COCA-COLA AMATIL

26 August 2016

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

Dear Sir/Madam,

2016 HALF YEAR REPORT

In accordance with ASX Listing Rule 4.2A.3, I attach the 2016 Half Year Report (incorporating Appendix 4D) for Coca-Cola Amatil Limited (CCA).

It is recommended that the Report be read in conjunction with CCA's 2015 annual report, with any public announcements made by CCA in accordance with its continuous disclosure obligations arising under the Corporations Act 2001 and the ASX Listing Rules.

A briefing will be held at 11.00am on Friday, 26 August 2016. This briefing will be webcast and can be accessed via our website at www.ccamatil.com.

Yours sincerely

K. Newton-John

KATIE NEWTON-JOHN
Group Company Secretary and Corporate Counsel

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COCA-COLA AMATIL LIMITED

A.B.N. 26 004 139 397

2016 HALF YEAR REPORT (INCLUDING APPENDIX 4D)

ASX Code: CCL

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2016 HALF YEAR REPORT
Coca-Cola Amatil Limited and its subsidiaries
for the half year ended 1 July 2016

Contents

About this report

This report is a summary of Coca-Cola Amatil Limited (Company) and its subsidiaries' operations and financial position as at 1 July 2016 and performance for the half year ended on that date.

It is recommended that this report is read in conjunction with the 2015 annual report of the Company and its subsidiaries together with any public announcements made by the Company during the half year ended 1 July 2016 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 2016 to 1 July 2016 unless otherwise stated. The previous corresponding period is the half year ended 3 July 2015.

WHO WE ARE

Coca-Cola Amatil operates in six countries - Australia, New Zealand, Fiji, Indonesia, Papua New Guinea and Samoa. As one of the largest manufacturers and distributors of ready-to-drink alcohol and non-alcohol beverages, coffee and ready-to-eat food snacks in the Asia-Pacific region, we are proud of the products we make that millions of people choose to make part of their lives. We aim to delight our consumers through a diversified portfolio of products. Our product range includes non-alcohol 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.

Coca-Cola Amatil is one of the world's major Coca-Cola bottlers and we work closely with our partner and major shareholder (29.2%), The Coca-Cola Company, to deliver the products loved by so many.

The Coca-Cola Company owns the brands and manufactures the concentrates of many of the non-alcohol beverages that Coca-Cola Amatil locally manufactures and packages. This includes the market's number one cola brand, Coca-Cola, and other Coca-Cola Company brands such as Sprite, Fanta and Powerade.

Through Coca-Cola Amatil's unrivalled sales and distribution networks we deliver these and many other category-leading brands to the hands of our consumers every day.

We directly employ around 14,000 people, and indirectly, we create thousands more jobs across the supply chain partnering with key suppliers to manufacture, package, sell and distribute our great range of products.

With access to around 300 million potential consumers through more than 700,000 active customers, we are committed to leading through innovation and building a sustainable future where we are best positioned to capture growth and deliver long-term value to our shareholders.

RESULTS HIGHLIGHTS[1]

- Overall, a solid half year Group result with a 3.2% increase in Group Earnings Before Interest and Tax (EBIT) to $326.9 million demonstrating progress on our shareholder value proposition.
- Group earnings profile building on 2015 with strong performance in our growth segments of Indonesia & PNG (65.2% EBIT growth) and Alcohol & Coffee (33.6% EBIT growth).
- 5.4% EBIT increase in New Zealand & Fiji.
- 1.9% EBIT decline in Australian Beverages while continuing to focus on rebalancing the portfolio to reflect consumer demands and trends.
- Net operating cash flows increased to $331.7 million with cash realisation of 98.1%.
- Continuing to deliver towards our target of sustainable mid single-digit EPS growth in the medium term with an increase in Earnings Per Share (EPS) of 7.8% to 26.0 cents per share in the half.
- Interim dividend of 21.0 cents declared, franked to 75.0%, which represents an increase of 5.0% and results in a payout ratio of 80.8% for the first half.

RESULTS FOR ANNOUNCEMENT TO THE MARKET[2] **SUMMARISED INCOME STATEMENT**	**1 July 2016 $M**	3 July 2015 $M	Variance %
Trading revenue	**2,517.1**	2,449.7	2.8
Total revenue	**2,571.8**	2,497.7	3.0
Earnings before interest and tax (EBIT)	**326.9**	316.9	3.2
Net finance costs	**(35.8)**	(50.8)	(29.5)
Income tax expense	**(87.0)**	(78.8)	10.4
Non-controlling interests	**(5.9)**	(3.4)	73.5
Profit attributable to CCA shareholders	**198.2**	183.9	7.8
OTHER INFORMATION	**¢**	¢	
Earnings per share (EPS)	**26.0**	24.1	7.8
Interim dividend per share (75% franked)[3] declared for the period	**21.0**	20.0	5.0
Prior year final dividend per share (75% franked)[4] paid in the period	**23.5**	22.0	6.8

1 Quoted growth rates are compared to first half of 2015.
2 Refer to the consolidated interim financial report for further information.
3 Record date is 2 September 2016 and is payable 7 October 2016 (2015: paid 6 October 2015).
4 Paid 5 April 2016 (2015: 7 April 2015).

SEGMENT RESULTS – EBIT SUMMARY

	1 July 2016 $M	3 July 2015 $M	Variance %
Non-Alcohol Beverages			
Australia	**218.0**	222.2	(1.9)
New Zealand & Fiji	**46.7**	44.3	5.4
Indonesia & Papua New Guinea (PNG)	**37.0**	22.4	65.2
Alcohol & Coffee Beverages	**19.5**	14.6	33.6
Corporate, Food & Services	**5.7**	13.4	(57.5)
	326.9	316.9	3.2

- **Australian Beverages EBIT decreased 1.9%, while continuing to rebalance the portfolio to address ongoing structural adjustments in the market.** Strong cost and revenue growth management enabled the ongoing rebalancing of the portfolio to assist with shaping choice, evolving with consumer trends, and positioning the business for sustainable growth in the future. The business delivered a strong performance in Still Beverages particularly in water, energy and dairy and has progressed rebasing the consumer proposition in Sparkling Beverages with significant focus on portion size and product reformulations. Performance in the grocery channel was positive, while pressure in the national account and state operational account channels continued. The business continued to deploy its technology enabled route to market strategy focussing on improving customer experience and resulting in improvements in a number of execution metrics. Overall, revenue decline was driven by a 1.5% reduction in volume and 2.2% lower revenue per unit case reflecting pressure in channel mix and a shift in category mix from Sparkling to Still Beverages, driven by water. Savings from the cost optimisation program are being reinvested in brand development and price to support our leadership position and to enhance business capabilities.
- **New Zealand & Fiji EBIT increased 7.4% on a constant currency[1] basis driven by revenue and volume growth.** EBIT growth was driven by overall volume growth of 10.5% and revenue growth of 6.0% on a constant currency basis. New Zealand's result was underpinned by strong volumes across Sparkling and Still Beverages, particularly in the water category. The result benefitted from the new Restaurant Brands partnership however the result also represented a change in overall channel and product mix which impacted realised rate per unit case. Fiji continued to perform strongly, achieving revenue, volume and EBIT growth, underpinned by favourable economic conditions and strong local market execution.
- **Indonesia & Papua New Guinea EBIT increased 71.4% on a constant currency basis contributing an additional $14.6 million of reported earnings.** Despite soft economic conditions and weak currency affecting input costs, Indonesia performed very strongly in the first half, benefiting from the Ramadan festive period being 10 days earlier than last year. The business achieved double-digit revenue and volume growth across Sparkling and Still Beverages. Strong progress has been made in winning market share in Sparkling Beverages and the tea category and we continued to invest in manufacturing facilities and cold drink equipment. PNG achieved double digit EBIT growth on a constant currency basis despite economic headwinds.
- **Alcohol & Coffee EBIT increased 33.6%, continuing its strong growth trajectory.** Alcohol achieved double-digit revenue, volume and EBIT growth in the period. Australia and Fiji performed strongly and the result benefitted further from the Beam Suntory partnership which now extends to New Zealand and includes the Suntory range of spirits. Coffee provided a solid contribution to segment performance.
- **Corporate, Food & Services EBIT declined by $7.7 million.** SPC reported a modest loss for the period driven by lower volume and revenue. The business invested in price in a 'heavy-up' campaign but increased price competition resulted in a decline in household penetration. While there are some encouraging signs in SPC's snacking fruit and tomato products, this has been offset by declines in its traditional canned business. The segment also reported increased corporate costs attributable to additional capabilities to support group strategy.
- **Net finance costs reduced $15.0 million reflecting a full half year benefit in 2016 of The Coca-Cola Company's (TCCC) equity injection in April 2015 and lower interest rates in Australia.** This was the primary driver for NPAT and EPS growing ahead of EBIT and revenue growth.

1 The constant currency basis is determined applying 1H15 foreign exchange rates to 1H16 local currency results.

DETAILED BUSINESSES REVIEW

NON-ALCOHOL BEVERAGES – AUSTRALIA

	1 July 2016 $M	3 July 2015 $M	Variance %
Trading revenue	**1,300.6**	1,348.9	(3.6)
Trading revenue per unit case	$8.41	$8.60	(2.2)
Volume (M unit cases)	154.6	156.9	(1.5)
Earnings before interest and tax	**218.0**	222.2	(1.9)
EBIT margin on trading revenue	**16.8%**	16.5%	0.3 points
Volume summary – unit cases[1]	**M**	M	%
Sparkling			
Beverages	101.7	108.0	(5.8)
Frozen	10.4	10.0	4.0
Stills	42.5	38.9	9.3
Total	154.6	156.9	(1.5)

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

Australian Beverages delivered an EBIT decline of 1.9%, while continuing to rebalance the portfolio to address ongoing structural adjustments in the market. Revenue decreased by 3.6% due to a decline in volume of 1.5% and a change in channel and category mix. A decrease in realised rate resulted largely from the mix impact of an increased proportion of volume from Still Beverages, driven by water.

Volumes in **Still Beverages** increased 9.3%, driven by strong performances in the water, energy and dairy categories. We performed strongly in **water**, driven by new packaging, new product innovation and increased media spend supporting our Mount Franklin brand. We leveraged our full water portfolio to gain volume and value share in this category and are realising the benefits of improved arrangements with TCCC.

In the **dairy** category, Barista Bros continued to perform strongly, achieving double-digit volume growth and gaining volume and value share.

In the **energy** category, we entered into a new agreement with Monster Energy with distribution commencing in May.

The **sports** category was impacted by competitor discounting. We are responding to this with the introduction of a larger pack offering as well as pricing investment and promotion.

Our new product in the **tea** category, FUZE Tea, was launched in February and is showing encouraging early signs, exceeding our initial distribution targets. However, the category was also impacted by aggressive competitor pricing.

Volumes declines in **Sparkling Beverages**, particularly in the **cola** category, exacerbated by the cycling of the Coca-Cola Life launch which occurred in the first half of 2015. The category was supported by TCCC's global master brand campaign "Taste the Feeling". We realised share growth in the **flavours** category as well as share and volume growth in the **adult** category. Progress continued to be made on rebalancing the portfolio with significant focus on portion size and reformulations.

Our performance in the **grocery** channel was positive and we observed an increasing concentration of business towards these customers. In the **petroleum & convenience** channel, while we experienced some ranging challenges in the water category, we performed well in the dairy and energy categories. We have continued to see a shift in demand from **state operational accounts** to **national account chains** and **quick service restaurants**. Targeted price investment in state operational accounts was partly offset by more targeted allocation of resources.

We benefitted from the more targeted approach to new business development which we adopted in 2015, with approximately 3,800 new outlets now being supplied and contributing positively to earnings. We are also migrating more ordering to online platforms to increase the amount of effort and time that can be spent on value-add initiatives in store, with a focus on ranging and execution. Online ordering has increased from 27% in the first half of 2015 to 34% of orders in the first half of 2016.

We maintained our focus on building **revenue growth management** capability and are ahead of schedule with our $100 million **cost optimisation** program.

DETAILED BUSINESSES REVIEW (CONTINUED)

NON-ALCOHOL BEVERAGES – NEW ZEALAND & FIJI

	1 July 2016 $M	3 July 2015 $M	Variance %	Variance - constant currency %
Trading revenue	**259.2**	249.4	3.9	6.0
Trading revenue per unit case	$7.69	$8.18	(6.0)	(4.0)
Volume (M unit cases)	33.7	30.5	10.5	10.5
Earnings before interest and tax	**46.7**	44.3	5.4	7.4
EBIT margin on trading revenue	**18.0%**	17.8%	0.2 points	0.2 points

On a constant currency basis, New Zealand & Fiji delivered EBIT growth of 7.4% driven by 6.0% revenue growth and overall volume growth of 10.5%.

New Zealand

The first half of 2016 was a successful trading period for New Zealand, having implemented significant portfolio and structural changes to enhance execution, operations and capability. The business delivered strong volume, revenue and EBIT growth in the half driven by growth in Sparkling and Still Beverages.

Sparkling Beverages volumes increased with the highlight of the first half being the successful transition of the Restaurant Brands franchises, KFC and Pizza Hut from January 2016, delivering strong incremental volumes and securing solid market leadership across the quick service restaurants channel. The category also delivered positive performance by driving innovation and consumer activity with a focus on driving value, which across the first half focused on TCCC's Coca-Cola thermal cans and summer campaign, followed up by the roll out of the global campaign "Taste the Feeling" which translated into volume and value share gains.

In **Still Beverages**, strong performance in the **water** category delivered positive volume and earnings benefits. All water brands delivered growth including Kiwi Blue, Pump and Pumped, driven by strong consumer demand across a volume led grocery market, and gaining volume and value share. In the **on the go** channel we also continued to see strong growth across these immediate consumption brands. Zico Coconut Water continued to perform well delivering volume growth and further supported by the launch of the chocolate flavoured variant.

In the **energy** category, the portfolio was strengthened with the launch of the Monster Energy brands in May. Early indications have been very positive and has supported volume growth in the category, with Mother and Lift+ brands also delivering volume growth.

In the **dairy** category, the launch of Barista Bros in the **on the go** channel in the second quarter represented the first time the business has had a product in this category. The launch achieved solid results, exceeding initial forecasts.

In the **sports** category, the introduction of the Powerade ION 4 reformulation and the new sports bottle has positioned the brand well which was further leveraged in the lead up to the Olympic Games.

Strong growth was also delivered in the **tea** category with the successfully launch of FUZE Tea in the packaged and fountain format.

In the **juice** category, share gains were achieved and the business transitioned and consolidated its manufacturing into the new production facility in Auckland.

Operationally the business commissioned the new hotfill production facility and brought in-house production across our sports, cordial and flavoured water brands. The transition to the new facility has been achieved successfully on target and with limited interruption to supply into the market, which further enhances our production and product innovation capabilities across the juice, sports, lifestyle and tea categories.

Fiji

Fiji continued to perform strongly, achieving revenue, volume and EBIT growth, underpinned by robust economic conditions and strong local execution. The business delivered revenue and volume growth across **Sparkling** and **Still Beverages** and across the **grocery** and **convenience & leisure** channels. Volume and revenue growth in the **sport** category was particularly strong following the relaunch of Powerade. Costs were also well managed throughout this period of increased trading activity.

DETAILED BUSINESSES REVIEW (CONTINUED)

NON-ALCOHOL BEVERAGES – INDONESIA & PNG

	1 July 2016 $M	3 July 2015 $M	Variance %	Variance - constant currency %
Trading revenue	**545.6**	486.1	12.2	12.1
Trading revenue per unit case	$4.52	$4.60	(1.7)	(1.7)
Volume (M unit cases)	120.7	105.7	14.2	14.2
Earnings before interest and tax	**37.0**	22.4	65.2	71.4
EBIT margin on trading revenue	**6.8%**	4.6%	2.2 points	2.4 points

Indonesia & PNG EBIT increased 71.4% on a constant currency basis, contributing an additional $14.6 million to group earnings. This was driven by a significant volume increase of 14.2% and revenue growth of 12.1% on a constant currency basis.

Indonesia

Despite soft economic conditions and weak currency affecting input costs, Indonesia performed very strongly in the first half. The result benefitted from the Ramadan festive period being 10 days earlier this year.

The business achieved double-digit revenue and volume growth across both the Sparkling and Still Beverages segments and across both the traditional and modern trade channels. Volume growth was ahead of market growth.

In **Sparkling Beverages**, there is still work to do to drive category growth at an industry level however strong progress has been made in winning transaction, volume and value share. Strong volume growth in smaller sized single serve packs was also achieved and we continue to drive initiatives to increase the availability of these products.

Still Beverages achieved strong transaction, volume and value growth. In the **tea** category we saw volume and value share gains. In the **juice** category, despite growing volume at over 10%, volume and value share declined in a category driven by low value competitors.

The business continued to benefit from improvements made to the **route to market** model transformation, providing the capability to increase availability and accessibility of products in Jakarta and beyond. Strong efficiency gains in manufacturing were delivered with good progress made in relation to cost management.

PNG

Despite economic headwinds, PNG achieved double-digit EBIT growth on a constant currency basis on modest volume growth. EBIT grew ahead of revenue as a result of strong cost management and improved efficiency.

DETAILED BUSINESSES REVIEW (CONTINUED)

ALCOHOL & COFFEE BEVERAGES

	1 July 2016 $M	3 July 2015 $M	Variance %	Variance - constant currency %
Trading revenue	**234.8**	177.1	32.6	32.0
Earnings before interest and tax	**19.5**	14.6	33.6	32.9
EBIT margin on trading revenue	**8.3%**	8.2%	0.1 points	0.1 points

Alcohol & Coffee earnings EBIT increased 33.6%, continuing its strong growth trajectory.

Alcohol

Alcohol achieved double-digit revenue, volume and EBIT growth in the period. The business performed strongly in Australia and Fiji and the result benefitted further from the Beam Suntory partnership extending to New Zealand as well as the inclusion of the Suntory range of spirits.

In Australia, strong volume growth in the **Spirits** and **Beer, Bitters & Cider** categories was achieved, driven by new age whiskey sales and craft and international beer sales. In Fiji, Paradise Beverages continued to perform strongly with growth in its major categories. In addition to the Beam Suntory partnership, New Zealand achieved strong revenue and volume growth in beer and cider.

The business worked closely with its partners to develop the brands within the range and leverage the significant opportunities across categories such as international beers, craft beers and bitters. With brand partner Molson Coors International, Blue Moon's award-winning summer seasonal, Summer Honey Wheat, was launched in Australia and Australian Beer Company launched a limited release of Yenda's "Twist & Stout" craft beer, a seasonal launch of a Belgian dubbel beer, and a limited release of the "Beyond the Black Stump" beer range. The Australian Bitters range was also extended with three new flavours being launched in the first half.

Several brands and products received leadership recognition, winning local and international awards: Jim Beam won five industry awards including "Brand of the Year" and "Most Loved Spirits Brand" at the Drinks Association Annual awards; Jim Beam Black won the "Bourbon Trophy", the highest possible award at the International Wine & Spirit Competition in London; Canadian Club won three awards, including "Best Innovation" in the ready to drink category; Paradise Beverages strengthened its leadership position, receiving a number of awards for its Fiji Rum Co range at the San Francisco World Spirits Competition and the London Rum Masters Competition; and Australian Beer Company's Yenda craft beer range won 13 awards including gold at the Australian International Beer Awards for the "Twist & Stout" beer.

Coffee

Coffee provided a solid contribution to growth through the successful upgrade and repositioning of the Grinders brand and a strong performance in the growing capsule category. The relaunch of the Grinders brand included updating the website and webshop, refurbishing our iconic Lygon Street store in Melbourne and the introduction of double espresso coffee capsules. We became the first coffee roaster in Australia to implement new electronic colour sorting technology, as part of our ongoing commitment to quality and innovation. Grinders is the fastest growing manufacturer in the roast and ground coffee category in the grocery channel and one of the fastest growing brands.

CORPORATE, FOOD & SERVICES

	1 July 2016 $M	3 July 2015 $M	Variance %
Trading revenue[2]	**176.9**	188.2	(6.0)
Earnings before interest and tax	**5.7**	13.4	(57.5)

2 Majority is derived from the SPC Food business.

SPC reported a modest loss for the period driven by lower volume and revenue. The business invested in price in a 'heavy-up' campaign but increased price competition resulted in a decline in household penetration. While there are some encouraging signs in SPC's snacking fruit and tomato products, this has been offset by declines in its traditional canned business. Ongoing category declines are impacting volume and revenue and cost management remains a priority. Corporate costs increased, attributable to increased capabilities to support group strategy.

DETAILED FINANCIAL COMMENTARY

CAPITAL EMPLOYED[1]

	1 July 2016 $M	3 July 2015 $M	Variance $M
Working capital[2]	**516.2**	596.2	(80.0)
Property, plant and equipment	**2,027.0**	1,977.7	49.3
Intangible assets	**1,264.1**	1,250.0	14.1
Current and deferred tax liabilities (net)	**(202.3)**	(150.0)	(52.3)
Derivative assets/(liabilities) – non debt (net)	**15.8**	(20.4)	36.2
Other liabilities (net)[3]	**(25.7)**	(41.0)	15.3
	3,595.1	3,612.5	(17.4)
Return on capital employed (ROCE)[1]	**18.6%**	18.2%	0.4 points

1 Capital employed is referred to as Assets and Liabilities – Operating and Investing or segment net assets in the consolidated interim 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 prepayments, investment in joint venture entity, defined benefit superannuation plan assets and liabilities and provisions.

Capital employed has decreased $17.4 million compared to 1H15 enabling an improvement in ROCE of 0.4 points to 18.6%, which is well above our cost of capital.

Pleasingly, the reduction in capital employed has been driven by a reduction in **working capital**, which decreased by $80.0 million driven by the resolution of timing issues highlighted at the half year end in 2015 and improved supplier management.

Property, plant and equipment (PPE) increased by $49.3 million reflecting the increased capital investment in Indonesia in the second half of 2015.

Net non-debt derivative assets increased as a result of movements in commodity market prices relative to hedge positions, mainly in sugar, resulting in unrealised gains (recognised in other comprehensive income).

Other net liabilities decreased by $15.3 million primarily due to advance payments to secure PET resin in Indonesia.

DETAILED FINANCIAL COMMENTARY (CONTINUED)

FREE CASH FLOW

	1 July 2016 $M	3 July 2015 $M	Variance $M
EBIT	**326.9**	316.9	10.0
Depreciation and amortisation expenses	**133.9**	137.0	(3.1)
Impairment charges	**1.7**	2.3	(0.6)
Changes in adjusted working capital[4]	**18.1**	(123.3)	141.4
Net interest and other finance costs paid	**(31.1)**	(64.9)	33.8
Income taxes paid	**(84.8)**	(90.3)	5.5
Movements in other items[5]	**(33.0)**	(16.5)	(16.5)
Net operating cash flows	**331.7**	161.2	170.5
Payments for additions of property, plant and equipment and software development assets	**(127.5)**	(91.6)	(35.9)
Proceeds from sale of non-current assets	**2.0**	1.9	0.1
Free cash flow	**206.2**	71.5	134.7
Cash realisation	**98.1%**	49.7%	48.4 points

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

5 Mainly comprising of movements in prepayments and provisions.

Free cash flow was $206.2 million, an increase of $134.7 million on 1H15 resulting from improvements in working capital and lower net finance costs, offset by higher capital expenditure in the half, particularly in Indonesia.

Net operating cash flows improved by $170.5 million driven by improvements in working capital. 1H15 adjusted working capital was impacted by a number of factors, largely timing related, which reversed for 1H16 resulting in significantly improved net operating cash flow, free cash flow and cash realisation which has increased from 49.7% to 98.1%.

The lower **net finance costs** resulted from a full period benefit of the US$500 million equity injection by TCCC in Indonesia and lower interest rates in Australia.

Tax paid was lower than 1H15 due to lower tax instalments on Australian earnings.

Capital spend increased $35.9 million reflecting the deferral of spend in Indonesia at the end of 2015.

DETAILED FINANCIAL COMMENTARY (CONTINUED)

CAPITAL EXPENDITURE

	1 July 2016 $M	3 July 2015 $M	Variance $M
Non-Alcohol Beverages			
Australia	**18.8**	19.8	(1.0)
New Zealand & Fiji	**16.7**	9.5	7.2
Indonesia & PNG	**60.5**	30.6	29.9
Alcohol & Coffee Beverages	**3.9**	4.9	(1.0)
Corporate, Food & Services	**27.6**	26.8	0.8
	127.5	91.6	35.9
Capital expenditure/trading revenue	**5.1%**	3.7%	1.4 points
Capital expenditure/depreciation and amortisation (software assets)	**1.0x**	0.7x	0.3x

As noted in the 2015 full year results announced in February 2016, capital expenditure in 2015 was lower than 2014 due to the deferral of spend on certain projects in Indonesia into 2016. This is reflected in the 1H16 results with capital expenditure for the first half of 2016 increasing by $35.9 million to $127.5 million. At the group level, capital expenditure is approximately equal to depreciation and amortisation for 1H16.

The major capex in **Australian Beverages** was additional investment in technology to support sales and customer service programs and the further automation of processes in IT, finance and human resources.

New Zealand & Fiji capex increased $7.2 million to $16.7 million reflecting the additional investment in the hotfill production facility in Auckland and increased rollout of cold drink equipment.

Indonesia & PNG capex increased by $29.9 million to $60.5 million. This included supply chain investments to increase manufacturing capacity as well and the continued rollout of cold drink equipment.

Corporate, Food & Services capex in SPC was directed to the upgrade of the new tomato processing line as part of the ongoing program to modernise the business. In services, there was also capital invested in replacing cold drink equipment in Australia.

CAPITAL – FINANCING

	1 July 2016 $M	3 July 2015 $M	Variance $M
Equity	**2,469.3**	2,297.9	171.4
Net debt			
cash assets	**(864.0)**	(1,138.2)	274.2
long term deposits	**-**	(67.7)	67.7
derivative assets – debt (net)	**(114.2)**	(29.7)	(84.5)
interest bearing liabilities	**2,104.0**	2,550.2	(446.2)
Total net debt	**1,125.8**	1,314.6	(188.8)
	3,595.1	3,612.5	(17.4)

The balance sheet remains in a strong position. **Net debt** decreased by $188.8 million to $1,125.8 million, driven by strong free cash flow.

A substantial proportion of **cash assets** is held for specific purposes, other than trading activities. For example, for future capital expenditure in Indonesia, as a term deposit held for a 2017 debt maturity in Indonesia, as collateral for a currency derivative, and in PNG where there are presently constraints on the convertibility of the Kina due to government currency restrictions.

Total available **debt facilities** at period end was $2.1 billion. All debt maturing up until February 2017 is fully funded. The average maturity is 4.3 years and the maturity profile is as follows:

Borrowing maturity profile	31 Dec 2017 %	31 Dec 2018 %	31 Dec 2019 %	31 Dec 2020+ %
Committed and uncommitted facilities maturity year	17.5	19.9	7.5	55.1

PRIORITIES & OUTLOOK

In October 2014, Coca-Cola Amatil announced the results of a strategic review of the Group and outlined a path to stabilising earnings and restoring growth. Our plans reflect three broad Group strategic themes:

- **Lead**: strengthening category leadership position
- **Execute**: step change in productivity and in-market execution; and
- **Partner**: better alignment with the Coca-Cola Company and our other partners.

We are pleased with the progress each of our businesses is making in line with these themes. We are confident that we have the right strategy in place and that our progress today will deliver the targeted outcomes for tomorrow.

Australian Beverages
Targets:

- Stabilise earnings and return to growth
- Shareholder value proposition: low single-digit EBIT growth

There continue to be indicators to support a cautious optimism about the future, whilst recognising that structural adjustments are likely to continue.

In **Sparkling Beverages**, we are rebalancing our portfolio to assist in shaping choice and evolving with the consumer. There are several reformulation projects in the pipeline for the second half and we have also continued to increase the availability of smaller packs and portion sizes, most recently launching our 250ml PET bottle range in July.

We are also focussed on accelerating growth in Still Beverages. There is a strong pipeline of innovation and we expect to maintain our leadership position in this category.

We continue to make positive changes to our route to market model. We are focussed on improving our execution metrics and improving customer experience. Importantly, with some pressure in the operational account channels, we are ensuring we appropriately allocate our resources, automating routine tasks and freeing up our sales teams for new business and market development activities. We are also making progress towards migrating more ordering online through the wider adoption of digital platforms.

We will continue to focus on building our revenue growth management capability through more targeted promotional spend, pack architecture changes focused on providing smaller portion sizes and deliberate action to support the rebalancing of our portfolio with encouraging signs in the performance of smaller packs.

We are ahead of schedule with our $100 million cost optimisation program. We are confident that we will deliver the target ahead of schedule and are well advanced in identifying additional opportunities above the original target.

The state governments in New South Wales, Queensland and Western Australia have all announced plans to introduce container deposit schemes. We will work with relevant stakeholders in each state to assist where we can in ensuring the CDS model developed in each state is as consistent and cost efficient as possible. We are continuing to review the potential business implications and will provide updates as appropriate.

New Zealand
Targets:

- Build trust and focus on new opportunities
- Shareholder value proposition: low single-digit EBIT growth

We are focussed on maintaining our leadership position in Sparkling and Still Beverages and we continue to strengthen 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 continuing to enhance our manufacturing and distribution capability, building our sales and marketing execution capability and expect continued growth in the second half.

PRIORITIES & OUTLOOK (CONTINUED)

Indonesia
Targets:

- Expand our market presence to realise the market's potential
- Shareholder value proposition: double-digit EBIT growth

Indonesia continues to be an exciting growth market given the favourable demographics and growing emerging middle class. However, we also recognise that as an emerging market, it will experience volatility and the continued lack of expected economic growth remains a concern. The second half of 2016 will not benefit, as it did in the second half of 2015, from the timing of Ramadan.

We expect to continue strengthening our leadership position in the Sparkling Beverages category, driven by our focus on strong market execution, new pack and product launches, and supported by a broader brand marketing and advertising program. A significant investment is also being made in the juice and dairy categories to tap into the value opportunities these categories present.

Transformation of the route to market model, designed to increase availability, improve execution and broaden the customer base in the traditional trade, is progressing well in Jakarta and we are also rolling this out in other parts of Indonesia. Product availability will continue to improve as a result of route to market transformation. Significant productivity gains are also being delivered through several initiatives in manufacturing and logistics efficiencies resulting in a lower overall cost to serve.

We continue to benefit from the very strong alignment with TCCC with the governance and operating arrangements working well for both organisations.

Fiji
Target:

- Shareholder value proposition: double-digit EBIT growth

Fiji is an important growth market. We continue to expand our distribution network through the roll out of cool drink equipment and increase the number of outlets ranging our products. Growth is expected to be impacted by the recent introduction of a sugar tax but offset by strong economic conditions in Fiji following Cyclone Winston in February.

Papua New Guinea
Target:

- Shareholder value proposition: double-digit EBIT growth

PNG is also an important growth market. We will continue expanding our distribution network as well as seeking productivity and efficiency improvements in manufacturing and logistics. We expect to continue our strong growth in the second half despite some economic challenges for the market.

Alcohol & Coffee
Targets:

- Continue strong momentum
- Shareholder value proposition: double-digit EBIT growth

We expect we will continue to achieve strong growth across all key categories and in each of our operating geographies.

Spirits: Our partnership with Beam Suntory, across Australia and New Zealand, represents a significant growth opportunity. We have a category leadership position in bourbon and are continuing to work with Beam Suntory to bring innovation to this category. In Australia we recently launched Jim Beam Citrus Highball in ready to drink and a new apple flavour for Jim Beam, seeking to capitalise on the trend of refreshment. We have also introduced Jim Beam Double Oak, a premium expression of Jim Beam and in July rolled out new Jim Beam packaging as part of a global brand redesign, the first redesign of the Jim Beam bourbon bottle in 50 years.

Beer, Bitters & Cider: We will continue 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. We have recently launched a refreshed packaging design and point of sale marketing for the Coors brand and recently launched three new bitters flavours. We expect to further develop the craft beer range with our partner, the Australian Beer Company.

Coffee: We will continue developing the Grinders brand across our roast & ground and capsule products.

PRIORITIES & OUTLOOK (CONTINUED)

SPC
Targets:

- Continue transformation into a profitable modern food business
- Shareholder value proposition: double-digit EBIT growth

SPC continues to face significant challenges with volumes under pressure in core categories due to private label and import competition. Efforts to revitalise the brands and product portfolio continue and our fruit-based snacks and functional food brand ProVital is gaining momentum. We continue to advance the upgrade to simplify and modernise our manufacturing footprint and asset base.

Financial outlook
Targets:

- Mid-single digit earnings per share over the next few years
- Attractive dividend yield (>80% payout ratio)
- Strong balance sheet

We remain confident that our strategic framework, and aligned plans, are moving each business in the right direction towards the Group achieving our target of mid single-digit earnings per share growth, set in October 2014, within the next few years. We aim to take another step towards this goal in 2016. The pace of recovery will depend on the success of revenue initiatives in Australia, and Indonesian economic factors.

We anticipate net finance costs in the second half of 2016 to be marginally higher than the first half.

We expect group capex of around $300 million for the full year. This is slightly below the forecast for 2016 we provided in February due to potentially slower spend rate on some approved projects in developing markets.

We expect to maintain a conservative balance sheet position which provides us with flexibility to fund future growth opportunities and expect to generate sufficient free cash flow to allow continued targeting of a medium term dividend payout ratio of over 80%.

In accordance with the Corporations Act 2001, the Directors submit hereunder their Report on Coca-Cola Amatil Limited and its subsidiaries (Group) for the half year ended 1 July 2016.

DIRECTORS

The names of the Directors of Coca-Cola Amatil Limited (Company or CCA) in office during the half year and/or until the date of this Report are given below:

David Michael Gonski, AC (Chairman)
Alison Mary Watkins (Group Managing Director)
Ilana Rachel Atlas
John Borghetti
Catherine Michelle Brenner
Anthony Grant Froggatt
Martin Jansen
Wallace Macarthur King, AO
David Edward Meiklejohn, AM
Krishnakumar Thirumalai

REVIEW OF OPERATIONS

A review of the operations and the results of those operations is set out in the Interim Results Commentary on page 2.

AUDITOR'S INDEPENDENCE DECLARATION

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

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 1 July 2016, 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 period.

Ernst & Young

Michael Wright
Partner
Sydney
26 August 2016

ROUNDING OFF

The Company is of a kind referred to in the Australian Securities & Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and accordingly, amounts in this report and the consolidated interim financial report have been rounded off to the nearest tenth of a million dollars.

Signed in accordance with a resolution of the Directors.

David M. Gonski, AC
Chairman
Sydney
26 August 2016

Alison M. Watkins
Group Managing Director
Sydney
26 August 2016

Contents

The information contained in this Report is to be read in conjunction with the 2015 Annual Report and any announcements to the market by Coca-Cola Amatil Limited during the period.

CONSOLIDATED INTERIM INCOME STATEMENT

Coca-Cola Amatil Limited and its subsidiaries

for the half year ended 1 July 2016

	Note	1 July 2016 $M	3 July 2015 $M
Trading revenue	2	2,517.1	2,449.7
Cost of goods sold		(1,467.7)	(1,410.2)
Delivery		(113.9)	(119.0)
Gross profit		**935.5**	**920.5**
Other revenue	2	33.3	32.5
Expenses			
Selling		(350.7)	(351.0)
Warehousing and distribution		(90.7)	(90.5)
Support services and other		(199.8)	(194.1)
		(641.2)	**(635.6)**
Share of loss of joint venture entity		(0.7)	(0.5)
Earnings before interest and tax		326.9	316.9
Net finance costs			
Finance income	2	21.4	15.5
Finance costs		(57.2)	(66.3)
		(35.8)	**(50.8)**
Profit before income tax		291.1	266.1
Income tax expense	4	(87.0)	(78.8)
Profit for the period		**204.1**	**187.3**
Attributable to:			
Shareholders of CCA		198.2	183.9
Non-controlling interests		5.9	3.4
Profit for the period		**204.1**	**187.3**
Earnings per Share (EPS) attributable to shareholders of CCA			
Basic and diluted EPS (cents)	5	26.0	24.1

Notes appearing on pages 21 to 29 to be read as part of the consolidated interim financial statements.

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

Coca-Cola Amatil Limited and its subsidiaries

for the half year ended 1 July 2016

	1 July 2016 $M	3 July 2015 $M
Profit for the period	**204.1**	**187.3**
Other comprehensive income		
Items to be reclassified to the income statement in subsequent periods:		
Foreign exchange differences on translation of foreign operations	14.6	(44.2)
Reclassification of foreign exchange differences on disposal of a business	(1.6)	–
Cash flow hedges	39.4	(32.5)
Income tax effect relating to cash flow hedges	(13.9)	10.7
	38.5	**(66.0)**
Items not to be reclassified to the income statement in subsequent periods:		
Actuarial valuation reserve	(7.8)	17.4
Income tax effect	2.1	(5.4)
	(5.7)	**12.0**
Other comprehensive income	**32.8**	**(54.0)**
Total comprehensive income for the period	**236.9**	**133.3**
Attributable to:		
Shareholders of CCA	225.9	137.8
Non-controlling interests	11.0	(4.5)
Total comprehensive income for the period	**236.9**	**133.3**

Notes appearing on pages 21 to 29 to be read as part of the consolidated interim financial statements.

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

Coca-Cola Amatil Limited and its subsidiaries

for the half year ended 1 July 2016

		Attributable to shareholders of CCA						
	Note	Share capital $M	Treasury shares $M	Reserves $M	Accumulated losses $M	Total $M	Non-controlling interests $M	Total equity $M
At 1 January 2016		**2,271.7**	**(16.8)**	**322.9**	**(491.7)**	**2,086.1**	**323.7**	**2,409.8**
Total comprehensive income for the period		–	–	27.7	198.2	225.9	11.0	236.9
Transactions with shareholders:								
Share based remuneration		–	0.9	1.3	–	2.2	–	2.2
Dividends paid	3	–	–	–	(179.4)	(179.4)	(0.2)	(179.6)
		–	**0.9**	**1.3**	**(179.4)**	**(177.2)**	**(0.2)**	**(177.4)**
At 1 July 2016		**2,271.7**	**(15.9)**	**351.9**	**(472.9)**	**2,134.8**	**334.5**	**2,469.3**
At 1 January 2015		**2,271.7**	**(16.3)**	**(11.3)**	**(564.4)**	**1,679.7**	**7.0**	**1,686.7**
Total comprehensive income for the period		–	–	(46.1)	183.9	137.8	(4.5)	133.3
Transactions with shareholders:								
Share based remuneration		–	(1.1)	0.2	–	(0.9)	–	(0.9)
Dividends paid	3	–	–	–	(168.0)	(168.0)	–	(168.0)
Change in ownership interest in subsidiary	12	–	–	342.7	–	342.7	304.1	646.8
		–	**(1.1)**	**342.9**	**(168.0)**	**173.8**	**304.1**	**477.9**
At 3 July 2015		**2,271.7**	**(17.4)**	**285.5**	**(548.5)**	**1,991.3**	**306.6**	**2,297.9**

Notes appearing on pages 21 to 29 to be read as part of the consolidated interim financial statements.

CONSOLIDATED INTERIM BALANCE SHEET
Coca-Cola Amatil Limited and its subsidiaries
as at 1 July 2016

	Note	1 July 2016 $M	31 December 2015 $M	3 July 2015 $M
Current assets				
Cash assets	10	864.0	1,237.5	1,138.2
Trade and other receivables		828.7	1,030.8	818.7
Inventories		788.3	733.9	773.8
Derivatives	8	46.2	44.2	46.2
Current tax assets		10.5	9.9	27.9
Prepayments		66.7	71.7	49.2
Total current assets		**2,604.4**	**3,128.0**	**2,854.0**
Non-current assets				
Property, plant and equipment		2,027.0	2,019.9	1,977.7
Intangible assets		1,264.1	1,265.9	1,250.0
Long term deposits		–	88.1	67.7
Investment in joint venture entity	11	25.6	26.3	25.8
Defined benefit superannuation plans		14.1	19.1	22.4
Derivatives	8	156.2	96.1	95.3
Other receivables		14.4	11.2	12.1
Prepayments		16.6	12.8	17.1
Deferred tax assets		5.0	–	–
Total non-current assets		**3,523.0**	**3,539.4**	**3,468.1**
Total assets		**6,127.4**	**6,667.4**	**6,322.1**
Current liabilities				
Trade and other payables		1,100.8	1,239.6	996.3
Interest bearing liabilities		452.7	563.4	738.9
Provisions		91.5	119.3	98.3
Current tax liabilities		31.3	35.5	18.8
Derivatives	8	23.5	43.5	71.8
Total current liabilities		**1,699.8**	**2,001.3**	**1,924.1**
Non-current liabilities				
Interest bearing liabilities		1,651.3	1,972.2	1,811.3
Provisions		15.1	14.8	14.6
Deferred tax liabilities		186.5	163.0	159.1
Defined benefit superannuation plans		56.5	49.0	54.7
Derivatives	8	48.9	57.3	60.4
Total non-current liabilities		**1,958.3**	**2,256.3**	**2,100.1**
Total liabilities		**3,658.1**	**4,257.6**	**4,024.2**
Net assets		**2,469.3**	**2,409.8**	**2,297.9**
Equity				
Share capital		2,271.7	2,271.7	2,271.7
Treasury shares		(15.9)	(16.8)	(17.4)
Reserves		351.9	322.9	285.5
Accumulated losses		(472.9)	(491.7)	(548.5)
Equity attributable to shareholders of CCA		**2,134.8**	**2,086.1**	**1,991.3**
Non-controlling interests		334.5	323.7	306.6
Total equity		**2,469.3**	**2,409.8**	**2,297.9**

Notes appearing on pages 21 to 29 to be read as part of the consolidated interim financial statements.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Coca-Cola Amatil Limited and its subsidiaries

for the half year ended 1 July 2016

	Note	1 July 2016 $M	3 July 2015 $M
Inflows/(outflows)			
Operating cash flows			
Receipts from customers		3,136.5	3,026.2
Payments to suppliers and employees		(2,688.9)	(2,709.8)
Interest income received		20.5	9.1
Interest and other finance costs paid		(51.6)	(74.0)
Income taxes paid		(84.8)	(90.3)
Net operating cash flows	10	**331.7**	**161.2**
Investing cash flows			
Payments for:			
investment in long term deposits		–	(67.7)
additions of property, plant and equipment		(121.1)	(85.7)
additions of software development assets		(6.4)	(5.9)
Proceeds from:			
withdrawal of long term deposits		85.2	–
disposal of a business[1]		3.5	–
disposal of property, plant and equipment		2.0	1.9
Net investing cash flows		**(36.8)**	**(157.4)**
Financing cash flows			
Proceeds from issue of ordinary shares in subsidiary (net)	12	–	646.8
Proceeds from borrowings		171.5	–
Borrowings repaid		(643.3)	(146.2)
Dividends paid	3	(179.4)	(168.0)
Dividend paid to non-controlling interests	3	(0.2)	–
Net financing cash flows		**(651.4)**	**332.6**
Net (decrease)/increase in cash and cash equivalents		(356.5)	336.4
Cash and cash equivalents held at the beginning of the half year		1,237.4	803.0
Effects of foreign exchange rate changes on cash and cash equivalents		(16.9)	(6.5)
Cash and cash equivalents held at the end of the half year	10	**864.0**	**1,132.9**

1 Relates to disposal of SPC Nature's Finest Limited (UK), a subsidiary of CCA.

Notes appearing on pages 21 to 29 to be read as part of the consolidated interim financial statements.

OVERVIEW

Coca-Cola Amatil Limited (referred to as CCA or 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. CCA does not have a parent entity.

The consolidated interim financial statements for the half year ended 1 July 2016 comprise of CCA and its subsidiaries (together referred to as Group) and was authorised for issue in accordance with a resolution of the CCA Board of Directors on 26 August 2016.

Basis of preparation

This general purpose consolidated interim 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 2015 annual financial report of the Group, together with any announcements made by CCA during the half year ended 1 July 2016;

- has been prepared on the basis of historical cost, except for certain financial assets and liabilities which have been measured at fair value (refer to Note 9);

- is presented in Australian Dollars;

- presents reclassified comparative information where necessary to conform to changes in presentation in the current period;

- presents all values as rounded to the nearest tenth of a million dollars under the option available to CCA under the Australian Securities & 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 2015 annual financial report; and

- does not early adopt any Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective, with the exception of AASB 9 Financial Instruments – 2013 which was early adopted on 1 January 2014.

A RESULTS FOR THE HALF YEAR

1 SEGMENT REPORTING

The Group operates in a number of segments, based on results that are reported to the Group Managing Director. The Australia, New Zealand & Fiji and Indonesia & PNG Non-Alcohol Beverages segments derive their revenues from the manufacture, distribution and marketing of sparkling drinks and other non-alcohol beverages. The Alcohol & Coffee Beverages segment manufactures and distributes premium spirits, beer, cider, other 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), and the provision of certain support services to the Group and third party customers.

The Group's financial statements are affected by seasonality depending on the timing of certain festivities in the different countries within which CCA 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 impacts the timing of the Indonesian business's financial performance within the financial year.

Segment results are evaluated on an earnings before interest, tax and significant items basis. Segment net assets include operating and investing assets and liabilities (which excludes net debt amounts). Net debt comprises of cash assets, long term deposits, debt related derivative assets and liabilities and interest bearing 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 & PNG		Alcohol & Coffee Beverages		Corporate, Food & Services		Total	
	1 July 2016 $M	3 July 2015 $M	1 July 2016 $M	3 July 2015 $M	1 July 2016 $M	3 July 2015 $M	1 July 2016 $M	3 July 2015 $M	1 July 2016 $M	3 July 2015 $M	1 July 2016 $M	3 July 2015 $M
Segment trading revenue	1,300.6	1,348.9	259.2	249.4	545.6	486.1	234.8	177.1	176.9	188.2	2,517.1	2,449.7
EBITDA[1]	255.1	261.3	60.2	58.3	75.0	58.9	21.9	16.8	48.6	58.6	460.8	453.9
Depreciation and amortisation expenses	(37.1)	(39.1)	(13.5)	(14.0)	(38.0)	(36.5)	(2.4)	(2.2)	(42.9)	(45.2)	(133.9)	(137.0)
EBIT[1]	218.0	222.2	46.7	44.3	37.0	22.4	19.5	14.6	5.7	13.4	326.9	316.9
Other segment information												
Segment net assets	1,369.5	1,443.9	498.0	457.3	767.4	693.1	251.1	258.7	709.1	759.5	3,595.1	3,612.5
Net debt											(1,125.8)	(1,314.6)
Net assets											2,469.3	2,297.9
Payments made for additions of certain non-current assets[2]	18.8	19.8	16.7	9.5	60.5	30.6	3.9	4.9	27.6	26.8	127.5	91.6

1 EBITDA refers to earnings before interest, tax, depreciation and amortisation while EBIT refers to earnings before interest and tax.

2 Comprises property, plant and equipment and software development assets.

A RESULTS FOR THE HALF YEAR (CONTINUED)

2 REVENUE

	1 July 2016 $M	3 July 2015 $M
Trading revenue		
Sale of products	2,478.2	2,410.6
Rental of equipment and processing fees	38.9	39.1
	2,517.1	**2,449.7**
Other revenue		
Rendering of services	10.3	10.8
Miscellaneous rental and sundry income	23.0	21.7
	33.3	**32.5**
Finance income	21.4	15.5
	2,571.8	**2,497.7**

Finance income mainly comprises of interest income on cash in bank, term deposits and implied returns under the defined benefit superannuation plans.

3 DIVIDENDS

	1 July 2016 $M	3 July 2015 $M
a) Summary of prior year final dividends paid during the half year		
Paid at 23.5¢ per share franked to 75% (2015: 22.0¢ per share franked to 75%)	179.4	168.0
b) Interim dividends declared after balance date and not recognised as liabilities		
Declared at 21.0¢ per share franked to 75% (2015: 20.0¢ per share franked to 75%)	160.4	152.7

The unfranked component of the dividend has been declared to be conduit foreign income.

During the period Paradise Beverages (Fiji) Limited, a subsidiary of CCA, paid a dividend of $0.2 million to its non-controlling interests.

c) Dividend Reinvestment Plan

CCA's Dividend Reinvestment Plan (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, at the price calculated using the daily volume weighted average market price of CCA shares during the 10 trading days commencing on the third trading day after the record date for the dividend. The DRP discount was reduced from 2.0% to nil with effect from the 2010 interim dividend payment. Currently, shares are acquired on market and transferred to participants to satisfy any shares to be provided under this plan.

The ex-dividend and record dates for the 2016 interim dividend entitlement are 1 and 2 September 2016, respectively.

The last date for receipt of election notices under this Plan for the 2016 interim dividend entitlement is 5 September 2016.

A RESULTS FOR THE HALF YEAR (CONTINUED)

4 INCOME TAX

	1 July 2016	3 July 2015
Reconciliation of CCA's applicable (Australian) tax rate to the effective tax rate		
Profit before income tax	291.1	266.1
	%	%
Applicable (Australian) tax rate	30.0	30.0
Non-allowable expenses	1.0	1.2
Overseas tax rates differential	(1.1)	(0.8)
Overseas tax rate change	–	(0.4)
Overseas withholding tax	–	(0.4)
Effective tax rate	**29.9**	**29.6**

5 OTHER PERFORMANCE MEASURES

	1 July 2016	3 July 2015
a) Net tangible asset (NTA) backing per ordinary share of CCA		
	$	$
NTA per ordinary share	1.14	0.97
b) Earnings per Share (EPS)		
	¢	¢
Basic and diluted EPS	26.0	24.1
The following reflects the share and earnings information used in the calculation of basic and diluted EPS:		
	M	M
Weighted average number of ordinary shares on issue	763.6	763.6
	$M	$M
Profit after tax attributable to shareholders of CCA	198.2	183.9
c) Free cash flow (FCF)		
FCF is calculated as the sum of cash flows from operating and investing activities, excluding cash flows dealing with long term deposits and disposal of a business.		
	$M	$M
FCF	206.2	71.5
d) Return on capital employed (ROCE)		
ROCE is calculated as EBIT before significant items, divided by the average of the assets and liabilities – operating and investing (net assets of the Group excluding net debt) at the beginning and at the end of the twelve-month period ended as at the balance date.		
	%	%
ROCE	18.6	18.2

A RESULTS FOR THE HALF YEAR (CONTINUED)

5 OTHER PERFORMANCE MEASURES (CONTINUED)

	1 July 2016	3 July 2015
e) Capital expenditure (capex) ratios		
Capex is defined as payments for additions of property, plant and equipment and software development assets.		
	%	%
Capex to trading revenue	5.1	3.7
	times	times
Capex to depreciation of property, plant and equipment and amortisation of software development assets	1.0	0.7
f) Cash realisation		
Cash realisation is calculated as operating cash flow divided by profit after tax for the period excluding depreciation and amortisation.		
	%	%
Cash realisation	98.1	49.7

B ASSETS AND LIABILITIES – OPERATING AND INVESTING

HOW THE GROUP MANAGES ITS OVERALL FINANCIAL POSITION

The Group manages its overall financial position by segregating its 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 segment level of the Group while Capital – Financing (refer to Section C) is managed by the Group's centralised Treasury function.

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

	Note	1 July 2016 $M	31 December 2015 $M	3 July 2015 $M
Working capital	6	516.2	525.1	596.2
Property, plant and equipment		2,027.0	2,019.9	1,977.7
Intangible assets		1,264.1	1,265.9	1,250.0
Current and deferred tax liabilities (net)		(202.3)	(188.6)	(150.0)
Derivative assets/(liabilities) – non-debt (net)	8	15.8	(24.2)	(20.4)
Other liabilities (net)[1]		(25.7)	(42.0)	(41.0)
		3,595.1	**3,556.1**	**3,612.5**

1 Mainly comprising of prepayments, investment in joint venture entity (Note 11), defined benefit superannuation plan assets and liabilities and provisions.

6 WORKING CAPITAL

	1 July 2016 $M	31 December 2015 $M	3 July 2015 $M
Trade and other receivables – current	828.7	1,030.8	818.7
Inventories	788.3	733.9	773.8
Trade and other payables	(1,100.8)	(1,239.6)	(996.3)
	516.2	**525.1**	**596.2**

C CAPITAL – FINANCING

HOW THE GROUP MANAGES ITS CAPITAL – FINANCING

The Group manages its capital to ensure that entities in the Group will have continuing 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. The Group's capital comprises of equity plus net debt. Net debt is calculated as interest bearing liabilities plus derivatives relating to debt, less cash assets and long term deposits.

Details of Capital – Financing are as follows:

	Note	1 July 2016 $M	31 December 2015 $M	3 July 2015 $M
Total equity[1]		2,469.3	2,409.8	2,297.9
Net debt	8	1,125.8	1,146.3	1,314.6
		3,595.1	**3,556.1**	**3,612.5**

1 Mainly comprising of share capital (Note 7) of $2,271.7 million for all periods presented.

7 SHARE CAPITAL

The number of fully paid ordinary shares for 1 July 2016, 31 December 2015 and 3 July 2015 was 763,590,249.

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.

CCA presently acquires shares on market to satisfy any shares to be provided to participants under the Dividend Reinvestment Plan (refer Note 3c).

8 NET DEBT

	1 July 2016 $M	31 December 2015 $M	3 July 2015 $M
Cash assets	(864.0)	(1,237.5)	(1,138.2)
Long term deposits	–	(88.1)	(67.7)
Interest bearing liabilities – current	452.7	563.4	738.9
Interest bearing liabilities – non-current	1,651.3	1,972.2	1,811.3
Derivative assets – debt (net)	(114.2)	(63.7)	(29.7)
	1,125.8	**1,146.3**	**1,314.6**
Details of debt and non-debt related derivative assets/(liabilities) are as follows:			
Assets – current	46.2	44.2	46.2
Assets – non-current	156.2	96.1	95.3
Liabilities – current	(23.5)	(43.5)	(71.8)
Liabilities – non-current	(48.9)	(57.3)	(60.4)
	130.0	**39.5**	**9.3**
Derivative assets/(liabilities) (net) comprises:			
Debt related – financing	114.2	63.7	29.7
Non-debt related – operating and investing	15.8	(24.2)	(20.4)
	130.0	**39.5**	**9.3**

D FINANCIAL INSTRUMENTS

9 FAIR VALUE MEASUREMENT

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 trade and other payables	Approximate values are the same mainly due to their short term nature.
Interest bearing liabilities – bonds	Differences arise mainly due to mandatory borrowing terms. Carrying and fair values for bonds were $1,861.1 million (31 December 2015: $2,325.8 million and 3 July 2015: $2,431.1 million) and $1,934.8 million (31 December 2015: $2,384.1 million and 3 July 2015: $2,465.9 million) respectively. For these fair values, inputs were based on interest rates and yield curves at commonly quoted intervals and credit spreads (i.e. level 2 inputs) that are observable for a similar liability in the market.
Long term deposits and interest bearing liabilities – other than bonds	Approximate values are the same mainly due to the absence of material break costs on early repayment or cancellation.
Derivatives	Accounted for at fair value using the valuation techniques described below.

Derivative – valuation techniques

Fair values of derivatives based on quoted prices in active markets are categorised as level 1. If the market for a derivative is not active, the Group establishes fair value by using valuation techniques such as discounted cash flow analysis and 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 valuation technique is shown in the table below:

	1 July 2016			31 December 2015			3 July 2015		
Derivative	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
Assets	27.3	175.1	202.4	–	140.3	140.3	–	141.5	141.5
Liabilities	(14.8)	(57.6)	(72.4)	(51.0)	(49.8)	(100.8)	(66.9)	(65.3)	(132.2)
Derivative assets/(liabilities) (net)	**12.5**	**117.5**	**130.0**	**(51.0)**	**90.5**	**39.5**	**(66.9)**	**76.2**	**9.3**

E OTHER INFORMATION

10 STATEMENT OF CASH FLOWS INFORMATION

	1 July 2016 $M	31 December 2015 $M	3 July 2015 $M
Cash on hand and at banks	552.4	588.1	300.0
Short term deposits	311.6	649.4	838.2
Cash assets	**864.0**	**1,237.5**	**1,138.2**
Bank overdrafts	–	(0.1)	(5.3)
Cash and cash equivalents	**864.0**	**1,237.4**	**1,132.9**

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

	1 July 2016 $M	3 July 2015 $M
EBIT	**326.9**	**316.9**
Adjustments for:		
Depreciation and amortisation expenses	133.9	137.0
Impairment charges	1.7	2.3
Changes in adjusted working capital[1]	18.1	(123.3)
Net interest and other finance costs paid	(31.1)	(64.9)
Income taxes paid	(84.8)	(90.3)
Other[2]	(33.0)	(16.5)
	4.8	**(155.7)**
Net operating cash flows	**331.7**	**161.2**

1 Working capital is adjusted to exclude the impact of non-cash flow and non-operating items such as foreign exchange translation and payables relating to additions of property, plant and equipment.
2 Mainly comprising of movements in prepayments and provisions.

11 INVESTMENT IN JOINT VENTURE ENTITY

	1 July 2016 $M	31 December 2015 $M	3 July 2015 $M
Carrying amount of investment in Australian Beer Company Pty Ltd (ABCo)	**25.6**	**26.3**	**25.8**

CCA has a 50% 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.

12 INVESTMENT BY THE COCA-COLA COMPANY (TCCC)

On 2 April 2015, a subsidiary of TCCC invested US$500.0 million ($652.6 million, or $646.8 million after transaction costs) in new ordinary shares in CCA's Indonesian business (PT Coca-Cola Bottling Indonesia). The investment equated to a 29.4% ownership interest in PT Coca-Cola Bottling Indonesia (CCBI), and diluted CCA's equity ownership to 70.6%. CCA retained control of, and therefore continues to consolidate CCBI, resulting in TCCC's investment being classified as a non-controlling interest (NCI) within the financial statements of the Group.

Following the change in ownership, the interests of CCA and the NCI in CCBI was adjusted to reflect the relative changes in their interests in CCBI's equity. The difference between the amount by which the NCI is recognised, $304.1 million and the fair value of consideration received $646.8 million, being $342.7 million, was recognised directly in equity as a general reserve and attributed to shareholders of CCA in the 2015 consolidated interim financial report.

13 EVENTS AFTER THE BALANCE 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 consolidated interim financial statements and notes, set out on pages 15 to 29 –

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 consolidated entity's financial position as at 1 July 2016 and of its performance for the half year ended 1 July 2016; 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 consolidated interim financial report for the half year ended 1 July 2016.

This declaration is made in accordance with a resolution of the Directors pursuant to section 303(5) of the Corporations Act 2001, dated 26 August 2016.

On behalf of the Directors

David M. Gonski, AC
Chairman
Sydney
26 August 2016

Alison M. Watkins
Group Managing Director
Sydney
26 August 2016

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INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF COCA-COLA AMATIL LIMITED

Report on the Consolidated Interim Financial Report

We have reviewed the accompanying consolidated interim financial report of Coca-Cola Amatil Limited (the "Company"), which comprises the consolidated interim balance sheet as at 1 July 2016, the consolidated interim income statement, consolidated interim statement of comprehensive income, consolidated interim statement of changes in equity and consolidated interim 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 of the consolidated entity comprising the Company and the entities it controlled at the half year end or from time to time during the half year.

Directors' responsibility for the consolidated interim financial report

The directors of the Company are responsible for the preparation of the consolidated interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine are necessary to enable the preparation of the consolidated interim 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 consolidated interim 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, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 1 July 2016 and its 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 Coca-Cola Amatil Limited and the entities it controlled during the half year, ASRE 2410 requires that we comply with the ethical requirements relevant to the review of the annual financial report.

A review of a consolidated interim 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. We have given to the directors of the Company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the consolidated interim financial report of Coca-Cola Amatil Limited is not in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 1 July 2016 and of its performance for the half year ended on that date; and

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

Ernst & Young

Michael Wright
Partner
Sydney
26 August 2016