

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

Filing Date: **2005-05-02** | Period of Report: **2005-04-28**  
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### FILER

#### **COCA COLA ENTERPRISES INC**

CIK: **804055** | IRS No.: **580503352** | State of Incorpor.: **DE** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-09300** | Film No.: **05789734**  
SIC: **2086** Bottled & canned soft drinks & carbonated waters

Mailing Address  
2500 WINDY RIDGE PKWY  
ATLANTA GA 30339

Business Address  
2500 WINDY RIDGE PKWY  
ATLANTA GA 30339  
7709893000

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

**FORM 8-K**

**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): **April 28, 2005**

*Coca-Cola Enterprises Inc.*

**COCA-COLA ENTERPRISES INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation)

**01-09300**

(Commission File No.)

**58-0503352**

(IRS Employer Identification No.)

**2500 Windy Ridge Parkway, Atlanta, Georgia 30339**

(Address of principal executive offices, including zip code)

**(770) 989-3000**

(Registrant's telephone number, including area code)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Precommencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Precommencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



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## **Item 2.02 Results of Operations and Financial Condition**

The information in this Item 2.02 is being furnished herewith and shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing. On April 28, 2005, Coca-Cola Enterprises Inc. issued a press release announcing first quarter 2005 results. A copy of the press release is furnished as Exhibit 99.

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**SIGNATURE**

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

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

Date: May 2, 2005

By: /S/ E. LISTON BISHOP III  
E. Liston Bishop III  
Vice President, Secretary, and  
Deputy General Counsel

## EXHIBIT INDEX

| <u>Exhibit Number</u> | <u>Description</u>                 |
|-----------------------|------------------------------------|
| 99                    | Press release dated April 28, 2005 |

**NEWS RELEASE**

COCA-COLA ENTERPRISES INC.

**CONTACT:**

**Scott Anthony - Investor Relations**  
**(770) 989-3105**  
**Laura Asman - Media Relations**  
**(770) 989-3023**

**FOR IMMEDIATE RELEASE**

**Coca-Cola Enterprises Inc.**  
**Reports First-Quarter 2005 Results**

**2005 earnings guidance affirmed with earnings per diluted share expected in the low-to-mid \$1.30's.**

**CCE continues to expect strong cash flow from operations in 2005. Full-year 2005 cash flow from operations less capital spending is expected to total more than \$700 million.**

ATLANTA, April 28, 2005--Coca-Cola Enterprises (NYSE: CCE) today reported first-quarter 2005 net income of \$46 million, or 10 cents per diluted share. These results compare to net income of \$104 million, or 22 cents per diluted share in first-quarter 2004. Operating income totaled \$220 million for the first quarter, down 28 percent versus prior year.

These results reflect two fewer selling days in 2005, lower volume in the Company's European territories as well as the impact of the high cost of goods environment. These factors were partially offset by the benefit of the Company's cost control efforts which resulted in operating expenses below prior year.

"We achieved earnings at the low end of our guidance as we worked through a period of weak category performance and high cost of goods increases. With the operating flexibility created by our cost control efforts, we can maintain our full-year outlook," said Lowry F. Kline, chairman of the board. "We believe that upcoming product introductions and a strengthening revenue management environment will drive improving results for the balance of the year."

Physical case bottle and can volume declined 1 1/2 percent on a comparable basis for the quarter. Volume in North America was flat for the quarter, while volume in Europe decreased 5 1/2 percent. North American volume results reflect weak category performance for regular soft drinks, partially offset by the continued strong growth of Dasani and Powerade. North America also benefited from the introduction of Coca-Cola with Lime, Full Throttle and Dasani flavored waters. In Europe, CCE's business outperformed the overall soft drink category, but weak category performance resulted in volume below prior year.

Consolidated net revenue per case was up 1 1/2 percent in the first quarter. North American net revenue per case increased 2 percent with pricing in Europe up 1/2 percent for the quarter. Consolidated cost of sales per case increased

3 percent. All net pricing and cost of sales per case comparisons exclude the effects of currency translations. The attached schedules provide a reconciliation of the reported and comparable operating information used in this release.

"As we move into our key selling season, our focus in North America remains on successfully introducing several important new products, such as Diet Coke Sweetened with Splenda(R), Coca-Cola Zero, Full Throttle and Dasani flavored waters," said John R. Alm, president and chief executive officer. "And, just this morning we announced we will distribute Rockstar, a rapidly growing energy drink. All of our new products target categories that are experiencing solid growth and are an integral part of our operating plan to work through a challenging business environment in 2005.

"In addition, we implemented operating expense initiatives to create flexibility in meeting our full-year financial goals," Mr. Alm said. "Our first-quarter net revenue per case results reflect our efforts to balance price and volume by moderating our price increases during a period of weak category demand. We are encouraged that the industry pricing environment remains rational and expect improving pricing and volume trends for the remainder of the year as we benefit from our innovation initiatives.

"In Europe, our business is showing improvement as we enter the second quarter, and we expect solid growth this summer as we benefit from a strong marketing calendar and new product and package introductions," Mr. Alm said. "A key element of our marketing plans is focused on consumer education regarding the benefits of our zero calorie, zero sugar products. Innovation includes Diet Coke and Coca-Cola Light with Lime in Great Britain and France, orange-flavored Coca-Cola light Sango in Belgium, a variety of Minute Maid juices and juice drinks in each of our territories, as well as new packaging such as Fridge Pack. "

### **Full-Year 2005 Outlook**

Management continues to expect full-year 2005 earnings per diluted common share in a range of the low-to-mid \$1.30's. Operating income is expected to increase in a range of 3 percent to 4 percent, reflecting the benefit of favorable foreign currency translations. Free cash flow from operations less capital spending is expected to total more than \$700 million, with capital spending at the low end of the Company's guidance of \$1.0 billion to \$1.1 billion.

CCE will webcast its first quarter conference call with analysts and investors live over the Internet today at 10 a.m. ET. The call can be accessed through our Web site at [www.cokecce.com](http://www.cokecce.com).

Coca-Cola Enterprises Inc. is the world's largest marketer, distributor, and producer of bottle and can liquid nonalcoholic refreshment. Coca-Cola Enterprises sells approximately 80 percent of The Coca-Cola Company's bottle and can volume in North America and is the sole licensed bottler for products of The Coca-Cola Company in Belgium, continental France, Great Britain, Luxembourg, Monaco, and the Netherlands.

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

*Included in this news release are forward-looking management comments and other statements that reflect management's current outlook for future periods. As always, these expectations are based on the currently available competitive, financial, and economic data along with our operating plans and are subject to future events and uncertainties. The forward-looking statements in this news release should be read in conjunction with the detailed cautionary statements found on pages 33 and 34 of our 2004 Annual Report.*



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

|                                                       | First Quarter |         |        |
|-------------------------------------------------------|---------------|---------|--------|
|                                                       | 2005          | 2004    | Change |
| Net Operating Revenues                                | \$4,196       | \$4,240 | (1)%   |
| Cost of Sales                                         | 2,518         | 2,460   | 2%     |
| Gross Profit                                          | 1,678         | 1,780   | (6)%   |
| Selling, Delivery, and<br>Administrative Expenses     | 1,458         | 1,476   | (1)%   |
| Operating Income                                      | 220           | 304     | (28)%  |
| Interest Expense, Net                                 | 157           | 156     |        |
| Other Nonoperating (Expense) Income, Net              | (1)           | 1       |        |
| Income Before Income Taxes                            | 62            | 149     |        |
| Income Tax Expense                                    | 16            | 45      |        |
| Net Income                                            | \$ 46         | \$ 104  |        |
| Basic Weighted Average Common Shares Outstanding      | 470           | 459     |        |
| Basic Net Income Per Share (a)                        | \$ 0.10       | \$ 0.23 |        |
| Diluted Weighted Average Common Shares<br>Outstanding | 475           | 467     |        |
| Diluted Net Income Per Share (a)                      | \$ 0.10       | \$ 0.22 |        |

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

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

|                                                                      | April 1,<br>2005 | December 31,<br>2004 |
|----------------------------------------------------------------------|------------------|----------------------|
|                                                                      | -----            | -----                |
| <b>ASSETS</b>                                                        |                  |                      |
| Current:                                                             |                  |                      |
| Cash and cash equivalents                                            | \$ 108           | \$ 155               |
| Trade accounts receivable, net                                       | 1,911            | 1,877                |
| Inventories                                                          | 886              | 763                  |
| Current deferred income tax assets                                   | 112              | 96                   |
| Prepaid expenses and other current assets                            | 385              | 373                  |
|                                                                      | -----            | -----                |
| Total Current Assets                                                 | 3,402            | 3,264                |
| Property, plant, and equipment, net                                  | 6,705            | 6,913                |
| Goodwill                                                             | 578              | 578                  |
| Franchise license intangible assets, net                             | 14,228           | 14,517               |
| Customer distribution rights and other<br>noncurrent assets, net     | 1,059            | 1,082                |
|                                                                      | -----            | -----                |
|                                                                      | \$25,972         | \$26,354             |
|                                                                      | =====            | =====                |
| <b>LIABILITIES AND SHAREOWNERS' EQUITY</b>                           |                  |                      |
| Current:                                                             |                  |                      |
| Accounts payable and accrued expenses                                | \$ 2,311         | \$ 2,701             |
| Amounts payable to The Coca-Cola Company, net                        | 100              | 78                   |
| Deferred cash receipts from The Coca-Cola<br>Company                 | 53               | 45                   |
| Current portion of debt                                              | 726              | 607                  |
|                                                                      | -----            | -----                |
| Total Current Liabilities                                            | 3,190            | 3,431                |
| Debt, less current portion                                           | 10,599           | 10,523               |
| Retirement and insurance programs and other<br>long-term obligations | 1,462            | 1,406                |
| Deferred cash receipts from The Coca-Cola<br>Company, less current   | 312              | 331                  |
| Long-term deferred income tax liabilities                            | 5,051            | 5,238                |
| Amounts payable to The Coca-Cola Company                             | 47               | 47                   |
| Shareowners' equity                                                  | 5,311            | 5,378                |
|                                                                      | -----            | -----                |
|                                                                      | \$25,972         | \$26,354             |
|                                                                      | =====            | =====                |

COCA-COLA ENTERPRISES INC.  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Unaudited, In Millions )

|                                                                                       | Three Months Ended |                  |
|---------------------------------------------------------------------------------------|--------------------|------------------|
|                                                                                       | April 1,<br>2005   | April 2,<br>2004 |
| <b>Cash Flows From Operating Activities</b>                                           |                    |                  |
| <hr style="border-top: 1px dashed black;"/>                                           |                    |                  |
| Net income                                                                            | \$ 46              | \$ 104           |
| Adjustments to reconcile net income to net cash<br>derived from operating activities: |                    |                  |
| Depreciation and amortization                                                         | 263                | 260              |
| Net change in customer distribution rights                                            | 11                 | 3                |
| Stock-based compensation expense                                                      | 6                  | 4                |
| Deferred funding income from The Coca-Cola Company                                    | (10)               | (15)             |
| Deferred income tax expense                                                           | -                  | 28               |
| Pension expense greater (less) than retirement plan<br>contributions                  | 38                 | 31               |
| Net changes in assets and liabilities                                                 | (446)              | (336)            |
| Other changes, net                                                                    | (89)               | (17)             |
|                                                                                       | (181)              | 62               |
| <hr style="border-top: 1px dashed black;"/>                                           |                    |                  |
| <b>Cash Flows From Investing Activities</b>                                           |                    |                  |
| <hr style="border-top: 1px dashed black;"/>                                           |                    |                  |
| Capital asset investments                                                             | (133)              | (158)            |
| Other investing activities                                                            | 2                  | -                |
|                                                                                       | (131)              | (158)            |
| <hr style="border-top: 1px dashed black;"/>                                           |                    |                  |
| <b>Cash Flows From Financing Activities</b>                                           |                    |                  |
| <hr style="border-top: 1px dashed black;"/>                                           |                    |                  |
| Increase in commercial paper, net                                                     | 591                | 156              |
| Issuances of debt                                                                     | 133                | 175              |
| Payments of debt                                                                      | (448)              | (284)            |
| Dividend payments on common stock                                                     | (19)               | (18)             |
| Exercise of employee stock options                                                    | 11                 | 58               |
|                                                                                       | 268                | 87               |
| <hr style="border-top: 1px dashed black;"/>                                           |                    |                  |
| Net effect of exchange rate changes on cash<br>and cash equivalents                   | (3)                | (2)              |
|                                                                                       | (3)                | (2)              |

|                                                  |        |       |
|--------------------------------------------------|--------|-------|
| Net Decrease In Cash and Cash Equivalents        | (47)   | (11)  |
| Cash and Cash Equivalents at Beginning of Period | 155    | 80    |
|                                                  | -----  | ----- |
| Cash and Cash Equivalents at End of Period       | \$ 108 | \$ 69 |
|                                                  | =====  | ===== |

Coca-Cola Enterprises Inc.  
Key Financial Information  
(Unaudited; In Millions)

|                                    | April 1,<br>2005 | April 2,<br>2004 |
|------------------------------------|------------------|------------------|
|                                    | -----            | -----            |
| Free Cash Flow(a)                  |                  |                  |
| -----                              |                  |                  |
| Net Cash From Operating Activities | \$ (181)         | \$ 62            |
| Less: Capital Asset Investments    | 133              | 158              |
|                                    | -----            | -----            |
| Free Cash Flow                     | \$ (314)         | \$ (96)          |
|                                    | =====            | =====            |

|                                    | Full Year<br>2005<br>Forecast |           |
|------------------------------------|-------------------------------|-----------|
|                                    | -----                         |           |
| Net Cash From Operating Activities | \$ 1,700                      | more than |
| Less: Capital Asset Investments    | 1,000                         |           |
|                                    | -----                         |           |
| Free Cash Flow                     | \$ 700                        | more than |
|                                    | =====                         |           |

|                                 | April 1,<br>2005 | December 31,<br>2004 |
|---------------------------------|------------------|----------------------|
|                                 | -----            | -----                |
| Net Debt(b)                     |                  |                      |
| -----                           |                  |                      |
| Current Portion of Debt         | \$ 726           | \$ 607               |
| Debt, Less Current Portion      | 10,599           | 10,523               |
| Less: Cash and Cash Equivalents | 108              | 155                  |
|                                 | -----            | -----                |
| Net Debt                        | \$ 11,217        | \$ 10,975            |
|                                 | =====            | =====                |

(a) The non-GAAP measure "Free Cash Flow" is provided to focus management and investors on the cash available for debt reduction, dividend distributions, share repurchase and acquisition opportunities.

(b) The non-GAAP measure "Net Debt" is provided to assist investors in evaluating our capital structure and financial leverage.

Management uses this information to evaluate our capital structure and financial leverage.

Coca-Cola Enterprises Inc.  
Key Operating Information  
(Unaudited)

|                                                                                  | -----<br>First-Quarter 2005 Change<br>----- |         |         |
|----------------------------------------------------------------------------------|---------------------------------------------|---------|---------|
|                                                                                  |                                             | North   |         |
|                                                                                  | Consolidated                                | America | Europe  |
|                                                                                  | -----                                       | -----   | -----   |
| Net Revenues Per Case                                                            |                                             |         |         |
| -----                                                                            |                                             |         |         |
| Change in Net Revenues per Case                                                  | 3.5 %                                       | 1.5 %   | 9.5 %   |
| Impact of Belgium Excise Tax Change                                              | (0.5) %                                     | 0.0 %   | (1.0) % |
| Impact of Customer Marketing and<br>Other Promotional Adjustments                | 0.5 %                                       | 1.0 %   | (1.0) % |
| Impact of Excluding Post Mix Sales<br>and Agency Sales                           | (0.5) %                                     | 0.0 %   | (1.5) % |
|                                                                                  | -----                                       | -----   | -----   |
| Bottle and Can Net Pricing Per Case(a)                                           | 3.0 %                                       | 2.5 %   | 6.0 %   |
| Impact of Currency Exchange Rate<br>Changes                                      | (1.5) %                                     | (0.5) % | (5.5) % |
|                                                                                  | -----                                       | -----   | -----   |
| Currency-Neutral Bottle and Can<br>Net Pricing per Case(c)                       | 1.5 %                                       | 2.0 %   | 0.5 %   |
|                                                                                  |                                             |         |         |
| Cost of Sales Per Case                                                           |                                             |         |         |
| -----                                                                            |                                             |         |         |
| Change in Cost of Sales per Case                                                 | 6.5 %                                       | 5.0 %   | 11.5 %  |
| Impact of Belgium Excise Tax Change                                              | (0.5) %                                     | 0.0 %   | (1.5) % |
| Impact of Excluding Bottle and Can<br>Marketing Credits and Jumpstart<br>Funding | 0.0 %                                       | (0.5) % | 0.0 %   |
| Impact of Excluding Post Mix Sales<br>and Agency Sales                           | (1.0) %                                     | 0.0 %   | (2.5) % |
|                                                                                  | -----                                       | -----   | -----   |
| Bottle and Can Cost of Sales Per Case(b)                                         | 5.0 %                                       | 4.5 %   | 7.5 %   |
| Impact of Currency Exchange Rate<br>Changes                                      | (2.0) %                                     | (0.5) % | (5.5) % |
|                                                                                  | -----                                       | -----   | -----   |
| Currency-Neutral Bottle and Can<br>Cost of Sales per Case(c)                     | 3.0 %                                       | 4.0 %   | 2.0 %   |
|                                                                                  |                                             |         |         |
| Physical Case Bottle and Can Volume                                              |                                             |         |         |
| -----                                                                            |                                             |         |         |
| Change in Volume                                                                 | (4.0) %                                     | (3.0) % | (8.0) % |
| Impact of Selling Day Shift                                                      | 2.5 %                                       | 3.0 %   | 2.5 %   |
|                                                                                  | -----                                       | -----   | -----   |
| Comparable Bottle and Can Volume(d)                                              | (1.5) %                                     | 0.0 %   | (5.5) % |

Fountain Gallon Volume

| -----                                |        |        |        |
|--------------------------------------|--------|--------|--------|
| Change in Volume                     | (4.0)% | (6.5)% | 9.5 %  |
| Impact of Selling Day Shift          | 2.5 %  | 2.5 %  | 3.0 %  |
| -----                                |        |        |        |
| Comparable Fountain Gallon Volume(d) | (1.5)% | (4.0)% | 12.5 % |
| -----                                |        |        |        |

- (a) The non-GAAP financial measure "Bottle and Can Net Pricing per Case" is provided to allow investors to more clearly evaluate bottle and can pricing trends in the marketplace. The measure excludes the impact of fountain gallon volume and other items that are not directly associated with bottle and can pricing. Our bottle and can sales accounted for approximately 91 percent of our net revenue in the first quarter of 2005.
- (b) The non-GAAP financial measure "Bottle and Can Cost of Sales per Case" is provided to allow investors to more clearly evaluate cost trends for bottle and can products. The measure excludes the impact of fountain ingredient costs as well as marketing credits and Jumpstart funding, and allows investors to gain an understanding of the change in bottle and can ingredient and packaging costs.
- (c) The non-GAAP financial measures "Currency-Neutral Bottle and Can Net Pricing per Case" and "Currency-Neutral Bottle and Can Cost of Sales per Case" are provided to allow investors to separate the impact of currency exchange rate changes on our operations.
- (d) "Comparable Volume" excludes the impact of changes in the number of selling days between periods. The measure allows investors to analyze the performance of our business on a constant period and territory basis. There were two fewer selling days in the first quarter of 2005 as compared to the first quarter of 2004.



Coca-Cola Enterprises  
2005 Guidance

|                                                                           | Projection            |
|---------------------------------------------------------------------------|-----------------------|
| Volume Growth                                                             | Approx. 1%            |
| North America                                                             | Approx. 1%            |
| Europe                                                                    | 2% to 3%              |
| Pricing Per Case Growth<br>(currency neutral, including mix benefit)      | Approx. 3%            |
| North America                                                             | Approx. 2%            |
| Europe                                                                    |                       |
| Cost of Goods Per Case Growth<br>(currency neutral, including mix impact) | Approx. 4%            |
| Operating Expense \$ Growth                                               | 2% to 3%              |
| Operating Income Growth                                                   | Approx. 3% to 4%      |
| Capital Expenditures                                                      | Approx. \$1.0 billion |
| Interest Expense                                                          | Approx. \$635 million |
| Effective Tax Rate                                                        | Approx. 30%           |
| 2005 Diluted EPS                                                          | Low to Mid \$1.30's   |
| Diluted Common Shares                                                     | Approx. 475 million   |

Notes:

Volume growth guidance is based on comparable selling days.

2005 will include two less selling days in the first quarter and full year.

All cost of goods and operating income growth guidance exclude the 2004 impact of the concentrate price transition.