

CCA EGM – 17 February 2015

Chairman's Address

David Gonski Chairman

Ladies and gentlemen....

You will have received details of the proposed investment by The Coca-Cola Company Group in CCA's Indonesia business together with the recommendation of CCA's Independent Directors as well as the opinion of the Independent Expert, Deloitte Corporate Finance, on the fairness and reasonableness of the proposed investment.

In order for the proposed investment to proceed, it must be approved by an ordinary resolution of CCA shareholders at this General Meeting, with The Coca-Cola Company and its associates being excluded from voting.

I would now like to provide you with an overview of the proposal and the recommendations of the Independent Directors and the findings of the Independent Expert before inviting you to ask any questions.

CCA currently owns 100% of CCA Indonesia, one of the leading participants in the Indonesian non-alcoholic ready-to-drink market. Indonesia has a population of more than 240 million and a fast-growing emerging middle class, making it one of the largest and most dynamic consumer markets in the world.

In recent years the operating environment for our Indonesian business has become more challenging, due to increased competitor activity, a depreciating local currency, and changing consumer dynamics. Following completion of CCA's strategic review in October 2014, management confirmed that Indonesia remains a key growth market for CCA. However, it requires a number of capital investment initiatives to be undertaken to facilitate a leading market share, strong profitability and acceptable returns on capital.

The proposed investment comprises a US\$500 million capital contribution by a wholly-owned subsidiary of TCCC into CCA Indonesia in return for new shares in that business. This will give TCCC an ordinary equity ownership of 29.4% of the expanded share base and result in CCA holding 70.6%. The investment will facilitate the acceleration of investment in infrastructure and capability in Indonesia to facilitate delivery of market leadership and returns we expect to be above CCA's cost of capital. It will allow the business to broaden its product offering and increase availability, thereby broadening its customer base.

The Independent Directors of CCA believe the proposed investment is in shareholders' interests and recommend that eligible CCA shareholders vote in favour of the proposed investment. Indonesia remains a highly attractive market with significant growth potential for CCA. In order to position the business to capitalise on this growth opportunity, a significant amount of capital is required to be invested in the near term. Funding this growth solely using CCA Group's balance sheet would potentially deteriorate the risk profile of the company as a result of increased borrowings and a reduction in the proportion of investment directed to our existing developed market businesses.

The proposed investment provides the opportunity for CCA to retain control and a majority equity interest in CCA Indonesia, while also pursuing a plan to achieve increased alignment on growth and return objectives with TCCC, without compromising CCA's strong financial position, and risk profile. It will also conserve capital to support a continuation of CCA's current dividend policy. These outcomes will be achieved through an investment which is – according to the Independent Expert – based on a fair and reasonable valuation for Indonesia to all CCA shareholders not associated with TCCC, and in a manner which aligns more closely than ever before the aspiration and objectives of CCA and TCCC in Indonesia.

TCCC and CCA have also agreed to implement an aligned system economics arrangement upon completion. This long-term alignment around concentrate pricing is intended to facilitate achievement of the agreed growth and return objectives for the Indonesia business.

There are also a number of inherent risks in pursuing an accelerated growth strategy in an emerging market that Shareholders should consider. These include that the expected growth and advantages of the proposed investment may not materialise.

The implementation of the growth and return objectives plan and aligned system economics arrangement also depend upon completion of the proposed investment.

After thorough consideration of the advantages, disadvantages and risks of the proposed investment against the alternatives for CCA, the Independent Directors of CCA, together with CCA management, firmly believe the proposed investment is in the best interests of CCA shareholders. As such, the Independent Directors of CCA unanimously recommend that you vote in favour of the proposed investment.