Coca-Cola

COCA-COLA CCA AMATIL

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13 February 2009

Company Announcements
Australian Securities Exchange Limited
Exchange Centre
Level 1, 20 Bridge Street
SYDNEY NSW 2000

FINANCIAL AND STATUTORY REPORTS 2008

In accordance with the Listing Rule 4.5.1 attached is a copy of the Financial and Statutory Reports the year ended 31 December 2008.

Yours sincerely

George Forster
General Counsel and Company Secretary

COCA-COLA AMATIL

Financial and Statutory Reports

For the financial year ended 31 December 2008

Contents

The Directors submit hereunder their Report on Coca-Cola Amatil Limited (Company, CCA or CCA Entity) and its subsidiaries (Group or CCA Group) for the financial year ended 31 December 2008.

Names and particulars of Directors

The names of the Directors of the Company in office during the financial year and until the date of this Report and the beneficial interest of each Director in the share capital of the Company are detailed below –

	Ordinary shares No.	Long Term Incentive Share Plan[1] No.	Non-Executive Directors' Share Plan[1] No.	Non-Executive Directors' Retirement Share Trust[1] No.	Executive Salary Sacrifice Share Plan[1] No.
David Michael Gonski, AC	54,655	–	188,350	93,605	–
Catherine Michelle Brenner[2]	–	–	7,060	–	–
Jillian Rosemary Broadbent, AO	3,546	–	24,221	34,291	–
Terry James Davis	318,629	441,654	–	–	163,281
Irial Finan	–	–	14,672	–	–
Geoffrey James Kelly	1,480	–	18,357	–	–
Wallace Macarthur King, AO	1,200	–	41,188	7,112	–
David Edward Meiklejohn	5,715	–	16,801	–	–
Former Director					
Melvyn Keith Ward, AO[3]	–	–	–	–	–

1 Beneficial interest held subject to conditions of the Plans/Trust.
2 Appointed 2 April 2008.
3 Retired 20 August 2008.

Particulars of the qualifications, other directorships, experience and special responsibilities of each Director are set out on page [x] of the Annual Report.

Dividends

	Rate per share ¢	Fully franked per share ¢	Amount $M	Date paid or payable
Final dividend declared on ordinary shares (not recognised as a liability)	22.0	22.0	162.0	6 April 2009
Dividends paid in the year –				
Final dividend on ordinary shares for 2007	20.0	20.0	146.7	7 April 2008
Interim dividend on ordinary shares for 2008	17.0	17.0	124.9	7 October 2008

Operating and financial review

Principal activities and operations

The principal activities of the Group during the financial year ended 31 December 2008 were –

- the manufacture, distribution and marketing of carbonated soft drinks, still and mineral waters, fruit juices, coffee and other alcohol-free beverages;
- the processing and marketing of fruit, vegetables and other food products; and
- the manufacture and/or distribution of premium beer brands and the premium spirit portfolio of global distributor Maxxium, by Pacific Beverages Pty Ltd, a joint venture entity between CCA and SABMiller plc.

The Group's principal operations were in Australia, New Zealand, Fiji, Indonesia and Papua New Guinea (PNG).

Financial results

The Group's net profit attributable to members of the Company was $385.6 million, compared to $310.7 million in 2007, representing a 24.1% increase from last year. The net profit attributable to members includes significant items of $26.7 million (expense), relating to termination benefits expenses, impairment of plant and equipment and other restructuring costs in SPC Ardmona (SPCA).

The Group's net profit from continuing operations (before significant items) was $404.3 million, compared to $367.6 million in 2007, representing a 10.0% increase from last year.

The Group's trading revenue from continuing operations for the financial year was $4,091.4 million, compared with $3,931.8 million for 2007. Earnings before interest, tax (EBIT) and significant items from continuing operations increased by 10.1% to $713.8 million, compared to $648.4 million in 2007.

Operating cash flow in 2008 was $430.6 million compared with $523.9 million in 2007.

Review of operations

The EBIT contribution from each operating segment of the continuing operations was as follows –

- Australian Beverage business EBIT increased by 9.5% to $488.4 million, compared with $446.0 million in 2007;
- New Zealand & Fiji Beverage business EBIT increased by 7.2% to $83.4 million, compared with $77.8 million in 2007;
- Indonesia & PNG Beverage business EBIT increased by 37.5% to $50.6 million, compared with $36.8 million in 2007; and
- Food & Services EBIT was $64.1 million, compared with $87.0 million in 2007. 2008 EBIT includes significant items of $26.7 million (expense) relating to SPCA.

Further details of the operations of the Group during the financial year are set out on pages [x] to [x] of the Annual Report.

Significant changes in the state of affairs

CCA successfully completed its off-market share buy-back on 29 January 2008. A total of 21,683,347 shares, or approximately 2.9% of CCA's issued shares, were bought back. Refer to Note 22 for further details.

In the opinion of the Directors, there have been no other significant changes in the Group's state of affairs or principal activities during the twelve months to 31 December 2008.

Future developments

Information on the future developments of the Group and its business strategies are included in the front section of this Annual Report.

While the Company continues to meet its obligations in respect of continuous disclosure, further information of likely developments, business strategies and prospects has not been included here because, in the opinion of the Directors, such disclosure would unreasonably prejudice the interests of the Group.

Environmental regulation and performance

Management of environmental issues is a core component of operational management within the Group's businesses. The Group is committed to understanding and minimising any adverse environmental impacts of its beverage and food manufacturing activities, recognising that the key areas of environmental impact are water use, energy use and post sale to consumer waste.

Group policy is to ensure all environmental laws and permit conditions are observed. The Group monitors its environmental issues at an operational level, overlaid with a compliance system overseen by the Compliance & Social Responsibility Committee. Although the Group's various operations involve relatively low inherent environmental risks, matters of non-compliance are identified from time to time and are corrected as part of routine management, and typically notified to the appropriate regulatory authority.

Directors' meetings

The number of Directors' meetings (including meetings of Committees of Directors) and the number of meetings attended by each of the Directors of the Company during the financial year are detailed below –

	Board of Directors		Audit & Risk Committee[1]		Compliance & Social Responsibility Committee[2]		Compensation Committee[3]		Related Party Committee[4]		Nominations Committee[5]		Other Committees[6]
	Meetings held while a Director	No. of meetings attended	Meetings held while a member	No. of meetings attended	Meetings held while a member	No. of meetings attended	Meetings held while a member	No. of meetings attended	Meetings held while a member	No. of meetings attended	Meetings held while a member	No. of meetings attended	No. of meetings attended
D.M. Gonski, AC	6	6	4	4	4	4	4	4	8	8	1	1	–
C.M. Brenner[7]	5	5	–	–	–	–	1	1	7	7	1	1	–
J.R. Broadbent, AO	6	6	–	–	4	4	4	4	8	8	1	1	–
T.J. Davis	6	6	–	–	–	–	–	–	–	–	–	–	10
I. Finan[8]	6	4	4	2	4	2	–	–	–	–	–	–	–
G.J. Kelly[8]	6	6	–	–	–	–	4	3	–	–	–	–	–
W.M. King, AO	6	5	–	–	4	2	–	–	8	5	1	–	–
D.E. Meiklejohn	6	6	4	4	4	4	–	–	8	8	1	1	–
M.K. Ward, AO[9]	4	3	3	3	–	–	3	3	4	3	–	–	–

1 *The Audit & Risk Committee reviews matters relevant to control systems so as to effectively safeguard the Company's assets, accounting records held to comply with statutory requirements and other financial information. It consists of three Non-Executive Directors. Refer to the Corporate Governance section on page [X] of the Annual Report for further details on this and other Committees.*

2 *The Compliance & Social Responsibility Committee reviews systems of control so as to effectively safeguard against contraventions of the Company's statutory responsibilities and to ensure there are policies and procedures in place to protect the Company's reputation as a responsible corporate citizen. It consists of five Non-Executive Directors.*

3 *The Compensation Committee reviews matters relevant to the remuneration of executive Directors and senior Company executives. It consists of four Non-Executive Directors.*

4 *The Related Party Committee reviews agreements and business transactions with related parties. It consists of five Non-Executive Directors who are not associated with a related party.*

5 *The Nominations Committee reviews the composition of the Board, including identifying suitable candidates for appointment to the Board and reviews general matters of corporate governance. It consists of five independent Non-Executive Directors.*

6 *Committees were created to attend to allotments of securities and administrative matters on behalf of the Board. A quorum for these Committees is any two Directors, or any one Director and a Chief Financial Officer.*

7 *Appointed 2 April 2008.*

8 *Non-residents of Australia.*

9 *Retired 20 August 2008.*

Committee membership

As at the date of this Report, the Company had an Audit & Risk Committee, a Compliance & Social Responsibility Committee, a Compensation Committee, a Related Party Committee and a Nominations Committee of the Board.

Members acting on the Committees of the Board during the year were –

Audit & Risk	Compliance & Social Responsibility	Compensation	Related Party	Nominations
D.E. Meiklejohn[1]	J.R. Broadbent, AO[1]	C.M. Brenner[1&2]	D.M. Gonski, AC[1]	D.M. Gonski, AC[1]
D.M. Gonski, AC	D.M. Gonski, AC	M.K. Ward, AO[1&3]	C.M. Brenner	C.M. Brenner
I. Finan	I. Finan	D.M. Gonski, AC	J.R. Broadbent, AO	J.R. Broadbent, AO
M.K. Ward, AO[3]	W.M. King, AO	J.R. Broadbent, AO	W.M. King, AO	W.M. King, AO
	D.E. Meiklejohn	G.J. Kelly	D.E. Meiklejohn	D.E. Meiklejohn
			M.K. Ward, AO[3]	M.K. Ward, AO[3]

1 *Chairman of the relevant Committee.*

2 *Appointed Chairman 20 August 2008.*

3 *Retired 20 August 2008.*

Directors' and officers' liability insurance

The Company has paid the premium for Directors' and officers' liability insurance in respect of Directors and executive officers of the Company and its subsidiaries as permitted by the Corporations Act 2001. The terms of the policy prohibit disclosure of details of the insurance cover and premium.

Share options

No options have been issued since 1 January 2003. From the beginning of the 2003 financial year, options were removed from the remuneration package of Group executives. Details of options on issue at the end of the 2008 financial year and options exercised during the financial year are included in Note 25 to the financial statements.

Events after the balance date

Dividend

Since the end of the financial year, the Directors have declared the following dividend –

Class of share	Rate per share ¢	Fully franked per share ¢	Amount $M	Date payable
Ordinary	22.0	22.0	162.0	6 April 2009

The dividend has not been recognised as a liability in the 31 December 2008 financial statements.

Rounding

The Company is of a kind referred to in the Australian Securities and Investments Commission (ASIC) Class Order No. 98/100 and, in accordance with this Class Order, amounts in the financial statements and this Report have been rounded off to the nearest tenth of a million dollars.

Remuneration report

This remuneration report outlines the Director and executive remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 and its Regulations.

For the purposes of this report, key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Company, and includes the five executives in the Company and the Group receiving the highest remuneration. Also for the purposes of this report, the term executive encompasses the senior executives, general managers and secretaries of the Company and the Group.

Details of key management personnel (including the five highest remunerated executives of the Company and the Group) –

Directors	
D.M. Gonski, AC	Chairman (Non-Executive)
C.M. Brenner	Director (Non-Executive) – Appointed 2 April 2008
J.R. Broadbent, AO	Director (Non-Executive)
T.J. Davis	Director and Group Managing Director
I. Finan	Director (Non-Executive)
G.J. Kelly	Director (Non-Executive)
W.M. King, AO	Director (Non-Executive)
D.E. Meiklejohn	Director (Non-Executive)
M.K. Ward, AO	Director (Non-Executive) – Retired 20 August 2008
Executives	
W.G. White	Managing Director, Australasia
G. Adams	Managing Director, New Zealand & Fiji
P.N. Kelly	Managing Director, Asia
J. Seward	Managing Director, Indonesia & PNG
N. Garrard	Managing Director, Food & Services
N.I. O'Sullivan	Chief Financial Officer – Operations – Appointed 1 April 2008
K.A. McKenzie	Chief Financial Officer – Statutory and Compliance – Appointed 1 April 2008
J.M. Wartig	Chief Financial Officer – Resigned 31 March 2008.

The information contained in this remuneration report has been audited as required by section 308 (3C) of the Corporations Act 2001. Refer to the audit opinion on page [67].

The remuneration report is in six sections as follows:

A. Compensation Committee
B. Remuneration Policy
C. Remuneration structure
D. Summary of employment contracts
E. Remuneration of Non-Executive Directors
F. Remuneration of key management personnel.

Remuneration report continued

A. Compensation Committee

a) Function

The Compensation Committee (Committee) is a Committee of the Board of Directors. Its functions are to review –

- issues relating to the remuneration of CCA's Group Managing Director, senior executives and Non-Executive Directors;
- senior executives succession planning; and
- general matters of remuneration and succession planning.

b) Membership

The Committee will comprise four Non-Executive Directors. The CCA Board appoints the Chairman of the Committee.

c) Meetings

The Committee will meet at a minimum of three times per year. The normal meeting schedule will be four meetings per year, being in February, June, August and December. The Committee can also meet on such other occasions as deemed necessary by the Chairman. A quorum for meetings will be two members. CCA's Group Managing Director, Human Resources Director and Remuneration Manager will be in attendance for the meetings. The Chairman of the Committee will report the findings and recommendations of the Committee to the Board at its next meeting.

d) Responsibilities

Remuneration
On an annual basis, the Committee will –

- obtain data from external remuneration sources to ensure the Company's remuneration practices are in line with market conditions;
- review the Group Managing Director's remuneration package, incentive payments and termination arrangements and where appropriate make recommendations to the Board;
- review and approve all material remuneration components of senior executive remuneration packages and incentive payments (at CCA job grade C and above);
- review country retirement plans;
- review and approve senior executive variable incentive plan rules and participation for the forthcoming year (both annual cash plans and the Long Term Incentive Share Plan); and
- review and where appropriate make recommendations to the Board for changes to Non-Executive Director remuneration.

The Committee also reviews any appointments, terminations and changes to remuneration during the year for those senior executives reporting directly to the Group Managing Director.

Succession planning
On at least an annual basis, the Committee will review the succession plans for the Group Managing Director and senior executives.

e) Authority

With respect to remuneration –

- for senior executives, the Committee has the authority to approve remuneration, policies and procedures. Matters of significant importance will be referred to the Board; and
- recommendations on the Group Managing Director and Non-Executive Director remuneration will be referred to the Board.

With respect to succession planning –

- for senior executives, the Committee has the authority to approve. Matters of significant importance will be referred to the Board; and
- recommendations on the Group Managing Director succession planning will be referred to the Board.

B. Remuneration Policy

The Committee is responsible for reviewing the nature and amount of the Group Managing Director and senior executives' remuneration. In determining the composition and amount of the Group Managing Director and senior executives' remuneration, the Committee applies the Company's Remuneration Policy in which the main principles and practices are as follows –

- remuneration will be competitively set to attract, motivate and retain top calibre executives;
- remuneration will incorporate, to a significant degree, variable pay for performance elements, both short term and long term, which will –
  - link executive reward with the strategic goals and performance of the Group;
  - align the interests of executives with those of shareholders;
  - reward the Group Managing Director and senior executives for Group, business unit (where applicable) and individual performance against appropriate benchmarks and targets; and
  - ensure total remuneration is competitive by market standards;
- remuneration will be reviewed annually by the Committee through a process that considers Group, business unit and individual performance. The Committee will also consider pertinent advice from external consultants on current international and local market practices and will take account of market comparisons for similar roles together with the level of responsibilities of the individual;
- remuneration systems will complement and reinforce the Company's Code of Conduct and succession planning; and
- remuneration and terms and conditions of employment will be specified in an individual letter of employment and signed by the Company and the executive. The relationship of remuneration, potential annual incentive and long term incentive payments is established for each level of executive management by the Committee. For executives, the potential incentive payments as a proportion of total potential remuneration increase with seniority and responsibility in the organisation.

C. Remuneration structure

The Company's remuneration structure is designed to provide flexibility to individual remuneration packages for the Group Managing Director and executives based on their importance to the success of the business and their potential to impact business performance.

The remuneration of the Group Managing Director and executives comprises fixed remuneration and at risk remuneration, as follows –

- fixed remuneration – including base salary, benefits such as superannuation; and
- at risk remuneration –
  - short term incentive; and
  - long term incentive.

The remuneration of Non-Executive Directors comprises base fees, Board Committee fees and superannuation guarantee where prescribed by law.

The Group Managing Director and senior executives' total remuneration is targeted at the 75^{th} percentile of comparable positions in comparable companies. However, this remuneration will only be achieved if the individual and Company performance targets are met.

The markets against which total remuneration is benchmarked will vary by position and total remuneration will be benchmarked to that of companies that are comparable to CCA. The remuneration of the Group Managing Director will continue to be benchmarked against that of other Australian and where applicable international companies comparable to CCA.

The Company's approach in recent years is to move to have a greater component of at risk remuneration for executives and for senior executives to have higher levels of shareholding in CCA. At risk remuneration as a percentage of total remuneration may vary depending on the importance of the individual to the success of the business and their potential to impact on business performance.

Remuneration report continued

C. Remuneration structure continued

a) Fixed remuneration

Fixed remuneration comprises base salary and benefits (including superannuation) and includes any applicable fringe benefits tax reflecting CCA's total cost to the Company approach. The base remuneration is determined on an individual basis, considering the size and scope of the role, the importance of the role to the Company and the competitiveness of the role in the market place.

Fixed remuneration may also include deferred remuneration payable under the terms of a service agreement, which is either a once only payment in cash or a once only award of CCA shares made at the completion of a specified employment period.

Fixed remuneration does not vary over the course of a year due to performance. Remuneration packages (including fixed components of base salaries and benefits and variable components) are reviewed annually, and there are no guaranteed increases to any remuneration component.

The Committee obtains advice from external remuneration consultants on fixed remuneration (including base salary) taking account of international and local market practices and market comparisons for similar roles, together with the level of responsibility, performance and potential of the executive.

b) At risk remuneration

At risk remuneration comprises both short term (annual) and long term incentives. The annual incentive and long term incentive are an integral part of CCA's approach to competitive performance based remuneration. These at risk components of the Group Managing Director and senior executives' remuneration are intended to ensure an appropriate proportion of the remuneration is linked to growth in shareholder value and the achievement of key operational targets. The Group Managing Director and senior executives' remuneration is linked to performance through short and long term incentives as follows –

Short Term Incentive Plan (STIP)
The STIP provides the opportunity for executives to earn an annual cash incentive that is subject to the achievement of targets that are set at the beginning of the financial year. The Board annually invites the Group Managing Director and senior executives to participate in the STIP. Both on-target and maximum STIP amounts are set by reference to the external market of CCA's peers. The incentives are valued in the executive's remuneration package at an on-target value, which assumes 100% achievement of the targets. Company performance targets are reviewed and approved by the Committee prior to the start of the year and are clearly defined and measurable.

The STIP's key objectives are set for each year, to emphasise team performance and to identify and reward individual contribution. Payments from the STIP are determined based on the performance of the Group or business unit and individual performance over the past year.

Group performance is based on achievement of volume and net operating profit after tax (NOPAT) targets against budget and prior year. Business unit performance is based on achievement of earnings before interest and tax targets against budget and prior year and where relevant for the business unit, achievement of volume targets against budget. These performance measures have been approved by the Board to align the executives' reward to the key performance drivers of the Company. Individual performance is based on the achievement of pre-determined key performance indicators.

The Committee reviews annually the ongoing appropriateness of the STIP, the Plan rules and the degree of difficulty in meeting the targets. At the completion of the financial year, the Committee relies on audited financial results for calculating payments in accordance with the Plan rules. The Committee reviews the actual performance against the targets, considers individual performance and taking into account relevant factors affecting the business, approves all incentive payments for the past financial year prior to payment being made in March of the following financial year. The incentive is paid in cash for all countries with the exception of Australia, where 20% (increased from 10% from 1 January 2008) of the incentive earned up to target and 100% of any incentive earned over target (up to a maximum of 120%) is required to be sacrificed into CCA ordinary shares, unless waived by the Committee. From 1 January 2008, an executive can also elect to have up to a further 5% of the earned incentive sacrificed into shares. Shares must remain in trust for twelve months, after which a participant may withdraw the shares.

Remuneration report continued

C. Remuneration structure continued

b) At risk remuneration continued

Long Term Incentive Share Plan (LTISP)
The Board annually invites the Group Managing Director and senior executives to participate in the performance based LTISP. The LTISP was established in 2002, replacing both a long term cash incentive plan and subsequently the Executive Option Plan, which had no performance hurdles.

The LTISP creates a direct link between the financial performance of the Company, the value created for shareholders and the reward earned by key executives. In addition, the LTISP assists in retention of the senior executives and provides a mechanism for executives to increase their holding of shares, ensuring better alignment with shareholders. Both threshold and maximum LTISP amounts are set by reference to the external market of CCA's peer group of companies.

The LTISP offers the executive a right to an ordinary share in the Company, subject to the achievement of the applicable performance conditions –

- in respect of the 2004-2006, 2005-2007, 2006-2008 performance periods, half of the award is subject to a relative total shareholder return (TSR) measure and half of the award is subject to the measurement of achievement of average annual growth in NOPAT over the period. The NOPAT hurdle was selected as a stretching and "line of sight" hurdle for the Plan participants, with the intent that achievement of the hurdle directly correlates to improved shareholder value. In determining whether the NOPAT hurdle has been achieved, adjustments will be made, where necessary, for movements in the issued capital of the Company resulting from the issue of new shares for acquisitions made by the Company or capital reconstructions such as buy-backs etc; and

- in respect of the 2007-2009 performance period and 2008-2010 performance period, half of the award is subject to a TSR measure and half of the award is subject to the measurement of achievement of average annual growth in earnings per share (EPS) over the period. EPS was selected to replace the NOPAT hurdle as the Committee considers it to be a more appropriate key indicator of the financial success of the business. Achieving the EPS target will have a positive impact on TSR.

At the completion of the relevant plan period, an external consultant undertakes the TSR calculations in accordance with a pre-determined TSR methodology and the Plan rules. For those plans subject to a NOPAT/EPS performance measure, the Committee relies on audited financial results and the award of shares is calculated in accordance with the Plan rules. The Committee reviews the calculations and approves all awards prior to the shares being awarded.

For each performance hurdle, an appropriate vesting scale rewards a greater number of shares for over-achievement of the minimum threshold. Details of each plan's vesting scales are provided on pages [42] to [46]. On-target total remuneration for an executive is premised on achieving the threshold performance (i.e. 51st percentile for TSR).

For the 2007-2009 LTISP, following feedback from shareholders prior to the Annual General Meeting held in May 2007, the vesting scale for the Group Managing Director was altered so that in effect he received 67.5% of his originally proposed threshold award. The Board believed that reducing the on-target or threshold award for the other executives invited into this plan would reduce their on-target total remuneration to a less competitive position and increased the risk of retaining key executives at a time when labour markets were very competitive. As a result, the original vesting scales remained unchanged for this group, and two vesting scales now operate for this particular plan (one vesting scale for the Group Managing Director and the second for all other executives in the plan).

For the 2008-2010 LTISP, the vesting scale for the Group Managing Director and all other executives of the plan were aligned to be consistent to the vesting scale for the Group Managing Director's 2007-2009 LTISP award.

Remuneration report continued

C. Remuneration structure continued

b) At risk remuneration continued

Further detail on the performance conditions, peer groups, maximum awards and retesting is provided in the accompanying summary of the terms and conditions of the LTISP on pages [42] to [46]. If the executive ceases to be employed before the end of the performance period by reason of death, disablement, retirement or redundancy, or for such other reason determined by the Board, the following proportion of shares offered to the executive in respect of that performance period will be allocated subject to the Board's discretion –

- if more than one-third of the performance period has elapsed, the number of shares to be allocated will be pro rated over the performance period and the performance condition will apply at the date of cessation of employment; and
- where less than one-third of the performance period has elapsed, none of the shares will be allocated.

For the 2005-2007, 2006-2008, 2007-2009 and 2008-2010 LTISPs, in the event of a change of control of the Company prior to the end of a performance period, the threshold number of shares offered to the executive in respect of the performance period will be allocated to the executive irrespective of whether the performance condition has been satisfied.

Once shares have been allocated following the achievement of the performance conditions, there remains a restriction on executives disposing of a minimum portion of 25% of the shares allocated to them under the LTISP for two years after allocation in accordance with a prescribed scale. The restrictions on disposal will cease if an executive ceases employment and may be waived by the Board in special circumstances such as change of control or other events affecting the issued capital of the Company.

Any awards under the LTISP are made in accordance with the rules of the LTISP. The shares are offered to the executives at no cost. At the end of the performance period and subject to the satisfaction of the performance condition(s), any shares allocated will be acquired by the Plan trustee and under the Plan rules can either be acquired by purchase of shares on the Australian Securities Exchange (ASX) at the prevailing market price or by subscription for new shares at no cost to the executive. To date, all awards of shares earned by executives have been purchased on market.

Executive Retention Share Plan (ERSP)
The Board approved a new Executive Retention Share Plan in early 2007, and invited key senior executives to participate. The Group Managing Director is not eligible to participate without shareholder approval and was not invited to participate in the 2007-2009 ERSP.

Retention of key executives was viewed as critical to the success of CCA over the three year period to 2009, especially given that in most of the markets that CCA operated in at that time there was a shortage of senior executive talent. The ERSP complements the LTISP and offers an award of shares at the end of a three year period with no performance hurdles attached, so as to guarantee an award, providing the executive is still employed by the Company. Whilst it is recognised that this award alone will not guarantee retention and that senior executive retention varies among individuals for many varied and complex reasons (including amongst other things meaningful career paths, succession planning and employee engagement), by offering some tangible reward in the form of CCA shares this does provide a direct incentive for the participant to remain employed with the Group through until vesting date. Once the shares vest, there is no further holding restriction.

The individual awards offered in early 2007 were calculated as three years worth of one-third of the annual on-target LTISP award, with the corresponding LTISP award being reduced accordingly, so the overall total remuneration package for those executives participating remained unchanged.

If an executive leaves the employment of CCA prior to the completion of the three year period, no shares are vested. If the executive ceases to be employed before the end of the three year period by reason of death, disablement, retirement or redundancy, or for such other reason determined by the Board, the number of shares to be allocated will be pro rated over the three year period.

C. Remuneration structure continued

b) At risk remuneration continued

In early 2007, a total of 69 executives were awarded a combined award of 437,587 shares in the 2007-2009 ERSP with a vesting in early 2010. One additional senior executive joining CCA in early 2008 was also invited into the 2008-2010 ERSP, in part to compensate for long term benefits forgone with a previous employer, at an on-target award of 12,500 shares.

As at 31 December 2008, seven of the group of 70 executives have left the employment of the CCA Group.

In early 2007, the Board also approved an Indonesian Key Executive Retention Plan for 23 local Indonesian managers, given specific retention issues within this particular group, with half the award conditional upon meeting pre-determined EBIT targets and half the award conditional upon being employed at the completion of the Plan period. A total of 23 Indonesian managers were invited to participate for a combined award of 64,650 shares. As at 31 December 2008, three of the 23 managers have left and the performance measures of the plan have been achieved. A total of 56,950 shares will be purchased in early 2009.

c) Speculative trading

Under CCA's Policy of Dealing in CCA Shares, Directors and executives are prohibited from short term or speculative trading in the Company's shares and transactions in the derivative markets.

The prohibition on short term or speculative trading includes direct dealings in the Company's shares and transactions in the derivative markets involving exchange traded options, share warrants and similar instruments.

The entering into of all types of "protection arrangements" for any CCA shares (or CCA products in the derivative markets) that are held directly or indirectly by Directors or senior management (including both in respect of vested and unvested shares in any Director or employee share plan) are prohibited at any time, irrespective of whether such protection arrangements are entered into during trading windows or otherwise.

The entering into any margin lending arrangement involving CCA shares, during an outside a trading window, is also prohibited.

The policy has been formally circulated to all Directors and executives. Failure to comply with this policy will be regarded as a breach of the CCA Code of Business Conduct and will attract a penalty that may include termination of employment depending on the severity of the breach.

The movement of shares during the reporting period held directly, indirectly or beneficially, by the Group Managing Director is disclosed in Note 33 to the financial statements.

Remuneration report continued

C. Remuneration structure continued

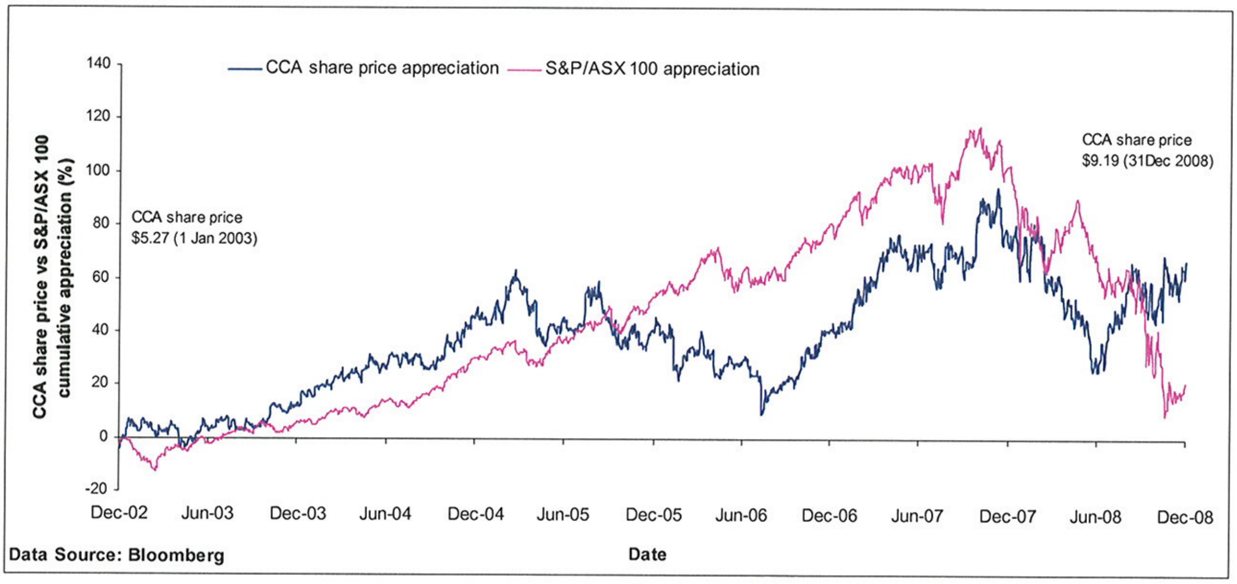
CCA's financial performance

The following details CCA's financial performance over the last six years –

Year end 31 December	2003	2004	2005	2006	2007	2008
Total dividends (cents per share)	23.0	28.0	31.5	32.5	35.5	39.0
Share buy-back – capital ($)[1]	–	–	–	–	–	2.67
Share buy-back – dividend ($)[1]	–	–	–	–	–	5.17
Net operating profit after tax[2] ($M)	238.8	274.3	320.5	323.5	366.3[4]	404.3
Share price at 31 December[3] ($)	6.23	8.13	7.71	7.76	9.48	9.19

1 Following the sale of South Korea an off-market share buy-back of 21,683,347 shares was completed on 29 January 2008.
2 Net profit before significant items.
3 Share price at 31 December 2002 was $5.27.
4 Includes operating result for South Korea of $1.3 million loss.

CCA's share price against the ASX All Industrials Top 100 (ASX 100) for the last six years is as follows –



C. Remuneration structure continued

CCA's financial performance continued

CCA's TSR against the ASX All Industrials Top 100 (ASX 100) for the last six years is as follows –

Remuneration report continued

C. Remuneration structure continued

The following summarises the terms and conditions of each current plan within the LTISP –

a) 2005-2007 Long Term Incentive Share Plan

Offered to	Group Managing Director and executives.
Period	1 January 2005 to 31 December 2007.
Performance condition	Two performance conditions exist, with half of the award subject to a TSR measure and half of the award subject to the achievement of average annual growth in NOPAT over the period. Component A – applies to all participants. None of the award will vest if CCA's TSR is below the 50th percentile of the peer group. 58.824% of the maximum TSR award will vest if CCA's TSR is at the 50th percentile of the peer group. Between the 50th percentile and 70th percentile, vesting increases on a straight line basis. 88.235% of the maximum TSR award will vest if CCA's TSR is at the 70th percentile of the peer group. Between the 70th percentile and 75th percentile, vesting increases on a straight line basis. The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – applies to all participants. None of the award will be allocated unless the Company's average growth in NOPAT is 8% per annum over the performance period. 47.058% of the maximum NOPAT award will vest if the Company's average growth is 8% per annum. Between 8% and 9% annual average growth, vesting increases on a straight line basis. 58.824% of the maximum NOPAT award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 70.588% of the maximum NOPAT award will vest if the Company's average growth is 10% per annum. Between 10% and 15% annual average growth, vesting increases on a straight line basis. The maximum NOPAT award will vest if the Company's average growth is at or above 15% per annum. In determining whether the NOPAT hurdle has been achieved, appropriate adjustments will be made for movements in the issued capital of the Company resulting from the issue of new shares for acquisitions made by the Company or capital reconstructions such as buy-backs etc. Shares issued with respect to the acquisition of SPC Ardmona Limited will give rise to a commensurate adjustment in the calculation of the applicable NOPAT hurdle under this plan. Component C – applies only to Group Managing Director (for details refer to the section on the Group Managing Director's employment contract).
Overall maximum award	The combined number of shares to be awarded under the TSR performance measure together with those awarded under the NOPAT performance measure cannot exceed 88.235% of the combined maximum awards under each individual performance measure.
Exceptional performance	If the TSR ranking exceeds the 70th percentile (subject to the SPC Ardmona Limited adjustment detailed above) or if the average growth in NOPAT exceeds 15% per annum, a minimum of 58.824% of the maximum award of both the shares allocated under the TSR performance measure and the NOPAT performance measure will be awarded.
Retesting	For the TSR performance measure, two years at quarterly intervals. There is no retesting of the NOPAT performance measure.
Peer group	ASX 100 minus banks and financial services companies and mining and resources companies plus S&P's GICS Consumer Staples Companies with a market value greater than $300 million. The peer group is adjusted to remove any companies that are not members of the peer group at the end of the performance period, with 15 companies on the reserve list to replace those, which are removed. A total of 61 companies commenced in the peer group; these companies can be found in the peer group company listing on pages [47] to [49]. Reserve list – Adelaide Brighton Limited, Austereo Group Limited, Coates Hire Limited, Corporate Express Australia Limited, David Jones Limited, FKP Property Group, Great Southern Plantations Limited, GWA International Limited, Ramsay Health Care Limited, Smorgon Steel Group Limited, Southern Cross Broadcasting (Australia) Limited, Spotless Group Limited, Transfield Services Limited, Veda Advantage Limited (formerly Baycorp Advantage Limited) and WorleyParsons Limited.

Remuneration report continued

C. Remuneration structure continued

a) 2005-2007 Long Term Incentive Share Plan continued

Performance	Components A and B – as at 31 December 2007, for the TSR performance measure CCA ranked at the 55th percentile and the TSR portion vested at 66.2% of the maximum award. For the NOPAT performance measure CCA achieved 10.3% average growth per annum during the period and the NOPAT portion vested at 72.4% of the maximum award. Component C – at the end of the twelve month performance period, for the TSR performance measure CCA ranked at the 35th percentile and for the NOPAT performance measure CCA achieved 12.9% growth, with the TSR portion of the Component not vesting and the NOPAT portion of the Component vesting at 49.7% of the maximum award.
Retesting of performance	Component A – as at 31 December 2008, for the TSR performance measure CCA ranked at the 73rd percentile vesting at 96.0% of the maximum award, compared to the prior period's vesting of 66.2%, resulting in an additional vesting at 29.8% of the maximum award.

b) 2006-2008 Long Term Incentive Share Plan

Offered to	Group Managing Director and executives.
Period	1 January 2006 to 31 December 2008.
Performance condition	Two performance conditions exist, with half of the award subject to a TSR measure and half of the award subject to the achievement of average annual growth in NOPAT over the period. The 2006-2008 LTISP has been reviewed to better align the Company's performance with executive reward, with the introduction of two peer groups for the TSR performance hurdle with each peer group having equal weighting in the TSR measure, and peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food, beverages and tobacco companies. Component A – applies to all participants. None of the award will vest if CCA's TSR is below the 50th percentile of the peer group. 72.5% of the maximum TSR award will vest if CCA's TSR is at the 50th percentile of the peer group. If CCA's TSR is at the 55th percentile of the peer group, 87.5% of the maximum TSR will vest (and between the 50th percentile and 55th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 60th percentile of the peer group, 92.5% of the maximum TSR will vest (and between the 55th percentile and 60th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 75th percentile of the peer group, 100% of the maximum TSR will vest (and between the 60th percentile and 75th percentile, vesting increases on a straight line basis). The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – applies to all participants. None of the award will be allocated unless the Company's average growth in NOPAT is 8% per annum over the performance period. 72.5% of the maximum NOPAT award will vest if the Company's average growth is 8% per annum. Between 8% and 9% annual average growth, vesting increases on a straight line basis. 87.5% of the maximum NOPAT award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 92.5% of the maximum NOPAT award will vest if the Company's average growth is 10% per annum. Between 10% and 15% annual average growth, vesting increases on a straight line basis. 96.25% of the maximum NOPAT award will vest if the Company's average growth is 15% per annum. 100% of the maximum NOPAT award will vest if the Company's average growth is 16% per annum. Between 15% and 16% annual average growth, vesting increases on a straight line basis. The maximum NOPAT award will vest if the Company's average growth is at or above 16% per annum. In determining whether the NOPAT hurdle has been achieved, appropriate adjustments will be made for movements in the issued capital of the Company resulting from the issue of new shares for acquisitions made by the Company or capital reconstructions such as buy-backs etc. Shares issued with respect to the acquisition of SPC Ardmona Limited will give rise to a commensurate adjustment in the calculation of the applicable NOPAT hurdle under the 2005-2007 and 2006-2008 plans.

Remuneration report continued

C. Remuneration structure continued

b) 2006-2008 Long Term Incentive Share Plan continued

	Component C – applies only to Group Managing Director (for details refer to the section on the Group Managing Director's employment contract).
Exceptional performance	If the Company's EPS is greater than an average annual growth of 10% over the three year period, then a minimum of 72.5% of the maximum award of both the shares allocated under both the TSR performance measures (for both peer groups) and the NOPAT performance measure must be awarded. This is not an additional award but applies to the calculation of Components A and B above.
Retesting	For the TSR performance measure, one year at quarterly intervals. There is no retesting of the NOPAT performance measure.
Peer group	Two peer groups have been adopted to measure TSR performance with peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food, beverages and tobacco companies. The 43 peer group 1 and 30 peer group 2 companies can be found in the peer group company listing on pages [47] to [49].
Performance	Components A and B – as at 31 December 2008, for the TSR performance measure, for peer group 1 CCA ranked at the 89th percentile and for peer group 2 CCA ranked at the 81st percentile. For the NOPAT performance measure, CCA achieved 9.33% growth per annum during the period. The TSR performance vests at 100% of the maximum award and the NOPAT portion vests at 89.15% of the maximum award. Component C – at the end of the twelve month performance period, for the TSR performance measure, for peer group 1 CCA ranked at the 23rd percentile and for peer group 2 CCA ranked at the 50th percentile with half the TSR portion of Component C vesting, at 18.1% of the maximum Component C award. The NOPAT portion of the Component C does not vest. No further awards will be made for any of the three Components, and the Plan is now closed.

c) 2007-2009 Long Term Incentive Share Plan

Offered to	Group Managing Director and executives.
Period	1 January 2007 to 31 December 2009.
Performance conditions	Two performance conditions exist, with half of the award subject to a TSR measure and half of the award subject to the achievement of average annual growth in EPS over the period. For the TSR hurdle, two peer groups are used, with each peer group having equal weighting in the TSR measure; peer group 1 reflects comparable companies listed on the ASX and peer group 2 represents selected consumer staples and food, beverages and tobacco companies.
Vesting scale	Two vesting scales are in place for this particular plan, with a vesting scale for the Group Managing Director and a vesting scale for executives. The vesting scale for executives offers a higher award at earlier achievement levels, given that for this group their awards are substantially less than those of the Group Managing Director.
– Group Managing Director	Component A – none of the award will vest if CCA's TSR is below the 51st percentile of the peer group. 51% of the maximum TSR award will vest if CCA's TSR is at the 51st percentile of the peer group. If CCA's TSR is at the 55th percentile of the peer group, 60% of the maximum TSR will vest (and between the 51st percentile and 55th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 60th percentile of the peer group, 70% of the maximum TSR will vest (and between the 55th percentile and 60th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 65th percentile of the peer group, 80% of the maximum TSR will vest (and between the 60th percentile and 65th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 70th percentile of the peer group, 90% of the maximum TSR will vest (and between the 65th percentile and 70th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 75th percentile of the peer group, 100% of the maximum TSR will vest (and between the 70th percentile and 75th percentile, vesting increases on a straight line basis). The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile.

C. Remuneration structure continued

c) 2007-2009 Long Term Incentive Share Plan continued

	Component B – none of the award will be allocated unless the Company's average growth in EPS is 8.2% per annum over the performance period. 51% of the maximum EPS award will vest if the Company's average growth is 8.2% per annum. Between 8.2% and 9% annual average growth, vesting increases on a straight line basis. 60% of the maximum EPS award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 70% of the maximum EPS award will vest if the Company's average growth is 10% per annum. Between 10% and 15% annual average growth, vesting increases on a straight line basis. 85% of the maximum EPS award will vest if the Company's average growth is 15% per annum. 100% of the maximum EPS award will vest if the Company's average growth is 16% per annum. Between 15% and 16% annual average growth, vesting increases on a straight line basis. The maximum EPS award will vest if the Company's average growth is at or above 16% per annum.
– executives	Component A – none of the award will vest if CCA's TSR is below the 51st percentile of the peer group. 75.5% of the maximum TSR award will vest if CCA's TSR is at the 51st percentile of the peer group. If CCA's TSR is at the 55th percentile of the peer group, 87.5% of the maximum TSR will vest (and between the 50th percentile and 55th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 60th percentile of the peer group, 92.5% of the maximum TSR will vest (and between the 55th percentile and 60th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 65th percentile of the peer group, 95% of the maximum TSR will vest (and between the 60th percentile and 65th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 70th percentile of the peer group, 97.5% of the maximum TSR will vest (and between the 65th percentile and 70th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 75th percentile of the peer group, 100% of the maximum TSR will vest (and between the 70th percentile and 75th percentile, vesting increases on a straight line basis). The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – none of the award will be allocated unless the Company's average growth in EPS is 8.2% per annum over the performance period. 75.5% of the maximum EPS award will vest if the Company's average growth is 8.2% per annum. Between 8.2% and 9% annual average growth, vesting increases on a straight line basis. 87.5% of the maximum EPS award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 92.5% of the maximum EPS award will vest if the Company's average growth is 10% per annum. Between 10% and 13.3% annual average growth, vesting increases on a straight line basis. 95% of the maximum EPS award will vest if the Company's average growth is 13.3% per annum. Between 13.3% and 15.3% annual average growth, vesting increases on a straight line basis. 97.5% of the maximum EPS award will vest if the Company's average growth is 15.3% per annum. 100% of the maximum EPS award will vest if the Company's average growth is 16% per annum. Between 15.3% and 16% annual average growth, vesting increases on a straight line basis. The maximum EPS award will vest if the Company's average growth is at or above 16% per annum.
Retesting	For the TSR performance measure, one year at quarterly intervals. There is no retesting of the EPS performance measure.
Peer group	Two peer groups have been adopted to measure TSR performance with peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food, beverages and tobacco companies. The 43 peer group 1 and 30 peer group 2 companies can be found in the peer group company listing on pages [47] to [49].
Performance	As at 31 December 2008, for the TSR performance measure, for peer group 1 CCA ranked at the 94th percentile and for peer group 2 CCA ranked at the 95th percentile. For the EPS performance measure, CCA achieved 14.5% average growth per annum during the two year period.

Remuneration report continued

C. Remuneration structure continued

d) 2008-2010 Long Term Incentive Share Plan

Offered to	Group Managing Director and executives.
Period	1 January 2008 to 31 December 2010.
Performance conditions	Two performance conditions exist, with half of the award subject to a TSR measure and half of the award subject to the achievement of average annual growth in EPS over the period. For the TSR hurdle, two peer groups are used, with each peer group having equal weighting in the TSR measure; peer group 1 reflects comparable companies listed on the ASX and peer group 2 represents selected consumer staples and food, beverages and tobacco companies.
Vesting scale	One vesting scale is in place for this particular plan, with the same scale applying to the Group Managing Director and for executives. The vesting scale is as follows: Component A – none of the award will vest if CCA's TSR is below the 51st percentile of the peer group. 51% of the maximum TSR award will vest if CCA's TSR is at the 51st percentile of the peer group. If CCA's TSR is at the 55th percentile of the peer group, 60% of the maximum TSR will vest (and between the 50th percentile and 55th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 60th percentile of the peer group, 70% of the maximum TSR will vest (and between the 55th percentile and 60th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 65th percentile of the peer group, 80% of the maximum TSR will vest (and between the 60th percentile and 65th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 70th percentile of the peer group, 90% of the maximum TSR will vest (and between the 65th percentile and 70th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 75th percentile of the peer group, 100% of the maximum TSR will vest (and between the 70th percentile and 75th percentile, vesting increases on a straight line basis). The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – none of the award will be allocated unless the Company's average growth in EPS is 8.2% per annum over the performance period. 51% of the maximum EPS award will vest if the Company's average growth is 8.2% per annum. Between 8.2% and 9% annual average growth, vesting increases on a straight line basis. 60% of the maximum EPS award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 70% of the maximum EPS award will vest if the Company's average growth is 10% per annum. Between 10% and 15% annual average growth, vesting increases on a straight line basis. 85% of the maximum EPS award will vest if the Company's average growth is 15% per annum. Between 15% and 16% annual average growth, vesting increases on a straight line basis. 100% of the maximum EPS award will vest if the Company's average growth is 16% per annum. The maximum EPS award will vest if the Company's average growth is at or above 16% per annum.
Retesting	For the TSR performance measure, one year at quarterly intervals. Quarterly retesting will not apply once the TSR hurdle first vests. There is no retesting of the EPS performance measure.
Peer group	Two peer groups have been adopted to measure TSR performance with peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food, beverages and tobacco companies. The 49 peer group 1 and 29 peer group 2 companies can be found in the peer group company listing on pages [47] to [49].
Performance	As at 31 December 2008, for the TSR performance measure, for peer group 1 CCA ranked at the 93rd percentile and for peer group 2 CCA ranked at the 78th percentile. For the EPS performance measure, CCA achieved 12.5% growth per annum during the period.

Remuneration report continued

C. Remuneration structure continued

Peer group company listings

	Long Term Incentive Share Plan						
	2005-2007	2006-2008		2007-2009		2008-2010	
Company name		Peer group 1	Peer group 2	Peer group 1	Peer group 2	Peer group 1	Peer group 2
ABB Grain Limited	Yes		Yes		Yes		Yes
ABC Learning Centres Limited				Yes		Yes	
AGL Energy Limited	Yes	Yes		Yes		Yes	
Alinta Limited		Yes		Yes			
Altria Group Inc			Yes		Yes		Yes
Amcor Limited	Yes	Yes		Yes		Yes	
Ansell Limited	Yes	Yes		Yes			
APN News & Media Limited	Yes	Yes					
Aristocrat Leisure Limited	Yes	Yes		Yes		Yes	
Asciano Group						Yes	
Australian Agricultural Company Limited	Yes		Yes		Yes		Yes
Australian Vintage Limited	Yes		Yes		Yes		Yes
Australis Aquaculture Limited							Yes
AWB Limited	Yes		Yes		Yes		Yes
Babcock & Brown Infrastructure Group						Yes	
Billabong International Limited	Yes	Yes		Yes		Yes	
BlueScope Steel Limited	Yes	Yes		Yes		Yes	
Boart Longyear Limited						Yes	
Boral Limited	Yes	Yes		Yes		Yes	
Brambles Limited	Yes	Yes		Yes		Yes	
Burns Philp & Company Limited	Yes		Yes				
Caltex Australia Limited				Yes		Yes	
Clean Seas Tuna Limited							Yes
Coca-Cola Amatil Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cochlear Limited	Yes	Yes		Yes		Yes	
Cockatoo Ridge Wines Limited			Yes		Yes		Yes
Coles Group Limited	Yes		Yes		Yes		
Computershare Limited	Yes	Yes		Yes		Yes	
Connecteast Group						Yes	
Consolidated Media Holdings Limited	Yes	Yes		Yes		Yes	
Constellation Brands, Inc			Yes		Yes		Yes
CostaExchange Limited			Yes		Yes		Yes
Crown Limited						Yes	
CSL Limited	Yes	Yes		Yes		Yes	
CSR Limited	Yes	Yes		Yes		Yes	
David Jones Limited						Yes	
DCA Group Limited	Yes	Yes					
Downer EDI Limited		Yes		Yes		Yes	
Dyno Nobel Limited				Yes		Yes	
ETW Corporation Limited			Yes		Yes		
Fairfax Media Limited	Yes	Yes		Yes		Yes	
FFI Holdings Limited			Yes		Yes		Yes
Foodland Associated Limited	Yes						
Foster's Group Limited	Yes		Yes		Yes		Yes
Futuris Corporation Limited	Yes		Yes		Yes		Yes

Remuneration report continued

C. Remuneration structure continued

Peer group company listings continued

	Long Term Incentive Share Plan						
	2005-2007	2006-2008		2007-2009		2008-2010	
Company name		Peer group 1	Peer group 2	Peer group 1	Peer group 2	Peer group 1	Peer group 2
Goodman Fielder Limited					Yes		
GrainCorp Limited	Yes		Yes		Yes		Yes
Green's Foods Limited			Yes		Yes		
GSF Corporation Limited							Yes
Gunns Limited	Yes						
Harvey Norman Holdings Limited	Yes			Yes		Yes	
Incitec Pivot Limited						Yes	
James Hardie Industries NV (CDI)	Yes	Yes		Yes		Yes	
KH Foods Limited			Yes		Yes		
Leighton Holdings Limited	Yes	Yes		Yes		Yes	
Lend Lease Corporation Limited	Yes						
Lion Nathan Limited	Yes		Yes		Yes		Yes
Little World Beverages Limited							Yes
Macquarie Airports				Yes		Yes	
Macquarie Communications Infrastructure Group						Yes	
Macquarie Infrastructure Group						Yes	
Maryborough Sugar Factory Limited			Yes		Yes		Yes
Mayne Nickless Limited	Yes						
Mayne Pharma Limited		Yes		Yes			
Metcash Limited	Yes		Yes		Yes		Yes
Namoi Cotton Co-operative Limited			Yes		Yes		Yes
National Foods Limited	Yes						
News Corporation, Inc	Yes					Yes	
On Q Group Limited			Yes		Yes		
OneSteel Limited	Yes	Yes		Yes		Yes	
Orica Limited	Yes	Yes		Yes		Yes	
Pacific Brands Limited	Yes	Yes					
PaperlinX Limited	Yes	Yes		Yes			
Patrick Corporation Limited	Yes	Yes					
Patties Foods Limited							Yes
PrimeAg Australia Limited							Yes
Qantas Airways Limited	Yes	Yes		Yes		Yes	
Queensland Cotton Holdings Limited			Yes		Yes		
ResMed Inc	Yes	Yes		Yes			
Ridley Corporation Limited	Yes		Yes		Yes		Yes
Rinker Group Limited	Yes			Yes			
Select Harvests Limited	Yes		Yes		Yes		Yes
Sigma Pharmaceuticals Limited	Yes	Yes		Yes		Yes	
Sims Metal Management Limited	Yes	Yes		Yes		Yes	
Sonic Healthcare Limited	Yes	Yes		Yes		Yes	
Southcorp Limited	Yes						
SPC Ardmona Limited	Yes						
Symbion Health Limited		Yes		Yes		Yes	

Remuneration report continued

C. Remuneration structure continued

Peer group company listings continued

	Long Term Incentive Share Plan						
	2005-2007	2006-2008		2007-2009		2008-2010	
Company name		Peer group 1	Peer group 2	Peer group 1	Peer group 2	Peer group 1	Peer group 2
Tabcorp Holdings Limited	Yes	Yes		Yes		Yes	
Tandou Limited			Yes		Yes		Yes
Tassal Group Limited			Yes		Yes		Yes
Tatt's Group Limited		Yes		Yes		Yes	
Telecom Corporation of New Zealand Limited	Yes	Yes		Yes		Yes	
Telstra Corporation Limited	Yes	Yes		Yes		Yes	
Ten Network Holdings Limited	Yes	Yes					
Toll Holdings Limited	Yes	Yes		Yes		Yes	
Transurban Group	Yes	Yes		Yes		Yes	
UNiTAB Limited		Yes					
United Group Limited						Yes	
Warrnambool Cheese & Butter Factory Company Holdings Limited			Yes		Yes		Yes
Wesfarmers Limited	Yes	Yes		Yes		Yes	
West Australian Newspapers Holdings Limited	Yes	Yes		Yes		Yes	
Woolworths Limited	Yes		Yes		Yes		Yes
WorleyParsons Limited						Yes	

The company listings are as at the commencement of the Plan and are only updated for name changes.

Remuneration report continued

D. Summary of employment contracts

The following are details of the employment contracts for key management personnel (excluding Non-Executive Directors) –

T.J. Davis – Group Managing Director

Employment period	To 30 November 2011.
Remuneration package	The on-target remuneration package is comprised of a 50% fixed component and a 50% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, vehicle benefits, car-parking, leave loading and Company product.
Short Term Incentive Plan	Ranges from on-target being 75.1% of base salary, up to a maximum award of 134% of base salary.
Long Term Incentive Share Plan	Mr Davis has the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	19 May 2005	A	99,025	95,064	–	3,961
		B	99,025	71,648	27,377	–
		Maximum of A and B	174,750	166,712	4,077	3,961
		C	150,000	149,500	500	–
			324,750	316,212	4,577	3,961
2006-2008	3 May 2006	A – peer group 1	45,517	45,517	–	–
		A – peer group 2	45,517	45,517	–	–
		B	91,034	81,160	9,874	–
		Maximum of A and B	182,068	172,194	9,874	–
		C	137,932	130,451	7,481	–
			320,000	302,645	17,355	–
2007-2009	8 May 2007	A – peer group 1	51,300	–	–	51,300
		A – peer group 2	51,300	–	–	51,300
		B	102,600	–	–	102,600
		Maximum of A and B	205,200	–	–	205,200
2008-2010	15 May 2008	A – peer group 1	61,961	–	–	61,961
		A – peer group 2	61,961	–	–	61,961
		B	123,922	–	–	123,922
		Maximum of A and B	247,844	–	–	247,844

Remuneration report continued

D. Summary of employment contracts continued

T.J. Davis – Group Managing Director continued

	Component A – subject to the measurement of TSR. Component B – subject to the measurement of average annual growth in NOPAT/EPS. Component C – as part of Mr Davis' conditions of employment, it had been agreed that Mr Davis would be granted an award of options under the Executive Option Plan annually on 12 November 2003 to 2006 inclusive. Subsequently, the Board determined not to issue further non-hurdle based options to executives and executive Directors under the Executive Option Plan, and as a consequence Component C was offered in lieu for the 2004-2006, 2005-2007 and 2006-2008 plans. For these three plans, one-half of the shares are subject to the same performance measure as Component A and one-half of the shares are subject to the same performance measure as Component B. The performance measures were twelve months after the commencement date of the performance period and if the performance measures have been achieved at that date, the shares will be allocated to Mr Davis.
Service agreement	The service agreement commenced on 12 November 2001 and in December 2008 was extended for a further twelve month period to expire on 30 November 2011. As Mr Davis was in the employment of the Company on 11 November 2008 (being the completion of seven years of employment with the Company as Group Managing Director), he received a payment of $385,000. If Mr Davis is in the employment of the Company on 11 November 2009, he receives a payment of $385,000, if Mr Davis is in the employment of the Company on 11 November 2010, he receives a further payment of $385,000 and on completion of his service agreement on 30 November 2011 he receives a final payment under the agreement of $385,000.
Termination	If the Company terminates Mr Davis' employment (for circumstances other than those related to fraud, dishonesty or serious misconduct) after 31 December 2008 but before 11 November 2009, he receives a service agreement payment of $1,155,000, if his employment is terminated after 11 November 2009 but before 11 November 2010, he receives a service agreement payment of $770,000 and if his employment is terminated after 11 November 2010 but before 30 November 2011, he receives a service agreement payment of $385,000. In addition, if the Company terminates Mr Davis' employment after 31 December 2008, but before 30 November 2011, (for circumstances other than those related to fraud, dishonesty or serious misconduct), he receives twelve months of total remuneration, calculated as the highest remuneration earned in a complete calendar year over the most recent three complete calendar year periods. This payment would not apply upon completion of the employment period.
Completion of employment period	Upon completion of the employment period at 30 November 2011, for those awards in the LTISP where the retesting has not completed, the Board will be able to allocate shares in circumstances where it would otherwise be unfair not to allocate shares. Other than where a capital event has occurred, for those awards where the three year performance period will not have completed, Mr Davis will be eligible for a pro rata award. Any annual and long service leave will be paid in accordance with the Company policy on payment of leave due to involuntary termination. Upon completion of the employment period (unless a capital event occurs before this date), Mr Davis is paid $150,000 per annum for a three year period providing he does not work, consult, or take up Board positions with pre determined competitor companies in Australia.
Notice period to extend service agreement	Mr Davis will be given not less than twelve months notice as to the Company's intention to not extend his service agreement.
Resignation	A minimum three months notice.

Remuneration report continued

D. Summary of employment contracts continued

W.G. White – Managing Director, Australasia

Length of contract	Open ended.
Remuneration package	The on-target remuneration package is comprised of a 51% fixed component and a 49% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, vehicle benefits, car-parking, leave loading, Employees Share Plan, club membership and Company product.
Short Term Incentive Plan	Ranges from on-target being 97% of base salary, up to a maximum award of 173% of base salary.
Long Term Incentive Share Plan	Mr White has the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	1 March 2005	A and B	115,275	109,972	2,689	2,614
2006-2008	1 March 2006	A and B	106,000	100,251	5,749	–
2007-2009	8 May 2007	A and B	50,984	–	–	50,894
2008-2010	15 May 2008	A and B	75,343	–	–	75,343

For the 2005-2007 LTISP, the maximum TSR award is 65,323 shares and the maximum NOPAT award is 65,323 shares; however, the combined maximum of both awards is 115,275 shares.

Executive Retention Share Plan — Mr White has the following allocations of shares –

Plan	Grant date	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2007-2009	1 March 2007	38,425	–	–	38,425

Service agreement	The service agreement commenced on 1 November 2002. Under Mr White's original service agreement, he received a payment of $350,000 on 1 November 2005 after three years of employment with the Company. The current service agreement expires on 1 July 2010. As Mr White was in the employment of the Company on 31 October 2008, he received 46,255 CCA shares, with one-third of this value disclosed on an annual basis. If Mr White is in the employment of the Company on 31 October 2009, he receives a further 19,823 CCA shares. If Mr White is in the employment of the Company on 1 July 2010, he receives a further 74,126 CCA shares. Mr White is entitled to receive the dividends on all of these shares prior to their vesting.
Termination	If the Company terminates Mr White's employment (for circumstances other than those related to fraud, dishonesty or serious misconduct) before 31 October 2009, he receives a service agreement award of 19,823 CCA shares. If the Company terminates his employment after 31 October 2009 but before 1 July 2010, he receives a service agreement award of 74,126 CCA shares. In addition, if the Company terminates Mr White's employment before 31 October 2009 (for circumstances other than those related to fraud, dishonesty or serious misconduct), he receives four months notice (or four months pay in lieu of notice) and twelve months of fixed remuneration. In the event of a change of control of the Company, and the Company wishes to terminate his employment arrangement without cause, the Company will pay him not less than 12 months of fixed remuneration, inclusive of both notice and severance.

D. Summary of employment contracts continued

W.G. White – Managing Director, Australasia continued

Notice period to extend service agreement	Mr White will be given not less than twelve months notice as to the Company's intention to not extend his service agreement.
Resignation	A minimum four months notice.

G. Adams – Managing Director, New Zealand & Fiji

Length of contract	Open ended.
Remuneration package	The on-target remuneration package is comprised of a 56% fixed component and a 44% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, vehicle benefits, Employees Share Plan, club membership, home leave and Company product.
Short Term Incentive Plan	Ranges from on-target being 70% of base salary, up to a maximum award of 125% of base salary.
Long Term Incentive Share Plan	Mr Adams has the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	1 March 2005	A and B	31,500	30,052	735	713
2006-2008	1 March 2006	A and B	14,483	13,697	786	–
2007-2009	8 May 2007	A and B	6,954	–	–	6,954
2008-2010	15 May 2008	A and B	18,431	–	–	18,431

For the 2005-2007 LTISP, the maximum TSR award is 17,850 shares and the maximum NOPAT award is 17,850 shares; however, the combined maximum of both awards is 31,500 shares.

Executive Retention Share Plan	Mr Adams has the following allocations of shares –

Plan	Grant date	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2007-2009	1 March 2007	5,250	–	–	5,250

Service agreement	None.
Termination	If the Company terminates Mr Adams' employment during his New Zealand assignment (for circumstances other than those related to fraud, dishonesty, serious misconduct or unacceptable performance) and no suitable alternative position is available, he is entitled to three months of fixed remuneration in lieu of both notice and severance (calculated at CCA's current policy of one month notice and one month for every year of completed service with CCA). In the event of a change of control of the Company, and the Company wishes to terminate his employment arrangement without cause, the Company will pay him not less than 12 months of fixed remuneration, inclusive of both notice and severance.
Resignation	A minimum one month notice.

Remuneration report continued

D. Summary of employment contracts continued

P.N. Kelly – Managing Director, Asia

Length of contract	Open ended.
Remuneration package	The on-target remuneration package is comprised of a 56% fixed component and a 44% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, vehicle benefits, car-parking, leave loading, Employees Share Plan, club membership and Company product.
Short Term Incentive Plan	Ranges from on-target being 65.7% of base salary, up to a maximum award of 120% of base salary.
Long Term Incentive Share Plan	Mr Kelly has the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	1 March 2005	A and B	35,250	33,628	822	800
2006-2008	1 March 2006	A and B	44,138	41,744	2,394	–
2007-2009	8 May 2007	A and B	21,192	–	–	21,192
2008-2010	15 May 2008	A and B	31,373	–	–	31,373

For the 2005-2007 LTISP, the maximum TSR award is 19,975 shares and the maximum NOPAT award is 19,975 shares; however, the combined maximum of both awards is 35,250 shares.

Executive Retention Share Plan — Mr Kelly has the following allocations of shares –

Plan	Grant date	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2007-2009	1 March 2007	16,000	–	–	16,000

Service agreement	None.
Termination	If the Company terminates Mr Kelly's employment due to his position being redundant and no suitable alternative position is available, he is entitled to a minimum of one month notice and twelve months of fixed remuneration. In the event of a change of control of the Company, and the Company wishes to terminate his employment arrangement without cause, the Company will pay him not less than 12 months of fixed remuneration, inclusive of both notice and severance.
Resignation	A minimum one month notice.

D. Summary of employment contracts continued

J. Seward – Managing Director, Indonesia & PNG

Length of contract	Open ended.
Remuneration package	The on-target remuneration package is comprised of a 68% fixed component and a 32% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, vehicle benefits, car-parking, Employees Share Plan, club membership, Company product, expatriate benefits including medical, subsidised housing and utilities, home leave, school fees, host country allowance and environmental allowance.
Short Term Incentive Plan	Ranges from on-target being 76% of base salary, up to a maximum award of 139% of base salary.
Long Term Incentive Share Plan	Mr Seward has the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	1 March 2005	A and B	36,000	34,344	840	816
2006-2008	1 March 2006	A and B	37,241	35,222	2,019	–
2007-2009	8 May 2007	A and B	17,881	–	–	17,881
2008-2010	15 May 2008	A and B	26,471	–	–	26,471

For the 2005-2007 LTISP, the maximum TSR award is 20,400 shares and the maximum NOPAT award is 20,400 shares; however, the combined maximum of both awards is 36,000 shares.

Executive Retention Share Plan — Mr Seward has the following allocations of shares –

Plan	Grant date	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2007-2009	1 March 2007	13,500	–	–	13,500

Service agreement	None.
Termination	If the Company terminates Mr Seward's employment during his Indonesian assignment (for circumstances other than those related to fraud, dishonesty, serious misconduct or unacceptable performance) and no suitable alternative position is available, he is entitled to a minimum of twelve months of fixed remuneration in lieu of both notice and severance (calculated at CCA's current policy of one month notice and one month for every year of completed service with the Coca-Cola System). In the event of a change of control of the Company, and the Company wishes to terminate his employment arrangement without cause, the Company will pay him not less than 12 months of fixed remuneration, inclusive of both notice and severance.
Resignation	A minimum two months notice.

Remuneration report continued

D. Summary of employment contracts continued

N. Garrard – Managing Director, Food & Services

Length of contract	Open ended.
Remuneration package	The on-target remuneration package is comprised of a 52% fixed component and a 48% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, Employees Share Plan and Company product.
Short Term Incentive Plan	Ranges from on-target being 60% of fixed salary, up to a maximum award of 120% of fixed salary.
Long Term Incentive Share Plan	Mr Garrard has the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	16 June 2005	A and B	42,000	40,068	980	952
2006-2008	1 March 2006	A and B	38,621	36,526	2,095	–
2007-2009	8 May 2007	A and B	18,543	–	–	18,543
2008-2010	15 May 2008	A and B	27,451	–	–	27,451

For the 2005-2007 LTISP, the maximum TSR award is 23,800 shares and the maximum NOPAT award is 23,800 shares; however, the combined maximum of both awards is 42,000 shares.

Executive Retention Share Plan — Mr Garrard has the following allocations of shares –

Plan	Grant date	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2007-2009	1 March 2007	67,802	–	–	67,802

Service agreement	None.
Completion payment	As Mr Garrard was an employee on the two year anniversary of the purchase by CCA of all of the shares in SPC Ardmona Limited, CCA paid him a completion bonus of $250,000 before tax in March 2007. This arrangement was not renewed; however, this was taken to account when determining Mr Garrard's 2007-2009 ERSP award.
Termination	If the Company terminates Mr Garrard's employment (for circumstances other than those related to fraud, dishonesty or serious misconduct), he is entitled to three months notice and twelve months of fixed remuneration. In the event of a change of control of the Company, and the Company wishes to terminate his employment arrangement without cause, the Company will pay him not less than 12 months of fixed remuneration, inclusive of both notice and severance.
Resignation	A minimum three months notice.

D. Summary of employment contracts continued

N.I. O'Sullivan – Chief Financial Officer – Operations

Length of contract	Open ended.
Remuneration package	The on-target remuneration package is comprised of a 52% fixed component and a 48% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, vehicle benefits, car-parking, Employees Share Plan, club membership and Company product.
Short Term Incentive Plan	Ranges from on-target being 71.5% of base salary, up to a maximum award of 127% of base salary.
Long Term Incentive Share Plan	Ms O'Sullivan has the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	1 March 2005	A and B	78,300	74,699	1,857	1,744
2006-2008	1 March 2006	A and B	20,690	19,568	1,122	–
2007-2009	8 May 2007	A and B	9,934	–	–	9,934
2008-2010	15 May 2008	A and B	30,000	–	–	30,000

For the 2005-2007 LTISP, the maximum TSR award is 44,370 shares and the maximum NOPAT award is 44,370 shares; however, the combined maximum of both awards is 78,300 shares.

Executive Retention Share Plan — Ms O'Sullivan has the following allocations of shares –

Plan	Grant date	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2007-2009	1 March 2007	7,500	–	–	7,500

Service agreement	None.
Termination	If the Company terminates Ms O'Sullivan's employment due to her position being redundant and no suitable alternative position is available, she is entitled to a minimum of three months notice and one month of fixed remuneration for every year of completed service with CCA to a maximum of twelve months.
Resignation	A minimum three months notice.

Remuneration report continued

D. Summary of employment contracts continued

K.A. McKenzie – Chief Financial Officer – Statutory and Compliance

Length of contract	Open ended.
Remuneration package	The on-target remuneration package is comprised of a 52% fixed component and a 48% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, vehicle benefits, car-parking, leave loading, Employees Share Plan, club membership and Company product.
Short Term Incentive Plan	Ranges from on-target being 71.5% of base salary, up to a maximum award of 127% of base salary.
Long Term Incentive Share Plan	Mr McKenzie has the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	1 March 2005	A and B	39,000	37,206	910	884
2006-2008	1 March 2006	A and B	41,379	39,135	2,244	–
2007-2009	8 May 2007	A and B	19,868	–	–	19,868
2008-2010	15 May 2008	A and B	25,098	–	–	25,098

For the 2005-2007 LTISP, the maximum TSR award is 22,100 shares and the maximum NOPAT award is 22,100 shares; however, the combined maximum of both awards is 39,000 shares.

Executive Retention Share Plan — Mr McKenzie has the following allocations of shares –

Plan	Grant date	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2007-2009	1 March 2007	15,000	–	–	15,000

Service agreement	None.
Termination	If the Company terminates Mr McKenzie's employment due to his position being redundant and no suitable alternative position is available, he is entitled to a minimum of one month notice and one month of fixed remuneration for every year of completed service with CCA to a maximum of twelve months.
Resignation	A minimum one month notice.

Remuneration report continued

D. Summary of employment contracts continued

Former key management personnel

J.M. Wartig – Chief Financial Officer

Length of contract	Open ended.
Remuneration package	The on-target remuneration package was comprised of a 49% fixed component and a 51% variable component. The Committee reviews the remuneration package annually.
Benefits	Superannuation, vehicle benefits, car-parking, Employees Share Plan and Company product.
Short Term Incentive Plan	Ranges from on-target being 69% of fixed salary, up to a maximum award of 123% of fixed salary.
Long Term Incentive Share Plan	Mr Wartig had the following allocations of shares –

Plan	Grant date	Component	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2005-2007	1 March 2005	A and B	105,000	102,443	2,557	–
2006-2008	1 March 2006	A and B	96,552	68,465	28,087	–
2007-2009	8 May 2007	A and B	46,358	–	46,358	–

For the 2005-2007 LTISP, the maximum TSR award is 59,500 shares and the maximum NOPAT award is 59,500 shares; however, the combined maximum of both awards is 105,000 shares.

Executive Retention Share Plan: Mr Wartig had the following allocations of shares –

Plan	Grant date	Maximum	Vested amount	Lapsed amount	Unvested (maximum)
2007-2009	1 March 2007	35,000	11,667	23,333	–

Service agreement	The service agreement commenced on 21 June 2004 and was to expire on 21 June 2009. Under the terms of the service agreement, Mr Wartig received $500,000 (calculated as a deferred remuneration amount of $100,000 per year for the five years of the service agreement).
Termination	Mr Wartig left the employment of the Company on 31 March 2008. As the Company terminated Mr Wartig's employment (for circumstances other than those related to fraud, dishonesty or serious misconduct) before 21 June 2009, he received a lump sum service agreement payment of $500,000 and in addition he received twelve months of fixed remuneration (inclusive of both pay in lieu of notice and severance) of $762,000. Mr Wartig also received pro-rata awards from the vested LTISP and ERSP based on length of time employed, in these plans.

Remuneration report continued

E. Remuneration of Non-Executive Directors

The remuneration of Non-Executive Directors takes into account the size and complexity of CCA's operations, their responsibility for the stewardship of the Company and their workloads. It comprises Directors' fees (base plus Board Committee fees), superannuation contributions and retirement benefits.

Total Non-Executive Directors' fees are not to exceed the annual limit of $2.0 million as previously approved by shareholders in May 2008. Based on advice received from external remuneration consultants (via the Compensation Committee), Non-Executive Director fees are set and approved by the executive Director.

No element of the Non-Executive Director's remuneration is performance related.

The current annual Directors' fees payable to Non-Executive Directors for the year ended 31 December 2008 are as follows –

	$
Chairman	382,200
Director (base fee)	132,000
Chairman – Audit & Risk Committee	22,000
Member – Audit & Risk Committee	12,000
Chairman – Compensation Committee	18,000
Member – Compensation Committee	9,000
Chairman – Compliance & Social Responsibility Committee	18,000
Member – Compliance & Social Responsibility Committee	9,000

No fees are payable in respect of membership of any other Board Committees. The Chairman does not receive any Committee fees.

Total Non-Executive Directors' fees including Committee fees for 2008 was $1,347,672 (2007: $1,204,900) an increase of 11.8% over the prior year, although for part of 2008, there were eight Non-Executive Directors receiving fees until the retirement of Mr Ward in August 2008. There were seven Non-Executive Directors as at 31 December 2008.

From 1 July 2003, the Non-Executive Directors agreed to apply a minimum of 25% (and up to 100%) of their Directors' fees to purchase ordinary shares in the Company. The shares are purchased on market following the announcement of the Company's half year and annual results. The trustee of the Non-Executive Directors' Share Plan will hold the shares until the beneficiary ceases to be a Director of the Company.

There is no current scheme for the payment of retirement benefits. However, pursuant to the resolution passed at the Annual General Meeting held 3 May 2006, the accrued benefits under the prior scheme were used to purchase 152,236 shares in the Company at $6.8495 per share on 6 May 2006. The shares are held by the trustee of the Non-Executive Directors' Retirement Share Trust.

Further details on the Non-Executive Directors' Retirement Share Trust are included in Note 25 to the financial statements.

Where applicable, contributions required under superannuation guarantee legislation are made on behalf of the Directors.

Remuneration report continued

F. Remuneration of key management personnel

The details of each key management personnel's remuneration and the five named executives receiving the highest remuneration for the CCA Group and CCA Entity during the financial year are set out below –

		Short term					Post employ-ment	Other long term	Termi-nation[8]	Share based payments				Total perfor-mance related
	Year	Salary and fees[1] $	STIP[2] $	South Korean incentive[3] $	Non-monetary benefits[4] $	Other[5] $	Super-annuation[6] $	Deferred remune-ration[7] $	$	LTISP[9] $	ESP[10] $	ERSP/ Other[11] $	Total $	%
Directors														
D.M. Gonski, AC	**2008**	**382,200**	**–**	**–**	**–**	**–**	**13,437**	**–**	**–**	**–**	**–**	**–**	**395,637**	**–**
Chairman (Non-Executive)	2007	364,000	–	–	–	–	12,908	–	–	–	–	–	376,908	–
C.M. Brenner[12] *Director (Non-Executive)*	**2008**	**105,262**	**–**	**–**	**–**	**–**	**9,474**	**–**	**–**	**–**	**–**	**–**	**114,736**	**–**
J.R. Broadbent, AO	**2008**	**159,000**	**–**	**–**	**–**	**–**	**13,437**	**–**	**–**	**–**	**–**	**–**	**172,437**	**–**
Director (Non-Executive)	2007	144,300	–	–		–	12,837	–	–	–	–	–	157,137	–
T.J. Davis[13]	**2008**	**2,020,000**	**1,868,000**	**–**	**258,482**	**437,740**	**777,600**	**–**	**–**	**2,447,097**	**–**	**–**	**7,808,919**	**55**
Director and Group Managing Director	2007	1,925,000	1,900,000	500,000	210,525	295,350	765,000	–	–	1,763,408	–	–	7,359,283	57
I. Finan	**2008**	**153,000**	**–**	**–**	**–**	**–**	**13,437**	**–**	**–**	**–**	**–**	**–**	**166,437**	**–**
Director (Non-Executive)	2007	140,850	–	–		–	12,677	–	–	–	–	–	153,527	–
G.J. Kelly	**2008**	**141,000**	**–**	**–**	**–**	**–**	**12,690**	**–**	**–**	**–**	**–**	**–**	**153,690**	**–**
Director (Non-Executive)	2007	129,300	–	–		–	11,637	–	–	–	–	–	140,937	–
W.M. King, AO	**2008**	**141,000**	**–**	**–**	**–**	**–**	**12,690**	**–**	**–**	**–**	**–**	**–**	**153,690**	**–**
Director (Non-Executive)	2007	129,300	–	–		–	11,637	–	–	–	–	–	140,937	–
D.E. Meiklejohn	**2008**	**163,000**	**–**	**–**	**–**	**–**	**13,437**	**–**	**–**	**–**	**–**	**–**	**176,437**	**–**
Director (Non-Executive)	2007	149,300	–	–		–	12,908	–	–	–	–	–	162,208	–
Former Director														
M.K. Ward, AO[12]	**2008**	**103,210**	**–**	**–**	**–**	**–**	**8,494**	**–**	**–**	**–**	**–**	**–**	**111,704**	**–**
Director (Non-Executive)	2007	147,850	–	–		–	12,908	–	–	–	–	–	160,758	–
Total Directors	**2008**	**3,367,672**	**1,868,000**	**–**	**258,482**	**437,740**	**874,696**	**–**	**–**	**2,447,097**	**–**	**–**	**9,253,687**	
Total Directors	2007	3,129,900	1,900,000	500,000	210,525	295,350	852,512	–	–	1,763,408	–	–	8,651,695	
Executives														
W.G. White	**2008**	**570,958**	**657,200**	**–**	**228,848**	**–**	**171,942**	**–**	**–**	**742,695**	**17,129**	**359,686**	**2,748,458**	**51**
Managing Director, Australasia	2007	538,125	706,600	–	155,757	–	174,262	–	–	700,770	16,144	353,666	2,645,324	53
G. Adams	**2008**	**285,906**	**205,081**	**–**	**133,334**	**–**	**68,738**	**–**	**–**	**152,714**	**8,577**	**14,292**	**868,642**	**41**
Managing Director, New Zealand & Fiji	2007	268,580	262,500	–	68,810	–	74,351	–	–	159,388	8,057	14,292	855,978	49
P.N. Kelly	**2008**	**428,017**	**316,500**	**–**	**96,040**	**–**	**178,684**	**–**	**–**	**276,396**	**12,808**	**43,557**	**1,352,002**	**44**
Managing Director, Asia	2007	415,965	330,600	150,000	87,503	–	177,292	–	–	239,800	12,210	43,557	1,456,927	49
J. Seward[14]	**2008**	**293,303**	**230,561**	**–**	**526,950**	**–**	**73,341**	**–**	**–**	**249,341**	**8,799**	**36,752**	**1,419,047**	**34**
Managing Director, Indonesia & PNG	2007	285,276	242,958	–	563,542	–	73,953	–	–	228,021	8,558	36,752	1,439,060	33
N. Garrard	**2008**	**783,106**	**273,600**	**–**	**17,423**	**–**	**13,437**	**–**	**–**	**284,233**	**23,872**	**184,580**	**1,580,251**	**35**
Managing Director, Food & Services	2007	772,470	350,800	–	12,700	20,833	12,908	–	–	218,291	23,174	184,580	1,595,756	36
N.I. O'Sullivan[12] *Chief Financial Officer – Operations*	**2008**	**266,735**	**224,508**	**–**	**67,974**	**–**	**41,586**	**–**	**–**	**161,523**	**7,880**	**15,341**	**785,547**	**49**
K.A. McKenzie[12] *Chief Financial Officer – Statutory and Compliance*	**2008**	**244,194**	**186,790**	**–**	**43,584**	**–**	**103,436**	**13,685**	**–**	**166,875**	**7,111**	**30,682**	**796,357**	**44**
Former key management personnel														
J.M. Wartig[12]	**2008**	**146,598**	**–**	**–**	**19,093**	**208,591**	**20,524**	**–**	**762,000**	**421,707**	**5,053**	**–**	**1,583,566**	**27**
Chief Financial Officer	2007	670,995	662,500	40,000	93,453	–	105,658	79,406	–	638,306	20,130	95,282	2,405,730	56
R. Randall[12&14] *Managing Director, South Korea*	2007	177,317	–	–	295,964	–	24,824	–	388,161	85,548	5,320	–	977,134	9
M. Clark[12] *General Manager, Grinders Coffee Business, Australia*	2007	118,356	–	–	–	–	23,671	–	–	45,219	–	–	187,246	24
Total executives	**2008**	**3,018,817**	**2,094,240**	**–**	**1,133,246**	**208,591**	**671,688**	**13,685**	**762,000**	**2,455,484**	**91,229**	**684,890**	**11,133,870**	
Total executives	2007	3,247,084	2,555,958	190,000	1,277,729	20,833	666,919	79,406	388,161	2,315,343	93,593	728,129	11,563,155	
Total remuneration	**2008**	**6,386,489**	**3,962,240**	**–**	**1,391,728**	**646,331**	**1,546,384**	**13,685**	**762,000**	**4,902,581**	**91,229**	**684,890**	**20,387,557**	
Total remuneration	2007	6,376,984	4,455,958	690,000	1,488,254	316,183	1,519,431	79,406	388,161	4,078,751	93,593	728,129	20,214,850	

Refer to the following page for footnote details.

Remuneration report continued

F. Remuneration of key management personnel continued

Remuneration amounts are calculated over the period in which the individual held the key management position.

1 *Director's fees include amounts contributed to the Non-Executive Directors' Share Plan. Fees for Non-Executive Directors includes Committee fees.*

2 *Short Term Incentive Plan (STIP).*

3 *A once only 2007 short term incentive award for the sale of the South Korean business that was introduced for 16 key executives involved in the sale process of Coca-Cola Korea Bottling Company, Ltd. Given the complexity of the sale, the importance to CCA for the sale process to be completed and within the time parameters determined, the Board believed it appropriate to motivate and reward the group working on the sale process, especially given the complexity of the transaction and the substantial amount of effort required by this group to compete the sale. The awards that varied depending on the executive's seniority, involvement and impact on the sale process, were determined at the beginning of 2007 and were only paid upon successful completion of the sale.*

4 *Non-monetary benefits includes the value of vehicle benefits, club membership, Company product and where applicable expatriate benefits.*

5 *Represents the current portion of accrued benefits payable under the terms of the service agreement less amounts accrued in prior periods.*

6 *Includes notional and actual contributions to superannuation on cash payments.*

7 *Represents the estimated present value of the non-current portion of accrued benefits payable under the terms of either service agreements or other agreed entitlements less amounts accrued in the prior periods.*

8 *Termination benefits include payments for severance and unused leave benefits paid upon termination. Amounts shown exclude amounts previously disclosed in remuneration.*

9 *Long Term Incentive Share Plan (LTISP). Represents the estimated fair value of CCA shares offered in the Plan calculated by multiplying the threshold number of shares by the fair value of the shares at grant date and amortised over the performance period. The plans have been valued using the Monte Carlo simulation methodology. This methodology calculates the fair value of performance rights based on the share price at grant date and assumptions for the expected risk free rate of interest for the performance period, the volatility of the share price returns, the dividend entitlements and performance conditions of the plans.*

	Component A – TSR			Component B – NOPAT/EPS			Component C – Mr Davis	
	Mr Davis $	Mr Garrard $	All other executives $	Mr Davis $	Mr Garrard $	All other executives $	TSR $	NOPAT $
2005-2007	7.67	7.50	8.16	6.94	7.17	7.63	8.62	7.42
2006-2008 peer group 1	3.85	4.18	4.18	6.23	6.18	6.18	4.22	6.84
2006-2008 peer group 2	4.49	4.50	4.50	n/a	n/a	n/a	4.97	n/a
2007-2009 peer group 1	6.71	6.71	6.71	8.51	8.51	8.51	n/a	n/a
2007-2009 peer group 2	7.07	7.07	7.07	n/a	n/a	n/a	n/a	n/a
2008-2010 peer group 1	5.30	5.30	5.30	7.43	7.43	7.43	n/a	n/a
2008-2010 peer group 2	5.53	5.53	5.53	n/a	n/a	n/a	n/a	n/a

The current year's remuneration includes the following –

- *Components A and B for the 2005-2007 Plan that vested at 31 December 2007, have been valued at the purchase price of $9.409 less amounts accrued in prior periods; and*
- *Retesting of Component A for the 2005-2007 LTISP resulted in additional vesting at 31 December 2008 and Components A and B for the 2006-2008 LTISP vested at 31 December 2008. The following share awards will be made and have been included at the fair value for the plans –*

Mr Davis	325,928	Mr Kelly	47,701	Ms O'Sullivan	32,801
Mr White	119,732	Mr Seward	41,306	Mr McKenzie	45,726
Mr Adams	19,021	Mr Garrard	43,624	Mr Wartig	68,465

The shares due to key management personnel will be purchased in early 2009.

10 *Employees Share Plan (ESP) represents the Company's matching contribution.*

11 *Shares granted under the ERSP were purchased in February 2007 at $8.167 and are being amortised over the three year vesting period. An amount of $255,030 (2007: $249,060) is included for other share based payments, which represents the amortised amount for the period of the shares purchase in respect of the service agreement for Mr White. The Executive Salary Sacrifice Share Plan holds these shares until they vest.*

12 *Amounts are calculated from the date the individual was appointed to the key management position or up to the date the individual ceased to hold the key management position.*

13 *Mr Davis' increase in total remuneration in 2008 over 2007 was principally the result of –*

- *an increase in other short term benefits of $142,390 that reflects the changes in the service agreement amount and vesting period; and*
- *an increase in LTISP of $683,689 as a result of the 2006-2008 LTISP vesting over target, additional vesting of the 2005-2007 LTISP and an allowance for superannuation on shares purchased in 2008.*

14 *Messrs Seward and Randall were remunerated in USD whilst in Asia.*

F. Remuneration of key management personnel continued

The percentage of cash grants vested to the maximum cash award available under the STIP during the financial year is set out below –

	2008		2007	
	% of maximum vested[1]	**% of maximum lapsed**	% of maximum vested	% of maximum lapsed
Director				
T.J. Davis	**69**	**31**	82	18
Executives				
W.G. White	**66**	**34**	76	24
G. Adams	**60**	**40**	74	26
P.N. Kelly	**61**	**39**	67	33
J. Seward	**49**	**51**	70	30
N. Garrard	**29**	**71**	38	62
N.I. O'Sullivan	**66**	**34**	–	–
K.A. McKenzie	**60**	**40**	–	–
Former key management personnel				
J.M. Wartig	–	–	69	31

1 The grant date for awards under STIP was 1 March 2008. The vested cash grants will be paid in March 2009.

There is no retesting of this Plan and the unvested portion is forfeited.

LTISP entitlements
Participation in the LTISP is consistent with those aspects of the Plan already detailed in this report. All senior executive participation is governed by Company policy and the Plan trust deed. Shares are awarded to participants at the end of the relevant performance period and only to the extent that the performance conditions are satisfied. Under the trust deed, shares may be awarded to participants where employment is terminated prior to the completion of the performance period and more than one-third of the performance period has elapsed. The Board in its discretion has determined that if the executive's performance has been of an acceptable standard, the terms and conditions of the relevant performance period will apply as at the date employment ceases.

Once shares have been allocated following the achievement of the performance conditions, there remains a restriction on executives disposing of a minimum portion of 25% of the shares allocated to them under the LTISP for two years after allocation in accordance with a prescribed scale. The restrictions on disposal will cease if an executive ceases employment and may be waived by the Board in special circumstances such as change of control or other events affecting the issued capital of the Company.

Remuneration report continued

F. Remuneration of key management personnel continued

The following outlines the minimum and maximum unvested level of participation for key management personnel in current offers under the LTISP –

	2005-2007		2007-2009		2008-2010	
Number of ordinary shares in CCA offered in the LTISP	**Min.**	**Max.**	**Min.**	**Max.**	**Min.**	**Max.**
Director						
T.J. Davis[1&2]	–	3,961	104,652	205,200	126,400	247,844
Executives						
W.G. White[2]	–	2,614	38,245	50,894	38,425	75,343
G. Adams[2]	–	713	5,250	6,954	9,400	18,431
P.N. Kelly[2]	–	800	16,000	21,192	16,000	31,373
J. Seward[2]	–	816	13,500	17,881	13,500	26,471
N. Garrard[2]	–	952	14,000	18,543	14,000	27,451
N.I. O'Sullivan	–	1,774	7,500	9,934	15,300	30,000
K.A. McKenzie	–	884	15,000	19,868	12,800	25,098

1 Mr Davis received an award from the 2006-2008 LTISP for Component C of 25,000 shares in February 2007.

2 Additional TSR performance measure of the 2005-2007 LTISP and the NOPAT and TSR performance measures of the 2006-2008 LTISP were achieved and accordingly the following share awards will be made –

Mr Davis	*325,928*	*Mr Kelly*	*47,701*	*Ms O'Sullivan*	*32,801*
Mr White	*119,732*	*Mr Seward*	*41,306*	*Mr McKenzie*	*45,726*
Mr Adams	*19,021*	*Mr Garrard*	*43,624*		

The following outlines the estimated minimum and maximum value of the unamortised amount to be expensed in future financial years –

	2005-2007		2007-2009		2008-2010	
Value of ordinary shares in CCA offered in the LTISP	**Min. $**	**Max. $**	**Min. $**	**Max. $**	**Min. $**	**Max. $**
Director						
T.J. Davis	–	30,381	501,889	929,721	816,329	1,267,493
Executives						
W.G. White	–	21,330	142,163	195,223	248,163	385,306
G. Adams	–	5,818	19,421	26,680	60,710	94,256
P.N. Kelly	–	6,528	59,196	81,288	103,332	160,446
J. Seward	–	6,659	49,946	68,591	87,190	135,374
N. Garrard	–	7,140	51,799	71,125	90,417	140,384
N.I. O'Sullivan	–	14,476	27,745	38,110	98,812	153,423
K.A. McKenzie	–	7,213	55,497	76,210	82,670	128,350

The value is based on the estimated fair value of shares offered in the Plan at grant date.

Remuneration report continued

F. Remuneration of key management personnel continued

Awards granted or vested under LTISP during the financial year are set out below –

2008	Plan year	Shares awarded	% of maximum vested	% of maximum unvested	% lapsed
Director					
T.J. Davis	2005-2007	48,283	92	8	–
	2006-2008	277,645	94	–	6
Executives					
W.G. White	2005-2007	19,481	88	12	–
	2006-2008	100,251	95	–	5
G. Adams	2005-2007	5,324	88	12	–
	2006-2008	13,697	95	–	5
P.N. Kelly	2005-2007	5,957	88	12	–
	2006-2008	41,744	95	–	5
J. Seward	2005-2007	6,084	88	12	–
	2006-2008	35,222	95	–	5
N. Garrard	2005-2007	7,098	88	12	–
	2006-2008	36,526	95	–	5
N.I. O'Sullivan	2005-2007	13,233	88	12	–
	2006-2008	19,568	95	–	5
K.A. McKenzie	2005-2007	6,591	88	12	–
	2006-2008	39,135	95	–	5
Former key management personnel					
J.M. Wartig	2005-2007	20,018	79	–	21
	2006-2008	68,456	71	–	29

The 2005-2007 LTISP shares for Mr Wartig were purchased in February 2008, all other shares will be purchased in early 2009.

2007	Plan year	Shares awarded	% of maximum vested	% of maximum unvested	% lapsed
Director					
T.J. Davis	2005-2007	193,429	77	21	2
Executives					
J.M. Wartig	2005-2007	82,425	79	19	2
W.G. White	2005-2007	90,491	79	19	2
G. Adams	2005-2007	24,728	79	19	2
P.N. Kelly	2005-2007	27,671	79	19	2
J. Seward	2005-2007	28,260	79	19	2
N. Garrard	2005-2007	32,970	79	19	2

These shares were purchased in February 2008.

Awards granted under LTISP are made at no cost to the employee.

Remuneration report continued

F. Remuneration of key management personnel continued

The following outlines the unamortised amount to be expensed in future financial years in relation to the ERSP –

	2007-2009	
Value of ordinary shares in CCA offered in the ERSP	**No. of shares**	**$**
Executives		
W.G. White	38,425	104,605
G. Adams	5,250	14,293
P.N. Kelly	16,000	43,358
J. Seward	13,500	36,751
N. Garrard	67,802	184,579
N.I. O'Sullivan	7,500	20,417
K.A. McKenzie	15,000	40,835

These shares were purchased in February 2007 for $8.167 per share.

The following outlines the unamortised amounts to be expensed in future financial years in relation to shares awarded under service agreements which are held by the Executive Salary Sacrifice Share Plan –

	2008		2007	
Value of ordinary shares in CCA offered under service agreements	**No. of shares**	**$**	No. of shares	$
Executive				
W.G. White	93,949	323,250	140,204	578,330

66,078 shares were purchased in November 2005 for $7.5667 per share and 74,126 shares were purchased in June 2006 for $7.1499 per share. Mr White received 46,255 shares on 31 October 2008, under the terms of his service agreement.

There were no amounts in respect of options included in remuneration for the current financial year or the prior financial year.

No options have been issued by the Company since 1 January 2003, and all options held by key management personnel have been exercised or expired during the current financial year.

No performance conditions were attached to the grant of options.

Options held by key management personnel

The Company has not issued options since 1 January 2003. There were no options on issue to key management personnel during the financial year.

Options exercised in the prior financial year were –

2007	No. of options exercised	Exercise price $	Amount paid $
Executive			
W. White	80,000	5.18	414,400
Former key management personnel			
R. Randall	6,000	6.33	37,980
M. Clark	87,500	6.33	553,875

Auditor independence and non-audit services

Auditor independence

The following independence declaration has been obtained from the Company's auditor, Ernst & Young –

ERNST & YOUNG

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

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

Auditor's independence declaration to the Directors of Coca-Cola Amatil Limited

In relation to our audit of the financial report of Coca-Cola Amatil Limited for the financial year ended 31 December 2008, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst + Young

Ernst & Young

T. van Veen
Partner
Sydney
12 February 2009

Liability limited by a scheme approved
under Professional Standards Legislation

Non-audit services

The following non-audit services were provided by the Company's auditor, Ernst & Young, and international member firms. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young received or is due to receive the following amounts for the provision of non-audit services –

Other assurance services	$712,000
Tax compliance reviews	$10,000

Signed in accordance with a resolution of the Directors.

D.M. Gonski, AC
Chairman
Sydney
12 February 2009

T.J. Davis
Group Managing Director
Sydney
12 February 2009

Income Statements

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Continuing operations					
Revenue, excluding finance income	3	**4,228.1**	4,017.2	**699.3**	779.7
Expenses, excluding finance costs	4	**(3,541.6)**	(3,369.6)	**(176.9)**	(492.9)
Share of net profit of joint venture entity accounted for using the equity method	11	**0.6**	0.8	**–**	–
Earnings before interest and tax					
Before significant items		713.8	648.4	522.4	286.8
Significant items	4	(26.7)	–	–	–
		687.1	648.4	**522.4**	286.8
Net finance (costs)/income					
Finance costs	4	**(181.9)**	(157.0)	**(188.2)**	(179.9)
Finance income	3	**30.4**	24.6	**189.1**	147.7
		(151.5)	(132.4)	**0.9**	(32.2)
Profit from continuing operations before income tax		**535.6**	516.0	**523.3**	254.6
Income tax (expense)/benefit					
Before significant items		(158.0)	(148.4)	12.2	7.8
Significant items		8.0	–	–	–
	5	**(150.0)**	(148.4)	**12.2**	7.8
Profit from continuing operations after income tax					
Before significant items		404.3	367.6	535.5	262.4
Significant items		(18.7)	–	–	–
		385.6	367.6	**535.5**	262.4
Discontinued operation					
Loss from discontinued operation after income tax					
Before significant items		–	(1.3)	–	–
Significant items		–	(55.6)	–	–
	6	–	(56.9)	–	–
Profit after tax attributable to members of Coca-Cola Amatil Limited		**385.6**	310.7	**535.5**	262.4
		¢	¢		
Earnings per share (EPS) for profit from continuing operations attributable to members of the Company	27				
Basic EPS		**52.4**	48.8		
Diluted EPS		**52.3**	48.7		
Before significant items –					
Basic EPS		54.9	48.8		
Diluted EPS		54.8	48.7		
Earnings per share (EPS) for profit attributable to members of the Company	27				
Basic EPS		**52.4**	41.3		
Diluted EPS		**52.3**	41.2		
Dividends paid	26				
Prior year final dividend paid per ordinary share		**20.0**	18.0		
Current year interim dividend paid per ordinary share		**17.0**	15.5		

Notes appearing on pages [73] to [144] to be read as part of the financial statements.

Balance Sheets
Coca-Cola Amatil Limited and its subsidiaries

As at 31 December 2008

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Current assets					
Cash assets	7	**298.3**	379.7	**176.1**	319.8
Trade and other receivables	8	**671.0**	686.0	**75.8**	92.0
Inventories	9	**778.6**	646.0	**–**	–
Prepayments		**48.5**	44.4	**2.2**	3.1
Current tax assets		**5.5**	4.9	**–**	–
Derivatives	34	**57.0**	13.7	**15.6**	5.9
Total current assets		**1,858.9**	1,774.7	**269.7**	420.8
Non-current assets					
Trade and other receivables	8	**3.7**	3.5	**1,914.2**	2,098.2
Investment in joint venture entity	11	**35.7**	16.4	**34.5**	15.8
Investments in securities	12	**–**	–	**2,420.6**	2,420.5
Investments in bottlers' agreements	13	**926.0**	928.8	**–**	–
Property, plant and equipment	14	**1,414.9**	1,302.6	**0.2**	–
Intangible assets	15	**527.5**	512.8	**–**	–
Prepayments		**14.5**	13.6	**0.2**	1.5
Deferred tax assets	20	**–**	1.8	**42.1**	4.9
Defined benefit superannuation plan assets	21	**4.8**	–	**4.8**	–
Derivatives	34	**306.0**	83.9	**293.9**	80.7
Total non-current assets		**3,233.1**	2,863.4	**4,710.5**	4,621.6
Total assets		**5,092.0**	4,638.1	**4,980.2**	5,042.4
Current liabilities					
Trade and other payables	17	**515.2**	436.2	**168.0**	520.4
Interest bearing liabilities	18	**55.7**	171.4	**5.2**	170.3
Current tax liabilities		**27.6**	66.4	**15.9**	47.8
Provisions	19	**98.2**	85.9	**41.8**	29.8
Accrued charges		**326.7**	337.3	**29.0**	17.9
Derivatives	34	**61.8**	42.0	**52.4**	15.0
Total current liabilities		**1,085.2**	1,139.2	**312.3**	801.2
Non-current liabilities					
Interest bearing liabilities	18	**2,350.7**	1,695.2	**2,118.8**	1,631.4
Provisions	19	**9.8**	12.7	**3.6**	7.0
Deferred tax liabilities	20	**138.7**	153.3	**–**	–
Defined benefit superannuation plan liabilities	21	**28.8**	36.6	**2.9**	15.1
Derivatives	34	**106.8**	160.4	**106.6**	152.5
Total non-current liabilities		**2,634.8**	2,058.2	**2,231.9**	1,806.0
Total liabilities		**3,720.0**	3,197.4	**2,544.2**	2,607.2
Net assets		**1,372.0**	1,440.7	**2,436.0**	2,435.2
Equity					
Share capital	22	**1,987.5**	2,027.8	**1,987.5**	2,027.8
Shares held by equity compensation plans	23	**(16.6)**	(16.3)	**–**	–
Reserves	24	**(4.6)**	25.0	**(45.5)**	64.8
(Accumulated losses)/retained earnings		**(594.3)**	(595.8)	**494.0**	342.6
Total equity		**1,372.0**	1,440.7	**2,436.0**	2,435.2

Notes appearing on pages [73] to [144] to be read as part of the financial statements.

Cash Flow Statements

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Inflows/(outflows)					
Cash flows from operating activities					
Receipts from customers		**4,176.3**	4,469.4	**–**	–
Receipts from subsidiaries for management and guarantee fees		**–**	–	**2.7**	108.6
Payments to suppliers and employees		**(3,407.5)**	(3,677.2)	**(163.7)**	(117.9)
Dividends received		**0.5**	1.1	**56.7**	1.7
Interest income received		**32.5**	24.6	**40.1**	147.1
Interest and other finance costs paid		**(175.5)**	(164.4)	**(158.7)**	(183.6)
Income taxes (paid)/refunds received		**(182.2)**	(141.5)	**9.9**	(81.2)
Net cash flows from/(used in) operating activities before significant items		444.1	512.0	(213.0)	(125.3)
Significant items		(13.5)[1]	11.9[2]	–	–
Net cash flows from/(used in) operating activities	7c)	**430.6**	523.9	**(213.0)**	(125.3)
Cash flows from investing activities					
Proceeds from disposal of –					
surplus South Korean properties		**–**	23.8	**–**	–
other property, plant and equipment		**5.7**	5.0	**–**	–
right to Maxxium incentive payments		**–**	18.8	**–**	–
Payments for –					
additions of property, plant and equipment		**(253.3)**	(291.8)	**(0.3)**	–
additions of software development assets		**(25.0)**	(8.5)	**–**	–
additions of other non-current assets		**–**	(0.2)	**–**	–
acquisitions of entities and operations (net) –					
Current period acquisitions		**–**	(14.9)	**–**	–
Prior period acquisitions – deferred amounts		**–**	(0.6)	**–**	–
investment in joint venture entity –					
Ordinary		**(8.5)**	(12.8)	**(8.5)**	(12.8)
Brewery facility		**(10.2)**	–	**(10.2)**	–
Net cash flows used in investing activities before significant items		(291.3)	(281.2)	(19.0)	(12.8)
Significant items	6c)	32.6	351.8	–	–
Net cash flows (used in)/from investing activities		**(258.7)**	70.6	**(19.0)**	(12.8)
Cash flows from financing activities					
Proceeds from issue of shares		**3.5**	12.4	**3.5**	12.4
Proceeds from borrowings		**496.7**	245.5	**126.2**	–
Borrowings repaid		**(335.3)**	(666.8)	**(186.8)**	(259.7)
Net decrease in intragroup loans		**–**	–	**573.3**	635.5
Dividends paid	26a)	**(257.3)**	(237.8)	**(257.3)**	(237.8)
Payments for off-market share buy-back	22a)	**(170.6)**	–	**(170.6)**	–
Net cash flows (used in)/from financing activities		**(263.0)**	(646.7)	**88.3**	150.4
Net (decrease)/increase in cash and cash equivalents		**(91.1)**	(52.2)	**(143.7)**	12.3
Cash and cash equivalents held at the beginning of the financial year		**379.3**	436.1	**319.8**	307.5
Exchange rate adjustments to cash and cash equivalents held at the beginning of the financial year		**10.1**	(4.6)	**–**	–
Cash and cash equivalents held at the end of the financial year	7a)	**298.3**	379.3	**176.1**	319.8

1 Restructuring costs paid in SPCA. Refer to Note 2 for details.

2 Insurance claim proceeds received and product rehabilitation costs paid relating to the 2006 extortion threat in South Korea. Refer to Note 2 for details.

Notes appearing on pages [73] to [144] to be read as part of the financial statements.

Statements of Changes in Equity

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

CCA Group	Refer Note	Share capital $M	Shares held by equity compensation plans $M	Reserves[1] $M	Accumulated losses $M	Total equity $M
		Equity attributable to members of Coca-Cola Amatil Limited				
At 1 January 2008		**2,027.8**	**(16.3)**	**25.0**	**(595.8)**	**1,440.7**
Transactions recognised directly in equity –						
Foreign exchange differences on translation of foreign operations		–	–	**29.5**	–	**29.5**
Movements –						
in unvested shares held by equity compensation plans		–	**(0.3)**	**0.3**	–	–
due to share based remuneration expenses		–	–	**10.1**	–	**10.1**
due to share based payments		–	–	**(12.7)**	–	**(12.7)**
in fair value of cash flow hedges		–	–	**(56.8)**	–	**(56.8)**
Total of transactions recognised directly in equity		–	**(0.3)**	**(29.6)**	–	**(29.9)**
Profit		–	–	–	**385.6**	**385.6**
Total changes in equity other than those arising from transactions with equity holders		–	**(0.3)**	**(29.6)**	**385.6**	**355.7**
Transactions with equity holders –						
Movement in ordinary shares –	22					
Off-market share buy-back		**(58.1)**	–	–	**(112.5)**	**(170.6)**
Dividend Reinvestment Plan		**14.3**	–	–	–	**14.3**
Executive Option Plan		**3.5**	–	–	–	**3.5**
Dividends appropriated	26	–	–	–	**(271.6)**	**(271.6)**
Total of transactions with equity holders		**(40.3)**	–	–	**(384.1)**	**(424.4)**
At 31 December 2008		**1,987.5**	**(16.6)**	**(4.6)**	**(594.3)**	**1,372.0**
At 1 January 2007		2,001.1	(15.2)	139.2	(654.4)	1,470.7
Transactions recognised directly in equity –						
Foreign exchange differences –						
on translation of foreign operations		–	–	(89.5)	–	(89.5)
transfer to income statements on disposal of operation	6	–	–	(46.7)	–	(46.7)
Movements –						
in unvested shares held by equity compensation plans		–	(1.1)	(2.4)	–	(3.5)
due to share based remuneration expenses		–	–	10.2	–	10.2
due to share based payments		–	–	(3.3)	–	(3.3)
in fair value of cash flow hedges		–	–	17.5	–	17.5
Total of transactions recognised directly in equity		–	(1.1)	(114.2)	–	(115.3)
Profit		–	–	–	310.7	310.7
Total changes in equity other than those arising from transactions with equity holders		–	(1.1)	(114.2)	310.7	195.4
Transactions with equity holders –						
Movement in ordinary shares –	22					
Dividend Reinvestment Plan		14.3	–	–	–	14.3
Executive Option Plan		12.4	–	–	–	12.4
Dividends appropriated	26	–	–	–	(252.1)	(252.1)
Total of transactions with equity holders		26.7	–	–	(252.1)	(225.4)
At 31 December 2007		2,027.8	(16.3)	25.0	(595.8)	1,440.7

1 Refer to Note 24.

Notes appearing on pages [73] to [144] to be read as part of the financial statements

Statements of Changes in Equity continued

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

CCA Entity		Equity attributable to members of Coca-Cola Amatil Limited			
	Refer Note	Share capital $M	Reserves[1] $M	Retained earnings $M	Total equity $M
At 1 January 2008		**2,027.8**	**64.8**	**334.9**	**2,427.5**
Adjustment on adoption of AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions"[2]		–	–	7.7	7.7
At 1 January 2008 – adjusted		**2,027.8**	**64.8**	**342.6**	**2,435.2**
Transactions recognised directly in equity –					
Movements –					
due to share based remuneration expenses		–	**8.5**	–	**8.5**
due to share based payments		–	**(12.7)**	–	**(12.7)**
in fair value of cash flow hedges		–	**(106.1)**	–	**(106.1)**
Total of transactions recognised directly in equity		–	**(110.3)**	–	**(110.3)**
Profit		–	–	**535.5**	**535.5**
Total changes in equity other than those arising from transactions with equity holders		–	**(110.3)**	**535.5**	**425.2**
Transactions with equity holders –					
Movement in ordinary shares –	22				
Off-market share buy-back		**(58.1)**	–	**(112.5)**	**(170.6)**
Dividend Reinvestment Plan		**14.3**	–	–	**14.3**
Executive Option Plan		**3.5**	–	–	**3.5**
Dividends appropriated	26	–	–	**(271.6)**	**(271.6)**
Total of transactions with equity holders		**(40.3)**	–	**(384.1)**	**(424.4)**
At 31 December 2008		**1,987.5**	**(45.5)**	**494.0**	**2,436.0**
At 1 January 2007		2,001.1	34.1	327.7	2,362.9
Adjustment on adoption of AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions"[2]		–	–	4.6	4.6
At 1 January 2007 – adjusted		2,001.1	34.1	332.3	2,367.5
Transactions recognised directly in equity –					
Movements –					
due to share based remuneration expenses		–	8.7	–	8.7
due to share based payments		–	(3.3)	–	(3.3)
in fair value of cash flow hedges		–	25.3	–	25.3
Total of transactions recognised directly in equity		–	30.7	–	30.7
Profit		–	–	262.4	262.4
Total changes in equity other than those arising from transactions with equity holders		–	30.7	262.4	293.1
Transactions with equity holders –					
Movement in ordinary shares –	22				
Dividend Reinvestment Plan		14.3	–	–	14.3
Executive Option Plan		12.4	–	–	12.4
Dividends appropriated	26	–	–	(252.1)	(252.1)
Total of transactions with equity holders		26.7	–	(252.1)	(225.4)
At 31 December 2007		2,027.8	64.8	342.6	2,435.2

1 Refer to Note 24.

2 AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions", as applicable on 1 Jan 2008.

Notes appearing on pages [73] to [144] to be read as part of the financial statements.

1. Summary of Significant Accounting Policies

Coca-Cola Amatil Limited is a company limited by shares that is incorporated and domiciled in Australia, whose shares are publicly traded on the ASX. The Company does not have a parent entity. The consolidated financial statements for the financial year ended 31 December 2008 comprise those of the Company and its subsidiaries.

a) Basis of financial report preparation

This general purpose financial report has been prepared in accordance with the Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

This financial report has been prepared on the basis of historical cost, except for derivative financial instruments which have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged with fair value hedges are adjusted to record changes in the fair values attributable to the risks that are being hedged.

This financial report is presented in Australian Dollars and all values are rounded to the nearest tenth of a million dollars, unless otherwise stated under the option available to the Company under ASIC Class Order No. 98/100. The Company is an entity to which the class order applies.

b) Statement of compliance

This financial report complies with International Financial Reporting Standards (IFRS).

The Group and the Company have adopted AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions" and all consequential amendments which became applicable on 1 January 2008. There has been no effect on the income statement or the balance sheet of the Group.

The impact of adopting AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions" on the comparative figures of the Company are illustrated as follows –

	CCA Entity	
	31 Dec 2007 $M	1 Jan 2007 $M
Investments in subsidiaries (increase)	1.5	4.6
Amounts due from subsidiaries (increase)	1.6	–
Retained earnings (increase)	–	4.6
Administration and other expenses (decrease)	(3.1)	–

1. Summary of Significant Accounting Policies continued

b) Statement of compliance continued

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective have not been early adopted by the Group for the annual reporting period ended 31 December 2008. These are outlined in the table below.

Reference	Title	Summary	Application date of standard[1]	Impact on the Group's financial report	Application date for the Group
AASB 2008 – 10	Amendments to Australian Accounting Standards – Reclassification of Financial Assets	Amendments to AASB 7 which specify the disclosures required by an entity that reclassifies financial assets out of "fair value through the income statements" in accordance with the amendments to AASB 139 made by this standard.	1 Jul 2008	This is a disclosure standard so it will have no direct material impact on the amounts included in the Group's financial report.	1 Jan 2009
AASB 2008 – 12	Amendments to Australian Accounting Standards – Reclassification of Financial Assets	Clarifies the effective date of the amendments made to AASB 139 and AASB 7 as a result of the issuance of AASB 2008 – 10 in Nov 2008.	1 Jul 2008	As above.	1 Jan 2009
AASB Interpretation 16	Hedges of a Net Investment in a Foreign Operation	Provides guidance on accounting for the hedge of a net investment in a foreign operation in an entity's consolidated financial statements.	1 Oct 2008	Any impact will depend on whether CCA enters into any hedge arrangements for its foreign investments.	1 Jan 2009
AASB 8	Operating Segments	New standard replacing "AASB 114 Segment Reporting".	1 Jan 2009	AASB 8 is a disclosure standard so it will have no direct material impact on the amounts included in the Group's financial report. However, it will result in additional disclosure included in the Group's financial report.	1 Jan 2009
AASB 2007 – 3	Amendments to Australian Accounting Standards Arising from AASB 8	Amendments arise from the release in Feb 2007 of "AASB 8 Operating Segments".	1 Jan 2009	As above.	1 Jan 2009
AASB 101	Presentation of Financial Statements	Changes the references used in Australian Accounting Standards to better align with IFRS terminology.	1 Jan 2009	The amendments will have no material impact on the amounts included in the Group's financial report. It will only result in changes in the references used in the Group's financial report.	1 Jan 2009
AASB 2007 – 8	Amendments to Australian Accounting Standards Arising from AASB 101	Amendments arise from the amendments to "AASB 101 Presentation of Financial Statements".	1 Jan 2009	As above.	1 Jan 2009
AASB 123	Borrowing Costs	Eliminates from AASB 123 the option of recognising borrowing costs immediately as an expense, to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset.	1 Jan 2009	No impact on the Group as the Group is currently adopting the practice of capitalising borrowing costs which are directly attributable to the acquisition, construction or production of qualifying assets.	1 Jan 2009

Refer to the following page for footnote details.

1. Summary of Significant Accounting Policies continued

b) Statement of compliance continued

Reference	Title	Summary	Application date of standard[1]	Impact on the Group's financial report	Application date for the Group
AASB 2007 – 6	Amendments to Australian Accounting Standards Arising from AASB 123	Amendments arise from the amendments to "AASB 123 Borrowing Costs".	1 Jan 2009	As above.	1 Jan 2009
AASB 2008 – 1	Amendments to the Australian Accounting Standards – Share Based Payments: Vesting Conditions and Cancellations	Changes the measurement of share based payments that contain non-vesting conditions and broadens the scope of accounting for cancellations.	1 Jan 2009	No material impact on the Group is expected from the adoption of the standard.	1 Jan 2009
AASB 2008 – 5	Amendments to Australian Accounting Standards Arising from the Annual Improvement Project	Amendments to some Accounting Standards which result in accounting changes for presentation, recognition or measurement purposes, while some amendments relate to terminology and editorial changes which will have no or minimal impact on accounting.	1 Jan 2009	No material impact on the Group is expected from the adoption of the standard.	1 Jan 2009
AASB 2008 – 7	Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity and Associate	Changes the measurement of the cost of investment in subsidiaries, jointly controlled entities and associates, with all dividends to be recognised as income and prescribes accounting for new non-operating holding companies.	1 Jan 2009	No material impact on the Group is expected from the adoption of the standard.	1 Jan 2009
AASB 3	Business Combinations	Amendments to the definitions of a business and a business combination and additional guidance for any business combinations.	1 Jul 2009	Any impact will depend on whether CCA enters into any business combinations subsequent to the adoption of the standard.	1 Jan 2010
AASB 127	Consolidated and Separate Financial Statements	Amendments arise as a result of the issuance of the revised AASB 3 in Mar 2008. Changes to the accounting for non-controlling interests.	1 Jul 2009	Any impact will depend on whether CCA enters into any business combinations subsequent to the adoption of the standard.	1 Jan 2010
AASB 2008 – 3	Amendments to the Australian Accounting Standards Arising from AASB 3 and AASB 127	Amendments arise from the amendments to AASB 3 and AASB 127.	1 Jul 2009	As above.	1 Jan 2010
AASB 2008 – 6	Further Amendments to Australian Accounting Standards Arising from the Annual Improvement Project	Amendments to AASB 1 and AASB 5 which include requirements relating to a sale plan involving the loss of control of a subsidiary.	1 Jul 2009	Any impact will depend on whether CCA enters into any arrangement to sell any of its operations.	1 Jan 2010
AASB 2008 – 8	Amendments to Australian Accounting Standards – Eligible Hedged Items	Clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item, should be applied in a particular situation.	1 Jul 2009	No material impact on the Group is expected from the adoption of the standard.	1 Jan 2010

1 Application date for the annual reporting periods beginning on or after the date shown in the above table.

1. Summary of Significant Accounting Policies continued

c) Use of estimates

In conforming with AIFRS, the preparation of the financial statements for the Group requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities. Actual results may ultimately differ from estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key estimates and assumptions that have the most significant effect on the amount recognised in the financial statements relate to the following areas –

i) Impairment of goodwill and intangible assets with indefinite useful lives
The Group determines whether goodwill and intangible assets with indefinite useful lives are impaired at each balance date. These calculations involve an estimation of the recoverable amount of a cash generating unit to which goodwill and intangible assets with indefinite useful lives are allocated;

ii) Estimation of useful lives of assets
Estimation of the useful lives of assets has been based on historical experience. In addition, the condition of assets is assessed at least annually and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary;

iii) Share based payments
As disclosed in Note 1w), the Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using the Monte Carlo simulation methodology; and

iv) Income taxes
The Group is subject to income taxes in Australia and other jurisdictions in which CCA operates. Significant judgement is required in determining the Group's provision for income taxes. Judgement is also required in assessing whether deferred tax assets and deferred tax liabilities are recognised on the balance sheet. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. Changes in circumstances will alter expectations, which may impact the amount of other tax losses and temporary differences not yet recognised.

d) Principles of consolidation

i) Subsidiaries
The consolidated financial statements of the Group comprise those of the parent entity, Coca-Cola Amatil Limited, and its subsidiaries. Subsidiaries are all those entities over which the Group has the power to govern financial and operating policies of an entity so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

The financial statements include the information and results of each subsidiary from the date on which the Company obtains control and until such time as the Company ceases to control the entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group (refer to Note 1o)). Investments in subsidiaries are measured initially at fair value and subsequently at cost less impairment.

In preparing the consolidated financial statements, the effects of all transactions, balances and unrealised gains and losses on transactions between entities in the Group have been eliminated.

The financial statements of subsidiaries have been prepared for the same reporting period as that of the parent entity, using consistent accounting policies. Adjustments have been made to bring into line any dissimilar accounting policies that may exist across the Group.

1. Summary of Significant Accounting Policies continued

d) Principles of consolidation continued

ii) Joint venture entity
The investment in the joint venture entity is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. Under the equity method, the share of profits or losses of the joint venture entity is recognised in the income statement, and the share of movements in reserves is recognised in reserves in the balance sheet. Details relating to the joint venture entity are set out in Note 11.

Profits or losses on transactions establishing the joint venture entity and transactions with the joint venture entity are eliminated to the extent of the Group's ownership interest until such time as they are realised by the joint venture entity on consumption or sale, unless they relate to an unrealised loss that provides evidence of the impairment of an asset transferred.

e) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

f) Foreign currency translations

i) Functional and presentation currency
Both the functional and presentation currency of Coca-Cola Amatil Limited and its Australian subsidiaries is Australian Dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

ii) Transactions and balances
Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Exchange rate gains or losses are brought to account in determining the net profit or loss in the period in which they arise, as are exchange gains or losses relating to cross currency swap transactions on monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

On consolidation, the assets and liabilities of foreign subsidiaries are translated by applying the rate ruling at balance date and revenue and expense items are translated at the average rate calculated for the period. The exchange differences arising on the retranslation are taken directly to equity within the foreign currency translation reserve. On disposal of a foreign subsidiary, accumulated exchange differences are recognised in the income statements as a component of the gain or loss on disposal.

g) Revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is recognised net of discounts, allowances and applicable amounts of value added taxes such as the Australian Goods and Services Tax. The following specific recognition criteria must also be met before revenue is recognised –

i) Sale of goods and materials
Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customers;

ii) Rendering of services
Revenue from installation and maintenance of equipment is recognised when the services have been performed and the amount can be measured reliably;

1. Summary of Significant Accounting Policies continued

g) Revenue continued

iii) Interest income
Interest income is recognised as the interest accrues using the effective interest method;

iv) Dividends
Dividends are recognised when the right to receive the payment is established; and

v) Rental income
Rental income arising from equipment hire is accounted for on a straight line basis over the term of the rental contract.

h) Finance costs

Finance costs are recognised as expenses in the period in which they are incurred, except where they are included in the costs of qualifying assets.

i) Income tax

i) Current tax
Current tax liability or asset represents amounts payable or receivable in relation to income taxes attributable to taxable profits of the current or prior financial years, less instalments of income tax paid. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the balance sheet date.

ii) Deferred tax
Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes, using the tax rates which are enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liabilities are recognised for all taxable temporary differences except for goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable profits and temporary differences relating to the investment in subsidiaries where the timing of the reversal can be controlled and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

iii) Tax consolidation
The Company and its wholly owned Australian resident entities have formed a tax consolidated group from 1 January 2003. CCA is the head entity of the tax consolidated group. Details relating to the tax funding agreements and tax sharing agreements are set out in Note 5.

1. Summary of Significant Accounting Policies continued

j) Cash and cash equivalents

Cash assets comprise cash on hand, deposits held at call with financial institutions, and other short term, and highly liquid investments with maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of bank overdrafts.

k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for doubtful receivables.

Collectibility of trade receivables is reviewed on an ongoing basis. The carrying amount of the trade receivables is reduced through the use of an allowance account and the amount of the loss is recognised in the income statements. An allowance for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statements.

l) Inventories

Inventories including raw materials, work in progress and finished goods are stated at the lower of cost (including fixed and variable factory overheads where applicable) and net realisable value. Cost is determined on the basis of first-in-first-out, average or standard, whichever is the most appropriate in each case.

Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

Costs of inventories include the transfer from equity of gains or losses on qualifying cash flow hedges relating to inventory purchases.

m) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. An impairment loss is recognised for any initial or subsequent write down of the assets and disposal group to fair value less costs to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of a discontinued operation are presented separately on the face of the income statements.

n) Financial assets

The Group classifies its financial assets as either "fair value through the income statements" or as "loans and receivables". The classification depends on the purpose for which the financial asset was acquired.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through the income statements, directly attributable transaction costs. Investments in subsidiaries, as recorded in the CCA Entity financial statements, are accounted for at cost.

1. Summary of Significant Accounting Policies continued

n) Financial assets continued

Recognition and derecognition
All regular purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular purchases and sales of financial assets under contracts that require delivery of the assets within the period are established generally by regulation or convention in the market place. Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or been transferred.

i) Financial assets at fair value through the income statements
Financial assets at fair value through the income statements are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. They are included in current assets, except for those with maturities greater than twelve months after the balance date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheets.

The fair value of all financial assets is based on an active market price. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arms length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the specific circumstances.

o) Business combinations

The purchase method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. The cost of an acquisition is measured at fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets acquired, the difference is recognised directly in the income statements.

p) Investments in bottlers' agreements

Investments in bottlers' agreements are carried at cost.

Investments in bottlers' agreements are not amortised as they are considered to have an indefinite life but are tested annually for any impairment in the carrying amount. Refer to Note 16 for details of impairment testing on investments in bottlers' agreements.

q) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Subsequent expenditure is added to the carrying value of the asset when it is probable that future economic benefits, in excess of the original assessed standard of performance of the existing asset, will flow to the operation. All other subsequent expenditure is expensed in the period in which it is incurred.

Property, plant and equipment, other than freehold land, is depreciated or amortised on a straight line basis at various rates dependent upon the estimated average useful life for that asset to the Group. The estimated useful lives of each class of asset are as follows –

Freehold and leasehold buildings	20 to 50 years
Plant and equipment	3 to 15 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statements in the financial year the item is derecognised.

1. Summary of Significant Accounting Policies continued

r) Leased assets

Leases are classified at their inception as either finance or operating leases based on the economic substance of the arrangement so as to reflect the risks and benefits incidental to ownership.

Finance leases are those which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased property. There are no material finance leases within the Group.

Operating leases are those where the lessor effectively retains substantially all the risks and benefits incidental to ownership of the leased property. Operating lease payments are charged to the income statements on a straight line basis over the lease term. Refer to Note 4 for details. Lease income from operating leases is recognised as income on a straight line basis over the lease term. Refer to Note 3 for details.

s) Intangible assets

i) Identifiable intangible assets
Intangible assets acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to each class of intangible asset. The useful lives of these intangible assets are assessed to be either finite or indefinite. Where amortisation is charged on assets with finite lives, this expense is taken to the income statements and charged on a straight line basis.

Intangible assets with indefinite lives are tested for impairment at least annually at the cash generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Intangible assets, excluding software development assets, created within the business are not capitalised and costs are taken to the income statements when incurred.

Software development costs incurred on an individual project are carried forward when future recoverability can reasonably be assured. Following the initial recognition of software development assets, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and impairment. Any costs carried forward are amortised over the assets' useful lives.

The carrying value of software development assets is reviewed for impairment annually when an asset is not in use or more frequently when an indicator of impairment arises during a reporting period indicating that the carrying value may not be recoverable.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statements when the asset is derecognised.

The estimated useful lives of existing finite lived intangible assets are as follows –

Customer lists	5 to 10 years
Brand names	40 years
Intellectual property	5 years
Software development assets	1 to 7 years

ii) Goodwill
Goodwill is the excess of the cost of an acquisition over the fair value of the net assets acquired. Goodwill is not amortised but will be tested annually or more frequently if required, for any impairment in the carrying amount. Impairment is determined by assessing the recoverable amount of the cash generating unit to which the goodwill relates.

Goodwill arising on the acquisition of subsidiaries is treated as an asset of the subsidiary. These balances are denominated in the currency of the subsidiary and are translated to Australian Dollars on a consistent basis with the other assets and liabilities held by the subsidiary.

Goodwill is allocated to cash generating units for the purpose of impairment testing. Refer to Note 16 for details.

1. Summary of Significant Accounting Policies continued

t) Impairment of assets

At each reporting date, the Group assesses whether there is an indication that an asset may be impaired. Where an indicator of impairment exists or where annual impairment testing for an asset is required, the Group makes a formal estimate of the recoverable amount. An impairment loss is recognised for the amount by which the carrying amount of an asset exceeds the recoverable amount, which is defined as the higher of an asset's fair value less costs to sell, or value in use. For the purpose of assessing impairment, assets are grouped at the level for which there are separately identifiable cash flows.

An impairment loss is recognised in the income statements. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

u) Trade and other payables

Trade and other payables are carried at amortised cost. Liabilities are brought to account for amounts payable in relation to goods received and services rendered, whether or not billed to the Group at reporting date.

v) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where material, the effect of the time value of money is taken into account in measuring provisions by discounting the expected future cash flows at a rate which reflects both the risks specific to the liability, and current market assessments of the time value of money. Where discounting is applied, increases in the balance of provisions attributable to the passage of time are recognised as an interest cost.

w) Employee benefits

i) Wages and salaries, annual leave, sick leave and other benefits
Provision is made for employee benefits accumulated as a result of employees rendering services up to balance date including related on-costs. The benefits include wages and salaries, annual leave, sick leave, incentives, compensated absences and other benefits, which are charged against profits in their respective expense categories when services are provided or benefits vest with the employee. The provision for employee benefits is measured at the remuneration rates expected to be paid when the liability is settled.

ii) Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

iii) Pensions and post retirement benefits
The Group operates a number of defined benefit and defined contribution superannuation plans. The defined benefit plans are made up of both funded and unfunded plans. The assets of funded schemes are held in separate trustee-administered funds and are financed by payments from the relevant Group companies and employees (in the case of defined contribution superannuation plans), after taking into account the recommendations of independent qualified actuaries.

1. Summary of Significant Accounting Policies continued

w) Employee benefits continued

iii) Pensions and post retirement benefits continued
For defined benefit plans, pension costs are assessed using the projected unit credit method. Under the "corridor" approach, actuarial gains and losses are recognised as income or expense, when the cumulative unrecognised actuarial gains or losses for each individual plan exceed 10% of the defined benefit obligation or the fair value of plan assets, in accordance with the valuations made by qualified actuaries. The defined benefit obligations are measured at the present value of the estimated future cash flows using interest rates on government bonds, which have terms to maturity approximating the terms of the related liability. Actuarial gains and losses arising from experience adjustments or changes in assumptions are recognised over the average remaining service lives of employees. Past service cost is recognised immediately to the extent that benefits are already vested and otherwise are amortised over the average remaining service lives of the employees. Refer to Note 21 for further details of the Group's defined benefit plans.

The Group's contributions made to defined contribution superannuation plans are recognised as an expense when they fall due.

iv) Equity compensation plans
No expense is recognised in respect of share options granted before 7 November 2002 and/or vested before 1 January 2005. The shares are recognised when the options are exercised and the proceeds received are allocated to share capital.

Employer contributions to the Employees Share Plan are charged as an employee benefits expense over the vesting period. Any amounts of unvested shares held by the trust are controlled by the Group until they vest and are recorded at cost in the balance sheets within equity as shares held by equity compensation plans until they vest. The amounts relating to the unvested obligation are recorded at balance date within equity as an adjustment to the unvested equity compensation reserve until they vest. No gain or loss is recognised in the income statements on the purchase, sale, issue or cancellation of CCA's own equity instruments.

Shares granted under the Long Term Incentive Share Plan are measured by reference to the fair value of the shares at the date at which they are granted. The fair value is determined by an external valuer using the Monte Carlo simulation methodology. The cost of shares is charged as an employee benefits expense over the vesting period together with a corresponding increase in the unvested equity compensation reserve, ending on the date on which the relevant employees become entitled to the award. Refer to Note 25 for further details of the Long Term Incentive Share Plan.

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired and CCA's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

x) Share capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company, less transaction costs, net of tax.

1. Summary of Significant Accounting Policies continued

y) Derivative financial instruments

The Group holds a number of different financial instruments to hedge risks relating to underlying transactions. The Group's major exposure to interest rate risk and foreign currency risk arises from the Group's long term borrowings and commodity exposures in foreign currency. The Group is also exposed to commodity price volatility in certain raw materials used in the business. Details of the Group's hedging activities are provided below.

The Group designates certain derivatives as either –
- hedges of the fair value of recognised liabilities (fair value hedges); or
- hedges of foreign currency risk associated with recognised liabilities or highly probable forecast transactions (cash flow hedges).

Derivatives are initially recognised at fair value on the date derivative contracts are entered into and are subsequently remeasured at fair value.

The terms and conditions in relation to the Group's derivative instruments are similar to the terms and conditions of the underlying hedged items. As at 31 December 2008, the Group's hedge relationships were effective.

Hedge accounting
The Group designates certain derivative transactions as either fair value hedges or cash flow hedges. Hedges of foreign exchange rate risk on firm commitments are accounted for as cash flow hedges.

The Group documents at inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The process includes linking all derivative financial instruments designated to specific firm commitments or forecast transactions. The Group also documents its assessment both at the hedge inception and on an ongoing basis, of whether the derivative financial instruments that are used in hedge accounting are highly effective in offsetting changes in fair value or cash flows of hedged items.

Changes in the fair values of derivative financial instruments not qualifying for hedge accounting, and for discontinued hedges are reported in the income statements.

Fair value hedges
During the accounting period, the Group held cross currency and interest rate swaps to mitigate exposures to changes in the fair value of foreign currency denominated debt from fluctuations in foreign currency and interest rates. The hedged items designated were a portion of the Group's foreign currency denominated borrowings. The changes in fair values of the hedged items resulting from movements in exchange rates and interest rates are offset against the changes in the value of the cross currency and interest rate swaps. The objective of this hedging is to convert foreign currency borrowings to floating Australian Dollar borrowings. Accordingly, at inception, no significant portion of the change in fair value of the cross currency interest rate swap is expected to be ineffective.

Gains or losses from remeasuring the fair value of the hedge instruments are recognised within net finance costs in the income statements, together with gains and losses in relation to the hedged item where those gains or losses relate to the hedged risks. The hedge relationship is expected to be highly effective because the notional amount of the cross currency interest rate swap coincides with that of the underlying debt, and all cash flow and reset dates coincide between the borrowing and the swaps.

The effectiveness of the hedging relationship is tested prospectively and retrospectively by means of cumulative dollar offset effectiveness calculations. The primary objective is to determine if changes to the hedged item and the derivative are highly correlated and, thus supportive of the assertion that there will be a high degree of offset in fair values achieved by the hedge.

1. Summary of Significant Accounting Policies continued

y) Derivative financial instruments continued

Cash flow hedges

Cash flow hedges are used to hedge exposures relating to the Group's borrowings and ongoing business activities, where the Group has highly probable purchase or settlement commitments in foreign currencies.

During the year, the Group entered into forward foreign currency contracts and bought currency options contracts as cash flow hedges to hedge forecast commodity transactions and capital expenditure requirements denominated in foreign currency which hedge foreign currency risk arising from spot rate changes. The hedged items comprised highly probable forecast foreign currency commodity related payments for the Group's operations and capital items.

The Group also entered into interest rate swap contracts and bought interest rate options contracts as cash flow hedges of future payments denominated in local currency resulting from the Group's long term overseas borrowings denominated in local currency. The hedged items designated were a portion of the outflows associated with these overseas borrowings denominated in local currency.

The Group enters into futures, swaps and option contracts as cash flow hedges to hedge forecast commodity exposures. The hedged items designated are certain raw materials used to produce finished products. The commodity hedges which are designated and documented in a hedge relationship are brought to account in the income statements over the lives of the hedge transaction depending on hedge effectiveness testing outcomes and when the underlying exposure impacts earnings. Any cost or benefit resulting from the hedge forms parts of the carrying value of inventories.

z) Interest bearing liabilities and other borrowings

All loans and borrowings are initially recognised at fair value of the consideration received net of transaction costs associated with the borrowing.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Fair value hedging is applied to certain interest bearing liabilities and other borrowings (refer to Note 1y)). In such instances, the resulting fair value adjustments mean that the carrying value differs from amortised cost.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

aa) Dividends

Dividends are recognised when an obligation to pay a dividend arises, following declaration of dividends by the Company's Board of Directors.

ab) Earnings per share (EPS)

Basic EPS is calculated as profit attributable to members of the Company divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as profit attributable to members of the Company divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

2. Financial Reporting by Business and Geographic Segments

The Group operates in two business segments, being the Beverage business and the Food & Services business. The Beverage business is further divided into non-alcoholic and alcoholic businesses. Within the non-alcoholic beverage business, the Group manufactures, distributes and markets carbonated soft drinks. CCA's alcoholic business distributes premium beer brands for Pacific Beverages Pty Ltd, the joint venture entity CCA formed with SABMiller plc in August 2006. From April 2007, Pacific Beverages Pty Ltd began selling and distributing the premium spirit portfolio of global distributor Maxxium.

The Food & Services segment comprises the SPCA, Quirks, Neverfail and Grinders businesses. Within the Food & Services segment, the Group processes and markets fruit and other food products, provides cold drink equipment to the Australian Beverage business and third party customers and distributes bulk water and coffee products.

	2008 $M	2007 $M	2008 $M	2007 $M	2008 $M	2007 $M
	Trading revenue		**Other revenue**		**Total revenue, excluding finance income**	
Beverage business						
Australia	**2,491.8**	2,399.5	**97.3**	52.2	**2,589.1**	2,451.7
New Zealand & Fiji	**445.6**	454.3	**11.2**	2.6	**456.8**	456.9
Indonesia & PNG	**577.8**	491.8	**6.6**	7.4	**584.4**	499.2
Total Beverage	**3,515.2**	3,345.6	**115.1**	62.2	**3,630.3**	3,407.8
Food & Services business						
Australia	**576.2**	586.2	**21.6**	23.2	**597.8**	609.4
Total Food & Services	**576.2**	586.2	**21.6**	23.2	**597.8**	609.4
Total continuing operations	**4,091.4**	3,931.8	**136.7**	85.4	**4,228.1**	4,017.2
Discontinued operation[1]	**–**	461.4	**–**	20.6	**–**	482.0
Total CCA Group	**4,091.4**	4,393.2	**136.7**	106.0	**4,228.1**	4,499.2

	Earnings before interest, tax and significant items		**Significant items**[2]		**Segment result – earnings before interest and tax**	
Beverage business						
Australia	**488.4**	446.0	**–**	–	**488.4**	446.0
New Zealand & Fiji	**83.4**	77.8	**–**	–	**83.4**	77.8
Indonesia & PNG	**50.6**	36.8	**–**	–	**50.6**	36.8
	622.4	560.6	**–**	–	**622.4**	560.6
Share of net profit of joint venture entity	**0.6**	0.8	**–**	–	**0.6**	0.8
Total Beverage	**623.0**	561.4	**–**	–	**623.0**	561.4
Food & Services business						
Australia	**90.8**	87.0	**(26.7)**	–	**64.1**	87.0
Total Food & Services	**90.8**	87.0	**(26.7)**	–	**64.1**	87.0
Total continuing operations	**713.8**	648.4	**(26.7)**	–	**687.1**	648.4
Discontinued operation[1]	**–**	4.7	**–**	(59.4)	**–**	(54.7)
Total CCA Group	**713.8**	653.1	**(26.7)**	(59.4)	**687.1**	593.7

Refer to the following page for footnote details.

2. Financial Reporting by Business and Geographic Segments continued

	2008 $M	2007 $M	2008 $M	2007 $M	2008 $M	2007 $M
	Assets		Liabilities		Net assets	
Beverage business						
Australia	**1,961.4**	1,765.3	**787.2**	666.9	**1,174.2**	1,098.4
New Zealand & Fiji	**534.0**	532.1	**95.1**	93.0	**438.9**	439.1
Indonesia & PNG	**470.0**	355.7	**143.4**	114.7	**326.6**	241.0
	2,965.4	2,653.1	**1,025.7**	874.6	**1,939.7**	1,778.5
Investment in joint venture entity	**35.7**	16.4	**–**	–	**35.7**	16.4
	3,001.1	2,669.5	**1,025.7**	874.6	**1,975.4**	1,794.9
Food & Services business						
Australia	**1,618.4**	1,580.0	**108.5**	112.3	**1,509.9**	1,467.7
Total Food & Services	**1,618.4**	1,580.0	**108.5**	112.3	**1,509.9**	1,467.7
Total continuing operations	**4,619.5**	4,249.5	**1,134.2**	986.9	**3,485.3**	3,262.6
Assets and liabilities excluded from above[3]	**472.5**	388.6	**2,585.8**	2,210.5	**(2,113.3)**	(1,821.9)
Total CCA Group	**5,092.0**	4,638.1	**3,720.0**	3,197.4	**1,372.0**	1,440.7

	Depreciation and amortisation expenses		Other non-cash expenses		Additions and acquisitions of non-current assets[4]	
Beverage business						
Australia	**42.7**	39.6	**48.6**	53.5	**145.6**	133.3
New Zealand & Fiji	**16.5**	16.7	**6.2**	10.4	**31.5**	69.7
Indonesia & PNG	**29.9**	32.6	**9.5**	14.4	**58.3**	34.8
Total Beverage	**89.1**	88.9	**64.3**	78.3	**235.4**	237.8
Food & Services business						
Australia	**62.2**	60.9	**16.3**	23.2	**71.1**	74.9
Total Food & Services	**62.2**	60.9	**16.3**	23.2	**71.1**	74.9
Total continuing operations	**151.3**	149.8	**80.6**	101.5	**306.5**	312.7
Discontinued operation[1]	**–**	27.0	**–**	11.7	**–**	15.4
Total CCA Group	**151.3**	176.8	**80.6**	113.2	**306.5**	328.1

1 Discontinued operation refers to the South Korean business which was discontinued on 24 October 2007. This business was previously part of the Beverage segment within CCA Group. Refer to Note 6 for further details.

2 Significant items include the following –

	2008 $M	2007 $M
Termination benefits expenses in SPCA	**6.9**	–
Impairment of plant and equipment in SPCA	**9.7**	–
Other restructuring costs in SPCA	**10.1**	–
Insurance claim proceeds relating to the 2006 extortion threat in South Korea	–	(17.6)
Product rehabilitation costs relating to the 2006 extortion threat in South Korea	–	5.7
Impairment of the investment in bottlers' agreement in South Korea	–	25.0
Loss recognised on disposal of the South Korean business	–	46.3
	26.7	59.4

3 Assets and liabilities shown against each segment exclude current and deferred tax balances and assets and liabilities which relate to the Group's financing activity.

4 For this disclosure, non-current assets comprise investment in joint venture entity, investments in bottlers' agreements, property, plant and equipment and intangible assets.

	CCA Group		CCA Entity	
	2008 $M	2007 $M	2008 $M	2007 $M
3. Revenue				
Trading revenue from continuing operations				
Beverage business				
Sales of –				
beverage products	3,514.3	3,344.8	–	–
equipment	0.9	0.8	–	–
	3,515.2	3,345.6	–	–
Food & Services business				
Sales of –				
food and beverage products	531.4	532.5	–	–
equipment	14.0	20.7	–	–
Rental of equipment	30.8	33.0	–	–
	576.2	586.2	–	–
Total trading revenue	4,091.4	3,931.8	–	–
Other revenue from continuing operations				
CCA Entity				
Dividend income from subsidiaries	–	–	554.7	671.3
Sundry income[1]	–	–	144.6	108.4
	–	–	699.3	779.7
Beverage business				
Sales of materials and consumables	1.2	1.0	–	–
Rendering of services	90.9	47.9	–	–
Sundry income	22.5	12.2	–	–
Dividend income from other corporations	0.5	1.1	–	–
	115.1	62.2	–	–
Food & Services business				
Sales of materials and consumables	0.1	–	–	–
Rendering of services	6.2	5.9	–	–
Sundry income	15.3	17.3	–	–
	21.6	23.2	–	–
Total other revenue	136.7	85.4	699.3	779.7
Total revenue, excluding finance income	4,228.1	4,017.2	699.3	779.7
Interest income from –				
subsidiaries	–	–	163.7	124.5
non-related parties	30.4	24.6	25.4	23.2
Total finance income	30.4	24.6	189.1	147.7
Total revenue	4,258.5	4,041.8	888.4	927.4

1 *Mainly relates to management and guarantee fees from subsidiaries.*

4. Expenses and Income Statement Disclosures

a) Expenses

Profit from continuing operations before income tax includes the following specific expenses –

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Beverage business				
Cost of goods sold for –				
beverage products	**1,846.2**[1]	1,766.2[1]	**–**	–
equipment	**0.1**	0.2	**–**	–
	1,846.3	1,766.4	**–**	–
Food & Services business				
Cost of goods sold for –				
food and beverage products	**370.3**[1]	367.4[1]	**–**	–
equipment	**9.9**	16.3	**–**	–
rental of equipment – directly attributable expenses	**6.3**	7.1	**–**	–
	386.5	390.8	**–**	–
Total cost of goods sold	**2,232.8**	2,157.2	**–**	–
Selling	**595.1**	566.6	**–**	–
Warehousing and distribution	**316.2**	314.5	**–**	–
Administration and other	**397.5**	331.3	**176.9**	492.9
Total expenses, excluding finance costs	**3,541.6**	3,369.6	**176.9**	492.9
Interest costs from –				
subsidiaries	**–**	–	**24.1**	29.3
non-related parties	**174.8**[2]	162.9[2]	**164.1**[3]	150.6[3]
Other finance costs	**13.8**	0.7	**–**	–
Total finance costs	**188.6**	163.6	**188.2**	179.9
Amounts capitalised	**(6.7)**	(6.6)	**–**	–
Total finance costs expensed	**181.9**	157.0	**188.2**	179.9

1 Includes hedging gains of $2.7 million (2007: $1.9 million) transferred from the cash flow hedging reserve.

2 Includes hedging losses of $0.3 million (2007: $1.0 million) on interest rate and cross currency swaps transferred from the cash flow hedging reserve.

3 Includes hedging losses of $0.5 million (2007: losses of $1.1 million) on interest rate and cross currency swaps transferred from the cash flow hedging reserve.

4. Expenses and Income Statement Disclosures continued

b) Income statement disclosures

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Profit from continuing operations before significant items and income tax includes the following specific expenses –					
Depreciation expense		**145.2**	143.2	**0.1**	–
Amortisation expense		**6.1**	6.6	**–**	–
Bad and doubtful debts expense – trade receivables		**3.9**	3.1	**–**	–
Rentals – operating leases		**74.4**	77.3	**1.5**	1.6
Defined benefit superannuation plan expenses	21f)	**9.0**	11.4	**4.1**	6.6
Defined contribution superannuation plan expenses		**41.6**	39.0	**9.7**	9.1
Employees Share Plan expenses		**6.6**	4.8	**1.3**	1.2
Equity compensation plan expenses	24b)	**11.7**	9.6	**10.1**	8.1
Employee benefits expense		**70.9**	72.3	**22.4**	21.2
Net foreign exchange losses/(gains)		**9.2**[4]	(4.1)[4]	**10.1**[5]	(4.4)[5]
Write down of inventories to net realisable value		**0.3**	6.3	**–**	–
(Profit)/loss from disposal of –					
property, plant and equipment		**(0.5)**	13.8	**–**	–
software development assets		**–**	0.6	**–**	–
right to Maxxium incentive payments		**–**	(18.8)	**–**	(18.8)
Impairment of –					
property, plant and equipment		**3.4**	7.5	**–**	–
intangible assets		**2.1**	12.8	**–**	–
investment in subsidiary[6]		**–**	–	**–**	371.4

4 Includes hedging gains of $1.9 million (2007: losses of $0.3 million) transferred from the cash flow hedging reserve, and losses on derivatives not qualifying as hedges of $3.9 million (2007: gains of $5.2 million).

5 Includes losses on derivatives not qualifying as hedges of $3.9 million (2007: gains of $5.8 million).

6 Relates to CCKBC Holdings Ltd.

c) Significant items

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Termination benefits expenses in SPCA	**6.9**	–	**–**	–
Impairment of plant and equipment in SPCA	**9.7**	–	**–**	–
Other restructuring costs in SPCA	**10.1**	–	**–**	–
Total significant items	**26.7**	–	**–**	–

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M

5. Income Tax Expense

a) Income tax expense/(benefit)

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Current tax expense/(benefit)		**153.6**	173.7	**(9.5)**	(10.9)
Deferred tax expense/(benefit)	20b)	**2.4**	(29.3)	**(1.1)**	(0.6)
Adjustments to current tax of prior periods		**(6.0)**	0.2	**(1.6)**	3.7
		150.0	144.6	**(12.2)**	(7.8)
Income tax expense/(benefit) is attributable to –					
Continuing operations		**150.0**	148.4	**(12.2)**	(7.8)
Discontinued operation	6b)	**–**	(3.8)	**–**	–
		150.0	144.6	**(12.2)**	(7.8)

b) Reconciliation of income tax expense/(benefit) to prima facie tax payable

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Profit from continuing operations before income tax		**535.6**	516.0	**523.3**	254.6
Loss from discontinued operation before income tax	6b)	**–**	(60.7)	**–**	–
		535.6	455.3	**523.3**	254.6
Prima facie income tax expense on profit at the Australian rate of 30%		**160.7**	136.6	**157.0**	76.4
Tax effect of permanent differences –					
Non-allowable expenses		**3.7**	3.5	**0.1**	0.2
Non-assessable dividends		**–**	–	**(166.4)**	(201.4)
Tax offset for franked dividends		**(0.2)**	(0.3)	**–**	–
Other items		**0.7**	2.0	**3.5**	0.5
Impairment of –					
investment in subsidiary		**–**	–	**–**	111.4
intangible assets		**0.6**	1.9	**–**	–
Loss on disposal of the South Korean business		**–**	17.0	**–**	–
Overseas tax rates differential		**(0.7)**	2.3	**–**	–
Overseas withholding tax		**0.7**	(16.8)	**–**	–
Share of net profit of joint venture entity		**(0.2)**	(0.3)	**–**	–
Deductible temporary differences from –					
movement in derecognised amounts		**–**	(4.7)	**–**	–
(recognition)/derecognition of deferred tax assets		**(4.8)**	3.0	**(4.8)**	1.4
Adjustments to current tax of prior periods		**(6.0)**	0.2	**(1.6)**	3.7
Change in overseas tax rate		**(4.5)**	0.2	**–**	–
Income tax expense/(benefit)		**150.0**	144.6	**(12.2)**	(7.8)

c) Australian tax consolidation

CCA has formed a consolidated group for income tax purposes, effective on and from 1 January 2003, with each of its wholly owned Australian resident entities. The entities within the tax consolidated group have entered a tax funding arrangement whereby each subsidiary will compensate CCA for the amount of tax payable that would be calculated as if the subsidiary was a tax paying entity.

CCA, as the head entity, and the subsidiaries in the tax consolidated group continue to account for their own current and deferred tax amounts. The amounts are measured as if each entity in the tax consolidated group continues to be a stand alone taxpayer in its own right. The current tax balances are then transferred to CCA (being the head entity) via intercompany balances.

The method used to measure current and deferred tax amounts is summarised in Note 1i).

5. Income Tax Expense continued

c) Australian tax consolidation continued

In preparing the financial statements for CCA, the following amounts have been recognised as tax consolidation compensation adjustments –

	CCA Entity	
	2008	2007
	$M	$M
Total (decrease)/increase in amounts receivable from subsidiaries	**(17.1)**	107.2
Total increase/(decrease) in amounts payable to subsidiaries	**5.8**	(2.3)

6. Discontinued Operation

a) Details of the disposed business

The disposal of CCA's South Korean business was completed on 24 October 2007, on which date control of the business passed to LG Household & Health Care Ltd (LGH&H). The financial information of the South Korean business has been presented as the "discontinued operation" in this financial report.

The following subsidiaries were disposed of and are therefore included as part of the discontinued operation as reported –

CCKBC (Netherlands) Holding I BV;
CCKBC (Netherlands) Holding II BV; and
Coca-Cola Korea Bottling Company, Ltd.

The net consideration for the disposal was $414.2 million, represented by a cash payment of $375.6 million and a payment into escrow of $38.6 million. CCA recognised a pre-tax loss of $46.3 million ($49.4 million after tax), after adjusting for the foreign currency translation reserve amount of $46.7 million.

b) Financial performance of the disposed business

The results of the discontinued operation are presented as follows –

		CCA Group	
	Refer Note	**2008 $M**	2007 $M
Revenue, excluding finance income		–	482.0
Expenses, excluding finance costs		–	(536.7)
Earnings before interest and tax			
Before significant items		–	4.7
Significant items[1]		–	(59.4)
	2	–	(54.7)
Net finance costs			
Finance costs		–	(6.5)
Finance income		–	0.5
		–	(6.0)
Loss from discontinued operation before income tax	5b)	–	(60.7)
Income tax benefit			
Significant items[1]		–	3.8
	5a)	–	3.8
Loss from discontinued operation after income tax			
Before significant items		–	(1.3)
Significant items[1]		–	(55.6)
		–	(56.9)

6. Discontinued Operation continued

b) Financial performance of the disposed business continued

1 Significant items include the following –

	Pre-tax $M	Income tax (benefit)/expense $M	Net of tax $M
Insurance claim proceeds relating to the 2006 extortion threat in South Korea	(17.6)	–	(17.6)
Product rehabilitation costs relating to the 2006 extortion threat in South Korea	5.7	–	5.7
	(11.9)	–	(11.9)
Impairment of the investment in bottlers' agreement in South Korea	25.0	(6.9)	18.1
Loss recognised on disposal of the South Korean business	46.3	3.1	49.4
	59.4	(3.8)	55.6

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M
c) Cash flow information of the disposed business			
Net cash flows from operating activities before significant items		–	28.8
Significant items	6b)	–	11.9
Net cash flows from operating activities		**–**	40.7
Net cash flows from investing activities before significant items		–	6.8
Significant items[2]		32.6	351.8
Net cash flows from investing activities		**32.6**	358.6
Net cash flows used in financing activities		**–**	(56.3)
Net increase in cash and cash equivalents		**32.6**	343.0

2 Relates to net cash inflow on disposal of the South Korean business.

On 4 November 2008, CCA received $32.6 million of the escrow funds (net of costs). By 24 April 2009, CCA will receive any remaining escrow amount. The escrow amount of $5.4 million is recorded as a "current receivable" in the balance sheet as at 31 December 2008. Refer to Note 8 for details. In accordance with the sale and purchase agreement, any claims made by LGH&H are not limited to the balance of the escrow amount.

	CCA Group 2008 ¢	CCA Group 2007 ¢
d) Contribution to earnings per share (EPS) by the discontinued operation		
Basic EPS	–	(7.5)
Diluted EPS	–	(7.5)

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
7. Cash and Cash Equivalents					
Cash on hand and in banks		**297.9**	353.2	**176.1**	296.8
Short term deposits		**0.4**	26.5	**–**	23.0
Total cash assets		**298.3**	379.7	**176.1**	319.8

Cash on hand and in banks earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents represents fair value.

Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short term deposit rates.

a) Reconciliation to cash at the end of the financial year
The above figures are reconciled to cash at the end of the financial year as shown in the cash flow statements as follows –

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Cash assets		**298.3**	379.7	**176.1**	319.8
Bank overdrafts	18	**–**	(0.4)	**–**	–
Cash and cash equivalents held at the end of the financial year		**298.3**	379.3	**176.1**	319.8

b) Non-cash investing and financing activities

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Dividends satisfied by the issue of shares under the Dividend Reinvestment Plan	26a)	**14.3**	14.3	**14.3**	14.3

c) Reconciliation of profit after tax to net cash flows from/(used in) operating activities

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Profit after tax		**385.6**	310.7	**535.5**	259.3
Significant items		**5.3**	67.5	**–**	–
Depreciation, amortisation, impairment and amounts set aside to allowance and provisions		**240.4**	301.3	**22.5**	374.9
Share of net profit of joint venture entity		**(0.6)**	(0.8)	**–**	–
Share based payments expense		**(0.8)**	–	**(2.5)**	–
Fair value adjustments to derivatives		**1.1**	–	**0.5**	–
(Profit)/loss from disposal of –					
surplus South Korean properties		**–**	(4.8)	**–**	–
other property, plant and equipment		**(0.5)**	14.3	**–**	–
software development assets		**–**	0.6	**–**	–
right to Maxxium incentive payments		**–**	(18.8)	**–**	–
(Increase)/decrease in –					
trade and other receivables		**(18.7)**	(54.5)	**0.8**	2.8
inventories		**(122.2)**	(86.8)	**–**	–
prepayments		**(2.9)**	1.5	**2.3**	(1.6)
defined benefit superannuation plan assets		**(4.8)**	–	**(4.8)**	–
amounts due from subsidiaries		**–**	–	**(750.6)**	(669.4)
Increase/(decrease) in –					
trade and other payables		**66.5**	(7.7)	**9.9**	2.9
current tax liabilities		**(24.2)**	6.9	**(2.3)**	(89.0)
employee benefits provisions		**(57.8)**	(69.7)	**(13.6)**	(15.7)
accrued charges		**(16.9)**	68.5	**2.2**	7.8
defined benefit superannuation plan liabilities		**(18.2)**	(3.6)	**(12.2)**	4.8
derivatives		**(0.7)**	(0.7)	**(0.7)**	(2.1)
Net cash flows from/(used in) operating activities		**430.6**	523.9	**(213.0)**	(125.3)

d) Risk exposure
CCA Group's and CCA Entity's exposure to interest rate risk is disclosed in Note 35. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M

8. Trade and Other Receivables

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Current					
Trade receivables		**598.4**	555.0	**–**	–
Allowance for doubtful receivables	8a)	**(7.8)**	(6.8)	**–**	–
		590.6	548.2	**–**	–
Amounts due from subsidiaries	36	**–**	–	**73.1**	88.5
Amounts due from related entities (trade)	36	**3.3**	11.6	**–**	–
Amounts due from related entities (non-trade)	36	**28.3**	8.6	**0.6**	0.1
Other receivables		**43.4**	79.0	**2.1**	3.4
Other receivables (escrow amount)	6c)	**5.4**	38.6	**–**	–
		80.4	137.8	**75.8**	92.0
Total trade and other receivables (current)		**671.0**	686.0	**75.8**	92.0
Non-current					
Amounts due from subsidiaries	36	**–**	–	**1,914.2**	2,098.2
Amounts due from related entities (non-trade)	36	**2.1**	2.1	**–**	–
Other receivables		**1.6**	1.4	**–**	–
Total trade and other receivables (non-current)		**3.7**	3.5	**1,914.2**	2,098.2

a) Impaired trade receivables

As at 31 December 2008, trade receivables with a nominal value of $7.8 million (2007: $6.8 million) were impaired and fully provided for. Movements in the allowance for trade receivables are as follows –

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
At 1 January	**(6.8)**	(9.1)	**–**	–
Disposal of operation	**–**	0.6	**–**	–
Charge for the year	**(3.9)**	(3.2)	**–**	–
Written off	**2.9**	4.7	**–**	–
Net foreign currency movements	**–**	0.2	**–**	–
	(7.8)	(6.8)	**–**	–

b) Analysis of receivables

As at 31 December, the analysis of trade receivables for CCA Group that were past due but not impaired is as follows –

		Past due but not impaired			
	Neither past due nor impaired $M	Less than 30 days overdue $M	More than 30 but less than 90 days overdue $M	More than 90 days overdue $M	Total $M
2008	**544.6**	**31.6**	**11.7**	**2.7**	**590.6**
2007	440.4	74.0	28.3	5.5	548.2

As at 31 December, trade receivables of $46.0 million (2007: $107.8 million) were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of material defaults.

All other receivables (including amounts due from subsidiaries for CCA Entity) do not contain impaired assets and are not past due. Based on the credit history of these other receivables, it is expected that these amounts will be received when due.

c) Related party receivables

For terms and conditions relating to related party receivables, refer to Note 36.

8. Trade and Other Receivables continued

d) Fair value

Due to the short term nature of the CCA Group's receivables, the carrying amount is assumed to approximate their fair value. Refer to Note 35 for further details.

e) Interest rate and foreign exchange risk

Details regarding interest rate and foreign exchange risk exposures are disclosed in Note 35.

f) Credit risk

For trade and other receivables (current), the maximum exposure to credit risk is the fair value of the receivables. Collateral is not held as security.

For trade and other receivables (non-current), the maximum exposure to credit risk is the higher of the carrying value and fair value of each class of receivables. Collateral is not held as security.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
9. Inventories					
Raw materials at cost		**291.6**	248.3	**–**	–
Raw materials at net realisable value		**5.9**	12.0	**–**	–
		297.5	260.3	**–**	–
Finished goods at cost		**413.2**	329.1	**–**	–
Finished goods at net realisable value		**10.3**	5.7	**–**	–
		423.5	334.8	**–**	–
Other inventories at cost[1]		**38.7**	35.7	**–**	–
Other inventories at net realisable value[1]		**18.9**	15.2	**–**	–
		57.6	50.9	**–**	–
Total inventories		**778.6**	646.0	**–**	–

1 Other inventories includes work in progress and spare parts (manufacturing and cold drink equipment).

10. Non-current Assets Held for Sale

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Land					
Balance at the beginning of the financial year		**–**	17.9	**–**	–
Net transfer from property, plant and equipment	14	**–**	8.9	**–**	–
Disposals		**–**	(9.2)	**–**	–
Disposal of operation		**–**	(15.9)	**–**	–
Net foreign currency movements		**–**	(1.7)	**–**	–
Total land held for sale		**–**	–	**–**	–
Buildings					
Balance at the beginning of the financial year		**–**	4.9	**–**	–
Net transfer from property, plant and equipment	14	**–**	1.7	**–**	–
Disposal of operation		**–**	(6.0)	**–**	–
Net foreign currency movements		**–**	(0.6)	**–**	–
Total buildings held for sale		**–**	–	**–**	–
Total non-current assets held for sale		**–**	–	**–**	–

	CCA Group		CCA Entity	
	2008	2007	2008	2007
	$M	$M	$M	$M

11. Investment in Joint Venture Entity

Investment in joint venture entity	**35.7**	16.4	**34.5**	15.8

The Company has a 50% interest in Pacific Beverages Pty Ltd and its subsidiaries (Pacific Beverages). The principal activities are the manufacture, importation and distribution of alcoholic beverages.

The interest in Pacific Beverages is accounted for in the consolidated financial statements using the equity method of accounting and is carried at cost by the parent entity. Information relating to the joint venture entity is set out below.

Carrying amount of investment in Pacific Beverages Pty Ltd	**35.7**	16.4	**34.5**	15.8

a) Share of Pacific Beverages assets and liabilities

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Current assets				
Cash assets	**2.7**	2.4	–	–
Trade and other receivables	**10.8**	11.6	–	–
Other current assets	**6.9**	4.4	–	–
Total current assets	**20.4**	18.4	–	–
Non-current assets				
Property, plant and equipment	**13.9**	4.4	–	–
Intangible assets	**17.5**	7.3	–	–
Deferred tax assets	**1.4**	0.1	–	–
Total non-current assets	**32.8**	11.8	–	–
Total assets	**53.2**	30.2	–	–
Current liabilities				
Trade and other payables	**12.0**	8.0	–	–
Interest bearing liabilities	**0.2**	0.8	–	–
Other current liabilities	**4.6**	4.1	–	–
Total current liabilities	**16.8**	12.9	–	–
Non-current liabilities				
Interest bearing liabilities	**0.7**	0.9	–	–
Total liabilities	**17.5**	13.8	–	–
Net assets	**35.7**	16.4	–	–

	CCA Group		CCA Entity	
	2008 $M	2007 $M	**2008 $M**	2007 $M

11. Investment in Joint Venture Entity continued

b) Share of Pacific Beverages revenue, expenses and results

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Revenue, excluding finance income				
Trading revenue	**39.4**	18.1	–	–
Other revenue	**2.6**	1.4		
	42.0	19.5	–	–
Expenses, excluding finance costs				
Cost of sales	**(28.9)**	(13.2)	–	–
Other expenses	**(12.7)**	(5.2)	–	–
	(41.6)	(18.4)	–	–
Earnings before interest and tax	**0.4**	1.1	–	–
Net finance income	**0.5**	0.1	–	–
Profit before income tax	**0.9**	1.2		
Income tax expense	**(0.3)**	(0.4)	–	–
Profit after income tax	**0.6**	0.8	–	–

12. Investments in Securities

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Shares in subsidiaries at cost[1&2]	–	–	**2,854.2**	2,854.1[3]
Impairment	–	–	**(433.6)**	(433.6)
Total investments in securities	–	–	**2,420.6**	2,420.5

1 *Refer to Note 31 for details of subsidiaries.*

2 *The increase in the balance is due to accounting for equity settled share based payments following the adoption of AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions".*

3 *Shares in subsidiaries at cost in 2007 has been adjusted following the adoption of AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions".*

	CCA Group $M	CCA Entity $M
13. Investments in Bottlers' Agreements		
Year ended 31 December 2008		
At 1 January 2008	**928.8**	**–**
Net foreign currency movements	**(2.8)**	**–**
At 31 December 2008	**926.0**	**–**
Year ended 31 December 2007		
At 1 January 2007	1,505.6	–
Impairment charge[1]	(25.0)	–
Disposal of operation	(482.8)	–
Net foreign currency movements	(69.0)	–
At 31 December 2007	928.8	–

1 Relates to CCA's discontinued South Korean business. Refer to Note 6 for further details.

The bottlers' agreements reflect a long and ongoing relationship between the Group and The Coca-Cola Company (TCCC). At 31 December 2008, there were five agreements throughout the Group at varying stages of their, mainly, ten year terms. These agreements are all on substantially the same terms and conditions, with performance obligations as to production, distribution and marketing and include provisions for renewal. All of the Group's present bottlers' agreements, the first of which was issued in 1939, that have expired have been renewed at expiry of their legal terms. No consideration is payable upon renewal.

In assessing the useful life of bottlers' agreements, due consideration is given to the Group's history of dealing with TCCC, established international practice of that company, TCCC's equity in the Group, the participation of nominees of TCCC on the Company's Board of Directors and the ongoing strength of TCCC brands. In light of these considerations, no factor can be identified that would result in the agreements not being renewed at the end of their legal terms, and accordingly bottlers' agreements have been assessed as having an indefinite useful life.

Bottlers' agreements acquired from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost less impairment model is utilised for measurement.

The bottlers' agreements have been tested for impairment and no impairment losses were expensed for the financial year. A description of management's approach to ensuring each investment in bottlers' agreement is not recognised above its recoverable amount is disclosed in Note 16.

14. Property, Plant and Equipment

	Freehold and leasehold land $M	Freehold and leasehold buildings[1] $M	Plant and equipment $M	Property, plant and equipment under construction $M	Total property, plant and equipment $M
CCA Group					
At 1 January 2008					
Cost (gross carrying amount)	173.1	208.6	1,914.6	167.3	2,463.6
Accumulated depreciation and impairment	–	(29.9)	(1,131.1)	–	(1,161.0)
Net carrying amount	173.1	178.7	783.5	167.3	1,302.6
Year ended 31 December 2008					
At 1 January 2008, net of accumulated depreciation and impairment	173.1	178.7	783.5	167.3	1,302.6
Additions	1.0	3.4	48.9	209.5	262.8
Disposals	(0.2)	(0.1)	(4.9)	–	(5.2)
Depreciation expense	–	(8.9)	(136.3)	–	(145.2)
Impairment charges[2]	–	–	(11.9)	–	(11.9)
Net foreign currency movements	1.6	0.6	10.1	0.6	12.9
Transfers out of property, plant and equipment under construction	13.8	72.0	170.5	(256.3)	–
Transfer from/(to) other non-current assets	–	0.1	(0.2)	(1.0)	(1.1)
At 31 December 2008, net of accumulated depreciation and impairment	189.3	245.8	859.7	120.1	1,414.9
At 31 December 2008					
Cost (gross carrying amount)	189.3	285.2	2,071.1	120.1	2,665.7
Accumulated depreciation and impairment	–	(39.4)	(1,211.4)	–	(1,250.8)
Net carrying amount	189.3	245.8	859.7	120.1	1,414.9
CCA Entity					
At 1 January 2008					
Cost (gross carrying amount)	–	–	5.5	–	5.5
Accumulated depreciation and impairment	–	–	(5.5)	–	(5.5)
Net carrying amount	–	–	–	–	–
Year ended 31 December 2008					
Additions	–	–	0.3	–	0.3
Depreciation expense	–	–	(0.1)	–	(0.1)
At 31 December 2008, net of accumulated depreciation	–	–	0.2	–	0.2
At 31 December 2008					
Cost (gross carrying amount)	–	–	5.8	–	5.8
Accumulated depreciation	–	–	(5.6)	–	(5.6)
Net carrying amount	–	–	0.2	–	0.2

1 Freehold and leasehold buildings include improvements made to buildings.

2 Impairment of plant and equipment mainly relates to cold drink equipment and redundant plant and equipment in SPCA. Through management's ongoing assessment of the recoverable amount of the above, these impairment charges have been identified.

	Freehold and leasehold land $M	Freehold and leasehold buildings[1] $M	Plant and equipment $M	Property, plant and equipment under construction $M	Total property, plant and equipment $M

14. Property, Plant and Equipment continued

	Freehold and leasehold land $M	Freehold and leasehold buildings[1] $M	Plant and equipment $M	Property, plant and equipment under construction $M	Total property, plant and equipment $M
CCA Group					
At 1 January 2007					
Cost (gross carrying amount)	255.4	244.5	2,312.6	120.9	2,933.4
Accumulated depreciation and impairment	–	(27.8)	(1,405.7)	–	(1,433.5)
Net carrying amount	255.4	216.7	906.9	120.9	1,499.9
Year ended 31 December 2007					
At 1 January 2007, net of accumulated depreciation and impairment	255.4	216.7	906.9	120.9	1,499.9
Additions	1.6	10.7	62.2	216.1	290.6
Disposals	–	(0.9)	(18.0)	–	(18.9)
Acquisitions of entities and operations	–	–	1.8	–	1.8
Disposal of operation	(63.0)	(50.4)	(98.0)	(0.9)	(212.3)
Depreciation expense	–	(9.9)	(160.1)	–	(170.0)
Impairment charges[2]	–	–	(7.5)	–	(7.5)
Net foreign currency movements	(12.1)	(9.6)	(29.5)	(0.9)	(52.1)
Transfers out of property, plant and equipment under construction	–	24.1	126.2	(150.3)	–
Net transfers to non-current assets held for sale	(8.9)	(1.7)	–	–	(10.6)
Transfer to software development assets	–	–	–	(17.1)	(17.1)
Transfer from/(to) other non-current assets	0.1	(0.3)	(0.5)	(0.5)	(1.2)
At 31 December 2007, net of accumulated depreciation and impairment	173.1	178.7	783.5	167.3	1,302.6
At 31 December 2007					
Cost (gross carrying amount)	173.1	208.6	1,914.6	167.3	2,463.6
Accumulated depreciation and impairment	–	(29.9)	(1,131.1)	–	(1,161.0)
Net carrying amount	173.1	178.7	783.5	167.3	1,302.6
CCA Entity					
At 31 December 2007					
Cost (gross carrying amount)	–	–	5.5	–	5.5
Accumulated depreciation	–	–	(5.5)	–	(5.5)
Net carrying amount	–	–	–	–	–

1 Freehold and leasehold buildings include improvements made to buildings.

2 Impairment of plant and equipment mainly relates to cold drink equipment. Through management's ongoing assessment of the recoverable amount of cold drink equipment, the above impairment charges have been identified.

	Refer Note	Customer lists[1&2] $M	Brand names[1] $M	Intellectual property[1&2] $M	Software development assets[3] $M	Goodwill[1] $M	Total intangible assets $M
15. Intangible Assets							
CCA Group							
At 1 January 2008							
Cost (gross carrying amount)		8.5	111.0	2.5	44.5	385.8	552.3
Accumulated amortisation and impairment		(3.4)	(6.9)	(2.5)	(17.6)	(9.1)	(39.5)
Net carrying amount		5.1	104.1	–	26.9	376.7	512.8
Year ended 31 December 2008							
At 1 January 2008, net of accumulated amortisation and impairment		5.1	104.1	–	26.9	376.7	512.8
Additions		–	–	–	25.0	–	25.0
Amortisation expense		(1.3)	(0.2)	–	(4.6)	–	(6.1)
Impairment charges	4	–	(0.1)	–	–	(2.0)	(2.1)
Net foreign currency movements		–	–	–	–	1.2	1.2
Other		–	–	–	(3.3)	–	(3.3)
At 31 December 2008, net of accumulated amortisation and impairment		3.8	103.8	–	44.0	375.9	527.5
At 31 December 2008							
Cost (gross carrying amount)		8.5	111.0	2.5	65.6	386.9	574.5
Accumulated amortisation and impairment		(4.7)	(7.2)	(2.5)	(21.6)	(11.0)	(47.0)
Net carrying amount		3.8	103.8	–	44.0	375.9	527.5
At 1 January 2007							
Cost (gross carrying amount)		7.6	111.0	2.4	38.9	377.0	536.9
Accumulated amortisation and impairment		(0.9)	(6.7)	(1.2)	(29.9)	(2.5)	(41.2)
Net carrying amount		6.7	104.3	1.2	9.0	374.5	495.7
Year ended 31 December 2007							
At 1 January 2007, net of accumulated amortisation and impairment		6.7	104.3	1.2	9.0	374.5	495.7
Additions		–	–	0.2	8.5	–	8.7
Disposals		–	–	–	(0.6)	–	(0.6)
Acquisitions of entities and operations		0.9	–	–	–	11.7	12.6
Disposal of operation		–	–	–	(0.4)	–	(0.4)
Transfer from property, plant and equipment	14	–	–	–	17.1	–	17.1
Amortisation expense		(1.4)	(0.2)	(0.5)	(4.7)	–	(6.8)
Impairment charges	4	(1.1)	–	(0.9)	(4.3)	(6.5)	(12.8)
Net foreign currency movements		–	–	–	–	(3.0)	(3.0)
Other		–	–	–	2.3	–	2.3
At 31 December 2007, net of accumulated amortisation and impairment		5.1	104.1	–	26.9	376.7	512.8
At 31 December 2007							
Cost (gross carrying amount)		8.5	111.0	2.5	44.5	385.8	552.3
Accumulated amortisation and impairment		(3.4)	(6.9)	(2.5)	(17.6)	(9.1)	(39.5)
Net carrying amount		5.1	104.1	–	26.9	376.7	512.8

1 Purchased as part of a business combination.

2 Asset purchases.

3 Software development assets mainly relate to the new SAP (Systems Applications and Products) operating system, which was implemented in October 2008 in the Australian Beverage business.

15. Intangible Assets continued

The useful life of customer lists is finite and amortisation is on a straight line basis over five to ten years.

In assessing the useful life of SPCA brand names, due consideration is given to the existing longevity of SPCA brands, the indefinite life cycle of the industry in which SPCA operates and the expected usage of the brand names in the future. In light of these considerations, no factor could be identified that would result in the brand names having a finite useful life and accordingly SPCA brand names have been assessed as having an indefinite useful life.

Other brand names have been assessed as having finite useful lives and are amortised on a straight line basis over ten years.

Intellectual property has a finite useful life and amortisation is on a straight line basis over five years.

Software development assets represent internally generated intangible assets with finite useful lives and are amortised on a straight line basis from one to seven years depending on the specific intangible asset.

All intangible assets with finite useful lives were assessed for impairment and all intangible assets with indefinite useful lives were tested for impairment at 31 December 2008. Refer to Note 16 for further details on impairment testing of intangible assets with indefinite lives.

16. Impairment Testing of Intangible Assets with Indefinite Lives

Intangible assets deemed to have indefinite lives are allocated to the Group's cash generating units (CGUs).

A business CGU-level summary of the intangible assets deemed to have indefinite lives is presented below –

	CCA Group			
	Investments in bottlers' agreements $M	Brand names $M	Goodwill $M	Total intangible assets with indefinite lives $M
Year ended 31 December 2008				
Beverage business	**926.0**	**–**	**37.4**	**963.4**
Food & Services business	**–**	**98.3**	**338.5**	**436.8**
Total	**926.0**	**98.3**	**375.9**	**1,400.2**
Year ended 31 December 2007				
Beverage business	928.8	–	36.2	965.0
Food & Services business	–	98.3	340.5	438.8
Total	928.8	98.3	376.7	1,403.8

16. Impairment Testing of Intangible Assets with Indefinite Lives continued

a) Impairment tests for investments in bottlers' agreements and goodwill

Impairment testing is carried out by CCA by determining an asset's recoverable amount as compared to its carrying amount. The recoverable amount is determined, for the continuing operations, as the maximum of fair value less cost to sell and value in use. Value in use is calculated using a discounted cash flow methodology covering a fifteen year period with an appropriate residual value at the end of that period, for each segment and country in which the Group operates. The methodology utilises cash flow forecasts that are based primarily on business plans presented to and approved by the Board.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of investments in bottlers' agreements and goodwill –

i) Cash flow forecasts
Cash flow forecasts are based primarily on three year business plans presented to and reviewed by the Board, extrapolated out to fifteen years using forecast growth rates;

ii) Residual value
Residual value is calculated using a perpetuity growth formula based on the forecast for year fifteen, weighted average cost of capital (after tax) and forecast growth rate;

iii) Forecast growth rates
Forecast growth rates are based on past performance and management's expectations for future performance in each segment and country; and

iv) Discount rates
Discount rates used are the weighted average cost of capital (after tax) for the Group in each country, risk adjusted where applicable.

b) Impairment tests for brand names with indefinite lives

Impairment testing is carried out by CCA by determining an asset's recoverable amount as compared to its carrying amount. The recoverable amount is determined, for the continuing operations, as the maximum of fair value less cost to sell and value in use. Value in use for brand names is calculated using a "relief from royalty" discounted cash flow methodology covering a ten year period with an appropriate residual value at the end of that period. The methodology utilises notional after tax royalty cash flows, which are based primarily on three year business plans prepared by management.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of brand names with indefinite lives –

i) Cash flow forecasts
Brand related cash flow forecasts are based on three year business plans prepared by management, extrapolated out to ten years using forecast growth rates;

ii) Royalty rates
Royalty rates are based on market rates for comparable brands adjusted for costs associated with maintaining the brand;

iii) Residual value
Residual value is calculated using a perpetuity growth formula based on the notional after tax royalty cash flow forecast for year ten, weighted average cost of capital (after tax) and forecast growth rate;

iv) Forecast growth rates
Forecast growth rates are based on past performance and management's expectations for future performance; and

v) Discount rates
Discount rates used are the weighted average cost of capital (after tax) for the Group in each country, risk adjusted where applicable.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M

17. Trade and Other Payables

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Current					
Trade payables		**325.7**	255.0	**0.5**	0.2
Amounts due to subsidiaries	36	**–**	–	**158.7**	512.1
Amounts due to related entities (trade)	36	**129.1**	152.0	**–**	–
Other payables		**60.4**	29.2	**8.8**	8.1
Total trade and other payables (current)		**515.2**	436.2	**168.0**	520.4

a) Related party payables
For terms and conditions relating to related party payables, refer to Note 36.

b) Interest rate, foreign exchange and liquidity risk
Details regarding interest rate, foreign exchange and liquidity risk exposure are disclosed in Note 35.

18. Interest Bearing Liabilities

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Current					
Unsecured					
Bonds		**55.2**	170.3	**5.2**	170.3
Loans		**0.5**	0.4	**–**	–
Bank loans		**–**	0.3	**–**	–
Bank overdrafts		**–**	0.4	**–**	–
Total interest bearing liabilities (current)	18a)	**55.7**	171.4	**5.2**	170.3
Non-current					
Unsecured					
Bonds		**2,118.8**	1,681.4	**2,118.8**	1,631.4
Loans		**5.4**	5.9	**–**	–
Bank loans		**226.5**	7.9	**–**	–
Total interest bearing liabilities (non-current)	18a)	**2,350.7**	1,695.2	**2,118.8**	1,631.4

18. Interest Bearing Liabilities continued

a) Interest rate, foreign exchange and liquidity risk

The following table sets out significant terms of the major components of interest bearing liabilities –

CCA Group Type of interest bearing liability/ country	2008 $M	2007 $M	Interest rate p.a. 2008 %	Interest rate p.a. 2007 %	Denomination	Maturity date
Current						
Bonds						
Australia	**50.0**	–	**7.3**	–	Australian Dollar	Apr 09
Australia – CCA Entity	**5.2**	150.0	**6.1**	7.4	Australian Dollar	Jan to Jul 09
Australia – CCA Entity	–	20.3	–	1.2	Japanese Yen	Aug 08
	55.2	170.3				
Loans						
Australia	**0.5**	0.4	**6.9**	7.0	Australian Dollar	Oct 09
Bank loans						
Indonesia	–	0.3	–	7.5	United States Dollar	Jan 08
Bank overdrafts	–	0.4	–	8.0		
Total interest bearing liabilities (current)	**55.7**	171.4				
Non-current						
Bonds						
Australia	–	50.0	–	7.3	Australian Dollar	Apr 09
Australia – CCA Entity	**497.4**	336.0	**5.1**	5.2	United States Dollar	Jun 10 to Apr 16
Australia – CCA Entity	**556.8**	220.2	**2.3**	3.8	Japanese Yen	Jun 10 to Jun 36
Australia – CCA Entity	**1,064.6**	1,075.2	**5.5**	7.6	Australian Dollar	Jul 10 to Jan 19
	2,118.8	1,681.4				
Loans						
Australia	**5.4**	5.9	**6.9**	7.0	Australian Dollar	Jun 17 to Apr 18
Bank loans						
New Zealand	**226.5**	7.9	**6.6**	8.6	New Zealand Dollar	Jun 10 to Oct 11
Total interest bearing liabilities (non-current)	**2,350.7**	1,695.2				

18. Interest Bearing Liabilities continued

a) Interest rate, foreign exchange and liquidity risk continued

CCA Entity Type of interest bearing liability/ country	2008 $M	2007 $M	Interest rate p.a. 2008 %	 2007 %	Denomination	Maturity date
Current						
Bonds						
Australia – CCA Entity	**5.2**	150.0	**6.1**	7.4	Australian Dollar	Jan to Jul 09
Australia – CCA Entity	**–**	20.3	**–**	1.2	Japanese Yen	Aug 08
	5.2	170.3				
Total interest bearing liabilities (current)	**5.2**	170.3				
Non-current						
Bonds						
Australia – CCA Entity	**497.4**	336.0	**5.1**	5.2	United States Dollar	Jun 10 to Apr 16
Australia – CCA Entity	**556.8**	220.2	**2.3**	3.8	Japanese Yen	Jun 10 to Jun 36
Australia – CCA Entity	**1,064.6**	1,075.2	**5.5**	7.6	Australian Dollar	Jul 10 to Jan 19
	2,118.8	1,631.4				
Total interest bearing liabilities (non-current)	**2,118.8**	1,631.4				

Further details regarding interest rate, foreign exchange and liquidity risk are disclosed in Note 35.

b) Fair value

Details regarding the fair value of interest bearing liabilities are disclosed in Note 35.

c) Financing facilities

The following financing facilities are available as at balance date –

	CCA Group 2008 $M	 2007 $M	CCA Entity 2008 $M	 2007 $M
i) Overdraft facilities				
Total arrangements	**5.0**	5.0	**5.0**	5.0
Used as at the end of the financial year	**–**	(0.4)	**–**	–
Unused as at the end of the financial year	**5.0**	4.6	**5.0**	5.0
ii) Bank loan facilities				
Total arrangements	**450.8**	176.4	**–**	–
Used as at the end of the financial year	**(226.5)**	(8.2)	**–**	–
Unused as at the end of the financial year	**224.3**	168.2	**–**	–

d) Defaults or breaches

During the current and prior years, there were no defaults or breaches on any of the Group's borrowings.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
19. Provisions					
Current					
Employee benefits		**98.2**	85.9	**41.8**	29.8
Total provisions (current)		**98.2**	85.9	**41.8**	29.8
Non-current					
Employee benefits		**9.8**	12.7	**3.6**	7.0
Total provisions (non-current)		**9.8**	12.7	**3.6**	7.0

20. Deferred Tax Assets and Liabilities

a) Deferred taxes

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Deferred tax assets		**–**	1.8	**42.1**	4.9
Deferred tax liabilities		**(138.7)**	(153.3)	**–**	–
Net deferred tax (liabilities)/assets		**(138.7)**	(151.5)	**42.1**	4.9

b) Movement in net deferred tax assets/(liabilities) for the financial year –

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Balance at the beginning of the financial year		**(151.5)**	(325.7)	**4.9**	12.9
Charged to the income statements as deferred tax (expense)/benefit	5a)	**(2.4)**	29.3	**1.1**	0.6
Charged to equity	24c)	**22.8**	(6.9)	**43.9**	(10.2)
Acquisitions of entities and operations		**–**	(0.2)	**–**	–
Disposal of operation		**–**	132.8	**–**	–
Net foreign currency movements		**(1.9)**	20.0	**–**	–
Other		**(5.7)**	(0.8)	**(7.8)**	1.6
Balance at the end of the financial year		**(138.7)**	(151.5)	**42.1**	4.9

c) Deferred tax assets and liabilities at the end of the financial year (prior to offsetting balances within the same tax jurisdiction) are attributable to –

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Deferred tax assets (gross)					
Trade receivables		**2.1**	2.0	**–**	–
Inventories		**1.0**	5.4	**–**	–
Property, plant and equipment		**2.6**	1.9	**1.3**	1.6
Intangible assets		**–**	0.9	**–**	–
Accrued charges		**11.2**	9.5	**4.5**	2.2
Employee benefits provisions		**31.8**	29.6	**13.6**	11.0
Defined benefit superannuation plan liabilities		**7.1**	11.0	**0.9**	4.5
Income tax losses		**–**	1.1	**–**	–
Derivatives		**17.8**	–	**28.0**	–
Other		**8.7**	8.9	**3.7**	3.4
Total deferred tax assets (gross)		**82.3**	70.3	**52.0**	22.7
Deferred tax liabilities (gross)					
Inventories		**(6.5)**	(7.2)	**–**	–
Investments in bottlers' agreements		**(131.7)**	(133.0)	**–**	–
Property, plant and equipment		**(41.2)**	(47.1)	**–**	–
Intangible assets		**(1.7)**	–	**–**	–
Defined benefit superannuation plan assets		**(1.4)**	–	**(1.4)**	–
Retained earnings balances of overseas subsidiaries[1]		**(16.8)**	(16.1)	**–**	–
Derivatives		**(6.2)**	(13.2)	**–**	(17.5)
Other		**(15.5)**	(5.2)	**(8.5)**	(0.3)
Total deferred tax liabilities (gross)		**(221.0)**	(221.8)	**(9.9)**	(17.8)
Net deferred tax (liabilities)/assets		**(138.7)**	(151.5)	**42.1**	4.9

1 Represents all withholding taxes payable on unremitted retained earnings of overseas subsidiaries.

20. Deferred Tax Assets and Liabilities continued

d) Movements in deferred tax assets and liabilities during the financial year, reflected in deferred tax expense/(benefit) –

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Deferred tax assets				
Trade receivables	(0.4)	0.6	–	–
Inventories	3.3	(3.5)	–	–
Property, plant and equipment	0.2	–	0.3	0.4
Intangible assets	–	1.6	–	–
Accrued charges	(2.0)	(0.3)	(1.3)	–
Employee benefits provisions	(3.8)	(2.1)	(2.6)	(1.6)
Defined benefit superannuation plan liabilities	4.3	(2.2)	5.1	(1.4)
Income tax losses	–	(0.5)	–	–
Other	(6.0)	0.7	(2.6)	2.0
Total deferred tax assets	(4.4)	(5.7)	(1.1)	(0.6)
Deferred tax liabilities				
Inventories	0.2	0.9	–	–
Prepayments	–	0.2	–	–
Investments in bottlers' agreements	–	(6.9)	–	–
Property, plant and equipment	2.4	(2.9)	–	–
Retained earnings balances of overseas subsidiaries	0.7	(16.8)	–	–
Derivatives	3.5	(1.7)	–	–
Other	–	3.6	–	–
Total deferred tax liabilities	6.8	(23.6)	–	–
Net deferred tax expense/(benefit)	2.4	(29.3)	(1.1)	(0.6)

e) Tax losses not brought to account, as the realisation of the benefits represented by these balances is not considered to be probable –

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Capital gains tax – no expiry date	961.9	978.3	961.9	978.3
Potential tax benefit	288.6	293.5	288.6	293.5

f) Other deductible temporary differences not brought to account, as the realisation of the benefits represented by these balances is not considered to be probable –

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Other deductible temporary differences – no expiry date	38.4	38.4	–	–
Potential tax benefit	11.5	11.5	–	–

21. Defined Benefit Superannuation Plan Assets and Liabilities

The Group sponsors a number of superannuation plans which provide benefits for employees or their dependants on retirement, resignation or death. The plans provide, in the majority of cases, benefits in the form of lump sum payments.

Contributions to the Plans are based on a percentage of employees' salaries and wages.

The major plans in Australia are the CCA Group Superannuation Plan (CCAGSP) and the CCA Superannuation Plan (CCASP). These Plans also have defined contribution components to them. The major plan in Indonesia is the CCBI Superannuation Plan (CCBISP). The following sets out details in respect of the defined benefit superannuation plans only.

a) Accounting policies

The Group has adopted the "corridor" approach to the recognition of actuarial gains and losses. The amount of actuarial gains and losses recognised as income or expense in a particular year equals the excess of the unrecognised gain/loss at the start of the year over the greater of 10% of the value of the plan assets and the value of the defined benefit obligation at the start of the year, divided by the expected average remaining working life of the membership.

b) Plan information

Australia

The Company sponsors the CCAGSP and the CCASP. These Plans are both defined benefit plans, which consist of a defined contribution section of membership as well as a defined benefit section. The CCAGSP also pays pensions to a number of pensioners.

Indonesia

PT Coca-Cola Bottling Indonesia sponsors the CCBISP, which includes a funded accumulation benefit scheme in addition to the defined benefit element, based upon government regulations.

c) Reconciliation of the present value of the defined benefit obligations

	CCAGSP		CCASP		CCBISP[1]	
	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Present value of defined benefit obligations at the beginning of the financial year	**29.9**	33.1	**62.0**	70.1	**23.7**	24.8
Current service cost	**2.0**	2.9	**6.1**	7.4	**2.1**	2.1
Interest cost	**1.8**	1.6	**3.9**	3.5	**2.4**	2.5
Actuarial losses/(gains)	**9.8**	(3.1)	**24.2**	(8.4)	**(2.4)**	–
Benefits paid	**(4.1)**	(4.6)	**(10.9)**	(10.6)	**(1.8)**	(1.9)
Net foreign currency movements	**–**	–	**–**	–	**1.7**	(3.8)
Present value of defined benefit obligations at the end of the financial year	**39.4**	29.9	**85.3**	62.0	**25.7**	23.7

d) Reconciliation of the fair value of plan assets

	CCAGSP 2008 $M	CCAGSP 2007 $M	CCASP 2008 $M	CCASP 2007 $M	CCBISP 2008 $M	CCBISP 2007 $M
Fair value of plan assets at the beginning of the financial year	**33.0**	36.5	**81.8**	85.1	**–**	–
Expected return on plan assets	**1.9**	2.0	**5.4**	5.5	**–**	–
Actuarial (losses)/gains	**(6.6)**	(0.9)	**(24.1)**	0.1	**–**	–
Employer contributions	**4.1**	–	**17.1**	1.7	**–**	–
Benefits paid	**(4.1)**	(4.6)	**(10.9)**	(10.6)	**–**	–
Fair value of plan assets at the end of the financial year	**28.3**	33.0	**69.3**	81.8	**–**	–

1 The CCBISP has no plan assets. PT Coca-Cola Bottling Indonesia accrues the Plan's liabilities as per the actuarial assessment applying the "corridor" approach as outlined above.

21. Defined Benefit Superannuation Plan Assets and Liabilities continued

e) Reconciliation of the assets and liabilities recognised in the balance sheets

	CCAGSP		CCASP		CCBISP		CCA Group	
	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Present value of funded defined benefit obligations at the end of the financial year	**39.4**	29.9	**85.3**	62.0	**25.7**	23.7	**150.4**	115.6
Fair value of plan assets at the end of the financial year	**(28.3)**	(33.0)	**(69.3)**	(81.8)	**–**	–	**(97.6)**	(114.8)
	11.1	(3.1)	**16.0**	(19.8)	**25.7**	23.7	**52.8**	0.8
Unrecognised past service cost	**–**	–	**–**	–	**(2.6)**	(2.6)	**(2.6)**	(2.6)
Unrecognised (losses)/gains	**(8.2)**	8.7	**(20.8)**	29.3	**2.8**	0.4	**(26.2)**	38.4
	2.9	5.6	**(4.8)**	9.5	**25.9**	21.5	**24.0**	36.6
These amounts are disclosed as –								
Net liability recognised in the balance sheets at the end of the financial year	**2.9**	5.6	**–**	9.5	**25.9**	21.5	**28.8**	36.6
Net asset recognised in the balance sheets at the end of the financial year	**–**	–	**(4.8)**	–	**–**	–	**(4.8)**	–

f) Expense recognised in the income statements

	CCAGSP		CCASP		CCBISP		CCA Group	
	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Current service cost	**2.0**	2.9	**6.1**	7.4	**2.1**	2.1	**10.2**	12.4
Interest cost	**1.8**	1.6	**3.9**	3.5	**2.4**	2.5	**8.1**	7.6
Expected return on plan assets	**(1.9)**	(2.0)	**(5.4)**	(5.5)	**–**	–	**(7.3)**	(7.5)
Actuarial gains	**(0.6)**	(0.3)	**(1.8)**	(1.0)	**(0.1)**	–	**(2.5)**	(1.3)
Past service cost	**–**	–	**–**	–	**0.2**	0.7	**0.2**	0.7
Foreign exchange losses/(gains)	**–**	–	**–**	–	**0.3**	(0.5)	**0.3**	(0.5)
Expense recognised in the income statements	**1.3**	2.2	**2.8**	4.4	**4.9**	4.8	**9.0**	11.4

g) Plan assets

The percentage invested in each asset class at the balance sheet date (including pension assets) –

	CCAGSP		CCASP		CCBISP	
	2008 %	2007 %	**2008 %**	2007 %	**2008 %**	2007 %
Australian equities	**13.0**	17.0	**20.0**	24.0	**–**	–
Overseas equities	**14.0**	13.0	**23.0**	26.0	**–**	–
Fixed interest securities	**59.0**	55.0	**40.0**	34.0	**–**	–
Property	**7.0**	8.0	**11.0**	11.0	**–**	–
Other	**7.0**	7.0	**6.0**	5.0	**–**	–

h) Principal actuarial assumptions at the reporting date (p.a.)

	CCAGSP		CCASP		CCBISP	
	2008 %	2007 %	**2008 %**	2007 %	**2008 %**	2007 %
Discount rate	**4.0**	6.3	**4.0**	6.3	**12.0**	10.0
Expected return on plan assets	**6.4**[1]	6.1[2]	**6.9**	6.6	**–**	–
Future salary increases	**4.7**	4.7	**4.5**	4.5	**8.0**	7.0
Future inflation	**3.0**	2.8	**3.0**	2.8	**7.0**	6.0
Future pension increases	**3.0**	2.8	**–**	–	**–**	–

1 Comprising 82% active member and 18% pensioner assets.

2 Comprising 84% active member and 16% pensioner assets.

21. Defined Benefit Superannuation Plan Assets and Liabilities continued

i) Fair value of plan assets

The fair value of plan assets includes no amounts relating to –

- any of the Company's own financial instruments; and
- any property occupied by, or other assets used by, the Company.

j) Expected rate of return on plan assets

The expected return on plan assets assumption is determined by weighting the expected long term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

k) Historical information

	CCAGSP		CCASP		CCBISP	
	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Present value of defined benefit obligations	**39.4**	29.9	**85.3**	62.0	**25.7**	23.7
Fair value of plan assets	**(28.3)**	(33.0)	**(69.3)**	(81.8)	**–**	–
Deficit/(surplus) in plan	**11.1**	(3.1)	**16.0**	(19.8)	**–**	–
Experience adjustments – plan liabilities	**(1.6)**	(0.9)	**(4.6)**	(1.9)	**–**	–
Experience adjustments – plan assets	**(6.5)**	(0.9)	**(24.2)**	0.1	**–**	–

l) Actual return on plan assets

Actual return on plan assets	**(4.6)**	1.1	**(18.8)**	5.5	**–**	–

m) Expected contributions

Expected employer contributions	**1.9**	1.9	**6.2**	5.6	**–**	–

	Refer Note	CCA Group and CCA Entity 2008 No.	2007 No.	2008 $M	2007 $M

22. Share Capital

a) Issued capital

Fully paid ordinary shares	Refer Note	2008 No.	2007 No.	2008 $M	2007 $M
Balance at the beginning of the financial year		**754,962,468**	750,887,525	**2,027.8**	2,001.1
Off-market share buy-back		**(21,683,347)**	–	**(58.1)**	–
Shares issued in respect of –					
Dividend Reinvestment Plan	22b)	**1,616,963**	1,676,418	**14.3**	14.3
Executive Option Plan	25	**700,300**	2,398,525	**3.5**	12.4
Total movement		**(19,366,084)**	4,074,943	**(40.3)**	26.7
Balance at the end of the financial year		**735,596,384**	754,962,468	**1,987.5**	2,027.8

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.

Off-market share buy-back

CCA successfully completed its off-market share buy-back on 29 January 2008. A total of 21,683,347 shares, or approximately 2.9% of CCA's issued shares, were bought back at a price of $7.84, representing a maximum 14% discount to the applicable market price. The buy-back amount comprised a capital component of $2.67 per share (recognised in share capital) and a fully franked dividend component of $5.17 per share (recognised in accumulated losses). Total payments for the off-market share buy-back were $170.6 million (including transaction costs) with $58.1 million recognised in share capital and $112.5 million recognised in accumulated losses.

b) Dividend Reinvestment Plan

The Dividend Reinvestment Plan provides shareholders with the opportunity to receive fully paid ordinary shares, in lieu of cash dividends, at a discount of 3% from market price at the time of issue. Market price is the weighted average price of a specified ten day period prior to issue.

Details of shares issued under the Plan during the financial year are as follows –

	CCA Group and CCA Entity 2008			2007		
	Shares issued No.	**Issue price $**	**Proceeds $M**	Shares issued No.	Issue price $	Proceeds $M
Current year interim	**763,734**	**8.23**	**6.3**	735,219	9.01	6.6
Prior year final	**853,229**	**9.44**	**8.0**	941,199	8.17	7.7
Total	**1,616,963**		**14.3**	1,676,418		14.3

c) Earnings per share (EPS)

Details of the Company's consolidated EPS, including details of the weighted average number of shares used to calculate EPS, can be found in Note 27.

		CCA Group		CCA Entity	
	Refer Note	**2008 $M**	2007 $M	**2008 $M**	2007 $M

23. Shares Held by Equity Compensation Plans

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Balance at the beginning of the financial year		**(16.3)**	(15.2)	**–**	–
Movements in unvested CCA ordinary shares held by –					
Employees Share Plan	24b)	**(0.3)**	2.4	**–**	–
Executive Retention Share Plan		**–**	(3.5)	**–**	–
Balance at the end of the financial year		**(16.6)**	(16.3)	**–**	–

The shares held by equity compensation plans account is used to record the balance of CCA ordinary shares which as at the end of the financial year have not vested to Group employees, and therefore are controlled by the Group. The majority of these shares are held by the Employees Share Plan, with the remainder held by the other share plans.

Refer to Note 25 for further information on CCA share plans.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M

24. Reserves

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
a) Reserves at the end of the financial year					
Foreign currency translation reserve		**(7.5)**	(37.0)	**–**	–
Unvested equity compensation reserve		**27.6**	32.8	**12.4**	19.5
Cash flow hedging reserve		**(31.8)**	25.0	**(65.0)**	41.1
Non-vested equity compensation reserve		**7.1**	4.2	**7.1**	4.2
Total reserves		**(4.6)**	25.0	**(45.5)**	64.8
b) Movements					
Foreign currency translation reserve					
Balance at the beginning of the financial year		**(37.0)**	99.2	**–**	–
Transfer to income statements on disposal of operation[1]		**–**	(46.7)	**–**	–
Translation of financial statements of foreign operations		**29.5**	(89.5)	**–**	–
Balance at the end of the financial year		**(7.5)**	(37.0)	**–**	–

1 Relates to the disposal of the South Korean business. Refer to Note 6 for further details.

The foreign currency translation reserve is used to record foreign exchange differences arising from the translation of the financial statements of foreign operations.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Unvested equity compensation reserve					
Balance at the beginning of the financial year		**32.8**	32.5	**19.5**	18.3
Expense recognised during the financial year	4	**11.7**	9.6	**10.1**	8.1
Deferred tax adjustment	24c)	**(1.6)**	0.6	**(1.6)**	0.6
Movements in unvested CCA ordinary shares held by –					
Employees Share Plan	23	**0.3**	(2.4)	**–**	–
Transfer to non-vested equity compensation reserve		**(2.9)**	(4.2)	**(2.9)**	(4.2)
Share based payments[1]		**(12.7)**	(3.3)	**(12.7)**	(3.3)
Balance at the end of the financial year		**27.6**	32.8	**12.4**	19.5

1 Purchased on market.

The unvested equity compensation reserve is used to record the following share based remuneration obligations to employees in relation to CCA ordinary shares –

- as held by the Employees Share Plan, which have not vested to employees as at the end of the financial year;
- to be purchased by the Long Term Incentive Share Plan with respect to incentives for senior executives;
- as held by the Executive Retention Share Plan with respect to incentives for senior executives;
- as held by the Non-Executive Directors' Retirement Share Trust, which have not vested to the participating Directors as at the end of the financial year; and
- as held by the Executive Salary Sacrifice Share Plan where applicable to the service agreements of key management personnel.

Refer to Note 25 for further information on CCA share plans.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
24. Reserves continued					
b) Movements continued					
Cash flow hedging reserve					
Balance at the beginning of the year		**25.0**	7.5	**41.1**	15.8
Revaluation of cash flow hedges to fair value		**(76.9)**	26.1	**(151.1)**	35.0
Transfer to income statements		**(4.3)**	(0.6)	**(0.5)**	1.1
Transfer to initial carrying amount of hedged items		**–**	(0.5)	**–**	–
Deferred tax adjustment	24c)	**24.4**	(7.5)	**45.5**	(10.8)
Balance at the end of the financial year		**(31.8)**	25.0	**(65.0)**	41.1

The cash flow hedging reserve is used to record adjustments to revalue cash flow hedges to fair or market value, where the derivative financial instruments qualify for hedge accounting. Upon realisation of the underlying hedged transactions in future financial years, these revaluation adjustments are reversed from the cash flow hedging reserve and taken to the income statements.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Non-vested equity compensation reserve					
Balance at the beginning of the year		**4.2**	–	**4.2**	–
Transfer from unvested equity compensation reserve		**2.9**	4.2	**2.9**	4.2
Balance at the end of the financial year		**7.1**	4.2	**7.1**	4.2

The non-vested equity compensation reserve is used to record share based remuneration amounts with respect to the Long Term Incentive Share Plan where the vesting requirements for completed plans for awards conditional upon a market condition have not been met.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
c) Reserve movements attributable to deferred taxes					
Unvested equity compensation reserve	24b)	**(1.6)**	0.6	**(1.6)**	0.6
Cash flow hedging reserve	24b)	**24.4**	(7.5)	**45.5**	(10.8)
Total	20b)	**22.8**	(6.9)	**43.9**	(10.2)

25. Employee Ownership Plans

The Company has seven share and option plans available for employees and Directors of the Group: the Employees Share Plan; the Executive Option Plan; the Long Term Incentive Share Plan; the Executive Retention Share Plan; the Non-Executive Directors' Share Plan; the Non-Executive Directors' Retirement Share Trust; and the Executive Salary Sacrifice Share Plan. Fully paid ordinary shares issued under these plans rank equally with all other existing fully paid ordinary shares, in respect of voting and dividends rights and future bonus and rights issues.

Employees Share Plan

The Employees Share Plan provides employees with an opportunity to contribute up to 3% of their salary to acquire shares in the Company. The Plan is administered by a trustee which acquires (and holds in trust) shares for the benefit of participants. These shares are acquired through issues of shares to the trustee (the issue price is the weighted average price of a specified five day period prior to issue) or are purchased on market at the prevailing market price; shares that have been forfeited under the terms of the Plan are also utilised. For every share acquired with amounts contributed by each participant, a matching share is acquired by the trustee. These matching shares, which under normal circumstances vest with the employee after a period of two years from their date of issue (acquisition or utilisation), are acquired with contributions made by the employing entities. Vesting of matching shares with employees does not involve any performance hurdles.

Members of the Plan receive dividends for all shares held on their behalf by the trustee.

As at the end of the financial year, the total number of employees eligible to participate in the Plan was 15,495 (2007: 15,666).

All shares were purchased on market during the financial year. No shares were issued under the Plan during the financial year.

25. Employee Ownership Plans continued

Employees Share Plan continued

Details of the movements in share balances under the Plan during the 2008 financial year are as follows –

	Employee shares No.	Matching shares No.	Reserve shares No.	Total shares No.
Shares at the beginning of the financial year	3,380,255	3,380,255	17,656	6,778,166
Purchased	805,445	631,505	–	1,436,950
Utilised from reserves	–	173,940	(173,940)	–
Distributed to employees	(622,436)	(457,492)	–	(1,079,928)
Forfeited	–	(164,944)	164,944	–
Shares at the end of the financial year	3,563,264	3,563,264	8,660	7,135,188
Number of shares vested to employees	3,563,264	2,246,852	–	5,810,116

Executive Option Plan

The Executive Option Plan has been closed to new participants since 1 January 2003, and accordingly no options have been issued since that date. The Plan provides executives, as approved by the Company's Compensation Committee, with options to acquire ordinary shares in the Company. The options' exercise price is the market price at the time of issue. Market price is the weighted average price of a specified five day period prior to issue. Each option is granted over one unissued ordinary share in the Company. Options issued prior to 24 April 2002 are exercisable between three and ten years after issue. Options may also be exercised earlier if employment terminates for reasons of retirement or redundancy. Payment in full is due at the time options are exercised. Options carry no voting rights and do not have any performance hurdles. Once the exercise period has been reached, the options may be exercised at the discretion of the executives.

Details of the movements in option balances under the Plan during the financial year are as follows –

	2008 No.	2007 No.
Options at the beginning of the financial year	3,478,455	7,242,780
Reinstated	8,250	23,150
Exercised	(700,300)	(2,398,525)
Expired	(111,600)	(1,388,950)
Options at the end of the financial year	2,674,805	3,478,455

Details of options on issue at the end of the 2008 financial year are as follows –

Holders No.	Options No.[1]	Exercise price $	Grant date	Options exercisable from date[2]	Options expiry date
249	805,605	6.49	12 July 1999	Current	12 July 2009
1	135,000	4.31	8 November 1999	Current	8 November 2009
137	667,950	2.97	10 July 2000	Current	10 July 2010
244	1,066,250	5.44	17 August 2001	Current	17 August 2011
Total	2,674,805				

1 Each option represents an option to acquire one ordinary share.

2 All options designated current have vested with the respective executives.

25. Employee Ownership Plans continued

Executive Option Plan continued

Details of options exercised during the financial year are as follows –

	2008				2007			
Exercise price $	Options exercised No.	Weighted average market value at exercise date $	Proceeds $M	Market value at exercise date $M	Options exercised No.	Weighted average market value at exercise date $	Proceeds $M	Market value at exercise date $M
2.97	79,200	8.82	0.2	0.7	511,700	9.11	1.5	4.7
4.53	333,400	8.41	1.5	2.8	320,800	9.22	1.5	3.0
5.18	–	–	–	–	80,000	8.73	0.4	0.7
5.44	139,100	8.68	0.8	1.2	545,850	8.92	3.0	4.9
6.33	–	–	–	–	530,700	8.67	3.3	4.6
6.49	148,600	9.17	1.0	1.4	409,475	9.06	2.7	3.7
Total	700,300		3.5	6.1	2,398,525		12.4	21.6

Long Term Incentive Share Plan

The Long Term Incentive Share Plan (LTISP) provides executives with the opportunity to be rewarded with fully paid ordinary shares as an incentive to create long term growth in value for CCA shareholders. The Plan is administered by a trustee who acquires (and holds in trust) shares for the benefit of participants. These shares are acquired either through an issue of shares to the trustee (the issue price is the weighted average price of a specified five day period prior to issue) or are purchased on market at the prevailing market price.

Senior executives are invited to participate in the Plan at the invitation of the Compensation Committee. The Committee specifies the performance criteria, covering a three year period, for each annual plan.

The estimated fair value of shares offered in the Plan is calculated by multiplying the threshold number of shares by the fair value of the shares at grant date and amortised over the performance period. The individual plans have been valued using the Monte Carlo simulation methodology. This methodology calculates the fair value of performance rights based on the share price at grant date and assumptions for the expected risk free rate of interest for the performance period, the volatility of the share price returns, the dividend entitlements and performance conditions of the plans. The risk free rate used in the methodology is the yield on an Australian bond at the grant date matching the remaining life of the Plan. The volatility is based on the historical CCA share price volatility of CCA traded options.

During the financial year, the number of shares offered to executives under the Plan, and which are subject to performance hurdles, was 792,000 (2007: 811,990), with a weighted average fair value of $9.02 (2007: $7.70).

Details of movements in share balances under the Plan during the financial year for each annual plan are as follows –

Share movements	2000-2002 plan No.	2001-2003 plan No.	2002-2004 plan No.	2003-2005 plan No.	2004-2006 plan No.	2005-2007 plan[1] No.	2006-2008 plan No.	Total No.
Shares at the beginning of the financial year	21,063	32,775	108,945	59,919	422,429	74,500	25,000	744,631
Purchased	–	–	–	–	–	1,296,250	–	1,296,250
Distributed to executives	(5,063)	–	(18,343)	–	(139,561)	(335,552)	–	(498,519)
Shares at the end of the financial year	16,000	32,775	90,602	59,919	282,868	1,035,198	25,000	1,542,362
Number of shares vested	16,000	32,775	90,602	59,919	282,868	1,035,198	25,000	1,542,362
Number of participants	1	3	16	1	86	115	1	223

1 These shares were purchased on market in February 2008 at $9.4094 per share.

25. Employee Ownership Plans continued

Executive Retention Share Plan

In early 2007, the Board established a new Executive Retention Share Plan (ERSP), and invited key senior executives to participate. The Group Managing Director is not eligible to participate without shareholder approval and was not invited to participate in the 2007-2009 ERSP. The ERSP complements the LTISP and offers an award of shares at the end of a three year period with no performance hurdles attached, providing the executive is still employed by the Company. In 2008, one additional senior executive was invited to participate in the Plan.

The shares were purchased on market and the costs are amortised over the three years vesting period. Forfeited shares are utilised by the Employees Share Plan.

Details of movements in the share balances under the Plan during the financial year are –

Share movements	2008 No.	2007 No.
Shares at the beginning of the financial year	**432,487**	–
Purchased	**12,500**	437,587
Distributed to an employee	**(11,667)**	–
Forfeited	**(29,533)**	(5,100)
Shares at the end of the financial year	**403,787**	432,487

Non-Executive Directors' Share Plan

Under the terms of the Non-Executive Directors' Share Plan, a minimum of 25% (and up to 100%) of Directors' base fees is to be sacrificed by each Director. An amount equivalent to the fees sacrificed is contributed to the Plan for the benefit of that Director.

The Plan is administered by a trustee which acquires (and holds in trust) shares for the benefit of participants, until the participant ceases to be a Director of CCA.

As at the end of the financial year, there were seven Non-Executive Directors participating in the Plan.

Shares under the Plan are purchased on market on the first business day of each month.

Details of movements in the share balances under the Plan during the financial year are –

Share movements	2008 No.	2007 No.
Shares at the beginning of the financial year	**278,867**	223,874
Purchased	**46,786**	54,993
Distributed to a Director	**(22,222)**	–
Shares at the end of the financial year	**303,431**	278,867

Non-Executive Directors' Retirement Share Trust

The Non-Executive Directors' Retirement Share Trust holds shares in the Company purchased pursuant to applicable Non-Executive Directors' Retirement Allowance Agreements. These shares are held in lieu of retirement benefits under the Company's Non-Executive Directors' Retirement Scheme which was terminated on 31 December 2002. Pursuant to the resolution passed at the Annual General Meeting held 3 May 2006, the accrued benefits under the prior scheme were indexed against the movement in Average Weekly Ordinary Time Earnings from 1 January 2003 to 3 May 2006 and 152,236 shares in the Company were purchased at $6.8495 per share on 6 May 2006. The Directors are entitled to receive dividends or other distributions relating to the shares, however, each applicable Non-Executive Director has agreed to reinvest all dividends receivable on the relevant shares under the Company's Dividend Reinvestment Plan. All consequent shares will be held by the Trustee of the Non-Executive Directors' Retirement Share Trust and the Directors have agreed that they will not require the Trustee to transfer those shares to them until the time of his or her retirement.

The Trust is administered by a trustee which acquired (and holds in trust) shares for the benefit of participants until the participant ceases to be a Director of CCA.

At the end of the financial year, there are three applicable Non-Executive Directors participating in the Trust.

25. Employee Ownership Plans continued

Non-Executive Directors' Retirement Share Trust continued

Details of movements in the share balances under the Trust during the financial year are –

Share movements	2008 No.	2007 No.
Shares at the beginning of the financial year	**161,977**	155,806
Issue of shares under the Dividend Reinvestment Plan	**6,849**	6,171
Distributed to a Director	**(33,818)**	–
Shares at the end of the financial year	**135,008**	161,977

Executive Salary Sacrifice Share Plan

The Executive Salary Sacrifice Share Plan commenced operating in September 2004. The Plan allows Australian executives to voluntarily sacrifice a nominated proportion of their remuneration. The trustee of the Plan acquires shares to the value of the sacrificed amount and holds those shares for the benefit of the participant until the shares are withdrawn.

In addition, Australian executives participating in the Company's annual cash incentive plans are required to sacrifice a proportion of any awards made under these plans, with an equivalent amount being contributed towards the Executive Salary Sacrifice Share Plan for the acquisition of shares by the trustee. The trustee holds these shares for the benefit of participants in proportion to their benefits sacrificed.

Details of movements in the share balances under the Plan during the financial year are –

Share movements	2008 No.	2007 No.
Shares at the beginning of the financial year	**670,131**	452,518
Purchased	**300,210**	313,258
Distributed to executives	**(219,975)**	(95,645)
Shares at the end of the financial year	**750,366**	670,131

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
26. Dividends					
a) Summary of dividends appropriated during the financial year –					
Prior year final dividend[1]		**146.7**	135.2	**146.7**	135.2
Current year interim dividend[2]		**124.9**	116.9	**124.9**	116.9
Total dividends appropriated		**271.6**	252.1	**271.6**	252.1
Dividends satisfied by issue of shares under the Dividend Reinvestment Plan	7b)	**(14.3)**	(14.3)	**(14.3)**	(14.3)
Dividends paid as per the cash flow statements		**257.3**	237.8	**257.3**	237.8
b) Dividends declared and not recognised as a liability					
Current year final dividend on ordinary shares[3]		**162.0**	146.8	**162.0**	146.8
c) Franking credits[4]					
Balance of the franking account at the end of the financial year		**108.2**	150.7	**108.2**	150.7
Franking credits which will arise from payment of income tax provided for in the financial statements		**15.9**	47.8	**15.9**	47.8
Total franking credits		**124.1**	198.5	**124.1**	198.5

1 Paid at 20.0¢ (2007: 18.0¢) per share and fully franked at the Australian tax rate of 30%.

2 Paid at 17.0¢ (2007: 15.5¢) per share and fully franked at the Australian tax rate of 30%.

3 Declared at 22.0¢ (2007: 20.0¢) per share and fully franked at the Australian tax rate of 30%.

4 The franking credits are expressed on a tax paid basis. Accordingly, the total franking credits balance would allow fully franked dividends to be paid equal to $289.6 million (2007: $463.2 million).

The franking credit balance will be reduced by $69.4 million resulting from the final dividend declared for 2008, payable 6 April 2009.

	CCA Group 2008 ¢	CCA Group 2007 ¢
27. Earnings Per Share (EPS)		
EPS for profit from continuing operations attributable to members of the Company		
Basic EPS	**52.4**	48.8
Diluted EPS	**52.3**	48.7
Before significant items –		
Basic EPS	54.9	48.8
Diluted EPS	54.8	48.7
EPS for profit attributable to members of the Company		
Basic EPS	**52.4**	41.3
Diluted EPS	**52.3**	41.2

The following reflects the share and earnings data used in the calculation of basic and diluted EPS –

	CCA Group 2008 No. M	CCA Group 2007 No. M
Weighted average number of ordinary shares on issue used to calculate basic EPS	**736.4**	753.1
Effect of dilutive securities – share options	**1.2**	2.1
Adjusted weighted average number of ordinary shares on issue used to calculate diluted EPS	**737.6**	755.2
	$M	$M
Earnings used to calculate basic and diluted EPS –		
Profit from continuing operations attributable to members of Coca-Cola Amatil Limited	**385.6**	367.6
Loss from discontinued operation after income tax	**–**	(56.9)
Earnings used to calculate basic and diluted EPS	**385.6**	310.7

	CCA Group		CCA Entity	
	2008	2007	**2008**	2007
	$M	$M	**$M**	$M

28. Commitments

a) Capital expenditure commitments

Estimated aggregate amount of contracts for purchase of property, plant and equipment not provided for, payable –				
within one year	**46.1**	68.4	**–**	–

b) Operating lease commitments

Lease commitments for non-cancellable operating leases with terms of more than one year, payable –				
within one year	**53.1**	56.2	**1.4**	1.4
later than one year but not later than five years	**109.9**	132.1	**0.7**	5.3
later than five years	**79.5**	86.2	**–**	17.6
	242.5	274.5	**2.1**	24.3

The Group has entered into commercial non-cancellable operating leases on certain properties, motor vehicles and other items of plant and equipment. Leases vary in contract period depending on the asset involved. Renewal terms are included in certain contracts, whereby renewal is at the option of the specific entity that holds the lease. On renewal, the terms of the leases are usually renegotiated. There are no restrictions placed upon the lessee by entering into these leases.

c) Other commitments

Promotional commitments, payable –				
within one year	**22.6**	21.3	**–**	–
later than one year but not later than five years	**21.9**	35.1	**–**	–
later than five years	**11.9**	3.5	**–**	–
	56.4	59.9	**–**	–

The Group has promotional commitments principally relating to sponsorship of sports clubs, charities and various other organisations and events.

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M

29. Contingencies

Contingent liabilities

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Contingent liabilities existed at the end of the financial year in respect of –				
guarantees of borrowings of subsidiaries[1]	–	–	226.5	8.2
termination payments under service agreements[2]	6.9	6.6	6.9	6.6
other guarantees	1.1	1.6	–	–
	8.0	8.2	233.4	14.8

The Company has entered into a Deed of Cross Guarantee with certain of its wholly owned subsidiaries (designated 1 in Note 31), whereby the liabilities of those entities are guaranteed.

No material losses are anticipated in respect of the above contingent liabilities.

1 CCA provides certain financial guarantees to its subsidiaries. No liability has been recognised in relation to these guarantees as the fair value of the guarantees is immaterial.

2 Refer to the remuneration report found in the Directors' Report for further details.

30. Auditors' Remuneration

Amounts received, or due and receivable, by –

	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
CCA auditor, Ernst & Young (Australia) for –				
audit or half year review of the financial reports	1.992	1.781	0.854	0.789
other services –				
assurance related	0.687[1]	0.060	0.136	0.060
tax compliance	0.005	0.036	0.005	0.035
	0.692	0.096	0.141	0.095
	2.684	1.877	0.995	0.884
Member firms of Ernst & Young in relation to subsidiaries of CCA for –				
audit or half year review of the financial reports	0.483	0.719	–	–
other services –				
assurance related	0.025	0.355[2]	–	–
tax compliance	0.005	–	–	–
	0.030	0.355	–	–
	0.513	1.074	–	–
Other firms in relation to subsidiaries of CCA for –				
audit or half year review of the financial reports	0.037	0.041	–	–
other services –				
tax compliance	0.033	0.016	–	–
	0.070	0.057	–	–
Total auditors' remuneration	3.267	3.008	0.995	0.884

1 Mainly relates to services provided in connection with SAP implementation within the Australian Beverage business.

2 Relates to the discontinued South Korean business.

	Footnote	Country of incorporation	Equity holding† 2008 %	Equity holding† 2007 %
31. Investments in Subsidiaries				
Coca-Cola Amatil Limited	1	Australia		
Subsidiaries –				
AIST Pty Ltd	1	Australia	**100**	100
Amatil Investments (Singapore) Pte Ltd		Singapore	**100**	100
Coca-Cola Amatil (Fiji) Ltd		Fiji	**100**	100
PT Coca-Cola Bottling Indonesia	2	Indonesia	**100**	100
PT Coca-Cola Distribution Indonesia		Indonesia	**100**	100
Associated Products & Distribution Proprietary	1	Australia	**100**	100
Coca-Cola Amatil (PNG) Ltd		Papua New Guinea	**100**	100
Associated Nominees Pty Ltd	3	Australia	**100**	100
CCA PST Pty Limited	3	Australia	**100**	100
CCA Superannuation Pty Ltd	3	Australia	**100**	100
C-C Bottlers Limited	1	Australia	**100**	100
Beverage Bottlers (Sales) Ltd	1	Australia	**100**	100
CCKBC Holdings Ltd		Cyprus	**100**	100
Coca-Cola Amatil (Aust) Pty Ltd	1	Australia	**100**	100
Apand Pty Ltd		Australia	**100**	100
Baymar Pty Ltd		Australia	**100**	100
Beverage Bottlers (NQ) Pty Ltd		Australia	**100**	100
Beverage Bottlers (NSW) Pty Ltd (liquidated)		Australia	**–**	100
Beverage Bottlers (Qld) Ltd	1	Australia	**100**	100
Coca-Cola Amatil (Holdings) Pty Limited		Australia	**100**	100
Crusta Fruit Juices Proprietary Limited	1	Australia	**100**	100
Quenchy Crusta Sales Pty Ltd		Australia	**100**	100
Quirks Australia Pty Ltd	1	Australia	**100**	100
Coca-Cola Holdings NZ Ltd		New Zealand	**100**	100
Coca-Cola Amatil (NZ) Ltd		New Zealand	**100**	100
Amatil Beverages (New Zealand) Ltd		New Zealand	**100**	100
Johns Rivers Pty Ltd		Australia	**100**	100
Matila Nominees Pty Limited	4	Australia	**100**	100
Neverfail Springwater Limited	1&5	Australia	**100**	100
Neverfail Cooler Company Pty Limited		Australia	**100**	100
Purna Pty Ltd		Australia	**100**	100
Neverfail Bottled Water Co Pty Limited	1&6	Australia	**100**	100
Neverfail SA Pty Limited		Australia	**100**	100
Piccadilly Distribution Services Pty Ltd		Australia	**100**	100
Neverfail Springwater Co Pty Ltd	1	Australia	**100**	100
Neverfail Springwater (Vic) Pty Limited	1	Australia	**100**	100
Neverfail WA Pty Limited	1	Australia	**100**	100
Piccadilly Natural Springs Pty Ltd		Australia	**100**	100
Real Oz Water Supply Co (Qld) Pty Limited		Australia	**100**	100
Neverfail Springwater Co (Qld) Pty Limited	1	Australia	**100**	100
Pacbev Pty Ltd	1	Australia	**100**	100
CCA Bayswater Pty Ltd	1	Australia	**100**	100

	Footnote	Country of incorporation	Equity holding† 2008 %	2007 %
31. Investments in Subsidiaries continued				
SPC Ardmona Limited	1&7	Australia	**100**	100
Ardmona Foods Limited	1	Australia	**100**	100
Australian Canned Fruit (I.M.O.) Pty Ltd		Australia	**100**	100
Digital Signal Processing Systems Pty Ltd		Australia	**100**	100
Goulburn Valley Canners Pty Ltd		Australia	**100**	100
Goulburn Valley Food Canneries Proprietary Limited		Australia	**100**	100
Henry Jones Foods Pty Ltd		Australia	**100**	100
Hallco No. 39 Pty Ltd		Australia	**100**	100
SPC Ardmona (Netherlands) BV		Netherlands	**100**	100
SPC Ardmona (Germany) GmbH		Germany	**100**	100
SPC Ardmona (Spain), S.L.U.		Spain	**100**	-
SPC Ardmona Operations Limited	1	Australia	**100**	100
Austral International Trading Company Pty Ltd	1	Australia	**100**	100
Cherry Berry Fine Foods Pty Ltd		Australia	**100**	100
Vending Management Services Ltd		New Zealand	**100**	100

Names inset indicate that shares are held by the company immediately above the inset.

The above companies carry on business in their respective countries of incorporation.

† *The proportion of ownership interest is equal to the proportion of voting power held.*

Footnotes

1 *These companies are parties to a Deed of Cross Guarantee as detailed in Note 37 and are eligible for the benefit of ASIC Class Order 98/1418.*

2 *CCA holds 4.84% of the shares in this company.*

3 *Associated Nominees Pty Ltd, CCA PST Pty Limited and CCA Superannuation Pty Ltd were trustees of in-house CCA superannuation funds. These superannuation funds were transferred to the AMP SignatureSuper Master Trust in 2007.*

4 *Matila Nominees Pty Limited is the trustee company for the Employees Share Plan (ESP), the Long Term Incentive Share Plan (LTISP), the Executive Retention Share Plan (ERSP), the Non-Executive Directors' Share Plan, the Non-Executive Directors' Retirement Share Trust and the Executive Salary Sacrifice Share Plan. As at 31 December 2008, the trustee held 7,135,188 (2007: 6,778,166) ordinary shares on behalf of the members of the ESP, 1,542,362 (2007: 744,631) ordinary shares on behalf of the members of the LTISP, 403,787 (2007: 432,487) ordinary shares on behalf of the members of the ERSP, 303,431 (2007: 278,867) ordinary shares on behalf of the members of the Non-Executive Directors' Share Plan, 135,008 (2007: 161,977) ordinary shares on behalf of the members of the Non-Executive Directors' Retirement Share Trust and 750,366 (2007: 670,131) ordinary shares on behalf of the members of the Executive Salary Sacrifice Share Plan.*

5 *Neverfail Springwater Limited holds 40.7% of the shareholding in Neverfail Bottled Water Co Pty Limited.*

6 *Neverfail Bottled Water Co Pty Limited holds 1.5% of the shareholding in Neverfail Springwater (Vic) Pty Limited.*

7 *SPC Ardmona Limited holds 50% of the shares in Australian Canned Fruit (I.M.O.) Pty Ltd.*

32. Business Combinations

There were no material acquisitions or disposals of entities or businesses during the financial year. During the comparative financial year, the Group made the following acquisitions –

Business	Acquisition date	Total purchase consideration $M	Fair value of identifiable assets acquired $M	Goodwill $M
Coffee business and its related assets	30 March 2007	10.7	2.4	8.3
Other immaterial acquisitions within the bulk water industry	–	4.2	0.8	3.4
		14.9	3.2	11.7

The goodwill is attributable to the high profitability of the acquired businesses and synergies expected to arise after acquisition.

The amounts recognised on acquisition above represented provisional assessments of the fair values of assets and liabilities acquired. The fair value of the above assets acquired approximates the carrying value.

The revenue and net profit contributions to the Group have not been disclosed as the business structures of the acquired businesses have changed since acquisition.

33. Key Management Personnel and Directors Disclosures

Total remuneration for key management personnel and Directors for the CCA Group and CCA Entity during the financial year is set out below –

Remuneration by category	**2008 $**	2007 $
Short term	**12,386,788**	13,327,379
Post employment	**1,546,384**	1,519,431
Other long term	**13,685**	79,406
Termination	**762,000**	388,161
Share based payments	**5,678,700**	4,900,473
	20,387,557	20,214,850

Further details are contained in the remuneration report, found in the Directors' Report.

Options held by key management personnel

The Company has not issued options since 1 January 2003. There were no options on issue to key management personnel during the financial year.

2007 Number of options held over unissued ordinary shares in CCA	Opening balance	Exercised	Expired	Closing balance
Executives				
W.G. White	80,000	(80,000)	–	–
P.N. Kelly	4,000	–	(4,000)	–
Former key management personnel				
R. Randall	6,000	(6,000)	–	–
M. Clark	132,500	(87,500)	(45,000)	–

33. Key Management Personnel and Directors Disclosures continued

Shareholdings of key management personnel and Directors

2008 Number of ordinary shares held	Opening balance	Additions[1]	Non-Executive Directors' Share Plan[2]	Issued/ awarded during the year as remuneration[3]	Withdrawn/ sold	Closing balance
Directors in office at the end of the financial year						
D.M. Gonski, AC	315,636	7,981	11,263	–	–	334,880
C.M. Brenner[4]	–	–	5,693	–	–	5,693
J.R. Broadbent, AO	55,266	1,392	4,670	–	–	61,328
T.J. Davis[5&6]	733,121	67,014	–	193,429	(70,000)	923,564
I. Finan	9,468	–	4,498	–	–	13,966
G.J. Kelly	14,988	60	4,144	–	–	19,192
W.M. King, AO	39,634	288	8,289	–	–	48,211
D.E. Meiklejohn	16,975	–	4,790	–	–	21,765
Former Director						
M.K. Ward, AO[7]	54,131	1,162	3,439	–	(58,732)	–
Executives						
W.G. White[6]	137,893	73,394	–	90,491	(30,000)	271,778
G. Adams[6]	13,312	2,784	–	24,728	(11,000)	29,824
P.N. Kelly[6]	57,165	12,968	–	27,671	–	97,804
J. Seward[6]	17,752	2,987	–	28,260	–	48,999
N. Garrard[6]	48,181	12,336	–	32,970	(35,000)	58,487
N.I. O'Sullivan[6&8]	6,838	8,444	–	61,466	–	76,748
K.A. McKenzie[6&8]	41,209	8,116	–	30,615	–	79,940
Former key management personnel						
J.M. Wartig[9]	78,818	68,430	–	102,443	(249,691)	–

1 *Includes the purchase of ordinary shares and shares issued under the Employees Share Plan, Dividend Reinvestment Plan and Executive Salary Sacrifice Share Plan. The additions to the shareholdings were at arms length.*

2 *Shares purchased during the period. Beneficial interest held subject to the conditions of the Plan.*

3 *Shares awarded under the 2005-2007 LTISP.*

4 *Appointed 2 April 2008.*

5 *Includes beneficial interest in 441,654 shares held by the LTISP, which are subject to the conditions of the Plan.*

6 *Subsequent to 31 December 2008, the following awards under the 2005-2007 LTISP and 2006-2008 LTISP were made –*
Mr Davis 325,928 shares; Mr White 119,732 shares; Mr Adams 19,021 shares; Mr Kelly 47,701 shares; Mr Seward 41,306 shares; Mr Garrard 43,624 shares; Ms O'Sullivan 32,801 shares; Mr McKenzie 45,726 shares; and Mr Wartig 68,465 shares.

7 *Resigned 20 August 2008.*

8 *Appointed 1 April 2008.*

9 *Resigned 31 March 2008.*

33. Key Management Personnel and Directors Disclosures continued

Shareholdings of key management personnel and Directors continued

2007 Number of ordinary shares held	Opening balance	Additions[1]	Non-Executive Directors' Share Plan[2]	Issued/ awarded during the year as remuneration[3]	Withdrawn/ sold	Closing balance
Directors in office at the end of the financial year						
D.M. Gonski, AC	279,993	7,345	28,298	–	–	315,636
J.R. Broadbent, AO	47,486	3,788	3,992	–	–	55,266
T.J. Davis[4&5]	630,298	68,990	–	83,833	(50,000)	733,121
I. Finan	5,597	–	3,871	–	–	9,468
G.J. Kelly	11,364	54	3,570	–	–	14,988
W.M. King, AO	32,273	260	7,101	–	–	39,634
D.E. Meiklejohn	12,892	–	4,083	–	–	16,975
M.K. Ward, AO	48,084	1,969	4,078	–	–	54,131
Executives						
J.M. Wartig[5]	28,030	15,438	–	35,350	–	78,818
W.G. White[5]	67,781	31,303	–	38,809	–	137,893
G. Adams[5]	2,079	628	–	10,605	–	13,312
P.N. Kelly[5]	33,500	12,050	–	11,615	–	57,165
J. Seward[5]	3,047	2,585	–	12,120	–	17,752
N. Garrard[5]	40,145	8,036	–	–	–	48,181
Former key management personnel						
R. Randall	46,042	10,495	–	5,050	(61,587)	–
M. Clark	64,887	88,541	–	22,725	(169,387)	6,766

1 Includes the purchase of ordinary shares and shares issued under the Employees Share Plan, Dividend Reinvestment Plan and Executive Salary Sacrifice Share Plan. The additions to the shareholdings were at arms length.

2 Shares purchased during the period. Beneficial interest held subject to the conditions of the Plan.

3 Shares awarded under the 2004-2006 LTISP and 25,000 shares awarded under the 2006-2008 LTISP to Mr Davis.

4 Includes beneficial interest in 298,255 shares held by the LTISP, which are subject to the conditions of the Plan.

5 Subsequent to 31 December 2007, the following awards under the 2005-2007 LTISP were made –
Mr Davis 193,429 shares; Mr Wartig 82,425 shares; Mr White 90,491 shares; Mr Adams 24,728 shares; Mr Kelly 27,671 shares; Mr Seward 28,260 shares; and Mr Garrard 32,970 shares.

Loans to key management personnel and Directors

There are no loans between key management personnel (including Directors) and CCA or any other Group company.

Other transactions of key management personnel (including Directors) and their personally related entities

There are no other transactions between key management personnel (including Directors) and CCA or any other Group company.

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M

34. Derivatives and Net External Debt Reconciliation

a) Derivatives as per the balance sheets

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Derivative assets – current					
Non-debt related		**(57.0)**	(13.7)	**(15.6)**	(5.9)
	35c)	**(57.0)**	(13.7)	**(15.6)**	(5.9)
Derivative assets – non-current					
Debt related		**(168.7)**	–	**(168.7)**	–
Non-debt related		**(137.3)**	(83.9)	**(125.2)**	(80.7)
	35c)	**(306.0)**	(83.9)	**(293.9)**	(80.7)
Derivative liabilities – current					
Debt related		**–**	11.1	**–**	11.1
Non-debt related		**61.8**	30.9	**52.4**	3.9
	35c)	**61.8**	42.0	**52.4**	15.0
Derivative liabilities – non-current					
Debt related		**–**	109.3	**–**	109.3
Non-debt related		**106.8**	51.1	**106.6**	43.2
	35c)	**106.8**	160.4	**106.6**	152.5
Total net derivative (assets)/liabilities		**(194.4)**	104.8	**(150.5)**	80.9
Net derivative (assets)/liabilities comprises –					
Debt related		**(168.7)**	120.4	**(168.7)**	120.4
Non-debt related		**(25.7)**	(15.6)	**18.2**	(39.5)
Total net derivative (assets)/liabilities		**(194.4)**	104.8	**(150.5)**	80.9

b) Net external debt reconciliation

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Cash assets	7	**(298.3)**	(379.7)	**(176.1)**	(319.8)
Net derivative (assets)/liabilities – debt related		**(168.7)**	120.4	**(168.7)**	120.4
Interest bearing liabilities – current	18	**55.7**	171.4	**5.2**	170.3
Interest bearing liabilities – non-current	18	**2,350.7**	1,695.2	**2,118.8**	1,631.4
Total net external debt		**1,939.4**	1,607.3	**1,779.2**	1,602.3

35. Financial and Capital Risk Management

Financial risk management

The Group's principal financial instruments, other than derivatives, comprise cash, short term deposits, bills of exchange, bank loans and capital markets issues.

The main purpose of these financial instruments is to manage liquidity and to raise finance for the Group's operations.

The Group has various other financial instruments such as trade and other receivables and trade and other payables, which arise directly from its operations.

The Group uses derivatives in accordance with Board approved policies to reduce the Group's exposure to adverse fluctuations in interest rates, foreign exchange rates and certain raw material commodity prices. These derivatives create an obligation or right that effectively transfers one or more of the risks associated with an underlying financial instrument, asset or obligation. Derivative instruments that the Group uses to hedge risks such as interest rate, foreign currency and commodity price movements include –

- cross currency swaps;
- interest rate swaps;
- commodity swaps;
- forward foreign currency contracts;
- futures contracts (commodity and interest rate); and
- option contracts (currency, interest rate, commodity and futures).

The Group's risk management activities are carried out centrally by CCA's Group Treasury department. The Group Treasury department operates under a Board approved Treasury Policy.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising returns to shareholders through the optimisation of net debt and total equity balances.

The capital structure of Group entities is monitored using the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total interest bearing liabilities (including debt related derivatives) less cash and cash equivalents. Total capital employed is calculated as net debt plus total equity.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return equity to shareholders, issue new shares or sell assets to reduce debt. The Group continuously reviews the capital structure to ensure –

- sufficient finance for the business is maintained at a reasonable cost;
- sufficient funds are available for the business to implement its capital expenditure and business acquisition strategies;
- distributions to shareholders are maintained within stated dividend policy requirements; and
- 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 to shareholders.

CCA has a dividend payout policy of 70% to 80% of net profit, subject to the ongoing cash needs of the business.

The table below details the calculation of the Group's and the CCA Entity's gearing ratios –

		CCA Group		CCA Entity	
	Refer Note	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Net debt	34	**1,939.4**	1,607.3	**1,779.2**	1,602.3
Total equity		**1,372.0**	1,440.7	**2,436.0**	2,435.2
Total capital employed		**3,311.4**	3,048.0	**4,215.2**	4,037.5
Gearing ratio %		**141.4**	111.6	**73.0**	65.8

35. Financial and Capital Risk Management continued

Capital risk management continued

a) Categories of financial assets and financial liabilities

This Note provides a summary of the Group's and CCA Entity's underlying economic positions as represented by the carrying values and fair values of the Group's financial assets and financial liabilities.

The carrying amounts and fair values of the Group's and CCA Entity's financial assets and financial liabilities are shown as follows –

	CCA Group				CCA Entity			
	2008		2007		2008		2007	
	Carrying amount $M	Fair value $M	Carrying amount $M	Fair value $M	Carrying amount $M	Fair value $M	Carrying amount $M	Fair value $M
Financial assets – current								
Cash assets	298.3	298.3	379.7	379.7	176.1	176.1	319.8	319.8
Trade and other receivables	671.0	671.0	686.0	686.0	75.8	75.8	92.0	92.0
Derivatives – fair value through the income statements	1.9	1.9	5.8	5.8	1.9	1.9	4.3	4.3
Derivatives – hedge accounted through equity	55.1	55.1	7.9	7.9	13.7	13.7	1.6	1.6
Total financial assets – current	1,026.3	1,026.3	1,079.4	1,079.4	267.5	267.5	417.7	417.7
Financial assets – non-current								
Trade and other receivables	3.7	3.7	3.5	3.5	1,914.2	1,914.2	2,098.2	2,098.2
Derivatives – fair value through the income statements	258.8	258.8	24.9	24.9	258.8	258.8	24.9	24.9
Derivatives – hedge accounted through equity	47.2	47.2	59.0	59.0	35.1	35.1	55.8	55.8
Total financial assets – non-current	309.7	309.7	87.4	87.4	2,208.1	2,208.1	2,178.9	2,178.9
Total financial assets	1,336.0	1,336.0	1,166.8	1,166.8	2,475.6	2,475.6	2,596.6	2,596.6
Financial liabilities – current								
Trade and other payables	515.2	515.2	436.2	436.2	168.0	168.0	520.4	520.4
Interest bearing liabilities –								
Bonds – at amortised cost[1]	55.2	55.2	170.3	181.4	5.2	5.2	170.3	181.4
Loans – at amortised cost	0.5	0.5	0.4	0.4	–	–	–	–
Bank loans – at amortised cost	–	–	0.3	0.3	–	–	–	–
Bank overdrafts	–	–	0.4	0.4	–	–	–	–
Derivatives – fair value through the income statements	1.0	1.0	15.5	15.5	1.0	1.0	14.9	14.9
Derivatives – hedge accounted through equity	60.8	60.8	26.5	26.5	51.4	51.4	0.1	0.1
Total financial liabilities – current	632.7	632.7	649.6	660.7	225.6	225.6	705.7	716.8
Financial liabilities – non-current								
Interest bearing liabilities –								
Bonds – fair value through the income statements[2]	621.4	621.4	390.4	390.4	621.4	621.4	390.4	390.4
Bonds – at amortised cost[1]	1,497.4	1,416.2	1,291.0	1,350.7	1,497.4	1,416.2	1,241.0	1,300.7
Loans – at amortised cost	5.4	5.4	5.9	5.9	–	–	–	–
Bank loans – at amortised cost	226.5	226.5	7.9	7.9	–	–	–	–
Derivatives – fair value through the income statements	14.4	14.4	151.8	151.8	14.4	14.4	151.8	151.8
Derivatives – hedge accounted through equity	92.4	92.4	8.6	8.6	92.2	92.2	0.7	0.7
Total financial liabilities – non-current	2,457.5	2,376.3	1,855.6	1,915.3	2,225.4	2,144.2	1,783.9	1,843.6
Total financial liabilities	3,090.2	3,009.0	2,505.2	2,576.0	2,451.0	2,369.8	2,489.6	2,560.4

1 Includes bonds carried at historic cost, and bonds within effective cash flow hedge relationships.

2 Includes bonds within effective fair value hedge relationships.

35. Financial and Capital Risk Management continued

b) Risk factors

This Note addresses in more detail the key financial risk factors that arise from the Group's activities, including the Group's policies for managing these risks.

The key financial risk factors that arise from the Group's activities, including the Group's policies for managing these risks are outlined below.

Market risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices. The market risk factors to which the Group is exposed to are discussed in further detail below.

i) Interest rate risk

Interest rate risk refers to the risks that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

Interest rate risk arises from interest bearing financial assets and liabilities that the Group utilises. Non-derivative interest bearing assets are predominantly short term liquid assets. Long term debt issued at fixed rates exposes the Group to fair value interest rate risk. The Group's borrowings which have a variable interest rate attached give rise to cash flow interest rate risk.

The Group's risk management policy for interest rate risk seeks to minimise the effects of interest rate movements on its asset and liability portfolio through active management of the exposures. The policy prescribes minimum and maximum average fixed rate maturity profiles for both asset and liability portfolios.

The Group maintains a mix of offshore and local currency fixed rate and variable rate debt, as well as a mix of long term debt versus short term debt. The Group primarily enters into interest rate swap, interest rate option and cross currency agreements to manage these risks. The Group designates which of its financial assets and financial liabilities are exposed to a fair value or cash flow interest rate risk, such as financial assets and liabilities with a fixed interest rate or financial assets and financial liabilities with a floating interest rate that is reset as market rates change.

The Group hedges the interest rate and currency risk on all foreign currency borrowings by entering into cross currency swaps, which have the economic effect of converting foreign currency borrowings to local currency borrowings. The derivative contracts are carried at fair value, being the market value as quoted in an active market.

The derivative financial instruments and details of hedging activities contained in section c) of this Note provide further information in this area.

At balance date, the Group had the following mix of financial assets and financial liabilities exposed to Australian floating interest rate risk that are not designated in cash flow hedges –

CCA Group

	As at 31 December 2008				As at 31 December 2007			
	Average interest rate p.a. %	**Floating rate $M**	**Non-interest bearing $M**	**Total $M**	Average interest rate p.a. %	Floating rate $M	Non-interest bearing $M	Total $M
Financial assets								
Cash assets	**4.0**	**298.3**	**–**	**298.3**	6.0	379.7	–	379.7
Trade and other receivables	**–**	**–**	**674.7**	**674.7**	–	–	689.5	689.5
		298.3	**674.7**	**973.0**		379.7	689.5	1,069.2
Financial liabilities								
Trade and other payables	**–**	**–**	**515.2**	**515.2**	–	–	436.2	436.2
Bonds	**5.5**	**617.7**	**–**	**617.7**	7.7	640.4	–	640.4
Loans, bank loans and bank overdrafts	**7.0**	**5.4**	**–**	**5.4**	7.5	14.9	–	14.9
		623.1	**515.2**	**1,138.3**		655.3	436.2	1,091.5

35. Financial and Capital Risk Management continued

b) Risk factors continued

i) Interest rate risk continued

CCA Entity

	As at 31 December 2008				As at 31 December 2007			
	Average interest rate p.a. %	Floating rate $M	Non-interest bearing $M	Total $M	Average interest rate p.a. %	Floating rate $M	Non-interest bearing $M	Total $M
Financial assets								
Cash assets	4.2	176.1	–	176.1	6.5	319.8	–	319.8
Trade and other receivables	7.8	1,914.7	75.3	1,990.0	8.6	2,098.2	92.0	2,190.2
		2,090.8	75.3	2,166.1		2,418.0	92.0	2,510.0
Financial liabilities								
Trade and other payables	8.0	103.6	64.4	168.0	7.6	485.7	34.7	520.4
Bonds	5.3	567.7	–	567.7	7.7	640.4	–	640.4
		671.3	64.4	735.7		1,126.1	34.7	1,160.8

Sensitivity analysis

The table below shows the effect on net profit and equity after income tax if interest rates at balance date had been 10% higher or lower with all other variables held constant, taking into account all underlying exposures and related hedges. Concurrent movements in interest rates and parallel shifts in the yield curves are assumed.

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term Australian interest rates. A 10% favourable movement would change medium term interest rates at 31 December 2008 from around 4.0% to 3.6% representing a 40 basis point shift and a rate of 4.40% for an adverse change. In addition, it is considered appropriate to use a rate that reflects long term interest rate movements rather than movements reflecting of short term market volatility.

In 2008, 90% (2007: 90%) of the Group's debt was denominated in Australian Dollars; therefore, only the movement in Australian interest rates is used in this sensitivity analysis.

Based on the sensitivity analysis, if interest rates were 10% lower, net profit would be impacted by interest expense being lower on the Group's net floating rate Australian Dollar positions during the year.

	CCA Group				CCA Entity			
	Net profit		Equity (cash flow hedging reserve) As at 31 December		Net profit		Equity (cash flow hedging reserve) As at 31 December	
	2008 $M	2007 $M	2008 $M	2007 $M	2008 $M	2007 $M	2008 $M	2007 $M
If interest rates were 10% higher with all other variables held constant – increase/(decrease)	(2.5)	(3.7)	8.9	15.3	(2.5)	(3.7)	8.1	15.3
If interest rates were 10% lower with all other variables held constant – increase/(decrease)	2.5	3.6	(9.1)	(15.6)	2.5	3.6	(8.3)	(15.6)

35. Financial and Capital Risk Management continued

b) Risk factors continued

ii) Foreign currency risk

Foreign currency risk refers to the risk that the value or the cash flows arising from a financial commitment, or recognised asset or liability will fluctuate due to changes in foreign currency rates. The Group's foreign currency exchange risk arises primarily from –

- borrowings denominated in foreign currency;
- firm commitments and/or highly probable forecast transactions for receipts and payments settled in foreign currencies and prices dependent on foreign currencies respectively; and
- translation of the financial statements of CCA's foreign subsidiaries.

The Group is exposed to foreign exchange risk from various currency exposures, primarily with respect to –

- United States Dollars;
- New Zealand Dollars;
- British Pounds Sterling;
- Japanese Yen;
- Indonesian Rupiah;
- Papua New Guinean Kina;
- Fijian Dollars;
- Euro and
- Canadian Dollars.

Forward foreign exchange and options contracts are used to hedge a portion of the Group's anticipated foreign currency risks. These contracts have maturities of less than three years after the balance sheet date and consequently the net fair value of the gains and losses on these contracts will be transferred from the cash flow hedging reserve to the income statements at various dates during this period when the underlying exposure impacts earnings. The derivative contracts are carried at fair value, being the market value as quoted in an active market.

The Group's risk management policy for foreign exchange is to hedge forecast transactions for up to three years into the future. The policy only permits hedging of the Group's underlying foreign exchange exposures. The policy prescribes minimum and maximum hedging parameters linked to actual and forecast transactions involving foreign currencies.

Benefits or costs arising from currency hedges for revenue and expense transactions that are designated and documented in a hedge relationship are brought to account in the income statements over the lives of the hedge transactions depending on the effectiveness testing outcomes and when the underlying exposure impacts earnings. For transactions entered into that hedge specific capital or borrowing commitments, any cost or benefit resulting from the hedge forms part of the initial asset or liability carrying value.

When entered into, the Group formally designates and documents the financial instrument as a hedge of the underlying exposure, as well as the risk management objectives and strategies for undertaking the hedge transactions. The Group formally assesses both at the inception and at least monthly thereafter, whether the financial instruments that are used in hedging transactions are effective at offsetting changes in either the fair value or cash flows of the related underlying exposure. Because of the high degree of effectiveness between the hedging instrument and the underlying exposure being hedged, fluctuations in the value of the derivative instruments are generally offset by changes in the fair values or cash flows of the underlying exposures being hedged. Any ineffective portion of a financial instrument's change in fair value is immediately recognised in the income statements and this is mainly attributable to financial instruments in a fair value hedge relationship. Derivatives entered into and not documented in a hedge relationship are revalued with the changes in fair value recognised in the income statements. Virtually all of the Group's derivatives are straightforward over-the-counter instruments in liquid markets.

Also refer to section c) of this Note for further details.

Translation risk

The financial statements for each of CCA's foreign operations are prepared in local currency. For the purposes of preparing the Group's consolidated financial information, each foreign operation's financial statements are translated into Australian Dollars using the applicable foreign exchange rates as at and for the period ended on the balance sheet date. A translation risk therefore exists on translating the financial statements of CCA's foreign operations into Australian Dollars for the purposes of reporting consolidated Group financial information. As a result, volatility in foreign exchange rates can impact the Group's net assets, net profit and the foreign currency translation reserve.

35. Financial and Capital Risk Management continued

b) Risk factors continued

ii) Foreign currency risk continued

Sensitivity analysis

The first table below shows the effect on net profit and equity after income tax as at balance date from a 10% adverse/favourable movement in exchange rates at that date on a total derivative portfolio basis with all other variables held constant taking into account all underlying exposures and related hedges.

A sensitivity of 10% has been selected as this is considered reasonable given the current level of the exchange rate and the volatility observed both on a historical basis and market expectations for potential future movement. Comparing the Australian Dollar exchange rate against the United States Dollar, the year end rate of 0.6917 would generate a 10% adverse position of 0.6225 and a favourable position of 0.7609. This range is considered reasonable given over the last five years, the Australian Dollar exchange rate against the United States Dollar has traded in the range of 0.6010 to 0.9850.

The Group's foreign currency risk from the Group's long term borrowings denominated in foreign currency has no significant impact on profit from foreign currency movements as they are effectively hedged.

	CCA Group				CCA Entity			
	Net profit		Equity (cash flow hedging reserve) As at 31 December		Net profit		Equity (cash flow hedging reserve) As at 31 December	
	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
If foreign currency rates were 10% higher with all other variables held constant – increase/(decrease)	**3.3**	12.0	**(18.5)**	(18.6)	**6.2**	(1.0)	**-**	-
If foreign currency rates were 10% lower with all other variables held constant – increase/(decrease)	**(2.7)**	(14.1)	**24.0**	27.1	**(6.3)**	1.8	**-**	-

In regards to translation risk, the following table presents the impact on net profit and equity after income tax from a 10% adverse/favourable movement in exchange rates for the financial year, and as at balance date on the net assets of CCA's foreign operations with all other variables held constant –

	CCA Group			
	Net profit		Equity (foreign currency translation reserve) As at 31 December	
	2008 $M	2007 $M	**2008 $M**	2007 $M
If foreign currency rates were 10% higher with all other variables held constant – decrease	**(7.6)**	(6.8)	**(37.5)**	(36.5)
If foreign currency rates were 10% lower with all other variables held constant – increase	**9.1**	8.2	**46.0**	44.7

35. Financial and Capital Risk Management continued

b) Risk factors continued

iii) Commodity price risk

Commodity price risk is the risk arising from volatility in commodity prices in relation to certain raw materials (being mainly sugar and aluminium) used in the business. The Group enters into futures, swaps and option contracts to hedge commodity price risk with the objective of obtaining lower raw material prices and a more stable and predictable commodity price outcome.

The derivative contracts are carried at fair value, being the market value as quoted in an active market or derived using valuation techniques where no active market exists. These models take into consideration assumptions based on market data as at balance date.

Benefits or costs arising from commodity hedges that are designated and documented in a hedge relationship are brought to account in the income statements over the lives of the hedge transaction depending on hedge effectiveness testing outcomes and when the underlying exposure impacts earnings. Any cost or benefit resulting from the hedge forms parts of the carrying value of inventories.

The Group's risk management policy for commodity price risk is to hedge forecast transactions for up to three years into the future. The Treasury Policy permits hedging of price and volume exposure arising from the raw materials used in the Group's manufacturing of finished goods. The policy also prescribes minimum and maximum hedging parameters linked to the forecast purchase transactions.

Sensitivity analysis

The following table shows the effect on equity after income tax as at balance date from a 10% adverse/favourable movement in commodity prices at that date on a total derivative portfolio basis with all other variables held constant.

A sensitivity of 10% has been selected as this is considered reasonable given the current level of commodity prices and the volatility observed both on a historical basis and market expectations for future movement.

	CCA Group Equity (cash flow hedging reserve) As at 31 December		CCA Entity Equity (cash flow hedging reserve) As at 31 December	
	2008 $M	2007 $M	**2008 $M**	2007 $M
If there was a 10% increase in commodity prices with all other variables held constant – increase	**14.1**	6.7	**14.1**	-
If there was a 10% decrease in commodity prices with all other variables held constant – decrease	**(14.1)**	(6.7)	**(14.1)**	-

35. Financial and Capital Risk Management continued

b) Risk factors continued

iv) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause the Group to make a financial loss. The Group has exposure to credit risk on all financial assets included in the Group's balance sheet. To help manage this risk, the Group –

- has a policy for establishing credit limits for the entities it deals with;
- may require collateral where appropriate; and
- manages exposures to individual entities it either transacts with or enters into derivative contracts with (through a system of credit limits).

The CCA Group is exposed to credit risk on financial instruments and derivatives. For credit purposes, there is only a credit risk where the contracting entity is liable to pay the Group in the event of a closeout. The Group has policies that limit the amount of credit exposure to any financial institution. New derivative and cash transactions are limited to financial institutions that meet minimum credit rating criteria in accordance with the Group's policy requirements.

The Group's credit risk is mainly concentrated across a number of customers and financial institutions. The Group does not have any significant credit risk exposure to a single or group of customers or individual institutions. Approximately 64.1% (2007: 58.4%) of the trade receivables balance as at balance date is reflected by the total of each operation's top five customers.

The financial assets that are neither past due nor impaired are detailed in the tables below –

	Beverage business			Food & Services business	
For the year ended 31 December 2008	**Australia $M**	**New Zealand & Fiji $M**	**Indonesia & PNG $M**	**Australia $M**	**Total CCA Group $M**
Cash assets	**252.7**	**5.2**	**18.0**	**22.4**	**298.3**
Trade and other receivables[1]	**407.1**	**81.1**	**74.9**	**111.6**	**674.7**
Derivatives	**358.7**	**–**	**4.3**	**–**	**363.0**
Total CCA Group	**1,018.5**	**86.3**	**97.2**	**134.0**	**1,336.0**

	Beverage business			Food & Services business	
For the year ended 31 December 2007	Australia $M	New Zealand & Fiji $M	Indonesia & PNG $M	Australia $M	Total CCA Group $M
Cash assets	329.3	18.4	31.1	0.9	379.7
Trade and other receivables[1]	450.3	78.1	45.1	116.0	689.5
Derivatives	96.9	0.2	0.5	–	97.6
Total CCA Group	876.5	96.7	76.7	116.9	1,166.8

1 Excluding amounts due from subsidiaries.

35. Financial and Capital Risk Management continued

b) Risk factors continued

v) Liquidity risk

Liquidity risk includes the risk that the Group cannot meet its financial commitments as and when they fall due.

To help reduce this risk the Group –

- has a liquidity policy which targets a minimum level of committed facilities relative to net debt;
- has readily accessible funding arrangements in place;
- generally utilises instruments that are tradeable in highly liquid markets; and
- staggers maturities of financial instruments.

The contractual maturity of the Group's fixed and floating rate derivatives, other financial assets and other financial liabilities are shown in the tables below. The amounts presented represent the future undiscounted principal and interest cash flows and therefore do not equate to the values shown in the table found in section a) of this Note.

	CCA Group							
	As at 31 December 2008 Contractual maturity (nominal cash flows)				As at 31 December 2007 Contractual maturity (nominal cash flows)			
	Less than 1 year $M	1 to 2 year(s) $M	2 to 5 years $M	Over 5 years $M	Less than 1 year $M	1 to 2 year(s) $M	2 to 5 years $M	Over 5 years $M
Derivatives – inflows[1]								
Interest rate swaps – pay fixed/receive variable[2]	–	–	–	–	22.5	22.3	36.4	10.6
Interest rate swaps – pay variable/receive fixed[2]	6.3	4.0	5.1	–	–	–	–	–
Cross currency swaps – foreign leg (fixed)[3]	29.1	101.1	162.8	754.1	43.0	22.5	162.3	609.0
Cross currency swaps – foreign leg (variable)[3]	3.4	31.6	200.2	–	1.3	0.9	33.7	–
Forward foreign currency contracts[3]	392.8	69.3	10.1	–	630.9	123.7	38.8	–
Commodities future contracts	0.1	–	0.1	–	3.9	1.8	–	–
Commodities swaps	3.5	0.2	–	–	–	–	–	–
Derivatives – outflows[1]								
Interest rate swaps – pay variable/receive fixed[2]	–	–	–	–	(6.6)	(6.4)	(12.6)	(2.7)
Interest rate swaps – pay fixed/receive variable[2]	(40.9)	(29.8)	(20.2)	(6.4)	–	–	–	–
Cross currency swaps – AUD leg (variable)[3]	(33.6)	(120.2)	(312.3)	(707.9)	(87.8)	(56.0)	(304.7)	(841.4)
Forward foreign currency contracts[3]	(356.4)	(60.7)	(9.1)	–	(656.2)	(137.7)	(41.6)	–
Commodities future contracts	(40.2)	(17.3)	–	–	(4.5)	(0.4)	–	–
Commodities swaps	(5.4)	(1.4)	–	–	–	–	–	–
Commodities options	(3.8)	(2.4)	–	–	–	–	–	–
Other financial assets[1]								
Cash assets	298.3	–	–	–	379.7	–	–	–
Trade and other receivables	671.0	2.0	1.7	–	686.0	1.6	1.3	0.6
Other financial liabilities[1]								
Trade and other payables	(515.2)	–	–	–	(436.2)	–	–	–
Bonds, domestic loans and bank overdrafts	(132.9)	(537.9)	(688.3)	(1,451.0)	(298.2)	(166.7)	(800.0)	(1,493.6)
Offshore loans	(15.0)	(153.1)	(88.5)	–	(1.2)	(0.7)	(8.3)	–

1 *For floating rate instruments, the amount disclosed is determined by reference to the interest rate at the last repricing date.*

2 *Net amount for interest rate swaps for which net cash flows are exchanged. Categorisation of inflows and outflows is based on current variable rates at the balance sheet date.*

3 *Contractual amounts to be exchanged representing gross cash flows to be exchanged.*

35. Financial and Capital Risk Management continued

b) Risk factors continued

v) Liquidity risk continued

CCA Entity

	As at 31 December 2008 Contractual maturity (nominal cash flows)				As at 31 December 2007 Contractual maturity (nominal cash flows)			
	Less than 1 year $M	1 to 2 year(s) $M	2 to 5 years $M	Over 5 years $M	Less than 1 year $M	1 to 2 year(s) $M	2 to 5 years $M	Over 5 years $M
Derivatives – inflows[1]								
Interest rate swaps – pay fixed/receive variable[2]	–	–	–	–	21.4	21.7	36.4	10.6
Interest rate swaps – pay variable/receive fixed[2]	6.0	4.0	5.1	–	–	–	–	–
Cross currency swaps – foreign leg (fixed)[3]	29.1	101.1	162.8	754.1	43.0	22.5	162.3	609.0
Cross currency swaps – foreign leg (variable)[3]	3.4	31.6	200.2	–	1.3	0.9	33.7	–
Forward foreign currency contracts[3]	337.3	69.3	10.1	–	134.4	–	–	–
Commodities future contracts	0.1	–	0.1	–	–	–	–	–
Commodities swaps	3.5	0.2	–	–	–	–	–	–
Derivatives – outflows[1]								
Interest rate swaps – pay fixed/receive variable[2]	(36.5)	(25.8)	(19.1)	(6.4)	–	–	–	–
Interest rate swaps – pay variable/receive fixed[2]	–	–	–	–	(6.1)	(6.1)	(12.6)	(2.7)
Cross currency swaps – AUD leg (variable)[3]	(33.6)	(120.2)	(312.3)	(707.9)	(87.8)	(56.0)	(304.7)	(841.4)
Forward foreign currency contracts[3]	(302.6)	(60.7)	(9.1)	–	(134.7)	–	–	–
Commodities future contracts	(40.2)	(17.3)	–	–	–	–	–	–
Commodities swaps	(5.4)	(1.4)	–	–	–	–	–	–
Commodities options	(3.8)	(2.4)	–	–	–	–	–	–
Other financial assets[1]								
Cash assets	176.1	–	–	–	319.8	–	–	–
Other receivables[4]	2.7	–	–	–	3.5	–	–	–
Other financial liabilities[1]								
Trade and other payables[4]	(9.3)	–	–	–	(8.3)	–	–	–
Bonds, domestic loans and bank overdrafts	(81.1)	(537.9)	(688.3)	(1,451.0)	(294.3)	(114.5)	(798.7)	(1,485.5)

1 For floating rate instruments, the amount disclosed is determined by reference to the interest rate at the last repricing date.

2 Net amount for interest rate swaps for which net cash flows are exchanged. Categorisation of inflows and outflows is based on current variable rates at the balance sheet date.

3 Contractual amounts to be exchanged representing gross cash flows to be exchanged.

4 Excluding amounts due from/to subsidiaries.