

Company Announcements Office
Australian Securities Exchange Limited

Sydney, 4 February 2009:

UPDATE ON MERGER PROPOSAL FROM LION NATHAN LIMITED

CCA will release its 2008 Annual Results on 12 February. However, following recent media speculation in relation to the merger proposal ("the proposal") from Lion Nathan Limited (Lion), CCA would like to update the market in relation to the proposal.

On 7 November 2008, CCA received an incomplete and non-binding proposal from Lion to acquire CCA by way of a scheme of arrangement. The proposal was supported by Lion's major shareholder, the Japanese beverage organisation, Kirin Holdings Company, Limited (Kirin).

As previously announced to the market on 17 November 2008, the CCA Board decided not to progress any further review of the proposal as the proposal included a range of material conditions precedent. In particular the proposal required the support of CCA's major shareholder and supplier, The Coca-Cola Company (TCCC), and included the sale to Lion of TCCC's 30% shareholding in CCA. Under the proposal, TCCC would then hold approximately 8% of the merged entity and have no representation on the merged entity's Board.

The CCA Board sought TCCC's view on the proposal and TCCC subsequently confirmed to CCA that it had informed Kirin that the proposal was not attractive and that a number of conditions would need to be satisfied for its support.

CCA has been further advised by TCCC that it subsequently provided to Kirin a list of conditions that would need to be satisfied before TCCC would re-consider the proposal. Kirin is a significant competitor to TCCC and CCA in the Australian market, owning the major juice company in Australia, Berri, with approximately a 40% share of the juice market in Australia, and the National Foods & Dairy Farmers businesses, which together hold more than a 60% share of the flavoured milk market in Australia.

CCA is aware that discussions between TCCC and Kirin are continuing. CCA is not in a position to judge whether these discussions will result in TCCC agreeing to support the proposal or a varied one, therefore the CCA Board is not presently actively considering the proposal. CCA has not received any further proposal from Lion. CCA will continue to monitor the situation and keep the market informed.

At yesterday's closing price for CCA shares of \$9.60 and the Lion share price of \$8.19, the proposal has an implied value of \$9.99 per CCA share, a premium of 4.1% to yesterday's closing price. The proposal represents a multiple of approximately 10.5 times CCA's 2008 consensus EBITDA and 9.9 times CCA's 2009 consensus EBITDA.

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