Company Announcements Office
Australian Stock Exchange Limited

COCA-COLA AMATIL
2009 THIRD QUARTER TRADING UPDATE & SECOND HALF OUTLOOK

Sydney, 4 November 2009: Coca-Cola Amatil Limited (CCA) is today providing an update on its third quarter trading and second half outlook for 2009.

Australia – The Australian beverage business achieved solid volume and revenue growth in the third quarter. Transaction volume growth, being the number of physical beverage packs sold, also remained robust as the business continued to benefit from successful new product and package innovation, as well as increased market penetration of cold drink coolers.

Glacéau vitaminwater and Mother energy drink continue to perform above expectations. Mother has consolidated its position as the number one energy drink in food-stores, with a 31% market share[1]. The strong performance is a result of continued growth in multi-pack cans and the launch of Mother Surge in July.

Goulburn Valley flavoured milk was successfully launched in Victoria, New South Wales and Queensland in September, with initial sales meeting pre-launch targets.

New Zealand & Fiji – In New Zealand, some positive signs emerged in the third quarter indicating an improvement in economic conditions that flowed through to higher consumer demand. As a result, the business achieved solid volume growth in the third quarter, while the 5% average price increase taken in July also had a positive effect on earnings. The New Zealand & Fiji business now expects to be able to deliver modest local currency earnings growth for the second half.

Indonesia & PNG – Indonesia achieved strong volume, revenue and earnings growth in the third quarter, driven by continued growth in the modern food-store and traditional channels, as well as ongoing success with new products. The resilience of Indonesia's economy also continued to have a positive impact on consumer demand and as a result the business has increased its investment in cold drink coolers and production capacity in the second half.

Minute Maid Pulpy Orange continued to experience strong consumer demand and additional production capacity was commissioned in October in order to meet the increased demand.

Food & Services – SPC Ardmona (SPCA) delivered solid volume growth in the third quarter in all major categories – fruit, fruit snacks, baked beans and spaghetti, tomatoes and spreads. SPCA remains on track to achieve its full year savings target of approximately $8 million from the rationalisation of its manufacturing sites in the Goulburn Valley.

1. Aztec, food-stores scan data, volume market share for Australia, year-to-date, 30 September 2009

Pacific Beverages Joint Venture – Pacific Beverages has continued its strong volume performance, delivering premium beer volume growth of approximately 50% in the year to date, led by Peroni Nastro Azzurro and continued success with Peroni Leggera. Pacific Beverages' premium beer brands now account for 9% of the Australian premium beer market by both volume and value[2]. The Bluetongue Brewery in NSW remains on track for completion in May 2010.

In July, Pacific Beverages also launched the Russian Standard premium vodka range. Russian Standard is Russia's number one premium, authentic vodka. It was first launched in Russia in 1998 and in only ten years has become the second fastest growing vodka brand in the world. Initial sales have exceeded forecasts due to strong support from Pacific Beverages' customers, and Russian Standard is now available in over 2,500 licensed outlets in Australia.

Translation impact on overseas earnings – The impact of the higher Australian dollar on the translation of CCA's overseas earnings is expected to reduce the reported earnings growth for the full-year 2009 by approximately 1%.

Capital expenditure – Full year 2009 capital expenditure will be approximately 7.5% of revenue. As previously announced on 20 October, given the positive demand outlook, particularly in Indonesia, CCA expects to up-weight capital expenditure in 2010 to approximately 8.5% of sales revenue as a result of increased investment in cold drink coolers in Australia and Indonesia, increased one-way-pack production capability in Indonesia, and new Project Zero initiatives.

Project Zero continues to deliver on its cost savings and customer service improvement targets. In a recent capacity and capability review, at least three more years of internal capital projects have been identified that will further contribute to CCA's organic earnings growth.

Self manufacture of PET bottles – CCA will invest approximately $45 million in 2010 to commence the in-line blow-fill manufacture of PET bottles at its Northmead manufacturing facility in NSW. PET bottles will be blown in-line, filled and capped in a single process integrated into CCA's standard manufacturing lines. This project will deliver cost savings to CCA by eliminating empty bottle storage, handling and transport costs as well as achieving a reduction in the amount of PET resin used to manufacture the bottles. This reduction in raw materials used, as well as the transport savings, will materially reduce the total carbon footprint of CCA's products.

Project 'OAisys' (One Amatil Information System) update – This is a joint initiative with other major Coke Bottlers and The Coca-Cola Company to build and implement an end-to-end technology platform that will materially improve manufacturing and distribution efficiencies, as well as customer service capability at CCA.

Finance and human resources back-office systems, as well as call centre, equipment service, payroll and demand planning solutions have all been successfully implemented. In addition, CCA's key Australian Supply Chain manufacturing and distribution execution systems were also successfully implemented in August with no interruption to the business or any negative impact on customer service levels during the cut-over.

2. AC Nielsen ScanTrack, Liquor database, quarter ended 30 September 2009

Beverage Cost of Goods Sold – Beverage cost of goods sold (COGS) per unit case for 2009 is expected to increase by 5 to 6% on a constant currency basis and excluding Indonesia. The depreciation of the Rupiah against the US dollar and the mix impact of one-way-packs will result in double-digit COGS increases for Indonesia for the full year. CCA remains on track to achieve the recovery of its cost of goods increases for 2009.

Based on current and forward prices for CCA's key commodity inputs, and with CCA's hedge book for 2010 still being completed, CCA expects COGS increases for 2010 to be in the range of 5 to 6%, excluding Indonesia.

Tax Rate - The effective tax rate for the full year 2009 is expected to be approximately 30%.

Debt re-financing – As previously announced on 29 October 2010, CCA has issued US$400 million in 5-year Notes in the 144A US market. CCA has issued the Notes with a coupon of 3.25%, which is equivalent to a spread of 95 basis points over the 5-year US Treasury Note. CCA is now fully funded for all of its debt due to mature in 2010.

Second half outlook – CCA's strong first half trading performance has continued during the third quarter with good revenue and volume growth achieved across all business units. CCA is confident that its previous earnings guidance of high single digit growth in both earnings before interest and tax and net profit after tax for the second half will be achieved. This guidance assumes a normal summer trading season in Australia and New Zealand in November and December, as these two months account for approximately 20% of CCA's trading revenue.

CCA will release its results for the full year 2009 on Tuesday, 16 February 2010.

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For further information, please contact:

Media
Sally Loane
Ph: +61 2 9259 6797
Sally.Loane@anz.ccamatil.com

Analysts
Paul Irving
Ph: +61 2 9259 6185
Paul.Irving@anz.ccamatil.com