COCA-COLA AMATIL

13 April 2012

Company Announcements Office
ASX Limited
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

ANNUAL REPORT AND NOTICE OF MEETING

In accordance with Listing Rule 3.17, attached are copies of the following documents being sent to shareholders today:

- 2011 Annual Report
- Notice of Meeting 2012 and Shareholder Voting Form
- Areas of Interest to Shareholders – Q & A

Yours sincerely,

George Forster
General Counsel and Company Secretary

ANNUAL REPORT 2011

COCA-COLA AMATIL

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ANNUAL GENERAL MEETING

The Annual General Meeting will be held on Tuesday, 15 May 2012 at 10.00 am in the James Cook Ballroom, InterContinental Sydney, Cnr Bridge and Philip Streets, Sydney, NSW.

COCA-COLA AMATIL LIMITED ABN 26 004 139 397

CHAIRMAN'S REVIEW

Coca-Cola Amatil (CCA) reported net profit after tax of $591.8 million, an increase of 19.0% on the 2010 full year result, which includes a significant gain after tax of $59.8 million. Before significant items, the business delivered net profit after tax of $532.0 million, an increase of 5.0%. Earnings per share (EPS) increased by 18.3% to 78.1 cents per share, an increase of 4.3% to 70.2 cents per share on a pre-significant items basis.

CCA's record 2011 profit result was driven by strong performances from the Indonesian & PNG operations, efficiency gains from the successful execution of Project Zero capital investment programs and continued improvements in the Australasian operations.

The reported significant gain of $59.8 million for the year comprised $170.3 million in after tax profit from the agreement to sell CCA's 50% share of the Pacific Beverages joint venture to SABMiller in December 2011, net of $110.5 million in restructuring and associated costs for the SPC Ardmona business.

STRONG CASH FLOW & BALANCE SHEET

It is gratifying to note the growth in cash flow for the period. Operating cash flow, which does not include the cash proceeds from the agreement to sell Pacific Beverages, increased by $56.4 million to $641.8 million and was sufficient to fully fund CCA's 2011 dividend payments and significant investing activities. The balance sheet continues to be very strong, with EBIT interest cover increasing from 6.3 times to 6.8 times for the year, and the refinancing of all maturing debt up to April 2014 completed by January 2012.

DIVIDENDS UP 8.2% IN 2011

Earnings growth combined with strong free cash flow generation has supported the 8.9% increase in the fully franked final dividend to 30.5 cents per share. This takes dividends paid for the year to 52.5 cents per share, fully franked, an increase of 8.2% in 2011. The dividend payout ratio has increased from 72.3% to 74.9% of net profit after tax before significant items, with the final dividend payout ratio increasing to 77.8%.

OUR EMPLOYEES

The 2011 results arose in major part from the quality of our people and their passion for servicing our customers. On behalf of the Board, I congratulate and thank all of CCA's employees for their special efforts and contributions in 2011.

EXECUTIVE REMUNERATION

Our remuneration policies continue to be essential to the retention and motivation of our people and these policies together with details of CCA's senior executive remuneration structure are contained in the remuneration report within the Directors' Report (page 13).

CCA considers senior executive remuneration very carefully and any changes are reviewed by the Compensation Committee, a sub-committee of the CCA Board. In 2012 a new arrangement is being introduced for the most senior 30 executives whereby a portion of their Short Term Incentive amount is deferred and used to purchase CCA shares that are required to be held in trust for a year, in order to increase the executive's CCA shareholding and to better align the executives to the interests of the Company. These shares will be forfeited by the relevant executive if there is any breach by them of the CCA Code of Business Conduct.

CORPORATE GOVERNANCE

CCA has an ongoing commitment to transparency and best practice corporate governance and continues to refine its practices in this area. In this year's Annual Report, we are continuing to provide detail on our diversity practices and for the first time provide detail on our focus on Indigenous Employment as well as our gender diversity targets. CCA continues to place a high value on all of its people and, in doing so, embraces their many inherent differences. We believe that a diverse culture will enhance our ability to be flexible, adaptive, innovative and ready for change.

CCA'S RELATIONSHIP WITH THE COCA-COLA COMPANY

The CCA Board continues to have a strong and constructive relationship with The Coca-Cola Company (TCCC), both as a shareholder and as the major supplier of ingredients for the majority of our non-alcoholic beverage products. As at 31 December 2011, TCCC held 29.4% of the shares in CCA and nominates two Non-Executive Directors to the current nine-member Board.

In 2011, CCA's Related Party Committee, comprising the Independent Non-Executive Directors, met on seven occasions and reviewed all material transactions between CCA and TCCC ensuring that they are all at arm's length. The Related Party Committee remains an important forum for dealing with all related party governance issues.

CORPORATE SOCIAL RESPONSIBILITY

CCA believes in and strongly supports social and environmental activities through its community and environmental programs. These programs help to sustain business performance by strengthening the communities in which the Company operates, improving business efficiency and developing strong relationships with stakeholders, ultimately leading to increased shareholder returns. CCA's sustainability report, "Sustainability@CCA", measures the Company's achievements under four pillars – Environment, Marketplace, Workplace and Community.

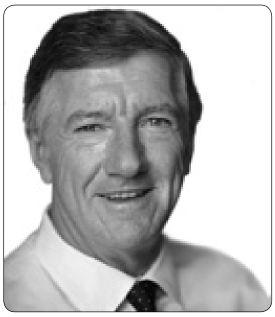
I encourage you to read this report which is available on our website, www.ccamatil.com.

CONCLUSION

CCA has delivered a solid result in what was a challenging year for the business. The Board thanks all of the Group's stakeholders in assisting CCA in this success.

David Gonski, AC
Chairman

MANAGING DIRECTOR'S REVIEW



In 2011 net profit increased by 5% to $532.0 million, a strong result in a difficult trading environment. In addition, the business generated $170.3 million in after tax profit from the agreement to sell its share of the Pacific Beverages joint venture with SABMiller.

The key highlights for 2011 include:

- The fifth consecutive year of strong growth from the Indonesian and PNG business which has seen earnings increase fivefold since 2006. The significant investments made in the region over the past five years to materially increase manufacturing capacity and capability while developing a significant cold drink cooler footprint has positioned the business well to participate in the future growth of these two rapidly growing economies;
- The successful execution of Project Zero capital investment programs which continue to deliver operational efficiencies and enhanced customer servicing capability across each of the territories. The major project – the self-manufacture of PET bottles across the Group – continues to deliver ahead of target. CCA now produces some of the world's lightest PET beverage bottles and has reduced the carbon footprint of every bottle by more than 20%;
- The execution of a new 10 year partnership with Beam Global has strengthened our licenced division and provides a key platform for the Company's longer term growth in alcohol;
- The generation of $170.3 million in after tax profit from the agreement to sell the 50% share of the Pacific Beverages joint venture to SABMiller;
- The strong balance sheet and global brand recognition which enabled the business to refinance debt for the next two years at attractive credit margins, reducing funding costs; and
- The strong free cash flow generation which has supported an 8.2% increase in full year dividends and an increase in the dividend payout ratio to 74.9% of net profit after tax before significant items.

By investing through the cycle, we have continued to outperform our peer group in the food and beverages sector and strengthened our market leadership position by delivering service level improvements and product innovation to our customers.

2011 OPERATIONS REVIEW

Australia

The Australian beverage business delivered an increase in EBIT of 2.4% to $607.2 million on trading revenue growth of 2.2%, with improved second half revenue growth of 2.8%. The business continued to drive increased brand availability with additional cold drink cooler placements and deliver efficiency gains from Project Zero. Earnings were impacted in the first half by lower volumes as a result of the Queensland floods and cyclone Yasi, while the second half was affected by constrained consumer spending, prolonged discounting by the major competitor and cool, wet weather in New South Wales in the immediate lead up to Christmas.

New Zealand & Fiji

The New Zealand business delivered local currency earnings growth of around 3%, a very good outcome given the continuation of the soft consumer spending environment that has persisted for the last two years. The business has maintained its strong market share position and delivered positive volume growth in the second half. While the Rugby World Cup provided a lift in volumes, it was not enough to overcome the ongoing impact to volumes and earnings from the Christchurch earthquakes and the record rainfall which affected large parts of the North Island in the lead up to Christmas.

Indonesia & PNG

The Indonesian business has continued to rapidly expand its sales, manufacturing and distribution footprint across all major population centres and now has 32 beverage production lines, 90 sales centres, around 225,000 cold drink cooler doors in the market and over 8,000 employees. Local currency EBIT increased by over 20% driven by a strong Ramadan selling period which saw second half volumes grow by close to 9%. The strong volume growth in one-way-pack products (PET bottles and aluminium cans) and the significant benefit CCA has received from reducing its cost of doing business were the major contributors to the strong performance.

One-way-pack products delivered strong volume growth of 15% and CCA continues to grow its market share in the fast growing modern food store and mini-market channels. Inflation on food and other goods continued to be a challenge for lower income consumers resulting in lower demand for beverages in returnable glass bottles.

The PNG business also delivered another strong volume and earnings result as the PNG economy continues to benefit from increased mining investment and higher commodity prices.

Alcohol, Food & Services

Alcohol, Food & Services earnings declined by 1.2% primarily as a result of the costs associated with SPC Ardmona (SPCA) exiting unprofitable export and domestic private label activities. The decline in SPCA earnings was largely offset by a solid result from the Services division and the first time inclusion of revenue and earnings arising from the new agreement with Beam Global made in March to sell spirits and alcoholic ready-to-drink beverages as a principal rather than as an agent.

The stronger Australian dollar continues to impact SPCA's competitiveness against cheap imported brands and retailer private label categories in Australia and its earnings from international operations with export sales declining by over 20% over the last 12 months. A highlight for the year was the growth in the packaged fruit driven by successful promotions, strong sales in fruit snacks and new snack products.

SALE OF SHARES IN PACIFIC BEVERAGES

On completion of SABMiller's acquisition of Foster's Group, CCA exercised its right to require SABMiller to buy its total shareholding in Pacific Beverages, its joint venture beer operation in Australia and New Zealand, for $305.0 million. This resulted in a $170.3 million after tax profit which was reported as a significant gain in the 2011 full year result.

SPC ARDMONA – BUSINESS RESTRUCTURE UPDATE

The first stage of packaged fruit production was successfully transferred from Mooroopna to the Shepparton site with the balance of production to be transferred after the completion of the fruit season by May 2012. Overall, 37 of the 150 affected employees have left the business with the balance of redundancies to be taken up in May 2012.

PRIORITIES & OUTLOOK FOR 2012

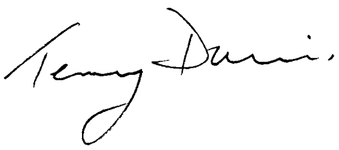
A continuing priority for 2012 is the execution of Project Zero initiatives. The rollout of the Project Zero programme – particularly the investment in the self-manufacture of PET bottles across the Group – continues to support earnings growth and strengthen our leadership position. Whilst 2011 was expected to be the peak year for spending on Project Zero, we have identified further attractive projects which will result in capital expenditure increasing by around $100 million to $450-470 million in 2012, with a strong pipeline of projects now extending out to the end of 2015.

While the weak consumer spending environment in Australia and New Zealand remains a concern and the persistent poor weather in NSW and Queensland has dampened summer trading, we have a solid promotional programme in the lead up to the Olympics, with Coca-Cola a key sponsor, and we are cycling the impacts of natural disasters and poor weather in 2011.

The up-weighting of our investment in Indonesia and PNG remains a high priority as the growth outlook for both businesses continues to be favourable. The Indonesian economy remains very buoyant with GDP growth expected to be over 6% in 2012 supported by positive government financial reforms that are encouraging much needed investment in infrastructure.

We have made a strong start to the year in Indonesia and the business continues to deliver material improvements in performance driven by increased production capacity, improved operational capability and additional marketing programmes by The Coca-Cola Company. For 2012 we expect to increase capital expenditure to $120 million, which will deliver a minimum 10% increase in one-way-pack production capacity and a more than 10% increase in the cold drink cooler fleet.

The business expects to continue to deliver positive dividend growth to shareholders. Given the continued strength of the balance sheet and cash flow generation, we would expect to target the dividend payout ratio to be at the middle of our target payout ratio range for 2012, being 70-80% of net profit after tax before significant items.



Terry Davis
Group Managing Director

FINANCIAL COMMENTARY

The following commentary summarises the Company's performance regarding capital employed, cash flow, net debt and interest cover position, capital expenditure and beverage cost of goods sold.

CAPITAL EMPLOYED

Capital employed increased by $254.4 million to $3.78 billion due primarily to the increase in property, plant & equipment of $176.8 million, a result of CCA's up-weighted capital expenditure program through Project Zero. Other net assets increased by $180.2 million driven by the $213.0 million revaluation of the investment in Pacific Beverages to its fair value in advance of the sale to SABMiller in January 2012. Working capital reduced by $81.7 million reflecting the $108.3 million write-down of SPC Ardmona inventory to net realisable value as part of the restructure of that business. This reduction in inventory value was partly offset by the investment in increased inventory in Indonesia and PNG to support the growth of these businesses as well as the investment in working capital made as part of the new agreement signed with Beam Global in March 2011 to support the growth of Beam products. Group ROIC[1] remains very strong at 17.1%.

$A million	2011	2010	$ Change
Working capital*	**856.7**	938.4	(81.7)
Property, plant & equipment	**1,772.1**	1,595.3	176.8
IBAs & intangible assets	**1,507.2**	1,488.7	18.5
Deferred tax liabilities	**(153.8)**	(190.8)	37.0
Derivatives – non-debt	**(45.3)**	31.1	(76.4)
Other net assets / (liabilities)	**(159.7)**	(339.9)	180.2
Capital Employed	**3,777.2**	3,522.8	254.4
ROIC[1] %	**17.1%**	17.8%	(0.7) pts

* 2011 working capital excludes $24.5m loan to Pacific Beverages
1 Before significant items

CASH FLOW

The business delivered a strong cash flow result with operating cash flow increasing by $80.8 million to $666.2 million, before significant items, and free cash flow increasing by $64.3 million to $284.2 million. Key drivers of the improvement in free cash flow included higher earnings, improved cash management with lower funding costs for refinancing of debt, partly offset by higher cash tax payments and the impact of cash significant items. The cash proceeds from the sale of Pacific Beverages were received in January 2012 and will be reflected in the reported 2012 cash flow result.

$A million	2011	2010	$ Change
EBIT (before significant items)	**868.9**	844.9	24.0
Depreciation & amortisation	**205.2**	191.9	13.3
Change in working capital	**(36.7)**	(28.2)	(8.5)
Net Interest paid	**(118.4)**	(136.8)	18.4
Taxation paid	**(206.2)**	(177.1)	(29.1)
Other	**(46.6)**	(109.3)	62.7
Operating cash flow (before significant items)	**666.2**	585.4	80.8
Significant items	**(24.4)**	–	(24.4)
Operating cash flow (reported)	**641.8**	585.4	56.4
Capital expenditure	**(361.2)**	(372.8)	11.6
Proceeds from sale of PPE & other	**3.6**	7.3	(3.7)
Free cash flow	**284.2**	219.9	64.3

NET DEBT & INTEREST COVER

The balance sheet remains in a very strong position with EBIT interest cover showing a strong improvement, from 6.3x to 6.8x, with net debt only marginally increasing to $1.74 billion. Improved operating cash flows ensured a limited increase in net debt despite the funding of over $55 million in higher cash dividend payments for the 2010 final dividend, a result of the removal of the DRP discount in August 2010, and the funding of Beam working capital under the new 10 year agreement.

CCA had total committed debt facilities of approximately $2.5 billion with an average maturity of 4.7 years as at 31 December 2011. In January 2012 the business raised a further $250 million for five years completing the early refinancing of all maturing debt up until April 2014.

$A million	2011	2010	$ Change
Interest bearing liabilities	**2,309.2**	1,968.4	340.8
Debt related derivatives – liabilities	**123.1**	125.3	(2.2)
Trade & other receivables*	**(24.5)**	(19.0)	(5.5)
Less: Cash assets	**(664.9)**	(385.3)	(279.6)
Net Debt	**1,742.9**	1,689.4	53.5
Interest cover (EBIT/net interest) (before significant items)	**6.8x**	6.3x	0.5x

* Loan to Pacific Beverages

CAPITAL EXPENDITURE

Capital expenditure reduced by $11.6 million to $361.2 million, or 7.5% of trading revenue. The major areas of capital expenditure included Project Zero initiatives across the Group and the continued acceleration of the rollout of cold drink coolers.

Project Zero continues to deliver efficiency gains to the business. Expenditure on Project Zero initiatives for the year exceeded $220 million and included investments in three PET bottle self-manufacture lines in Australia and two in New Zealand, and one each in Indonesia and Papua New Guinea. In addition, the business commenced construction of a PET bottle preform and closure injection moulding plant at its Eastern Creek facility in NSW which is on target for completion in early 2012.

CCA invested over $100 million on cold drink equipment across the Group. CCA's cooler investment continues to be an important driver of cold drink market share gains in Australia and New Zealand with up-weighted investment in Indonesia significantly increasing the penetration of coolers in the marketplace.

$A million	2011	2010	Change
Australia *	**229.1**	232.0	(2.9)
New Zealand & Fiji *	**31.3**	27.8	3.5
Indonesia & PNG *	**100.8**	113.0	(12.2)
Capital expenditure	**361.2**	372.8	(11.6)
Capital expenditure/ trading revenue	**7.5%**	8.3%	(0.8) pts
Capital expenditure/ depreciation & amortisation	**1.8x**	2.0x	(0.2x)

* Geographic breakdown

BEVERAGE COST OF GOODS SOLD

On a constant currency basis and excluding Indonesia, CCA's beverage COGS per unit case increased by around 4% for 2011. In Indonesia, local currency COGS per unit case increased by around 7%.

The increase in COGS per unit case was due to higher commodity input costs and was at the lower end of the forecast range. The increase in commodity costs was partially offset by supply chain efficiencies and good returns on Project Zero investments.

BOARD OF DIRECTORS

DAVID GONSKI, AC

Chairman, Non-Executive Director (Independent) – Age 58

Joined the Board in October 1997 – Chairman of the Related Party Committee and Nominations Committee and member of Audit & Risk Committee, Compensation Committee and Compliance & Social Responsibility Committee.

Background: Solicitor for 10 years with the law firm of Freehills and thereafter a corporate adviser in the firm of Wentworth Associates cofounded by him, now part of the Investec group. He is presently Chairman of Investec Bank Australia Ltd.

Degrees: B Com; LLB(UNSW); FAICD; FCPA

Other Listed Company Boards: Singapore Airlines Limited and ASX Limited (Chairman).

Other Listed Company Directorships held in the last three years: Westfield Group (resigned 2011).

Government & Community Involvement: Chancellor of the University of New South Wales; Chairman, UNSW Foundation Limited; Chairman, National E-Health Transition Authority; Chairman of Sydney Theatre Company; Chair of the Federal Government Review of the Funding of Schools in Australia; and member of the Board of Infrastructure NSW. Appointed Chairman of the Future Fund on 3 April 2012.

TERRY DAVIS

Group Managing Director, Executive Director – Age 54

Appointed in November 2001.

Background: Joined CCA in November 2001 as Group Managing Director after 14 years in the global wine industry with most recent appointment as the Managing Director of Beringer Blass (the wine division of Foster's Group Ltd).

Other Listed Company Boards: Seven Group Holdings Limited, Chairman of SGH Related Party Committee.

Other Listed Company Directorships held in the last three years: St George Bank Limited (retired December 2008).

Government & Community Involvement: Council Member, University of New South Wales Council since 2006.

ILANA ATLAS

Non-Executive Director (Independent) – Age 57

Joined the Board on 23 February 2011 – Member of the Compensation Committee, Audit & Risk Committee, Related Party Committee and Nominations Committee.

Background: Ms Atlas has extensive experience in business and has held executive and non-executive roles across many industry sectors. From 2003 to 2010 Ms Atlas held senior executive roles within Westpac Banking Corporation. She has been a practising lawyer for 22 years and is a former partner of Mallesons Stephen Jaques.

Degrees: Master of Laws (University of Sydney), Bachelor of Laws (Hons) and Bachelor Jurisprudence (Hons) (University of Western Australia).

Other Listed Company Boards: Suncorp Group Limited and Westfield Holdings Limited.

Government & Community Involvement: Chairman of the Bell Shakespeare Company and Pro-Chancellor of the Australian National University.

CATHERINE BRENNER

Non-Executive Director (Independent) – Age 41

Joined the Board in April 2008 – Chairman of the Compliance & Social Responsibility Committee and Member of the Compensation Committee, Related Party Committee and Nominations Committee.

Background: Ms Brenner is a former Managing Director of ABN AMRO where she held various senior roles in the Investment Banking division. Prior to this Ms Brenner was a corporate lawyer.

Degrees: BEc; LLB (Macquarie University); MBA (Australian Graduate School of Management, UNSW).

Other Listed Company Boards: AMP Limited and Boral Limited.

Other Listed Company Directorships held in the last three years: Trafalgar Corporate Group Limited (resigned 2008), Cryosite Limited (resigned 2008) and Centennial Coal Company Limited (resigned 2010).

Government & Community Involvement: Member of Takeovers Panel and Trustee of Sydney Opera House Trust.

ANTHONY (TONY) FROGGATT

Non-Executive Director (Independent) – Age 63

Joined the Board in December 2010 – Chairman of the Compensation Committee, Member of the Audit & Risk Committee, Related Party Committee and Nominations Committee.

Background: Mr Froggatt is a former Chief Executive Officer of Scottish & Newcastle plc, a global brewing company based in Edinburgh, UK. Prior to that he held various senior management positions in Seagram Spirits & Wine Group, Diageo plc, H J Heinz and The Gillette Company. He is experienced in global business and brand development in both mature and developing markets, as well as having extensive marketing and distribution knowledge particularly in the international food and beverages sector.

Degrees: Bachelor of Law degree from Queen Mary College, London and an MBA from Columbia Business School, New York.

Other Listed Company Boards: Non-Executive Director of Brambles Limited and Billabong International Limited.

Other Listed Company Directorships held in the last three years: AXA Asia Pacific Holdings Limited (from 16 April 2008 to 30 March 2011).

MARTIN JANSEN

Non-Executive Director (Nominee of TCCC) – Age 53

Joined the Board in December 2009 – Member of the Audit & Risk Committee.

Background: Martin Jansen is the Regional Director, Bottling Investments Group for China, Singapore and Malaysia and Chief Executive Officer for Coca-Cola China Industries Ltd and, as such, is responsible for The Coca-Cola Company's Bottling Investment interests in China, Singapore and Malaysia. Mr Jansen joined the Coca-Cola system in 1998 when he was appointed Chief Operating Officer for Coca-Cola Sabco. In 2001, he was appointed Chief Executive Officer leading an anchor bottler with operations in 12 countries in Africa and Asia.

Degrees: Bachelor of Commercial Economics (HEAO Groningen, Netherlands) and Graduate of the Executive Development Program at Northwestern University Kellogg School of Management.

Other Listed Company Boards: Director, Haad Thip Public Company Limited (Thailand bottling partner).

Government & Community Involvement: Director, The Coca-Cola Company African Foundation.

GEOFFREY KELLY

Non-Executive Director (Nominee of TCCC) – Age 67

Joined the Board in April 2004 – (previously having been a Director between 1996 and 2001). Member of Compensation Committee.

Background: Joined The Coca-Cola Company in 1970 and has held legal positions with TCCC in the US, Asia and Europe. Mr Kelly retired as Senior Vice President and General Counsel, Chief Legal Officer of The Coca-Cola Company on 1 March 2012. He continues to provide consultancy services to that Company.

Degree: LLB (University of Sydney).

WAL KING, AO

Non-Executive Director (Independent) – Age 67

Joined the Board in February 2002 – Member of the Related Party Committee, Nominations Committee and Compliance & Social Responsibility Committee.

Background: Mr King has worked in the construction industry for over 40 years and was Chief Executive Officer of Leighton Holdings Limited, a company with substantial operations in Australia, Asia and the Middle East, from 1987 until his retirement on 31 December 2010. He remains as a Consultant.

Degrees: B Eng; M EngSc and Honorary Doctor of Science (UNSW).

Other Listed Company Boards: Ausdrill Limited (Non-Executive Director and Deputy Chairman).

Other Listed Company Directorships held in the last three years: Leighton Holdings Limited (retired 31 December 2010).

Government & Community Involvement: Director, University of New South Wales Foundation Limited, Kimberley Foundation Australia Limited and Garvan Research Foundation and Council Member, University of New South Wales.

DAVID MEIKLEJOHN, AM

Non-Executive Director (Independent) – Age 70

Joined the Board in February 2005 – Chairman of the Audit & Risk Committee, and member of the Nominations Committee, Related Party Committee and Compliance & Social Responsibility Committee.

Background: Strong experience in finance and financial management and as a Company Director. Chief Financial Officer of Amcor Limited for 19 years until retirement in June 2000.

Degree: B Com; Dip Ed (University of Queensland); FAIM, FAICD, FCPA

Other Listed Company Boards: Australia and New Zealand Banking Group Ltd and Mirrabooka Investments Limited.

Other Listed Company Directorships held in the last three years: PaperlinX Limited (retired August 2011).

Government & Community Involvement: Chairman of the Board of Governance of the Manningham Aged Care Centre.

GENERAL COUNSEL AND COMPANY SECRETARY

George Forster – Age 57

Mr Forster joined CCA in April 2005 as General Counsel. He was appointed Company Secretary in February 2007. Mr Forster holds bachelor of laws and bachelor of commerce degrees from the University of New South Wales and has extensive experience of over thirty years as a corporate and commercial lawyer, including having been a partner of Freehills in Sydney.

SENIOR MANAGEMENT

WARWICK WHITE

Managing Director – Australasia – Age 50

Appointed in November 2002

Background: Warwick has 30 years in the Coca-Cola System and rejoined Coca-Cola Amatil in November 2002 as the Managing Director for the CCA Australian beverages business.

Prior to that, Warwick held marketing and general management roles within the Coca-Cola System. Immediately prior to joining CCA, Warwick was the Regional Director for Coca-Cola Hellenic Bottling Company with responsibility for Ireland, Poland, Hungary, Czech Republic and Slovakia. This was preceded by 13 years in Great Britain, Europe and Ireland in progressively more senior roles within the Coca-Cola System.

ERICH REY

President Director – Indonesia – Age 50

Appointed in November 2011

Background: Erich first joined the Coca-Cola system in 1997, as the General Manager for Panamco Columbia and worked in a variety of roles across Panamco's Latin American operations. He was Femsa's Director of Operations in 2003 and was the Operation Director for Ecuador Bottling Company prior to joining CCA. Erich was appointed to the position of President Director – Indonesia in November 2011.

GEORGE ADAMS

Managing Director – New Zealand & Fiji – Age 45

Appointed in December 2003

Background: A Fellow of the Institute of Chartered Accountants in Ireland, George joined CCA on 1 December 2003. George has 17 years experience in the Coca-Cola bottling system having previously spent 10 years with Coca-Cola Hellenic Bottling Company in a number of senior Finance, Commercial and IT roles in Europe. He has also worked as Finance Director for British Telecom Regions based in Northern Ireland. George is also Chairman of the New Zealand Food and Grocery Council.

VINCE PINNERI

Managing Director – SPCA – Age 53

Appointed in July 2010

Background: Vince has worked within the Coca-Cola system for over 27 years and has gained great experience across many countries during this time having worked in Brazil, Germany, Asia and America. He first started out as a Sales Graduate Trainee in Adelaide then moving on to National Key Account Manager and NSW General Sales Manager in Sydney. During his time overseas he had a broad array of roles from general management, global account management, marketing and innovation. Upon his return to Amatil in 2008 Vince became General Manager Strategy for Non-Alcoholic Beverages and then General Manager of Immediate Consumption and Convenience & Petroleum before becoming Managing Director of SPCA in July 2010.

NESSA O'SULLIVAN

Group Chief Financial Officer – Age 47

Appointed in September 2010

Background: A Fellow of the Institute of Chartered Accountants in Ireland and a graduate of University College Dublin. Nessa joined CCA in May 2005 as CFO for the Australian Beverage business. Prior to joining CCA Nessa held the role of CFO and VP for the Australia/New Zealand region of Yum! Restaurants International. She spent 12 years with Yum! in senior roles in Finance, Strategic Planning and IT. Nessa holds dual Irish and Australian citizenship and has worked in Europe, the United States and Australia.

CORPORATE GOVERNANCE STATEMENT

At Coca-Cola Amatil (CCA), the Board of Directors is committed to achieving the highest standards in the areas of corporate governance and business conduct. This Corporate Governance Statement reports on the corporate governance principles and practices followed by CCA for the period 1 January 2011 to 31 December 2011 as required by the ASX Listing Rules.

The Company has followed all of the recommendations established in the ASX Corporate Governance Council's Principles and Recommendations, 2nd Edition.

The Policies and Board Committee Charters referred to in this Report may be accessed on the Company's website at www.ccamatil.com.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Role of the Board

The Board represents shareholders and has the ultimate responsibility for managing CCA's business and affairs to the highest standards of corporate governance and business conduct. The Board operates on the principle that all significant matters are dealt with by the full Board and has specifically reserved the following matters for its decisions:

- the strategic direction of the Company;
- approving budgets and other performance indicators, reviewing performance against them and initiating corrective action when required;
- ensuring that there are adequate structures to provide for compliance with applicable laws;
- ensuring that there are adequate systems and procedures to identify, assess and manage risks;
- ensuring that there are appropriate policies and systems in place to ensure compliance;
- monitoring the Board structure and composition;
- appointing the Group Managing Director and evaluating his or her ongoing performance against predetermined criteria;
- approving the remuneration of the Group Managing Director and remuneration policy and succession plans for the Group Managing Director and senior management;
- ensuring that there is an appropriate focus on the interests of all stakeholders; and
- representing the interests of and being accountable to the Company's shareholders.

To assist in its deliberations, the Board has established five main committees which, apart from routine matters, act primarily in a review or advisory capacity on the matters set out in their respective Charters. These are the Related Party Committee; Nominations Committee; Compliance & Social Responsibility Committee; Audit & Risk Committee; and Compensation Committee. The Charters of each Committee are summarised in this report. The delegation of responsibilities to these Committees will only occur provided that sufficient systems are in place to ensure that the Board is meeting its responsibilities.

Role of Group Managing Director

The responsibility for implementing the approved business plans and for the day-to-day operations of CCA is delegated to the Group Managing Director who, with the management team, is accountable to the Board. The Board approves the Executive Chart of Authority which sets out the authority limits for the Group Managing Director and senior management.

Senior Executives' Performance Evaluation

Across all of CCA's Business Units, there is a strong performance management discipline together with competitive reward and incentive programs. The Company's approach in recent years is to move to have a greater component of at-risk remuneration for senior executives.

Detailed business plans are prepared and approved by the CCA Board prior to the start of the calendar year. The senior executives are then measured against the achievement of these plans during and at the completion of the calendar year, and their annual at-risk remuneration reflects their business plan achievements. An evaluation of performance has been undertaken for all senior managers for 2011, and this has been in accordance with the above process.

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

Composition of the Board

The composition of the Board is based on the following factors:

- the Chairman is a Non-Executive Director and is independent from The Coca-Cola Company;
- the Group Managing Director is the Executive Director;
- The Coca-Cola Company has nominated two Non-Executive Directors (currently Geoffrey Kelly and Martin Jansen);
- the majority of the Non-Executive Directors are independent;
- one-third of the Board (other than the Group Managing Director) is required to retire at each Annual General Meeting and may stand for re-election. The Directors to retire shall be those who have been longest in office since their last election; and
- a Director who has been appointed by the Board to fill a casual vacancy is required to be considered for re-election by the shareholders at the next Annual General Meeting.

The Board is comprised of the following nine members:

Name	Position	Independent	Appointed
David Gonski, AC	Chairman, Non-Executive Director	Yes	1997
Ilana Atlas*	Non-Executive Director	Yes	2011
Catherine Brenner	Non-Executive Director	Yes	2008
Anthony (Tony) Froggatt	Non-Executive Director	Yes	2010
Wal King, AO	Non-Executive Director	Yes	2002
David Meiklejohn, AM	Non-Executive Director	Yes	2005
Martin Jansen**	Non-Executive Director	No	2009
Geoffrey Kelly**	Non-Executive Director	No	2004
Terry Davis	Executive Director and Group Managing Director	No	2001

* Appointed 23 February 2011
** Nominated by The Coca-Cola Company

Details of the skills, experience and expertise of each Director are set out on pages 5 and 6 of this Report. Attendance at Board and Committee meetings and the names of Committee members are included in the Directors' Report on pages 14 and 15.

Directors – independence

The majority of the Board are independent Directors. A Director is considered independent provided he or she is free of any business or other relationship with CCA or a related party which could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgement. A related party for this purpose would include The Coca-Cola Company.

When a potential conflict of interest arises, the Director concerned withdraws from the Board meeting while such matters are considered. Accordingly, the Director concerned neither takes part in discussions nor exercises any influence over the Board if a potential conflict of interest exists. Transactions with The Coca-Cola Company are reviewed by the Related Party Committee. Related party transactions are disclosed in Note 33 to the financial statements.

RELATED PARTY COMMITTEE

The Related Party Committee is comprised of all the independent Non-Executive Directors (and does not include any Directors who are or have been associated with a related party). The Group Managing Director and the Group Chief Financial Officer attend meetings by invitation.

The Committee reviews transactions between CCA and parties who may not be at arm's length ("related parties") to ensure that the terms of such transactions are no more favourable than would reasonably be expected of transactions negotiated on an arm's length basis. It meets prior to each scheduled Board meeting to review all material transactions of CCA in which The Coca-Cola Company, or any other related party, is involved.

Directors – selection

The Board's Nominations Committee regularly reviews the composition of the Board to ensure that there is an appropriate mix of abilities, experience and diversity to serve the interests of all shareholders. Any recommendations are presented to the full Board.

The process of appointing a Director is that when a vacancy exists, or is expected, the Nominations Committee identifies candidates with the appropriate expertise and experience having regard to the skills that the candidate would bring to the Board and the balance of skills that the existing Directors hold. The Board reviews the candidates and the most suitable person is either appointed by the Board and comes up for re-election at the next Annual General Meeting or is recommended to shareholders for election at a shareholders' meeting.

CCA also encourages its shareholders to nominate persons of suitable skills, expertise and experience for Board positions. The Company's website (at www.ccamatil.com) contains a nomination form and any nomination, made in good faith, will be considered by the Nominations Committee.

NOMINATIONS COMMITTEE

The Nominations Committee is comprised of all the independent Non-Executive Directors (it does not include any Directors who are or have been associated with a related party).

The Committee reviews the Board's composition to ensure that it comprises Directors with the right mix of skills, experience, expertise and diversity to enable it to fulfil its responsibilities to shareholders. The Committee also reviews Board succession policy and identifies suitable candidates for appointment to the Board and reviews general matters of corporate governance. The Committee has also been given responsibility for reviewing the Company's standards of corporate governance.

Directors – Induction and Education

On appointment, each Non-Executive Director is required to acknowledge the terms of appointment as set out in their letter of appointment. The appointment letter covers, inter alia, the term of appointment, duties, remuneration including superannuation and expenses, rights of access to information, other directorships, dealing in CCA's shares, disclosure of Director's interests, insurance and indemnity and termination. The Director is provided with the Company's policies and Board Committee charters and briefed on the content by the Company Secretary.

An induction program is made available to newly appointed Directors covering such topics as the Board's role, Board composition and conduct, and the risks and responsibilities of company directors, to ensure that they are fully informed on current governance issues. The program also includes briefings on the culture and values of the Company, the roles and responsibilities of senior executives and the Company's financial, strategic, operational and risk management position.

Independent professional advice

For the purposes of the proper performance of their duties, Directors are entitled to seek independent professional advice at CCA's expense. Before doing so, a Director must notify the Chairman (or the Group Managing Director in the Chairman's absence) and must make a copy of the advice available to all Directors.

Directors – Performance Review

A review of the Directors performance is undertaken at least every two years. If a majority of Directors consider a Director's performance falls below the predetermined criteria required, then the Director has agreed to retire at the next Annual General Meeting and a resolution will be put to shareholders to vote on the re-election of that Director.

The last external performance review was in 2009. In 2011, the Board resolved that an internal review be undertaken by the Chairman with each Director individually and members of senior management to discuss the operation and composition of the Board. The process of Board performance will remain under continuous review with a further independent external review of Board performance proposed to be carried out in 2013.

Company Secretary

The Company Secretary is appointed by the Board and is accountable to the Board, through the Chairman, on all governance matters.

PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

Code of Business Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. The Code of Business Conduct is reviewed regularly to ensure that the standards set in the Code reflect CCA's values, acknowledge our responsibilities to our stakeholders and to each other, and ensure that management and employees know what is expected of them and apply high ethical standards in all of CCA's activities.

The Audit & Risk Committee is responsible for ensuring that effective compliance policies exist to ensure compliance with the requirements established in the Code of Business Conduct. The Code contains procedures for identifying and reporting any departures from the required standards. CCA has also established a system for distribution of the Code at appropriate intervals to employees and for them to acknowledge its receipt.

The Code sets standards of behaviour expected from everyone who performs work for CCA – Directors, employees and individual contractors. It is also expected that CCA's suppliers will enforce a similar set of standards with their employees. The code is available on our website at www.ccamatil.com.

Interests of Stakeholders

CCA acknowledges the importance of its relationships with its shareholders and other stakeholders including employees, contractors and the wider community. CCA believes that being a good corporate citizen is an essential part of business and pursues this goal in all the markets in which it operates. CCA publishes Sustainability@CCA Reports which focus on four pillars of commitment – Environment, Marketplace, Workplace and Community. These Reports can be viewed on the CCA website at www.ccamatil.com.

The Compliance & Social Responsibility Committee assists the Board in determining whether the systems of control, which management has established, effectively safeguard against contraventions of the Company's statutory responsibilities and there are policies and controls to protect the Company's reputation as a responsible corporate citizen.

COMPLIANCE & SOCIAL RESPONSIBILITY COMMITTEE

The Compliance & Social Responsibility Committee comprises at least three Non-Executive Directors. The Committee regularly reviews and reports to the Board on compliance with laws including occupational health and safety, environmental protection, product safety and trade practices.

The Committee also reviews policies reflecting on the Company's reputation, including quality standards, dealing in the Company's securities and disclosure. Its responsibilities include – Diversity: recommend to the Board measurable objectives to be set in accordance with the Diversity Policy and review and report to the Board, on an annual basis, on the effectiveness of the Diversity Policy; Social responsibility: review reports and make recommendations to the Board, where appropriate, in respect of political donations, community sponsorship and support and relevant social issues such as obesity, environmentally sustainable initiatives, and CCA's carbon footprint and other social issues that may be relevant to the Company.

Share ownership and dealings

Details of the shareholdings of Directors in the Company are set out in the Directors' Report on page 13. The Non-Executive Directors Share Plan was suspended on 1 September 2009 due to the change in taxation arrangements of share plans announced by the Australian Government during 2009.

Non-Executive Directors are encouraged to hold CCA shares, with shareholding guidelines introduced during 2010, based on length of time served as a CCA Director. See page 38 of the Remuneration Report for details.

Policy on Trading in CCA shares

Directors are subject to the Corporations Act 2001 which restricts their buying, selling or trading securities in CCA if they are in possession of inside information.

The Board has adopted a formal policy for share dealings by Directors and senior management. Under the policy, trading of CCA shares by Directors and Senior Management is prohibited at all times except for the four weeks commencing on the day after the release of the Half Year and Full Year results and the holding of the Annual General Meeting, unless exceptional circumstances apply. The policy prohibits speculative transactions involving CCA shares, the granting of security over CCA shares or entering into margin lending arrangements involving CCA Shares and reinforces the prohibition on insider trading contained in the Corporations Act 2001.

Diversity Report – CCA's continued focus on Diversity

CCA values every one of its people and increasingly recognises that each person in the company brings their own range of skills, experiences and unique differences. CCA understands the kind of support and encouragement required to help every employee reach their own individual level of potential. When this happens, CCA will become an even more successful organisation with a stronger, more united internal community – one which more closely resembles the communities in which it operates.

The primary focus for CCA's diversity agenda is to "embrace difference" (which has become a theme within CCA Australia) in the areas of gender, indigenous employment, disability, ethnic background and mature age workers.

Indigenous Employment

In recognition of the importance of practical reconciliation and that our business reaches into many remote communities across Australia, in June 2011 CCA signed the Australian Employment Covenant (AEC) committing CCA Australia to a target of 150 sustainable jobs for Indigenous Australians. This started a process inside the business to develop an Indigenous Employment Strategy with the assistance of the Federal Government and an accredited Indigenous Employment Provider. This developing strategy has been detailed, along with other strategies within CCA which are focused on indigenous disadvantage – our Remote Communities Strategy and the Coca-Cola Australia Foundation's funding of indigenous organisations – in our latest corporate social responsibility report, Sustainability@CCA 2011 at www.ccamatil.com.

Gender Diversity

While CCA celebrates the many differences that exist within its own workforce, significant focus in 2010 and 2011 has been on Gender Diversity as it is broadly acknowledged as the area of the greatest opportunity within most Australian businesses including CCA's business.

Throughout 2011, CCA has focussed on supporting and driving the changes and actions required in the organisation to improve its overall gender balance.

CCA realises this is the right and best thing to do and recognises the value of the role of women as our customers and consumers. CCA also acknowledges the importance of obtaining the best female talent in a shrinking labour market, which will enable CCA to perform at its best.

In 2010 CCA developed a Gender Diversity Policy, now available on the CCA website, to outline its objectives of creating fair, equitable, respectful workplaces where women are supported in an inclusive environment, given recognition based on individual merit and considered for opportunities to advance and succeed regardless of gender. The Policy clarified how Diversity will be approached and supported within CCA and indicated the responsibilities at all levels that would enable CCA's culture to move increasingly toward a more gender-balanced workplace.

A range of initiatives has been undertaken throughout 2011 to increase gender diversity awareness and to drive practical change towards a more gender-balanced workforce.

Actions taken by CCA in Australia

As part of its initial report on Gender Diversity CCA committed to publish its Gender Diversity Policy, to establish priorities to bring about cultural change, to provide information about its achievements across the CCA Group and to report progress related to targets set for female participation within the CCA Board, Senior Executive, Management and the Workforce through to 2015.

During 2011 a range of initiatives were undertaken within CCA Australia which were tailored to understand requirements and create immediate improvements in areas of diversity where the most attention was required. In particular the following were actioned:

- Approximately 70 senior leaders in the Australian business undertook a re-test of their individual Mettle Leadership Gauge (MLG), which assesses the perceptions of the work culture the leaders create in CCA Australia, including the value that they place on diversity and the progress on diversity initiatives.
- The MLG surveys were extended to all middle level Managers in CCA Australia.
- A Mettle Culture Gauge (MCG) re-test was conducted across the organisation to assess perceptions of our work culture. This gave all employees an opportunity to express their genuine interest and value in the diversity agenda. This survey had a very high level of participation, with 80% of CCA Australia employees responding, and indicated some opportunity to improve diversity perception levels.

The survey and culture re-test data is continuing to be analysed to re-frame CCA's diversity offerings. Some specific actions in 2012 that are being considered include a middle management education program, broader roll out of gender mentoring programs and a review of the recruitment processes.

Primary among the specific actions taken by CCA Australia was the continuing support of the Embracing Difference Council, a cross-functional group of approximately 12 managers within the Australian business who are sponsored by the CCA Australia Executive Team. The Council actively makes recommendations to create a stronger framework for Diversity within CCA. Initially the Council's focus is on Gender, with parallel focus on other areas such as Indigenous Australians, disability, ethnicity and age.

In 2011 the Embracing Difference Council launched the Women's Mentoring Program "My Mentor" which in its first phase saw 22 high-potential women in the Australian business participate in the program. The Council also gave strong support to the complementary program for male managers, designed to enable them to support female team members, a review of the Flexibility Policy, the development of employee network groups and a range of educational activities to help employees and managers understand CCA's approach to diversity.

CCA's structured succession planning tool – the "Organisational Capability Review" has meant that many positions are filled through succession planning. Reporting for the last 12 months suggests that within the CCA Australia workforce 45% of talent identified through the Organisational Capability Review is female, with females accounting for 28.5% of promotions to open positions, consistent with the existing gender split.

CCA continues to award positions based on merit, using an objective, competency-based process to minimise gender bias. To promote this further, Recruitment Training was rolled out to 74 line managers in 2011 as part of the Leadership Fundamentals Program, the objective being to emphasise the importance of considering Diversity related issues while recruiting. Other initiatives that have commenced during the year include the establishment of high calibre female talent pools, focusing on a minimum of one female on the short-list for key roles.

An annual review of Pay Parity between genders is completed each year and reported to the CCA Compensation Committee to ensure no gender bias in remuneration.

Conditions of service are constantly being reviewed to bring about improvement for all employees, in particular salary packages are reviewed annually and are evaluated against market data and target rates and then set for every individual role to ensure uniformity and equality for all individuals. An Annual Leave Salary Sacrifice Program has continued to be supported since 2005, with a continuing increase in the number of people taking up the option. Currently 50% of these are women.

Actions from other countries

CCA New Zealand has appointed a Diversity Project Lead who will build a diversity strategy and diversity plan as a core part of the HR Business Plan for 2012. The NZ business has also trialled a program for Auckland employees targeting new parents as part of their Wellbeing program in 2011.

CCA Papua New Guinea has enabled free consultations with a female gynaecologist for their female employees in the Lae site, as many PNG women are hesitant to see male doctors. The policy on sexual harassment in the workplace has been re-written and awareness programs conducted with employees.

CCA Indonesia has continued to focus on increasing the percentage of females in management roles and has recently appointed the female HR Director to the Board of the Indonesian business. The business continues to emphasise competency and values as selection criteria to eliminate gender bias during recruitment. A future plan is to introduce a Women's Leadership Council, a female mentoring program, to assist in the promotion and development of women in the business.

The initiatives in CCA Fiji have largely focussed on social activities as a way to bring disparate work groups together as well as formulating a recruitment strategy to increase the selection of female employees, and an increased focus on religious celebrations to enable greater acceptance of the diverse groups of employees amongst the workforce.

Gender Diversity Objectives for 2012

1. Targets:

CCA has established overall gender balance goals, and has specifically nominated targets as a means of driving the business more rapidly towards the achievement of gender balance.

Diversity Targets for the CCA Board and Senior Executives

	Total CCA Group
Non-Executive Directors	
2011:	25%
2014:	30%
2016:	33%
Senior Executive (Top 70)	
2011:	16%
2014:	19%
2016:	22%

Diversity Targets for the CCA Group

	Total CCA Group	Australia & New Zealand	Indonesia, PNG and Fiji[1]
Female Managers			
2011:	26%	28%	21%
2014:	29%	31%	22%
2016:	32%	34%	24%
Female Employees			
2011:	17%	29%	8%
2014:	18%	31%	8%
2016:	19%	34%	8%

1 The developing markets of Indonesia, PNG & Fiji have a large combined workforce that includes delivery with a high manual labour component, giving a strong orientation to male employees in these countries.

2. Strategy

As a support mechanism to the achievement of these objectives and targets, CCA Australia has developed a Diversity Strategy. In due course, the concepts within this strategy will be shared appropriately to ascertain the viability of these ideas in other countries.

Central to the Diversity Strategy are the concepts of:

1. Sourcing – Attracting and actively searching for the best and most diverse range of talent in the market.
2. Inclusion – Reflecting the real world by creating an environment that recognises and celebrates difference, a viable CCA community.
3. Retention – Doing the right and fair thing, keeping our best, being better than our competitors and other organisations.

Some specific planned initiatives within the Diversity Strategy are:

- Ensuring Line Managers are responsible for maintaining and increasing gender balance within their own management area, so as to structurally increase the success rates for gender balance targets.
- Ensuring Diversity is observed as a primary responsibility for all employees as currently occurs with OHS policies.
- Ensuring the presence of at least one female in shortlists for Senior Management positions, excluding planned "career" appointments through succession planning and the organisational capability review process.

3. Gender Diversity Scorecard

CCA Australia will develop a scorecard during 2012 to measure the outcomes of the various Gender Diversity initiatives. The scorecard will not only measure outcomes against the specific gender targets, but will measure other important areas such as the acceptance of responsibility by line managers to ensuring gender balance within their own specific management areas.

4. Dedicated Diversity Resource

CCA Australia has appointed a dedicated Diversity and Inclusion Manager who commenced in early 2012. This person will be responsible for shaping and implementing the Diversity Strategy and will work closely with the senior executive team of CCA Australia. This area of expertise will provide strategic advice on diversity related issues and will drive and implement diversity initiatives across the Australian business with a view to embedding equality and diversity across both CCA Australia and also the CCA Group.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

The Board has an Audit & Risk Committee which meets four times a year and reports to the Board on any matters relevant to the Committee's role and responsibilities. A summary of the Committee's formal Charter is set out below.

AUDIT & RISK COMMITTEE

The Audit & Risk Committee comprises at least three Non-Executive Directors, the majority of whom are Independent. The Group Managing Director and Group Chief Financial Officer attend meetings by invitation.

The key responsibilities of the Committee are: Financial Reporting – review Financial Statements to ensure the appropriateness of accounting policies, and compliance with accounting policies and standards, compliance with statutory requirements and the adequacy of disclosure; Risk Management – ensure CCA has effective policies in place covering key risks including, but not limited to, overall business risk in CCA's operations, treasury risk (including currency and borrowing risk), procurement, insurance, taxation and litigation; Audit – review of the auditor's performance, the professional independence of the auditor, audit policies, procedures and reports, as a direct link between the Board and the auditor.

The Committee approves the policies, processes and framework for identifying, analysing and addressing complaints (including whistleblowing) and reviews material complaints and their resolution.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

CCA has a Disclosure & Communication Policy which includes the following principles, consistent with the continuous disclosure obligations under ASX Listing Rules that govern CCA's communication:

- CCA will, in accordance with ASX Listing Rules, immediately issue to ASX any information that a reasonable person would expect to have a material effect on the price or value of CCA's securities;
- CCA's Disclosure Committee manages the day-to-day continuous disclosure issues and operates flexibly and informally. It is responsible for compliance, coordinating disclosure and educating employees about CCA's communication policy; and
- all material information issued to the ASX, the Annual Reports, full year and half year results and presentation material given to analysts, is published on CCA's website (www.ccamatil.com). Any person wishing to receive advice by email of CCA's ASX announcements can register at www.ccamatil.com.

The Company Secretary is the primary person responsible for communication with ASX. In the absence of the Company Secretary, the Investor Relations Manager is the contact. Only authorised spokespersons can communicate on behalf of the Company with shareholders, the media or the investment community.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

The rights of CCA's shareholders are detailed in CCA's Constitution. Those rights include electing the members of the Board. In addition, shareholders have the right to vote on important matters which have an impact on CCA. To allow shareholders to effectively exercise these rights, the Board is committed to improving the communication to shareholders of high quality, relevant and useful information in a timely manner.

CCA's Disclosure & Communication Policy requires that shareholders be informed about strategic objectives and major developments. CCA is committed to keeping shareholders informed and improving accessibility to shareholders through:

- Australian Securities Exchange (ASX) announcements;
- company publications (including the Annual Report and Shareholder News);
- webcasting analyst and media briefings;
- the Annual General Meeting;
- the Company website (www.ccamatil.com);
- the investor relations contact number (61 2 9259 6159); and
- a suggestion box on the website.

CCA's shareholders are encouraged to make their views known to the Company and to directly raise matters of concern. From time to time, CCA requests meetings with its shareholders and shareholder interest groups to share views on matters of interest. The views of those parties are shared with the Board on a regular basis, both by the Chairman and management.

Shareholders are encouraged to attend CCA's Annual General Meeting and use this opportunity to ask questions. The Annual General Meeting will remain the main opportunity each year for the majority of shareholders to comment and to question CCA's Board and management. The external auditor attends the Annual General Meeting and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

The Board has established a Risk Management Policy which formalises CCA's approach to the oversight and management of material business risks. The policy is implemented through a top down and bottom up approach to identifying, assessing, monitoring and managing key risks across CCA's business units. Risks, and the effectiveness of their management, are reviewed and reported regularly to relevant management, the Audit & Risk Committee and the Board. Management has reported to the Board that the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

The Board is responsible for ensuring that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. CCA's Audit & Risk Committee reviews reports by members of the management team (and independent advisers, where appropriate) during the year and, where appropriate, makes recommendations to the Board in respect of:

- overall business risk in CCA's countries of operation;
- treasury risk (including currency and borrowing risks);
- procurement;
- insurance;
- taxation;
- litigation;
- fraud and code of conduct violations; and
- other matters as it deems appropriate.

The internal and external audit functions, which are separate and independent of each other, also review CCA's risk assessment and risk management.

In addition to the risk management duties of the Audit & Risk Committee, the Board has retained responsibility for approving the strategic direction of CCA and ensuring the maintenance of the highest standards of quality. This extends beyond product quality to encompass all ways in which CCA's reputation and its products are measured. The Board monitors this responsibility through the receipt of regular risk reports and management presentations.

Financial Reporting

In accordance with section 295A of the Corporations Act 2001, the Group Managing Director and Chief Financial Officer have provided a written Certificate to the Board that the Statutory Accounts of the Company comply with the relevant Accounting Standards and other mandatory reporting requirements in all material respects, that they give a true and fair view, in all material respects, of the financial position and performance of the Company, and that management's risk management and internal controls over financial reporting, which implement the policies and procedures adopted by the Board, are operating effectively and efficiently, in all material respects.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

On an annual basis, the Compensation Committee reviews the nature and amount of the remuneration of the Group Managing Director and senior management and, where appropriate, makes recommendations to the Board. As noted in the Remuneration Report on page 31, the Committee draws on a range of services from external consultants to provide information, data and advice where appropriate in relation to remuneration quantum & structure and market practice. Following amendments made to the Corporations Act 2001 involving recommendations by "remuneration consultants" which came into force on 1 July 2011, where a consultant is providing a recommendation, CCA has developed practices to select and engage a consultant –

- on how CCA is to receive the advice;
- on how to ensure independence from management; and
- on how the consultant interacts with management.

CCA recognises the importance of ensuring that any recommendations given in relation to the remuneration of KMP provided by remuneration consultants are provided independently of those to whom the recommendations relate.

COMPENSATION COMMITTEE

The Compensation Committee comprises at least three Non-Executive Directors, the majority of whom are independent Directors. The Group Managing Director attends by invitation. Appropriate periods of time are set aside for only Committee members to be in attendance.

The Committee reviews matters relating to the remuneration of the Executive Director, senior management and Non-Executive Directors. It also reviews senior management succession planning, country retirement plans and remuneration by gender and considers diversity in the context of succession planning. The Committee obtains advice from external remuneration consultants to ensure that CCA's remuneration practices are in line with market conditions. On at least an annual basis, the Committee reviews the succession plans for the Group Managing Director and senior executives.

Other Board Committees

To assist in its deliberations, the Board has established a further two committees, the Administration Committee and the Securities Committee. These Committees are comprised of any two Directors or a Director and the Group Chief Financial Officer and meet as required. The Administration Committee's powers, while not limited, will generally be applied to matters of administration on behalf of the Board, including the execution of documents in the normal course of business. The Securities Committee attends to routine matters relating to the allotment of securities.

The Directors submit hereunder their Report for the financial year ended 31 December 2011.

NAMES AND PARTICULARS OF DIRECTORS

The names of the Directors of Coca-Cola Amatil Limited (Company, CCA or CCA Entity) 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 Rights Plan[1] No.	Non-Executive Directors Share Plan[1] No.	Non-Executive Directors' Retirement Share Trust[1] No.
David Michael Gonski, AC	79,433	–	194,589	106,266
Ilana Rachel Atlas[2]	–	–	–	–
Catherine Michelle Brenner	1,470	–	12,022	–
Terry James Davis	150,127	378,466	–	–
Anthony Grant Froggatt[3]	49,000	–	–	–
Martin Jansen	10,173	–	–	–
Geoffrey James Kelly	1,680	–	20,707	–
Wallace Macarthur King, AO	1,200	–	45,889	8,073
David Edward Meiklejohn, AM	5,715	–	19,560	–

1 Beneficial interest held subject to conditions of the Plans/Trust.
2 Appointed 23 February 2011.
3 Indirect interest in 25,000 shares as an executor of a will, and in 24,000 shares under an enduring power of attorney.

Particulars of the qualifications, other directorships, experience and special responsibilities of each Director are set out on pages 5 and 6 of the Annual Report.

DIVIDENDS

	Rate per share ¢	Amount $M	Date paid or payable
Fully franked final dividend declared on ordinary shares (not recognised as a liability)	30.5	231.7	3 April 2012
Fully franked dividends paid in the financial year –			
Final dividend on ordinary shares for 2010	28.0	211.8	5 April 2011
Interim dividend on ordinary shares for 2011	22.0	166.8	4 October 2011

OPERATING AND FINANCIAL REVIEW

Principal activities and operations

The principal activities of Coca-Cola Amatil Limited and its subsidiaries (Group or CCA Group) during the financial year ended 31 December 2011 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 fruits, vegetables and other food products; and
- the manufacture and distribution of premium beer brands and the premium spirits portfolio of Beam Global Spirits and Wine, Inc. (Beam).

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 $591.8 million, compared with $497.3 million in 2010, representing a 19.0% increase from last financial year. The net profit attributable to members includes a net significant item gain of $59.8 million after income tax, relating to a revaluation gain to fair value of CCA's 50% interest in Pacific Beverages Pty Ltd (Pacific Beverages) and certain expenses that are directly attributable to the sale, the separation of the Pacific Beverages business from CCA and the resulting strategic restructure of CCA, and expenses arising from the SPC Ardmona (SPCA) business restructure. The corresponding period in 2010 includes a significant item of $9.3 million income tax expense, relating to a change in the New Zealand tax legislation. Refer to Notes 4c) and 5 for further details.

The Group's trading revenue for the financial year increased by 6.9% to $4,801.2 million, compared with $4,490.3 million for 2010.

Operating cash flow increased by 9.6% to $641.8 million, compared with $585.4 million in 2010.

Review of operations

Segment results (defined as earnings before interest, tax and significant items) for each operating segment were as follows –

- Non-Alcohol Beverage business –
  Australia increased by 2.4% to $607.2 million, compared with $592.7 million in 2010;
  New Zealand & Fiji was $79.5 million, compared with $81.4 million in 2010;
  Indonesia & PNG increased by 17.5% to $88.1 million, compared with $75.0 million in 2010; and
- Alcohol, Food & Services was $93.2 million, compared with $94.3 million in 2010.

Further details of the operations of the Group during the financial year are set out on pages 1 to 4 of the Annual Report.

OPERATING AND FINANCIAL REVIEW CONTINUED

Significant changes in the state of affairs

In March 2011, CCA entered into a new 10 year agreement with Beam for the manufacture and distribution of Beam premium spirits in Australia.

On 20 June 2011, the Group announced that CCA and SABMiller plc (SABMiller) had agreed to amend the terms and conditions of their Pacific Beverages joint venture agreement (Variation). The Variation comprised a number of agreements, including a put option over CCA's 50% interest in Pacific Beverages, which was exercisable following certain conditions being met.

On 16 December 2011, these conditions were met and the put option was exercised by CCA, requiring SABMiller to unconditionally purchase CCA's 50% interest in Pacific Beverages by 15 January 2012.

On 13 January 2012, the sale of CCA's 50% interest in Pacific Beverages to SABMiller was completed, resulting in CCA receiving the agreed sale proceeds.

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 12 months to 31 December 2011.

Future developments

Information on the future developments of the Group and its business strategies are included in the front section of the 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	7	7	4	4	4	4	4	4	7	7	1	1	–
I.R. Atlas[7]	6	6	2	2	–	–	2	2	6	6	1	1	–
C.M. Brenner	7	7	–	–	2	2	4	4	7	7	1	1	–
T.J. Davis	7	7	4*	4*	4*	4*	4*	4*	7*	7*	1*	1*	8
A.G. Froggatt	7	6	2	2	–	–	2	2	7	7	1	1	–
M. Jansen[8]	7	6	4	4	–	–	–	–	–	–	–	–	–
G.J. Kelly[8]	7	6	–	–	–	–	4	4	–	–	–	–	–
W.M. King, AO	7	7	–	–	4	4	–	–	7	7	1	1	–
D.E. Meiklejohn, AM	7	7	4	4	4	4	–	–	7	7	1	1	–

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 five Non-Executive Directors. Refer to the Corporate Governance section on page 7 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 four Non-Executive Directors.

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

4 The Related Party Committee reviews agreements and business transactions with related parties. It consists of all the 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 all the 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 was any two Directors, or any one Director and the Group Chief Financial Officer.

7 Appointed 23 February 2011.

8 Non-residents of Australia.

* Mr T.J. Davis attended by invitation.

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 financial year were –

Audit & Risk	Compliance & Social Responsibility	Compensation	Related Party	Nominations
D.E. Meiklejohn, AM[1]	C.M. Brenner[1]	A.G. Froggatt[1]	D.M. Gonski, AC[1]	D.M. Gonski, AC[1]
I.R. Atlas	D.M. Gonski, AC	I.R. Atlas	I.R. Atlas	I.R. Atlas
A.G. Froggatt	W.M. King, AO	C.M. Brenner	C.M. Brenner	C.M. Brenner
D.M. Gonski, AC	D.E. Meiklejohn, AM	D.M. Gonski, AC	A.G. Froggatt	A.J. Froggatt
M. Jansen		G.J. Kelly	W.M. King, AO	W.M. King, AO
			D.E. Meiklejohn, AM	D.E. Meiklejohn, AM

1 Chairman of the relevant Committee.

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

There were no options on issue at the end of the 2011 financial year. Details of options exercised during the financial year are included in Note 23 to the financial statements.

EVENTS AFTER THE BALANCE DATE

No matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, the results of those operations or the state of affairs of the Group in subsequent financial periods, with the exception of the following –

Pacific Beverages

On 13 January 2012, the sale of CCA's 50% interest in Pacific Beverages to SABMiller was completed, resulting in CCA receiving the agreed sale proceeds. Refer to Note 9 for further details.

Debt raising

Subsequent to the end of the financial year, CCA completed a $250.0 million debt raising in the Euro markets, with the issue of Euro Medium Term Notes. The fixed coupon rates on the Notes were set at 4.875% per annum and are for a term of five years.

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 this Report and the financial statements have been rounded off to the nearest tenth of a million dollars, unless otherwise stated.

REMUNERATION REPORT

This remuneration report outlines CCA's remuneration philosophy and practices together with details of the specific remuneration arrangements that apply to key management personnel (KMP) and the five highest remunerated executives of the Company and the Group in accordance with the requirements of the Corporations Act 2001.

For the purpose of this report, KMP 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. For the purpose of this report, the term "executive" encompasses the Group Managing Director, senior executives, general managers and secretaries of the Company and the Group.

CCA's KMP for 2011 are –

KMP Non-Executive Directors

D.M. Gonski, AC	Chairman	
I.R. Atlas	Director	– Appointed 23 February 2011.
C.M. Brenner	Director	
A.G. Froggatt	Director	
M. Jansen	Director	
G.J. Kelly	Director	
W.M. King, AO	Director	
D.E. Meiklejohn, AM	Director	

KMP Executives

T.J. Davis	Executive Director and Group Managing Director	
W.G. White	Managing Director, Australasia	
G. Adams	Managing Director, New Zealand & Fiji	
E. Rey	Managing Director, Indonesia & PNG	– Appointed 1 November 2011.
V. Pinneri	Managing Director, SPCA	
N.I. O'Sullivan	Group Chief Financial Officer	
P.N. Kelly	Managing Director, Business Services (formerly Managing Director, Indonesia & PNG)	– Ceased to be KMP on 31 October 2011 after completing Indonesian assignment.

In addition, the following persons must be disclosed under the Corporations Act 2001 as they are among the five highest remunerated Group and Company executives –

P.J. Malloy	Managing Director, Sales Non Alcoholic Beverages Australia
J. Murphy	Managing Director, Licensed/Alcohol CCA Australasia.

There were no other changes to KMP during the reporting period, or after the reporting date up to the date the financial report was authorised for issue.

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 97.

The remuneration report is in six sections as follows –

A. Remuneration Strategy
B. Remuneration Structure
   a) Fixed Remuneration
   b) Variable/At Risk Remuneration
      i) Short Term Incentive Plan (STIP)
      ii) Executive Retention Share Plan (ERSP)
      iii) Long Term Incentive Share Rights Plan (LTISRP)
   c) Performance of CCA and the Link to Reward
   d) Remuneration Advisers
C. Summary of Employment Contracts
D. Statutory Remuneration of Executives
E. Remuneration of Non-Executive Directors
F. Policy on Trading in CCA's Shares.

A. Remuneration Strategy

The Compensation Committee (Committee) is responsible for reviewing the nature and amount of the Group Managing Director's and senior executives' remuneration. The Board (on the recommendations of the Committee) has set a remuneration strategy that supports and drives the achievement of CCA's strategic objectives. By establishing a remuneration structure that motivates and rewards executives for achieving key targets linked to CCA's business objectives, the Board is confident that its remuneration strategy focuses CCA's people on creating superior shareholder wealth, in line with CCA's strategic intent.

The following diagram illustrates how CCA's remuneration strategy and the structure the Board has implemented to achieve this strategy align with CCA's business objectives –

CCA's Strategic Business Objectives

Continue to provide sustainable returns that are superior to those of CCA's competition.	To invest in CCA capacity and encourage business growth.	Conduct business and operate within the community as a good corporate citizen.

Remuneration Components

Base (Fixed) Remuneration

- Base level of reward;
- Set at a competitive market level and reviewed annually in light of data sourced from external remuneration suppliers and/or recommendations from remuneration consultants; and
- Dependent on employee's experience, knowledge, skills, level of responsibility and general performance.

Short Term Incentive

- Determined by reference to achievement of pre-determined business performance and individual performance measures;
- Business performance measures include volume (that aligns to trading revenue) and earnings before interest and tax (EBIT) or net profit after tax (NPAT);
- Individual performance measures focus on team performance and individual contributions; and
- Delivered in cash annually if pre-determined stretching targets are met, with a proportion deferred into CCA shares for a specified period.

Long Term Incentives

Long Term Incentive Share Rights Plan

- Set by reference to CCA's peer group of companies in the external market;
- Determined by CCA's performance against financial performance measures of total shareholder return and earnings per share;
- No value derived unless CCA meets or exceeds performance measures – greater rewards available for exceeding the minimum performance threshold; and
- Delivered in equity to align shareholder and executive interests.

Executive Retention Share Plan

- Award of shares offered to small number of key executives to incentivise continued employment with CCA; and
- Shares vest if participating executives remain employed for three years from grant date.

CCA's Remuneration Strategy

Attract, motivate, retain and reward top calibre executives to deliver superior performance by:

- providing competitive remuneration, linked to the value executives will bring to CCA (with total remuneration for the Group Managing Director and senior executives targeted at the 75th percentile of comparable positions in comparable companies) given the achievement of stretching targets; and
- providing executives with the opportunity to achieve further incentives based on individual performance and the achievement of demanding and stretching targets.

Align executive rewards to CCA's performance and shareholder interests by:

- assessing incentives against multiple financial and non-financial business measures that are aligned with CCA's strategy; and
- making significant components of total remuneration dependent on CCA's performance (with the proportion of equity based at risk component of remuneration increasing as an executive's potential impact on the performance of the business increases).

REMUNERATION REPORT CONTINUED

A. Remuneration Strategy continued

There are a number of principles which underpin CCA's remuneration strategy –

- remuneration will be competitively set to attract, motivate and retain top calibre executives;
- remuneration will incorporate, to a significant degree, variable pay elements for short term and long term performance, 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 (where applicable) and individual performance. The Committee will also consider and will take into account market comparisons for similar roles, together with the level of responsibility of the individual, particularly as CCA is in a unique position in Asia/Pacific of having to compete for senior talent within the global Coca-Cola system;
- remuneration systems will complement and reinforce the Company's Code of Business 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 between remuneration and potential annual and long term incentive payments is established for each level of executive management by the Committee. For executives, potential incentive payments as a proportion of total potential remuneration increase with seniority and responsibility in the organisation.

The Committee's Charter is available on CCA's website at www.ccamatil.com.

B. Remuneration Structure

As depicted above, CCA's executive remuneration is structured as a mixture of fixed remuneration (which includes base salary and benefits such as superannuation) and variable remuneration, through at risk short term incentive plan (STIP) and long term incentive (LTI) components (Long Term Incentive Share Rights Plan or LTISRP and Executive Retention Share Plan or ERSP).

While the fixed remuneration is designed to provide for predictable base levels of remuneration, the STIP and LTI components reward executives when certain pre-determined stretching performance conditions and/or service conditions are met or exceeded.

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 the extent to which they are in a position to influence Company performance.

In 2011, there were no significant changes to the remuneration structure, nor were there significant changes to the quantum of on-target fixed remuneration, STIP and LTISRP for key executives, given the consistent successful performance of the CCA Group detailed on page 25.

CCA continues to review and adapt its remuneration approach to comply with all current legislation, and aims to be at the forefront of corporate governance in contemporary remuneration practices and taking into account any feedback from stakeholders, particularly shareholders. To that end, changes took place in 2011 to increase the amount of shares held under a deferred STIP arrangement and also to increase the holding of CCA shares by senior executives, both of which are detailed in the following sections.

The Group Managing Director's and senior executives' total remuneration is targeted at the 75th percentile of comparable positions in comparable companies, which is achieved when individual and Company performance targets are met. CCA's individual and company performance targets are considered by the Board to be consistently demanding and achieving these challenging targets requires high calibre executives to be attracted and retained within CCA, as well as being appropriately rewarded, hence the targeting at the 75th percentile.

Comparable companies historically have included companies broadly between half and twice the scale of CCA, having regard to enterprises with comparable revenues, market capitalisation, operating profit, total assets and net assets. These comparator definitions have thus resulted in comparator groups for the Group Managing Director remuneration review being defined as companies ranked on the Australian Securities Exchange (ASX) between number 15 to 40, or ASX listed companies with annual revenues between \$2.3 – \$9.2 billion, with market capitalisation between \$4.4 – \$17.5 billion, with annual operating profit between \$360 million – \$1.4 billion, with total assets between \$2.8 – \$11.2 billion and with net assets between \$800 million – \$3.2 billion.

The Company's approach in recent years is to have a greater component of at risk remuneration for executives and senior executives represented by CCA shares. At risk remuneration as a percentage of total remuneration is broadly dependent on the importance of the individual to the success of the business and their potential to impact business performance.

CCA executives are also encouraged to hold CCA shares to further align their interests with those of the Company and its shareholders, with the following shareholding guidelines based on length of employment.

From 1 January 2012, these amounts increased as follows (with amounts prior to 1 January 2012 shown in brackets) –

- upon reaching five years of employment, to hold equivalent of at least 30% of annual base salary in CCA shares **(was 20%)**;
- upon reaching 10 years of employment, to hold equivalent of at least 50% of annual base salary in CCA shares **(was 40%)**;
- upon reaching 15 years of employment, to hold equivalent of at least 75% of annual base salary in CCA shares **(was 60%)**; and
- upon reaching 20 years of employment, to hold equivalent of at least 100% of annual base salary in CCA shares **(was 80%)**.

B. Remuneration Structure continued

The remuneration mix (i.e. the relative proportions of total remuneration received as fixed and variable/at risk remuneration) for those executives with ongoing employment at the end of 2011 are set out in the following table –

Name	Position	Fixed remuneration %	Variable remuneration[1] %
KMP Executives			
T.J. Davis	Executive Director and Group Managing Director	47	53
W.G. White	Managing Director, Australasia	51	49
G. Adams	Managing Director, New Zealand & Fiji	56	44
E. Rey	Managing Director, Indonesia & PNG	68[2]	32
V. Pinneri	Managing Director, SPCA	49	51
N.I. O'Sullivan	Group Chief Financial Officer	46	54
P.N. Kelly	Managing Director, Business Services	64[2]	36
Other Company and Group Executives			
P.J. Malloy	Managing Director, Sales Non Alcoholic Beverages Australia	52	48
J. Murphy	Managing Director, Licensed/Alcohol CCA Australasia	61	39

1 The percentage of each component of remuneration is calculated with reference to "target" performance outcomes in both STIP and LTISRP measures – for more information on performance measurement levels, see the following sections on the STIP and LTISRP.

2 Fixed remuneration for Messrs Rey and Kelly, whilst in Asia, includes expatriate costs.

a) Fixed Remuneration

Components of fixed remuneration

Fixed remuneration comprising base salary, benefits (including superannuation) and applicable fringe benefits tax (reflecting CCA's total cost to the Company approach) is determined on an individual basis, considering the size and scope of the role, the importance of the role to the Company and the demand for the role in the market place. It may also include deferred remuneration, which is either a once off payment in cash or a once off award of CCA shares made at the completion of a specified employment period.

Base salary is reviewed annually through a process that ensures an executive's fixed remuneration remains competitive in the market place and reflects their skills, knowledge, accountability and general performance. This process involves market based reviews, externally benchmarked to equivalent and comparable companies in Australia and where applicable other markets where CCA operates.

Review of fixed remuneration

Fixed remuneration does not vary over the course of a year due to performance. Remuneration packages (including fixed and variable components and benefits) are reviewed annually and no component is guaranteed to increase.

Benchmarks for setting fixed remuneration

The Committee obtains data from external remuneration consultants on the comparable level of fixed remuneration, and considers international and local market practices and market comparisons for similar roles, together with the level of responsibility, performance and potential of the executive (for further detail on how this data is obtained, refer to the section on Remuneration Advisers on page 31).

b) Variable/At Risk Remuneration

At risk remuneration, which comprises both short (annual) and long term incentives, is an integral part of CCA's approach to providing competitive performance based remuneration. The at risk components of the Group Managing Director's and senior executives' remuneration are intended to ensure that an appropriate proportion of their remuneration is linked to growth in shareholder value and the achievement of key operational targets and are described further below.

i) STIP

Overview

The STIP provides the opportunity for executives to earn an annual cash incentive upon the achievement of targets set at the beginning of the financial year. The Board annually invites the Group Managing Director and senior executives to participate in the STIP. The on-target STIP amounts are set by reference to companies comparable to CCA. The incentives are included 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 financial year, and are clearly defined, measurable and stretching taking into account both prior year achievements and prevailing market conditions.

Objective

The STIP's key objectives are set each year to emphasise team performance and to identify and reward individual contributions.

REMUNERATION REPORT CONTINUED

B. Remuneration Structure continued

b) Variable/At Risk Remuneration continued

i) STIP continued

Performance conditions

Payments from the STIP are based on the performance of the Group or business unit and the individual's performance over the past financial year. The calculation of the STIP award is as follows –

- business performance is weighted at 70% of the award. Group business performance is based on achievement of key performance drivers of volume and NPAT before significant items targets against budget (with achievement against prior year also taken into account), based on a pre-determined formula, with volume achievement weighted at 40% and NPAT achievement weighted at 60%. Individual non-alcoholic beverage business units are assessed on their business unit specific volume and EBIT targets, also weighted at 40% and 60% respectively. SPCA is based 75% on EBIT and 25% on net sales value, volume and occupational health and safety (OH&S). A minimum of 90% of budgeted EBIT or NPAT (and volume where applicable) must be achieved for an award to be made (unless the Board determines otherwise), and 100% achievement will result in the target award, with awards increasing for out-performance. Country Managing Directors are assessed 80% on their country or business unit and 20% on the Group results;
- individual performance is weighted at 30% of the award based on achievement of pre-determined key performance indicators (KPIs). KPIs relate to the achievement of various financial and non-financial measures that vary by country and individual. Financial measures can include KPIs such as return on invested capital, net sales revenue growth and indirect expense management. Other KPI measures can include customer growth, customer relationship management, cold drink equipment placement and new product development. Employee metrics, including employee engagement, OH&S, diversity, and turnover and adherence to risk and compliance policies are also commonly used as measures across all countries.

  The selection and weighting of each metric are based on the business objectives of each country or business unit and correlate to the growth targets for that country or business unit. The selection of the metrics and the achievement of the metrics (that are specific to each country and market) are commercially sensitive, and the overall assessments for each of the KMP are not disclosed. Full achievement of all KPIs will result in a maximum 30% being awarded; and
- an individual performance factor of between 0% to 130% is then applied to the total of the two components above, that is an assessment of how an executive achieved their KPIs, that takes into account adherence to CCA's core values and behaviours, with the average of the individual performance factors for all executives in the plan balancing to 100%.

For the Group Managing Director and senior executives, the current STIP ranges (as a percentage of base pay) are set out in the table below –

Name	Position	On-target STIP award as a percentage of base pay %	Maximum STIP award as a percentage of base pay %
KMP Executives			
T.J. Davis	Executive Director and Group Managing Director	88	157
W.G. White	Managing Director, Australasia	102	182
G. Adams	Managing Director, New Zealand & Fiji	70	125
E. Rey	Managing Director, Indonesia & PNG	50	91
V. Pinneri	Managing Director, SPCA	80	157
N.I. O'Sullivan	Group Chief Financial Officer	67	119
P.N. Kelly	Managing Director, Business Services	73	133
Other Company and Group Executives			
P.J. Malloy	Managing Director, Sales Non Alcoholic Beverages Australia	80	143
J. Murphy	Managing Director, Licensed/Alcohol CCA Australasia	45	81

B. Remuneration Structure continued

b) Variable/At Risk Remuneration continued

i) STIP continued

Process of assessing performance conditions	The Committee approved performance measures are designed to align executives' rewards to the key performance drivers of the Company. The Committee annually reviews the ongoing appropriateness of the STIP, its rules and the degree of difficulty in meeting targets. The Committee reviews actual performance against targets, considers individual performance and takes into account relevant factors affecting the business, and approves all incentive payments prior to payment being made in March of the following year. The information in this remuneration report has been independently audited by Ernst & Young. At the completion of the financial year, the Committee relies on audited financial results for calculating the business performance conditions and payments in accordance with the STIP rules. The individual performance and individual performance factors are assessed by the executives' manager, who is considered the best informed and placed to make this assessment, with these being approved by the Country Managing Director or Group Managing Director as appropriate. The individual performance factor takes account of the executive demonstrating adherence to CCA's values and behaviours during the period. The Group Managing Director's individual performance and individual performance factor are assessed by the Chairman and approved by the Board. The Committee believes these methods of assessment provide an appropriate and objective assessment of performance.
Mandatory deferral into CCA shares	For Australian executives (excluding those in the below ERSP), a portion of the incentive is deferred, with 20% of the actual incentive paid (up to target – and 100% of over target) to a maximum of $5,000, which is sacrificed into CCA shares. These shares are required to be held in trust for a period of 17 months, or until the executive leaves the employment of CCA. For executives outside of Australia, there is no deferral into shares. From 2012, for a group of approximately 30 senior executives across the CCA Group, 15% of any pre-tax actual incentive is deducted from their post-tax incentive payment and allocated to a post-tax share purchase plan (for Australian executives at the top marginal tax rate, this will equate to approximately 28% of their post-tax incentive). The shares are purchased on market and held in trust for 12 months, irrespective of whether the executive is employed by CCA during this holding period. This assists in increasing the shareholding by senior executives and better aligning the executives to the Company. The shares will transfer to the executive at the end of the 12 month holding period except if the executive is terminated for cause (or if the executive has already left CCA's employment, and had breached the Company's Code of Business Conduct that would have resulted in the same outcome). If the executive is terminated for cause, the shares are forfeited.

CCA's ERSP and LTISP constitute the primary LTI components of executive at risk remuneration.

ii) ERSP

Overview	The ERSP complements the LTISRP and is intended to encourage and motivate retention of key executives. The ERSP offers an award of shares at the end of a three year period to a small number of key executives who are critical to retain in their particular business unit with no performance hurdles attached, so as to guarantee an award to executives who remain employed by the Company at the end of this period. Whilst it is recognised that this award alone does not guarantee retention and that senior executive retention varies among individuals for many diverse and complex reasons (including, among other things, meaningful career paths, succession planning and employee engagement), offering a tangible reward in the form of CCA shares does provide a direct incentive for participants to remain employed with the Group until vesting date. Once the shares vest, there is no holding restriction.
Participation	The Board approved the establishment of the ERSP in 2007 and invited 70 key senior executives to participate during 2007-2009. Given the successful retention rate for the 2007 Plan and in an industry that is undergoing considerable change of ownership resulting in strong competition for talented staff, the Board approved a further award to 43 key senior executives in 2010. The Group Managing Director was not eligible to participate without shareholder approval and was not invited to participate in the 2010-2012 ERSP. The retention of these 43 key executives is viewed as crucial to the success of their respective CCA business units over the three year period, especially given that there is a shortage of suitable senior executive talent in most of the markets in which CCA operates at this time.
How was the quantum of 2010 awards determined?	The individual awards offered in 2010 were calculated at an annual value of up to 12% of each relevant executive's remuneration package. For the 2010-2012 ERSP, the 43 executives were awarded 239,050 shares which are scheduled to vest in 2013 (shares allocated to 41 executives are scheduled to vest in February 2013). As at 31 December 2011, three of those in the 2010-2012 ERSP have left the employment of the CCA Group.

REMUNERATION REPORT CONTINUED

B. Remuneration Structure continued

b) Variable/At Risk Remuneration continued

iii) LTISRP

Overview

The LTISRP offers participating executives a right to an ordinary share in the Company, subject to the achievement of applicable performance measures or hurdles. On-target total remuneration for an executive is premised on achieving the threshold performance (i.e. 51st percentile for total shareholder return (TSR) and for the 2011-2013 LTISRP achieving at least 7% average annual growth per annum in earnings per share (EPS)).

The minimum EPS performance hurdle of achieving at least 7% average annual growth per annum in EPS for the 2011-2013 LTISRP was set at the beginning of the plan period in early 2011, and took account of the prevailing market and economic conditions at the time. The Board considered it to be a stretching but achievable minimum hurdle for the three year period. No award is made for this hurdle under the plan if less than the 7% average annual growth per annum is achieved over the three year period.

For each performance hurdle, an appropriate vesting scale rewards a greater number of shares for over-achievement of the minimum threshold. (Details of the vesting scale for the most recent plan are set out on page 23). Both threshold and maximum LTISRP amounts are set by reference to CCA's peer group of companies in the external market (these companies are listed below).

Any awards under the LTISRP are made in accordance with the LTISRP rules. The shares are offered to the executives at no cost. At the end of the performance period, subject to the satisfaction of the performance hurdles, any shares allocated will be acquired by the LTISRP trustee by purchasing shares on the ASX at the prevailing market price or by subscribing for new shares at no cost to the executive. To date, all awards of shares earned by executives have been purchased on market. This generally occurs in February of the following year for any awards that vest.

Participation objectives

The Board annually invites the Group Managing Director and executives to participate in the LTISRP.

The LTISRP provides a mechanism for executives to increase their holding of CCA shares. This ensures better alignment between executives' and shareholders' interests by creating a direct link between the Company's financial performance, the value created for shareholders and the reward earned by key executives. In addition, the LTISRP assists in retaining senior executives.

Performance conditions

With respect to the 2009-2011, 2010-2012 and 2011-2013 performance periods, half of the awards are subject to a relative TSR measure and half of the awards are subject to the achievement of an average annual growth in EPS over the performance period.

TSR performance condition

The TSR performance condition is subject to the measurement of CCA's TSR for a three year period, and the performance condition applies to two peer groups detailed on page 24. Half of the TSR performance will be measured against peer group 1 and half will be measured against peer group 2. TSR represents the change in the value of CCA's share price over a period, plus reinvested dividends, expressed as a percentage of the opening value of the share. TSR has been chosen as a performance hurdle because, in the opinion of the Committee, it provides the most direct link to shareholder return.

EPS performance condition

The EPS performance condition is subject to the measurement of CCA's average annual growth in EPS for a three year period. Basic EPS is determined by dividing CCA's NPAT before significant items by the weighted average number of CCA's ordinary shares on issue during the financial year. Growth in EPS will be measured by comparing the EPS in the year of issue and the measurement year. The EPS hurdle is a stretching and "line of sight" hurdle for Plan participants, as the achievement of the hurdle directly correlates to improved shareholder value and the Committee considers it a most appropriate key indicator of the financial success of the business. Achieving the EPS target will have a positive impact on TSR.

The performance rights generally vest after three years provided the vesting conditions are met (the TSR performance criteria are subject to a retest in the fourth year for the 2009-2011 and 2010-2012 plans). Due to the regular nature of the LTISRP awards, retesting will not apply for the 2011-2013 plan and all subsequent plans to the 2011-2013 plan.

Process for assessing performance conditions

At the completion of the relevant plan period, an external consultant performs the TSR calculations to ensure independence in accordance with a pre-determined TSR methodology and the LTISRP rules. For those plans subject to an EPS performance measure, the Committee relies on audited financial results and the award of shares is calculated in accordance with the LTISRP rules. The Committee reviews the calculations and approves all awards prior to any vesting of shares to plan participants. The calculation and awards to KMP have been audited.

The Committee believes this method of assessment provides an appropriate and objective assessment of performance.

B. Remuneration Structure continued

b) Variable/At Risk Remuneration continued

iii) LTISRP continued

Treatment of awards on cessation and change of control

If a participating executive ceases to be employed before the end of the performance period by reason of death, disablement, retirement or redundancy, or for any other reason approved by the Board, shares offered to the executive in respect of that performance period will be allocated in the following proportions, 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 as at the end of the performance period; or
- where less than one-third of the performance period has elapsed, no shares will be allocated.

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 either of the performance conditions is satisfied.

For the 2009-2011 LTISRP, once shares have been allocated following the achievement of the performance conditions, executives are restricted from disposing at least 25% of these shares for two years after allocation in accordance with a prescribed scale. The restrictions on disposal cease if an executive ceases employment or may be waived by the Board in special circumstances such as change of control or other events affecting the issued capital of the Company. Due to the change by the Australian Government in the taxation of share plans, no restriction exists for the 2010-2012 LTISRP and all subsequent plans to the 2010-2012 plan.

Details of the 2011 offering

The 2011-2013 LTISRP award for the Group Managing Director was approved at the CCA Annual General meeting on 4 May 2011.

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 –

	% of the maximum award
Component A – relative TSR, for each of peer group 1 and/or 2 –	
• no portion will vest if performance is below the 51st percentile	0
• at 51st percentile, 100.0% of threshold or target award will vest	51
• at 55th percentile, 127.5% will vest	65
• at 60th percentile, 156.9% will vest	80
• at 65th percentile, 176.5% will vest	90
• at 70th percentile, 186.3% will vest and	95
• at 75th percentile and above, 196.1% will vest	100
• (pro-rata vesting between two points occurs on a straight line basis).	
Component B – average annual growth in EPS, over the performance period –	
• no portion will vest if EPS average annual growth is less than 7.0% per annum	0
• at 7.0% average annual growth, 100.0% of threshold or target award will vest	51
• at 8.0% average annual growth, 117.6% will vest	60
• at 8.5% average annual growth, 127.5% will vest	65
• at 9.5% average annual growth, 147.1% will vest	75
• at 13.5% average annual growth, 186.3% will vest	95
• at 15.5% average annual growth, 195.1% will vest and	99.5
• at 16.0% average annual growth and above, 196.1% will vest	100
• (pro-rata vesting between two points occurs on a straight line basis).	

Retesting

For the 2011-2013 LTISRP TSR performance criteria, there is no retesting (TSR performance criteria are subject to a retest in the fourth year for only the 2009-2011 and 2010-2012 plans). There is no retesting of the EPS performance measure.

REMUNERATION REPORT CONTINUED

B. Remuneration Structure continued

b) Variable/At Risk Remuneration continued

iii) LTISRP continued

TSR peer group for 2011 offering

Two peer groups have been adopted to measure TSR performance (each weighted equally), with peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food and beverages companies.

Peer group 1 comprises the following companies –

AGL Energy Limited
Amcor Limited
Ansell Limited
APA Group
Aristocrat Leisure Limited
Asciano Limited
Billabong International Limited
BlueScope Steel Limited
Boart Longyear Limited
Boral Limited
Brambles Limited
Caltex Australia Limited
Coca-Cola Amatil Limited
Cochlear Limited
Computershare Limited
ConnectEast Group
Crown Limited
CSL Limited
CSR Limited
David Jones Limited
Downer EDI Limited
Duet Group
Fairfax Media Limited
Harvey Norman Holdings Limited
Incitec Pivot Limited
James Hardie Industries SE
JB Hi-Fi Limited
Leighton Holdings Limited
MAp Group
Myer Holdings Limited
News Corporation
OneSteel Limited
Orica Limited
Primary Health Care Limited
Qantas Airways Limited
Ramsay Health Care Limited
ResMed Inc
Seek Limited
Sims Metal Management Limited
Sonic Healthcare Limited
Spark Infrastructure Group
Tabcorp Holdings Limited
Tatts Group Limited
Telecom Corporation of New Zealand Limited
Telstra Corporation Limited
Ten Network Holdings Limited
Toll Holdings Limited
Transfield Services Limited
Transurban Group
UGL Limited
West Australian Newspapers Holdings Limited
WorleyParsons Limited.

Peer group 2 comprises the following companies –

Australian Agricultural Company Limited
Australian Vintage Limited
Brand New Vintage Limited
Buderim Ginger Limited
Clean Seas Tuna Limited
Coca-Cola Amatil Limited
Elders Limited
Empire Beer Group Limited
Farm Pride Foods Limited
FFI Holdings Limited
Foster's Group Limited
Freedom Foods Group Limited
Gage Roads Brewing Co Limited
Goodman Fielder Limited
GrainCorp Limited
Little World Beverages Limited
Maryborough Sugar Factory Limited
Metcash Limited
Namoi Cotton Co-operative Limited
Patties Foods Ltd
PrimeAg Australia Limited
Refresh Group Limited
Ridley Corporation Limited
Select Harvests Limited
Tandou Limited
Tassal Group Limited
Viterra Inc
Warrnambool Cheese and Butter Factory Company Holdings Limited
Webster Limited
Wesfarmers Limited
Woolworths Limited.

B. Remuneration Structure continued

c) Performance of CCA and the Link to Reward

The following details the link between CCA's performance and the rewards granted to executives under the STIP and the LTISRP.

STIP

As discussed above, the STIP operates to create a clear connection between executives' and CCA's annual performance, motivating and rewarding executives for high performance during the financial year. The two key financial indicators for the Beverage business used to assess performance under the STIP are volume that aligns to trading revenue and CCA's NPAT. The table below shows CCA Group performance against these two criteria over the past five years.

Financial year end 31 December	2007[1]	2008	2009	2010	**2011**
Trading revenue ($M)	3,931.8	4,091.4	4,436.0	4,490.3	**4,801.2**
Volume (million unit cases)	528.0	534.1	555.1	550.8	**564.4**
NPAT ($M) – before significant items	367.6	404.3	449.0	506.6	**532.0**
Closing share price ($)	9.48	9.19	11.53	10.86	**11.51**
In accordance with the STIP rules, the following results have been achieved – CCA Group STIP business performance (as per STIP performance conditions) (%)	132.1	110.0	132.0	112.0	**100.0**

1 Continuing business excluding South Korea which was sold in 2007.

The Group business performance factors for the STIP are a result of the actual achievements of the Group against the pre-determined volume and NPAT targets and the corresponding payment due in relation to the payment scale.

As can be seen from the table above, despite the challenging global economic climate, CCA's financial performance has consistently improved over the last five years. CCA's above-market performance over this period has been reflected in the awards granted to executives.

Overall for 2011 CCA again performed strongly despite a difficult external environment in many of the markets that CCA operates in, with the corresponding business performance factors for the 2011 STIP being finalised as follows –

- CCA Group = 100%;
- Australia = 90%;
- New Zealand = 70%;
- Fiji = 48%;
- Indonesia = 116%;
- PNG = 129%; and
- SPCA = –

The relative proportions of available STIP cash bonuses received and forfeited by executives is shown in the table below. Specific details of the value of these awards can be found in the table of remuneration details on page 36. To the extent that STIP cash bonuses become payable, they are generally paid in March of the following year.

	2011 bonus	
Name	**% vested**	**% forfeited**
KMP Executives		
T.J. Davis	**61.7**	**38.3**
W.G. White	**50.3**	**49.7**
G. Adams	**48.3**	**51.7**
E. Rey	**62.9**	**37.1**
V. Pinneri	**–**	**100.0**
N.I. O'Sullivan	**61.7**	**38.3**
P.N. Kelly	**53.9**	**46.1**
Other Company and Group Executives		
P.J. Malloy	**46.0**	**54.0**
J. Murphy	**57.4**	**42.6**

REMUNERATION REPORT CONTINUED

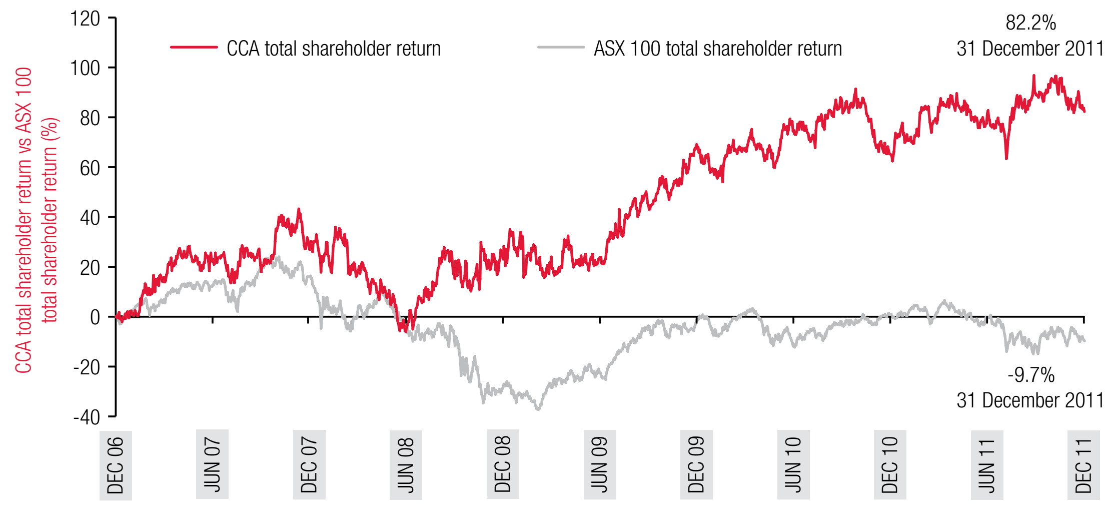
B. Remuneration Structure continued

c) Performance of CCA and the Link to Reward continued

LTISRP

Remuneration outcomes under the LTISRP are directly linked to the value created for CCA shareholders, based on two measures: TSR and the average annual growth in EPS. This operates as a means of rewarding executives for achieving sustainable long term growth.

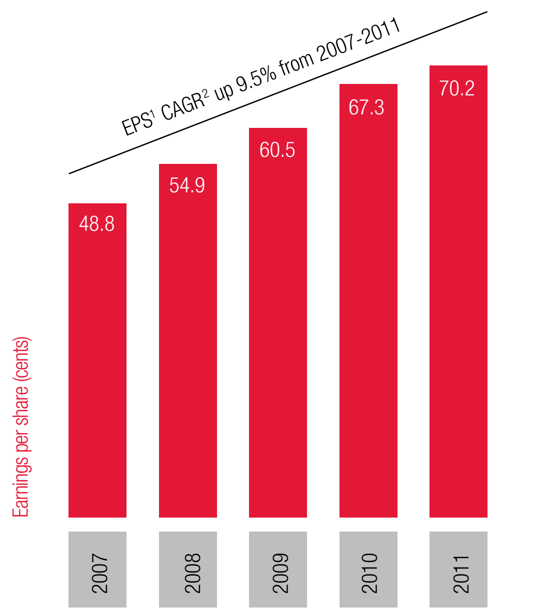
CCA's TSR is assessed relative to CCA's peer group of companies. The graph below follows CCA's TSR over the past five years against the average TSR of the ASX All Industrials Top 100 (ASX 100) companies –

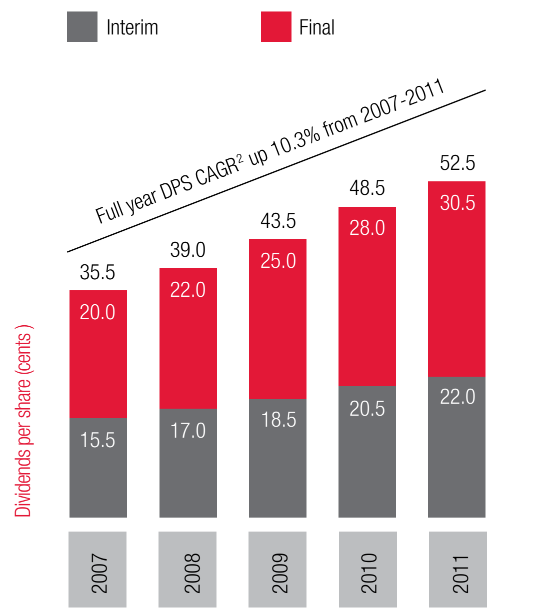


Data Source: Bloomberg

As this graph indicates, over the past five years CCA's TSR performance has significantly improved relative to other ASX 100 companies. CCA's TSR has increased by 82.2% compared to the ASX 100 TSR which decreased by 9.7% over the same period.

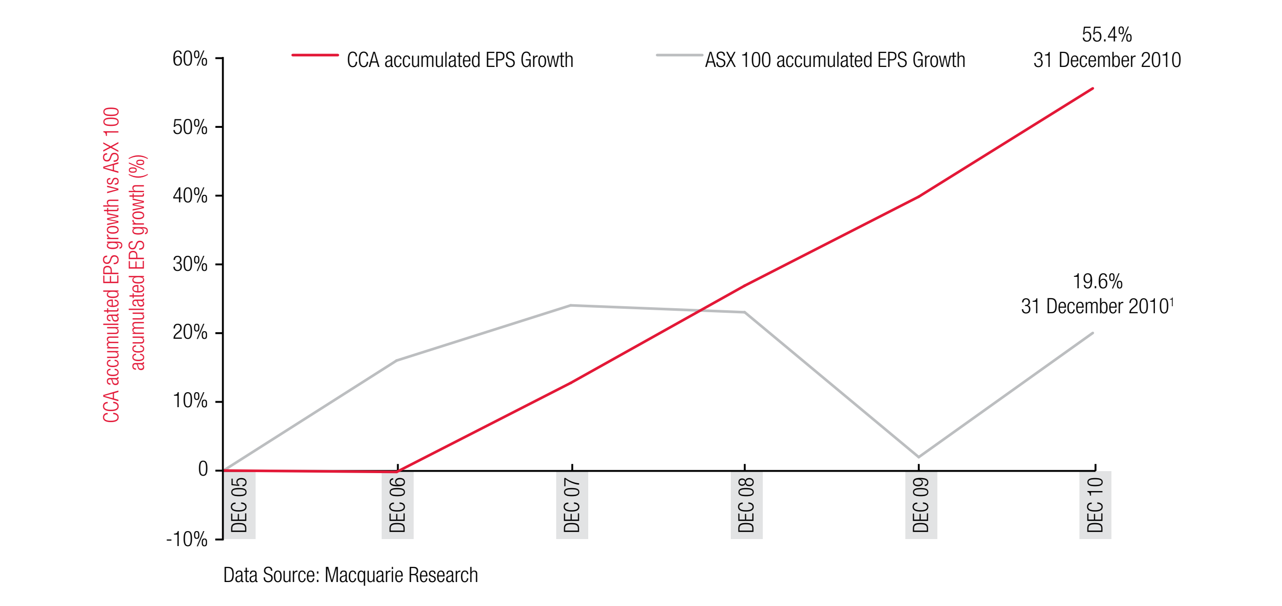
Over the period beginning from 2007, CCA's EPS and dividends per share (DPS) compound annual growth rate (CAGR) has also consistently increased, as shown in the graphs below –





1 Before significant items.
2 CAGR – compound annual growth rate.

The graph below compares CCA's accumulated EPS growth over the five year period 2006-2010 against the ASX 100 companies –



1 2011 results for ASX 100 companies are not yet available for comparison.

The earnings data used in preparation of the above excludes significant items and has been adjusted for comparative companies to align with a December year end, if applicable.

As the graph indicates, over the five years, CCA's accumulated EPS growth has increased 55.4% compared to the ASX 100 EPS which increased 19.6% over the same period.

The following table outlines the performance of each of the completed LTISRPs since 2003, correlating to the performance of the share price and TSR, as detailed above –

Plan	Hurdles	Retest period	Status	Performance (% of maximum) TSR	Performance (% of maximum) Growth	Overall payout of maximum award[2] %
2003-2005[1]	TSR only	1 year	Complete	30th percentile Did not vest	n/a	–
2004-2006[1]	TSR and NPAT growth (minimum = 10.0%)	1 year	Complete	46th percentile Did not vest	10.1% average, Vested at 67.3%	**33.7**
2005-2007[1]	TSR and NPAT growth (minimum = 8.0%)	2 years	Complete	After retests: 82nd percentile Vested at 100.0%	10.3% average, Vested at 72.4%	**97.7**
2006-2008[1]	TSR (2 peer groups) and NPAT growth (minimum = 8.0%)	1 year	Complete	Peer group 1 = 89th percentile Peer group 2 = 81st percentile Combined vested at 100.0%	9.3% average, Vested at 89.2%	**94.6**
2007-2009	TSR (2 peer groups) and EPS growth (minimum = 8.2%)	1 year	Complete	Peer group 1 = 94th percentile Peer group 2 = 100th percentile Combined vested at 100.0%	13.1% average, Vested at 94.8%	**97.4**
2008-2010	TSR (2 peer groups) and EPS growth (minimum = 8.2%)	1 year	Complete	Peer group 1 = 100th percentile Peer group 2 = 95th percentile Combined vested at 100.0%	11.3% average, Vested at 73.9%	**87.0**
2009-2011	TSR (2 peer groups) and EPS growth (minimum = 7.0%)	1 year	Complete	Peer group 1 = 88th percentile Peer group 2 = 71st percentile Combined vested at 95.8%	8.6% average, Vested at 58.2%	**77.0**

1 The above table excludes the Component C awards offered only to Mr Davis for 2003 to 2006 inclusive. Details of these awards can be found in the Remuneration Reports for those years.
2 The percentage of this payment that was not achieved (and was therefore forfeited) was 100% less the percentage shown in this column. For further information on the 2009-2011 LTISRP, refer to the table showing share based compensation benefits on page 30.

REMUNERATION REPORT CONTINUED

B. Remuneration Structure continued

c) Performance of CCA and the Link to Reward continued

LTI

A summary of the terms of each grant of shares or share rights affecting remuneration in the current or a future reporting period is set out below –

Name	Grant date	Vesting date	Expiry date	Performance measure	Fair value at grant date per share or right[1] $	Performance achieved	% vested of maximum award
LTISRP							
T.J. Davis	22 May 2009	31 Dec 2011	31 Dec 2011	EPS	7.59	8.6% cumulative average growth	58.2
				TSR – peer group 1	5.78	88th percentile	100.0
				TSR – peer group 2	5.85	71st percentile	91.6
	14 May 2010	31 Dec 2012	31 Dec 2012	EPS	10.05	To be determined	n/a
				TSR – peer group 1	7.56	To be determined	n/a
				TSR – peer group 2	8.29	To be determined	n/a
	4 May 2011	31 Dec 2013	31 Dec 2013	EPS	10.49	To be determined	n/a
				TSR – peer group 1	7.58	To be determined	n/a
				TSR – peer group 2	7.87	To be determined	n/a
Other Executives	1 Mar 2009	31 Dec 2011	31 Dec 2011	EPS	7.87	8.6% cumulative average growth	58.2
				TSR – peer group 1	6.49	88th percentile	100.0
				TSR – peer group 2	6.68	71st percentile	91.6
	1 Mar 2010	31 Dec 2012	31 Dec 2012	EPS	10.08	To be determined	n/a
				TSR – peer group 1	7.76	To be determined	n/a
				TSR – peer group 2	8.25	To be determined	n/a
	1 Mar 2011	31 Dec 2013	31 Dec 2013	EPS	10.41	To be determined	n/a
				TSR – peer group 1	7.24	To be determined	n/a
				TSR – peer group 2	7.70	To be determined	n/a
ERSP							
W.G. White	1 Jul 2010	30 Jun 2013	n/a	Service period	11.90	3 years service	n/a
V. Pinneri	1 Mar 2010	28 Feb 2013	n/a	Service period	11.07	3 years service	n/a
N.I. O'Sullivan	1 Jan 2010	31 Dec 2012	n/a	Service period	11.07	3 years service	n/a
N.I. O'Sullivan	1 Jan 2011	31 Dec 2013	n/a	Service period	10.86	3 years service	n/a

1 Fair values vary due to differing dates of grants.

As the rewards received under the LTISRP are dependent on long term performance, these grants are still to be tested. The percentage of grants that will vest will be determined based upon CCA's long term performance at the end of each performance period.

REMUNERATION REPORT CONTINUED

B. Remuneration Structure continued

c) Performance of CCA and the Link to Reward continued

LTI continued

Further details of the Group Managing Director's and senior executives' right to allocations of shares under the LTISRP are outlined in the table below –

			Number of share rights			
Name	**Plan**	**Grant date**	**Maximum**	**Vested amount**	**Lapsed amount**	**Unvested (maximum)**
KMP Executives						
T.J. Davis	2009-2011	22 May 2009	247,844	190,826	57,018	–
	2010-2012	24 May 2010	247,844	–	–	247,844
	2011-2013	4 May 2011	247,844	–	–	247,844
W.G. White	2009-2011	1 Mar 2009	75,343	58,010	17,333	–
	2010-2012	1 Mar 2010	75,343	–	–	75,343
	2011-2013	1 Mar 2011	75,343	–	–	75,343
G. Adams	2009-2011	1 Mar 2009	19,608	15,097	4,511	–
	2010-2012	1 Mar 2010	19,608	–	–	19,608
	2011-2013	1 Mar 2011	15,771	–	–	15,771
E. Rey	2011-2013	1 Mar 2011	26,471	–	–	26,471
V. Pinneri	2009-2011	1 Mar 2009	9,804	7,548	2,256	–
	2010-2012	1 Mar 2010	15,686	–	–	15,686
	2011-2013	1 Mar 2011	25,490	–	–	25,490
N.I. O'Sullivan	2009-2011	1 Mar 2009	30,000	23,098	6,902	–
	2010-2012	1 Mar 2010	30,980	–	–	30,980
	2011-2013	1 Mar 2011	52,353	–	–	52,353
P.N. Kelly	2009-2011	1 Mar 2009	31,373	24,155	7,218	–
	2010-2012	1 Mar 2010	31,373	–	–	31,373
	2011-2013	1 Mar 2011	26,471	–	–	26,471
Other Company and Group Executives						
P.J. Malloy	2009-2011	1 Mar 2009	29,412	22,645	6,767	–
	2010-2012	1 Mar 2010	29,412	–	–	29,412
	2011-2013	1 Mar 2011	23,657	–	–	23,657
J. Murphy	2010-2012	1 Mar 2010	13,726	–	–	13,726
	2011-2013	1 Mar 2011	22,078	–	–	22,078

The share rights are offered to the executives at no cost. Share rights do not carry any voting or dividend rights and will automatically be exercised once the vesting conditions have been met. Vested shares will be acquired by the LTISRP trustee by purchasing shares at no cost to the executive. This generally occurs in February of the following year for any awards that vest.

REMUNERATION REPORT CONTINUED

B. Remuneration Structure continued

c) Performance of CCA and the Link to Reward continued

LTI continued

The years in which vesting will occur and the maximum total value of the grant that may vest if executives achieve optimum performance are contained in the table below –

	Share based compensation benefits				
Name	**Year granted**	**% vested**	**% forfeited**	**Financial years in which rights may vest**	**Maximum total value of grant yet to vest $[1]**
KMP Executives					
T.J. Davis	2011	–	–	2013	1,717,151
	2010	–	–	2012	1,313,017
	2009	77	23	2011	–
W.G. White	2011	–	–	2013	513,103
	2010	–	–	2012	401,404
	2009	77	23	2011	–
W.G. White – ERSP	2010	–	–	2013	386,032 [2]
G. Adams	2011	–	–	2013	107,399
	2010	–	–	2012	104,465
	2009	77	23	2011	–
E. Rey	2011			2013	180,269
V. Pinneri	2011	–	–	2013	173,596
	2010	–	–	2012	83,574
	2009	77	23	2011	–
V. Pinneri – ERSP	2010	–	–	2013	21,527 [2]
N.I. O'Sullivan	2011	–	–	2013	356,534
	2010	–	–	2012	165,049
	2009	77	23	2011	–
N.I. O'Sullivan – ERSP	2010	–	–	2012	80,020 [2]
	2011	–	–	2013	166,667 [2]
P.N. Kelly	2009	77	23	2011	–
Other Company and Group Executives					
P.J. Malloy	2011	–	–	2013	161,098
	2010	–	–	2012	156,696
	2009	77	23	2011	–
J. Murphy	2011	–	–	2013	150,359
	2010	–	–	2012	73,125

1 No grants will vest if the performance conditions are not satisfied, hence the minimum value of the grants yet to vest is nil. The maximum value of grants yet to vest has been estimated based on the fair value per grant at the maximum achievement of the vesting scale less amounts already expensed.

2 The minimum value of the grant is nil as no shares will vest if the service criteria are not met. The maximum value of the grant yet to vest has been estimated based on the fair value per grant less amounts already expensed.

B. Remuneration Structure continued

d) Remuneration Advisers

The Committee draws on a range of services from external consultants to provide information, data and advice where appropriate in relation to remuneration quantum and structure and market practice.

Following amendments made to the Corporations Act 2001 involving recommendations by "remuneration consultants" which came into force on 1 July 2011, where a consultant is providing a recommendation, CCA has developed practices –

- to select and engage a consultant;
- on how CCA is to receive the advice;
- on how to ensure independence from management; and
- how the consultant interacts with management.

CCA recognises the importance of ensuring that any recommendations given in relation to the remuneration of KMP provided by remuneration consultants are provided independently of those to whom the recommendations relate.

The Committee have directly engaged PricewaterhouseCoopers (PwC) independent of management to advise the Committee on the Group Managing Director's and the Non-Executive Directors' remuneration data and benchmarking, effective from 1 January 2012. PwC reported directly to the Board through the Committee. These arrangements were implemented in light of the recent changes to the Corporations Act 2001 referred to above, to ensure that independence is maintained.

Listed below are the primary advisers that assisted management in their preparation of proposals for the Committee.

Advisers	Services provided	Type of service (after 1 July 2011)
Egan & Associates	Group Managing Director remuneration data and benchmarking (for remuneration review effective 1 January 2011)	No service provided after 1 July 2011
	Non-Executive Director remuneration data and benchmarking (for remuneration review effective 1 January 2011)	No service provided after 1 July 2011
PwC	Group Managing Director remuneration data and benchmarking (for remuneration review effective 1 January 2012)	Providing remuneration recommendation
	Non-Executive Director remuneration data and benchmarking (for remuneration review effective 1 January 2012)	Providing remuneration recommendation
Mercers	Executive and employee remuneration – market data	Providing factual data only
	LTISRP (TSR reporting and peer group detail)	Providing factual data only
Hay	Executive and employee remuneration – market data	Providing factual data only

C. Summary of Employment Contracts

The following are the principal details of the employment contracts for executives as at 31 December 2011.

T.J. Davis – Group Managing Director

The following discussion and table set out the principal details of the Group Managing Director's employment contract with CCA, as at 31 December 2011.

Mr Davis commenced employment with CCA on 12 November 2001. Given the outstanding success of CCA during Mr Davis' tenure, his remuneration package has increased during this period to be broadly in line with CCA's agreed remuneration position of the 75th percentile. His base salary increased by 4.0% on 1 January 2011, in line with the market movement.

Revised terms and conditions agreed upon in November 2009 removed the concept that Mr Davis' employment would expire at the end of a fixed period, with his term of contract classified as open ended. CCA is required to provide 12 months of notice in writing or payment in lieu of notice and Mr Davis must give CCA 12 months of notice to terminate his employment.

In accordance with the terms of his contract of employment, he received a payment of $385,000 for remaining in employment with CCA on 30 November 2011. If Mr Davis remains an employee of the Company on 30 November 2012, he is to receive a further payment of $385,000 in 2012.

REMUNERATION REPORT CONTINUED

C. Summary of Employment Contracts continued

T.J. Davis – Group Managing Director continued

Term of contract	Open ended
Termination	Termination by CCA Other than in circumstances of termination for cause, the Company may end Mr Davis' role as Group Managing Director – • on or before 30 November 2011: No notice was required but if he had been terminated prior to that date, Mr Davis would have received a payment equivalent to 12 months total remuneration (inclusive of any payment in lieu of notice), calculated in a manner which is consistent with what was previously required to end Mr Davis' role as Group Managing Director prior to 30 November 2011 (i.e. the highest remuneration earned in a complete calendar year by Mr Davis over the most recent three calendar year periods); and • after 30 November 2011: 12 months notice in writing or payment in lieu of notice (calculated on the same basis as above). Additionally, if Mr Davis' employment is terminated between 30 November 2011 and 30 November 2012, he is entitled to a payment of $385,000. Termination by Mr Davis Mr Davis must give CCA 12 months notice in writing to terminate his employment as Group Managing Director.
Obligations and entitlements on completion of employment	LTISRP awards where testing or retesting has not completed The Board will be able to allocate shares (or make a cash payment in lieu of such shares) in circumstances where it would otherwise be unfair not to allocate shares. Where Mr Davis' employment ceases prior to the completion of the testing (or retesting for the 2009-2011 LTISRP and 2010-2012 LTISRP) of awards in the LTISRP, the Board will be able to allocate shares (or make a cash payment in lieu of such shares) in circumstances where it would otherwise be unfair not to do so. If his employment ceases during an uncompleted three year performance period, other than where a capital event has occurred, and provided that the Board considers it fair to do so, the Board may grant to Mr Davis the right to a pro rata award (or a cash payment in lieu of such award). Such an award will be made at the higher of – • the number of threshold shares offered; or • the number that would have been allocated under the actual performance condition, based on the most recent quarterly testing of the TSR and annual testing of the EPS hurdle respectively. Restraints following completion of employment Upon completion of his role as Group Managing Director (unless a capital event occurs before the date), Mr Davis will be 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. At the end of this period, Mr Davis will be entitled to any accrued but untaken annual and long service leave; however, the payment in respect of his long service leave accrual will be calculated as at the date his role as Group Managing Director ends.
Fundamental change in role	Consistent with arrangements that apply to chief executive officers in other listed entities, if, within six months of a change of control, there is a material change in Mr Davis' responsibilities (including where he is no longer regarded as being the most senior executive in the CCA Group), and upon being informed of such change the Board does not rectify the situation, Mr Davis will be entitled to resign from his position as Group Managing Director but will receive benefits as if his role as Group Managing Director had been ended by the Company.
Primary benefits	Vehicle benefits, car parking, leave loading, Company products, health assessment, home assistance allowance. As part of the arrangement for Mr Davis to join CCA in November 2001, he was offered a company superannuation benefit that is payable at a rate of 20% on base salary, 20% on any actual STIP earned and 20% on the cash equivalent of any LTISRP that vested during a year. It was agreed with Mr Davis in late 2010 that the superannuation benefit for the LTISRP would cease from the 2011-2013 LTISRP onwards. Mr Davis can elect to have the superannuation benefit paid into a superannuation fund of his choice, or receive the benefit as taxable income, as long as the Superannuation Guarantee (SG) obligations are met. This superannuation benefit is taken into account in Mr Davis' remuneration package and the amounts relating to the current year are disclosed on page 36.

C. Summary of Employment Contracts continued

Other senior executives

All CCA senior executives have agreements in place which set out the basic terms and conditions of employment. The following table provides a summary of some of the key terms of these agreements –

	Notice period and termination payments				
Term of contract	**Termination by CCA**	**Termination by employee**	**Other payments related to service**	**Restraint following termination**	**Change of control**
W.G. White Managing Director, Australasia					
Open ended	4 months notice If termination occurs before 1 July 2013, Mr White will also receive an award of 64,867 CCA shares. In addition, if the Company terminates Mr White's employment (other than for cause[2]), Mr White will receive a maximum of 12 months of fixed remuneration in lieu of notice and severance.[4]	4 months notice	Will receive 64,867 shares if employed by CCA as at 1 July 2013.	6 months[1]	If, on a change of control of CCA, there is a fundamental change[3] in Mr White's role, he will be entitled to resign but will receive benefits as if his role had been terminated by CCA.
G. Adams Managing Director, New Zealand & Fiji					
Open ended	1 month notice If terminated (without cause[2]) and no suitable alternative position is available, 9 months fixed remuneration in lieu of notice and severance.[4]	1 month notice	–	–	If there is a change of control of CCA, CCA may terminate Mr Adams' employment by providing not less than 12 months fixed remuneration, inclusive of notice and severance.
E. Rey Managing Director, Indonesia & PNG					
Open ended	1 month notice If terminated (without cause[2]) and no suitable alternative position is available, 2 months fixed remuneration in lieu of notice and severance.[4]	1 month notice	–	6 months[1]	–
V. Pinneri Managing Director, SPCA					
Open ended	1 month notice If terminated (without cause[2]) and no suitable alternative position is available, 12 months fixed remuneration in lieu of notice and severance.[4]	1 month notice	–	6 months[1]	If, on a change of control of CCA, there is a fundamental change[3] in Mr Pinneri's role, he will be entitled to resign but will receive benefits as if his role had been terminated by CCA.

Refer to the following page for footnote details.

REMUNERATION REPORT CONTINUED

C. Summary of Employment Contracts continued

Other senior executives continued

Term of contract	Termination by CCA (Notice period and termination payments)	Termination by employee (Notice period and termination payments)	Other payments related to service	Restraint following termination	Change of control
N.I. O'Sullivan Group Chief Financial Officer					
Open ended	2 months notice If terminated (without cause[2]) and no suitable alternative position is available, an amount based on 9 months of Ms O'Sullivan's fixed remuneration in lieu of notice and severance.[4] If terminated (without cause[2]) before 1 July 2013 and 1 July 2014 respectively, Ms O'Sullivan will receive the relevant award of shares that would have vested on these dates.	2 months notice	If employed by CCA on 1 January 2013, Ms O'Sullivan will receive 21,683 shares (valued at $250,000 at time of acquisition in 2010). If employed by CCA on 1 January 2014, Ms O'Sullivan will receive further shares to the value of $250,000. Ms O'Sullivan is entitled to receive dividends on shares prior to vesting.	6 months[1]	If, on a change of control of CCA, there is a fundamental change[3] in Ms O'Sullivan's role, she will be entitled to resign but will receive benefits as if her role had been terminated by CCA.
P.N. Kelly Managing Director, Business Services					
Open ended	2 months notice If terminated (without cause[2]) and no suitable alternative position is available, 12 months fixed remuneration in lieu of notice and severance.[4]	2 months notice	–	–	If there is a change of control of CCA, CCA may terminate Mr Kelly's employment by providing not less than 12 months fixed remuneration, inclusive of notice and severance.
P.J. Malloy Managing Director, Sales Non Alcoholic Beverages Australia					
Open ended	1 month notice If terminated (without cause[2]) and no suitable alternative position is available, 12 months fixed remuneration in lieu of notice and severance.[4]	1 month notice	–	–	–
J. Murphy Managing Director, Licensed/Alcohol CCA Australasia					
Open ended	1 month notice If terminated (without cause[2]) and no suitable alternative position is available, 3 months fixed remuneration in lieu of notice and severance.[4]	1 month notice	–	6 months[1]	–

1 Restriction from competing with the CCA Group and/or soliciting the CCA Group's customers and suppliers to cease or reduce the amount of business undertaken with CCA.
2 Where termination is in circumstances other than those related to fraud, dishonesty, serious misconduct or unacceptable performance and where no suitable alternative position is available.
3 This applies if, within six months of a change of control, there is a material change in the relevant executive's responsibilities and upon being informed of such a change, the Board does not rectify the situation.
4 Calculated at CCA's current policy of one month severance for every year of completed service with CCA to a maximum of 12 months inclusive of both notice and severance.

REMUNERATION REPORT CONTINUED

C. Summary of Employment Contracts continued

Other senior executives continued

Senior executives superannuation contributions and other benefits under the terms of their employment are summarised in the table below. The benefits are accounted for in the calculation of the executives' fixed remuneration. For Australian executives, superannuation can be "cashed down" to not less than 10% of base or the SG maximum contribution limit.

	W.G. White	G. Adams	E. Rey	V. Pinneri	N.I. O'Sullivan	P.N. Kelly	P.J. Malloy	J. Murphy
Super-annuation[1]	14%	14%	14%	14%	14% (to SG max for base salary)	24%	20%	9% (to SG max for base salary)
Primary benefits[2]	Standard benefits, car parking, leave loading, health assessment, home assistance allowance.	Standard benefits, medical insurance, partial subsidy for home leave.	Standard benefits, expatriate benefits.[3]	Standard benefits, health assessment.	Standard benefits, allowance to cover car parking, health assessment, home assistance allowance.	Standard benefits, leave loading and until November 2011 expatriate benefits.[3]	Standard benefits, car parking, leave loading, health assessment.	Company products and superannuation insurance.

1 Superannuation refers to company superannuation. With the exception of Mr Kelly, the amount of superannuation paid to executives is calculated as a percentage of base salary and actual STIP earned up to target, and for Australian based executives, any over-target incentive has company superannuation at the SG rate of 9%. Mr Kelly's superannuation is calculated as a percentage of base salary and actual STIP earned to target and is paid into a defined benefit scheme at an assessed rate with any over-target incentive having the company superannuation at the SG rate of 9% as an accumulation contribution. For Ms O'Sullivan and Mr Murphy, their superannuation on base salary is capped to the SG maximum contribution rate.

2 Standard benefits include Company products, club membership, vehicle benefits, superannuation insurance and participation in Employees Share Plan (ESP).
The ESP is open to all full and part time employees of the CCA Group on a voluntary basis, with the employee contributing up to 3% of post-tax income, and the company matching in shares with the shares vesting if they have been held for two years (or earlier for qualifying reasons of death, total and permanent disability, retirement or redundancy).

3 Expatriate benefits include medical insurance, subsidised housing and utilities, home leave, school leave, host country allowance and environmental allowance.

REMUNERATION REPORT CONTINUED

D. Statutory Remuneration of Executives

The following table has been prepared in accordance with section 300A of the Corporations Act 2001; amounts are paid or payable for services provided during the financial year. Details of each executive'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 –

		Fixed						Variable – performance related				Total remuneration	
		Short term			Post employment	Other long term[4]		Short term		Share based payments			Performance related
	Year	Salary $	Non-monetary benefits[1] $	Other[2] $	Superannuation on base[3] $	$	Sub total fixed $	STIP[5] $	Superannuation on STIP $	LTISRP[7] $	ESP/ERSP[8] $	$	%
KMP Executives													
T.J. Davis Executive Director and Group Managing Director	2011	2,228,400	214,151	385,000	445,680	–	3,273,231	2,162,600	949,466[6]	1,554,679	–	7,939,976	59
	2010	2,142,700	231,218	385,000	428,540	–	3,187,458	2,146,000	836,547[6]	1,500,182	–	7,670,187	58
W.G. White Managing Director, Australasia	2011	649,233	176,714	–	90,893	–	916,840	591,800	83,552	485,592	281,833	2,359,617	61
	2010	631,333	156,474	–	88,387	–	876,194	585,000	82,600	466,054	218,868	2,228,716	61
G. Adams Managing Director, New Zealand & Fiji	2011	280,502	62,113	–	39,270	–	381,885	170,385	23,854	118,204	8,415	702,743	46
	2010	281,862	64,395	–	39,461	–	385,718	189,466	26,525	117,952	8,456	728,117	47
E. Rey[9&10] Managing Director, Indonesia & PNG	2011	63,271	74,291	–	8,858	–	146,420	42,800	5,250	9,397	1,898	205,765	29
V. Pinneri Managing Director, SPCA	2011	346,000	45,150	–	48,440	–	439,590	–	–	107,521	28,832	575,943	24
	2010	151,947	20,995	–	21,272	–	194,214	79,901	11,539	22,063	16,306	324,023	40
N.I. O'Sullivan Group Chief Financial Officer	2011	700,000	90,586	–	15,487	–	806,073	507,000	67,907	242,775	189,351	1,813,106	56
	2010	584,000	90,567	–	14,830	–	689,397	368,500	52,290	187,393	102,538	1,400,118	51
P.N. Kelly[9&10] Managing Director, Business Services	2011	349,419	686,621	–	83,861	–	1,119,901	285,833	68,600	159,797	10,483	1,644,614	32
	2010	416,209	623,437	–	99,890	–	1,139,536	212,600	51,024	194,060	12,486	1,609,706	29
Former Executives													
J. Seward[9&10] Managing Director, Indonesia & PNG	2010	23,300	271,597	–	3,262	–	298,159	14,753	–	13,907	699	327,518	9
S.C. Perkins[9] Acting Managing Director, Food & Services	2010	168,983	30,231	–	33,796	–	233,010	–	–	75,181	5,069	313,260	26
K.M. McKenzie[9] Chief Financial Officer, Statutory and Compliance	2010	341,167	59,760	–	68,233	49,994	519,154	278,100	55,620	155,259	10,235	1,018,368	49
Total KMP Executives	2011	4,616,825	1,349,626	385,000	732,489	–	7,083,940	3,760,418	1,198,629	2,677,965	520,812	15,241,764	
Total KMP Executives	2010	4,741,501	1,548,674	385,000	797,671	49,994	7,522,840	3,874,320	1,116,145	2,732,051	374,657	15,620,013	
Other Company and Group Executives													
P.J. Malloy[11]	2011	369,000	82,593	–	73,800	18,556	543,949	237,200	48,440	177,299	8,690	1,015,578	46
	2010	360,350	59,652	–	76,473	54,867	551,342	217,400	44,480	181,940	8,604	1,003,766	45
J. Murphy[11]	2011	722,625	7,636	–	15,487	–	745,748	332,600	30,384	72,518	5,000	1,186,250	37

Refer to the following page for footnote details.

D. Statutory Remuneration of Executives continued

1 Non-monetary benefits includes the value of vehicle benefits, club membership, Company product and where applicable expatriate benefits.
2 Represents the estimated present value of accrued benefits payable under the employment contract terms for Mr Davis less amounts accrued in prior periods.
3 Superannuation benefits of Mr Kelly are provided through a defined benefit superannuation plan. Mr Kelly's superannuation is calculated as a percentage of base salary and is paid into a defined benefit scheme at an assessed rate.
4 Represents the estimated present value of the non-current portion of accrued benefits payable under the terms of either employment contracts or other agreed entitlements less amounts accrued in the prior periods.
5 The minimum STIP value is nil and the maximum value is what was actually paid. The STIP does not include that portion compulsorily salary sacrificed in shares of the Company. Australian based executives (excluding Mr Davis, as well as Messrs Seward and McKenzie who retired during or shortly after the 2010 financial year) are required to sacrifice up to a maximum of $5,000 of the total amount.
6 Superannuation on annual cash incentive and shares purchased for the LTISRP (for more detail, refer page 32).
7 Represents the estimated fair value of CCA shares offered in the LTISRP calculated by multiplying the threshold number of shares by the fair value of the shares at grant date and amortised over the performance period.
8 ESP/ERSP include the following –
- ESP amounts represent the Company's matching contribution;
- shares purchased for the ERSP are amortised over the vesting period. The expense recognised in the current financial year for the relevant KMP was Mr White $257,356 (2010: $194,928), Mr Pinneri $18,452 (2010: $9,226) and Ms O'Sullivan $163,351 (2010: $80,018); and
- shares purchased as part of the compulsory salary sacrifice by Australian executives. The expense recognised in the current financial year is $5,000 on behalf of Messrs White, Malloy and Murphy and Ms O'Sullivan. The shares are held by the Executive Salary Sacrifice Share Plan.

9 Amounts are calculated from the date the individual was appointed to the executive position or up to the date the individual ceased to hold the executive position.
10 Remunerated in USD whilst in Asia.
11 One of the five highest paid executives of the Company and Group as required to be disclosed under the Corporations Act 2001.

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.

a) Directors' fees

Total fees are not to exceed the annual limit of $2.3 million as previously approved by shareholders in May 2011. 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 remuneration is performance related.

The average increase in Director base fees for the last three years has been 2.5% per annum. As a consequence, the base fee has fallen below the median, and it is the Board's intention to apply above average increases over a similar time period going forward, to bring the Director base fee closer to the median.

The annual Directors' fees (excluding superannuation contributions) payable to Non-Executive Directors for the financial year ended 31 December 2011 were as follows –

	$
Chairman	411,400
Director (base fee)	142,000
Audit & Risk Committee – Chairman	27,200
Audit & Risk Committee – member	16,300
Compliance & Social Responsibility Committee – Chairman	21,750
Compliance & Social Responsibility Committee – member	13,100
Compensation Committee – Chairman	21,750
Compensation Committee – member	13,100

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

b) Non-Executive Directors Share Plan

In prior years, Non-Executive Directors agreed to apply a minimum of 25% of their fees to purchase ordinary shares in the Company. The trustee of the Non-Executive Directors Share Plan will hold the shares until the beneficiary ceases to be a Director of the Company. From 1 September 2009, the Plan was suspended due to the change in taxation arrangements of share plans announced by the Australian Government during 2009.

c) Superannuation contributions

Contributions required under SG legislation are made on behalf of Non-Executive Directors.

d) Retirement benefits

There is no current scheme for the payment of retirement benefits. On 3 May 2006, shareholders agreed to the accrued benefits under the prior scheme being used to purchase shares in the Company. The shares are held by the trustee of the Non-Executive Directors' Retirement Share Trust for Messrs Gonski and King until they cease to be a Director of CCA. In accordance with the terms of the prior scheme, these Non-Executive Directors will not have their shares transferred to them until the time of their retirement. Further details on these shares are included in Note 23 to the financial statements.

REMUNERATION REPORT CONTINUED

E. Remuneration of Non-Executive Directors continued

e) CCA shareholding guidelines

Non-Executive Directors are encouraged to hold CCA shares, with the following shareholding guideline introduced during 2010, based on length of time served as a Director –

- upon reaching five years, to hold equivalent of at least 20% of annual Director fees in CCA shares;
- upon reaching 10 years, to hold equivalent of at least 40% of annual Director fees in CCA shares; and
- upon reaching 15 years, to hold equivalent of at least 60% of annual Director fees in CCA shares.

The following table has been prepared in accordance with section 300A of the Corporations Act 2001; amounts are paid or payable for services provided during the financial year –

		Short term		Post employment	Total
	Year	Base fees $	Committee fees $	Superannuation $	$
Non-Executive Directors					
D.M. Gonski, AC	**2011**	**411,400**	**–**	**15,487**	**426,887**
Chairman	2010	396,800	–	14,830	411,630
I.R. Atlas[1]	**2011**	**120,700**	**19,363**	**12,606**	**152,669**
C.M. Brenner	**2011**	**142,000**	**30,378**	**15,372**	**187,750**
	2010	137,000	20,800	14,202	172,002
A.G. Froggatt[1]	**2011**	**142,000**	**25,060**	**14,821**	**181,881**
	2010	11,417	–	1,027	12,444
M. Jansen	**2011**	**142,000**	**16,300**	**14,247**	**172,547**
	2010	137,000	15,600	13,734	166,334
G.J. Kelly	**2011**	**142,000**	**13,100**	**13,959**	**169,059**
	2010	137,000	12,500	13,455	162,955
W.M. King, AO	**2011**	**142,000**	**13,100**	**13,959**	**169,059**
	2010	137,000	12,500	13,455	162,955
D.E. Meiklejohn, AM	**2011**	**142,000**	**40,300**	**15,487**	**197,787**
	2010	137,000	38,500	14,830	190,330
Former Non-Executive Director					
J.R. Broadbent, AO[1]	2010	137,000	33,300	14,830	185,130
Total	**2011**	**1,384,100**	**157,601**	**115,938**	**1,657,639**
Total	2010	1,230,217	133,200	100,363	1,463,780

1 Amounts are calculated from the date the individual was appointed as a Non-Executive Director, or up to the date the individual ceased, to hold the Non Executive Director position.

F. Policy on Trading in CCA's Shares

Under CCA's Policy on Trading in CCA's Shares, Directors, executives and nominated senior managers 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, executives or nominated senior managers (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 of any margin lending arrangement involving CCA shares, during or outside a trading window, is also prohibited.

The Policy has been formally circulated to all Directors, executives and nominated senior managers. Failure to comply with the 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 30 to the financial statements.

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 2011, 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

Trent van Veen
Partner

Sydney
22 February 2012

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 mean 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	$323,000
Tax compliance services	$117,000

Signed in accordance with a resolution of the Directors.

David M. Gonski, AC
Chairman

Sydney
22 February 2012

Terry J. Davis
Group Managing Director

Sydney
22 February 2012

INCOME STATEMENT

COCA-COLA AMATIL LIMITED AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Refer Note	2011 $M	2010 $M
Revenue, excluding finance income			
Trading revenue		**4,801.2**	4,490.3
Other revenue		**54.9**	119.1
	3	**4,856.1**	4,609.4
Other income[1]	4	**212.8**	–
Expenses, excluding finance costs			
Cost of goods sold		**(2,684.3)**	(2,475.2)
Selling		**(651.7)**	(612.3)
Warehousing and distribution		**(362.3)**	(338.9)
Administration and other[1]		**(501.0)**	(339.6)
		(4,199.3)	(3,766.0)
Share of net profit of joint venture entity accounted for using the equity method	10	**0.9**	1.5
Earnings before interest and tax		**870.5**	844.9
Net finance costs			
Finance income	3	**11.8**	20.9
Finance costs	4	**(139.6)**	(155.3)
		(127.8)	(134.4)
Profit before income tax	4	**742.7**	710.5
Income tax expense[1]	5	**(150.9)**	(213.2)
Profit after income tax attributable to members of the Company		**591.8**	497.3

1 Includes amounts classified as significant items. Refer to Notes 4c) and 5 respectively for further details.

		¢	¢
Earnings per share (EPS) for profit attributable to members of the Company			
Basic and diluted EPS	25	**78.1**	66.0

Notes appearing on pages 45 to 95 to be read as part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

COCA-COLA AMATIL LIMITED AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Refer Note	**2011 $M**	2010 $M
Profit after income tax attributable to members of the Company		**591.8**	497.3
Other comprehensive income			
Foreign exchange differences on translation of foreign operations	22	**17.2**	(40.8)
Transfer to the income statement	22	**0.2**	–
Cash flow hedges[1]	22	**(59.9)**	37.2
Other comprehensive income, after income tax		**(42.5)**	(3.6)
Total comprehensive income attributable to members of the Company		**549.3**	493.7

1 Stated net of $26.2 million deferred tax (2010: $15.7 million).

Notes appearing on pages 45 to 95 to be read as part of the financial statements.

STATEMENT OF FINANCIAL POSITION

COCA-COLA AMATIL LIMITED AND ITS SUBSIDIARIES
AS AT 31 DECEMBER 2011

	Refer Note	2011 $M	2010 $M
Current assets			
Cash assets	6	**664.9**	385.3
Trade and other receivables	7	**864.4**	771.8
Inventories	8	**752.4**	735.3
Prepayments		**59.3**	46.2
Current tax assets		**–**	1.9
Derivatives	31	**14.7**	46.4
Other financial asset	9	**288.6**	–
Total current assets		**2,644.3**	1,986.9
Non-current assets			
Other receivables	7	**6.6**	20.9
Investment in joint venture entity	10	**–**	74.7
Investments in bottlers' agreements	11	**899.6**	898.2
Property, plant and equipment	12	**1,772.1**	1,595.3
Intangible assets	13	**607.6**	590.5
Prepayments		**10.6**	7.1
Deferred tax assets	18	**–**	1.2
Defined benefit superannuation plans	19	**14.5**	15.7
Derivatives	31	**73.7**	87.3
Total non-current assets		**3,384.7**	3,290.9
Total assets		**6,029.0**	5,277.8
Current liabilities			
Trade and other payables	15	**735.6**	568.7
Interest bearing liabilities	16	**107.5**	130.9
Current tax liabilities		**44.8**	91.1
Provisions	17	**100.3**	73.5
Accrued charges		**351.7**	286.1
Derivatives	31	**48.5**	51.8
Total current liabilities		**1,388.4**	1,202.1
Non-current liabilities			
Interest bearing liabilities	16	**2,201.7**	1,837.5
Provisions	17	**12.2**	11.1
Deferred tax liabilities	18	**153.8**	190.8
Defined benefit superannuation plans	19	**30.3**	26.8
Derivatives	31	**208.3**	176.1
Total non-current liabilities		**2,606.3**	2,242.3
Total liabilities		**3,994.7**	3,444.4
Net assets		**2,034.3**	1,833.4
Equity			
Share capital	20	**2,218.2**	2,180.2
Shares held by equity compensation plans	21	**(16.5)**	(17.9)
Reserves	22	**(91.5)**	(39.8)
Accumulated losses		**(75.9)**	(289.1)
Total equity		**2,034.3**	1,833.4

Notes appearing on pages 45 to 95 to be read as part of the financial statements.

STATEMENT OF CASH FLOWS

COCA-COLA AMATIL LIMITED AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Refer Note	**2011 $M**	2010 $M
Inflows/(outflows)			
Cash flows from operating activities			
Receipts from customers		**4,749.2**	4,619.4
Payments to suppliers and employees		**(3,782.8)**	(3,720.1)
Interest income received		**11.8**	20.4
Interest and other finance costs paid		**(130.2)**	(157.2)
Income taxes paid		**(206.2)**	(177.1)
Net cash flows from operating activities	6	**641.8**	585.4
Cash flows from investing activities			
Proceeds from –			
disposal of property, plant and equipment		**3.6**	7.3
loan repayment from joint venture entity		**6.0**	7.5
Payments for –			
additions of property, plant and equipment		**(334.7)**	(339.3)
additions of software development assets		**(26.5)**	(33.5)
acquisitions of entities and operations (net)	29	**(11.6)**	–
loan made to joint venture entity		**(11.5)**	(26.5)
Net cash flows used in investing activities		**(374.7)**	(384.5)
Cash flows from financing activities			
Proceeds from issue of shares	20	**3.1**	2.0
Proceeds from borrowings		**671.4**	238.8
Borrowings repaid		**(322.3)**	(658.1)
Dividends paid	24	**(343.7)**	(260.3)
Net cash flows from/(used in) financing activities		**8.5**	(677.6)
Net increase/(decrease) in cash and cash equivalents		**275.6**	(476.7)
Cash and cash equivalents held at the beginning of the financial year		**381.6**	862.7
Effects of exchange rate changes on cash and cash equivalents		**7.7**	(4.4)
Cash and cash equivalents held at the end of the financial year	6	**664.9**	381.6

Notes appearing on pages 45 to 95 to be read as part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

COCA-COLA AMATIL LIMITED AND ITS SUBSIDIARIES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

		Equity attributable to members of the Company				
	Refer Note	Share capital $M	Shares held by equity compensation plans $M	Reserves[1] $M	Accumulated losses $M	Total equity $M
At 1 January 2011		**2,180.2**	**(17.9)**	**(39.8)**	**(289.1)**	**1,833.4**
Profit		**–**	**–**	**–**	**591.8**	**591.8**
Other comprehensive income		**–**	**–**	**(42.5)**	**–**	**(42.5)**
Total comprehensive income		**–**	**–**	**(42.5)**	**591.8**	**549.3**
Transactions with equity holders –						
Movements in ordinary shares	20	**38.0**	**–**	**–**	**–**	**38.0**
Share based remuneration obligations	21&22	**–**	**1.4**	**(9.2)**	**–**	**(7.8)**
Dividends appropriated	24	**–**	**–**	**–**	**(378.6)**	**(378.6)**
Total of transactions with equity holders		**38.0**	**1.4**	**(9.2)**	**(378.6)**	**(348.4)**
At 31 December 2011		**2,218.2**	**(16.5)**	**(91.5)**	**(75.9)**	**2,034.3**
At 1 January 2010		2,096.7	(13.7)	(38.3)	(444.6)	1,600.1
Profit		–	–	–	497.3	497.3
Other comprehensive income		–	–	(3.6)	–	(3.6)
Total comprehensive income		–	–	(3.6)	497.3	493.7
Transactions with equity holders –						
Movements in ordinary shares	20	83.5	–	–	–	83.5
Share based remuneration obligations	21&22	–	(4.2)	2.1	–	(2.1)
Dividends appropriated	24	–	–	–	(341.8)	(341.8)
Total of transactions with equity holders		83.5	(4.2)	2.1	(341.8)	(260.4)
At 31 December 2010		2,180.2	(17.9)	(39.8)	(289.1)	1,833.4

1 Refer to Note 22.

Notes appearing on pages 45 to 95 to be read as part of the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This consolidated financial report was authorised for issue in accordance with a resolution of the Coca-Cola Amatil Limited Board of Directors on 22 February 2012.

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.

a) Basis of financial report preparation

This general purpose financial report has been prepared in accordance with the Australian Accounting Standards, 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 financial assets and liabilities (including derivative financial instruments) which have been measured at fair value through the income statement.

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) as issued by the International Accounting Standards Board.

The Group has adopted all consequential amendments to Australian Accounting Standards which became applicable on 1 January 2011. There has been no effect on the financial statements of the Group.

The Coca-Cola Amatil Limited Board of Directors has made a formal written election to early adopt the following new and amended Australian Accounting Standards in the preparation of the Group's 31 December 2011 financial statements –

AASB 10	Consolidated Financial Statements
AASB 11	Joint Arrangements
AASB 12	Disclosures of Interests in Other Entities
AASB 127	Separate Financial Statements
AASB 128	Investments in Associates and Joint Ventures
AASB 2011 – 7	Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards

As there is no effect on the financial statements of the Group for the current and comparative financial years, the Group has chosen to early adopt the above standards.

Excluding the above mentioned standards, other Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective have not been early adopted by the Company or the Group for the financial year ended 31 December 2011. 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 7	Financial Instruments: Disclosures	Prescribes additional quantitative and qualitative disclosures relating to financial assets.	1 Jul 2011	Disclosure changes only.	1 Jan 2012
AASB 9	Financial Instruments	Adjusts the classification and measurement of financial assets and liabilities.	1 Jan 2015	The impact of the standard is yet to be assessed.	1 Jan 2015
AASB 13	Fair Value Measurement	New guidance on fair value measurement and disclosure requirements.	1 Jan 2013	The impact of the standard is yet to be assessed.	1 Jan 2013
AASB 119	Employee Benefits	Changes the accounting for and presentation of pensions and other post-employment benefits.	1 Jan 2013	The impact of the standard is yet to be assessed.	1 Jan 2013
AASB 2011 – 4	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	Removal of key management personnel disclosure requirements from AASB 124 Related Party Disclosures.	1 Jul 2013	The impact of the standard is yet to be assessed.	1 Jan 2014
AASB 2011 – 9	Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income	Changes to presentation of the statement of comprehensive income.	1 Jul 2012	The impact of the standard is yet to be assessed.	1 Jan 2013

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

The preparation of the financial statements 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 or could have the most significant effect on the amounts recognised in the financial statements relate to the following areas –

i) Impairment testing of investments in bottlers' agreements and intangible assets with indefinite lives

The Group determines whether investments in bottlers' agreements and intangible assets with indefinite lives are impaired at each balance date. These calculations involve an estimation of the recoverable amount of the cash generating unit to which investments in bottlers' agreements and intangible assets with indefinite lives are allocated;

ii) Estimation of useful lives of assets

The estimation of 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 1u), 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 the Black Scholes model; 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 current tax assets and liabilities. Judgement is also required in assessing whether deferred tax assets and liabilities are recognised in the statement of financial position. 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 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 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 the 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.

Investments in subsidiaries are measured initially at cost 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.

ii) Joint venture entity

The investment in the joint venture entity was accounted for in the consolidated financial statements using the equity method and was carried at cost by the parent entity. Under the equity method, the share of profits or losses of the joint venture entity was recognised in the income statement, and the share of movements in reserves was recognised in the statement of comprehensive income. CCA lost joint control of Pacific Beverages on 16 December 2011 and discontinued equity accounting on that date. Refer to Note 10 for further details.

e) Segment reporting

An operating segment is a component of the Group –

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group); and
- whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

f) Foreign currency translation

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 reporting 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 statement 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 –

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
CONTINUED

g) Revenue continued

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 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;

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

iv) 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 asset or liability represents amounts receivable or payable 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 laws used to compute current taxes are those that are enacted or substantially enacted by the reporting 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 reporting 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 reporting 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 those arising from the initial recognition of assets and liabilities that affect neither accounting nor taxable profits and those temporary differences relating to investments in subsidiaries where the timing of the reversal can be controlled and it is probable that the temporary differences 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 taxation 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 subsidiaries have formed a tax consolidated group. CCA is the head entity of the tax consolidated group. Details relating to the tax funding agreements are set out in Note 5.

j) Cash assets
Cash assets comprise cash on hand, deposits held at call with financial institutions and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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 trade receivables is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement.

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) Financial assets
The Group classifies its financial assets as either "financial assets at fair value through the income statement" 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 statement, directly attributable transaction costs.

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 statement
Financial assets at fair value through the income statement 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. Loans and receivables are classified as current assets, except for those with maturities greater than 12 months after the balance date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

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 arm's 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

n) 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 14 for details of impairment testing of investments in bottlers' agreements.

o) 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 originally assessed standard of performance of the existing asset, will flow to the Group. 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 for the current and prior year 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 statement in the financial year the item is derecognised.

p) 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 statement on a straight line basis over the lease term. Refer to Note 4 for further details. Lease income from operating leases is recognised as income on a straight line basis over the lease term. Refer to Note 3 for further details.

q) 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 statement 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 statement 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 statement when the asset is derecognised.

The estimated useful lives of existing finite lived intangible assets for the current and prior year are as follows –

Customer lists	5 years
Brand names	40 to 50 years
Software development assets	3 to 10 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 14 for details.

r) 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 greater 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 statement. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

s) 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 at the reporting date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
CONTINUED

t) Provisions

Provisions are recognised when a present legal or constructive obligation has arisen 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 there is an expectation that a provision is 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 reporting 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.

u) Employee benefits

i) Wages and salaries, annual leave, sick leave and other benefits

Liabilities are raised 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 profit 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 on high quality corporate bonds (at the reporting date) with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. In the absence of a deep market in such bonds, the market yields on government bonds may be used.

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. Contributions to defined benefit plans are based on regular advice from independent qualified actuaries.

For defined contribution plans, the relevant Group companies pay contributions to the plans on a mandatory or contractual basis.

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 guaranteed securities with similar due dates to these expected cash flows. 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 19 for further details of the Group's defined benefit plans.

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

iv) Equity compensation plans

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

Shares granted by CCA to employees of subsidiaries are recognised in the Company's financial records as an additional investment in the subsidiary with a corresponding credit to the share based remuneration reserve. As a result, the expense recognised by CCA in relation to equity settled awards only represents the expense associated with grants to employees of the Company. The expense recognised by the Group is the total expense associated with all such awards.

Shares granted under the Long Term Incentive Share Rights 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 (for shares with a total shareholder return performance condition) and the Black Scholes model (for shares with an earnings per share performance condition). The fair value of shares is charged as an equity compensation plan expense over the vesting period together with a corresponding increase in the share based remuneration reserve, ending on the date on which the relevant employees become entitled to the award. Refer to Note 23 for further details of the Long Term Incentive Share Rights 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.

v) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

v) Derivative financial instruments

The Group seeks to actively manage its exposures to foreign exchange, commodities and interest rates by using derivative financial instruments to hedge these risks arising from its operating, investing and financing activities. This is achieved through a process of identifying, recording and communicating all financial exposures and risk in the Group which forms the basis for any decision to implement risk management strategies.

The Group at inception, documents the transaction and the relationship between the 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 assesses both at the hedge inception and on an ongoing basis, 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.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value. On subsequent revaluation the derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

The Group designates its derivatives as either –

- hedges for fair value of recognised liabilities (fair value hedges); or
- hedges for interest rate, foreign currency and commodity risks associated with recognised liabilities or highly probable forecast transactions (cash flow hedges).

Fair value hedges

During the financial year, the Group held cross currency 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 swaps. The objective of this hedging is to convert foreign currency borrowings to local currency borrowings. Hence, at inception, no significant portion of the change in fair value of the cross currency 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 statement and are offset with the gains and losses from 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 swaps 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.

Cash flow hedges

Cash flow hedges are used to hedge future cash flows or a probable transaction that could affect the gain or loss on the income statement relating to the Group's ongoing business activities. The gain or loss on effective portions of the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in the income statement. Amounts recognised in equity are transferred to the income statement as and when the asset is consumed. If the forecast transaction is revoked or no longer expected to occur, amounts previously recognised in equity are immediately transferred to the income statement. The derivative financial instruments are in a hedge relationship and are initially recognised in equity. Any gain or loss is reclassified to the income statement when the Group exercises, terminates, or revokes designation of the hedge relationship.

w) Interest bearing liabilities

Interest bearing liabilities are initially recognised at fair value of the consideration received net of transaction costs associated with the borrowing.

After initial recognition, interest bearing liabilities 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 (refer to Note 1v)). In such instances, the resulting fair value adjustments mean that the carrying value differs from amortised cost.

Interest bearing liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2. SEGMENT REPORTING

The Group operates in four reportable segments, based on a combination of factors including geography, products and services. The Australia, New Zealand & Fiji and Indonesia & PNG segments derive their revenues from the manufacture, distribution and marketing of carbonated soft drinks and other alcohol free beverages.

The Alcohol, Food & Services segment manufactures and distributes the premium spirits portfolio of Beam, processes and markets fruit and other food products, and provides cold drink equipment to CCA's non-alcohol beverage businesses and third party customers. From 1 January 2011, the segment also provides packaging service facilities to the Australia and Indonesia & PNG segments. CCA's Alcohol business was established following the signing of a new 10 year agreement with Beam in March 2011 for CCA, in its own right, to manufacture and distribute Beam's premium spirits portfolio in Australia, and is to be reported in addition with CCA's Food & Services businesses under the Alcohol, Food & Services segment.

The Group manages its net finance costs and income taxes on a Group basis. Segment performance (segment result) is evaluated on an earnings before interest, tax and significant items basis.

The accounting policies of each operating segment are the same as those described in Note 1. Inter-segment transactions are conducted on normal commercial terms and conditions.

The Group earned approximately 37.0% (2010: 37.0%) of its trading revenue from its top three customers, being Metcash Limited, Wesfarmers Limited and Woolworths Limited. These customers operated within the Australia, New Zealand & Fiji and Alcohol, Food & Services segments.

	2011 $M	2010 $M	**2011 $M**	2010 $M	**2011 $M**	2010 $M
	Trading revenue[1]		**Other revenue**		**Total revenue, excluding finance income**	
Non-Alcohol Beverage business						
Australia	**2,880.7**	2,819.1	**29.9**	90.0	**2,910.6**	2,909.1
New Zealand & Fiji	**415.8**	420.1	**10.5**	9.3	**426.3**	429.4
Indonesia & PNG	**845.5**	789.1	**1.0**	2.5	**846.5**	791.6
Alcohol, Food & Services business	**659.2**	462.0	**13.5**	17.3	**672.7**	479.3
Total CCA Group	**4,801.2**	4,490.3	**54.9**	119.1	**4,856.1**	4,609.4
					Segment result	
Non-Alcohol Beverage business						
Australia					**607.2**	592.7
New Zealand & Fiji					**79.5**	81.4
Indonesia & PNG					**88.1**	75.0
Alcohol, Food & Services business					**93.2**	94.3
Total operating segments					**868.0**	843.4
Share of net profit of joint venture entity					**0.9**	1.5
Total CCA Group					**868.9**	844.9

The reconciliation of segment result to CCA Group profit after income tax is shown below –

	CCA Group	
Segment result	**868.9**	844.9
Significant items[2]	**1.6**	–
Earnings before interest and tax	**870.5**	844.9
Net finance costs[3]	**(127.8)**	(134.4)
Profit before income tax	**742.7**	710.5
Income tax expense[3]	**(150.9)**	(213.2)
Profit after income tax	**591.8**	497.3

Refer to the following page for footnote details.

2. SEGMENT REPORTING CONTINUED

	Assets 2011 $M	Assets 2010 $M	Liabilities 2011 $M	Liabilities 2010 $M	Net assets 2011 $M	Net assets 2010 $M
Non-Alcohol Beverage business						
Australia	**2,345.2**	2,385.0	**886.8**	960.4	**1,458.4**	1,424.6
New Zealand & Fiji	**542.8**	514.2	**112.3**	104.2	**430.5**	410.0
Indonesia & PNG	**598.5**	536.3	**218.9**	185.0	**379.6**	351.3
Alcohol, Food & Services business	**1,559.8**	1,343.2	**339.7**	81.0	**1,220.1**	1,262.2
Total operating segments	**5,046.3**	4,778.7	**1,557.7**	1,330.6	**3,488.6**	3,448.1
Other financial asset	**288.6**	–	**–**	–	**288.6**	–
Investment in joint venture entity	**–**	74.7	**–**	–	**–**	74.7
Capital employed	**5,334.9**	4,853.4	**1,557.7**	1,330.6	**3,777.2**	3,522.8
Net debt[4]	**694.1**	424.4	**2,437.0**	2,113.8	**(1,742.9)**	(1,689.4)
Total CCA Group	**6,029.0**	5,277.8	**3,994.7**	3,444.4	**2,034.3**	1,833.4

	Depreciation and amortisation expenses 2011	2010	Additions of non-current assets[5] 2011	2010
Non-Alcohol Beverage business				
Australia	**73.2**	73.6	**174.2**	128.4
New Zealand & Fiji	**18.0**	17.7	**36.1**	29.1
Indonesia & PNG	**40.3**	38.6	**68.5**	118.2
Alcohol, Food & Services business	**73.7**	62.0	**136.8**	113.2
Total CCA Group	**205.2**	191.9	**415.6**	388.9

	Trading revenue by geography[6] 2011	2010	Non-current assets by geography[5] 2011	2010
Australia	**3,539.9**	3,281.1	**2,455.4**	2,418.3
New Zealand & Fiji	**415.8**	420.1	**380.0**	366.2
Indonesia & PNG	**845.5**	789.1	**443.9**	374.2
Total CCA Group	**4,801.2**	4,490.3	**3,279.3**	3,158.7

1 Details of the Group's trading revenue can be found in Note 3.
2 Refer to Note 4c) for further details of significant items.
3 Net finance costs and income tax are managed on a Group basis and are not reported internally at a segment level.
4 Cash assets, debt related derivative assets and liabilities, loans and interest bearing liabilities are not included as part of segment assets and liabilities as they are managed on a Group basis.
5 This disclosure comprises investment in joint venture entity, investments in bottlers' agreements, property, plant and equipment and intangible assets.
6 The trading revenue recorded reflects the customer geographic location of revenue earned by the Group.

3. REVENUE

	Refer Note	2011 $M	2010 $M
Trading revenue			
Sales of products		**4,719.7**	4,405.8
Rental of equipment and processing fees		**81.5**	84.5
Total trading revenue		**4,801.2**	4,490.3
Other revenue			
Rendering of services		**34.3**	96.8
Miscellaneous rental and sundry income[1]		**20.6**	22.3
Total other revenue		**54.9**	119.1
Total revenue, excluding finance income		**4,856.1**	4,609.4
Interest income from –			
related parties	33	**1.7**	0.6
non-related parties		**10.1**	20.3
Total finance income		**11.8**	20.9
Total revenue		**4,867.9**	4,630.3

1 Sundry income mainly relates to sales of materials and consumables and scrap sales.

4. INCOME STATEMENT DISCLOSURES

	Refer Note	2011 $M	2010 $M
Profit before income tax includes the following specific expenses –			
a) Finance costs			
Interest costs from non-related parties		**142.8**	152.7
Other finance (gains)/costs		**(0.8)**	2.6
Total finance costs[1]		**142.0**	155.3
Amounts capitalised		**(2.4)**	–
Total finance costs expensed		**139.6**	155.3

1 The comparative amounts for items comprising CCA's total finance costs have changed due to the reclassification of other finance costs. Total finance costs for the comparative period remained unchanged.

	Refer Note	2011 $M	2010 $M
b) Income statement disclosures (by nature)			
Depreciation expense	12	**185.2**	176.1
Amortisation expense	13	**20.0**	15.8
Bad and doubtful debts expense/(write back) – trade and other receivables		**2.7**	(0.6)
Rentals – operating leases		**78.8**	81.6
Defined benefit superannuation plan expense	19b)	**10.7**	10.6
Defined contribution superannuation plan expense		**52.1**	50.2
Equity compensation plan expense		**11.4**	10.1
Employee benefits expense[1]		**74.9**	70.9
Net foreign exchange losses[2]		**9.9**	14.5

1 The comparative amount has been restated (i.e. increased by $10.4 million) arising from a review of the classification of CCA's employee benefits expense carried out during the financial year.
2 These amounts are principally included in cost of goods sold. Cost of goods sold also includes compensating amounts relating to commodity pricing and hedging outcomes.

c) Significant items

Pacific Beverages

As disclosed in Note 9, CCA has agreed to sell its 50% interest in Pacific Beverages. As a consequence, CCA has recognised a revaluation gain on its 50% interest, and certain expenses that are directly attributable to the sale, the separation of the Pacific Beverages business from CCA and the resulting strategic restructure of CCA.

SPCA business restructure

During the financial year, CCA completed a comprehensive review of its SPCA business. The scope of the review was to determine the appropriate structure to support the long term growth and profitability of the business.

The review determined that SPCA has excess manufacturing capacity, and as a result, the current three manufacturing sites will be consolidated into two, resulting in the closure of the Mooroopna manufacturing site. The business has also exited a number of domestic supply contracts and international export markets that were not profitable.

As a result of the above Pacific Beverages and SPCA matters, CCA has recognised the following amounts in the income statement during the financial year –

	Refer Note	2011 $M	2010 $M
Revaluation to fair value of 50% interest in Pacific Beverages	9	**213.0**	–
Transfer from foreign currency translation reserve	22b)	**(0.2)**	–
		212.8	–
Write down of inventories to net realisable value		**(108.3)**	–
Write down of other assets and costs relating to restructuring		**(102.9)**	–
Total significant items		**1.6**	–

5. INCOME TAX EXPENSE

	Refer Note	2011	2010
a) Income tax expense			
		$M	$M
Current tax expense		**234.0**	186.1
Deferred tax (benefit)/expense	18d)	**(71.5)**	34.1
Adjustments to current tax of prior periods		**(11.6)**	(7.0)
Total income tax expense		**150.9**	213.2
Total income tax expense includes –			
Income tax (benefit)/expense on significant items[1]		**(58.2)**	9.3

1 Refer to Note 5b) for further details.

b) Reconciliation of CCA's applicable (Australian) tax rate to the effective tax rate

	2011	2010
	%	%
Applicable (Australian) tax rate	**30.0**	30.0
Adjustments to current tax of prior periods	**(1.6)**	(0.9)
Change in New Zealand tax rate	**–**	(0.2)
Non-allowable expenses	**0.4**	0.4
Overseas tax rates differential	**(0.7)**	(0.4)
Overseas withholding tax	**(0.1)**	(0.2)
Share of net profit of joint venture entity	**–**	(0.1)
Other	**0.2**	0.1
Effective tax rate (before significant items)	**28.2**	28.7
Significant items –		
derecognition of deferred tax assets[1]	**0.4**	1.3
recognition of previously unrecognised deferred tax assets[2]	**(8.6)**	–
other	**0.3**	–
Effective tax rate	**20.3**	30.0

1 The 2011 amount relates mainly to certain tax losses derecognised as part of the SPCA business restructure, discussed further in Notes 4c) and 18d). The comparative period amount relates to changes in the New Zealand tax legislation, whereby future tax deductibility of building depreciation was removed.

2 Deferred tax assets arising from recognition of CCA's previously unrecognised capital losses, to the extent required to offset the capital gain arising from the revaluation to fair value of CCA's 50% interest in Pacific Beverages, is discussed further in Notes 9 and 18d).

c) Australian tax consolidation

CCA has formed a consolidated group for income tax purposes with each of its wholly owned Australian resident subsidiaries. The entities within the tax consolidated group have entered a tax funding agreements 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).

6. CASH AND CASH EQUIVALENTS

	Refer Note	2011 $M	2010 $M
Cash on hand and in banks		**391.3**	366.1
Short term deposits		**273.6**	19.2
Total cash assets		**664.9**	385.3

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, depending on the immediate cash requirements of the Group, and earn interest at the respective short term deposit rates.

a) Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows –

	Refer Note	2011 $M	2010 $M
Cash assets		**664.9**	385.3
Bank overdrafts	16	**–**	(3.7)
Cash and cash equivalents held at the end of the financial year		**664.9**	381.6

b) Non-cash investing and financing activities

	Refer Note	2011 $M	2010 $M
Dividends satisfied by the issue of shares under the Dividend Reinvestment Plan	24a)	**34.9**	81.5

c) Reconciliation of profit after income tax to net cash flows from operating activities

	Refer Note	2011 $M	2010 $M
Profit after income tax		**591.8**	497.3
Depreciation, amortisation, impairment and amounts set aside to allowances and provisions		**371.5**	267.0
Share of net profit of joint venture entity		**(0.9)**	(1.5)
Share based remuneration expense		**(9.8)**	(7.0)
Fair value adjustments to derivatives		**2.2**	(5.9)
Revaluation to fair value of other financial asset	4c)	**(212.8)**	–
Loss/(profit) from disposal of property, plant and equipment		**0.1**	(0.1)
(Increase)/decrease in –			
trade and other receivables		**(72.0)**	(6.1)
inventories		**(49.4)**	9.4
prepayments		**(15.9)**	(0.9)
defined benefit superannuation plans		**(4.4)**	(5.6)
Increase/(decrease) in –			
trade and other payables		**120.7**	(53.8)
current tax liabilities		**(55.3)**	36.1
provisions		**(76.9)**	(86.7)
accrued charges		**65.6**	(58.5)
derivatives		**(11.1)**	5.4
defined benefit superannuation plans		**(1.6)**	(3.7)
Net cash flows from operating activities		**641.8**	585.4

d) Risk exposure

CCA Group's exposure to interest rate risk is disclosed in Note 32. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents.

7. TRADE AND OTHER RECEIVABLES

	Refer Note	**2011 $M**	2010 $M
Current			
Trade receivables		**776.0**	675.6
Allowance for doubtful receivables	7a)	**(4.1)**	(5.3)
		771.9	670.3
Amounts due from related entities (trade)	33	**12.4**	6.8
Amounts due from related entities (non-trade)	33	**46.9**	54.2
Other receivables		**33.4**	40.7
Allowance for doubtful receivables		**(0.2)**	(0.2)
		92.5	101.5
Total trade and other receivables (current)		**864.4**	771.8
Non-current			
Amounts due from related entities (non-trade)	33	**0.9**	20.2
Other receivables		**5.7**	0.7
Total other receivables (non-current)		**6.6**	20.9

a) Impaired trade and other receivables

As at 31 December 2011, trade receivables with a nominal value of $4.1 million (2010: $5.3 million) were impaired and fully provided for. Movements in the allowance for trade receivables are as follows –

	2011 $M	2010 $M
At 1 January	**(5.3)**	(9.0)
(Charge)/write back	**(2.7)**	0.6
Written off	**4.0**	3.0
Net foreign currency movements	**(0.1)**	0.1
	(4.1)	(5.3)

Other receivables with a nominal value of $0.2 million (2010: $0.2 million) were impaired and have been fully provided for.

7. TRADE AND OTHER RECEIVABLES CONTINUED

b) Analysis of receivables

As at 31 December 2011, the analysis of trade receivables (net of allowance) that were past due but not impaired is as follows –

	Neither past due nor impaired $M	Past due but not impaired Less than 30 days overdue $M	More than 30 but less than 90 days overdue $M	More than 90 days overdue $M	Total $M
2011	**704.9**	**39.2**	**20.7**	**7.1**	**771.9**
2010	606.5	42.2	16.1	5.5	670.3

As at 31 December 2011, trade receivables of $67.0 million (2010: $63.8 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 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 33.

d) Fair value

Due to the short term nature of receivables, the carrying amount is assumed to approximate their fair value. Refer to Note 32 for further details.

e) Interest rate and foreign exchange risk

Details regarding interest rate and foreign exchange risk exposures are disclosed in Note 32.

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 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	2011 $M	2010 $M
8. INVENTORIES			
Raw materials at cost		**261.3**	245.0
Raw materials at net realisable value		**4.1**	3.6
		265.4	248.6
Finished goods at cost		**391.1**	422.5
Finished goods at net realisable value		**30.5**	8.3
		421.6	430.8
Other inventories at cost[1]		**58.7**	39.0
Other inventories at net realisable value[1]		**6.7**	16.9
		65.4	55.9
Total inventories		**752.4**	735.3

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

9. OTHER FINANCIAL ASSET

On 20 June 2011, the Group announced that CCA and SABMiller had agreed to amend the terms and conditions of their Pacific Beverages joint venture (Variation). The Variation comprised a number of agreements, including a put option over CCA's 50% interest in Pacific Beverages, which was exercisable following certain conditions being met.

On 16 December 2011, these conditions were met and the put option was exercised by CCA, requiring SABMiller to unconditionally purchase CCA's 50% interest in Pacific Beverages by 15 January 2012.

Following CCA's exercise of the put option on 16 December 2011, CCA lost joint control of Pacific Beverages. CCA therefore discontinued equity accounting as at the date of loss of control. The 50% interest in Pacific Beverages as at the end of the financial year is classified as a current financial asset and has been revalued to fair value through the income statement in accordance with AASB 139 Financial Instruments: Recognition and Measurement. Fair value was determined as being the agreed sale price SABMiller is to pay CCA for the 50% interest in Pacific Beverages.

On 13 January 2012, the sale of CCA's 50% interest in Pacific Beverages to SABMiller was completed, resulting in CCA receiving the agreed sale proceeds.

Prior to 16 December 2011, this investment was classified as an equity accounted investment in joint venture entity by the Group. Refer to Note 10 for further details.

	Refer Note	2011 $M	2010 $M
Reclassification from investment in joint venture entity		**75.6**	–
Revaluation to fair value of 50% interest in Pacific Beverages	4c)	**213.0**	–
At 31 December 2011		**288.6**	–

	2011 $M	2010 $M
10. INVESTMENT IN JOINT VENTURE ENTITY		
Carrying amount of investment in Pacific Beverages Pty Ltd[1]	–	74.7

1 The amount was reclassified to other financial assets upon the discontinuation of equity accounting on 16 December 2011. Refer to Note 9 for further details.

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

CCA lost joint control of Pacific Beverages on 16 December 2011 and discontinued equity accounting on that date. Prior to this date the interest in Pacific Beverages was accounted for using the equity method of accounting. Information relating to the joint venture entity is set out below –

	2011 $M	2010 $M
a) CCA Group's share of Pacific Beverages' assets and liabilities		
Current assets	–	39.6
Non-current assets	–	88.8
Total assets	–	128.4
Current liabilities	–	33.9
Non-current liabilities	–	19.8
Total liabilities	–	53.7
Net assets	–	74.7
b) CCA Group's share of Pacific Beverages' revenue, expenses and results[1]		
Revenue[2]	**48.3**	41.3
Expenses	**(47.8)**	(42.5)
Profit after income tax	**0.9**	1.5

1 Current year amounts are for the period to 16 December 2011.
2 Beer sales revenue, excluding duties and excise taxes.

	2011 $M	2010 $M
11. INVESTMENTS IN BOTTLERS' AGREEMENTS		
Balance at the beginning of the financial year	**898.2**	911.0
Net foreign currency movements	**1.4**	(12.8)
Balance at the end of the financial year	**899.6**	898.2

The bottlers' agreements reflect a long and ongoing relationship between the Group and The Coca-Cola Company (TCCC). As at 31 December 2011, there were agreements for the five territories in place throughout the Group, at varying stages of their, mainly, 10 year terms. These agreements are all on substantially the same terms and conditions, with performance obligations as to manufacture, distribution and marketing.

All of the Group's present bottlers' agreements, the first of which was issued in 1939, that have expired have been renewed or extended at the expiry of their legal terms. No consideration is payable upon renewal or extension.

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 or extended 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.

All bottlers' agreements were 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 14.

12. PROPERTY, PLANT AND EQUIPMENT

	Refer Note	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
At 1 January 2011						
Cost (gross carrying amount)		**185.0**	**306.0**	**2,334.4**	**139.1**	**2,964.5**
Accumulated depreciation and impairment		**–**	**(60.0)**	**(1,309.2)**	**–**	**(1,369.2)**
Net carrying amount		**185.0**	**246.0**	**1,025.2**	**139.1**	**1,595.3**
Year ended 31 December 2011						
At 1 January 2011, net of accumulated depreciation and impairment		**185.0**	**246.0**	**1,025.2**	**139.1**	**1,595.3**
Additions		**–**	**0.8**	**23.5**	**353.5**	**377.8**
Disposals		**–**	**(0.1)**	**(3.5)**	**–**	**(3.6)**
Depreciation expense	4b)	**–**	**(12.7)**	**(172.5)**	**–**	**(185.2)**
Net foreign currency movements		**0.2**	**0.5**	**3.1**	**1.2**	**5.0**
Transfer out of property, plant and equipment under construction and reclassifications		**0.8**	**28.3**	**240.7**	**(269.8)**	**–**
Other		**–**	**–**	**(18.3)**	**1.1**	**(17.2)**
At 31 December 2011, net of accumulated depreciation and impairment		**186.0**	**262.8**	**1,098.2**	**225.1**	**1,772.1**
At 31 December 2011						
Cost (gross carrying amount)		**186.0**	**334.8**	**2,554.9**	**225.1**	**3,300.8**
Accumulated depreciation and impairment		**–**	**(72.0)**	**(1,456.7)**	**–**	**(1,528.7)**
Net carrying amount		**186.0**	**262.8**	**1,098.2**	**225.1**	**1,772.1**
At 1 January 2010						
Cost (gross carrying amount)		188.9	288.4	2,181.0	133.1	2,791.4
Accumulated depreciation and impairment		–	(49.3)	(1,284.9)	–	(1,334.2)
Net carrying amount		188.9	239.1	896.1	133.1	1,457.2
Year ended 31 December 2010						
At 1 January 2010, net of accumulated depreciation and impairment		188.9	239.1	896.1	133.1	1,457.2
Additions		–	1.7	20.0	333.7	355.4
Disposals		(2.1)	(0.1)	(5.0)	–	(7.2)
Depreciation expense	4b)	–	(12.3)	(163.8)	–	(176.1)
Net foreign currency movements		(3.3)	(4.4)	(25.8)	(4.0)	(37.5)
Transfer out of property, plant and equipment under construction and reclassifications		1.5	22.0	300.1	(323.6)	–
Other		–	–	3.6	(0.1)	3.5
At 31 December 2010, net of accumulated depreciation and impairment		185.0	246.0	1,025.2	139.1	1,595.3
At 31 December 2010						
Cost (gross carrying amount)		185.0	306.0	2,334.4	139.1	2,964.5
Accumulated depreciation and impairment		–	(60.0)	(1,309.2)	–	(1,369.2)
Net carrying amount		185.0	246.0	1,025.2	139.1	1,595.3

1 Freehold and leasehold buildings include improvements made to buildings.

13. INTANGIBLE ASSETS

	Refer Note	Customer lists[1&2] $M	Brand names[1] $M	Software development assets $M	Goodwill[1]	Total intangible assets $M
At 1 January 2011						
Cost (gross carrying amount)		**7.6**	**120.1**	**132.3**	**387.5**	**647.5**
Accumulated amortisation and impairment		**(6.0)**	**(7.8)**	**(43.2)**	**–**	**(57.0)**
Net carrying amount		**1.6**	**112.3**	**89.1**	**387.5**	**590.5**
Year ended 31 December 2011						
At 1 January 2011, net of accumulated amortisation and impairment		**1.6**	**112.3**	**89.1**	**387.5**	**590.5**
Additions		**–**	**–**	**26.5**	**–**	**26.5**
Disposals		**–**	**–**	**(0.1)**	**–**	**(0.1)**
Acquisitions of entities and operations		**1.1**	**–**	**–**	**9.1**	**10.2**
Amortisation expense	4b)	**(1.3)**	**(0.3)**	**(18.4)**	**–**	**(20.0)**
Net foreign currency movements		**–**	**(0.1)**	**(0.1)**	**(0.2)**	**(0.4)**
Other		**–**	**–**	**0.9**	**–**	**0.9**
At 31 December 2011, net of accumulated amortisation and impairment		**1.4**	**111.9**	**97.9**	**396.4**	**607.6**
At 31 December 2011						
Cost (gross carrying amount)		**8.7**	**120.1**	**157.5**	**396.4**	**682.7**
Accumulated amortisation and impairment		**(7.3)**	**(8.2)**	**(59.6)**	**–**	**(75.1)**
Net carrying amount		**1.4**	**111.9**	**97.9**	**396.4**	**607.6**
At 1 January 2010						
Cost (gross carrying amount)		7.5	120.6	100.4	388.2	616.7
Accumulated amortisation and impairment		(4.6)	(7.5)	(34.8)	–	(46.9)
Net carrying amount		2.9	113.1	65.6	388.2	569.8
Year ended 31 December 2010						
At 1 January 2010, net of accumulated amortisation and impairment		2.9	113.1	65.6	388.2	569.8
Additions		–	–	33.5	–	33.5
Amortisation expense	4b)	(1.4)	(0.3)	(14.1)	–	(15.8)
Net foreign currency movements		–	(0.5)	(0.6)	(1.9)	(3.0)
Other		0.1	–	4.7	1.2	6.0
At 31 December 2010, net of accumulated amortisation and impairment		1.6	112.3	89.1	387.5	590.5
At 31 December 2010						
Cost (gross carrying amount)		7.6	120.1	132.3	387.5	647.5
Accumulated amortisation and impairment		(6.0)	(7.8)	(43.2)	–	(57.0)
Net carrying amount		1.6	112.3	89.1	387.5	590.5

1 Acquired in business combinations.
2 Asset purchases.

The useful life of customer lists is finite and amortisation is on a straight line basis.

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.

Software development assets represent internally generated intangible assets with finite useful lives and are amortised on a straight line basis.

All intangible assets with finite useful lives were assessed for indicators of impairment and all intangible assets with indefinite useful lives were tested for impairment at 31 December 2011. Refer to Note 14 for further details of impairment testing of intangible assets with indefinite lives.

14. IMPAIRMENT TESTING OF INVESTMENTS IN BOTTLERS' AGREEMENTS AND INTANGIBLE ASSETS WITH INDEFINITE LIVES

Investments in bottlers' agreements (IBAs) and intangible assets deemed to have indefinite lives have been identified for each of the Group's cash generating units (CGUs).

A segment level summary of IBAs and intangible assets deemed to have indefinite lives is presented below –

	IBAs $M	Brand names $M	Goodwill $M	Total IBAs and intangible assets with indefinite lives $M
Year ended 31 December 2011				
Non-Alcoholic Beverage business				
Australia	**691.9**	**–**	**32.3**	**724.2**
New Zealand & Fiji	**165.0**	**–**	**7.1**	**172.1**
Indonesia & PNG	**42.7**	**–**	**18.1**	**60.8**
Alcohol, Food & Services business	**–**	**98.3**	**338.9**	**437.2**
Total	**899.6**	**98.3**	**396.4**	**1,394.3**
Year ended 31 December 2010				
Non-Alcoholic Beverage business				
Australia	691.9	–	23.2	715.1
New Zealand & Fiji	166.5	–	7.2	173.7
Indonesia & PNG	39.8	–	18.2	58.0
Alcohol, Food & Services business	–	98.3	338.9	437.2
Total	898.2	98.3	387.5	1,384.0

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

Impairment testing is carried out by CCA by comparing an asset's recoverable amount to its carrying amount. The recoverable amount is determined as the greater of fair value less costs to sell, and value in use.

Generally, CCA performs its impairment testing on a value in use basis. However, in addition to value in use, it assesses fair value less costs to sell to ensure that the higher value arising from either basis is in excess of the asset's carrying amount. Value in use is calculated using a discounted cash flow methodology covering a 15 year period with an appropriate residual value at the end of that period, for each CGU. The methodology utilises cash flow forecasts longer than five years in order to minimise reliance on residual values and is based primarily on business plans presented to and approved by the Board.

The key assumptions on which management has based its cash flow forecasts to undertake impairment testing of IBAs and goodwill are described below. These assumptions have been risk weighted where appropriate to support base valuations as the most likely outcome. Management considers that there are no reasonable possible changes that are foreseeable that have not been factored into such valuations.

i) EBIT margins

EBIT margins are based primarily on three year business plans presented to and reviewed by the Board. Beyond those periods, margins have been adjusted to reflect management's views of sustainable long term EBIT margins;

ii) Volumes

Volumes are based on three year business plans presented to and reviewed by the Board. Beyond those periods, volumes are adjusted based on forecast per capita consumption, population growth rates and market share assumptions which are benchmarked against external sources;

iii) Pricing

Pricing is based on three year business plans presented to and reviewed by the Board. Beyond those periods, pricing is determined with reference to long term inflation forecasts;

iv) Capital expenditure

Capital expenditure is based on three year business plans presented to and reviewed by the Board. Beyond those periods, capital expenditure is determined as a percentage of sales revenue consistent with historical expenditure;

v) Discount rates

Discount rates used are the weighted average cost of capital (after tax) for the Group in each CGU, risk adjusted where applicable. The local currency discount rates used for Australia, New Zealand, Fiji, Indonesia and PNG based CGUs are 8.0%, 7.6%, 10.6%, 11.4% and 11.6% (2010: 8.4%, 8.3%, 11.2%, 12.2% and 11.6%) per annum respectively; and

vi) Forecast growth rates

Forecast growth rates are used in the calculation of the residual value of each CGU. For the purpose of impairment testing, real annual growth rates of nil to 2.0% (2010: nil to 2.0%) have been used.

14. IMPAIRMENT TESTING OF INVESTMENTS IN BOTTLERS' AGREEMENTS AND INTANGIBLE ASSETS WITH INDEFINITE LIVES
CONTINUED

b) Impairment tests for brand names with indefinite lives

Impairment testing is carried out by CCA by comparing an asset's recoverable amount to its carrying amount. The recoverable amount is determined as the greater of fair value less costs 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 10 year period with an appropriate residual value at the end of that period. The methodology utilises notional after tax royalty cash flows longer than five years in order to minimise reliance on residual values and is based primarily on three year business plans prepared by management.

The key assumptions on which management has based its cash flow forecasts to undertake impairment testing of brand names with indefinite lives are described below. These assumptions have been risk weighted where appropriate to support base valuations as the most likely outcome. Management considers that there are no reasonable possible changes that are foreseeable that have not been factored into such valuations.

i) Sales

Sales are based on three year business plans reviewed by management. Beyond those periods, sales are projected based on business plan targets and management expectations;

ii) Royalty rates

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

iii) Discount rates

Discount rates used are the weighted average cost of capital (after tax) for the Group in each CGU, risk adjusted where applicable. The local currency discount rates used for Australia, New Zealand, Fiji, Indonesia and PNG based CGUs are 8.0%, 7.6%, 10.6%, 11.4% and 11.6% (2010: 8.4%, 8.3%, 11.2%, 12.2% and 11.6%) per annum respectively; and

iv) Forecast growth rates

Forecast growth rates are used in the calculation of the residual value of each brand. For the purpose of impairment testing, real annual growth rates of nil to 2.0% (2010: nil to 2.0%) have been used.

15. TRADE AND OTHER PAYABLES

	Refer Note	**2011 $M**	2010 $M
Current			
Trade payables		**497.0**	315.6
Amounts due to related entities (trade)	33	**96.5**	138.4
Amounts due to related entities (non-trade)	33	**27.5**	34.9
Other payables		**114.6**	79.8
Total trade and other payables (current)		**735.6**	568.7

a) Related party payables

For terms and conditions relating to related party payables, refer to Note 33.

b) Fair value

Due to the short term nature of payables, the carrying amount is assumed to approximate their fair value. Refer to Note 32 for further details.

c) Interest rate, foreign exchange and liquidity risk

Details regarding interest rate, foreign exchange and liquidity risk exposure are disclosed in Note 32.

16. INTEREST BEARING LIABILITIES

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

Type of interest bearing liability/country	2011 $M	2010 $M	Interest rate p.a. 2011 %	Interest rate p.a. 2010 %	Denomination	Maturity date
Current						
Unsecured						
Bonds						
Australia	**48.1**	–	**4.7**	–	Australian Dollar	Mar to Jul 12
Australia	**25.3**	50.1	**1.9**	1.3	Japanese Yen	Mar 12
	73.4	50.1				
Loans						
Australia	**0.6**	0.5	**6.9**	6.9	Australian Dollar	Apr to Dec 12
Bank loans						
New Zealand	**–**	76.1	**–**	4.3	New Zealand Dollar	Oct 11
Indonesia	**33.5**	0.5	**7.1**	1.5	Indonesian Rupiah[1]	Jun 12
	33.5	76.6				
Bank overdrafts	**–**	3.7				
Total interest bearing liabilities (current)	**107.5**	130.9				
Non-current						
Unsecured						
Bonds						
Australia	**927.1**	700.6	**5.4**	5.4	Australian Dollar	Mar 13 to Sep 21
Australia	**303.4**	315.8	**2.4**	2.4	Japanese Yen	Sep 13 to Jun 36
Australia	**663.8**	678.9	**4.1**	4.1	United States Dollar	Nov 14 to Apr 16
New Zealand	**37.7**	–	**4.0**	–	New Zealand Dollar	Aug 18
New Zealand	**45.0**	–	**6.7**	–	Australian Dollar	Jul 21
New Zealand	**49.1**	–	**4.3**	–	United States Dollar	Sep 23
	2,026.1	1,695.3				
Loans						
Australia	**3.7**	4.3	**6.9**	6.9	Australian Dollar	Jun 17 to Apr 18
Bank loans						
New Zealand	**79.1**	104.9	**3.2**	4.3	New Zealand Dollar	Nov 15
Indonesia	**92.8**	33.0	**8.5**	8.0	Indonesian Rupiah	Jul 15
	171.9	137.9				
Total interest bearing liabilities (non-current)	**2,201.7**	1,837.5				

1 Multi-currency facility held in Indonesia can be drawn in either Indonesian Rupiah or United States Dollar (USD) with respective interest rates applicable. In 2010, the loan was drawn in USD. For floating rate instruments, the amount disclosed is determined by reference to the interest rate at the last repricing date.

a) Interest rate, foreign exchange and liquidity risk

Further details regarding interest rate, foreign exchange and liquidity risk are disclosed in Note 32.

b) Fair value

Details regarding the fair value of interest bearing liabilities are disclosed in Note 32.

16. INTEREST BEARING LIABILITIES CONTINUED

c) Financing facilities

The following financing facilities are available as at balance date –

	Refer Note	2011 $M	2010 $M
i) Bank loan facilities			
Total arrangements		**239.3**	309.5
Used as at the end of the financial year		**(205.4)**	(214.5)
Unused as at the end of the financial year		**33.9**	95.0
ii) Overdraft facilities			
Total arrangements		**5.0**	5.0
Used as at the end of the financial year		**–**	(3.7)
Unused as at the end of the financial year		**5.0**	1.3

d) Defaults or breaches

During the current and prior financial year, there were no defaults or breaches to the terms and conditions of any of the Group's borrowings.

17. PROVISIONS

	2011 $M	2010 $M
Current		
Employee benefits	**87.7**	73.5
Onerous contracts[1]	**12.6**	–
Total provisions (current)	**100.3**	73.5
Non-current		
Employee benefits	**12.2**	11.1
Total provisions (non-current)	**12.2**	11.1

1 Relates to restructuring costs classified as significant items. Refer to Note 4c) for further details.

18. DEFERRED TAX ASSETS AND LIABILITIES

	Refer Note	2011 $M	2010 $M
a) Deferred taxes			
Deferred tax assets		**–**	1.2
Deferred tax liabilities		**(153.8)**	(190.8)
Net deferred tax liabilities		**(153.8)**	(189.6)
b) Movements in net deferred tax liabilities for the financial year			
Balance at the beginning of the financial year		**(189.6)**	(156.3)
Credited/(charged) to the income statement as deferred tax benefit/(expense)	18d)	**71.5**	(34.1)
Credited/(charged) to equity	22c)	**28.1**	(10.7)
Acquisitions of entities and operations		**(0.3)**	–
Net foreign currency movements		**(0.3)**	2.5
Other[1]		**(63.2)**	9.0
Balance at the end of the financial year		**(153.8)**	(189.6)

1 Current year amount includes transfer to current tax liability of capital losses recognised in deferred tax benefit to offset the capital gain arising from significant items. Refer to Notes 5b) and 18d) for further details.

18. DEFERRED TAX ASSETS AND LIABILITIES CONTINUED

	Refer Note	2011 $M	2010 $M
c) Deferred taxes are attributable to the following			
Allowances for current assets		**15.5**	3.5
Accrued charges and employee expense obligations		**48.5**	39.5
Other deductible items		**20.0**	10.2
Investments in bottlers' agreements		**(130.7)**	(130.7)
Property, plant and equipment and intangible assets		**(72.6)**	(61.3)
Retained earnings balances of overseas subsidiaries[1]		**(21.4)**	(23.7)
Other taxable items		**(13.1)**	(27.1)
Net deferred tax liabilities		**(153.8)**	(189.6)

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

	Refer Note	2011 $M	2010 $M
d) Movements in deferred taxes, reflected in deferred tax (benefit)/expense, are attributable to the following			
Allowances for current assets		**(11.8)**	0.8
Accrued charges and employee expense obligations		**(6.6)**	10.2
Other deductible items		**(7.4)**	(0.3)
Property, plant and equipment and intangible assets[1]		**13.0**	22.6
Retained earnings balances of overseas subsidiaries		**(0.7)**	(1.2)
Tax losses[2]		**(61.6)**	–
Other taxable items		**3.6**	2.0
Net deferred tax (benefit)/expense	18b)	**(71.5)**	34.1

1 The comparative amount includes $9.3 million deferred tax expense relating to changes in the New Zealand tax legislation. Refer to Note 5 for further details.
2 Relates to capital and other tax losses recognised and derecognised respectively as part of the significant items. Refer to Notes 4c) and 5b) for further details.

	Refer Note	2011 $M	2010 $M
e) Deductible temporary differences not recognised, as realisation of the benefits represented by these balances is not considered to be probable			
Capital losses – no expiry date		**748.4**	961.3
Tax losses – no expiry date		**2.0**	–
Tax losses – 2024 to 2026 expiry		**5.3**	–
Other items – no expiry date		**41.1**	38.4
Deductible temporary differences not recognised		**796.8**	999.7
Potential tax benefit		**239.0**	299.9

19. DEFINED BENEFIT SUPERANNUATION PLANS

The Group sponsors a number of superannuation plans that incorporate defined contribution and defined benefit categories. The defined benefit plans are the CCA Superannuation Plan (CCASP), which is predominantly Australian based, and the CCBI Superannuation Plan (CCBISP), which is Indonesian based (Plans). The assets and liabilities of the CCA Group Superannuation Plan (CCAGSP) were transferred to the CCASP during the financial year. The defined benefit category for the CCASP is closed to new entrants. The Plans provide benefits for employees or their dependants on retirement, resignation or death, in the majority of cases in the form of lump sum payments.

The obligation to contribute to the various Plans is covered by a combination of trust deeds, legislation and regulatory requirements. Contributions to the Plans are made at levels necessary to ensure that the Plans have sufficient assets to meet their vested benefit obligations. The rate of contribution is based on a percentage of employees' salaries and wages and is regularly reviewed and adjusted based on actuarial advice.

19. DEFINED BENEFIT SUPERANNUATION PLANS CONTINUED

The following sets out details in respect of the defined benefit superannuation plans only –

	Refer Note	CCAGSP 2011 $M	CCAGSP 2010 $M	CCASP 2011 $M	CCASP 2010 $M	CCBISP 2011 $M	CCBISP 2010 $M	CCA Group 2011 $M	CCA Group 2010 $M
a) Balances recognised in the statement of financial position									
Present value of funded defined benefit obligations at the end of the financial year	19c)	**–**	33.6	**127.9**	74.4	**35.9**	29.0	**163.8**	137.0
Fair value of plan assets at the end of the financial year	19d)	**–**	(36.5)	**(128.8)**	(92.2)	**–**	–	**(128.8)**	(128.7)
		–	(2.9)	**(0.9)**	(17.8)	**35.9**	29.0	**35.0**	8.3
Unrecognised past service cost		**–**	–	**–**	–	**(1.6)**	(1.8)	**(1.6)**	(1.8)
Unrecognised gains/(losses)		**–**	2.6	**(13.6)**	2.4	**(4.0)**	(0.4)	**(17.6)**	4.6
Net defined benefit (assets)/liabilities		**–**	(0.3)	**(14.5)**	(15.4)	**30.3**	26.8	**15.8**	11.1
These amounts are disclosed as –									
Defined benefit liabilities		**–**	–	**–**	–	**30.3**	26.8	**30.3**	26.8
Defined benefit assets		**–**	(0.3)	**(14.5)**	(15.4)	**–**	–	**(14.5)**	(15.7)
Net defined benefit (assets)/liabilities		**–**	(0.3)	**(14.5)**	(15.4)	**30.3**	26.8	**15.8**	11.1
b) Expense recognised in the income statement									
Current service cost		**–**	1.8	**7.3**	4.8	**2.3**	2.6	**9.6**	9.2
Interest cost		**–**	1.6	**5.8**	3.7	**2.7**	3.5	**8.5**	8.8
Expected return on plan assets		**–**	(1.9)	**(7.5)**	(5.6)	**–**	–	**(7.5)**	(7.5)
Amortisation of previous period reported actuarial gains		**–**	(0.1)	**(0.1)**	–	**–**	–	**(0.1)**	(0.1)
Past service cost		**–**	–	**–**	–	**0.2**	0.2	**0.2**	0.2
Expense recognised in the income statement		**–**	1.4	**5.5**	2.9	**5.2**	6.3	**10.7**	10.6

	CCAGSP 2011 $M	CCAGSP 2010 $M	CCASP 2011 $M	CCASP 2010 $M	CCBISP[1] 2011 $M	CCBISP[1] 2010 $M
c) Movements of the present value of defined benefit obligations						
Present value of defined benefit obligations at the beginning of the financial year	**33.6**	29.5	**74.4**	66.2	**29.0**	28.4
Transfer	**(33.6)**	–	**33.6**	–	**–**	–
Current service cost	**–**	1.8	**7.3**	4.8	**2.3**	2.6
Interest cost	**–**	1.6	**5.8**	3.7	**2.7**	3.5
Actuarial losses/(gains)	**–**	2.0	**15.0**	4.6	**3.6**	(0.2)
Benefits paid	**–**	(1.3)	**(8.2)**	(4.9)	**(1.6)**	(2.4)
Net foreign currency movements	**–**	–	**–**	–	**(0.1)**	(2.9)
Present value of defined benefit obligations at the end of the financial year	**–**	33.6	**127.9**	74.4	**35.9**	29.0
d) Movements of the fair value of plan assets						
Fair value of plan assets at the beginning of the financial year	**36.5**	33.7	**92.2**	86.4	**–**	–
Transfer	**(36.5)**	–	**36.5**	–	**–**	–
Expected return on plan assets	**–**	1.9	**7.5**	5.6	**–**	–
Actuarial gains/(losses)	**–**	0.2	**(3.5)**	(0.3)	**–**	–
Employer contributions	**–**	2.0	**4.3**	5.4	**–**	–
Benefits paid	**–**	(1.3)	**(8.2)**	(4.9)	**–**	–
Fair value of plan assets at the end of the financial year	**–**	36.5	**128.8**	92.2	**–**	–

1 The CCBISP has no plan assets. PT Coca-Cola Bottling Indonesia and PT Coca-Cola Distribution Indonesia, in total, accrue CCBISP's liabilities as per the actuarial assessment applying the "corridor" approach.

19. DEFINED BENEFIT SUPERANNUATION PLANS CONTINUED

	CCAGSP		CCASP		CCBISP[1]	
	2011 %	2010 %	**2011 %**	2010 %	**2011 %**	2010 %
e) Plan assets						
The percentage invested in each asset class at the reporting date (including pension assets) was –						
Australian equities	**–**	17.0	**17.0**	23.0	**–**	–
Overseas equities	**–**	15.0	**15.0**	26.0	**–**	–
Fixed interest securities	**–**	51.0	**40.0**	34.0	**–**	–
Property	**–**	10.0	**4.0**	13.0	**–**	–
Other	**–**	7.0	**24.0**	4.0	**–**	–
f) Principal actuarial assumptions						
The following table sets out the principal actuarial assumptions used as at the reporting date in measuring the defined benefit obligations of each plan (per annum basis) –						
Discount rate	**–**	5.5	**3.8**	5.5	**7.0**	9.3
Expected return on plan assets	**–**	5.9	**6.2**	6.1	**–**	–
Future salary increases	**–**	4.5	**4.0**	4.3	**5.0**	6.0
Future inflation	**–**	2.8	**2.8**	2.8	**6.0**	6.0
Future pension increases	**–**	2.8	**2.8**	–	**–**	–

The present value of defined benefit obligations is determined by discounting the estimated future cash flows using a discount rate based on government guaranteed securities with similar due dates to these expected cash flows. For the Australian based plans, the 10 year Australian Government bond rate is used as it has the closest term obtainable from the Australian bond market to match the terms of the defined benefit obligations.

g) Fair values of the Plans' assets

The fair values of the Plans' assets include no amounts relating to –

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

h) Expected rate of return on the Plans' assets

The expected returns on the Plans' assets assumptions are 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.

i) Historical information

	CCAGSP					CCASP				
	2011 $M	2010 $M	2009 $M	2008 $M	2007 $M	**2011 $M**	2010 $M	2009 $M	2008 $M	2007 $M
Present value of defined benefit obligations	**–**	33.6	29.5	39.4	29.9	**127.9**	74.4	66.2	85.3	62.0
Fair value of plan assets	**–**	(36.5)	(33.7)	(28.3)	(33.0)	**(128.8)**	(92.2)	(86.4)	(69.3)	(81.8)
(Surplus)/deficit in plan	**–**	(2.9)	(4.2)	11.1	(3.1)	**(0.9)**	(17.8)	(20.2)	16.0	(19.8)
Experience adjustments – plan liabilities	**–**	(0.4)	2.5	(1.6)	(0.9)	**2.7**	(0.2)	0.6	(4.6)	(1.9)
Experience adjustments – plan assets	**–**	0.2	2.2	(6.5)	(0.9)	**(3.5)**	(0.3)	6.9	(24.2)	0.1

	CCBISP				
	2011 $M	2010 $M	2009 $M	2008 $M	2007 $M
Present value of defined benefit obligations	**35.9**	29.0	28.4	25.7	23.7

	CCAGSP		CCASP		CCBISP	
	2011 $M	2010 $M	**2011 $M**	2010 $M	**2011 $M**	2010 $M
19. DEFINED BENEFIT SUPERANNUATION PLANS CONTINUED						
j) Actual return on plan assets						
Actual return on plan assets	**–**	2.1	**4.0**	5.3	**–**	–

	2012 $M	2011 $M	2012 $M	2011 $M	2012 $M	2011 $M
k) Expected future contributions						
Expected future contributions	–	1.8	6.5	4.9	–	–

While expected employer contributions are based on a percentage of employees' salaries and wages, CCA's funding policy is intended to ensure that the levels of the Australian based plans' assets are sufficient to meet their vested benefit obligations. The amount of contributions may vary to that expected, due to material changes in economic assumptions and conditions, based on regular actuarial advice.

Vested benefit obligations represent the estimated total amount that the Plans would be required to pay if all defined benefit members were to voluntarily leave the Plans on the particular valuation date. However, the liability recognised in the statement of financial position is based on the projected benefit obligation which represents the present value of employees' benefits accrued to date assuming that employees will continue to work and be members of the Plans until their exit. The projected benefit obligation takes into account future increases in an employee's salary and provides a longer term view of the financial position of the Plans.

20. SHARE CAPITAL

	Refer Note	**2011 No.**	2010 No.	**2011 $M**	2010 $M
a) Issued capital					
Fully paid ordinary shares					
Balance at the beginning of the financial year		**756,003,067**	748,219,617	**2,180.2**	2,096.7
Shares issued in respect of –					
Dividend Reinvestment Plan	20b)	**2,993,585**	7,289,650	**34.9**	81.5
Executive Option Plan	23	**570,900**	493,800	**3.1**	2.0
Total movements		**3,564,485**	7,783,450	**38.0**	83.5
Balance at the end of the financial year		**759,567,552**	756,003,067	**2,218.2**	2,180.2

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.

b) Dividend Reinvestment Plan

CCA's Dividend Reinvestment (DRP) continues to be available to eligible shareholders. The DRP provides shareholders with the opportunity to receive fully paid ordinary shares, in lieu of cash dividends, at the price calculated using the daily volume weighted average market price of CCA shares during the 10 trading days commencing on the second trading day after the record date for the dividend. The DRP discount was reduced from 2% to nil, with effect from the 2010 interim dividend. The record date for the final dividend is 2 March 2012.

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

	2011			2010		
	Shares issued No.	**Issue price $**	**Proceeds $M**	Shares issued No.	Issue price $	Proceeds $M
Prior year final dividend	**1,707,129**	**11.59**	**19.8**	5,978,452	11.03	66.0
Current year interim dividend	**1,286,456**	**11.75**	**15.1**	1,311,198	11.83	15.5
Total	**2,993,585**		**34.9**	7,289,650		81.5

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 25.

	Refer Note	2011 $M	2010 $M
21. SHARES HELD BY EQUITY COMPENSATION PLANS			
Balance at the beginning of the financial year		**(17.9)**	(13.7)
Movements in unvested CCA ordinary shares held by –			
Employees Share Plan		**1.1**	(1.5)
other plans		**0.3**	(2.7)
Total movements		**1.4**	(4.2)
Balance at the end of the financial year		**(16.5)**	(17.9)

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 other CCA share plans.

Refer to Note 23 for further information of CCA share plans.

22. RESERVES

	Refer Note	2011 $M	2010 $M
a) Reserves at the end of the financial year			
Foreign currency translation reserve		**(90.9)**	(108.3)
Share based remuneration reserve		**25.9**	35.1
Cash flow hedging reserve		**(26.5)**	33.4
Total reserves		**(91.5)**	(39.8)
b) Movements			
Foreign currency translation reserve			
Balance at the beginning of the financial year		**(108.3)**	(67.5)
Translation of financial statements of foreign operations		**17.2**	(40.8)
Transfer to the income statement	4c)	**0.2**	–
Total movements		**17.4**	(40.8)
Balance at the end of the financial year		**(90.9)**	(108.3)

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

	Refer Note	2011 $M	2010 $M
Share based remuneration reserve			
Balance at the beginning of the financial year		**35.1**	33.0
Expense recognised		**14.8**	10.1
Deferred tax adjustment	22c)	**1.9**	5.0
Movements in unvested CCA ordinary shares held by –			
Employees Share Plan		**(5.5)**	1.5
other plans		**(0.3)**	–
Share based payments[1]		**(14.4)**	(9.1)
Other		**(5.7)**	(5.4)
Total movements		**(9.2)**	2.1
Balance at the end of the financial year		**25.9**	35.1

1 Shares purchased on market.

The share based remuneration reserve is used to record the following share based remuneration obligations to employees and other amounts 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 Rights Plan with respect to unvested incentives for senior executives, and for completed plans where awards conditional upon a market condition have not been met; and
- as held by the Executive Retention Share Plan, which have not vested to senior executives as at the end of the financial year.

Refer to Note 23 for further information of CCA share plans.

	Refer Note	2011 $M	2010 $M
22. RESERVES CONTINUED			
b) Movements continued			
Cash flow hedging reserve			
Balance at the beginning of the financial year		**33.4**	(3.8)
Revaluation of cash flow hedges to fair value		**(87.1)**	71.2
Transfer to the income statement		**1.0**	(18.3)
Deferred tax adjustment	22c)	**26.2**	(15.7)
Total movements		**(59.9)**	37.2
Balance at the end of the financial year		**(26.5)**	33.4

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 statement.

c) Reserve movements attributable to deferred taxes			
Share based remuneration reserve	22b)	**1.9**	5.0
Cash flow hedging reserve	22b)	**26.2**	(15.7)
Total	18b)	**28.1**	(10.7)

23. EMPLOYEE OWNERSHIP PLANS

The Company has seven share and option plans for employees and Directors of the Group: the Employees Share Plan, the Long Term Incentive Share Rights Plan, the Executive Salary Sacrifice Share Plan and the Executive Retention Share Plan which are active; and the Non-Executive Directors Share Plan, the Non Executive Directors' Retirement Share Trust and the Executive Option Plan which are inactive. All options in the CCA Executive Option Plan have either been exercised or have lapsed.

Fully paid ordinary shares issued under these Plans rank equally with all other existing fully paid ordinary shares, in respect of voting rights and dividends and future bonus and rights issues.

Employees Share Plan

The Employees Share Plan commenced in 1990 and provides employees with an opportunity to contribute up to 3% of their base 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 15,278 (2010: 15,211).

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

Details of the movements in share balances under the Plan during the 2011 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	3,607,518	3,607,518	9,694	7,224,730
Purchased	732,861	579,446	–	1,312,307
Utilised from reserves	–	153,415	(153,415)	–
Distributed to employees	(773,914)	(626,852)	–	(1,400,766)
Forfeited	–	(147,062)	147,062	–
Shares at the end of the financial year	**3,566,465**	**3,566,465**	**3,341**	**7,136,271**
Number of shares vested to employees	**3,566,465**	**2,287,246**	**–**	**5,853,711**

23. EMPLOYEE OWNERSHIP PLANS CONTINUED

Long Term Incentive Share Rights Plan

The Long Term Incentive Share Rights Plan (LTISRP) commenced in 2002 and provides senior executives with the opportunity to be rewarded with fully paid ordinary shares, providing the Plan meets minimum pre-determined hurdles, as an incentive to create long term growth in value for CCA shareholders. The Plan is administered by a trustee which acquires (and holds in trust) shares for the benefit of participants. These shares are purchased on market or issued to the trustee once the Plan vests.

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.

Half the grant is subject to a TSR performance condition and the other half is subject to an EPS performance condition. Employees must also meet the service condition of being employed at the end of the three year plan period unless the employment ceased because of death, total and permanent disability, retirement or redundancy or any other reason as determined by the Board in its absolute discretion. In such cases, for employees who have been employed for a period of 12 months or greater within the performance period, there can be a pro-rata award based on the number of completed months employed during the performance period, with the final award being determined at the completion of the performance period. Any unvested share rights are forfeited. No dividends are received during the performance period.

The estimated fair value of shares offered in the LTISRP is calculated by multiplying the threshold number of shares by the fair value of the shares at grant date and expensed over the performance period.

For the financial year, the inputs used for valuing the share rights offered under the 2011-2013 plan were: $11.77 share price for the share rights offered on 1 March 2011 and $11.77 share price for the share rights offered on 4 May 2011; risk free rate of 5.2% for the share rights offered on 1 March 2011 and 5.1% for the share rights offered on 4 May 2011 based on Australian Government bond yields for periods matching the expected life of the plan (as at offer date); expected volatility of 18.0% based on the rolling one year historical volatility of CCA's share price and volatility implied in the pricing of traded options; dividend yield of 4.4% for the share rights offered on 1 March 2011 and 4.4% for the share rights offered on 4 May 2011 based on the consensus broker forecasts divided by the share price at grant date.

During the financial year, the number of share rights offered to executives under the 2011-2013 plan (2010: 2010-2012 plan), and which are subject to performance hurdles, was 910,600 (2010: 966,484), with a weighted average fair value of $12.57 (2010: $12.88).

As at the end of the financial year, the number of shares in the LTISRP was 1,961,493 (2010: 1,834,676), with 223 participants (2010: 173 participants).

Executive Salary Sacrifice Share Plan

The Executive Salary Sacrifice Share Plan was established in September 2004. 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.

The Plan has a compulsory participation component and a voluntary salary sacrifice component. Under the compulsory participation component, which is more fully referred to in the Remuneration Report found in the Directors' Report, Australian executives participating in the Company's annual cash incentive plans are required to sacrifice a proportion of any awards made under the Plan, with the sacrificed amount being contributed towards the 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. The voluntary salary sacrifice component, which allowed Australian executives to voluntarily sacrifice a nominated proportion of their remuneration, was suspended from 31 October 2009.

As at the end of the financial year, the number of shares in the Plan was 321,908 (2010: 484,271).

Executive Retention Share Plan

The Executive Retention Share Plan (ERSP) was established in 2007, and key senior executives are invited to participate in the Plan. The Group Managing Director is not eligible to participate without shareholder approval and was not invited to participate in the Plan. The ERSP complements the LTISRP 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 2010, 43 senior executives were granted 239,050 shares in the Plan. In 2011, 40 senior executives remain in the Plan with a share balance of 231,050. This Plan vests in 2013.

All shares in relation to this Plan have been purchased on market and the costs are amortised over the three year vesting period. Forfeited shares are utilised by the Employees Share Plan.

As at the end of the financial year, the number of shares in all issues of the Plan was 345,060 (2010: 408,910).

Non-Executive Directors Share Plan

The Non-Executive Directors Share Plan was suspended in September 2010.

The Plan 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.

As at the end of the financial year, there were five Non-Executive Directors participating in the Plan and the number of shares in the Plan was 292,767 (2010: 319,666).

23. EMPLOYEE OWNERSHIP PLANS CONTINUED

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 on 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 participating 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 their 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.

As at the end of the financial year, there are two applicable Non-Executive Directors participating in the Trust and the number of shares in the Trust was 114,339 (2010: 146,901).

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.

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

	2011 No.	2010 No.
Options at the beginning of the financial year	**693,950**	1,350,150
Reinstated	–	1,800
Exercised	**(570,900)**	(493,800)
Expired	**(123,050)**	(164,200)
Options at the end of the financial year	–	693,950

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

	2011				2010			
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	–	–	–	–	285,600	11.36	0.9	3.2
5.44	**570,900**	**11.55**	**3.1**	**6.6**	208,200	11.81	1.1	2.5
Total	**570,900**		**3.1**	**6.6**	493,800		2.0	5.7

	Refer Note	**2011 $M**	2010 $M
24. DIVIDENDS			
a) Summary of dividends appropriated during the financial year			
Prior year final dividend[1]		**211.8**	187.1
Current year interim dividend[2]		**166.8**	154.7
Total dividends appropriated		**378.6**	341.8
Dividends satisfied by issue of shares under the Dividend Reinvestment Plan	6b)	**(34.9)**	(81.5)
Dividends paid as per the statement of cash flows		**343.7**	260.3
b) Dividends declared and not recognised as a liability			
Since the end of the financial year, the Directors have declared the following dividend –			
Current year final dividend on ordinary shares[3]		**231.7**	211.7
c) Franking credits[4]			
Balance of the franking account at the end of the financial year		**91.1**	84.4
Franking credits which will arise from payment of income tax provided for in the financial statements		**20.1**	71.8
Total franking credits		**111.2**	156.2

1 Paid at 28.0¢ (2010: 25.0¢) per share and fully franked at the Australian tax rate of 30%.
2 Paid at 22.0¢ (2010: 20.5¢) per share and fully franked at the Australian tax rate of 30%.
3 Declared at 30.5¢ (2010: 28.0¢) per share and fully franked at the Australian tax rate of 30%.
4 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 $259.5 million (2010: $364.5 million).

The franking credits balance will be reduced by $99.3 million, resulting from the final dividend declared for 2011, payable 3 April 2012.

	¢	¢
25. EARNINGS PER SHARE (EPS)		
Basic and diluted EPS	**78.1**	66.0
Before significant items –		
Basic EPS	**70.2**	67.3
Diluted EPS	**70.2**	67.2

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

	No. M	No. M
Weighted average number of ordinary shares on issue used to calculate basic EPS	**757.9**	753.2
Effect of dilutive securities – share options	**0.2**	0.6
Adjusted weighted average number of ordinary shares on issue used to calculate diluted EPS	**758.1**	753.8
	$M	$M
Earnings used to calculate basic and diluted EPS –		
Profit after income tax attributable to members of the Company	**591.8**	497.3
(Less)/add back significant items[1]	**(59.8)**	9.3
Earnings used to calculate basic and diluted EPS before significant items	**532.0**	506.6

1 Amounts classified as significant items consist of net gains of $1.6 million before income tax and an income tax benefit of $58.2 million, or $59.8 million after income tax for 2011 (2010: $9.3 million income tax expense). Refer to Notes 4c) and 5 respectively for further details.

	2011 $M	2010 $M
26. COMMITMENTS		
a) Capital expenditure commitments		
Estimated aggregate amount of contracts for purchase of property, plant and equipment not provided for, payable –		
within one year	**88.9**	112.1
later than one year but not later than five years	**19.2**	24.4
	108.1	136.5
b) Operating lease commitments		
Lease commitments for non-cancellable operating leases with terms of more than one year, payable –		
within one year	**69.2**	61.5
later than one year but not later than five years	**153.9**	135.0
later than five years	**140.8**	91.1
	363.9	287.6

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.

	2011 $M	2010 $M
c) Other commitments		
Promotional commitments, payable –		
within one year	**27.0**	28.2
later than one year but not later than five years	**55.1**	64.6
later than five years	**9.2**	8.4
	91.3	101.2

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

27. CONTINGENCIES

	2011 $M	2010 $M
Contingent liabilities existed at the end of the financial year in respect of –		
termination payments under employment contracts[1]	**9.5**	8.8
other guarantees	**0.6**	2.8
	10.1	11.6

1 Refer to the Remuneration Report found in the Directors' Report for further details.

The Directors are of the opinion that provisions are not required in respect of the matters disclosed above, as it is not probable that a future sacrifice of economic benefits will be required.

	2011 $M	2010 $M
28. AUDITORS' REMUNERATION		
Amounts received, or due and receivable, by –		
CCA auditor, Ernst & Young (Australia) for –		
audit or half year review of the financial reports	**1.596**	1.780
other services –		
assurance related	**0.322**	0.506
tax compliance	**0.116**	0.016
	0.438	0.522
	2.034	2.302
Member firms of Ernst & Young in relation to subsidiaries of CCA for –		
audit or half year review of the financial reports	**0.376**	0.441
other services –		
assurance related	**0.001**	–
tax compliance	**0.001**	0.003
	0.002	0.003
	0.378	0.444
Other firms in relation to subsidiaries of CCA for –		
audit or half year review of the financial reports	**0.106**	0.061
other services –		
assurance related	**0.020**	–
tax compliance	**0.067**	0.010
	0.087	0.010
	0.193	0.071
Total auditors' remuneration	**2.605**	2.817

29. BUSINESS COMBINATIONS

There were no material acquisitions or disposals of entities or businesses during the comparative financial year. For the financial year ended 31 December 2011, the Group made the following acquisition –

	Acquisition date	Total purchase consideration (net) $M	Fair value of identifiable assets acquired $M	Goodwill $M
Vending business (Non-Alcohol Beverages – Australia)	21 February	**11.6**	**2.5**	**9.1**

30. KEY MANAGEMENT PERSONNEL DISCLOSURES

Total remuneration for KMP for the CCA Group during the financial year is set out below –

Remuneration by category	**2011 $**	2010 $
Short term	**11,653,570**	11,912,912
Post employment	**2,047,056**	2,014,179
Other long term	**–**	49,994
Share based payments	**3,198,777**	3,106,708
	16,899,403	17,083,793

Further details are contained in the Remuneration Report found in the Directors' Report.

a) Options held by key management personnel

There were no options on issue to KMP during the financial year.

b) Shareholdings of individuals whilst acting in the capacity of KMP

2011 Number of ordinary shares held	Opening balance[1]	Additions[2]	Issued/ awarded as remuneration[3]	Shares withdrawn or sold[4]	Closing balance
Directors in office at the end of the financial year					
D.M. Gonski, AC	**367,529**	**12,759**	**–**	**–**	**380,288**
I.R. Atlas[5]	**–**	**–**	**–**	**–**	**–**
C.M. Brenner	**12,932**	**560**	**–**	**–**	**13,492**
T.J. Davis[6&7]	**399,774**	**–**	**215,500**	**(86,681)**	**528,593**
A.G. Froggatt[8]	**49,000**	**–**	**–**	**–**	**49,000**
M. Jansen	**10,173**	**–**	**–**	**–**	**10,173**
G.J. Kelly	**22,317**	**70**	**–**	**–**	**22,387**
W.M. King, AO	**54,827**	**335**	**–**	**–**	**55,162**
D.E. Meiklejohn, AM	**25,275**	**–**	**–**	**–**	**25,275**
Executives					
W.G. White[7]	**354,525**	**15,389**	**65,515**	**(220,850)**	**214,579**
G. Adams[7]	**34,097**	**2,762**	**16,027**	**(20,000)**	**32,886**
E. Rey[9]	**–**	**468**	**–**	**–**	**468**
V. Pinneri	**3,837**	**1,441**	**–**	**–**	**5,278**
N.I. O'Sullivan[7]	**60,739**	**2,881**	**26,087**	**–**	**89,707**
P.N. Kelly[10]	**149,081**	**1,446**	**27,280**	**(177,807)**	**–**

1 Includes existing balances of shares on appointment to being a KMP during the financial year.
2 Includes the purchase of ordinary shares and shares issued under the Employees Share Plan, Dividend Reinvestment Plan, Executive Salary Sacrifice Share Plan and Executive Retention Share Plan. The additions to the shareholdings were at arm's length.
3 Shares awarded under the 2008-2010 LTISRP.
4 Includes movements attributable to cessation of individuals in their capacity of KMP.
5 Appointed 23 February 2011.
6 Includes beneficial interest in 378,466 shares held by the LTISRP, which are subject to the conditions of the Plan.
7 Subsequent to 31 December 2011, the following awards under the 2009-2011 LTISRP were made to individuals classified as ongoing KMP as at the end of the financial year –

Mr Davis	190,826	Mr Pinneri	7,548
Mr White	58,010	Ms O'Sullivan	23,098
Mr Adams	15,097		

8 Indirect interest in 25,000 shares as an executor of a will, and in 24,000 shares under an enduring power of attorney.
9 Appointed 1 November 2011.
10 Ceased to be a KMP on 31 October 2011.

30. KEY MANAGEMENT PERSONNEL DISCLOSURES CONTINUED

b) Shareholdings of individuals whilst acting in the capacity of KMP continued

2010 Number of ordinary shares held	Opening balance[1]	Additions[2]	Issued/ awarded as remuneration[3]	Shares withdrawn or sold[4]	Closing balance
Directors in office at the end of the financial year					
D.M. Gonski, AC	355,793	11,736	–	–	367,529
C.M. Brenner	12,430	502	–	–	12,932
J.R. Broadbent, AO[5]	66,308	1,448	–	–	67,756
T.J. Davis[6&7]	1,085,934	–	183,967	(870,127)	399,774
A.G. Froggatt[8&9]	–	49,000	–	–	49,000
M. Jansen	–	10,173	–	–	10,173
G.J. Kelly	22,255	62	–	–	22,317
W.M. King, AO	54,527	300	–	–	54,827
D.E. Meiklejohn, AM	25,275	–	–	–	25,275
Executives					
W.G. White[7]	247,326	130,056	49,568	(72,425)	354,525
G. Adams[7]	40,619	8,406	6,772	(21,700)	34,097
V. Pinneri	1,149	2,688	–	–	3,837
N.I. O'Sullivan[7]	39,260	11,804	9,675	–	60,739
P.N. Kelly[7]	108,632	19,809	20,640	–	149,081
K.A. McKenzie[5]	42,341	17,789	19,350	(53,950)	25,530
S.C. Perkins[10]	59,108	20,254	16,125	(95,487)	–
J. Seward[11]	94,061	16,276	17,415	(127,752)	–

1 Includes existing balances of shares on appointment to being a KMP during the financial year.
2 Includes the purchase of ordinary shares and shares issued under the Employees Share Plan, Dividend Reinvestment Plan, Executive Salary Sacrifice Share Plan and Executive Retention Share Plan. The additions to the shareholdings were at arm's length.
3 Shares awarded under the 2007-2009 LTISRP.
4 Includes movements attributable to cessation of individuals in their capacity of KMP.
5 Retired 31 December 2010.
6 Includes beneficial interest in 247,156 shares held by the LTISRP, which are subject to the conditions of the Plan.
7 Subsequent to 31 December 2010, the following awards under the 2008-2010 LTISRP were made to individuals classified as ongoing KMP as at the end of the financial year –

Mr Davis	215,500	Ms O'Sullivan	26,087
Mr White	65,515	Mr Kelly	27,280
Mr Adams	16,027		

8 Appointed 1 December 2010.
9 Indirect interest in 25,000 shares as an executor of a will, and in 24,000 shares under an enduring power of attorney.
10 Ceased to be a KMP on 30 June 2010.
11 Ceased to be a KMP on 31 January 2010.

Loans to key management personnel

Neither CCA nor any other Group company has loans with KMP.

Other transactions of key management personnel and their personally related entities

Neither CCA nor any other Group company was party to any other transactions with and KMP (including their personally related entities).

	Refer Note	2011 $M	2010 $M
31. DERIVATIVES AND NET DEBT RECONCILIATION			
a) Derivatives as per the statement of financial position			
Derivative assets – current	32b)	**(14.7)**	(46.4)
Derivative assets – non-current	32b)	**(73.7)**	(87.3)
Derivative liabilities – current	32b)	**48.5**	51.8
Derivative liabilities – non-current	32b)	**208.3**	176.1
Total net derivative liabilities		**168.4**	94.2
Net derivative liabilities comprises –			
Debt related		**123.1**	125.3
Non-debt related		**45.3**	(31.1)
Total net derivative liabilities		**168.4**	94.2
b) Net debt reconciliation			
Cash assets	6	**(664.9)**	(385.3)
Receivables – current[1]		**(24.5)**	–
Receivables – non-current[1]		**–**	(19.0)
Net derivative liabilities – debt related		**123.1**	125.3
Interest bearing liabilities – current	16	**107.5**	130.9
Interest bearing liabilities – non-current	16	**2,201.7**	1,837.5
Total net debt		**1,742.9**	1,689.4

1 Loan to the joint venture entity.

32. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern 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 and debt related derivatives less cash assets and interest bearing receivables. 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 gearing ratio –

	Refer Note	2011 $M	2010 $M
Net debt	31	**1,742.9**	1,689.4
Total equity		**2,034.3**	1,833.4
Total capital employed		**3,777.2**	3,522.8
		%	%
Gearing ratio		**85.7**	92.1

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management

The Group's principal financial instruments, other than derivatives, comprise cash, short term deposits, bank loans and capital markets issues. The main purpose of financial instruments is to manage liquidity and hedge the Group's exposure to financial risks namely –

- interest rate risk;
- foreign currency risk;
- commodity price risk;
- credit risk; and
- liquidity risk.

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 a right that effectively transfers one or more of the risks associated with an underlying financial instrument, asset or obligation. Derivative financial instruments that the Group uses to hedge risks such as interest rate, foreign currency and commodity price movements include –

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

The Group's risk management activities are carried out centrally by CCA's Group Treasury function which is governed by a Board approved Treasury Policy.

a) Risk factors

i) Interest rate risk

Interest rate risk arises from interest bearing financial assets and liabilities that the Group utilises. Non-derivative interest bearing financial instruments are predominantly short term liquid assets and long term debt issued at fixed rates which exposes the Group to fair value interest rate risk. The Group's borrowings which have a variable interest rate 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 and short term debt. The Group primarily enters into interest rate swap, interest rate option and cross currency swap agreements to manage these risks. 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 b) 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 fixed and floating interest rate risk –

	Average floating interest rate p.a. %	Floating rate $M	Fixed rate $M	Non-interest bearing $M	Total $M
As at 31 December 2011					
Financial assets					
Cash assets	4.2	664.9	–	–	664.9
Trade and other receivables	7.9	24.5	–	846.5	871.0
Derivative assets	–	–	–	88.4	88.4
Other financial asset	–	–	–	288.6	288.6
		689.4	–	1,223.5	1,912.9
Financial liabilities					
Trade and other payables	–	–	–	735.6	735.6
Bonds	4.2	872.0	1,227.5	–	2,099.5
Loans	6.9	4.3	–	–	4.3
Bank loans	4.3	112.6	92.8	–	205.4
Derivative liabilities	–	–	–	256.8	256.8
		988.9	1,320.3	992.4	3,301.6

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

a) Risk factors continued

i) Interest rate risk continued

	Average floating interest rate p.a. %	Floating rate $M	Fixed rate $M	Non-interest bearing $M	Total $M
As at 31 December 2010					
Financial assets					
Cash assets	3.3	385.3	–	–	385.3
Trade and other receivables	8.2	19.0	–	773.7	792.7
Derivative assets	–	–	–	133.7	133.7
		404.3	–	907.4	1,311.7
Financial liabilities					
Trade and other payables	–	–	–	568.7	568.7
Bonds	5.3	852.6	892.8	–	1,745.4
Loans	6.9	4.8	–	–	4.8
Bank loans	6.2	214.5	–	–	214.5
Bank overdrafts	–	–	–	3.7	3.7
Derivative liabilities	–	–	–	227.9	227.9
		1,071.9	892.8	800.3	2,765.0

Sensitivity analysis

The sensitivity analysis on interest rate risk 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 underlying exposures and related hedges. Concurrent movements in interest rates in the yield curves are assumed.

A sensitivity of 10% has been selected as this is considered a reasonable possible change over the financial year based on historical interest rate movements and also given the current level of both short term and long term Australian interest rates. In 2011, 85.0% (2010: 88.0%) of the Group's debt was denominated in Australian Dollar interest rates.

Based on the sensitivity analysis, if interest rates were 10% higher/lower, the impact on the Group during the year would be –

	Net profit		**Equity (cash flow hedging reserve) As at 31 December**	
	2011 $M	2010 $M	**2011 $M**	2010 $M
If interest rates were 10% higher with all other variables held constant – increase/(decrease)	**0.9**	0.7	**16.0**	16.9
If interest rates were 10% lower with all other variables held constant – increase/(decrease)	**(0.9)**	(0.7)	**(16.3)**	(17.4)

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 –

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

The Group's risk management policy for foreign exchange is to be able to hedge forecast transactions for up to four years into the future before requiring executive management approval. 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.

Forward foreign exchange and options contracts are used to hedge a portion of the Group's anticipated non-debt related foreign currency risks. These contracts have maturities of less than four years after the reporting 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 statement at various dates during the 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.

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

a) Risk factors continued

ii) Foreign currency risk continued

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 financial 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 statement and this is mainly attributable to financial instruments in a fair value hedge relationship. Also refer to section b) of this Note for further details.

The Group's exposure to foreign currency risk at the reporting date was as follows (all amounts are denominated in Australian Dollars) –

	United States Dollars $M	New Zealand Dollars $M	Fijian Dollars $M	Indonesian Rupiah $M	Papua New Guinean Kina $M	Other $M	Total $M
For the year ended 31 December 2011							
Financial assets							
Cash assets	**0.3**	**18.9**	**4.8**	**3.9**	**52.5**	**4.2**	**84.6**
Trade and other receivables	**3.6**	**84.5**	**4.1**	**76.8**	**22.8**	**5.9**	**197.7**
Derivatives financial instruments							
Interest rate derivative contracts	**–**	**153.4**	**–**	**–**	**–**	**–**	**153.4**
foreign exchange derivative contracts[1]	**1,200.2**	**10.4**	**–**	**–**	**–**	**386.5**	**1,597.1**
commodity derivative contracts	**28.6**	**–**	**–**	**–**	**–**	**–**	**28.6**
	1,232.7	**267.2**	**8.9**	**80.7**	**75.3**	**396.6**	**2,061.4**
Financial liabilities							
Trade and other payables	**41.0**	**38.6**	**1.4**	**58.7**	**17.9**	**2.5**	**160.1**
Interest bearing liabilities[1]	**712.9**	**116.8**	**–**	**126.3**	**–**	**328.7**	**1,284.7**
Derivative financial instruments							
Interest rate derivative contracts	**–**	**158.1**	**–**	**–**	**–**	**–**	**158.1**
foreign exchange derivative contracts	**0.3**	**172.0**	**5.6**	**76.3**	**15.6**	**5.5**	**275.3**
commodity derivative contracts	**20.5**	**–**	**–**	**–**	**–**	**–**	**20.5**
	774.7	**485.5**	**7.0**	**261.3**	**33.5**	**336.7**	**1,898.7**
For the year ended 31 December 2010							
Financial assets							
Cash assets	0.3	14.6	5.3	5.2	28.8	5.4	59.6
Trade and other receivables	–	82.6	4.1	65.7	16.7	2.3	171.4
Derivative financial instruments							
Interest rate derivative contracts	–	152.7	–	–	–	–	152.7
foreign exchange derivative contracts[1]	1,118.5	21.4	–	–	–	415.1	1,555.0
commodity derivative contracts	17.9	–	–	–	–	–	17.9
	1,136.7	271.3	9.4	70.9	45.5	422.8	1,956.6
Financial liabilities							
Trade and other payables	29.5	39.3	3.5	40.4	15.7	7.6	136.0
Interest bearing liabilities[1]	678.9	181.0	–	33.5	–	365.9	1,259.3
Derivative financial instruments							
interest rate derivative contracts	–	155.5	–	–	–	11.6	167.1
foreign exchange derivative contracts	141.2	100.6	3.2	–	12.3	–	257.3
commodity derivative contracts	143.8	–	–	–	–	–	143.8
	993.4	476.4	6.7	73.9	28.0	385.1	1,963.5

1 Other comprises mainly of Japanese Yen.

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

a) Risk factors continued

ii) Foreign currency risk continued

Sensitivity analysis

The sensitivity analysis on foreign currency risk below shows the effect on net profit and equity after income tax as at balance date from a 10% favourable/adverse 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 exchange rates and the volatility observed both on a historical basis and market expectations for future movement.

The 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 hedged into local currency. The table below shows the sensitivities for the movements in exchange rates.

	Net profit		Equity (cash flow hedging reserve) As at 31 December	
	2011 $M	2010 $M	**2011 $M**	2010 $M
If foreign currency rates were 10% higher with all other variables held constant – increase/(decrease)	**–**	1.1	**(25.5)**	(21.5)
If foreign currency rates were 10% lower with all other variables held constant – increase/(decrease)	**1.4**	3.5	**29.4**	21.5

Translation risk

The financial statements for each of CCA's foreign operations are prepared in local currency. For the purpose 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 the reporting date or the monthly average for the reporting period. A translation risk therefore exists on translating the financial statements of CCA's foreign operations into Australian Dollars for the purpose of reporting the Group's consolidated 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.

In regards to translation risk, the table below presents the impact on net profit and equity after income tax as at balance date from a 10% favourable/adverse 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 –

	Net profit		Equity (foreign currency translation reserve) As at 31 December	
	2011 $M	2010 $M	**2011 $M**	2010 $M
If foreign currency rates were 10% higher with all other variables held constant – increase/(decrease)	**(10.2)**	(7.7)	**(46.5)**	(41.4)
If foreign currency rates were 10% lower with all other variables held constant – increase/(decrease)	**12.4**	9.5	**56.8**	50.4

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

a) 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 (mainly sugar and aluminium) used in the business.

The Group's risk management policy for commodity price risk is to be able to hedge forecast transactions for up to four years into the future before requiring executive management approval. 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.

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.

Sensitivity analysis

The sensitivity analysis on commodity price risk table below shows the effect on net profit and equity after income tax as at balance date from a 10% favourable/adverse movement in commodity prices at that date on a total derivative portfolio basis with all other variables held constant. The table does not show the sensitivity to the Group's total underlying commodities exposure or the impact of changes in volumes that may arise from an increase or decrease in commodity prices.

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.

	Net profit		**Equity (cash flow hedging reserve) As at 31 December**	
	2011 $M	2010 $M	**2011 $M**	2010 $M
If there was a 10% increase in commodity prices with all other variables held constant – increase/(decrease)	**0.4**	0.1	**18.0**	19.4
If there was a 10% decrease in commodity prices with all other variables held constant – increase/(decrease)	**0.1**	(0.3)	**(18.7)**	(19.1)

iv) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and will cause the Group to make a financial loss. The Group has exposure to credit risk on all financial assets included in the Group's statement of financial position. 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 Group is exposed to credit risk on derivative financial instruments. 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 set limits as to the amount of credit exposure to each financial institution. New derivatives and cash transactions are limited to financial institutions that meet minimum credit rating criteria in accordance with the Group's policy requirements.

Customer credit risk is managed by each business unit subject to established policy, procedures and controls relating to customer risk management. Credit limits are set for each customer and these are regularly monitored. Outstanding receivables are regularly monitored and the requirement for impairment is analysed at each reporting period.

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 62.6% (2010: 71.5%) 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 exposed to credit risk are detailed in the table below –

	2011 $M	2010 $M
Cash assets	**664.9**	385.3
Trade and other receivables	**871.0**	792.7
Derivative assets	**88.4**	133.7
Other financial asset	**288.6**	–
Total CCA Group	**1,912.9**	1,311.7

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

a) Risk factors continued

v) Liquidity risk

Liquidity risk is associated with ensuring that there are sufficient funds available to meet the Group's financial commitments as and when they fall due and planning for any unforeseen events which may curtail cash flows.

Liquidity risk is measured by comparing projected debt levels against total committed facilities, where the projected net debt levels take the following into account –

- cash assets;
- existing debt;
- budgeted free cash flows generated by business operations; and
- any proposed acquisitions or divestments.

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 liquid markets; and
- staggers maturities of financial instruments.

The Group monitors rolling forecasts of liquidity reserves on the basis of expected cash flow. The objective is to maintain a balance between continuity of funding and flexibility through the use of liquid instruments, borrowings and committed available credit lines.

The contractual cash flows of the Group's financial liabilities are shown in the table below. The contractual amounts represent the future undiscounted principal and interest cash flows and therefore do not equate to the carrying values. The expected timing of cash outflows are set out below.

			Expected timing of contractual cash outflows			
	Carrying value $M	Total contractual cash outflows $M	Less than 1 year $M	1 to 2 year(s) $M	2 to 5 years $M	Over 5 years $M
For the year ended 31 December 2011						
Financial liabilities						
Trade and other payables	**735.6**	**735.6**	**735.6**	**–**	**–**	**–**
Interest bearing liabilities	**2,309.2**	**2,541.6**	**236.2**	**385.7**	**1,427.4**	**492.3**
Derivative financial instruments						
interest rate derivative contracts[1&2]	**73.4**	**66.3**	**24.7**	**23.6**	**18.0**	**–**
foreign exchange derivative contracts[3]	**170.7**	**385.7**	**54.0**	**25.0**	**196.0**	**110.7**
commodity derivative contracts	**12.7**	**1.0**	**1.0**	**–**	**–**	**–**
	3,301.6	**3,730.2**	**1,051.5**	**434.3**	**1,641.4**	**603.0**
For the year ended 31 December 2010						
Financial liabilities						
Trade and other payables	568.7	568.7	568.7	–	–	–
Interest bearing liabilities	1,968.4	2,226.8	278.0	142.9	1,069.4	736.5
Derivative financial instruments						
interest rate derivative contracts[1&2]	17.4	9.1	7.8	1.2	0.1	–
foreign exchange derivative contracts[3]	210.3	553.0	80.0	63.0	151.0	259.0
commodity derivative contracts	0.2	1.9	1.9	–	–	–
	2,765.0	3,359.5	936.4	207.1	1,220.5	995.5

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

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

a) Risk factors continued

vi) Fair value

All financial assets and financial liabilities are recognised at fair value as at the reporting date without any deduction for transaction costs.

As noted in Note 1 Summary of Significant Accounting Policies, derivative financial instruments are initially recognised in the statement of financial position at cost and subsequently remeasured to their fair value. Accordingly, there is no difference between the carrying value and fair value of derivative financial instruments at reporting date.

The carrying amounts and estimated fair value of all the Group's financial assets and liabilities recognised in the financial statements are as follows –

	2011 $M	2010 $M
Financial assets		
Cash assets	**664.9**	385.3
Trade and other receivables	**871.0**	792.7
Derivatives – fair value through the income statement	**6.7**	22.7
Derivatives – hedge accounted through equity	**81.7**	111.0
Other financial asset	**288.6**	–
Total financial assets	**1,912.9**	1,311.7
Financial liabilities		
Trade and other payables	**735.6**	568.7
Interest bearing liabilities –		
Bonds – fair value through the income statement[1]	**302.0**	313.9
Bonds – at amortised cost[2&3]	**1,797.5**	1,431.5
Loans – at amortised cost	**4.3**	4.8
Bank loans – at amortised cost	**205.4**	214.5
Bank overdrafts	**–**	3.7
Derivatives – fair value through the income statement	**134.7**	146.9
Derivatives – hedge accounted through equity	**122.1**	81.0
Total financial liabilities	**3,301.6**	2,765.0

1 Represents bonds with effective fair value hedge relationships.
2 Includes bonds carried at historical cost, and bonds with effective cash flow hedge relationships.
3 The fair value of bonds at amortised cost for CCA Group was $1,536.0 million (2010: $1,334.7 million).

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

a) Risk factors continued

vi) Fair value continued

This remeasurement is based on quoted market prices. For financial instruments not quoted in active markets, the Group uses valuation techniques such as present value, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable and unobservable market inputs.

Certain long dated derivative contracts where there are no observable forward prices in the market are classified as Level 2 as the unobservable inputs are not considered significant to the overall value of the contract.

The Group uses two different methods in estimating the fair value of a financial instrument. The methods comprise –

- Level 1 – the fair value is calculated using quoted prices in active markets; and
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

The fair value of the financial instruments, as well as the methods used to estimate the fair value are summarised in the table below.

	Valuation technique		
	Quoted market price (Level 1) $M	**Market observable inputs (Level 2) $M**	**Total $M**
For the year ended 31 December 2011			
Derivative assets			
Derivatives – fair value through the income statement	**–**	**6.7**	**6.7**
Derivatives – hedge accounted through equity	**2.3**	**79.4**	**81.7**
Total derivative assets	**2.3**	**86.1**	**88.4**
Derivative liabilities			
Derivatives – fair value through the income statement	**–**	**134.7**	**134.7**
Derivatives – hedge accounted through equity	**38.0**	**84.1**	**122.1**
Total derivative liabilities	**38.0**	**218.8**	**256.8**
For the year ended 31 December 2010			
Derivative assets			
Derivatives – fair value through the income statement	–	22.7	22.7
Derivatives – hedge accounted through equity	3.0	108.0	111.0
Total derivative assets	3.0	130.7	133.7
Derivative liabilities			
Derivatives – fair value through the income statement	–	146.9	146.9
Derivatives – hedge accounted through equity	58.9	22.1	81.0
Total derivative liabilities	58.9	169.0	227.9

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

b) Hedge accounting

The Group's hedging strategy seeks to actively manage its exposures to foreign exchange, commodities and interest rates. This is achieved through a process of identifying, recording and communicating all financial exposures and risk in the Group which forms the basis for any decision to implement risk management strategies.

The following table provides details of the Group's derivative financial instruments and hedges that are used for financial risk management –

	Refer Note	**2011 $M**	2010 $M
Derivative assets – current			
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as cash flow hedges are –			
interest rate derivative contracts		**–**	1.8
foreign exchange derivative contracts		**1.4**	2.5
commodity derivative contracts		**13.1**	39.8
The fair values of derivative financial instruments (non-debt related) at the end of the financial year for which hedge accounting has not been applied are –			
interest rate derivative contracts		**0.1**	–
foreign exchange derivative contracts		**0.1**	2.3
Total derivative assets – current (non-debt related)	31a)	**14.7**	46.4
Derivative assets – non-current			
The fair values of derivative financial instruments (debt related) at the end of the financial year designated as fair value hedges are –			
interest rate derivative contracts		**–**	20.1
foreign exchange derivative contracts		**4.7**	–
Total derivative assets – non-current (debt related)		**4.7**	20.1
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as cash flow hedges are –			
interest rate derivative contracts		**45.6**	41.4
foreign exchange derivative contracts		**1.0**	0.3
commodity derivative contracts		**15.9**	25.3
The fair values of derivative financial instruments (non-debt related) at the end of the financial year for which hedge accounting has not been applied are –			
interest rate derivative contracts		**6.4**	0.2
foreign exchange derivative contracts		**0.1**	–
Total derivative assets – non-current (non-debt related)		**69.0**	67.2
Total derivative assets – non-current	31a)	**73.7**	87.3

32. CAPITAL AND FINANCIAL RISK MANAGEMENT CONTINUED

Financial risk management continued

b) Hedge accounting continued

	Refer Note	2011 $M	2010 $M
Derivative liabilities – current			
The fair values of derivative financial instruments (debt related) at the end of the financial year designated as fair value hedges are –			
foreign exchange derivative contracts		**3.7**	2.1
Total derivative liabilities – current (debt related)		**3.7**	2.1
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as cash flow hedges are –			
interest rate derivative contracts		**7.3**	7.7
foreign exchange derivative contracts		**30.4**	40.8
commodity derivative contracts		**6.8**	0.2
The fair values of derivative financial instruments (non-debt related) at the end of the financial year for which hedge accounting has not been applied are –			
interest rate derivative contracts		**0.1**	–
foreign exchange derivative contracts		**0.2**	1.0
Total derivative liabilities – current (non-debt related)		**44.8**	49.7
Total derivative liabilities – current	31a)	**48.5**	51.8
Derivative liabilities – non-current			
The fair values of derivative financial instruments (debt related) at the end of the financial year designated as fair value hedges are –			
foreign exchange derivative contracts		**124.1**	143.3
Total derivative liabilities – non-current (debt related)		**124.1**	143.3
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as cash flow hedges are –			
interest rate derivative contracts		**59.4**	9.3
foreign exchange derivative contracts		**12.2**	23.0
commodity derivative contracts		**5.9**	–
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as fair value hedges are –			
interest rate derivative contracts		**6.6**	–
The fair values of derivative financial instruments (non-debt related) at the end of the financial year for which hedge accounting has not been applied are –			
interest rate derivative contracts		**–**	0.5
foreign exchange derivative contracts		**0.1**	–
Total derivative liabilities – non-current (non-debt related)		**84.2**	32.8
Total derivative liabilities – non-current	31a)	**208.3**	176.1

33. RELATED PARTIES

Parent entity
Coca-Cola Amatil Limited is the parent entity of the Group.

Key management personnel
Disclosures relating to KMP are set out in Note 30, and in the Directors' Report.

Related entities
The Coca-Cola Company (TCCC) directly and through its subsidiary, Coca-Cola Holdings (Overseas) Limited, holds 29.4% (2010: 29.5%) of the Company's fully paid ordinary shares.

Pacific Beverages, a joint venture entity with SABMiller, is held 50.0% (2010: 50.0%) by CCA.

Transactions with related parties

	2011 $M	2010 $M
Reimbursements and other revenues from –		
Entities with significant influence over the Group		
TCCC and its subsidiaries[1]	**38.0**	41.4
Joint venture entity		
Service fee[2]	**4.5**	3.6
Finance income	**1.7**	0.6
Purchases and other expenses from –		
Entities with significant influence over the Group		
TCCC and its subsidiaries[3]	**726.5**	691.5
Other related parties	**6.1**	9.1
Amounts owed by –		
Entities with significant influence over the Group		
TCCC and its subsidiaries	**16.5**	15.4
Joint venture entity	**43.7**	65.8
Amounts owed to –		
Entities with significant influence over the Group		
TCCC and its subsidiaries	**95.7**	138.0
Joint venture entity	**27.5**	34.9
Other related parties	**0.8**	0.4

1 Under a series of arrangements, the Group participates with certain subsidiaries of TCCC under which they jointly contribute to the development of the market in the territories in which the Group operates. These arrangements include a regular shared marketing expenses program, under which the Group contributes to certain TCCC incurred marketing expenditure and TCCC contributes to certain marketing expenditure incurred by the Group. Certain subsidiaries of TCCC provide marketing support to the Group, which is in addition to the usual contribution to shared marketing initiatives. This is designed to assist the Group with the necessary development of certain territories. Amounts received are either accounted for as a credit to revenue or as a reduction to expense, as appropriate.

2 Represents the services provided to Pacific Beverages under certain agreements and arrangements agreed between CCA and Pacific Beverages.

3 Represents purchases of concentrates and beverage base for Coca-Cola trademarked products, and finished goods.

Terms and conditions of transactions with related parties
All of the above transactions were conducted under normal commercial terms and conditions.

Outstanding balances at year end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables. For the financial year ended 31 December 2011, the Group has not raised any allowance for doubtful receivables relating to amounts owed by related parties (2010: nil).

34. CCA ENTITY DISCLOSURES

The financial information disclosed in this Note relates to the Company.

	CCA Entity	
	2011 $M	2010 $M
a) Financial position		
Current assets	**842.0**	424.9
Non-current assets	**4,518.8**	4,375.3
Total assets	**5,360.8**	4,800.2
Current liabilities	**461.2**	425.0
Non-current liabilities	**2,083.4**	1,879.6
Total liabilities	**2,544.6**	2,304.6
Net assets	**2,816.2**	2,495.6
Equity		
Share capital	**2,218.2**	2,180.2
Reserves –		
share based remuneration	**24.3**	19.4
cash flow hedging	**(24.7)**	36.5
other	**(15.8)**	(2.8)
Total reserves	**(16.2)**	53.1
Retained earnings	**614.2**	262.3
Total equity	**2,816.2**	2,495.6
b) Financial performance		
Profit after income tax	**730.5**	213.8
Total comprehensive income	**669.3**	245.2
c) Guarantees entered into by the CCA Entity in relation to the debts of its subsidiaries		
Guarantees[1]	**337.2**	181.0

1 No liability has been recognised in relation to these guarantees as the fair value of the guarantees is immaterial.

d) Contingencies		
Contingent liabilities existed at the end of the financial year in respect of termination payments under employment contracts[1]	**9.5**	8.8

1 Refer to the Remuneration Report found in the Directors' Report for further details.

35. DEED OF CROSS GUARANTEE

Coca-Cola Amatil Limited and certain subsidiaries as indicated in Note 36 have entered into a Deed of Cross Guarantee which provides that all parties to the Deed will guarantee to each creditor, payment in full of any debt of each company participating in the Deed on winding-up of that company. In addition, as a result of ASIC Class Order No. 98/1418, subsidiaries are relieved from the requirement to prepare financial statements.

Consolidated statement of financial position for the closed group	2011 $M	2010 $M
Current assets		
Cash assets	**581.9**	327.4
Trade and other receivables	**682.8**	607.8
Inventories	**593.4**	608.9
Prepayments	**42.8**	28.4
Derivatives	**14.1**	45.5
Other financial asset	**288.6**	–
Total current assets	**2,203.6**	1,618.0
Non-current assets		
Other receivables	**6.0**	109.6
Investment in joint venture entity	**–**	74.4
Investments in securities	**529.1**	529.6
Investments in bottlers' agreements	**691.9**	691.9
Property, plant and equipment	**1,200.0**	1,104.3
Intangible assets	**562.9**	546.8
Prepayments	**8.7**	3.9
Defined benefit superannuation plans	**14.5**	15.7
Derivatives	**63.4**	87.2
Total non-current assets	**3,076.5**	3,163.4
Total assets	**5,280.1**	4,781.4
Current liabilities		
Trade and other payables	**619.4**	468.3
Interest bearing liabilities	**73.9**	50.8
Current tax liabilities	**20.1**	71.8
Provisions	**83.3**	59.8
Accrued charges	**302.0**	238.6
Derivatives	**41.7**	45.8
Total current liabilities	**1,140.4**	935.1
Non-current liabilities		
Interest bearing liabilities	**1,897.9**	1,699.6
Provisions	**11.5**	10.6
Deferred tax liabilities	**94.8**	136.9
Derivatives	**206.3**	175.9
Total non-current liabilities	**2,210.5**	2,023.0
Total liabilities	**3,350.9**	2,958.1
Net assets	**1,929.2**	1,823.3
Equity		
Share capital	**2,218.2**	2,180.2
Shares held by equity compensation plans	**(16.5)**	(17.9)
Reserves	**0.3**	71.0
Accumulated losses	**(272.8)**	(410.0)
Total equity	**1,929.2**	1,823.3
Consolidated income statement for the closed group[1]		
Profit before income tax	**620.3**	618.4
Income tax expense	**(104.5)**	(165.7)
Profit after income tax	**515.8**	452.7
Accumulated losses at the beginning of the financial year	**(410.0)**	(520.9)
Dividends appropriated	**(378.6)**	(341.8)
Accumulated losses at the end of the financial year	**(272.8)**	(410.0)

1 Total comprehensive income for the financial year was $454.7 million (2010: $484.0 million) represented by consolidated profit after income tax for the closed group of $515.8 million (2010: $452.7 million) adjusted for movements in the cash flow hedging reserve of $61.1 million decrease (2010: $31.3 million increase).

36. INVESTMENTS IN SUBSIDIARIES

	Footnote	Country of incorporation	Equity holding† 2011 %	2010 %
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 (Qld) Ltd	1	Australia	**100**	100
Can Recycling (S.A.) Pty 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 (N.Z.) Limited		New Zealand	**100**	100
Amatil Beverages (New Zealand) Ltd		New Zealand	**100**	100
Vending Management Services Ltd		New Zealand	**100**	100
Johns River 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

Refer to the following page for footnote details.

36. INVESTMENTS IN SUBSIDIARIES CONTINUED

	Footnote	Country of incorporation	Equity holding† 2011 %	Equity holding† 2010 %
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**	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
SPC Nature's Finest Ltd		United Kingdom	**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 35 and are eligible for the benefit of ASIC Class Order No. 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, the Long Term Incentive Share Rights Plan, the Executive Salary Sacrifice Share Plan, the Executive Retention Share Plan, the Non-Executive Directors Share Plan and the Non-Executive Directors' Retirement Share Trust.
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.

37. EVENTS AFTER THE BALANCE DATE

No matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations, the results of those operations or the state of affairs of the Group in subsequent financial periods, with the exception of the following –

Pacific Beverages

On 13 January 2012, the sale of CCA's 50% interest in Pacific Beverages to SABMiller was completed, resulting in CCA receiving the agreed sale proceeds. Refer to Note 9 for further details.

Debt raising

Subsequent to the end of the financial year, CCA completed a $250.0 million debt raising in the Euro markets, with the issue of Euro Medium Term Notes. The fixed coupon rates on the Notes were set at 4.875% per annum and are for a term of five years.

DIRECTORS' DECLARATION

COCA-COLA AMATIL LIMITED AND ITS SUBSIDIARIES

In accordance with a resolution of the Directors of Coca-Cola Amatil Limited dated 22 February 2012, we state that –

In the opinion of the Directors –

a) the financial statements, notes and the additional disclosures included in the Directors' Report designated as audited, of the consolidated entity, are in accordance with the Corporations Act 2001, including –
    i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011, and of its performance for the year ended on that date; and
    ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1b);
c) at the date of this declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
d) at the date of this declaration, there are reasonable grounds to believe that the Company and the wholly owned subsidiaries identified in Note 36 to the financial statements as being parties to a Deed of Cross Guarantee with Matila Nominees Pty Limited as trustee, will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed.

This declaration has been made after receiving the declarations required to be made to Directors by the Group Managing Director and Group Chief Financial Officer, in accordance with section 295A of the Corporations Act 2001 for the financial year ended 31 December 2011.

On behalf of the Directors

David M. Gonski, AC
Chairman
Sydney
22 February 2012

Terry J. Davis
Group Managing Director
Sydney
22 February 2012

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

Report on the financial report

We have audited the accompanying financial report of Coca-Cola Amatil Limited (the Company), which comprises the consolidated statement of financial position as at 31 December 2011, the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1b), the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the Company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

a. the financial report of Coca-Cola Amatil Limited is in accordance with the Corporations Act 2001, including:

   i giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1b).

Report on the remuneration report

We have audited the Remuneration Report included in pages 16 to 38 of the directors' report for the year ended 31 December 2011. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Coca-Cola Amatil Limited for the year ended 31 December 2011, complies with section 300A of the Corporations Act 2001.

Ernst + Young

Ernst & Young

Trent van Veen
Partner
Sydney
22 February 2012

SHAREHOLDER INFORMATION

Additional information required by Australian Securities Exchange Listing Rules is as follows. This information is current as at 5 March 2012.

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

	Holders No.	Ordinary shares No.
1 – 1,000	30,286	12,440,702
1,001 – 5,000	20,985	47,713,824
5,001 – 10,000	2,821	19,958,777
10,001 – 100,000	1,480	32,362,632
100,001 and over	120	647,091,617
Total	**55,692**	**759,567,552**

There were 3,926 holders of less than a marketable parcel of 42 ordinary shares.

SUBSTANTIAL SHAREHOLDERS

The names of substantial shareholders of the Company's ordinary shares (holding not less than 5%) who have notified the Company in accordance with section 671B of the Corporations Act 2001 are –

The Coca-Cola Company and its controlled entity	223,049,276
The Capital Group Companies, Inc.	49,463,583

TOP TWENTY REGISTERED SHAREHOLDERS

	Ordinary shares No.	%
Coca-Cola Holdings (Overseas) Limited[1]	149,392,972	19.67
HSBC Custody Nominees (Australia) Limited	138,373,922	18.22
J P Morgan Nominees Australia Ltd	96,488,870	12.70
National Nominees Limited	95,548,755	12.58
The Coca-Cola Company[1]	73,656,304	9.70
Citicorp Nominees Pty Limited	23,704,697	3.12
Matila Nominees Pty Limited	10,924,713	1.44
Cogent Nominees Pty Limited	6,414,695	0.84
Australian Foundation Investment Company Limited	4,723,704	0.62
AMP Life Limited	3,973,545	0.52
RBC Dexia Investor Services Australia Nominees Pty Limited	3,136,091	0.41
UBS Nominees Pty Ltd	3,076,963	0.41
Perpetual Trustee Co Ltd (Hunter)	3,011,536	0.40
Questor Financial Services Limited	2,920,358	0.38
Argo Investments Limited	2,125,733	0.28
PSS Board	1,813,708	0.24
Jikinta Investments Pty Ltd	1,381,331	0.18
The Senior Master of the Supreme Court (Common Fund No 3 A/C)	1,381,162	0.18
Milton Corporation Ltd	1,367,184	0.18
UBS Wealth Management Australia Nominees Pty Ltd	1,315,056	0.17
Total	**624,731,299**	**82.25**

1 Major holdings of The Coca-Cola Company.

BUSINESS ACTIVITIES

CCA is one of the largest bottlers of non-alcoholic ready-to-drink beverages in the Asia-Pacific region and one of the world's five major Coca-Cola bottlers. CCA operates across five countries – Australia, New Zealand, Indonesia, Fiji and Papua New Guinea. CCA's diversified portfolio of products includes carbonated soft drinks, spring water, sports & energy drinks, fruit juices, flavoured milk, coffee, iced teas and SPC Ardmona and Goulburn Valley packaged ready-to-eat fruit and vegetable products.

CCA produces the Australian market's number one cola brand, Coca-Cola; the number one bottled water brand, Mount Franklin and the number one sports beverage, Powerade Isotonic, and is market leader in non-sugar colas with Diet Coke and Coca-Cola Zero.

CCA sells and distributes a range of premium spirits in partnership with Beam Global Wines and Spirits. Brands include Jim Beam, Russian Standard Vodka, Canadian Club, Makers Mark and The Macallan. CCA also manufactures and distributes Jim Beam & Cola, the number one alcoholic-ready-to-drink beverage in Australia.

CCA employs more than 15,000 people and has access to 270 million consumers through over 600,000 active customers.

ANNUAL GENERAL MEETING

CCA's Annual General Meeting will be held on Tuesday, 15 May 2012 in the James Cook Ballroom, InterContinental Sydney, Cnr Bridge and Philip Streets, Sydney, NSW at 10am.

CCA is committed to improving the efficiency of its Annual General Meetings and encourages participation of shareholders through:

- the prior collection of shareholder questions for answering during the meeting. Questions can be submitted either by completing the relevant form accompanying the notice of meeting or by emailing CCA at investors@ccamatil.com. Questions that have been lodged, and their answers, are posted on the Company's website at the FAQ section;
- providing a process to ensure that shareholders are considerate of each other's right to participate;
- providing an opportunity after each Annual General Meeting to discuss matters with the Board and management; and
- posting copies of the speeches delivered at the meeting to the website after delivery.

VOTING RIGHTS

Shareholders are encouraged to attend the Annual General Meeting, however, when this is not possible, they are encouraged to vote online at www.linkmarketservices.com.au or lodge a direct vote or appoint a proxy using the Shareholder Voting Form to register their vote. Every member present personally or by proxy, attorney or representative shall on a show of hands have one vote and on a poll have one vote for every share held.

LISTINGS

CCA shares are quoted under the symbol CCL on Australian Securities Exchange (ASX). The securities of the Company are traded on ASX on the issuer sponsored sub-register or under CHESS (Clearing House Electronic Sub-register System).

CCA ordinary shares are traded in the United States in the form of American Depositary Receipts (ADRs) issued by The Bank of New York, Mellon as Depositary. Each ADR represents two ordinary shares. The ADRs trade over-the-counter under the symbol CCLAY.

ANNUAL REPORTS

The CCA Annual Report is available at CCA's website www.ccamatil.com. Printed copies of Annual Reports are only mailed to those shareholders who elect to receive a printed copy. CCA encourages shareholders to receive notification of all shareholder communications by email and have internet access to documents including Company Announcements, Dividend Statements and Notices of Shareholder Meetings. In this way, shareholders receive prompt information and have the convenience and security of electronic delivery, which is not only cost effective but environmentally friendly.

COMPANY PUBLICATIONS

Other than the Annual Report, CCA publishes Shareholder News, a newsletter sent to shareholders with the interim and final dividend advices, and a Fact Book.

Shareholders are encouraged to access shareholder communications and information online. This has the advantage of receiving prompt information together with the convenience and security of electronic delivery.

SHARE BUY-BACK

The Company is not currently undertaking an on-market share buy-back.

WEBSITE

All material contained in this report is also available on the Company's website. In addition, earnings announcements to ASX, media releases, presentations by senior management and dividend history are also published on the website. The address is www.ccamatil.com.

DIVIDENDS

In 2011, CCA paid fully franked dividends and has a payout policy of 70% to 80% of net profit, subject to the ongoing cash needs of the business. It is expected that dividends paid in the future will be fully franked for at least the next two years. There was no Foreign Conduit Income attributed to dividends.

DIRECT DEPOSIT OF DIVIDENDS

As advised to shareholders in April and October 2011, commencing with the final dividend payment in April 2012, CCA has introduced a system of mandatory direct crediting of dividends and cheques will only be paid to overseas shareholders without an Australian financial institution account, or in exceptional circumstances.

If you are an Australian resident shareholder, any CCA dividends will be paid directly into your bank account on the dividend payment date. Your Dividend Payment Statement will be sent by mail or emailed to you on that date.

If you have not provided your Australian bank account details you will not receive your dividend until you do so. You can provide your bank account details by contacting the share registry, Link Market Services.

DIVIDEND REINVESTMENT PLAN

Participation in the Dividend Reinvestment Plan (DRP) is optional and available to all shareholders, except those who are resident in the United States, or in any place in which, in the opinion of the Directors, participation in the Plan is or would be illegal or impracticable. Shareholders may elect to participate for all or only some of their shares. Shares are currently issued under the DRP at the market price of CCA ordinary shares calculated at each dividend payment, being the weighted average price of all ordinary CCA shares sold on ASX during the 10 trading days commencing on the second trading day after the record date for the dividend. There is no brokerage, stamp duty or other transaction costs payable by participants. The DRP discount was reduced from 2% to nil, with effect from the 2010 interim dividend payment.

The DRP rules may be modified, suspended or terminated by the Directors at any time by way of an announcement to the ASX and placed on CCA's website. Changes will be effective on the date of the announcement. For additional information and an application form, please contact our share registry, Link Market Services on 61 2 8280 7121.

TAX FILE NUMBERS

Australian tax payers who do not provide details of their tax file number will have dividends subjected to the top marginal personal tax rate plus Medicare levy. It may be in the interests of shareholders to ensure that tax file numbers have been supplied to the share registry. Forms are available from the share registry should you wish to notify the registry of your tax file number or tax exemption details.

CHANGE OF ADDRESS

It is important for shareholders to notify the share registry in writing promptly of any change of address. As a security measure, the old address should also be quoted as well as your shareholder reference number (SRN). You may also update your details online at www.linkmarketservices.com.au/public/forms/change-details.html.

COMPANY DIRECTORIES

CHAIRMAN

David Gonski, AC

CORPORATE OFFICE

Terry Davis
Group Managing Director

Nessa O'Sullivan
Group Chief Financial Officer

George Forster
General Counsel and Company Secretary

Barry Simpson
Chief Information Officer

Sally Loane
Director, Media & Public Affairs

Kristina Devon
Head of Investor Relations

Peter Kelly
Director, Business Services

SENIOR OPERATIONS MANAGEMENT

Warwick White
Managing Director, Australasia

Joaquin Gil
Chief Financial Officer, Australia

John Murphy
Managing Director, Licensed/Alcohol

George Adams
Managing Director, New Zealand & Fiji

Bruce McEwen
Chief Financial Officer, New Zealand & Fiji

Erich Rey
President Director, Indonesia

Stuart Comino
Finance Director, Indonesia

Peter Carey
General Manager, PNG

David Dinesh
Chief Financial Officer, PNG

Andrew Preece
General Manager, Fiji

Neil Searancke
Chief Financial Officer, Fiji

Vince Pinneri
Managing Director, SPCA

Daniel Moorfield
Chief Financial Officer, SPCA

REGISTERED OFFICE

Coca-Cola Amatil Limited
Coca-Cola Place
L14, 40 Mount Street
North Sydney NSW 2060

Ph: 61 132 653
Fx: 61 2 9259 6623

New Zealand
The Oasis, Mt Wellington, Auckland

Ph: 64 9 970 8000

Indonesia
Wisma Pondok Indah 2, 14th Floor
Jalan Sultan Iskandar Muda Kav. V-TA,
Pondok Indah
Jakarta 12310, Indonesia

Ph: 62 21 8832 2222

Papua New Guinea
Erica Street Lae, Morobe Province

Ph: 675 472 1033

Fiji
Ratu Dovi Road, Laucala Beach Estate

Ph: 679 394 333

SPC Ardmona
50 Camberwell Road
Hawthorn East Vic 3123

Ph: 61 3 9861 8900

AUDITOR

Ernst & Young
Ernst & Young Centre
680 George Street
Sydney NSW 2000

SHARE REGISTRY AND OTHER ENQUIRIES

For enquiries about CCA Shares:

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Ph: 61 2 8280 7121
Fx: 61 2 9287 0303

Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

For enquiries about American Depositary Receipts (ADR):

BNY Mellon Shareowner Services
P.O. Box 358016
Pittsburgh, PA 15252-8016

Toll Free (domestic): 1 888 BNY ADRS
or (1-888-269-2377)
International: 1 201 680 6825

Email: shrrelations@bnymellon.com
Website: www.bnymellon.com/shareowner

For enquiries about the operations of the Company:

Investor Relations
Coca-Cola Place
L14, 40 Mount Street
North Sydney NSW 2060

Ph: 61 2 9259 6159
Fx: 61 2 9259 6614

Email: investors@ccamatil.com
Website: www.ccamatil.com

CALENDAR OF EVENTS 2012

DATE	EVENT
Wednesday, 22 February	2011 full year results announcement
Monday, 27 February	Ex-dividend date (final dividend)
Friday, 2 March	Record date for dividend entitlements
Tuesday, 3 April	2011 final ordinary dividend paid
Tuesday, 15 May	Annual General Meeting
Wednesday, 22 August	2012 half year results announcement
Monday, 27 August	Ex-dividend date (interim dividend)
Friday, 31 August	Record date for dividend entitlements
Tuesday, 2 October	2012 interim ordinary dividend paid

For more information on Coca-Cola Amatil please visit our website at

www.ccamatil.com

CREATED BY DESIGNATE

COCA-COLA AMATIL

COCA-COLA AMATIL LIMITED ABN 26 004 139 397

NOTICE OF MEETING 2012

COCA-COLA AMATIL

COCA-COLA AMATIL LIMITED ABN 26 004 139 397

COCA-COLA AMATIL

Notice of Meeting

COCA-COLA AMATIL LIMITED ABN 26 004 139 397

Notice is hereby given that the Annual General Meeting of Coca-Cola Amatil Limited will be held in the James Cook Ballroom, InterContinental Sydney, Cnr Bridge and Phillip Streets, Sydney NSW on Tuesday, 15 May 2012 at 10:00 am for the purpose of transacting the business set out in this notice.

MEETING OF SHAREHOLDERS

ORDINARY BUSINESS

1. **Accounts**

   Discussion of the accounts for the year ended 31 December 2011 and the reports of the Directors and Auditor.

   There is no vote on this item.

2. **Remuneration Report**

   To adopt the Remuneration Report contained within the accounts for the year ended 31 December 2011.

   Please note that the vote on this resolution is advisory only, and does not bind the Directors or the Company.

   Voting exclusions and an important note for this item appear on page 3.

3. **Election of Directors**

   Mr David Gonski, AC, Mr Geoffrey Kelly and Mr Martin Jansen will retire in accordance with Article 6.3(b) of the Constitution and offer themselves for re-election.

   An explanatory note to this item appears on page 3.

SPECIAL BUSINESS

4. **Participation by Executive Director in the 2012-2014 Long Term Incentive Share Rights Plan**

   To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

   "That the Directors be permitted to invite Mr T J Davis to participate in the Coca-Cola Amatil Limited 2012-2014 Long Term Incentive Share Rights Plan by offering him rights to acquire up to 247,844 fully paid ordinary shares in the Company in the manner set out in the Explanatory Notes to this Notice of Meeting."

   An explanatory note to the above resolution appears on page 4.

5. **Participation by Executive Director in Deferred Securities Awards under the Short Term Incentive Plan**

   To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

   "That Mr T J Davis' participation in Deferred Securities Awards under the Coca-Cola Amatil Limited Short Term Incentive Plan as set out in the Explanatory Notes to this Notice of Meeting be approved".

   An explanatory note to the above resolution appears on page 6.

Dated 13 April 2012

By order of the Board
George Forster
General Counsel and Company Secretary
Level 14, 40 Mount Street
North Sydney NSW 2060

NOTES:

a) Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that for the purpose of the meeting all shares in the Company shall be taken to be held by the persons who were registered as shareholders at 10:00 am on 13 May 2012;

b) a member entitled to attend and vote is entitled to vote directly (see note below) or appoint a proxy;

- a proxy need not be a member;
- a member entitled to cast 2 or more votes may appoint 2 proxies;
- where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If a member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half the votes.

c) You may lodge your direct vote or proxy appointment online at www.linkmarketservices.com.au or it may be returned in the enclosed reply-paid envelope to the Company's Share Registrar, Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 or by fax on (02) 9287 0309.

d) To be effective, your direct vote or proxy appointment must be received by the Company by 10:00 am on 13 May 2012.

e) The Chairman of the meeting intends to vote undirected proxies in favour of the resolutions set out in this Notice to the extent permitted by law.

f) The **CCA 2011 Annual Report**, which includes the Accounts for the year ended 31 December 2011, the Reports of the Directors and Auditor and the Remuneration Report, is available at CCA's website www.ccamatil.com. Printed copies of the 2011 Annual Report have been mailed only to those shareholders who have elected to receive a printed copy.

DIRECT VOTING

Shareholders are able to vote on resolutions directly by marking **Section A** of the Shareholder Voting Form.

If you mark **Section A** you are voting your shares directly and do not appoint a third party, such as a proxy, to act on your behalf. Shareholders who wish to vote their shares directly should mark either the "for" or "against" boxes next to each item on the Voting Form. Do not mark the "abstain" box.

If no direction is given on all of the items, or if you complete both Section A and Section B, your vote may be passed to the Chairman of the meeting as your proxy. If you mark the "abstain" box for an item, no vote will be recorded for that item.

EXPLANATORY NOTES

ORDINARY BUSINESS

RESOLUTION 2 – REMUNERATION REPORT

The Remuneration Report is contained in the Directors' Report set out on pages 16 to 38 in the 2011 Annual Report which is available on the Company's website: www.ccamatil.com.

The Report outlines CCA's remuneration philosophy and practices together with details of the specific remuneration arrangements that apply to key management personnel of the Company and the Group in accordance with the requirements of the *Corporations Act 2001*.

The vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company.

Voting Exclusions

A vote on Resolution 2 (Remuneration Report) must not be cast (in any capacity) by or on behalf of a member of the key management personnel for the Company details of whose remuneration are included in the Remuneration Report (KMPs), or by any of their closely related parties (such as certain of their family members, dependants and companies they control).

However, this does not prevent KMPs or any of their closely related parties from voting as a proxy for a person who is not a KMP or a closely related party and in accordance with a direction in the proxy form as to how the proxy is to vote on Resolution 2 (Remuneration Report). Members of the key management personnel for the Company details of whose remuneration are not included in the Remuneration Report and their closely related parties must not vote as proxy on this resolution unless the proxy appointment specifies the way the proxy is to vote on this resolution.

Important note:

Shareholders who appoint the Chairman of the Meeting as their proxy direct the Chairman of the Meeting to vote in favour of this resolution unless they mark a box on the Shareholder Voting Form directing their vote on Resolution 2 (Remuneration Report).

DIRECTORS' RECOMMENDATION

The Directors unanimously recommend that shareholders vote in favour of the adoption of the Remuneration Report.

RESOLUTION 3 – ELECTION OF DIRECTORS

The Board is comprised of 8 Non-Executive Directors and 1 Executive Director. The Board regularly reviews its composition to ensure there is an appropriate range of skills and an appropriate mix of business talents, outlooks, backgrounds and diversity. All Directors have extensive business experience both in their chosen fields of endeavour and in business generally. Seven Directors live in Australia, (6 in Sydney and 1 in Melbourne). Two Directors live overseas.

The Board considers that 6 of the 9 Directors (including the Chairman) are independent Directors. Of the other 3, 2 are nominees of the major shareholder and one is the Group Managing Director.

Under the provisions in the Company's Constitution for the rotation of Directors, Mr David Gonski, Mr Geoffrey Kelly and Mr Martin Jansen will retire at this Annual General Meeting and will offer themselves for re-election.

Background information on each Director seeking re-election is provided below and a full Curriculum Vitae for each Director is set out in Appendix 2 to this Notice.

David Michael Gonski, AC

Mr Gonski joined the Board in October 1997 and was appointed Chairman in 2001. He is Chairman of the Related Party Committee and Nominations Committee and a member of the Audit & Risk Committee, Compensation Committee and the Compliance & Social Responsibility Committee.

The Board has determined that Mr Gonski, a Non-Executive Director, is an independent Director.

Geoffrey Kelly

Mr Kelly joined the Board in April 2004 (previously having been a Director between 1996 and 2001) and is a member of the Compensation Committee.

The Board has determined that Mr Kelly, who is a Non-Executive Director, is not an independent Director as he is a nominee of a substantial shareholder, The Coca-Cola Company.

Martin Jansen

Mr Jansen joined the Board in December 2009 and is a member of the Audit & Risk Committee.

The Board has determined that Mr Jansen, who is a Non-Executive Director, is not an independent Director as he is a nominee of a substantial shareholder, The Coca-Cola Company.

DIRECTORS' RECOMMENDATION

The Directors unanimously support the re-election of each of the Directors and recommend that shareholders vote in favour of the resolutions.

EXPLANATORY NOTES Continued

SPECIAL BUSINESS

RESOLUTION 4 – PARTICIPATION BY EXECUTIVE DIRECTOR IN THE 2012-2014 LONG TERM INCENTIVE SHARE RIGHTS PLAN

Pursuant to ASX Listing Rule 10.14, approval is being sought to allow Mr Davis to participate, as an Executive Director of the Company, in the 2012-2014 Long Term Incentive Share Rights Plan ("LTISRP").

The LTISRP is a performance-based share plan that was established in 2002 replacing both a cash long term incentive plan and subsequently a non hurdle based option plan. Details of the LTISRP, including the performance of completed LTISRPs, are disclosed in the Remuneration Report within the Company's 2011 Annual Report.

Mr Davis' potential allocation of shares under the 2012-2014 LTISRP (as set out in the table below) is identical to the amount approved by shareholders for the prior year 2011-2013 LTISRP.

The dual performance hurdles in the 2012-2014 LTISRP continue to operate in the same way as the 2011-2013 LTISRP, being a Relative Total Shareholder Return ("TSR") hurdle and average annual growth in Earnings Per Share ("EPS") hurdle.

There has been no change to the hurdles that were set for the 2011-2013 LTISRP, including the minimum EPS hurdle, which continues to be set at 7.0% p.a. for the 2012-2014 LTISRP.

The two components in the 2012-2014 LTISRP are subject to separate performance measures as follows:

Component	Shares Threshold	Maximum
A – Peer Group 1	31,600	61,961
Peer Group 2	31,600	61,961
B	63,200	123,922
Total	126,400	247,844

Component A

Component A of Mr Davis' participation in the LTISRP is subject to measurement of the Company's TSR from 1 January 2012 to 31 December 2014. The TSR performance hurdle will be measured against two peer groups (which are identified in Appendix 1 to these Explanatory Notes). Half of the TSR performance will be measured against Peer Group 1 and half will be measured against Peer Group 2.

If the Company's TSR ranking for the 3 year period against Peer Group 1 meets or exceeds the 51st percentile, Mr Davis will be awarded 31,600 shares. As TSR performance exceeds the 51st percentile, the number of shares to be awarded will be scaled up to a maximum of 61,961 shares (or 196.1% of the threshold award) which will be awarded if the Company's TSR performance meets or exceeds the 75th percentile. The same tests will apply against Peer Group 2.

In summary:

TSR Percentile	Percentage of Threshold Awarded	Peer Group 1 (number of shares)	Peer Group 2 (number of shares)	Total TSR Shares Awarded	Percentage of Maximum Awarded
51st percentile	100.0%	31,600	31,600	63,200	51.0%
55th percentile	127.5%	40,275	40,275	80,550	65.0%
60th percentile	156.9%	49,569	49,569	99,138	80.0%
65th percentile	176.5%	55,765	55,765	111,530	90.0%
70th percentile	186.3%	58,863	58,863	117,726	95.0%
75th percentile and above	196.1%	61,961	61,961	123,922	100.0%

(If the TSR percentile achieved is between two of the percentiles detailed above, then the equivalent pro-rata is applied to the applicable award of shares, on a straight line basis.)

Due to the regular nature of the LTISRP awards, re-testing has not applied since the 2011-2013 LTISRP and accordingly will not apply for the 2012-2014 LTISRP. There has been no change to the number of shares awarded at the various TSR percentiles between the 51st and 75th percentile compared to the 2011-2013 LTISRP.

Component B

Component B of Mr Davis' participation in the LTISRP is subject to measurement of the Company's average annual growth in EPS from 1 January 2012 to 31 December 2014.

If average growth in EPS is less than 7.0% per annum, no shares will be awarded to Mr Davis. If average growth in EPS is 7.0% per annum, Mr Davis will be awarded 63,200 shares. To the extent that average growth in EPS exceeds 7.0% per annum (up to 16% per annum), then the shares awarded to Mr Davis will be scaled up to a maximum of 123,922 (or 196.1% of the threshold award). No re-testing applies to this component.

There has been no change to the number of shares awarded at the various EPS growth percentages compared to the 2011-2013 LTISRP.

Annual Average Growth in EPS	Percentage of Threshold Awarded	Shares Awarded	Percentage of Maximum Awarded
7.0% growth	100.0%	63,200	51.0%
8.0% growth	117.6%	74,353	60.0%
8.5% growth	127.5%	80,549	65.0%
9.5% growth	147.1%	92,942	75.0%
13.5% growth	186.3%	117,726	95.0%
15.5% growth	195.1%	123,302	99.5%
16.0% growth and above	196.1%	123,922	100.0%

(If the Annual Average Growth in EPS achieved is between two of the percentages detailed above, then the equivalent pro-rata is applied to the applicable award of shares, on a straight line basis.)

In the event of a change of control of the Company prior to the end of a performance period, the Board has retained its discretion to remove the performance condition. If the Board exercises its discretion, any award will be made at the higher of:

- the number of threshold shares offered, or
- the number that would have been allocated under the actual performance condition, based on the most recent quarterly testing of the TSR and annual testing of the EPS hurdle respectively.

SUMMARY

The approximate value of the 126,400 threshold number of shares using CCA's share price as at 31 December 2011 of \$11.51 = \$1.45 million (or if the 2011-2013 LTISRP fair value at grant date of \$9.11 was used, this would value the shares at \$1.15 million). The LTISRP component represents approximately 19% of Mr Davis' on-target remuneration package.

All shares to which Mr Davis may become entitled as a result of his participation in the 2012-2014 LTISRP will be allocated in respect of the 2012-2014 performance period by no later than 28 February 2015.

Where Mr Davis' employment ceases prior to the completion of the testing, (or retesting for plans prior to the 2011-2013 plan), of awards in the LTISRP, the Board will be able to allocate shares (or make a cash payment in lieu of such shares) in circumstances where it would otherwise be unfair not to do so. If his employment ceases during an uncompleted three year performance period, other than where a capital event has occurred, and provided that the Board considers it fair to do so, the Board may grant to Mr Davis the right to a pro rata award (or a cash payment in lieu of such award). Such an award will be made at the higher of:

- the number of threshold shares offered, or
- the number that would have been allocated under the actual performance condition, based on the most recent quarterly testing of the TSR and annual testing of the EPS hurdle respectively.

The shares will be acquired by the Trustee of the LTISRP on behalf of Mr Davis by purchase of shares at the prevailing market price.

Since the 2011 Annual General Meeting, 190,826 shares have been acquired on market in February 2012 to satisfy CCA's obligations to Mr Davis under the 2009-2011 LTISRP. The acquisition price for these shares was \$12.13 and, under the terms of the LTISRP, Mr Davis is not required to pay any monies.

No participant in this LTISRP or any LTISRP is entitled to any dividends on share rights. It is only if the LTISRP vests and shares are acquired that there is an entitlement to receive dividends on the shares. Consequently, Mr Davis will not receive dividends on the 2012-2014 LTISRP unless the plan vests at the end of 2014.

The proposal by the Board to offer share rights under the LTISRP to Mr Davis has been recommended by the Compensation Committee following detailed reviews and advice from external remuneration consultants. The cost to the Company in relation to the acquisition of any shares by the Trustee on behalf of Mr Davis will be expensed in the financial statements over the vesting period in accordance with the relevant accounting standards.

Details of any shares awarded to Mr Davis under the LTISRP will be published in each annual report of the Company relating to the performance period in which the shares have been awarded.

There are no Executive Directors on the Board other than Mr Davis, and no other Directors on the Board who qualify for participation in the LTISRP. Should that change, no Director will be entitled to participate in the LTISRP unless their participation is approved by shareholders.

EXPLANATORY NOTES Continued

SPECIAL BUSINESS Continued

Voting Exclusions
The Company will disregard any votes cast on this resolution by:

- Mr Davis; and
- any associate of Mr Davis.

However, the Company need not disregard such a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Members of the key management personnel for the Company and their closely related parties must not vote as proxy on this resolution unless the proxy appointment specifies the way the proxy is to vote on this resolution. However, the Chairman of the Meeting may vote an undirected proxy if the proxy appointment expressly authorises the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote any undirected proxies held by him in favour of this resolution.

DIRECTORS' RECOMMENDATION

The Directors, other than Mr Davis, recommend that shareholders vote in favour of this resolution. Mr Davis makes no recommendation in light of his personal interest in this resolution.

RESOLUTION 5 – PARTICIPATION BY EXECUTIVE DIRECTOR IN DEFERRED SECURITIES AWARDS UNDER THE SHORT TERM INCENTIVE PLAN

As discussed in the Company's Remuneration Report, as part of its remuneration arrangements, the Company operates a short term incentive plan (STIP). Amendments were made to the STIP in 2012 in order to further align senior executives' interests with the performance of the Company. Under the revised STIP, approximately 30 of the most senior executives of the company effectively direct that a portion of their total actual earned STIP award be used to purchase fully paid ordinary shares in the Company. Those shares (or Deferred Securities) must then be held on trust for one year before they can be dealt with (and may be forfeited in certain circumstances).

As a result of the changes to the STIP, a portion of the STIP that would otherwise be paid in cash (without restrictions) will now be used to acquire ordinary shares in the Company which are subject to restrictions. These changes were implemented to the STIP to focus executives on the longer-term performance of the Company.

Reasons for seeking approval
Shareholder approval is being sought for Mr Davis' participation in Deferred Securities Awards under the STIP for awards made in respect of 2012 and subsequent financial years. Deferred Securities Awards are the grants of the Deferred Securities (which are intended to be made at or around the time the financial results for the relevant financial year are released, that is, after the financial year has ended and once the STIP performance conditions have been assessed).

As the Deferred Securities will be purchased on-market, there is no requirement at law or under the Listing Rules for shareholders to approve the share allocation to Mr Davis. Accordingly, shareholder approval is not being sought under the Listing Rules, because the proposed grant is of a type for which shareholder approval is not required by the ASX. However, the Board considers it appropriate for corporate governance reasons alone to include the proposed grants as an item for shareholder approval so that shareholders will have an opportunity to consider and vote on this matter.

Summary of the terms of the Deferred Securities
The amount awarded to Mr Davis in respect of each financial year will depend on the achievement of defined business and individual performance criteria. Whether a STIP award is due and payable for a performance period, and the amount of an award, will be determined following the end of the performance period. Once the amount has been determined, an amount equivalent to 15% of any pre-tax (i.e. gross) STIP award will be used to acquire Deferred Securities on-market. The amount payable for the Deferred Securities Component will be deducted from the net after tax STIP award. In other words, 15% of the total pre-tax award will be deducted from Mr Davis' post-tax award in order to purchase shares in the Company.

The actual number of Deferred Securities to be acquired will be determined by dividing the dollar value of the Deferred Securities Component by the average market price of Company shares purchased in the two trading days after the release of the full year results following the end of the financial year.

The trustee of the Company's Employees Share Plan will hold the Deferred Securities on trust for and on behalf of Mr Davis pursuant to the rules of the Company's Employees Share Plan Rules for a holding period of one year. During the holding period, Mr Davis may not trade or otherwise deal with the Deferred Securities. As the Deferred Securities are granted pursuant to a STIP award which will have been earned when the Deferred Securities are acquired, dividends are payable in respect of Deferred Securities to Mr Davis, and voting rights are subject to the share plan rules.

The Deferred Securities will be forfeited by Mr Davis if his employment is terminated for cause or if he commits any fraud, dishonesty, defalcation or serious misconduct in relation to the Company or the STIP. If Mr Davis' employment ceases during the holding period for any other reason, the Deferred Securities will continue to be held on trust until the end of the holding period, subject to an exercise of discretion by the Board and limited forfeiture conditions, including not taking up employment with a competitor, supplier or customer of the Company, again subject to an exercise of discretion by the Board. At the end of the holding period, the ownership of the Deferred Securities will be transferred to Mr Davis (unless a forfeiture circumstance has occurred).

Cash replacement
If shareholders do not approve the grant of these shares at this meeting, the whole of the STIP will be provided in cash.

There are no Executive Directors on the Board other than Mr Davis, and no other Directors on the Board who qualify for participation in the STIP.

Voting Exclusions
The Company will disregard any votes cast on this resolution by:

- Mr Davis; and
- any associate of Mr Davis.

However, the Company need not disregard such a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Members of the key management personnel for the Company and their closely related parties must not vote as proxy on this resolution unless the proxy appointment specifies the way the proxy is to vote on this resolution. However, the Chairman of the Meeting may vote an undirected proxy if the proxy appointment expressly authorises the Chairman to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote any undirected proxies held by him in favour of this resolution.

DIRECTORS' RECOMMENDATION

The Directors, other than Mr Davis, recommend that shareholders vote in favour of this resolution. Mr Davis makes no recommendation in light of his personal interest in this resolution.

APPENDIX 1

2012–2014 LTISRP

Company Name	Peer 1	Peer 2
AAQ Holdings		Yes
AGL Energy Limited	Yes	
Amcor Limited	Yes	
Ansell Limited	Yes	
APA Group	Yes	
Asciano Group	Yes	
Australian Agricultural Company Limited		Yes
Australian Vintage Group Limited		Yes
Bega Cheese		Yes
Bluescope Steel Limited	Yes	
Boart Longyear Limited	Yes	
Boral Limited	Yes	
Brambles Limited	Yes	
Buderim Ginger Limited		Yes
Caltex Australia Limited	Yes	
Campbell Brothers Limited	Yes	
Clean Seas Tuna Limited		Yes
Coca-Cola Amatil Limited	Yes	Yes
Cochlear Limited	Yes	
CSR Limited	Yes	
Computershare Limited	Yes	
Crown Limited	Yes	
CSL Limited	Yes	
David Jones Limited	Yes	
Downer EDI Limited	Yes	
Duet Group	Yes	
Echo Entertainment Group	Yes	
Elders Limited		Yes
Fairfax Media Limited	Yes	
Farm Pride Foods Limited		Yes
FFI Holdings Limited		Yes
Freedom Food Group Limited		Yes
Gage Roads Brewing Co Limited		Yes
Goodman Fielder Limited		Yes
GrainCorp Limited		Yes
Harvey Norman Holdings Limited	Yes	
Incitec Pivot Limited	Yes	
James Hardie Industries CDI	Yes	
JB Hi-Fi	Yes	
Leighton Holdings Limited	Yes	
Little World Beverages Limited		Yes
MSF Sugar Limited		Yes
Metcash Limited		Yes
Monadelphous Group Limited	Yes	
Myer Holdings Limited	Yes	
News Corporation Inc (CDI 'B')	Yes	
Onesteel Limited	Yes	
Orica Limited	Yes	
Oz Brewing Limited		Yes
Patties Foods Ltd		Yes
Primary Health Care Limited	Yes	
Primeag Australia Limited		Yes
Qantas Airways Limited	Yes	
QR National Limited	Yes	
Ramsay Health Care Limited	Yes	
Ridley Corporation Limited		Yes
Seek Limited	Yes	
Select Harvests Limited		Yes
Seven West Media Limited	Yes	
Sims Metal Management Limited	Yes	
Sonic Healthcare Limited	Yes	
Spark Infrastructure Group	Yes	
Sydney Airport	Yes	
Tabcorp Holdings Limited	Yes	
Tandou Limited		Yes
Tassal Group Limited		Yes
Tatts Group Limited	Yes	
Telstra Corporation Limited	Yes	
Toll Holdings Limited	Yes	
Transfield Services Limited	Yes	
Transurban Group	Yes	
Treasury Wine Estates Limited		Yes
TW Holdings Limited		Yes
United Group Limited	Yes	
Viterra CDI		Yes
Warrnambool Cheese & Butter Factory Co. Holdings Ltd		Yes
Webster Limited		Yes
Wesfarmers Limited		Yes
Woolworths Limited		Yes
Worleyparsons Limited	Yes	

APPENDIX 2

RE-ELECTION OF DIRECTORS

The following Directors are standing for re-election at the meeting.

DAVID MICHAEL GONSKI, AC

David Gonski was born in Cape Town, South Africa and emigrated to Australia as a child in 1961. He was educated in Sydney and graduated from The University of New South Wales in 1976 with a Bachelor of Commerce and in 1977 with a Bachelor of Laws.

Mr Gonski began his career as a solicitor with Freehill, Hollingdale & Page in 1977 (being admitted a solicitor in New South Wales in 1978) and became a partner in 1979 specialising in corporate law, mergers and acquisitions. Between 1978 and 1983, in addition to his duties at Freehills, he lectured part-time at The University of New South Wales Law School.

After a successful career in law, Mr Gonski left Freehills in 1986 and entered the commercial world. In 1987 Mr Gonski was one of the founders of the corporate advisory firm Wentworth Associates Pty Ltd which advised many of Australia's largest companies and which was acquired by Investec Bank in 2001.

Mr Gonski has in the past held a number of directorships including publicly listed companies:- Director of the ANZ Banking Group, Director of John Fairfax Holdings Limited, ING Australia Limited and Westfield Group and Chairman of Hoyts Limited.

In addition to his public directorships Mr Gonski has been very involved in the arts and other not for profit enterprises. He has previously been Chairman of the Australia Council for the Arts, the National Institute of Dramatic Art, the Trustees of Sydney Grammar School, the Bundanon Trust, Film Australia Pty Ltd and the Art Gallery of New South Wales.

Mr Gonski has also been a member of the Takeovers Panel, The Prime Minister's Community Business Partnership, and the Chairman's Panel of the Business Council of Australia and was the author of the Gonski Report into the Australian Film Industry; a member of the inquiry into the definition of Charities and Related Organisations, the inquiry into the Major Performing Arts in Australia and Chair of the Federal Government Review on the Funding of Schools in Australia.

Mr Gonski is currently, in addition to being the Chairman of Coca-Cola Amatil Limited, Chairman of ASX Limited and a Director of Singapore Airlines Ltd. He also Chairs Investec Bank (Australia) Ltd, the National E-Health Transition Authority, the Sydney Theatre Company and Ingeus Ltd. He is Chancellor of The University of New South Wales and a member of the Board of Infrastructure NSW.

On 14 March 2012, it was announced that Mr Gonski would be appointed Chairman of the Future Fund on 3 April 2012. In that announcement, Mr Gonski stated his intention to step down from the Board and as Chairman of ASX Limited by 30 June 2012 and noted that his position on the Board of Singapore Airlines would end in July 2012.

Mr Gonski joined the Board of Coca-Cola Amatil Limited in 1997 and was appointed Chairman in 2001.

GEOFFREY JAMES KELLY

Geoff Kelly was born and educated in Sydney, Australia and graduated in law from the University of Sydney.

Mr Kelly joined The Coca-Cola Company in Sydney in 1970 and transferred to the international headquarters of the Company in New York in 1971. During his long career with the Company, he has worked and lived in Asia and Europe in addition to assignments with the corporate headquarters of the Company in Atlanta, Georgia. He was appointed Vice President and International Counsel in 2000, Deputy General Counsel in 2001 and Senior Vice President and Chief Deputy General Counsel in 2004.

In 2005, Mr Kelly was appointed General Counsel of The Coca-Cola Company and, in this capacity, had responsibility for the global legal affairs and shareholder relations of the Company. He retired as Senior Vice President and General Counsel of The Coca-Cola Company effective as of 1 March 2012, although he is continuing to provide consultancy services to this Company.

Mr Kelly has served on a number of joint venture and subsidiary boards of The Coca-Cola Company in Asia and also currently serves as an advisory board member of YKK Americas, as a Director of the University of Sydney USA Foundation and as a Director of the U.S. Leadership Council on Legal Diversity.

Mr Kelly served as a Director of CCA from 1996 until 2001 and re-joined the Board in 2004.

MARTIN JANSEN

Martin Jansen was born in Epe, the Netherlands, and graduated from HEAO Groningen with a Bachelor of Commercial Economics Degree. He also is a Graduate of the Executive Development Program at Northwestern University Kellogg School of Management.

Mr Jansen started his career with Jacobs Suchard-Cote d'Or (now part of Kraft Foods) and 10 years with Bahlsen. He held positions in Sales, Marketing and General Management in the Netherlands and Germany and was CEO for Bahlsen Snacks Germany before he joined the Coca-Cola system. He was also Manager of a professional football club in the Netherlands.

Mr Jansen joined the Coca-Cola system in 1998 when he was appointed Chief Operating Officer for Coca-Cola Sabco (CCS). In 2001, he was appointed Chief Executive Officer leading an anchor bottler with operations in 12 countries in Africa and Asia. Mr Jansen led CCS' expansion from Africa into Asia via the acquisition of bottling operations in five Asian countries.

Mr Jansen joined The Coca-Cola Company in 2007 and currently is Chief Executive Officer for Coca-Cola China Industries Ltd (CCCIL) and as Regional Director is responsible for The Coca-Cola Company's Bottling Investment interests in China, Singapore and Malaysia.

In addition to his directorship with CCA, Mr Jansen also serves on the board of Haad Thip Public Company Limited (Thailand bottling company). He also serves as a non-executive director of The Coca-Cola Company African Foundation.

Mr Jansen joined the CCA Board in 2009.

CCA
COCA-COLA AMATIL

COCA-COLA AMATIL

COCA-COLA AMATIL LIMITED
ABN 26 004 139 397

LODGE YOUR VOTE

ONLINE **www.linkmarketservices.com.au**

By mail:
Coca-Cola Amatil Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

By fax: (02) 9287 0309

All enquiries to: Telephone: (02) 8280 7121

SHAREHOLDER VOTING FORM

STEP 1 **Please mark either Box A or Box B**

I/We being a member(s) of Coca-Cola Amatil Limited and entitled to attend and vote hereby:

A VOTE DIRECTLY

☐ elect to lodge my/our **vote(s) directly (mark box)**

in relation to the Annual General Meeting of the Company to be held at **10:00 am on Tuesday, 15 May 2012,** and at any adjournment or postponement of the meeting.
You should mark either "for" or "against" for each item. Do not mark the "abstain" box.

OR

B APPOINT A PROXY

☐ **the Chairman of the Meeting *(mark box)***

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at **10:00 am on Tuesday, 15 May 2012, in the James Cook Ballroom, InterContinental Sydney, Cnr Bridge and Phillip Streets, Sydney NSW** and at any adjournment or postponement of the meeting.

Direct votes or proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting (i.e. by 10:00 am on Sunday, 13 May 2012).

Please read the voting instructions overleaf before marking any boxes with an X

STEP 2 **VOTING DIRECTIONS**

Resolution	For	Against	Proxy Only Abstain*
Resolution 2 Adoption of Remuneration Report	☐	☐	☐
Resolution 3a Re-election of Mr D M Gonski, AC as a Director	☐	☐	☐
Resolution 3b Re-election of Mr G J Kelly as a Director	☐	☐	☐
Resolution 3c Re-election of Mr M Jansen as a Director	☐	☐	☐
Resolution 4 Participation by Executive Director in the 2012-2014 Long Term Incentive Share Rights Plan	☐	☐	☐
Resolution 5 Participation by Executive Director in Deferred Securities Awards under the Short Term Incentive Plan	☐	☐	☐

If I/we do not give voting directions above for Resolution 2, Resolution 4 or Resolution 5 and the Chairman of the Meeting is my/our proxy, I/we direct and authorise the Chairman of the Meeting to vote as set out overleaf (Voting under Section B).

* If you are voting under Box B and mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 **SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

CCL PRX203

HOW TO COMPLETE THIS VOTING FORM

To assist you in exercising your right to vote at the Annual General Meeting of the Company if you are unable to attend the meeting, you are encouraged to complete and lodge this form. You may either lodge your vote directly by marking Section A or appoint a person/body corporate who will attend as your proxy by marking Section B.

Voting under Section A

If you ticked Box A you are indicating that you wish to vote directly. Please only mark either **"for"** or **"against"** for each item. **Do not mark the "abstain" box.**

If no direction is given on all of the items, or if you complete both Box A and Box B, your vote may be passed to the Chairman of the meeting as your proxy. If you mark the **"abstain"** box for an item, your vote for that item will not be counted.

Custodians and nominees may, with the Share Registrar's consent, identify on the voting form the total number of votes in each of the categories **"for"** and **"against"** and their votes will be valid.

If you have lodged a direct vote, and then you attend the meeting, your attendance will cancel your direct vote.

The Chairman's decision as to whether a direct vote is valid is conclusive.

Voting under Section B

If you ticked Box B you are appointing a proxy. You need to direct your proxy how to vote, therefore you should clearly mark the boxes overleaf with a cross to indicate your voting instruction for each item.

The Chairman of the meeting intends to vote undirected proxies in favour of all Resolutions.

1 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark Box B. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Section B. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

2 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Voting Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

(a) on each of the first Voting Form and the second Voting Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together.

3 Votes on Items of Business – Proxy Appointment

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Undirected votes on remuneration issues

Resolution 2 – Remuneration Report

If you appoint the Chairman of the Meeting as your proxy, including an appointment because no proxy is named or a deemed appointment under section 250BC of the *Corporations Act 2001*, and you do not indicate your voting instruction for Resolution 2 by marking a box overleaf with a cross, you direct the Chairman of the Meeting to vote in favour of Resolution 2.

(However, if you are a KMP or a closely related party of a KMP details of whose remuneration are included in the Remuneration Report, you direct the Chairman of the Meeting to abstain from voting on Resolution 2).

Resolution 4 – Participation by Executive Director in the 2012-2014 Long Term Incentive Share Rights Plan and Resolution 5 – Participation by Executive Director in Deferred Securities Awards under the Short Term Incentive Plan

If you appoint the Chairman of the Meeting as your proxy, including an appointment because no proxy is named or a deemed appointment under section 250BC of the *Corporations Act 2001,* and you do not indicate your voting instruction for Resolution 4 or Resolution 5 by marking a box overleaf with a cross, you authorise the Chairman of the Meeting to vote in favour of Resolution 4 or Resolution 5 even if Resolution 4 or Resolution 5 are connected directly or indirectly with the remuneration of a member of the key management personnel for Coca-Cola Amatil.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Lodgement of a Voting Form

This Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00 am on Sunday, 13 May 2012,** being not later than 48 hours before the commencement of the meeting. Any Voting Form received after that time will not be valid for the scheduled meeting.

Voting Forms may be lodged using the reply paid envelope or:

ONLINE **www.linkmarketservices.com.au**

Login to the Link website using the holding details as shown on the voting form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).

by mail:
Coca-Cola Amatil Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

by fax:
(02) 9287 0309

by hand:
delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

If you would like to attend and vote at the Annual General Meeting, please bring this form with you. This will assist in registering your attendance.

COCA-COLA AMATIL

COCA-COLA AMATIL LIMITED
ABN 26 004 139 397

LODGE YOUR QUESTIONS

ONLINE www.linkmarketservices.com.au

By mail:
Coca-Cola Amatil Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

By fax: +61 2 9287 0309

All enquiries to: Telephone: (02) 8280 7121

AREAS OF INTEREST TO SHAREHOLDERS

Your concerns as Shareholders are important to us. Please use this form to submit any questions about Coca-Cola Amatil Limited ("the Company") that you would like us to respond to at the Company's 2012 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum. If your question is for the Company's auditor it should be relevant to the content of the auditor's report, or the conduct of the audit of the financial report.

This form must be received by the Company's Share registrar, Link Market Services Limited, by **Friday, 11 May 2012.**

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised Shareholder topics as possible and, where appropriate, will give a representative of the Company's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to Shareholders.

Question(s)

1. **Question is for the ☐ Chairman or ☐ Auditor**

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2. **Question is for the ☐ Chairman or ☐ Auditor**

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3. **Question is for the ☐ Chairman or ☐ Auditor**

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