:

Minimum principal amount of each contract: $

Maximum aggregate principal amount of all contracts: $

Date referred to in Section 4(f) after which the Company may offer or sell debt securities issued or guaranteed by the Company without the consent of the Representative(s): July 15, 1997

Modification of items to be covered by the letter from Price Waterhouse LLP delivered pursuant to Section 5(e) at the Execution Time: None

SCHEDULE II

Underwriters	Principal Amount of Securities to be Purchased
Citicorp Securities, Inc.....	$ 50,000,000
BancAmerica Securities, Inc.....	50,000,000
Total.....	$100,000,000

EXECUTION COPY

AMENDMENT NO. 1, dated as of July 22, 1997, to the LOAN AGREEMENT, dated as of November 20, 1995 (the "Loan Agreement"), among COCA-COLA BOTTLING CO. CONSOLIDATED, a corporation duly organized and validly existing under the laws of the State of Delaware (the "Company"); the financial institutions named therein as lenders (the "Banks"); and LTCB TRUST COMPANY, a trust company organized under the laws of the State of New York, as agent on behalf of the Banks (in such capacity, the "Agent").

WHEREAS, pursuant to the Loan Agreement, the Banks have made loans to the Borrower in an aggregate principal amount of $170,000,000;

WHEREAS, the Company has requested that the Banks agree to extend the maturity of said loans; and

WHEREAS, the Banks are willing to extend such maturity on the terms and conditions set forth in this Amendment No. 1;

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

SECTION 1. Certain Defined Terms. Except as otherwise expressly provided in this Amendment No. 1, capitalized terms defined in the Loan Agreement and used herein shall have their respective defined meanings when used herein.

SECTION 2. Amendments. Effective upon the Amendment No. 1 Effective Date (as defined in Section 3 of this Amendment No. 1), the Loan Agreement is hereby amended as follows:

1. In Section 1.01 of the Loan Agreement, the definition of the term "Indebtedness" shall be amended to add to the end of clause (a) thereof but before the semicolon the following phrase:

> , except that indebtedness and obligations of the Company or any Subsidiary of the type described in this clause (a), to the extent held by the Company or another Subsidiary, shall not be included in the definition of "Indebtedness" for any purpose of this Agreement other than Sections 7.11 and 8.07 hereof

2. In Section 1.01 of the Loan Agreement, the definition of the term "Interim Maturity Date" shall be amended to read in its entirety as follows:

> "Interim Maturity Date" shall mean July 22, 2004; provided that if such date is not a Business Day, the Interim Maturity Date shall be the next succeeding Business Day, unless such next succeeding Business Day falls in a subsequent

calendar month, in which case the Interim Maturity Date shall be the next preceding Business Day.

3. In Section 1.01 of the Loan Agreement, the definition of the term "Loan Documents" shall be amended to read in its entirety as follows:

> "Loan Documents" shall mean this Agreement (including, without limitation, Amendment No. 1 hereto), the Notes, the fee letter dated November 20, 1995 between the Agent and the Company, and the Letter of Authorization dated April 11, 1997 between the Agent and the Company.

4. In Section 1.01 of the Loan Agreement, the definition of the term "Maturity Date" shall be amended to read in its entirety as follows:

> "Maturity Date" shall mean July 22, 2005; provided that if such date is not a Business Day, the Maturity Date shall be the next succeeding Business Day, unless such next succeeding Business Day falls in a subsequent calendar month, in which case the Maturity Date shall be the next preceding Business Day.

5. In Section 1.01 of the Loan Agreement, the definition of "Voting Shares" shall be amended to read in its entirety as follows:

> "Voting Shares" shall mean (a) with respect to a corporation, Capital Stock of the class or classes having general voting power under ordinary circumstances for the election of the board of directors, managers or trustees or similar governing body thereof (irrespective of whether at the time stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency); (b) with respect to a limited partnership or a general partnership, the interest of each general partner therein; (c) with respect to a limited liability company, such membership interests as are empowered either to vote with respect to the management of such limited liability company or to elect or appoint the manager of the limited liability company; and (d) with

respect to any other type of entity, such voting interests therein as may be comparable to the Capital Stock of a corporation of the class or classes described in clause (a) of this definition (irrespective of whether at the time interests of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

6. In Section 7.02 of the Loan Agreement, each reference to "January 2, 1995" shall be amended to read "December 29, 1996", and each reference to "July 2, 1995" shall be amended to read "March 30, 1997".

7. Section 7.01 of the Loan Agreement shall be amended to read in its entirety as follows:

7.01 Existence. Each of the Company and each of its Subsidiaries: (a) if it is a corporation, is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and if it is any other type of entity, is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it has been established; (b) has all requisite power and has all governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being conducted; and (c) if it is (1) a limited partnership or a general partnership, either it or its general partner or general partners (as required by the law of each applicable jurisdiction) is qualified to do business in all jurisdictions in which the nature of the business conducted by the Company or such Subsidiary, as the case may be, makes such qualification necessary, and (2) any other type of business entity (including, without limitation, a corporation or a limited liability company), it is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary. The Company is qualified to do business in Virginia, Tennessee, North Carolina and South Carolina, and each of the Subsidiaries listed in Schedule 1 is qualified to do business in the states indicated for such Subsidiary in Schedule 1.

8. Sections 7.03, 7.08, 7.10, 7.15, 7.18 and 7.19 of the Loan Agreement are hereby replaced in their entirety as follows:

7.03 Litigation. Except as disclosed in Schedule 2 hereto, there are no legal or arbitral proceedings or any proceedings by or before any governmental or regulatory authority or agency, now pending or (to the best knowledge of the Company) threatened against the Company or any Subsidiary that could reasonably be expected to have a material adverse effect on the consolidated financial condition, business or results of operations taken as a whole, of the Company and its consolidated Subsidiaries or on the Company's ability to perform its obligations hereunder and under the Notes.

7.08 ERISA. Each of the Company and the ERISA Affiliates has fulfilled all obligations under the minimum funding standards of ERISA and the Code with respect to each Plan, has paid, or, in accordance with ERISA and the Code, has accrued a liability for, all contributions requested on behalf of each Multiemployer Plan, is in compliance in all substantial respects with all applicable provisions of ERISA and the Code, and has not incurred any liability to the PBGC in excess of $25,000, except for premiums due, or any Plan or Multiemployer Plan except for claims for benefits or requirements for contributions, in either case made in accordance with the terms of such Plan or Multi-Employer Plan. Except as disclosed in Schedule 3 hereto, there are no disputes relating to ERISA or employee benefits or relations to which the Company or any of its Restricted Subsidiaries is a party and which if adversely determined would subject the Company or any of its Restricted Subsidiaries to any material liability.

7.10 Ownership. 29.67% of the shares of the Common Stock of the Company issued and outstanding as of the date hereof are owned, both beneficially and of record and free and clear of all Mortgages, directly by The Coca-Cola Company. All such shares of Common Stock have been legally and validly issued and are fully paid and non-assessable. Except as disclosed in Schedule 4 hereto, there are no outstanding options, warrants, rights, agreements, contracts, calls, commitments or demands of any character obligating or entitling either the Company or The Coca-Cola Company to sell, issue, redeem or repurchase any Capital Stock of the Company.

7.15 Voting Agreement. Based upon information furnished to the Company by the parties to the Voting Agreement (as defined below in this Section 7.15), pursuant to the terms of a voting agreement among The Coca-Cola Company, J. Frank Harrison, Jr., J. Frank Harrison, III and Reid M. Henson, in his capacity as co-trustee of certain trusts holding shares of the Company's Class B Common Stock, dated January 27, 1989 (the "Voting Agreement"), The Coca-Cola Company granted an irrevocable proxy with respect to any shares of Class B Common Stock or Common Stock owned by The Coca-Cola Company and any shares of Common Stock into which shares of Class B Common Stock are converted or exchanged to J. Frank Harrison, III, for life, and thereafter to J. Frank Harrison, Jr. Schedule 4 hereto contains a true and complete (in all material respects) description of the Voting Agreement.

7.18 Bottle Contracts and Allied Bottle Contracts. The agreements identified in Schedule 5 are all of the material Bottle Contracts and Allied Bottle Contracts to which the Company or any Restricted Subsidiary is a party as of the date hereof. Each Bottle Contract and Allied Bottle Contract is in full force and effect and the Company and each of its Restricted Subsidiaries are in substantial compliance with the terms and conditions applicable to them contained in such Bottle Contracts and Allied Bottle Contracts.

7.19 Debt Instruments. The agreements identified in Schedule 6 are all of the agreements, bonds, debentures, notes and other instruments evidencing Debt in an original principal amount of greater than or equal to $5,000,000 of the Company or any of its Restricted Subsidiaries and in respect of which any of them is obligated, directly or contingently, as of the date hereof. Each of the Company and each of its Subsidiaries is in full compliance with the terms and conditions applicable to them contained in each such agreement, bond, debenture, note or other instrument.

9. In Section 8.01(a) of the Loan Agreement, the words "the chief financial officer of the Company" shall be amended to read "the chief financial officer or (if authorized by the Company for such function) the vice president/treasurer of the Company".

10. In Section 8.01(c) of the Loan Agreement, the words "the chief financial officer of the Company" shall be amended to read "the chief financial officer or (if authorized by the Company for such function) the vice president/treasurer of the Company".

11. The heading of Section 8.02 of the Loan Agreement shall be changed to read "Legal Existence, Etc.", and in clause (a) of said Section, the words "its corporate existence" shall be amended to read "its legal existence as a corporation, general partnership, limited partnership or limited liability company, as the case may be for the Company or such Subsidiary,".

12. The proviso to the first sentence of Section 11.06(b) of the Loan Agreement shall be amended to read in its entirety as follows:

> provided that any assignment of less than the full Commitment, Loans or Notes held by a Bank, if made to a Person that was not a Bank (or an affiliate of a Bank) immediately prior to such assignment, shall be in an aggregate principal amount of not less than $10,000,000.

13. Schedules 1, 2, 3, 4, 5 and 6 to the Loan Agreement are hereby replaced by Schedules 1, 2, 3, 4, 5, and 6, respectively, to this Amendment No. 1.

14. Each reference in the Loan Agreement to "this Agreement" and the words "hereof", "herein", "hereto" and the like shall be deemed to refer to the Loan Agreement as amended by this Amendment No. 1, but references to "the date hereof" and "the date of this Agreement" shall continue to refer to the date of the Loan Agreement (being November 20, 1995), except that in the definition of "Common Stock" in Section 1.01, and in Sections 7.10, 7.18 and 7.19 of the Loan Agreement, references to "the date hereof" shall refer to the date of this Amendment No. 1, and in the definition of "Restricted Subsidiary" in Section 1.01, the last reference to "the date hereof" shall refer to the date of this Amendment No. 1.

SECTION 3. Conditions Precedent. The effectiveness of the amendments set forth in Section 2 of this Amendment No. 1 is subject to the fulfillment of the following conditions precedent to the satisfaction of the Agent Bank (the date on which all of the foregoing conditions are so fulfilled being called the "Amendment No. 1 Effective Date"):

A. The Agent Bank shall have received each of the following documents, each of which shall be satisfactory to the Agent in form and substance, and (except for the New Notes, as defined below) shall be accompanied by sufficient copies for the Agent and each Bank.

1. Counterparts of this Agreement which, when taken together, bear the signatures of the Company, the Agent and all of the Banks.

2. New Notes in substantially the form of Exhibit A to this Amendment No. 1, duly executed and delivered by the Company to the order of each Bank and otherwise appropriately completed (said Notes being referred to in this Amendment No. 1 as the "New Notes").

3. An Officers' Certificate (which shall include the signature thereon of the Secretary of the Company), dated the Amendment No. 1 Effective Date, containing certified copies of the certificate of incorporation and bylaws and all other organizing documents of the Company and all corporate action taken by the Company approving this

Amendment No. 1, the Loan Agreement as amended hereby and the New Notes and the performance of its obligations hereunder and thereunder (including, without limitation, a certificate setting forth the resolutions of the Board of Directors of the Company adopted in respect of the transactions contemplated hereby and thereby and any shareholder action taken in respect thereof). The foregoing corporate documents and/or corporate action shall include evidence of the authority of the vice president/treasurer of the Company to issue the certificates contemplated by Sections 8.01(a) and 8.01(c) of the Loan Agreement as amended hereby.

4. Good standing certificates for the Company from the States of Delaware, Tennessee, Virginia, North Carolina and South Carolina and good standing certificates for each of the Subsidiaries listed in Schedule 1 to the Loan Agreement from the states of their respective incorporation and from each state in which such Subsidiary is doing business, as set forth in said Schedule 1.

5. An Officers' Certificate (which shall include the signature thereon of the Secretary of the Company), dated the Amendment No. 1 Effective Date, in respect of each of the officers who is authorized to sign this Amendment No. 1 and the New Notes on its behalf.

6. An Officers' Certificate to the effect set forth in Section 3(B) hereof.

7. An opinion of Witt, Gaither & Whitaker, special counsel to the Company, substantially in the form of Exhibit B hereto.

8. Evidence of the payment to the Agent of all fees described in the Letter of Authorization dated April 11, 1997 between the Agent and the Company.

9. An Officers' Certificate stating that the Senior Debt Rating of the Company by Moody's is at least Baa3 and by S&P is at least BBB-.

10. Such other opinions and other documents as the Agent or any Bank may reasonably request.

B. On and as of the Amendment No. 1 Effective Date, and both before and after giving effect to the amendments provided for in Section 2 hereof, as of the date of the Loans to be made as part of such borrowing and after giving effect thereto: (a) no Default or Rating Decline shall have occurred and be continuing; and (b) the representations and warranties made by the Company in the Agreement as remade pursuant in Section 4 of this Amendment No. 1 shall be true and correct in all material respects.

SECTION 4. Representations and Warranties. The Borrower hereby remakes, on and as of the Amendment No. 1 Effective Date, both before and after giving effect to each of the amendments provided for in this Amendment No. 1, each of the representations and warranties of the Borrower in the Loan Agreement as amended hereby and in each other document referred to herein or therein.

SECTION 5. Miscellaneous.

1. Acknowledgment of Principal Amount of Debt. The Company hereby acknowledges that the Banks have made Loans to it under the Loan Agreement in the aggregate principal amount of $170,000,000, all of which aggregate principal amount is outstanding and unpaid on the date hereof.

2. Governing Law. This Amendment No. 1 and the Loan Agreement as amended hereby shall be governed by, and construed in accordance with, the laws of the State of New York.

3. Counterparts. This Amendment No. 1 may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may executed this Amendment No. 1 by signing any such counterpart.

4. Full Force and Effect. Except as expressly provided in Section 2 of this Amendment No. 1, the Loan Agreement shall remain unmodified and in full force and effect.

5. Expenses. Without limiting the obligations of the Company under the Loan Agreement, the Company agrees to pay and to reimburse the Agent for paying, forthwith upon any request therefor by the Agent, all fees and disbursements of special counsel to the Agent in connection with the preparation, execution, delivery and administration of this Amendment No. 1, the Loan Agreement as amended hereby and each of the other documents contemplated hereby and thereby (including, without limitation, all drafts of documents, whether or not utilized) and the consummation of the transactions contemplated hereby and thereby.

6. New Notes. The Company acknowledges and agrees that the New Notes are "Notes" as defined in the Loan Agreement as amended hereby, and are subject to all the benefits thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 as of the day and year first above written.

COCA-COLA BOTTLING CO. CONSOLIDATED

By /s/ William B. Elmore
Title: Vice President & Treasurer

LTCB TRUST COMPANY, as Agent

By /s/ John A. Krob
Title: Senior Vice President

LTCB TRUST COMPANY, as lender

By /s/ John A. Krob
Title: Senior Vice President

SUNTRUST BANK, as lender

By /s/ Charles J. Johnson
Title: Vice President

By /s/ Donald M. Lynch
Title: Group Vice President

THE SAKURA BANK, LIMITED, as lender

By /s/ Toshihiko Ogata
Title: Joint General Manager

DEUTSCHE GENOSSENSCHAFTSBANK, as lender

By /s/ William J. Bartlett
Title: Assistant Vice President

By /s/ Bobby Ryan Oliver, Jr.
Title: Assistant Vice President

CREDIT LYONNAIS CAYMAN ISLANDS
BRANCH, as lender

By /s/ David M. Cause
Title: First Vice President

SOCIETE GENERALE, as lender

By /s/ Richard M. Lewis
Title: Vice President

THE CHIBA BANK, LTD., as lender

By /s/ Masamichi Abe
Title: General Manager

THE INDUSTRIAL BANK OF JAPAN, LIMITED,
ATLANTA AGENCY, as lender

By /s/ Kazuo Iida
Title: General Manager

Unless this certificate is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

COCA-COLA BOTTLING CO. CONSOLIDATED
7.20% DEBENTURES DUE 2009
CUSIP No. 191098 AC6
(Hereinafter "Securities")

$100,000,000

COCA-COLA BOTTLING CO. CONSOLIDATED, a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of One Hundred Million Dollars ($100,000,000) on July 1, 2009, and to pay interest thereon from July 7,1997 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on January 1 and July 1 in each year, commencing January 1, 1998 at the rate of 7.20% per annum, until the principal hereof is paid or made available for payment, and (to the extent that the payment of such interest shall be legally enforceable) at the rate of 7.20% per annum on any overdue principal and premium and on any overdue installment of interest. Interest payments on this Security will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the December 15 or June 15 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 11 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Payment of the principal of (and premium, if any) and any such interest on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City of New York, New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register.

The defeasance provisions of Sections 1302 and 1303 of the Indenture will apply to this Debenture.

This Security is one of a duly authorized issue of securities of the Company, issued and to be issued in one or more series under an Indenture, dated as of July 20, 1994, as supplemented and restated by a Supplemental Indenture dated March 3, 1995 (as supplemented, herein called the "Indenture"), between the Company and NationsBank of Georgia, National Association, as Trustee (herein called the "Trustee", which term includes Citibank, N.A., which succeeded to all of the rights, powers, duties and obligations of the initial trustee under the Indenture by agreement of all parties, effective September 15, 1995, as well as any subsequent successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof limited in aggregate principal amount to $100,000,000.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be

affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the right of the Holder of this Security, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of $1,000 and any integral multiples of $1,000 in excess thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

Dated: July 7, 1997

Certificate of Authentication:

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

Citibank, N.A., as Trustee

/s/ Wafaa Orfy
By: _____
Authorized Officer

COCA-COLA BOTTLING CO. CONSOLIDATED

/s/ David V. Singer
By: _____
David V. Singer
Chief Financial Officer

Attest:

/s/ Patricia A. Gill

Patricia A. Gill
Assistant Secretary

[SEAL]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

- ---

(Name and address of assignee, including zip code, must be printed or typewritten)

- ---

- ---

the within Debenture, and all rights thereunder, hereby irrevocably constituting and appointing

- ---

Attorney to transfer said Debenture on the books of the within Company, with full power of substitution in the premises.

Dated:_____ _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within or attached Debenture in every particular, without alteration or enlargement or any change whatever.

*

This schedule contains summary financial information extracted from the financial statements as of and for the six months ended June 29, 1997 and is qualified in its entirety by reference to such financial statements.

6-mos
DEC-28-1997
DEC-30-1996
JUN-27-1997

3,733
0
52,517
420
37,265
124,638
422,391
170,982
780,861
89,130
515,847
0
0
12,055
(4,724)
780,861
386,569
389,569
213,843
213,843
138,734
0
18,509
14,698
5,453
9,245
0
0
0
9,245
1.09
0.00