supply chain or impact demand for our products. Climate change may also exacerbate water scarcity and cause a further deterioration of water quality in affected regions, which could limit water availability for our system’s bottling operations. As a result, the effects of climate change could have a long-term adverse impact on our business and results of operations.

Global or regional catastrophic events could impact our operations and financial results.

Because of our global presence and worldwide operations, our business can be affected by large-scale terrorist acts, especially those directed against the United States or other major industrialized countries; the outbreak or escalation of armed hostilities; major natural disasters; or widespread outbreaks of infectious diseases such as H1N1 influenza, avian influenza or severe acute respiratory syndrome (generally known as SARS). Such events could impair our ability to manage our business around the world, could disrupt our supply of raw materials, and could impact production, transportation and delivery of concentrates, syrups and finished products. In addition, such events could cause disruption of regional or global economic activity, which can affect consumers’ purchasing power in the affected areas and, therefore, reduce demand for our products.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

Our worldwide headquarters is located on a 35-acre office complex in Atlanta, Georgia. The complex includes the approximately 621,000 square foot headquarters building and an approximately 870,000 square foot building in which CCNA’s and CCR’s main offices are located. The complex also includes several other buildings, including the approximately 264,000 square foot Coca-Cola Plaza building, technical and engineering facilities, a learning center and a reception center. We also own an office and retail building at 711 Fifth Avenue in New York, New York. These properties are primarily included in the Corporate operating segment.

We own or lease additional facilities, real estate and office space throughout the world which we use for administrative, manufacturing, processing, packaging, packing, storage, warehousing, distribution and retail operations. These properties are generally included in the geographic operating segment in which they are located.

In North America, as of December 31, 2010, we owned 65 beverage production facilities, 10 principal beverage concentrate and/or syrup manufacturing plants, one facility that manufactures juice concentrates for foodservice use and four bottled water facilities; we leased one bottled water facility and one beverage production facility; and we operated 299 principal beverage distribution warehouses of which 112 are leased and the rest are owned. Also included in the North America operating segment is a portion of the Atlanta office complex.

Additionally, as of December 31, 2010, our Company owned and operated 20 principal beverage concentrate manufacturing plants outside of North America, of which four are included in the Eurasia and Africa operating segment, three are included in the Europe operating segment, five are included in the Latin America operating segment, and eight are included in the Pacific operating segment.

We own or hold a majority interest in or otherwise consolidate under applicable accounting rules bottling operations that, as of December 31, 2010, owned 98 principal beverage bottling and canning plants located throughout the world. These plants are included in the Bottling Investments operating segment.

Management believes that our Company’s facilities for the production of our products are suitable and adequate, that they are being appropriately utilized in line with past experience, and that they have sufficient production capacity for their present intended purposes. The extent of utilization of such facilities varies based upon seasonal demand for our products. However, management believes that additional production can be obtained at the existing facilities by adding personnel and capital equipment and, at some facilities, by adding shifts of personnel or expanding the facilities. We continuously review our anticipated requirements for facilities and, on the basis of that review, may from time to time acquire additional facilities and/or dispose of existing facilities.