PO Box 1895
North Sydney NSW 2060, Australia
ccamatil.com

22 August 2018

Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

In accordance with ASX Listing Rule 4.2A.3, I **attach** the 2018 Half Year Results (incorporating Appendix 4D requirements) (**Results**) for Coca-Cola Amatil Limited.

It is recommended that the Results be read in conjunction with Coca-Cola Amatil's 2017 Annual Report, with any public announcements made by Coca-Cola Amatil in accordance with its continuous disclosure obligations under the *Corporations Act 2001* and the ASX Listing Rules.

A briefing will be held at 10.00am on Wednesday, 22 August 2018. This briefing will be webcast and can be accessed via our website at *www.ccamatil.com*.

Yours faithfully

Jane Bowd

Jane Bowd

Group Company Secretary & Corporate Counsel

COCA-COLA AMATIL

2018 Half Year Report
(Including appendix 4D requirements)

ASX Code: CCL

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CONTENTS

Coca-Cola Amatil Limited and its subsidiaries

About this report

This report is a summary of Coca-Cola Amatil Limited (referred to as the Company) and its subsidiaries' operations and financial position as at 29 June 2018 and performance for the half year ended on that date. It is recommended that this report is read in conjunction with the 2017 annual report of Coca-Cola Amatil Limited and its subsidiaries together with any public announcements made by the Company during the half year ended 29 June 2018 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and the Australia Securities Exchange listing rules.

References in this report to the half year are to the financial period 1 January 2018 to 29 June 2018 unless otherwise stated. The previous corresponding period is the half year ended 30 June 2017.

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ABN 26 004 139 397

OPERATING AND FINANCIAL REVIEW

Coca-Cola Amatil Limited and its subsidiaries
for the half year ended 29 June 2018

APPENDIX 4D – KEY MATTERS

RESULT OVERVIEW

- Statutory earnings per share (EPS) up 17.8 per cent, while underlying[1] EPS declined 1.6 per cent
- Statutory earnings before interest and tax (EBIT) of $257.2 million, up 6.6 per cent, and statutory net profit after tax (NPAT) of $158.1 million, up 12.8 per cent
- Underlying EBIT of $297.5 million and underlying NPAT of $178.8 million representing declines of 4.9 per cent and 5.9 per cent respectively
- Excellent performance in New Zealand and strong performance in Fiji
- Some encouraging signs in Australian Beverages with revenue growth and improving volume trajectory; earnings performance consistent with our plans to accelerate the reinvestment of our cost savings in 2018
- Indonesia result impacted by soft market conditions; Papua New Guinea cycling the pre-election stimulus of 1H17 and experienced some operational issues.
- Alcohol & Coffee delivered double-digit EBIT growth in its core business funding investments in growth initiatives
- Interim dividend of 21.0 cents per share (1H17: 21.0 cents per share), franked to 65 per cent (1H17: 70% franked), representing an underlying payout ratio of 85.0 per cent for the half year
- Commencement of a strategic review of growth options for SPC – Australia's leading processor of packaged fruit and vegetables

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	29 June 2018 $M	30 June 2017 $M	Variance %
Trading revenue	**2,392.7**	**2,389.7**	**0.1**
Total revenue	**2,417.2**	**2,420.5**	**(0.1)**
Earnings before interest and tax (before non-trading items)	297.5	312.7	(4.9)
Net finance costs (before non-trading items)	(36.5)	(32.2)	13.4
Income tax expense (before non-trading items)	(74.8)	(81.9)	(8.7)
Non-controlling interests	(7.4)	(8.5)	(12.9)
Profit attributable to Coca-Cola Amatil Limited shareholders (before non-trading items)	178.8	190.1	(5.9)
Non-trading items after income tax[2]	(20.7)	(50.0)	(58.6)
Profit attributable to Coca-Cola Amatil Limited shareholders	**158.1**	**140.1**	**12.8**
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Earnings per share (before non-trading items)	24.7	25.1	(1.6)
Earnings per share	21.8	18.5	17.8

OTHER INFORMATION

Interim dividend per share (65% franked)[3] (1H17: 70% Franked)	21.0	21.0	–
Prior year final dividend per share (70% franked)[4] (2H16: 75% franked)	**26.0**	**25.0**	**4.0**

1 Underlying refers to statutory results adjusted to exclude non-trading items.
2 Non-trading items relating to transformation activities, mainly in the implementation of new or revised organisation designs, also including non-recurring currency swap income.
3 Record date for 2018 dividend entitlement is 28 August 2018 and is payable 9 October 2018 (2017: Paid 3 October 2017).
4 Paid 10 April 2018 (2016: paid 7 April 2017).

Commentary on Coca-Cola Amatil Limited's financial results and position and additional Appendix 4D disclosure requirements can be found in the remainder of this document.

PRINCIPAL ACTIVITIES

Coca-Cola Amatil is one of the largest bottlers and distributors of non-alcoholic and alcoholic ready-to-drink beverages in the Asia Pacific region, and one of the world's larger bottlers of The Coca-Cola Company's range of products.

As both brand partner and brand owner, we operate across six countries – Australia, New Zealand, Indonesia, Papua New Guinea, Fiji and Samoa – to manufacture, distribute and sell an unrivalled range of beverages, coffee and ready-to eat food snacks. With decades of experience, we do this safely and responsibly, and are proud that our products delight millions of people every day.

With access to more than 270 million potential consumers through more than 950,000 active customers, our product range includes non-alcoholic sparkling beverages, spring water, sports and energy drinks, fruit juices, iced tea, flavoured milk, coffee, tea, beer, cider, spirits and ready-to-eat fruit and vegetable snacks and products.

We are committed to leading through innovation, and to building a sustainable future, capturing growth and delivering long-term value to our shareholders.

We employ around 13,000 people and create thousands more jobs in the communities in which we operate. Across this team we work as one, united by a shared Vision and common Values. We know that our diverse workforce is our greatest strength, and makes us the vibrant company we are today.

GROUP PERFORMANCE

OVERVIEW

For the first half of 2018 we delivered an earnings per share (EPS) increase of 17.8 per cent on a statutory basis compared to last year. On an underlying basis EPS declined 1.6 per cent.

Our Group statutory net profit after tax (NPAT) was up, 12.8 per cent, to $158.1 million while on an underlying basis NPAT declined 5.9 per cent to $178.8 million.

Our Group statutory earnings before interest and tax (EBIT) was up 6.6 per cent at $257.2 million while on an underlying basis it declined 4.9 per cent to $297.5 million.

Our result includes an excellent performance in New Zealand and a strong performance in Fiji. The New Zealand & Fiji segment delivered revenue growth of 7.0 per cent, with volume growth of 7.9 per cent and EBIT growth of 9.0 per cent.

There are encouraging signs in Australian Beverages. We delivered revenue growth and an improved volume trajectory in both sparkling and still beverages with volume of -0.3 per cent compared to the prior corresponding period. Our earnings performance in Australian Beverages was consistent with our plans to accelerate the reinvestment of our cost savings initiatives in 2018.

In Indonesia the market has been soft and our business has been impacted as a result. We have continued to deliver efficiency savings however this has not been sufficient to deliver EBIT growth this period. In Papua New Guinea we were cycling the pre-election stimulus in the first half of 2017 and also experienced some operational issues, which are being rectified. Overall EBIT for the segment was flat at -0.2 per cent or increased 3.6 per cent on a constant currency basis.

We are very pleased with our performance in Alcohol & Coffee with revenue growth of 8.7 per cent and double-digit EBIT growth in our core business, funding investments in a number of growth initiatives.

Earnings in our Corporate Food & Services segment declined. This reflected a number of movements such as a modest loss in SPC, lower earnings in the property division, investment in our Amatil X program and investment in Group capabilities.

Our net debt position increased by $185.9 million compared to 1H17 primarily due to our share buyback completed in 2017. Net debt remains below 2014 levels and we continue to maintain strong underlying EBIT interest coverage at 8.2 times.

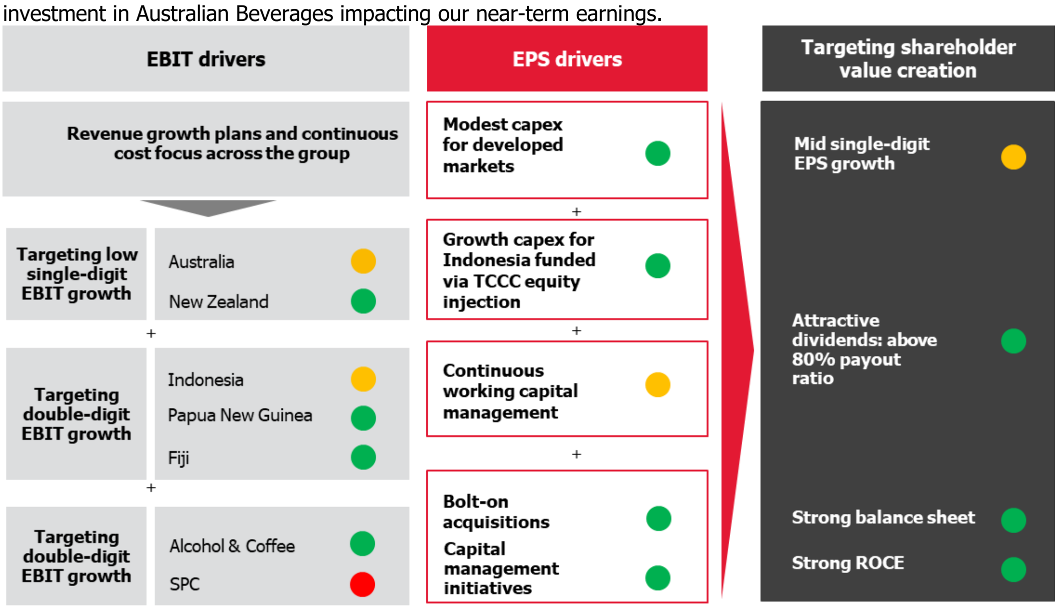
Our return on capital employed remains strong at 20.3 per cent, up slightly compared to the first half of 2017. Working capital was $77.9 million higher in the period primarily due to Indonesia extending credit to drive volume during Ramadan which had not been collected at the end of the period.

We have declared a 21.0 cents per share dividend for the first half, representing a payout ratio of 85.0 per cent on an underlying basis. The dividend will be franked at 65 per cent and we have sufficient free cash flow to cover the dividend payments.

We are confident we have the right plans in place to deliver on our targets.

TRACKING AGAINST OUR SHAREHOLDER VALUE PROPOSITION

Since 2014, we have made solid progress against many of our targets. Our mid-single digit EPS target remains our medium-term focus, with investment in Australian Beverages impacting our near-term earnings.



GROUP PERFORMANCE (CONTINUED)

GROUP FINANCIAL SUMMARY

Summarised Income Statement ($M)	29 June 2018 $M	30 June 2017 $M
Trading revenue	2,392.7	2,389.7
EBIT (before non-trading items)	297.5	312.7
Net finance costs (before non-trading items)	(36.5)	(32.2)
Income tax expense (before non-trading items)	(74.8)	(81.9)
Non-trading items after tax	(20.7)	(50.0)
Non-controlling interests	(7.4)	(8.5)
Profit – attributable to Coca-Cola Amatil shareholders	158.1	140.1
Other Performance Measures		
Dividends per share (cents)	21.0	21.0
Franking per share (per cent)	65%	70%
Basic and diluted earnings per share (before non-trading items) (cents)	24.7	25.1
Basic and diluted earnings per share (cents)	21.8	18.5
EBIT (before non-trading items) interest cover (times)	8.2x	9.7x
Return on capital employed (%)	20.3%	20.1%
Operating cash flow ($M)	191.9	229.1
Free cash flow ($M)	63.8	139.7
Capital expenditure / trading revenue (%)	5.6%	3.8%
Summarised Balance Sheet		
Net assets	1,899.0	1,917.0
Net debt	1,452.7	1,266.8
Assets and liabilities – operating and investing (capital employed)	3,351.7	3,183.8

SEGMENT RESULTS OVERVIEW

Underlying EBIT ($ million)	29 June 2018 $M	30 June 2017 $M	Variance %	Variance – constant currency[1] %	Trading Revenue %	Underlying EBIT %	Volume %
Australian Beverages	176.3	182.9	(3.6)		51.1	59.3	49.6
New Zealand & Fiji	49.8	45.7	9.0	10.1	11.7	16.7	11.9
Indonesia & Papua New Guinea	50.6	50.7	(0.2)	3.6	20.4	17.0	38.5
Alcohol & Coffee	22.5	21.5	4.7	4.7	11.3	7.6	
Corporate, Food & Services	(1.7)	11.9	(114.3)		5.5	(0.6)	
Underlying EBIT	**297.5**	**312.7**	**(4.9)**		100.0	100.0	100.0

1 The constant currency basis is determined applying 1H17 foreign exchange rates to 1H18 local currency results.

AUSTRALIAN BEVERAGES

FINANCIAL SUMMARY

	29 June 2018 $M	30 June 2017 $M	Variance %
Trading revenue	**1,221.9**	**1,210.9**	**0.9**
– Trading revenue per unit case	$8.24	$8.15	1.1
– Volume (million unit cases)[1]	148.2	148.6	(0.3)
Underlying earnings before interest and tax	**176.3**	**182.9**	**(3.6)**
EBIT margin on trading revenue	**14.4%**	**15.1%**	**(0.7) pts**
Return on capital employed	**35.9%**	**37.3%**	**(1.4) pts**

Volume summary – unit cases	29 June 2018 $M	30 June 2017 $M	Variance %
Sparkling			
– Beverages	97.3	97.8	(0.5)
– Frozen	11.3	11.9	(5.0)
Stills	39.6	38.9	1.8
Total	**148.2**	**148.6**	**(0.3)**

1 A unit case is the equivalent of twenty-four 8 US oz (237ml) serves or 5.678 litres.

1H18 PERFORMANCE

OVERVIEW

We delivered revenue growth of 0.9 per cent on flat volume, while underlying EBIT declined 3.6 per cent.

There are some encouraging signs with our volume trajectory improving as many of our customer and Accelerated Australian Growth Plan initiatives start to gain traction.

Our earnings performance was consistent with our plans to accelerate the reinvestment of cost savings in 2018 and some negative impact to volume from the New South Wales container deposit scheme.

Trading revenue per unit case was 1.1 per cent higher than last year, comprising a 4.1 per cent increase from charges related to container deposit schemes, a 2.2 per cent investment in realised price and a 0.8 per cent decrease from change in product/channel mix. The price investment was driven by our plan to improve our competitiveness in a number of channels and across a number of categories.

Our EBIT result benefitted from a $10.0 million credit due to lower actual redemption rates in the New South Wales container deposit scheme compared to forecast. This benefit will be returned to consumers through price investments in NSW in the second half.

CATEGORY

In **sparkling beverages**, volume declined 0.5 per cent, while in still beverages, volumes grew 1.8 per cent. This is an improvement in both our sparkling and still beverages volume trajectory, reflecting initiatives from the Accelerated Australian Growth Plan.

Stabilise the core

The volume trajectory improvement in **sparkling** beverages resulted from growth in diets & lights cola, driven by the transition to Coca-Cola No Sugar. The cola category is also benefitting from the increased frequency of our rotational flavour variants, with Coca-Cola Raspberry performing well in the first half.

In **water**, we continued to deliver on our strategy of ensuring we remain competitive in the grocery channel, extending our distribution of water products in state operational accounts, including HORECA, and extending our distribution of the recently launched enhanced and premium water products such as Pump+ and Mount Franklin Lightly Sparkling Flavours in cans.

We also delivered growth in the **sports** category, which benefitted from additional advertising through the FIFA world cup and rugby league state of origin series as well as supported through on-pack promotions.

Although we have relaunched our **tea** range and recently launched a new range in **juice**, we still have more to do in these categories to gain traction. We also have more to do in **flavours**.

Double down in growth areas

There were some positive signs in growth categories with strong volume growth in **energy, adult sparkling** and **value-added dairy.** We expanded the distribution of Monster and increased the number of products in the portfolio. We also expanded our value-added dairy portfolio with the launch of Barista Bros Café Creations.

AUSTRALIAN BEVERAGES (CONTINUED)

1H18 PERFORMANCE (CONTINUED)

CHANNEL

Precision availability and activation

We delivered volume growth in grocery and the petrol and convenience channels. We had a strong focus in the RECA channel and it is starting to gain traction with positive volume growth in the half. We further expanded our high value customer base in the RECA channel by approximately 15 per cent. We also expanded our customer base in state operational accounts, with an increase in high value customers, by approximately five per cent. However, we continued to experience pressure in immediate consumption in both the national and state operational account channels.

COST OPTIMISATION AND ACCELERATED REINVESTMENT

We continued to progress our cost optimisation and accelerated reinvestment programs. For the first half we have delivered an additional $16 million of cost savings. We previously indicated that our 2018 plan included accelerated reinvestment in the business, with approximately $40 million of additional investment in price, marketing, execution, cold drink equipment and digital technology to be undertaken this year.

NSW CONTAINER DEPOSIT SCHEME

The **New South Wales** ("NSW") container deposit scheme ("CDS") commenced on 1 December 2017. For the first half, there was a 1.6 per cent volume decline in NSW, compared to a 0.3 per cent volume increase in other states over the period. It should be noted that we experienced significant volatility on a month to month basis comparing NSW to other states. In early July we made the decision to lower our CDS rate per eligible container from 13.59 cents (excluding GST) to 10.91 cents (excluding GST) from 1 August 2018, reflecting that actual returns have been lower than redemption rates anticipated.

2018 PRIORITIES & OUTLOOK

ACCELERATED AUSTRALIAN GROWTH PLAN

We are focussed on delivering against our Accelerated Australian Growth Plan, which we announced in November 2017. The plan combines future proofing the portfolio with an enhanced and effective route-to-market strategy while taking a more tailored approach to segmentation. Our plan is built on our Group strategy of Lead, Execute, and Partner, and is characterised against five essential elements:

- Stabilise the core
- Double down in growth areas
- Close the gap
- Create new gaps
- Precision availability and activation

We have several initiatives across all these elements which we have been implementing since 2017 and are making good progress. This will continue to be our focus in the second half of this year and we will be prioritising activities to further accelerate improved performance.

IMPROVING ALIGNMENT WITH THE COCA-COLA COMPANY

Over the past several years we have implemented initiatives to improve alignment with The Coca-Cola Company. As part of the Accelerated Australian Growth Plan, The Coca-Cola Company is also increasing its investment into initiatives aiming to drive growth. We are committed to working closely together and leveraging The Coca-Cola Company's "Beverages For Life" strategy in Australia.

COST OPTIMISATION AND ACCELERATED REINVESTMENT

We are also focused on delivering our cost optimisation plans to fund our growth plans, building on our strong track record in this area. We will deliver savings from remodelling our supply chain, from our 'Business Excellence' program, from changes in our merchandising and sales force, and further optimisation in procurement and support services.

We have previously indicated that based on our desire to return Australian Beverages to growth, we have brought forward approximately $40 million of investment into 2018. This additional investment is on track, with approximately half being invested in 1H18.

CONTAINER DEPOSIT SCHEMES

The **Australian Capital Territory** ("ACT") CDS commenced on 30 June 2018. The CDS rate is the same as in NSW (i.e. 10.91 cents excluding GST from 1 August 2018).

Additional container deposit schemes are expected to be introduced in **Queensland** on 1 November 2018, and in **Western Australia** in 2020. We have taken an active leadership role with all stakeholders in each state and territory. We will continue to monitor the impacts of all existing container deposit schemes and plan for the implementation in other states.

NEW ZEALAND & FIJI

FINANCIAL SUMMARY

	29 June 2018 $M	30 June 2017 $M	Variance %	Variance – constant currency[1] %
Trading revenue	**280.2**	**261.8**	**7.0**	**8.3**
– Trading revenue per unit case	$7.87	$7.93	(0.8)	0.4
– Volume (million unit cases)	35.6	33.0	7.9	7.9
Underlying earnings before interest and tax	**49.8**	**45.7**	**9.0**	**10.1**
EBIT margin on trading revenue	**17.8%**	**17.5%**	**0.3 pts**	**0.2 pts**
Return on capital employed	**29.1%**	**27.1%**	**2.0 pts**	

1 The constant currency basis is determined applying 1H17 foreign exchange rates to 1H18 local currency results.

1H18 PERFORMANCE

OVERVIEW

In the first half of 2018, we grew our revenue in New Zealand & Fiji by 8.3 per cent and EBIT by 10.1 per cent on a constant currency basis with volumes up 7.9 per cent.

NEW ZEALAND

New Zealand delivered an excellent result with revenue, volume and EBIT growth, including positive performances in both sparkling and still beverages.

Revenue and volume growth was delivered in **sparkling beverages** driven by an increase in take-home packs and Coca-Cola No Sugar and Coca-Cola Raspberry continued to perform well. During the half, we launched Coca-Cola Stevia No Sugar, which is sweetened with 100% stevia. New Zealand is the first country in the world to launch this product.

We performed strongly in **still beverages** delivering revenue and volume growth. We grew revenue and volume in all still beverage categories – energy, juice, sports, water, dairy.

We achieved revenue growth in all major channels including **grocery, on-the-go,** and **licensed**.

FIJI

We delivered revenue, volume and EBIT growth in Fiji despite a number of unfavourable weather events during the half. Double-digit EBIT was delivered on a constant currency basis, with revenue and volume growth in both sparkling and still beverages.

2018 PRIORITIES & OUTLOOK

NEW ZEALAND

We are focussed on maintaining our leadership position in sparkling and still beverages and improving our relationships with our brand partners. We are driving the fundamentals for sustainable and profitable growth by ensuring that we offer our customers and consumers the world's leading beverage brands across a broad range of categories and formats. We are adding to our manufacturing and distribution capabilities, building our sales and marketing execution capability and expect continued growth in 2018.

FIJI

We continue to expand our distribution network through the rollout of cold drink equipment and increasing the number of outlets ranging our products. We expect to benefit from the recent investment in an additional production line.

INDONESIA & PAPUA NEW GUINEA

FINANCIAL SUMMARY

	29 June 2018 $M	30 June 2017 $M	Variance %	Variance – constant currency[1] %
Trading revenue	**487.8**	**530.3**	**(8.0)**	**(3.2)**
– Trading revenue per unit case	$4.23	$4.48	(5.6)	(0.4)
– Volume (million unit cases)	115.2	118.5	(2.8)	(2.8)
Underlying earnings before interest and tax	**50.6**	**50.7**	**(0.2)**	**3.6**
EBIT margin on trading revenue	**10.4%**	**9.6%**	**0.8 pts**	**0.6 pts**
Return on capital employed	**11.3%**	**10.8%**	**0.5 pts**	

1 The constant currency basis is determined applying 1H17 foreign exchange rates to 1H18 local currency results.

1H18 PERFORMANCE

In Indonesia & Papua New Guinea, we grew EBIT by 3.6 percent on a constant currency basis[1], however EBIT was flat on an Australian dollar basis.

INDONESIA

In Indonesia, we had a modest EBIT decline on a constant currency basis.

Despite continuing to progress on our business transformation, it was not sufficient to offset soft market conditions and higher commodity prices, resulting in constrained revenue, volume and earnings performance.

Gross domestic product growth remains at lower levels than the past decade. Furthermore, these levels are not translating into similar levels of growth in the FMCG sector generally, or in the NARTD beverage market specifically. Discretionary consumer spending has been constrained by changes in spending priorities (e.g. smartphones, tablets and travel) and a number of economic factors (e.g. inflation in staple foods, higher energy and fuel prices).

The overall NARTD market growth declined in the half, excluding water.

While we improved our value share in **sparkling beverages**, the overall category declined resulting in flat volumes.

In **still beverages,** we had revenue and volume declines in the **juice**, **tea** and **dairy** categories with our share also declining in these categories.

We achieved sales and cost benefits from our **route-to-market** model transformation, which increased the availability and accessibility of our products. Strong efficiency gains were delivered in manufacturing and administrative functions. We continue to invest in the capabilities of our people through our training academy model as well as through our bespoke leadership training programs. As a result of delivering on many of the elements of our transformation strategy, the business remains highly leveraged to deliver significant earnings improvements with higher levels of growth in the NARTD market in the future.

Retailer inventory was lower at the end of the period compared to last year.

PAPUA NEW GUINEA

In Papua New Guinea, we achieved modest revenue growth on lower volumes and delivered EBIT growth on a constant currency basis despite cycling favourable economic conditions in the first half of 2017 from the national election. We experienced some operational challenges such as ongoing issues with our new can line impacting supply and closure of a major highway connecting to the highlands.

2018 PRIORITIES & OUTLOOK

INDONESIA

We are working closely with The Coca-Cola Company to improve our performance in sparkling and still beverages. We will continue to enhance capabilities in sales and manufacturing supported by a strong IT agenda to drive productivity and efficiency gains. We continue to invest in the business and expect ongoing productivity gains through initiatives in manufacturing and logistics efficiency, resulting in a lower overall cost to serve.

PAPUA NEW GUINEA

We will continue expanding our distribution network as well as seeking productivity and efficiency improvements in manufacturing and logistics. We expect to benefit from our new can line once all the issues are resolved. We will continue to expand our beverage footprint. A continuation of the current shortfall in the availability of foreign currency that we can purchase will result in increasing amounts of Kina held on deposit in Papua New Guinea for the foreseeable future.

ALCOHOL & COFFEE

FINANCIAL SUMMARY

	29 June 2018 $M	30 June 2017 $M	Variance %	Variance – constant currency[1] %
Trading revenue	**270.0**	**248.4**	**8.7**	**9.0**
Underlying earnings before interest and tax	**22.5**	**21.5**	**4.7**	**4.7**
EBIT margin on trading revenue	**8.3%**	**8.7%**	**(0.4) pts**	**(0.4) pts**

1 The constant currency basis is determined applying 1H17 foreign exchange rates to 1H18 local currency results.

1H18 PERFORMANCE

In **Alcohol & Coffee,** we delivered double-digit EBIT growth in our core business, funding investment in initiatives for our growth aspirations.

We delivered 9.0 per cent revenue growth and 4.7 per cent EBIT growth on a constant currency basis.

ALCOHOL

In **Alcohol,** we achieved single-digit revenue and volume growth and double-digit EBIT growth on a constant currency basis.

In Australia, Canadian Club was the stand-out highlight for the half, delivering exceptional growth through effective marketing and strong execution. In Fiji, Paradise Beverages delivered revenue and volume growth as did New Zealand.

We invested back into the business to build our capabilities and support our long-term growth initiatives.

We also worked closely with our partners and on our own brands, to leverage opportunities across all categories. Highlights in the first half included:

Spirits: the outstanding performance of Canadian Club; launching new products with BeamSuntory including Roku, a Japanese gin, and "The Chita", a Japanese single grain whiskey; launching Canadian Club Zero Sugar Dry.

Paradise Beverages: RumCo of Fiji continuing to win awards, with Ratu Spiced 5-year-old rum named 2018 'Rum of the Year' and Ratu 8-year-old Signature Premium Rum Liqueur receiving a silver medal at the inaugural London Spirit Competition.

Beer, Bitters & Cider: supporting Coors' relationship with the National Basketball Association with "Coors Block Parties" and releasing a range of limited edition NBA team cans; launching industry music events through "Miller Amplified Series"; continuing to build our Yenda brand through a sponsorship agreement with Rugby Australia and Super Rugby, supported with an advertising campaign and the launch of "Yenda Session".

COFFEE

We grew revenue and volume in our coffee business. Positive drivers were our coffee bean products (whole and ground) and two growth initiatives – our out of home capsules business and our cold brew extract product. Our EBIT performance reflected investment in our international coffee opportunity.

GROWTH INITIATIVES

We continued to progress the expansion of our coffee business in Indonesia during the half and the expansion of international alcohol sales including entering into a distribution agreement for Vailima in the United States and expanding the distribution of Vonu Export in Australia.

2018 PRIORITIES & OUTLOOK

We expect to continue achieving growth across all categories and in each of our operating geographies.

Spirits: Our partnership with Beam Suntory across Australia and New Zealand continues to deliver new growth opportunities. We have a category leadership position in bourbon and are working with Beam Suntory to bring continued innovation to this category.

Paradise Beverages: We will continue to focus on innovation and new product development, taking advantage of the increased capability and capacity generated by our capital investment program. We also expect to continue gaining additional Australian distribution and recognition for our RumCo of Fiji premium rum range.

Beer, Bitters & Cider: We are working closely with our partners to develop our brands and take advantage of significant opportunities across categories where we can leverage our distribution and footprint.

Coffee: We will continue developing the Grinders brand across our roast, ground and capsule products, expanding our retail presence in Australia and progressing our international opportunities

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Coca-Cola Amatil Limited and its subsidiaries
for the half year ended 29 June 2018

CORPORATE, FOOD & SERVICES

FINANCIAL SUMMARY

	29 June 2018 $M	30 June 2017 $M	Variance %
Trading revenue[1]	**132.8**	**138.3**	**(4.0)**
Underlying earnings before interest and tax	**(1.7)**	**11.9**	**(114.3)**

1 Majority derived from SPC.

1H18 PERFORMANCE

In **Corporate, Food & Services,** our EBIT decreased by $13.6 million compared to 1H17. This resulted from a modest loss for SPC, lower earnings in the property division and investment in our Amatil X program and in group capabilities.

Corporate: We made investments in our Amatil X program to drive future customer, supply chain and sustainability initiatives, as well as investing in group capabilities.

Food: SPC recorded a modest loss. Our revenue decline reflected the proactive exit of a number of private label lines as well as continued competitive pressure. We improved our share in tomatoes slightly, albeit the category declined in the half. We grew in beans & spaghetti and increased our share, albeit that this also continues to be a declining category. We continued to experience pressure in fruit and spreads categories.

Services: We recorded lower earnings for our services division due to lower services requirement to Australian Beverages and recorded lower earnings in the property division due to not receiving rental fees from Australian Beverages for the Richlands site.

2018 PRIORITIES & OUTLOOK

We are commencing a strategic review of growth options for SPC.

The review coincides with completion of a four-year, $100 million co-investment in SPC in conjunction with the Victorian Government. Investment under this agreement was completed in June 2018 and included $22 million by the Victorian Government and $78 million by Coca-Cola Amatil.

We believe there are many opportunities for growth in SPC, including new products and markets, further efficiency improvements, and technology and intellectual property.

The review will look at how this growth could be unlocked, potentially through a change in ownership, alliances or mergers.

FINANCIAL COMMENTARY

CAPITAL EMPLOYED[1]

	29 June 2018 $M	31 Dec 2017 $M	30 June 2017 $M	Variance (June-June) $M
Working capital[2]	536.9	476.3	459.0	77.9
Property, plant and equipment	1,879.8	1,864.8	1,821.4	58.4
Intangible assets	1,214.5	1,207.9	1,206.9	7.6
Current and deferred net tax liabilities	(274.8)	(306.3)	(288.6)	13.8
Derivative net liabilities – non-debt related	(8.0)	(5.4)	(24.6)	16.6
Other net assets/(liabilities) [3]	3.3	(19.8)	9.7	(6.4)
	3,351.7	3,217.5	3,183.8	167.9
Return on capital employed (ROCE)[1]	**20.3%**	**20.9%**	**20.1%**	**0.2 pts**

1 Capital employed is referred to as Assets and Liabilities – Operating and Investing or segment net assets in the Financial Report.
2 Working capital is defined as current trade and other receivables plus inventories less current trade and other payables.
3 Mainly comprising of non-current assets held for sale, prepayments, investments (equity accounted), defined benefit superannuation plan assets and liabilities and provisions.

Increase in capital employed of $167.9 million from 30 June 2017 resulting from:

- **Working capital** increasing $77.9 million driven by Indonesia extending credit to drive volume during Ramadan which had not been collected at the end of the period, and in Australia due to the lower sales and stock build ahead of the commissioning phase of new lines in Richlands, as well as higher inventory in SPC.
- **Property, plant and equipment** increasing by $58.4 million reflecting our investments at Richlands, Queensland, in the automated warehouse and production lines; blow fill line in Putaruru, New Zealand, and in various investments in Indonesia.
- **Intangible assets** increasing $7.6 million due to the 2H17 acquisition of Feral Brewing.
- **Current and deferred tax liabilities** decreasing $13.8 million due to a higher instalment rate and a small decrease in taxable income in Australia.
- **Net non-debt derivative liabilities** decreasing $16.6 million primarily driven by maturity of out of the money foreign currency hedge positions.
- **Other assets** decreasing $6.4 million due to 2H17 sale of the Richlands property, previously included in non-current assets held for sale.

FINANCIAL COMMENTARY (CONTINUED)

FREE CASH FLOW

	29 June 2018 $M	30 June 2017 $M	Variance $M
Underlying EBIT	**297.5**	**312.7**	**(15.2)**
Depreciation and amortisation expenses	130.3	131.1	(0.8)
Impairment charges	0.8	1.3	(0.5)
Changes in adjusted working capital[1]	(70.1)	(18.1)	(52.0)
Net interest and other finance costs paid	(38.3)	(32.9)	(5.4)
Income taxes paid	(95.2)	(97.5)	2.3
Movements in other items[2]	(2.0)	(45.1)	43.1
Underlying operating cash flows (before non-trading items)	**223.0**	**251.5**	**(28.5)**
Capital expenditure	(134.8)	(91.0)	(43.8)
Proceeds from sale of non-current assets	4.1	1.6	2.5
Payments for additions of other intangible assets	(0.4)	–	(0.4)
Underlying free cash flow (before non-trading items)	**91.9**	**162.1**	**(70.2)**
Add: Cash flow from non-trading items	(28.1)	(22.4)	(5.7)
Free cash flow	**63.8**	**139.7**	**(75.9)**
Cash realisation[3]	**70.5%**	**76.3%**	**(5.8) pts**

1 Working capital is adjusted to exclude the impact of non-cash flow and non-operating items such as foreign exchange translation, impacts of acquisitions of businesses and payables relating to additions of property, plant and equipment.

2 Mainly comprising of movements in prepayments and provisions.

3 Underlying basis: Net operating cash flows divided by NPAT (adding back depreciation and amortisation expenses before tax).

Free cash flow was $63.8 million, a decrease of $75.9 million. This was driven by:

- Higher working capital primarily due to Indonesia extending credit to drive volume during Ramadan which had not been collected at the end of the period; in Australia due to the lower sales and stock build ahead of the commissioning phase of new lines in Richlands; and higher inventory in SPC.
- Higher capital expenditure for investment in growth, primarily due to the Richlands production lines investment and warehouse automation.

Cash realisation was lower than the comparative period at 70.5 per cent due to the increase in working capital in the period. This is usually lower in the first half due to the seasonality of our business.

FINANCIAL COMMENTARY (CONTINUED)

CAPITAL EXPENDITURE

	29 June 2018 $M	30 June 2017 $M	Variance $M
Non-Alcohol Beverages			
– Australia	49.6	15.3	34.3
– New Zealand & Fiji	17.2	5.3	11.9
– Indonesia & Papua New Guinea	37.5	37.0	0.5
Alcohol & Coffee Beverages	2.4	5.0	(2.6)
Corporate, Food & Services	28.1	28.4	(0.3)
	134.8	**91.0**	**43.8**
Capital expenditure/trading revenue	5.6%	3.8%	1.8 pts
Capital expenditure/underlying depreciation and amortisation (software assets)	1.0x	0.7x	0.3x

Group capital expenditure was $43.8 million higher than 1H17 at $134.8 million.

In **Australian Beverages:** capex included spend on new production lines at Richlands, additional investment in technology to support sales and customer service programs and the further automation of processes in support services in areas such as finance, human resources and information technology.

New Zealand & Fiji: capex included spend on our blowfill line in Putaruru to expand capacity, a warehouse automation project in Auckland, and the rollout of additional cold drink equipment across New Zealand as well as completing the installation of a PET blowfill line in Fiji.

Indonesia & Papua New Guinea: capex included spend on a new PET line in Cibitung and continued investment in cold drink equipment. The focus for Indonesia in 2H18 will be on our new affordable small sparkling pack ("ASSP") line in Surabaya, a solar panel project in Cibitung and completion of our PET line in Cibitung. We also commissioned a new can line in Lae, Papua New Guinea.

Corporate, Food & Services: capex included spend in relation to the Richlands warehouse project and on cold drink equipment in Australia.

Capital expenditure for 2018 will be weighted to the second half reflecting the timing of our investment at Richlands and timing of projects in Indonesia.

CAPITAL – FINANCING

	29 June 2018 $M	31 Dec 2017 $M	30 June 2017 $M	Variance (June – June) $M
Equity	**1,899.0**	**1,880.3**	**1,917.0**	**(18.0)**
Net debt				
– Cash assets	(851.6)	(1,038.0)	(1,014.0)	162.4
– Held to maturity investment	(114.2)	–	–	(114.2)
– Borrowings and other financial liabilities	2,479.9	2,414.8	2,350.8	129.1
– Net debt derivative (assets)/liabilities	(61.4)	(39.6)	(70.0)	8.6
Total net debt	**1,452.7**	**1,337.2**	**1,266.8**	**185.9**
	3,351.7	**3,217.5**	**3,183.8**	**167.9**
Net interest cover (calculated as underlying EBIT divided by underlying net finance costs)	8.2x	9.9x	9.7x	(1.5)x

The balance sheet remains in a strong position. **Net debt** increased by $185.9 million from 30 June 2017 to $1,452.7 million, reflecting funds utilised for the share buyback program in 2017.

As at 29 June 2018, Papua New Guinea had cash assets and funds in held to maturity investments of $282.6 million (PGK 687.0 million); 1H17: $209.6 million (PGK 506.0 million). Presently there are Papua New Guinea government-imposed currency controls which are restricting the availability of foreign currency and preventing remittance of the cash held in Papua New Guinea for use elsewhere in the Coca-Cola Amatil Group.

Total available **debt facilities** at period end was $2.65 billion. The average maturity is 5.4 years. The maturity profile is as follows:

Borrowing maturity profile	31 Dec 2018 %	31 Dec 2019 %	31 Dec 2020 %	31 Dec 2021 %	31 Dec 2022+ %
Committed and uncommitted facilities maturity	9.5	6.0	30.0	12.0	42.5

GROUP OUTLOOK AND TARGETS

OUTLOOK

New Zealand & Fiji and Alcohol & Coffee are expected to continue to deliver growth in line with our Shareholder Value Proposition.

Group near-term earnings will be negatively impacted by:

- Accelerated reinvestment of ~$40 million of cost savings in Australia in 2018 in marketing, execution, cold drink equipment, digital technology to drive growth initiatives and in price to drive competitiveness;
- The uncertain impact of container deposit schemes in Australia; and
- Soft market conditions in Indonesia

We are committed to our Shareholder Value Proposition targeting a return to delivery of mid-single digit earnings per share growth in the medium term.

This will depend on the success of revenue growth initiatives in Australia, Indonesian economic factors and regulatory conditions in each of our markets.

NON-TRADING ITEMS

We are expecting one-off costs in 2018 of approximately $50 million, primarily from our cost optimisation programs. We are pursuing additional opportunities within our Property Division which we anticipate may result in additional one-off gains in 2018.

CAPITAL EXPENDITURE

For 2018, we expect Group capex of around $400 million. This is higher than 2017 due to the additional capex allocated to the construction of a new glass bottling line and additional capacity for dairy and juice as well as a new automated warehouse at the Richlands site in Queensland.

DIVIDEND AND CAPITAL MANAGEMENT

We expect to generate sufficient free cash flow to support a medium-term dividend payout ratio of over 80 per cent. It is anticipated that franking will be at a lower level in the future due to the increasing proportion of earnings from outside Australia.

In 2017 we completed an on-market share buy-back program of $350 million. We do not presently have a share buy-back program in place although this may be considered again in the future.

BALANCE SHEET AND RETURN ON CAPITAL EMPLOYED

We expect to maintain a conservative balance sheet position which provides us with flexibility to fund future growth opportunities. We also expect to maintain strong return on capital employed.

We are exploring additional opportunities to extract value from our property portfolio.

DIRECTORS' REPORT

Coca-Cola Amatil Limited and its subsidiaries

In accordance with the *Corporations Act 2001*, the Directors submit hereunder their Report on Coca-Cola Amatil Limited and its subsidiaries (referred to as Group), for the half year ended 29 June 2018.

1 DIRECTORS

The names of the Directors of Coca-Cola Amatil Limited (also referred to as Company) in office during the half year and until the date of this Report are detailed below:

Current	Former
Ilana Rachel Atlas	Martin Jansen[3]
Alison Mary Watkins	
John Borghetti, AO	
Catherine Michelle Brenner	
Julie Coates[1]	
Jorge Garduño[2]	
Mark Graham Johnson	
Paul Dominic O'Sullivan	
Krishnakumar Thirumalai	

1 Appointed 1 March 2018.
2 Appointed 16 May 2018.
3 Retired 16 May 2018 at the conclusion of the Annual General Meeting.

2 REVIEW OF OPERATIONS

A review of the operations of the Group for the half year is set out in the Operating and Financial Review, refer page 2.

3 AUDITOR'S INDEPENDENCE DECLARATION

We have obtained the following independence declaration from the Company's auditor, Ernst & Young:

EY
Building a better working world

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF COCA-COLA AMATIL LIMITED

As lead auditor for the review of Coca-Cola Amatil Limited for the half year ended 29 June 2018, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Coca-Cola Amatil Limited and the entities it controlled during the financial half year.

Ernst & Young

Katrina Zdrilic
Partner
Sydney
22 August 2018

4 ROUNDING OFF

The Company is of a kind referred to in the *Australian Securities and Investments Commission Corporations (Rounding in the Financial/Directors' Reports) Instrument 2016/191*, and accordingly, amounts in this Report and the Financial Report have been rounded off to the nearest hundred thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors.

Ilana R. Atlas
Chairman
Sydney
22 August 2018

Alison M. Watkins
Group Managing Director
Sydney
22 August 2018

FINANCIAL REPORT

Coca-Cola Amatil Limited and its subsidiaries
for the half year ended 29 June 2018

CONTENTS

INCOME STATEMENT

Coca-Cola Amatil Limited and its subsidiaries
for the half year ended 29 June 2018

	Note	29 June 2018 $M	30 June 2017 $M
Trading revenue	**2**	**2,392.7**	**2,389.7**
Cost of goods sold		(1,389.1)	(1,380.3)
Delivery		(110.0)	(114.3)
Gross profit		893.6	895.1
Other revenue	2	24.5	30.8
Expenses			
Selling		(353.9)	(346.1)
Warehousing and distribution		(89.7)	(86.3)
Support services and other[1]		(216.6)	(251.7)
		(660.2)	(684.1)
Share of losses from investments (equity accounted)		(0.7)	(0.5)
Earnings before interest and tax		**257.2**	**241.3**
Net finance costs			
Finance income		13.2	18.8
Finance costs[1]		(38.3)	(51.0)
		(25.1)	(32.2)
Profit before income tax		**232.1**	**209.1**
Income tax expense	5	(66.6)	(60.5)
Profit for the half year		**165.5**	**148.6**
Attributable to:			
Shareholders of Coca-Cola Amatil Limited		158.1	140.1
Non-controlling interests		7.4	8.5
Profit for the half year		**165.5**	**148.6**
Earnings per Share (EPS) attributable to shareholders of Coca-Cola Amatil Limited			
Basic and diluted EPS (cents)	6	21.8	18.5

1 Includes amounts classified as non-trading items. Refer to Note 3 for further details.

Notes appearing on pages 23 to 34 to be read as part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Coca-Cola Amatil Limited and its subsidiaries
for the half year ended 29 June 2018

	29 June 2018 $M	30 June 2017 $M
Profit for the half year	**165.5**	**148.6**
Other comprehensive income		
Items to be reclassified to the income statement in subsequent periods:		
Foreign exchange differences on translation of foreign operations	28.1	(66.5)
Reclassification of foreign exchange differences on disposal of businesses	3.1	1.1
Cash flow hedges, net of tax	8.6	(44.7)
Other reserve movements, net of tax	(0.1)	6.5
	39.7	**(103.6)**
Items not to be reclassified to the income statement in subsequent periods:		
Actuarial valuation reserve, net of tax	**3.4**	**(4.6)**
Other comprehensive income	**43.1**	**(108.2)**
Total comprehensive income for the half year	**208.6**	**40.4**
Attributable to:		
Shareholders of Coca-Cola Amatil Limited	197.3	46.5
Non-controlling interests	11.3	(6.1)
Total comprehensive income for the half year	**208.6**	**40.4**

Notes appearing on pages 23 to 34 to be read as part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

Coca-Cola Amatil Limited and its subsidiaries
for the half year ended 29 June 2018

		Attributable to shareholders of Coca-Cola Amatil Limited						
	Note	Share capital $M	Treasury shares $M	Reserves $M	Accumulated losses $M	Total $M	Non-controlling interests $M	Total equity $M
At 1 January 2018		**1,920.5**	**(13.4)**	**262.5**	**(620.7)**	**1,548.9**	**331.4**	**1,880.3**
New accounting standard[1]		–	–	–	(4.1)	(4.1)	–	(4.1)
At 1 January 2018 (restated)		**1,920.5**	**(13.4)**	**262.5**	**(624.8)**	**1,544.8**	**331.4**	**1,876.2**
Total comprehensive income for the half year		–	–	39.2	158.1	197.3	11.3	208.6
Transaction with shareholders:								
Share buy-back	9	(0.4)	–	–	–	(0.4)	–	(0.4)
Share-based remuneration		–	0.4	2.7	–	3.1	–	3.1
Dividends paid	4	–	–	–	(188.2)	(188.2)	(0.3)	(188.5)
		(0.4)	0.4	2.7	(188.2)	(185.5)	(0.3)	(185.8)
As 29 June 2018		**1,920.1**	**(13.0)**	**304.4**	**(654.9)**	**1,556.6**	**342.4**	**1,899.0**
At 1 January 2017		**2,271.7**	**(15.7)**	**392.4**	**(720.3)**	**1,928.1**	**346.1**	**2,274.2**
Total comprehensive income for the half year		–	–	(93.6)	140.1	46.5	(6.1)	40.4
Transactions with shareholders:								
Share buy-back	9	(201.7)	(8.7)	–	–	(210.4)	–	(210.4)
Share-based remuneration		–	2.0	1.2	0.7	3.9	–	3.9
Dividends paid	4	–	–	–	(190.9)	(190.9)	(0.2)	(191.1)
		(201.7)	(6.7)	1.2	(190.2)	(397.4)	(0.2)	(397.6)
At 30 June 2017		**2,070.0**	**(22.4)**	**300.0**	**(770.4)**	**1,577.2**	**339.8**	**1,917.0**

1 Refer to the overview section on page 23 for details of the accounting standard change.

Notes appearing on pages 23 to 34 to be read as part of the financial statements.

BALANCE SHEET

Coca-Cola Amatil Limited and its subsidiaries
as at 29 June 2018

	Note	29 June 2018 $M	31 December 2017 $M	30 June 2017 $M
Current assets				
Cash assets	13	851.6	1,038.0	1,014.0
Held to maturity investments		114.2	–	–
Trade and other receivables		832.4	997.9	814.5
Inventories		744.7	670.3	719.8
Derivatives	10	24.1	20.8	27.8
Current tax assets		23.1	5.1	0.8
Prepayments		58.3	66.7	49.5
Non-current assets held for sale	8	–	0.8	36.3
Total current assets		**2,648.4**	**2,799.6**	**2,662.7**
Non-current assets				
Property, plant and equipment		1,879.8	1,864.8	1,821.4
Intangible assets		1,214.5	1,207.9	1,206.9
Investments (equity accounted)	12	27.3	28.0	25.6
Defined benefit superannuation plans		21.5	23.0	17.0
Derivatives	10	116.8	101.8	99.8
Other receivables and prepayments		34.2	31.8	32.5
Total non-current assets		**3,294.1**	**3,257.3**	**3,203.2**
Total assets		**5,942.5**	**6,056.9**	**5,865.9**
Current liabilities				
Trade and other payables		1,040.2	1,191.9	1,075.3
Borrowings		251.7	420.9	207.5
Other financial liabilities		67.3	64.4	65.9
Provisions		85.4	113.8	93.8
Current tax liabilities		13.8	27.6	5.3
Derivatives	10	23.2	20.2	38.9
Total current liabilities		**1,481.6**	**1,838.8**	**1,486.7**
Non-current liabilities				
Borrowings		2,160.9	1,929.5	2,077.4
Provisions		12.1	13.4	13.1
Deferred tax liabilities		284.1	283.8	284.1
Defined benefit superannuation plans		40.5	42.9	44.3
Derivatives	10	64.3	68.2	43.3
Total non-current liabilities		**2,561.9**	**2,337.8**	**2,462.2**
Total liabilities		**4,043.5**	**4,176.6**	**3,948.9**
Net assets		**1,899.0**	**1,880.3**	**1,917.0**
Equity				
Share capital	9	1,920.1	1,920.5	2,070.0
Treasury shares		(13.0)	(13.4)	(22.4)
Reserves		304.4	262.5	300.0
Accumulated losses		(654.9)	(620.7)	(770.4)
Equity attributable to shareholders of Coca-Cola Amatil Limited		**1,556.6**	**1,548.9**	**1,577.2**
Non-controlling interests		342.4	331.4	339.8
Total equity		**1,899.0**	**1,880.3**	**1,917.0**

Notes appearing on pages 23 to 34 to be read as part of the financial statements.

STATEMENT OF CASH FLOWS

Coca-Cola Amatil Limited and its subsidiaries
for the half year ended 29 June 2018

	Note	29 June 2018 $M	30 June 2017 $M
Inflows/(outflows)			
Operating cash flows			
Receipts from customers		3,030.8	3,005.8
Payments to suppliers and employees		(2,705.4)	(2,646.3)
Interest income received		3.6	21.8
Interest and other finance costs paid		(41.9)	(54.7)
Income taxes paid		(95.2)	(97.5)
Net operating cash flows	13	**191.9**	**229.1**
Investing cash flows			
Payments for:			
– additions of property, plant and equipment		(125.1)	(83.6)
– additions of software development assets		(14.7)	(7.4)
– additions of other intangible assets		(0.4)	–
– acquisition of business		(0.4)	–
– held to maturity investments		(113.6)	–
Proceeds from:			
– disposal of property, plant and equipment		7.1	1.6
– government grant		5.0	–
Net investing cash flows		**(242.1)**	**(89.4)**
Financing cash flows			
Proceeds from borrowings and other financial liabilities		245.8	334.0
Borrowings repaid		(203.7)	(419.3)
Payments for share buy-back, including transaction costs		(0.4)	(201.7)
Dividends paid	4	(188.2)	(190.9)
Dividend paid to non-controlling interests	4	(0.3)	(0.2)
Net financing cash flows		**(146.8)**	**(478.1)**
Net decrease in cash and cash equivalents		(197.0)	(338.4)
Cash and cash equivalents held at the beginning of the half year		1,036.3	1,377.0
Effects of exchange rate changes on cash and cash equivalents		9.9	(26.0)
Cash and cash equivalents held at the end of the half year	13	**849.2**	**1,012.6**

Notes appearing on pages 23 to 34 to be read as part of the financial statements.

OVERVIEW

Coca-Cola Amatil Limited (also referred to as the Company) is a for profit company limited by shares that is incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange. Coca-Cola Amatil Limited does not have a parent entity.

The financial statements for the half year ended 29 June 2018 comprise of Coca-Cola Amatil Limited and its subsidiaries (together referred to as the Group) and was authorised for issue in accordance with a resolution of the Coca-Cola Amatil Board of Directors on 22 August 2018.

BASIS OF PREPARATION

This general purpose financial report:

- has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements
- does not include all notes of the type normally included within the annual financial report. As a result, it should be read in conjunction with the 2017 annual financial report of the Group, together with any announcements made by Coca-Cola Amatil during the half year ended 29 June 2018
- has been prepared on the basis of historical cost, except for certain financial assets and liabilities which have been measured at fair value (Note 11)
- is presented in Australian Dollars
- presents reclassified comparative information where necessary to conform to changes in presentation in the current half year
- presents all values as rounded to the nearest hundred thousand dollars, unless the option is available to Coca-Cola Amatil Limited under *Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*
- applies accounting policies and judgements/estimates that are the same with those adopted and disclosed in the Group's 2017 annual financial report except those mentioned below.

NEW AND AMENDED STANDARDS ADOPTED

AASB 15 Revenue from Contracts with Customers

The Group has adopted this standard from 1 January 2018. The introduction of this standard did not have any material impact on the Group's financial statements, accordingly there are no retrospective adjustments.

Additional disclosure of the Group's revenue accounting policies as required by the standard are included in Note 2.

AASB 9 Financial Instruments

The Group had previously early adopted AASB 9 Financial Instruments – 2013, which was otherwise required to be adopted from 1 January 2018. The Group has adopted AASB 9 Financial Instruments – Impairment – 2014 from 1 January 2018. In adopting this standard, allowances for doubtful debts have increased by $5.8 million, resulting in a decrease in deferred tax liabilities of $1.7 million and an increase in opening accumulated losses of $4.1 million as at 1 January 2018. These adjustments have arisen from moving to an expected credit losses approach for allowances for doubtful debts, as required by the new accounting standard. This change has had an immaterial impact on the Group's income statement for the half year ended 29 June 2018.

I RESULTS FOR THE HALF YEAR

1 SEGMENT REPORTING

We operate in a number of segments, based on results that are reported to the Group Managing Director. The Australia, New Zealand & Fiji and Indonesia & Papua New Guinea Non-Alcohol Beverages segments manufacture, distribute and market sparkling drinks and other non-alcohol beverages. The Alcohol & Coffee Beverages segment manufactures and distributes alcohol and coffee products. The Corporate, Food & Services segment includes other non-individually reportable businesses and comprises of the corporate office function for the Group, the processing and marketing of fruit and other food products business (SPC), managing key property assets of Australia and New Zealand and the provision of certain support services to the Group and third-party customers business. The majority of the Group's revenues are recognised at the point in time at which products are delivered to the customer.

The Group's financial statements are affected by seasonality depending on the timing of certain festivities in the different countries within which Coca-Cola Amatil operates. Typically, revenue, earnings and operating cash flows of Australian and New Zealand based operations are greater in the second half of the financial year due to the Christmas holiday trading period, which can lead to associated effects on working capital components. Similarly, the Ramadan period positively impacts the timing of the Indonesian business's financial performance within the financial year.

Segment revenue is evaluated with reference to trading revenue. Segment results are evaluated on earnings before interest, tax and non-trading items basis. Segment net assets include Assets and Liabilities – Operating and Investing amounts (which excludes net debt amounts). Net debt comprises of cash assets, long-term deposits, debt related derivative assets and liabilities, borrowings and other financial liabilities. The Group manages its net debt, net finance costs and income taxes on a Group basis and these measures are therefore not reported internally at a segment level. Inter-segment transactions are conducted on normal commercial terms and conditions.

SEGMENT INFORMATION

	Non-Alcohol Beverages											
	Australia		New Zealand & Fiji		Indonesia & Papua New Guinea		Alcohol & Coffee Beverages		Corporate, Food & Services		Total	
	29 June 2018 $M	30 June 2017 $M	29 June 2018 $M	30 June 2017 $M	29 June 2018 $M	30 June 2017 $M	29 June 2018 $M	30 June 2017 $M	29 June 2018 $M	30 June 2017 $M	29 June 2018 $M	30 June 2017 $M
Segment revenue	**1,221.9**	**1,210.9**	**280.2**	**261.8**	**487.8**	**530.3**	**270.0**	**248.4**	**132.8**	**138.3**	**2,392.7**	**2,389.7**
EBITDA[1] before non-trading items	209.3	217.2	64.7	59.9	91.3	90.7	25.5	24.1	37.0	51.9	427.8	443.8
Depreciation and amortisation expenses	(33.0)	(34.3)	(14.9)	(14.2)	(40.7)	(40.0)	(3.0)	(2.6)	(38.7)	(40.0)	(130.3)	(131.1)
Segment results	**176.3**	**182.9**	**49.8**	**45.7**	**50.6**	**50.7**	**22.5**	**21.5**	**(1.7)**	**11.9**	**297.5**	**312.7**
Non-trading items[2]											(40.3)	(71.4)
EBIT[1]											**257.2**	**241.3**
Other segment information												
Segment net assets	**1,166.9**	**1,096.6**	**370.6**	**377.8**	**825.5**	**778.0**	**274.6**	**253.6**	**714.1**	**677.8**	**3,351.7**	**3,183.8**
Net debt[3]											(1,452.7)	(1,266.8)
Net assets											**1,899.0**	**1,917.0**
Payments made for additions of non-current assets[4]	**49.6**	**15.3**	**17.2**	**5.3**	**37.5**	**37.0**	**2.4**	**5.0**	**28.1**	**28.4**	**134.8**	**91.0**

1 EBITDA refers to earnings before interest, tax, depreciation and amortisation while EBIT refers to earnings before interest and tax.
2 Refer to Note 3 for further details.
3 Refer to Note 10 for further details.
4 Comprises of payments made for property, plant and equipment and software development assets.

I RESULTS FOR THE HALF YEAR (CONTINUED)

2 REVENUE FROM CONTRACTS WITH CUSTOMERS

	29 June 2018 $M	30 June 2017 $M
Trading revenue		
Sale of products	2,362.2	2,350.4
Rental of equipment and service fees	30.5	39.3
	2,392.7	**2,389.7**
Other revenue		
Rendering of services	5.2	5.1
Miscellaneous rental and sundry income	19.3	25.7
	24.5	**30.8**
	2,417.2	**2,420.5**

RECOGNITION AND MEASUREMENT

Following are the revenue accounting policies that apply to Coca-Cola Amatil in accordance with AASB 15.

Sale of products

The Group sells a range of beverage and food products to wholesale, retail and consumer customers. A sale is recognised when control of the product has transferred, being when the product is delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the product has been shipped to the location specified by the customer and the customer accepts the product.

Revenue from sales is recognised based on the arrangement agreed between the customer and Coca-Cola Amatil. The arrangements in place do not commit customers to purchasing a specified quantity or type of product nor commit Coca-Cola Amatil to deliver the same but set out the terms and conditions that apply between the parties at the time an order is placed by a customer and accepted by Coca-Cola Amatil. The terms and conditions cover, as appropriate to the customer, pricing, settlement of liabilities, return policies, provision and servicing of equipment and any other negotiated performance obligations.

No element of financing is present in the pricing arrangement. Settlement terms range from cash-on-delivery to credit terms ranging from 7 to 30 days. Terms reflect negotiations with customers, policies, procedures and controls held by each business unit as it relates to customer credit risk.

For customers who purchase on credit a receivable is recognised when the products are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Rental of equipment and service fees

The Group earns revenue from renting equipment that is used to dispense certain of its beverage products purchased by the customer. Rental agreements generally range from 12 to 24 months in duration and revenue is recognised on a straight-line basis over the term of the rental agreement. Rental paid in advance is not recognised as revenue until the period the payment relates to has passed.

Service fee revenue mainly arises from container recycling services provided to manufacturers and distributors of eligible containers in certain Australian jurisdictions. Revenue is based on the volume of containers processed and is recognised as the service is delivered.

Financing components

The Group does not have any contracts where the period between the transfer of the promised product or services to the customer and payment by the customer exceeds one year. Consequently, the Group does not adjust any of the transaction prices for the time value of money.

I RESULTS FOR THE HALF YEAR (CONTINUED)

3 NON-TRADING ITEMS

Transactions which are material to the financial statements individually or in aggregate and are either non-recurring or arise from activities other than those associated with Coca-Cola Amatil's ordinary trading activities are classified as Non-trading items. Such transactions are included in the support services and other expenses and net finance costs line items within the income statement.

	29 June 2018 $M	30 June 2017 $M
Profit before income tax[1] includes the following expenses (by nature), which are classified as non-trading items:		
Redundancy employee costs	18.2	37.7
Impairment charges – plant and equipment	–	8.4
Accelerated depreciation expenses – plant and equipment	3.7	13.2
Other net expenses	7.0	12.1
	28.9	**71.4**

1 Refer to Note 5 for details of income tax on non-trading items.

These amounts have arisen due to the following activities during the respective half years:

2018

The business continued transformation activities, mainly in the implementation of new or revised organisation designs across most functional areas and the remodelling of the supply chain function (including the planned closure of the Thebarton manufacturing facility). Non-trading items also included a non-recurring amount of interest income relating to a cross currency swap.

2017

The Australian business commenced a series of cost and revenue optimisation programs, as part of its broader transformation activities, and are summarised as follows:

- Remodelling the supply chain function across a number of manufacturing sites, including the planned closure of the Thebarton manufacturing site in South Australia
- Rebalancing the product portfolio through reviewing pack and brand offerings
- Implementing new organisation designs in the finance and sales functions, through redundancy programs

I RESULTS FOR THE HALF YEAR (CONTINUED)

4 DIVIDENDS

	29 June 2018 $M	30 June 2017 $M
a) SUMMARY OF PRIOR YEAR FINAL DIVIDENDS PAID DURING THE HALF YEAR		
Paid at 26.0¢ per share franked to 70% (2017: 25.0¢ per share franked to 75%)	188.2	190.9
b) INTERIM DIVIDENDS DECLARED AFTER BALANCE DATE AND NOT RECOGNISED AS LIABILITIES		
Declared at 21.0¢ per share franked to 65% (2017: 21.0¢ per share franked to 70%)	152.0	154.7

The unfranked portion of the dividend represents conduit foreign income.

During the half year, Paradise Beverages (Fiji) Limited, an indirect subsidiary of Coca-Cola Amatil Limited, paid a dividend of $0.3 million (2017: $0.2 million) to its non-controlling interests.

c) DIVIDEND REINVESTMENT PLAN (DRP)

Coca-Cola Amatil Limited's DRP continues to be available to eligible shareholders. The DRP provides shareholders with the opportunity to receive fully paid ordinary shares, in lieu of cash dividends, which are acquired on market, at the price calculated using the daily volume weighted average market price of Coca-Cola Amatil Limited shares during the 10 trading days commencing on the third trading day after the record date for the dividend. The ex-dividend and record dates for the interim dividend entitlement are 27 August 2018 and 28 August 2018 respectively.

5 INCOME TAX

Reconciliation of Coca-Cola Amatil Limited's applicable (Australian) tax rate to the effective tax rate		
Profit before income tax	232.1	209.1
Income tax expense	(66.6)	(60.5)

	%	%
Applicable (Australian) tax rate	30.0	30.0
Overseas tax rates differential	(1.8)	(2.1)
Overseas withholding tax	0.5	0.7
Adjustments for current tax of prior periods	(0.4)	(0.9)
Non-allowable expenses	0.4	1.2
Effective tax rate	**28.7**	**28.9**
Effective tax rate (before non-trading items)[1]	28.7	29.2

1 Income tax benefit on non-trading items amounts to $8.2 million (2017: $21.4 million).

Coca-Cola Amatil is subject to regular tax reviews across our jurisdictions and interacts with tax authorities on a range of issues as part of the ongoing operations of these tax authorities. In Australia, the Australian Taxation Office (ATO) rates Coca-Cola Amatil as a "key taxpayer" and is subject to the ATO's "Top 100" assurance program using its justified trust methodology. At present, Coca-Cola Amatil is subject to ATO audits/reviews of income tax, GST and excise. There are also ongoing audits/reviews in Indonesia, Fiji and Papua New Guinea by their respective tax authorities. At present, Coca-Cola Amatil has not received notification of any material assessments from any tax authority in these jurisdictions. In addition, Coca-Cola Amatil has responded to increased government and stakeholder focus by publishing an annual Tax Transparency Report in accordance with the terms of the Australian Voluntary Tax Transparency Code.

I RESULTS FOR THE HALF YEAR (CONTINUED)

6 OTHER PERFORMANCE MEASURES

	29 June 2018 $	30 June 2017 $
a) NET TANGIBLE ASSET (NTA) BACKING PER ORDINARY SHARE OF COCA-COLA AMATIL LIMITED		
NTA per ordinary share	0.47	0.50
	¢	¢
b) EARNINGS PER SHARE (EPS)		
Basic and diluted EPS	21.8	18.5
Basic and diluted EPS (before non-trading items)	24.7	25.1
	M	M
The following reflects share and earnings information used in the calculation of basic and diluted EPS:		
Weighted average number of ordinary shares on issue	**724.0**	**758.9**
	$M	$M
Profit attributable to shareholders of Coca-Cola Amatil Limited	158.1	140.1
Add back: non-trading items after tax[1]	20.7	50.0
Profit attributable to shareholders of Coca-Cola Amatil Limited (before non-trading items)	**178.8**	**190.1**

1 Refer to Notes 3 and 5 for details of non-trading items

	29 June 2018	30 June 2017
c) FREE CASH FLOW (FCF)		
FCF is calculated as the sum of net operating and net investing cash flows, excluding cash flows dealing with held to maturity investments and acquisition of businesses		
FCF	63.8	139.7
	%	%
d) CASH REALISATION		
Cash realisation is calculated on an underlying basis as net operating cash flows divided by profit after income tax attributable to shareholders of Coca-Cola Amatil Limited, excluding depreciation and amortisation expenses before tax		
Cash realisation	70.5	76.3
e) RETURN ON CAPITAL EMPLOYED (ROCE)		
ROCE is calculated as EBIT before non-trading items, divided by the average of assets and liabilities – operating and investing at the beginning and at the end of the twelve-month period ended as at the balance date		
ROCE	20.3	20.1
f) NET INTEREST COVER		
Net interest cover is calculated on an underlying basis as EBIT divided by net finance costs	8.2	9.7
g) CAPITAL EXPENDITURE (CAPEX) RATIOS		
Capex is payments for additions of property, plant and equipment and software development assets		
Capex to trading revenue	5.6	3.8
	times	times
Capex to depreciation of property, plant and equipment (before non-trading items) and amortisation of software development assets	1.0	0.7

II OUR ASSETS AND LIABILITIES – OPERATING AND INVESTING

HOW THE GROUP MANAGES ITS OVERALL FINANCIAL POSITION

We manage the overall financial position by segregating the balance sheet in to two categories: Assets and Liabilities – Operating and Investing; and Capital – Financing. Assets and Liabilities – Operating and Investing is managed at the operations' level of the Group while Capital – Financing (refer to Section III) is managed by the Group's centralised Treasury function.

Details of Assets and Liabilities – Operating and Investing are as follows:

	Note	29 June 2018 $M	31 December 2017 $M	30 June 2017 $M
Working capital	7	536.9	476.3	459.0
Property, plant and equipment		1,879.8	1,864.8	1,821.4
Intangible assets		1,214.5	1,207.9	1,206.9
Current and deferred net tax liabilities		(274.8)	(306.3)	(288.6)
Derivative net liabilities – non-debt related	10	(8.0)	(5.4)	(24.6)
Other net assets/(liabilities)		3.3	(19.8)	9.7
		3,351.7	**3,217.5**	**3,183.8**
Capital – Financing	Section III	**3,351.7**	**3,217.5**	**3,183.8**

7 WORKING CAPITAL

Trade and other receivables	832.4	997.9	814.5
Inventories	744.7	670.3	719.8
Trade and other payables	(1,040.2)	(1,191.9)	(1,075.3)
	536.9	**476.3**	**459.0**

8 NON-CURRENT ASSETS HELD FOR SALE

In June 2017, Coca-Cola Amatil entered into agreements for the sale and operating leaseback of land and building assets associated with the Richlands manufacturing and warehousing site in Queensland. The sale settled in December 2017, delivering a one-off net gain of $101.3 million before tax, recognised in the full year's financial statements for 2017. Land and buildings located at Richlands were therefore reclassified to non-current assets held for sale within the Corporate, Food & Services segment for the 2017 half year.

III OUR CAPITAL – FINANCING

HOW THE GROUP MANAGES ITS CAPITAL – FINANCING

We manage our capital to ensure that entities in the Group have continued access to funding to support the business activities and strategies of the Group while maximising returns to shareholders through the optimisation of net debt and equity balances.

Our capital comprises of equity plus net debt. Net debt is calculated as the sum of borrowings and debt related derivatives, less cash assets, long-term deposits and other financial liabilities.

Our capital structure is monitored using the gearing ratio. This ratio is calculated as net debt divided by equity. In order to maintain or adjust the capital structure, the Group may undertake certain activities such as adjusting the amount of dividends paid to shareholders, return equity to shareholders, issue new shares or buy back existing shares. The Group continuously reviews the capital structure to ensure that:

- sufficient finance for the business is maintained at a reasonable cost
- sufficient funds are available for the business to carry out its investing activities, such as purchasing of property, plant and equipment, other non-current assets and acquisitions of businesses
- distributions to shareholders are maintained within stated dividend policy parameters
- where excess funds arise with respect to the funds required to enact the Group’s business strategies, consideration is given to possible returns of equity funds to shareholders.

Details of Capital – Financing are as follows:

	Note	29 June 2018 $M	31 December 2017 $M	30 June 2017 $M
Total equity		1,899.0	1,880.3	1,917.0
Net debt	10	1,452.7	1,337.2	1,266.8
		3,351.7	**3,217.5**	**3,183.8**

9 SHARE CAPITAL

As at 29 June 2018 and 31 December 2017, the number of fully paid ordinary shares on issue were 723,999,699 (30 June 2017: 742,177,090).

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding-up of the Company in proportion to the number of shares held. Every ordinary shareholder present at a meeting of the Company, in person or by proxy, is entitled to one vote, and upon a poll each ordinary share is entitled to one vote. Ordinary shares have no par value.

SHARE BUY-BACK

During 2017, Coca-Cola Amatil Limited acquired shares under the Board approved on-market share buy-back program for a total consideration, including transaction costs, of $351.2 million. 39,590,550 shares acquired under the program were bought back and cancelled resulting in a reduction of fully paid ordinary shares on issue. At the 2017 half year, $201.7 million had been paid in total consideration, amounting to 21,143,159 shares bought back.

III OUR CAPITAL – FINANCING (CONTINUED)

10 NET DEBT

	29 June 2018 $M	31 December 2017 $M	30 June 2017 $M
Cash assets	(851.6)	(1,038.0)	(1,014.0)
Held to maturity investments	(114.2)	–	–
Borrowings – current	251.7	420.9	207.5
Borrowings – non-current	2,160.9	1,929.5	2,077.4
Other financial liabilities	67.3	64.4	65.9
Derivative net assets – debt related	(61.4)	(39.6)	(70.0)
	1,452.7	**1,337.2**	**1,266.8**
Details of derivative net assets are as follows:			
Assets – current	24.1	20.8	27.8
Assets – non-current	116.8	101.8	99.8
Liabilities – current	(23.2)	(20.2)	(38.9)
Liabilities – non-current	(64.3)	(68.2)	(43.3)
	53.4	**34.2**	**45.4**
Derivative net assets comprise:			
Debt related – financing	61.4	39.6	70.0
Non-debt related – operating and investing	(8.0)	(5.4)	(24.6)
	53.4	**34.2**	**45.4**

IV FINANCIAL INSTRUMENTS

11 FAIR VALUE

The Group applies historical cost accounting, with the exception of certain financial assets and liabilities. These financial assets and liabilities and a summary of how fair value accounting is applied, are summarised below:

Financial assets and liabilities	Carrying amount and fair value relationship
Cash, trade and other receivables and payables	Values are approximately the same mainly due to their short-term nature.
Borrowings – bonds	Differences arise mainly due to mandatory borrowing terms. At 29 June 2018, the carrying and fair values of bonds were $2,215.4 million and $2,249.6 million. At 31 December 2017, carrying and fair values for bonds were $2,314.1 million and $2,361.5 million (and 30 June 2017: $2,243.2 million and $2,295.2 million) respectively. For these fair values, inputs were based on interest rates and yield curves at commonly quoted intervals and credit spreads (level 2 inputs) that are observable for a similar liability in the market. Differences between carrying and fair values for bonds are due to changes in fixed interest rates.
Held to maturity investments and borrowings – other than bonds	Values are approximately the same mainly due to the absence of material break costs on early repayment or cancellation.
Derivatives	Accounted for at fair value using certain valuation techniques described below.

DERIVATIVES – VALUATION TECHNIQUES

Fair values of derivatives based on quoted prices in active markets are categorised as level 1. The Group establishes fair value by using valuation techniques such as discounted cash flow analysis or option pricing models (level 2), using inputs that are observable either directly (as prices) or indirectly (derived from prices). These include reference to the fair values of recent arm's length transactions, involving the same or similar instruments. The classification of derivatives by level is shown in the table below:

	29 June 2018			31 December 2017			30 June 2017		
	Level 1 $M	Level 2 $M	Carrying Amount $M	Level 1 $M	Level 2 $M	Carrying Amount $M	Level 1 $M	Level 2 $M	Carrying Amount $M
Derivative:									
Assets	18.8	122.1	140.9	31.4	91.2	122.6	14.1	113.5	127.6
Liabilities	(28.5)	(59.0)	(87.5)	(13.1)	(75.3)	(88.4)	(25.2)	(57.0)	(82.2)
Derivative net assets/(liabilities)	**(9.7)**	**63.1**	**53.4**	**18.3**	**15.9**	**34.2**	**(11.1)**	**56.5**	**45.4**

V OTHER INFORMATION

12 INVESTMENTS (EQUITY ACCOUNTED)

	29 June 2018 $M	31 December 2017 $M	30 June 2017 $M
Opening balance	28.0	26.1	26.1
Share of loss for the half year	(0.7)	(0.1)	(0.5)
Additions	–	2.0	–
Closing balance	**27.3**	**28.0**	**25.6**

Equity accounted investments comprise of the following:

Australian Beer Company Pty Ltd

Coca-Cola Amatil Limited has a 50% joint venture interest in ABCo. The principal activity of ABCo is the manufacture of alcohol beverages. The majority of the carrying amount of the investment in ABCo is represented by property, plant and equipment assets.

Exchange for Change (NSW) Pty Ltd

Coca-Cola Amatil (Aust) Pty Ltd has a 20% interest in EFC. EFC was appointed as the scheme coordinator under the New South Wales Government's Container Deposit Scheme legislation. EFC commenced trading on 1 December 2017.

13 STATEMENT OF CASH FLOWS INFORMATION

	29 June 2018 $M	31 December 2017 $M	30 June 2017 $M
Cash on hand and at banks	340.0	529.3	431.3
Short-term deposits	511.6	508.7	582.7
Cash assets	851.6	1,038.0	1,014.0
Bank overdrafts	(2.4)	(1.7)	(1.4)
Cash and cash equivalents	**849.2**	**1,036.3**	**1,012.6**

Reconciliation of earnings before interest and tax (EBIT) to net operating cash flows:

	29 June 2018 $M	30 June 2017 $M
EBIT	257.2	241.3
Adjustment for:		
Depreciation and amortisation expenses[1]	134.0	144.3
Impairment charges[1]	0.8	9.7
Changes in adjusted working capital[2]	(59.0)	(12.3)
Net interest and other finance costs paid	(38.3)	(32.9)
Income taxes paid	(95.2)	(97.5)
Other[3]	(7.6)	(23.5)
	(65.3)	(12.2)
Net operating cash flows[4]	**191.9**	**229.1**

1 Includes non-trading items (comparative period only for impairment charges). Refer to Note 3 for further details.

2 Working capital is adjusted to exclude the impact of non-cash flow and non-operating items such as foreign exchange translation and payable relating to additions of property, plant and equipment.

3 Mainly comprising of movements in prepayment and provisions.

4 Includes cash outflows associated with non-trading items of $31.1 million (30 June 2017: $22.4 million). The current half year net investing cash flows also included $3.0 million of inflows associated with non-trading items.

RESTRICTIONS ON FUNDS HELD IN PAPUA NEW GUINEA

As at 29 June 2018, Coca-Cola Amatil's Papua New Guinea business had local currency (Kina) denominated cash assets and funds in held to maturity investments of $282.6 million (PGK 687.0 million); (30 June 2017: $209.6 million (PGK 506.0 million)). Presently there are Papua New Guinea government-imposed currency controls which impact on the extent to which funds held in Papua New Guinea can be converted and remitted for use elsewhere in the Coca-Cola Amatil Group.

V OTHER INFORMATION (CONTINUED)

14 NEW STANDARDS AND INTERPRETATIONS

Coca-Cola Amatil has not early adopted any new standards, amendments to standards and interpretations that have been issued or amended but are not yet effective. The expected impacts on the Group of significant new and revised accounting standards and interpretations, which are not yet effective, are summarised below.

AASB 16 Leases – applies 1 January 2019

An implementation project team has been formed, and the impact assessment of this standard is to be carried out during the remainder of 2018. The project team is leading a number of streams covering sourcing of lease agreements (based on lease commitment disclosures of the prior year), review of available transition options, sourcing of discount rates, formation of new transactional processes, review of internal budget implications, assessment of a suitable lease accounting software application and associated staffing needs.

Broadly, this standard will require the calculation and recognition of a right of use asset and corresponding liability based on the discounted value of committed lease payments. These payments, currently expensed within EBIT, will be replaced by the straight-line amortisation of the right of use asset and will reduce the lease liability. As the lease liability will be carried at present value, an interest expense will arise over the period of the lease. The principle component of lease payments will be reclassified in the statement of cash flows from operating to financing activities.

As at 31 December 2017, the Group had undiscounted commitments for future lease payments totalling $601.4 million, which is largely reflected by five leases over land and building assets within Australia. The Group is currently assessing the impact of the new standard on the financial statements, and expects the balance sheet will be materially "grossed-up" for the right of use asset and lease liability balances that arise. As the project develops, further financial impact information will be provided.

15 EVENTS AFTER THE BALANCE DATE

Subsequent to the balance sheet date, no matters or circumstances have arisen since the end of the half year that have significantly affected, or may significantly affect, the operations, the results of those operations or the state of affairs of the Group in subsequent financial periods.

DIRECTORS' DECLARATION

Coca-Cola Amatil Limited and its subsidiaries

The Directors declare that the financial statements and notes, set out on pages 18 to 34:

a) are in accordance with the *Corporations Act 2001*;

b) comply with *Accounting Standard AASB 134 "Interim Financial Reporting"* and the *Corporations Regulations 2001*;

c) give a true and fair view of the Group's financial position as at 29 June 2018 and of its performance for the half year then ended; and

d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have received and considered the certification from the Group Managing Director and Group Chief Financial Officer supporting the financial report for the half year ended 29 June 2018.

This declaration is made in accordance with a resolution of the Directors pursuant to section 303(5) of the *Corporations Act 2001*, dated 22 August 2018.

On behalf of the Directors

Ilana R. Atlas
Chairman
Sydney
22 August 2018

Alison M. Watkins
Group Managing Director
Sydney
22 August 2018

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COCA-COLA AMATIL LIMITED

REPORT ON THE HALF YEAR FINANCIAL REPORT

CONCLUSION

We have reviewed the accompanying half year financial report of Coca-Cola Amatil Limited (the Company) and its subsidiaries (collectively the Group), which comprises the balance sheet as at 29 June 2018, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of the Group is not in accordance with *the Corporations Act 2001,* including:

a) giving a true and fair view of the consolidated financial position of the Group as at 29 June 2018 and of its consolidated financial performance for the half year ended on that date; and

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DIRECTORS' RESPONSIBILITY FOR THE HALF YEAR FINANCIAL REPORT

The directors of the Company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Group's consolidated financial position as at 29 June 2018 and its consolidated financial performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

INDEPENDENCE

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Ernst & Young

Katrina Zdrilic
Partner
Sydney
22 August 2018