Coca-Cola Amatil Limited
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22 April 2009

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

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:

- 2008 Annual Report
- 2008 Shareholder Review
- Notice of Meeting 2008 and Proxy Form
- Areas of Interest to Shareholders – Q & A

Yours sincerely,

George Forster
General Counsel and Company Secretary

COCA-COLA AMATIL

2008 Annual Report

Contents

Annual General Meeting

The Annual General Meeting will be held on Friday, 22 May 2009 at 10.00am in the James Cook Ballroom, InterContinental Sydney, Cnr Bridge & Phillip Streets, Sydney, NSW.

Coca-Cola Amatil Limited

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Chairman's Review

Coca-Cola Amatil (CCA) delivered a record net profit after tax for the 2008 full year of $404.3 million, for continuing operations and before significant items, representing an increase of $36.7 million or 10.0% on 2007. Earnings per share (EPS) for continuing operations and before significant items increased by 12.5% to 54.9 cents per share, while EPS after significant items increased by 26.9% to 52.4 cents per share. For the past five years, CCA has delivered average growth in net profit after tax of 10.0% per annum before significant items.

CCA's record 2008 profit result came from the continued strong performance of the Australian and New Zealand beverage businesses, an excellent result from Indonesia & PNG and an increasingly important contribution from our premium alcoholic beverages business. Improved pricing and product mix, successful new product launches, and cost savings from Project Zero (CCA's major infrastructure investment program) all contributed to the strong performance.

I am pleased to report that CCA's share price was remarkably resilient in 2008 in volatile market conditions, and over a longer time period from 1 January 2003 to 31 December 2008, CCA's share price increased by approximately 74% relative to an increase in the S&P/ASX 200 index of only 24%. Including the dividends paid to shareholders over this period, CCA's total shareholder return was approximately 139% while the total shareholder return from the S&P/ASX 200 was 68%.

Dividends up 10%

The strong operating performance has enabled the Board to increase the final dividend from 20.0 cents to 22.0 cents per share fully franked, representing an increase of 10.0%. For the full year, the total fully franked dividend was 39.0 cents a share, a 9.9% increase on 2007, representing a payout ratio of 71.0% of net profit before significant items.

As announced to the market on 15 December 2008, CCA has amended its Dividend Reinvestment Plan (DRP) to remove the previous 100,000 share limit on participation in the DRP. As a result, there will no longer be a limit on participation and eligible participating shareholders will continue to receive the current 3% discount. As with all other US resident shareholders, The Coca-Cola Company, CCA's major shareholder, does not currently participate in the CCA DRP.

Merger Proposal by Lion Nathan Limited

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

The support of CCA's major shareholder and supplier, The Coca-Cola Company (TCCC), was a condition of the proposal and the CCA Board sought TCCC's view on the proposal. 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 the proposal to receive TCCC's support. As a consequence of this and a number of deficiencies in the proposal, the CCA Board decided at that point not to progress any further review of the proposal.

Subsequently, CCA was advised by TCCC that it had provided to Kirin a list of conditions that would need to be satisfied before TCCC would re-consider the proposal, and that discussions between TCCC and Kirin were continuing. Upon receipt of this advice, CCA then updated the market in relation to the proposal on 4 February 2009.

On 7 February 2009, CCA again updated the market immediately after it had received a copy of a letter sent by TCCC to Kirin advising it that TCCC had terminated discussions with Kirin in respect of the proposal. As a consequence, on 9 February 2009 Lion advised the market that it had withdrawn its proposal to merge with CCA.

Executive Remuneration

Details of CCA's senior executive remuneration structure are contained in the remuneration report in this Annual Report. Any changes in senior executive remuneration are reviewed by the Compensation Committee, a sub-committee of the CCA Board. The fixed and "at-risk" components are benchmarked each year to domestic and international companies that are comparable to CCA and take into account current market remuneration rates and the performance of the Company.

In recent years, approximately 50% of the senior executives' on-target remuneration package has been subject to performance-based achievement. The CCA Board considers this to be an appropriate balance between fixed and at-risk, with the at-risk component allocated between short term performance criteria and the ongoing, long-term sustainable earnings growth of the Company.

CCA also continues to encourage its senior executives, and all employees, to increase their shareholding in the Company and part of both the short-term and long-term "at-risk" components for all senior executives are required to be taken as CCA shares.

The Australian Institute of Company Directors and the Australian Shareholders' Association have both recently released new guidelines in relation to senior executive remuneration. We are currently reviewing these guidelines and will take them into consideration in future reviews of CCA's senior executive remuneration structure.

Directors' Fees

The Board recognises the current challenging economic conditions and has agreed that there will be no increase in base directors' fees in 2009 and only a small increase in Board Committee fees. As a result, assuming no changes to Board or Committee composition, the total increase in directors' fees for 2009 will be less than 2%. Total directors' fees for 2009 of $1.4 million are well within CCA's shareholder-approved limit of $2.0 million.

Corporate Governance

CCA has an ongoing commitment to transparency and good corporate governance. This Annual Report includes a number of statements on the robust corporate governance structure and risk management framework prevailing throughout CCA. CCA has always maintained a high level of corporate governance and we continue to refine our practices in this area each year.

The Coca-Cola Company

CCA has consistently been one of the best performing bottlers within the Coca-Cola System in terms of operational performance and total shareholder return.

The CCA Board continues to have a strong and constructive relationship with TCCC, both as a shareholder and as the major supplier of concentrate for the majority of our non-alcoholic beverage products. TCCC currently holds 30.3% of the shares in CCA and nominates two Non-Executive Directors to the current eight-member Board. In 2008, CCA's Related Party Committee, comprising the Independent Directors, met on seven occasions and reviewed all material transactions between CCA and TCCC. The Related Party Committee remains an important forum for dealing with all related party governance issues.

Corporate Social Responsibility

CCA 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 corporate responsibility 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.

Employees

One of the underlying strengths of the CCA Group is the quality of its people and their passion for serving our customers. Their commitment to CCA's core values underpins the record results achieved this year. On behalf of the Board, I would like to thank all employees for their special efforts and contribution in 2008.

David Gonski, AC
Chairman

Managing Director's Review

2008 was a very successful year for CCA. We achieved a record profit result and delivered on our core business priorities in what was the most challenging economic and trading environment that we have experienced for many years.

CCA's continuing operations delivered earnings before interest and tax (EBIT) of $713.8 million, an increase of $65.4 million, or 10.1%, on 2007, while return on average capital employed (ROCE) materially improved, increasing from 19.0% in 2007 to 22.4%.

2008 Business Priorities

There were four main priorities for the business in 2008. These were as follows:

- To grow CCA's share of non-alcoholic beverages in each of its markets by selective expansion of the product portfolio and the increased placement of cold drink coolers;
- To grow CCA's premium alcoholic beverages business in Australia and New Zealand through the increased availability of its premium beer brands;
- To maintain the strong momentum in product expansion and new customer growth in Indonesia & PNG; and
- To drive material efficiency gains from "Project Zero", CCA's major infrastructure and supply chain cost reduction program.

Successful New Product Launches

In 2008, CCA introduced a number of innovative new non-alcoholic beverage brands to the market, including Glacéau vitaminwater and the re-launched Mother energy drink in a 500ml can. Glacéau, launched in February, was the largest non-carbonated beverage launch in CCA's history and almost 25 million bottles were sold in 2008. Innovation in new product development remains a fundamental part of CCA's business model and the success achieved in new products has further extended CCA's market leadership position in non-alcoholic beverages and strengthened its relationship with its customers.

Pacific Beverages JV – Growth in Premium Beer

Pacific Beverages, CCA's premium alcoholic beverages Joint Venture with SABMiller, continued to grow its share of the Australian premium beer market, delivering excellent volume growth for the year. New products such as Miller Chill, the benefits of the acquisition of Bluetongue Brewery in December 2007 and the Grolsch distribution rights for Australia in May 2008, all contributed to an outstanding result. The construction of the new 500,000 hectolitre Bluetongue Brewery at Warnervale on the NSW Central Coast commenced in December 2008 and is on track for completion in March 2010.

Indonesia & PNG – Customer Growth & Product Expansion

In Indonesia, CCA's investment in new one-way pack beverage production capacity enabled the business to meet increased consumer demand and rapidly grow market share in the important modern food-store channel. The business also placed approximately 21,000 new glass door coolers and more than 80,000 ice chests to further increase cold drink availability. Earnings growth in PNG was driven by a continued focus on higher value immediate consumption packs and increased promotional activity.

Project Zero

Project Zero continued to deliver on its cost savings and customer service targets in 2008. Major projects completed included the fully-automated warehouse at Northmead, the automated distribution centre in Auckland, and new beverage production capacity in WA, Queensland and Indonesia. The first phase of the SAP systems solution was also successfully commissioned in Australia, with key financial, back-office and equipment service systems operating successfully on SAP.

These initiatives enabled CCA to again deliver higher levels of customer service and new product innovation that was consistently recognised by its customers. In 2008, CCA achieved success in winning major new customer accounts including Oporto and the Australian Professional Golfers' Association (PGA).

2008 Operations Review

Australia delivered a record result with EBIT growth of 9.5% to $488.4 million. Despite a small decline in volume of 1.1% for the full year, improved demand for single-serve products drove positive volume growth in the second half. Project Zero delivered material efficiency and operational savings, while CCA's premium alcoholic beverages business also made a solid contribution to 2008 profit growth.

New Zealand & Fiji also delivered a record result, with EBIT growth of 7.2% on volume growth of 1.0% that was driven by the continued growth of Brand Coke and Powerade, the successful launch of 'Relentless' energy drink and increased sales of multi-pack cans in the food-store channel.

Indonesia & PNG recorded the highest earnings growth of the Group, achieving a record EBIT result of $50.6 million, an increase of 37.5% on 2007. Revenue growth of 17.5% and volume growth of 8.0% for the region was underpinned by the successful execution of the one-way pack strategy in Indonesia in both the modern and traditional channels.

Food & Services achieved EBIT growth of 4.4%, which was a commendable result given the continued impact on SPC Ardmona of the severe drought in the Goulburn Valley, increased import competition in Australia for packaged fruit and vegetable products, and higher commodity input costs.

Pacific Beverages achieved excellent volume growth in Australia of more than 100% for its premium beer brands as a result of successful innovation in new products such as Miller Chill, the increased availability of the brands through CCA's large customer network, and the full-year impact of the acquisition of Bluetongue in December 2007. Pacific Beverages' premium beer brands now account for more than 7% of the Australian premium packaged beer market by value.

Net Debt & Interest Cover

At 31 December 2008, CCA's net debt was approximately $1.9 billion and the Company had total committed debt facilities of approximately $2.4 billion with an average maturity of 5.5 years. There is $50 million of debt maturing in 2009 and this is fully covered by cash deposits and undrawn committed facilities.

The Company remains in a very strong financial position with EBIT interest cover of 4.7 times at 31 December 2008. Moodys and Standard & Poors Ratings Agencies' have reaffirmed CCA's credit ratings at 'A3' and 'A-' respectively.

2009 Business Priorities

The priorities for 2009 are a continuation of the initiatives commenced in 2008 and include the following:

- Further expansion of CCA's non-alcoholic beverage portfolio in each of its markets through organic growth and new product and package innovation;
- Further expansion in Australia and New Zealand of CCA's premium alcoholic beverages business; and
- The successful delivery of Project Zero initiatives including the completion of the automated distribution centre at Eastern Creek, NSW, and additional beverage production and distribution capability in Indonesia.

CCA has a strong new product and package innovation pipeline in non-alcoholic beverages across a range of categories including the roll-out of Goulburn Valley fresh flavoured milk in NSW, Victoria and Queensland.

For Project Zero, CCA currently has approximately three years of new projects in the pipeline that will, on completion, materially improve customer service levels and lower its cost of doing business.

2009 Trading Outlook

CCA has had a strong start to the year with good growth in volume and revenue. There has been some change in channel growth with a softening in demand in restaurants and cafes. However, this has been more than balanced by an increase in demand in quick-service restaurants and the grocery channel for take-home products. Whilst the majority of CCA's products are considered to be consumer staples, the Company cannot be totally immune to a slow-down in overall consumer demand. However, an increase in at-home consumption does provide a buffer for reduced consumer activity in the on-premise channels.

CCA's beverage cost of goods sold (COGS) will increase again in 2009 due to higher sugar costs, the devaluation of relevant currencies against the USD, and the mix impact of higher cost products. These increases will be partially offset by an expected decline in PET resin costs.

For 2009, excluding Indonesia, CCA expects COGS per unit case to increase by just over 5% on a constant currency basis. Due to the ongoing volatility in the Indonesian Rupiah and high inflation, as well as the mix impact of higher value, higher cost products, double-digit growth in COGS is expected for Indonesia.

Capital expenditure for 2009 is expected to be approximately 7% of revenue, including 1% for Project Zero for automated warehousing and the implementation of the SAP technology platform and 1% for up-weighted expenditure on cold drink coolers. Other major Project Zero initiatives will include new production capacity and infrastructure in Indonesia and further production capability and efficiency projects in Australia and New Zealand.

CCA expects to be a net beneficiary from the recent legislative changes to the punitive taxation of alcoholic ready-to-drink beverages, with sales of Jim Beam & Cola expected to regain most of the volume that was lost in 2008.

CCA finished 2008 in a strong financial and market position and is well placed to continue its consistent operating performance in 2009. The Company will continue to innovate and expand its premium brand portfolio, even in the tougher trading conditions. In doing so, CCA will further extend its market-leading position and will continue to refresh, hydrate and energise its consumers – all day, every day.

Terry Davis
Group Managing Director

Financial Review

Coca-Cola Amatil Limited

For the financial year ended 31 December 2008

The following commentary summarises the Company's debt position, capital employed, capital expenditure, cash flow position, beverage cost of goods sold and significant items.

Net Debt & Interest Cover

Net debt increased by $332.1 million to $1,939.4 million primarily as a result of the impact of the $170 million share buy-back undertaken in January 2008, the increase in property, plant & equipment as a result of CCA's capital investment program and the increased equity investment of approximately $19 million in Pacific Beverages for the NSW brewery development and the acquisition during the year of the distribution rights in Australia for the Grolsch brand.

CCA remains in a very strong financial position, with EBIT[1] interest cover maintained at 4.7 times at 31 December 2008.

At year end, CCA had total committed debt facilities of approximately $2.4 billion with an average maturity of 5.5 years.

$A million	2008	2007	Change
Net Debt	**1,939.4**	1,607.3	332.1
Net debt / capital employed	**58.6%**	52.7%	5.9 pts
Interest cover (EBIT[1] / net interest)	**4.7x**	4.7x	–

1. Before significant items

Capital Employed

Group capital employed increased by $263.4 million since December 2007 to $3.3 billion primarily due to an increase in property, plant & equipment and working capital. The increase in property, plant & equipment of $112.3 million related to cold drink equipment, Project Zero investments in automated warehousing and the SAP technology platform, and increased production capacity in Australia and Indonesia.

Working capital increased by $113.1 million due to the increased level of trading in 2008, higher inventory levels in the Australian business to provide greater stock cover throughout the peak summer selling season, the pre-purchase of some 2009 raw material inputs, as well as increased debtors and inventory in Indonesia due to the growth in the modern food-stores channel.

The increase in CCA's investments in bottler's agreements (IBAs) & other intangible assets of $11.9 million was due to expenditure of $20 million on the SAP technology platform in Australia and New Zealand, offset by amortisation of intangible assets and the foreign currency translation impact on the carrying values of the IBAs.

Group ROCE[1] increased by 3.4 percentage points to 22.4% from the full year 2007 result of 19.0%, primarily due to the strong growth in earnings and the full year impact of the disposal of the South Korean business in October 2007.

$A million (Continuing operations)	2008	2007	Change
Working capital	**929.0**	815.9	113.1
Property, plant & equipment	**1,414.9**	1,302.6	112.3
IBAs & intangible assets	**1,453.5**	1,441.6	11.9
Deferred tax liabilities	**(138.7)**	(153.3)	14.6
Derivatives – non-debt	**25.7**	15.6	10.1
Other net assets / (liabilities)	**(373.0)**	(374.4)	1.4
Capital Employed	**3,311.4**	3,048.0	263.4
Group Return on average capital employed (ROCE) %[1]	**22.4%**	19.0%	3.4 pts

1. Reported, before significant items

Capital Expenditure

On a continuing operations basis, capital expenditure decreased by $4.5 million from $282.8 million to $278.3 million, or 6.8% of trading revenue. The increase in capital expenditure in Indonesia & PNG was primarily due to the investment in additional can and PET bottle production capacity in Indonesia, and additional cold drink coolers for the region.

The reduction in capital expenditure in New Zealand & Fiji was due to the cycling of the investment in the automated warehouse in 2007.

Capital expenditure / trading revenue (Continuing operations)	2008	2007	Change
Australia	**5.1%**	5.4%	(0.3 pts)
New Zealand & Fiji	**8.0%**	10.6%	(2.6 pts)
Indonesia & PNG	**10.1%**	7.1%	3.0 pts
Food & Services	**9.7%**	12.0%	(2.3 pts)
CCA Group – Continuing Operations	**6.8%**	7.2%	(0.4 pts)
South Korea	**–**	3.8%	N/A
CCA Group - Reported	**6.8%**	6.8%	0.0 pts

Cash Flow

Operating cash flow and free cash flow from continuing operations remained healthy at $430.6 million and $158.0 million, respectively.

The lower operating cash flow of $430.6 million, a reduction of $52.6 million, was primarily driven by higher tax payments for the year and an increase in inventory and debtors in Australia, Indonesia & PNG. The reduction of $17.4 million in proceeds from the sale of property, plant & equipment and other was primarily due to the cycling of the receipt in 2007 of the proceeds from the sale to SABMiller of certain Maxxium sales incentive rights.

At 31 December 2007, CCA also held on its balance sheet a receivable of $38.6 million in relation to the escrow amount held following the sale of CCA's South Korean business in 2007. On 4 November 2008, an amount of $33.2 million was released from escrow to CCA and this amount of $33.2 million is not included in the 2008 reported free cash flow of $158 million.

Continuing operations ($A million)	2008	2007	Change
EBIT (before significant items)	713.8	648.4	65.4
Depreciation & amortisation	151.3	149.8	1.5
Cash impact of significant items	(13.5)	–	(13.5)
Change in working capital	(113.1)	(84.2)	(28.9)
Net Interest paid	(143.0)	(134.8)	(8.2)
Taxation paid	(182.2)	(141.5)	(40.7)
Other – Accruals & prepayments	17.3	45.5	(28.2)
Operating cash flow	**430.6**	**483.2**	**(52.6)**
Capital expenditure	(278.3)	(282.8)	4.5
Proceeds from sale of PPE & other	5.7	23.1	(17.4)
Free cash flow	**158.0**	**223.5**	**(65.5)**

Beverage Cost of Goods Sold

Higher commodity input costs continued to impact on CCA's beverage manufacturing cost base. For continuing operations and on a constant currency basis, cost of goods sold (COGS) per unit case increased by 4.0% as a result of increased sales of higher cost and higher value, single-serve packs in Australia, as well as higher COGS in Indonesia & PNG as a result of mix and higher aluminium and PET resin prices.

The Group average COGS per unit case for the full year increased by 3.1%, which was fully recovered in each country through increased rate realisation of an average of 3.6%.

Significant Items

For 2008, CCA reported significant item charges of $26.7 million before tax and $18.7 million after tax in relation to the rationalisation of the manufacturing facilities of SPC Ardmona (SPCA).

The rationalisation costs in SPCA of $26.7 million before tax comprised the following amounts:

- $9.7 million for the impairment of plant and equipment,
- $10.1 million in respect of other restructuring costs, and
- $6.9 million for employee termination benefits expenses.

The announced rationalisation was completed by November 2008 with SPCA expected to generate an additional $8-$10 million in earnings per annum, commencing in 2009.

Board of Directors

David Gonski, AC

Chairman, Non-Executive Director (Independent) – Age 55

Joined the Board in October 1997 – Chairman of 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, now part of the Investec group.

Degree: B Com; LLB (UNSW) FAICD, FCPA

Other Listed Company Boards: Westfield Group; Singapore Airlines Limited; Australian Securities Exchange Ltd (Chairman).

Other Directorships held in the last three years: John Fairfax Holdings Ltd (Resigned 2005); Australia and New Zealand Banking Group Ltd (Resigned 2007).

Government & Community Involvement: Chancellor of the University of New South Wales; Chairman, UNSW Foundation Limited; Chairman of Sydney Grammar School; Chairman, National E-Health Transition Authority.

Terry Davis

Group Managing Director, Executive Director – Age 51

Appointed in November 2001.

Background: Joined CCA in November 2001 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 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; Member, AOC (NSW) Fundraising Committee – Beijing 2008.

Catherine Brenner

Non-Executive Director (Independent) – Age 38

Joined the Board on 2 April 2008 – Chairman of Compensation Committee, Member of 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. She is experienced in both corporate advisory and equity capital markets, including takeovers, capital raisings and trade sales. Prior to this Ms Brenner was a corporate lawyer.

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

Other Listed Company Boards: Centennial Coal Company Limited.

Other Directorships held in the last three years: Trafalgar Corporate Group Limited (Resigned 2008) and Cryosite Limited (Resigned 2008).

Government & Community Involvement: Director, Australian Brandenburg Orchestra.

Jillian Broadbent, AO

Non-Executive Director (Independent) – Age 60

Joined the Board in February 1999 – Chairman of Compliance & Social Responsibility Committee, member of Compensation Committee, Nominations Committee and Related Party Committee.

Background: Extensive experience in international banking, principally with Bankers Trust Australia, advising a wide range of corporate clients on risk management.

Degree: Bachelor of Arts (major in Economics and Mathematics) from University of Sydney.

Other Directorships held in the last three years: Woodside Petroleum Ltd (1998-2008)

Government & Community Involvement: (Director) Reserve Bank of Australia; (Director) SBS Corporation.

Irial Finan

Non-Executive Director (Nominee of TCCC) – Age 51

Joined the Board in August 2005 – Member of Audit & Risk Committee and Compliance & Social Responsibility Committee.

Background: Has over 28 years within the Coca-Cola system including recently as Chief Executive Officer of Coca-Cola Hellenic Bottling Company SA. Currently, President, Bottling Investments & Supply Chain for The Coca-Cola Company.

Degree: Bachelor of Commerce from National University of Ireland in Galway and Fellow of the Institute of Chartered Management Accountants.

Other Listed Company Boards: Coca-Cola Enterprises, Coca-Cola FEMSA, Coca-Cola Hellenic Bottling Company; Supervisory board of Coca-Cola Enterprises AG.

Government & Community Involvement: Voluntary Advisor for NUY Galway Foundation Board (National University Ireland) and Co-operation Ireland USA.

Geoffrey Kelly

Non-Executive Director (Nominee of TCCC) – Age 64

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. Currently Senior Vice President and General Counsel, Chief Legal Officer of The Coca-Cola Company.

Degree: Law Degree from University of Sydney.

Wal King, AO

Non-Executive Director (Independent) – Age 64

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

Background: Has worked in the construction industry for 40 years and since 1987 has been the Chief Executive Officer of Leighton Holdings Limited, a company with substantial operations in Australia, Asia and the Middle East.

Degree: Bachelor of Engineering; Master of Engineering Science and Honorary Doctor of Science from University of New South Wales.

Other Listed Company Boards: Leighton Holdings Limited.

Government & Community Involvement: Director, University of New South Wales Foundation Limited; Council Member, University of New South Wales Council; Foundation Member of The Committee for Sydney Inc and the New South Wales Infrastructure Council; President, Australian Constructors Association; Member, Business Council of Australia; Founding Councillor of the Australia Business Arts Foundation and Director, Kimberley Foundation Australia Limited.

David Meiklejohn

Non-Executive Director (Independent) – Age 67

Joined the Board in February 2005 – Chairman of Audit & Risk Committee, and member of 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: Bachelor of Commerce from Queensland University.

Other Listed Company Boards: PaperlinX Ltd (Chairman); Australia and New Zealand Banking Group Ltd; Mirrabooka Investments Limited.

Other Directorships held in the last three years: SPC Ardmona Ltd (Chairman) (Resigned 2005); WMC Resources Ltd (Resigned 2005); OneSteel Ltd (Resigned 2005).

Government and Community Involvement: President of the Melbourne Cricket Club.

General Counsel and Company Secretary

George Forster

General Counsel and Company Secretary – Age 54

Background: Joined CCA in April 2005 as General Counsel. Appointed Company Secretary on 14 February 2007. Extensive experience as a corporate and commercial lawyer of over 30 years including being a partner of a leading Australian law firm and legal adviser to, and Company Secretary of, a number of major corporates.

Degrees: Bachelors of Law and Commerce from the University of New South Wales.

Senior Management

Warwick White

Managing Director – Australasia – Age 47

Appointed in November 2002

Background: Warwick has 24 years in the Coca-Cola system and rejoined Coca-Cola Amatil in November 2002 as the Managing Director of Australia.

Warwick has held mainly marketing and general management roles since joining the Coca-Cola system in the early 1980s. 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.

Peter Kelly

Managing Director – Asia – Age 43

Appointed in August 2005

Background: Peter has spent 20 years in the Coca-Cola system, first joining The Coca-Cola Company in 1988 and then CCA in 1993. Peter has held a number of key sales and operations roles in our Australian business unit including General Manager Foodstores and Director of Operations and Logistics before taking on a corporate role as Director of Business Development for the CCA Group.

Peter is currently Regional Director for Asia with accountability for the Indonesian and PNG business units. In addition to this operational accountability, Peter also manages Business Development, Procurement and the Internal Audit and Risk Functions for the CCA Group.

George Adams

Managing Director – New Zealand & Fiji – Age 42

Appointed in December 2003

Background: A Fellow of the Institute of Chartered Accountants in Ireland, George joined CCA on 1 December 2003. George has 13 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 Vice Chairman of the New Zealand Food and Grocery Council.

John Seward

Managing Director – Indonesia & PNG – Age 52

Appointed in August 2004

Background: John has spent 10 years in the Coca-Cola system, joining CCA in 2004 having previously run the Nigerian Bottler for Coca-Cola Hellenic.

Prior to this, he has held senior positions in the FMCG and the packaging businesses in Europe, the Middle East and in the US. The majority of his career has been in General Management, where he has worked in Developed and Emerging Markets and he brings a wealth of international experience to CCA.

Nigel Garrard

Managing Director – Food & Services – Age 48

Appointed in February 2005

Resigned: 22 April 2009

Background: A qualified Chartered Accountant, Nigel joined SPC Ltd in 2000 as Managing Director and has over 15 years experience in the food industry. He was instrumental in the successful merger of SPC and Ardmona Foods, creating one of Australia's leading food manufacturers. Prior to joining SPCA, Nigel undertook a number of regional roles in Australia and New Zealand over a 10 year period with the US based Chiquita Brands International. Nigel is currently a Director of VicRelief Foodbank Ltd and former Chairman of National Food Industry Strategy Ltd.

Nessa O'Sullivan

Chief Financial Officer – Operations – Age 44

Appointed in 1 April 2008

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.

Ken McKenzie

Chief Financial Officer – Statutory and Compliance – Age 58

Appointed in 1 April 2008

Background: Ken has been with Coca-Cola Amatil for 23 years where he has held a number of senior financial roles resulting in extensive M&A and corporate planning & reporting experience. He was instrumental in the demerger of CCA's European businesses through the public listing on the London Stock Exchange and the acquisition of CCA's Indonesian business. Most recently, Ken was the Group Financial Controller for Coca-Cola Amatil for 6 years. Ken is a qualified CPA with a Master of Commerce from the University of New South Wales and has further attended international universities such as MIT and Insead. Outside of CCA, Ken is a member of the Financial Reporting Panel and the ASIC Standing Committee.

Corporate Governance

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 main corporate governance principles and practices followed by CCA for the period 1 January 2008 to 31 December 2008 as required by the ASX Listing Rules.

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

Principle 1 – Lay solid foundations for management and oversight

The Role of the Board and Management

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. These are the Related Party Committee, Nominations Committee, Audit & Risk Committee, Compensation Committee and Compliance & Social Responsibility Committee. Details of each Committee are set out in this report. The delegation of responsibilities to those committees will only occur provided that sufficient systems are in place to ensure that the Board is meeting its responsibilities.

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 2008, 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 Irial Finan);
- 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 eight members:

Name	Position	Independent	Appointed
David Gonski, AC	Chairman, Non-Executive Director	Yes	1997
Catherine Brenner*	Non-Executive Director	Yes	2008
Jillian Broadbent, AO	Non-Executive Director	Yes	1999
Wal King, AO	Non-Executive Director	Yes	2002
David Meiklejohn	Non-Executive Director	Yes	2005
Irial Finan**	Non-Executive Director	No	2005
Geoffrey Kelly**	Non-Executive Director	No	2004
Terry Davis	Executive Director and Group Managing Director	No	2001

* Appointed 2 April 2008
** Nominated by The Coca-Cola Company

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.

Directors – independence continued

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 36 to the financial statements.

RELATED PARTY COMMITTEE

The Related Party Committee is comprised of the five 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 Chief Financial Officers attend meetings by invitation.

The Committee reviews transactions between CCA and parties who may not be at arms 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 and experience 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. 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 and experience for Board positions. The website 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 the five 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 and experience to enable it to fulfil its responsibilities to shareholders. The Committee also 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 training

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.

On appointment, each Director is provided with the Company's policies and briefed on the content by the Company Secretary. Directors have available to them a series of training programs, covering such topics as the Board's role, Board composition and conduct, risks and responsibilities of company directors, to ensure that they are fully informed on current governance issues.

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 Directors' performance is undertaken at least every two years and 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 performance review was undertaken in 2007.

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 Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. To this end, a review of the formal Code of Conduct was undertaken during the year 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 new Code was approved by the Board in December 2008.

The Audit & Risk Committee is responsible for ensuring effective compliance policies exist to ensure compliance with the requirements established in the Code of 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. In 2008, CCA published its second Sustainability Report which focuses on four pillars of commitment – Environment, Marketplace, Workplace and Community. This Report 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 to ensure that there are policies and controls to protect the Company's reputation as a responsible corporate citizen. The structure and responsibilities of the Committee are set out below.

COMPLIANCE & SOCIAL RESPONSIBILITY COMMITTEE

The Compliance & Social Responsibility Committee comprises five 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. In respect of social responsibility, it reviews reports and makes recommendations to the Board, where appropriate, in respect of political donations, community sponsorship and support and relevant social issues such as obesity and CCA's carbon footprint and other social issues that may be relevant to the Company.

Share ownership and dealings

Under the terms of the Non-Executive Directors Share Plan, a minimum of 25% (and up to 100%) of CCA Directors' base fees are salary sacrificed by each Director. An amount equivalent to the fees sacrificed is contributed to the Non-Executive Directors Share Plan for the benefit of that Director. Details of all holdings by Directors in the Company are set out in the Directors' Report on page 15. Directors are subject to the Corporations Act 2001 which restricts their buying, selling or subscribing for securities in CCA if they are in possession of inside information.

Policy on Trading in CCA Shares

The Board has also adopted a formal policy for share dealings by Directors and senior management. Except for shares purchased on the first business day of each month under the Non-Executive Directors Share Plan, the policy allows for the buying and selling of CCA shares only during the four week periods following the release of the full year and half year results and 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.

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 three Non-Executive Directors (the Group Managing Director and Chief Financial Officers attend meetings by invitation). The Committee is chaired by an independent Non-Executive director who is not the Chairman of the Board.

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 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 the 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 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 has adopted the following communication framework:

Principle 6: Respect the rights of shareholders continued

- an ongoing communication program – regular, comprehensive and publicly available disclosures to be undertaken covering important topics including performance and governance issues;
- contact information – contact details for the Investor Relations department and Company Secretary are provided to facilitate and encourage communication;
- communication responsibilities – identification of the items that are appropriate for Board comment and those for management comment;
- communication policy – a publicly disclosed policy that covers all forms of communication, including meetings, telephone calls, email and other written communications; and
- policy review – regular Board review to ensure adherence to the communication policy.

CCA's communication policy (a copy is available on the Company website at www.ccamatil.com/disclosurepolicy.asp) 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);
- the Annual General Meeting;
- the Company website (www.ccamatil.com);
- the investor 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 access shareholder communications and information online. This has the advantage of receiving prompt information together with the convenience and security of electronic delivery.

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.

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 aus_investor_relations@anz.ccamatil.com. Questions that have been lodged, and their answers, are posted on the Company 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.

Further, 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. Risk analysis is undertaken within every business unit following the principles set out in this policy and the CCA Risk Management Framework and Guide. 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 Committee reviews and, where appropriate, makes recommendations to the Board in respect of policies relating to the above matters. 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, Statutory & Reporting, have provided a written Certificate to the Board that the Statutory Accounts comply with 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 obtains data from external remuneration sources to ensure the Company's remuneration practices are in line with market conditions. The 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. The Remuneration Policy is set out in the Remuneration Report on page 19 of this Annual Report, which also includes the structure of the Non-Executive Directors' remuneration and that of the Executive Director and senior executives.

COMPENSATION COMMITTEE

The Compensation Committee comprises four Non-Executive Directors (the Group Managing Director attends by invitation). A majority of members must be independent Non-Executive Directors.

The Committee reviews matters relating to the remuneration of the Executive Director and senior management, as well as senior management succession planning. The Committee obtains advice from external remuneration consultants to ensure that CCA's remuneration practices are in line with market conditions.

OTHER BOARD COMMITTEES

To assist in its deliberations, the Board has established a further two committees which attend to routine matters:

The Administration Committee and the Securities Committee meet as required.

Composition: Any two Directors or a Director and the Chief Financial Officer.

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.

Compliance with the revised Principles and Recommendations

The following table summarises CCA's compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 2nd Edition.

Recommendation	Compliance	2008 Annual Report reference
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	✓	page 9
Recommendation 1.2 Companies should disclose the process for evaluating the performance of senior executives.	✓	page 9
Principle 2: Structure the Board to Add Value		
Recommendation 2.1 A majority of the Board should be Independent Directors.	✓	page 9
Recommendation 2.2 The Chair should be an Independent Director.	✓	page 9
Recommendation 2.3 The roles of the Chair and Chief Executive Officer should not be exercised by the same individual.	✓	page 9
Recommendation 2.4 The Board should establish a Nomination Committee.	✓	page 10
Recommendation 2.5 Companies should disclose the process for evaluating the performance of the Board, its committees and individual Directors.	✓	page 10
Principle 3: Promote ethical and responsible decision-making		
Recommendation 3.1 Companies should establish a code of conduct and disclose the code or a summary of the code as to • the practices necessary to maintain confidence in the Company's integrity; • the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and • the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	✓	page 10

Recommendation	Compliance	2008 Annual Report reference
Recommendation 3.2 Companies should establish a policy concerning trading in company securities by Directors, senior executives and employees, and disclose the policy or a summary of that policy.	✓	page 11
Principle 4: Safeguard integrity in financial reporting		
Recommendation 4.1 The Board should establish an Audit Committee.	✓	page 11
Recommendation 4.2 The Audit Committee should be structured so that it consists of: • only Non-Executive Directors; • a majority of Independent Directors; • an independent Chair who is not Chair of the Board; and • at least three members.	✓	page 11
Recommendation 4.3 The Audit Committee should have a formal charter.	✓	page 11
Principle 5: Make timely and balanced disclosure		
Recommendation 5.1 Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance and disclose those policies or a summary of those policies.	✓	page 11
Principle 6: Respect the rights of shareholders		
Recommendation 6.1 Companies should design communications policy for promoting effective communication with shareholders and encourage their participation at general meetings and disclose their policy or a summary of that policy.	✓	page 11
Principle 7: Recognise and manage risk		
Recommendation 7.1 Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	✓	page 12
Recommendation 7.2 The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	✓	page 12
Recommendation 7.3 The board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	✓	page 12
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The Board should establish a Remuneration Committee.	✓	page 13
Recommendation 8.2 Companies should clearly distinguish the structure of Non-Executive Directors' remuneration from that of Executive Directors and senior management.	✓[1]	page 13

The above disclosure should be read in conjunction with the following:

1 Disclosure of the remuneration policy and procedures is set out in page 19 of the Annual Report. Equity based remuneration paid to the Group Managing Director is approved annually by shareholders.

Directors' Report

Coca-Cola Amatil Limited

For the financial year ended 31 December 2008

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

Names and particulars of Directors

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

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

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

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

Dividends

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

Operating and financial review

Principal activities and operations

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

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

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

Financial results

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

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

Operating and financial review continued

Financial results continued

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

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

Review of operations

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

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

Further details of the operations of the Group during the financial year are set out on pages 1 to 6 of the Annual Report.

Significant changes in the state of affairs

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

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

Future developments

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

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

Environmental regulation and performance

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

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

Directors' meetings

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

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

Refer to the following page for footnote details.

Directors' meetings continued

1 The Audit & Risk Committee reviews matters relevant to control systems so as to effectively safeguard the Company's assets, accounting records held to comply with statutory requirements and other financial information. It consists of three Non-Executive Directors. Refer to the Corporate Governance section on page 9 of the Annual Report for further details on this and other Committees.

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

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

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

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

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

7 Appointed 2 April 2008.

8 Non-residents of Australia.

9 Retired 20 August 2008.

* 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 year were –

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

1 Chairman of the relevant Committee.

2 Appointed Chairman 20 August 2008.

3 Retired 20 August 2008.

Directors' and officers' liability insurance

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

Share options

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

Events after the balance date

Dividend

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

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

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

Rounding

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

Remuneration report

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

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

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

Directors

D.M. Gonski, AC	Chairman (Non-Executive)
C.M. Brenner	Director (Non-Executive) – Appointed 2 April 2008
J.R. Broadbent, AO	Director (Non-Executive)
T.J. Davis	Director and Group Managing Director
I. Finan	Director (Non-Executive)
G.J. Kelly	Director (Non-Executive)
W.M. King, AO	Director (Non-Executive)
D.E. Meiklejohn	Director (Non-Executive)
M.K. Ward, AO	Director (Non-Executive) – Retired 20 August 2008

Executives

W.G. White	Managing Director, Australasia
G. Adams	Managing Director, New Zealand & Fiji
P.N. Kelly	Managing Director, Asia
J. Seward	Managing Director, Indonesia & PNG
N. Garrard	Managing Director, Food & Services
N.I. O'Sullivan	Chief Financial Officer – Operations – Appointed 1 April 2008
K.A. McKenzie	Chief Financial Officer – Statutory and Compliance – Appointed 1 April 2008
J.M. Wartig	Chief Financial Officer – Resigned 31 March 2008.

The information contained in this remuneration report has been audited as required by section 308 (3C) of the Corporations Act 2001. Refer to the audit opinion on page 117.

The remuneration report is in six sections as follows:

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

A. Compensation Committee

a) Function

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

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

b) Membership

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

c) Meetings

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

d) Responsibilities

Remuneration

On an annual basis, the Committee will –

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

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

Succession planning

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

A. Compensation Committee continued

e) Authority

With respect to remuneration –

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

With respect to succession planning –

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

B. Remuneration Policy

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

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

C. Remuneration structure

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

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

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

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

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

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

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

a) Fixed remuneration

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

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

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

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

Remuneration report continued

C. Remuneration structure continued

b) At risk remuneration

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

Short Term Incentive Plan (STIP)

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

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

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

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

Long Term Incentive Share Plan (LTISP)

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

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

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

- in respect of the 2004–2006, 2005–2007, 2006–2008 performance periods, half of the award is subject to a relative total shareholder return (TSR) measure and half of the award is subject to the measurement of achievement of average annual growth in NOPAT over the period. The NOPAT hurdle was selected as a stretching and "line of sight" hurdle for the Plan participants, with the intent that achievement of the hurdle directly correlates to improved shareholder value. In determining whether the NOPAT hurdle has been achieved, adjustments will be made, where necessary, for movements in the issued capital of the Company resulting from the issue of new shares for acquisitions made by the Company or capital reconstructions such as buy-backs etc; and
- in respect of the 2007–2009 performance period and 2008–2010 performance period, half of the award is subject to a TSR measure and half of the award is subject to the measurement of achievement of average annual growth in earnings per share (EPS) over the period. EPS was selected to replace the NOPAT hurdle as the Committee considers it to be a more appropriate key indicator of the financial success of the business. Achieving the EPS target will have a positive impact on TSR.

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

For each performance hurdle, an appropriate vesting scale rewards a greater number of shares for over-achievement of the minimum threshold. Details of each plan's vesting scales are provided on pages 24 to 28. On-target total remuneration for an executive is premised on achieving the threshold performance (i.e. 51st percentile for TSR).

C. Remuneration structure continued

b) At risk remuneration continued

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

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

Further detail on the performance conditions, peer groups, maximum awards and retesting is provided in the accompanying summary of the terms and conditions of the LTISP on pages 24 to 28. If the executive ceases to be employed before the end of the performance period by reason of death, disablement, retirement or redundancy, or for such other reason determined by the Board, the following proportion of shares offered to the executive in respect of that performance period will be allocated subject to the Board's discretion –

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

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

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

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

Executive Retention Share Plan (ERSP)

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

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

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

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

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

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

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

Remuneration report continued

C. Remuneration structure continued

c) Speculative trading

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

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

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

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

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

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

CCA's financial performance

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

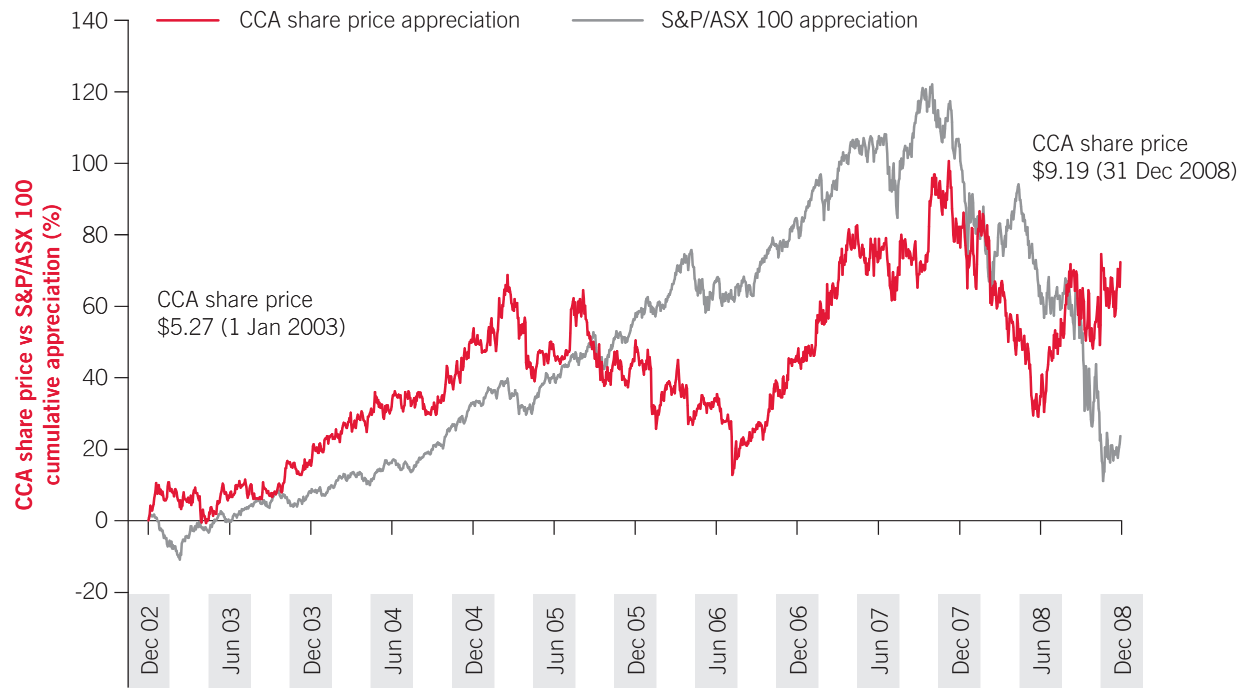
Year end 31 December	2003	2004	2005	2006	2007	2008
Total dividends (cents per share)	23.0	28.0	31.5	32.5	35.5	39.0
Share buy-back – capital ($)[1]	–	–	–	–	–	2.67
Share buy-back – dividend ($)[1]	–	–	–	–	–	5.17
Net operating profit after tax[2] ($M)	238.8	274.3	320.5	323.5	366.3[4]	404.3
Share price at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

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

C. Remuneration structure continued

CCA's financial performance continued

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



Data Source: Bloomberg **Date**

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

Data Source: Bloomberg **Date**

Remuneration report continued

C. Remuneration structure continued

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

a) 2005–2007 Long Term Incentive Share Plan

Offered to	Group Managing Director and executives.
Period	1 January 2005 to 31 December 2007.
Performance condition	Two performance conditions exist, with half of the award subject to a TSR measure and half of the award subject to the achievement of average annual growth in NOPAT over the period. Component A – applies to all participants. None of the award will vest if CCA's TSR is below the 50th percentile of the peer group. 58.824% of the maximum TSR award will vest if CCA's TSR is at the 50th percentile of the peer group. Between the 50th percentile and 70th percentile, vesting increases on a straight line basis. 88.235% of the maximum TSR award will vest if CCA's TSR is at the 70th percentile of the peer group. Between the 70th percentile and 75th percentile, vesting increases on a straight line basis. The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – applies to all participants. None of the award will be allocated unless the Company's average growth in NOPAT is 8% per annum over the performance period. 47.058% of the maximum NOPAT award will vest if the Company's average growth is 8% per annum. Between 8% and 9% annual average growth, vesting increases on a straight line basis. 58.824% of the maximum NOPAT award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 70.588% of the maximum NOPAT award will vest if the Company's average growth is 10% per annum. Between 10% and 15% annual average growth, vesting increases on a straight line basis. The maximum NOPAT award will vest if the Company's average growth is at or above 15% per annum. In determining whether the NOPAT hurdle has been achieved, appropriate adjustments will be made for movements in the issued capital of the Company resulting from the issue of new shares for acquisitions made by the Company or capital reconstructions such as buy-backs etc. Shares issued with respect to the acquisition of SPC Ardmona Limited will give rise to a commensurate adjustment in the calculation of the applicable NOPAT hurdle under this plan. Component C – applies only to Group Managing Director (for details refer to the section on the Group Managing Director's employment contract).
Overall maximum award	The combined number of shares to be awarded under the TSR performance measure together with those awarded under the NOPAT performance measure cannot exceed 88.235% of the combined maximum awards under each individual performance measure.
Exceptional performance	If the TSR ranking exceeds the 70th percentile (subject to the SPC Ardmona Limited adjustment detailed above) or if the average growth in NOPAT exceeds 15% per annum, a minimum of 58.824% of the maximum award of both the shares allocated under the TSR performance measure and the NOPAT performance measure will be awarded.
Retesting	For the TSR performance measure, two years at quarterly intervals. There is no retesting of the NOPAT performance measure.
Peer group	ASX 100 minus banks and financial services companies and mining and resources companies plus S&P's GICS Consumer Staples Companies with a market value greater than $300 million. The peer group is adjusted to remove any companies that are not members of the peer group at the end of the performance period, with 15 companies on the reserve list to replace those, which are removed. A total of 61 companies commenced in the peer group; these companies can be found in the peer group company listing on pages 29 to 30. Reserve list – Adelaide Brighton Limited, Austereo Group Limited, Coates Hire Limited, Corporate Express Australia Limited, David Jones Limited, FKP Property Group, Great Southern Plantations Limited, GWA International Limited, Ramsay Health Care Limited, Smorgon Steel Group Limited, Southern Cross Broadcasting (Australia) Limited, Spotless Group Limited, Transfield Services Limited, Veda Advantage Limited (formerly Baycorp Advantage Limited) and WorleyParsons Limited.

C. Remuneration structure continued

a) 2005–2007 Long Term Incentive Share Plan continued

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

b) 2006-2008 Long Term Incentive Share Plan

Offered to	Group Managing Director and executives.
Period	1 January 2006 to 31 December 2008.
Performance condition	Two performance conditions exist, with half of the award subject to a TSR measure and half of the award subject to the achievement of average annual growth in NOPAT over the period. The 2006–2008 LTISP has been reviewed to better align the Company's performance with executive reward, with the introduction of two peer groups for the TSR performance hurdle with each peer group having equal weighting in the TSR measure, and peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food, beverages and tobacco companies. Component A – applies to all participants. None of the award will vest if CCA's TSR is below the 50th percentile of the peer group. 72.5% of the maximum TSR award will vest if CCA's TSR is at the 50th percentile of the peer group. If CCA's TSR is at the 55th percentile of the peer group, 87.5% of the maximum TSR will vest (and between the 50th percentile and 55th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 60th percentile of the peer group, 92.5% of the maximum TSR will vest (and between the 55th percentile and 60th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 75th percentile of the peer group, 100% of the maximum TSR will vest (and between the 60th percentile and 75th percentile, vesting increases on a straight line basis). The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – applies to all participants. None of the award will be allocated unless the Company's average growth in NOPAT is 8% per annum over the performance period. 72.5% of the maximum NOPAT award will vest if the Company's average growth is 8% per annum. Between 8% and 9% annual average growth, vesting increases on a straight line basis. 87.5% of the maximum NOPAT award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 92.5% of the maximum NOPAT award will vest if the Company's average growth is 10% per annum. Between 10% and 15% annual average growth, vesting increases on a straight line basis. 96.25% of the maximum NOPAT award will vest if the Company's average growth is 15% per annum. 100% of the maximum NOPAT award will vest if the Company's average growth is 16% per annum. Between 15% and 16% annual average growth, vesting increases on a straight line basis. The maximum NOPAT award will vest if the Company's average growth is at or above 16% per annum. In determining whether the NOPAT hurdle has been achieved, appropriate adjustments will be made for movements in the issued capital of the Company resulting from the issue of new shares for acquisitions made by the Company or capital reconstructions such as buy-backs etc. Shares issued with respect to the acquisition of SPC Ardmona Limited will give rise to a commensurate adjustment in the calculation of the applicable NOPAT hurdle under the 2005–2007 and 2006–2008 plans. Component C – applies only to Group Managing Director (for details refer to the section on the Group Managing Director's employment contract).
Exceptional performance	If the Company's EPS is greater than an average annual growth of 10% over the three year period, then a minimum of 72.5% of the maximum award of both the shares allocated under both the TSR performance measures (for both peer groups) and the NOPAT performance measure must be awarded. This is not an additional award but applies to the calculation of Components A and B above.

Remuneration report continued

C. Remuneration structure continued

b) 2006–2008 Long Term Incentive Share Plan continued

Retesting	For the TSR performance measure, one year at quarterly intervals. There is no retesting of the NOPAT performance measure.
Peer group	Two peer groups have been adopted to measure TSR performance with peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food, beverages and tobacco companies. The 43 peer group 1 and 30 peer group 2 companies can be found in the peer group company listing on pages 29 to 30.
Performance	Components A and B – as at 31 December 2008, for the TSR performance measure, for peer group 1 CCA ranked at the 89th percentile and for peer group 2 CCA ranked at the 81st percentile. For the NOPAT performance measure, CCA achieved 9.33% growth per annum during the period. The TSR performance vests at 100% of the maximum award and the NOPAT portion vests at 89.15% of the maximum award. Component C – at the end of the twelve month performance period, for the TSR performance measure, for peer group 1 CCA ranked at the 23rd percentile and for peer group 2 CCA ranked at the 50th percentile with half the TSR portion of Component C vesting, at 18.1% of the maximum Component C award. The NOPAT portion of the Component C does not vest. No further awards will be made for any of the three Components, and the Plan is now closed.

c) 2007–2009 Long Term Incentive Share Plan

Offered to	Group Managing Director and executives.
Period	1 January 2007 to 31 December 2009.
Performance conditions	Two performance conditions exist, with half of the award subject to a TSR measure and half of the award subject to the achievement of average annual growth in EPS over the period. For the TSR hurdle, two peer groups are used, with each peer group having equal weighting in the TSR measure; peer group 1 reflects comparable companies listed on the ASX and peer group 2 represents selected consumer staples and food, beverages and tobacco companies.
Vesting scale	Two vesting scales are in place for this particular plan, with a vesting scale for the Group Managing Director and a vesting scale for executives. The vesting scale for executives offers a higher award at earlier achievement levels, given that for this group their awards are substantially less than those of the Group Managing Director.
– Group Managing Director	Component A – none of the award will vest if CCA's TSR is below the 51st percentile of the peer group. 51% of the maximum TSR award will vest if CCA's TSR is at the 51st percentile of the peer group. If CCA's TSR is at the 55th percentile of the peer group, 60% of the maximum TSR will vest (and between the 51st percentile and 55th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 60th percentile of the peer group, 70% of the maximum TSR will vest (and between the 55th percentile and 60th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 65th percentile of the peer group, 80% of the maximum TSR will vest (and between the 60th percentile and 65th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 70th percentile of the peer group, 90% of the maximum TSR will vest (and between the 65th percentile and 70th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 75th percentile of the peer group, 100% of the maximum TSR will vest (and between the 70th percentile and 75th percentile, vesting increases on a straight line basis). The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – none of the award will be allocated unless the Company's average growth in EPS is 8.2% per annum over the performance period. 51% of the maximum EPS award will vest if the Company's average growth is 8.2% per annum. Between 8.2% and 9% annual average growth, vesting increases on a straight line basis. 60% of the maximum EPS award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 70% of the maximum EPS award will vest if the Company's average growth is 10% per annum. Between 10% and 15% annual average growth, vesting increases on a straight line basis. 85% of the maximum EPS award will vest if the Company's average growth is 15% per annum. 100% of the maximum EPS award will vest if the Company's average growth is 16% per annum. Between 15% and 16% annual average growth, vesting increases on a straight line basis. The maximum EPS award will vest if the Company's average growth is at or above 16% per annum.

C. Remuneration structure continued

c) 2007–2009 Long Term Incentive Share Plan continued

– executives	Component A – none of the award will vest if CCA's TSR is below the 51st percentile of the peer group. 75.5% of the maximum TSR award will vest if CCA's TSR is at the 51st percentile of the peer group. If CCA's TSR is at the 55th percentile of the peer group, 87.5% of the maximum TSR will vest (and between the 50th percentile and 55th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 60th percentile of the peer group, 92.5% of the maximum TSR will vest (and between the 55th percentile and 60th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 65th percentile of the peer group, 95% of the maximum TSR will vest (and between the 60th percentile and 65th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 70th percentile of the peer group, 97.5% of the maximum TSR will vest (and between the 65th percentile and 70th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 75th percentile of the peer group, 100% of the maximum TSR will vest (and between the 70th percentile and 75th percentile, vesting increases on a straight line basis). The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – none of the award will be allocated unless the Company's average growth in EPS is 8.2% per annum over the performance period. 75.5% of the maximum EPS award will vest if the Company's average growth is 8.2% per annum. Between 8.2% and 9% annual average growth, vesting increases on a straight line basis. 87.5% of the maximum EPS award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 92.5% of the maximum EPS award will vest if the Company's average growth is 10% per annum. Between 10% and 13.3% annual average growth, vesting increases on a straight line basis. 95% of the maximum EPS award will vest if the Company's average growth is 13.3% per annum. Between 13.3% and 15.3% annual average growth, vesting increases on a straight line basis. 97.5% of the maximum EPS award will vest if the Company's average growth is 15.3% per annum. 100% of the maximum EPS award will vest if the Company's average growth is 16% per annum. Between 15.3% and 16% annual average growth, vesting increases on a straight line basis. The maximum EPS award will vest if the Company's average growth is at or above 16% per annum.
Retesting	For the TSR performance measure, one year at quarterly intervals. There is no retesting of the EPS performance measure.
Peer group	Two peer groups have been adopted to measure TSR performance with peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food, beverages and tobacco companies. The 43 peer group 1 and 30 peer group 2 companies can be found in the peer group company listing on pages 29 to 30.
Performance	As at 31 December 2008, for the TSR performance measure, for peer group 1 CCA ranked at the 94th percentile and for peer group 2 CCA ranked at the 95th percentile. For the EPS performance measure, CCA achieved 14.5% average growth per annum during the two year period.

Remuneration report continued

C. Remuneration structure continued

d) 2008–2010 Long Term Incentive Share Plan

Offered to	Group Managing Director and executives.
Period	1 January 2008 to 31 December 2010.
Performance conditions	Two performance conditions exist, with half of the award subject to a TSR measure and half of the award subject to the achievement of average annual growth in EPS over the period. For the TSR hurdle, two peer groups are used, with each peer group having equal weighting in the TSR measure; peer group 1 reflects comparable companies listed on the ASX and peer group 2 represents selected consumer staples and food, beverages and tobacco companies.
Vesting scale	One vesting scale is in place for this particular plan, with the same scale applying to the Group Managing Director and for executives. The vesting scale is as follows: Component A – none of the award will vest if CCA's TSR is below the 51st percentile of the peer group. 51% of the maximum TSR award will vest if CCA's TSR is at the 51st percentile of the peer group. If CCA's TSR is at the 55th percentile of the peer group, 60% of the maximum TSR will vest (and between the 50th percentile and 55th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 60th percentile of the peer group, 70% of the maximum TSR will vest (and between the 55th percentile and 60th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 65th percentile of the peer group, 80% of the maximum TSR will vest (and between the 60th percentile and 65th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 70th percentile of the peer group, 90% of the maximum TSR will vest (and between the 65th percentile and 70th percentile, vesting increases on a straight line basis). If CCA's TSR is at the 75th percentile of the peer group, 100% of the maximum TSR will vest (and between the 70th percentile and 75th percentile, vesting increases on a straight line basis). The maximum TSR award will vest if CCA's TSR is at or above the 75th percentile. Component B – none of the award will be allocated unless the Company's average growth in EPS is 8.2% per annum over the performance period. 51% of the maximum EPS award will vest if the Company's average growth is 8.2% per annum. Between 8.2% and 9% annual average growth, vesting increases on a straight line basis. 60% of the maximum EPS award will vest if the Company's average growth is 9% per annum. Between 9% and 10% annual average growth, vesting increases on a straight line basis. 70% of the maximum EPS award will vest if the Company's average growth is 10% per annum. Between 10% and 15% annual average growth, vesting increases on a straight line basis. 85% of the maximum EPS award will vest if the Company's average growth is 15% per annum. Between 15% and 16% annual average growth, vesting increases on a straight line basis. 100% of the maximum EPS award will vest if the Company's average growth is 16% per annum. The maximum EPS award will vest if the Company's average growth is at or above 16% per annum.
Retesting	For the TSR performance measure, one year at quarterly intervals. Quarterly retesting will not apply once the TSR hurdle first vests. There is no retesting of the EPS performance measure.
Peer group	Two peer groups have been adopted to measure TSR performance with peer group 1 reflecting comparable companies listed on the ASX and peer group 2 representing selected consumer staples and food, beverages and tobacco companies. The 49 peer group 1 and 29 peer group 2 companies can be found in the peer group company listing on pages 29 to 30.
Performance	As at 31 December 2008, for the TSR performance measure, for peer group 1 CCA ranked at the 93rd percentile and for peer group 2 CCA ranked at the 78th percentile. For the EPS performance measure, CCA achieved 12.5% growth per annum during the period.

C. Remuneration structure continued

Peer group company listings

Long Term Incentive Share Plan

Company name	2005–2007	2006–2008 Peer group 1	2006–2008 Peer group 2	2007–2009 Peer group 1	2007–2009 Peer group 2	2008–2010 Peer group 1	2008–2010 Peer group 2
ABB Grain Limited	Yes		Yes		Yes		Yes
ABC Learning Centres Limited				Yes		Yes	
AGL Energy Limited	Yes	Yes		Yes		Yes	
Alinta Limited		Yes		Yes			
Altria Group Inc			Yes		Yes		Yes
Amcor Limited	Yes	Yes		Yes		Yes	
Ansell Limited	Yes	Yes		Yes			
APN News & Media Limited	Yes	Yes					
Aristocrat Leisure Limited	Yes	Yes		Yes		Yes	
Asciano Group						Yes	
Australian Agricultural Company Limited	Yes		Yes		Yes		Yes
Australian Vintage Limited	Yes		Yes		Yes		Yes
Australis Aquaculture Limited							Yes
AWB Limited	Yes		Yes		Yes		Yes
Babcock & Brown Infrastructure Group						Yes	
Billabong International Limited	Yes	Yes		Yes		Yes	
BlueScope Steel Limited	Yes	Yes		Yes		Yes	
Boart Longyear Limited						Yes	
Boral Limited	Yes	Yes		Yes		Yes	
Brambles Limited	Yes	Yes		Yes		Yes	
Burns Philp & Company Limited	Yes		Yes				
Caltex Australia Limited				Yes		Yes	
Clean Seas Tuna Limited							Yes
Coca-Cola Amatil Limited	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cochlear Limited	Yes	Yes		Yes		Yes	
Cockatoo Ridge Wines Limited			Yes		Yes		Yes
Coles Group Limited	Yes		Yes		Yes		
Computershare Limited	Yes	Yes		Yes		Yes	
Connecteast Group						Yes	
Consolidated Media Holdings Limited	Yes	Yes		Yes		Yes	
Constellation Brands, Inc			Yes		Yes		Yes
CostaExchange Limited			Yes		Yes		Yes
Crown Limited						Yes	
CSL Limited	Yes	Yes		Yes		Yes	
CSR Limited	Yes	Yes		Yes		Yes	
David Jones Limited						Yes	
DCA Group Limited	Yes	Yes					
Downer EDI Limited		Yes		Yes		Yes	
Dyno Nobel Limited				Yes		Yes	
ETW Corporation Limited			Yes		Yes		
Fairfax Media Limited	Yes	Yes		Yes		Yes	
FFI Holdings Limited			Yes		Yes		Yes
Foodland Associated Limited	Yes						
Foster's Group Limited	Yes		Yes		Yes		Yes
Futuris Corporation Limited	Yes		Yes		Yes		Yes
Goodman Fielder Limited					Yes		
GrainCorp Limited	Yes		Yes		Yes		Yes
Green's Foods Limited			Yes		Yes		
GSF Corporation Limited							Yes
Gunns Limited	Yes						
Harvey Norman Holdings Limited	Yes			Yes		Yes	
Incitec Pivot Limited						Yes	
James Hardie Industries NV (CDI)	Yes	Yes		Yes		Yes	
KH Foods Limited			Yes		Yes		

Remuneration report continued

C. Remuneration structure continued

Peer group company listings continued

Long Term Incentive Share Plan

Company name	2005–2007	2006–2008 Peer group 1	2006–2008 Peer group 2	2007–2009 Peer group 1	2007–2009 Peer group 2	2008–2010 Peer group 1	2008–2010 Peer group 2
Leighton Holdings Limited	Yes	Yes		Yes		Yes	
Lend Lease Corporation Limited	Yes						
Lion Nathan Limited	Yes		Yes		Yes		Yes
Little World Beverages Limited							Yes
Macquarie Airports				Yes		Yes	
Macquarie Communications Infrastructure Group						Yes	
Macquarie Infrastructure Group						Yes	
Maryborough Sugar Factory Limited			Yes		Yes		Yes
Mayne Nickless Limited	Yes						
Mayne Pharma Limited		Yes		Yes			
Metcash Limited	Yes		Yes		Yes		Yes
Namoi Cotton Co-operative Limited			Yes		Yes		Yes
National Foods Limited	Yes						
News Corporation, Inc	Yes					Yes	
On Q Group Limited			Yes		Yes		
OneSteel Limited	Yes	Yes		Yes		Yes	
Orica Limited	Yes	Yes		Yes		Yes	
Pacific Brands Limited	Yes	Yes					
PaperlinX Limited	Yes	Yes		Yes			
Patrick Corporation Limited	Yes	Yes					
Patties Foods Limited							Yes
PrimeAg Australia Limited							Yes
Qantas Airways Limited	Yes	Yes		Yes		Yes	
Queensland Cotton Holdings Limited			Yes		Yes		
ResMed Inc	Yes	Yes		Yes			
Ridley Corporation Limited	Yes		Yes		Yes		Yes
Rinker Group Limited	Yes			Yes			
Select Harvests Limited	Yes		Yes		Yes		Yes
Sigma Pharmaceuticals Limited	Yes	Yes		Yes		Yes	
Sims Metal Management Limited	Yes	Yes		Yes		Yes	
Sonic Healthcare Limited	Yes	Yes		Yes		Yes	
Southcorp Limited	Yes						
SPC Ardmona Limited	Yes						
Symbion Health Limited		Yes		Yes		Yes	
Tabcorp Holdings Limited	Yes	Yes		Yes		Yes	
Tandou Limited			Yes		Yes		Yes
Tassal Group Limited			Yes		Yes		Yes
Tatt's Group Limited		Yes		Yes		Yes	
Telecom Corporation of New Zealand Limited	Yes	Yes		Yes		Yes	
Telstra Corporation Limited	Yes	Yes		Yes		Yes	
Ten Network Holdings Limited	Yes	Yes					
Toll Holdings Limited	Yes	Yes		Yes		Yes	
Transurban Group	Yes	Yes		Yes		Yes	
UNiTAB Limited		Yes					
United Group Limited						Yes	
Warrnambool Cheese & Butter Factory Company Holdings Limited			Yes		Yes		Yes
Wesfarmers Limited	Yes	Yes		Yes		Yes	
West Australian Newspapers Holdings Limited	Yes	Yes		Yes		Yes	
Woolworths Limited	Yes		Yes		Yes		Yes
WorleyParsons Limited						Yes	

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

D. Summary of employment contracts

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

T.J. Davis – Group Managing Director

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

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

Remuneration report continued

D. Summary of employment contracts continued

T.J. Davis – Group Managing Director continued

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

D. Summary of employment contracts continued

W.G. White – Managing Director, Australasia

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

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

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

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

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

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

Remuneration report continued

D. Summary of employment contracts continued

G. Adams – Managing Director, New Zealand & Fiji

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

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

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

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

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

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

D. Summary of employment contracts continued

P.N. Kelly – Managing Director, Asia

Length of contract — Open ended.

Remuneration package — The on-target remuneration package is comprised of a 56% fixed component and a 44% variable component. The Committee reviews the remuneration package annually.

Benefits — Superannuation, vehicle benefits, car-parking, leave loading, Employees Share Plan, club membership and Company product.

Short Term Incentive Plan — Ranges from on-target being 65.7% of base salary, up to a maximum award of 120% of base salary.

Long Term Incentive Share Plan — Mr Kelly has the following allocations of shares –

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

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

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

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

Service agreement — None.

Termination — If the Company terminates Mr Kelly's employment due to his position being redundant and no suitable alternative position is available, he is entitled to a minimum of one month notice and twelve months of fixed remuneration. In the event of a change of control of the Company, and the Company wishes to terminate his employment arrangement without cause, the Company will pay him not less than 12 months of fixed remuneration, inclusive of both notice and severance.

Resignation — A minimum one month notice.

J. Seward – Managing Director, Indonesia & PNG

Length of contract — Open ended.

Remuneration package — The on-target remuneration package is comprised of a 68% fixed component and a 32% variable component. The Committee reviews the remuneration package annually.

Benefits — Superannuation, vehicle benefits, car-parking, Employees Share Plan, club membership, Company product, expatriate benefits including medical, subsidised housing and utilities, home leave, school fees, host country allowance and environmental allowance.

Short Term Incentive Plan — Ranges from on target being 76% of base salary, up to a maximum award of 139% of base salary.

Long Term Incentive Share Plan — Mr Seward has the following allocations of shares –

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

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

Remuneration report continued

D. Summary of employment contracts continued

J. Seward – Managing Director, Indonesia & PNG continued

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

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

Service agreement — None.

Termination — If the Company terminates Mr Seward's employment during his Indonesian assignment (for circumstances other than those related to fraud, dishonesty, serious misconduct or unacceptable performance) and no suitable alternative position is available, he is entitled to a minimum of twelve months of fixed remuneration in lieu of both notice and severance (calculated at CCA's current policy of one month notice and one month for every year of completed service with the Coca-Cola System). In the event of a change of control of the Company, and the Company wishes to terminate his employment arrangement without cause, the Company will pay him not less than 12 months of fixed remuneration, inclusive of both notice and severance.

Resignation — A minimum two months notice.

N. Garrard – Managing Director, Food & Services

Length of contract — Open ended.

Remuneration package — The on-target remuneration package is comprised of a 52% fixed component and a 48% variable component. The Committee reviews the remuneration package annually.

Benefits — Superannuation, Employees Share Plan and Company product.

Short Term Incentive Plan — Ranges from on-target being 60% of fixed salary, up to a maximum award of 120% of fixed salary.

Long Term Incentive Share Plan — Mr Garrard has the following allocations of shares –

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

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

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

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

Service agreement — None.

Completion payment — As Mr Garrard was an employee on the two year anniversary of the purchase by CCA of all of the shares in SPC Ardmona Limited, CCA paid him a completion bonus of $250,000 before tax in March 2007. This arrangement was not renewed; however, this was taken to account when determining Mr Garrard's 2007–2009 ERSP award.

Termination — If the Company terminates Mr Garrard's employment (for circumstances other than those related to fraud, dishonesty or serious misconduct), he is entitled to three months notice and twelve months of fixed remuneration. In the event of a change of control of the Company, and the Company wishes to terminate his employment arrangement without cause, the Company will pay him not less than 12 months of fixed remuneration, inclusive of both notice and severance.

Resignation — A minimum three months notice.

D. Summary of employment contracts continued

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

Length of contract — Open ended.

Remuneration package — The on-target remuneration package is comprised of a 52% fixed component and a 48% variable component. The Committee reviews the remuneration package annually.

Benefits — Superannuation, vehicle benefits, car-parking, Employees Share Plan, club membership and Company product.

Short Term Incentive Plan — Ranges from on-target being 71.5% of base salary, up to a maximum award of 127% of base salary.

Long Term Incentive Share Plan — Ms O'Sullivan has the following allocations of shares –

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

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

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

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

Service agreement — None.

Termination — If the Company terminates Ms O'Sullivan's employment due to her position being redundant and no suitable alternative position is available, she is entitled to a minimum of three months notice and one month of fixed remuneration for every year of completed service with CCA to a maximum of twelve months.

Resignation — A minimum three months notice.

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

Length of contract — Open ended.

Remuneration package — The on-target remuneration package is comprised of a 52% fixed component and a 48% variable component. The Committee reviews the remuneration package annually.

Benefits — Superannuation, vehicle benefits, car-parking, leave loading, Employees Share Plan, club membership and Company product.

Short Term Incentive Plan — Ranges from on target being 71.5% of base salary, up to a maximum award of 127% of base salary.

Long Term Incentive Share Plan — Mr McKenzie has the following allocations of shares –

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

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

Remuneration report continued

D. Summary of employment contracts continued

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

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

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

Service agreement — None.

Termination — If the Company terminates Mr McKenzie's employment due to his position being redundant and no suitable alternative position is available, he is entitled to a minimum of one month notice and one month of fixed remuneration for every year of completed service with CCA to a maximum of twelve months.

Resignation — A minimum one month notice.

Former key management personnel

J.M. Wartig – Chief Financial Officer

Length of contract — Open ended.

Remuneration package — The on-target remuneration package was comprised of a 49% fixed component and a 51% variable component. The Committee reviews the remuneration package annually.

Benefits — Superannuation, vehicle benefits, car-parking, Employees Share Plan and Company product.

Short Term Incentive Plan — Ranges from on-target being 69% of fixed salary, up to a maximum award of 123% of fixed salary.

Long Term Incentive Share Plan — Mr Wartig had the following allocations of shares –

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

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

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

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

Service agreement — The service agreement commenced on 21 June 2004 and was to expire on 21 June 2009. Under the terms of the service agreement, Mr Wartig received $500,000 (calculated as a deferred remuneration amount of $100,000 per year for the five years of the service agreement).

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

E. Remuneration of Non-Executive Directors

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

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

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

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

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

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

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

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

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

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

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

Remuneration report continued

F. Remuneration of key management personnel

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

		Short term					Post employment	Other long term	Termination[8]	Share based payments				Total performance related
	Year	Salary and fees[1] $	STIP[2] $	South Korean incentive[3] $	Non-monetary benefits[4] $	Other[5] $	Superannuation[6] $	Deferred remuneration[7] $	$	LTISP[9] $	ESP[10] $	ERSP/Other[11] $	Total $	%
Directors														
D.M. Gonski, AC Chairman (Non-Executive)	**2008**	**382,200**	**–**	**–**	**–**	**–**	**13,437**	**–**	**–**	**–**	**–**	**–**	**395,637**	**–**
	2007	364,000	–	–	–	–	12,908	–	–	–	–	–	376,908	–
C.M. Brenner[12] Director (Non-Executive)	**2008**	**105,262**	**–**	**–**	**–**	**–**	**9,474**	**–**	**–**	**–**	**–**	**–**	**114,736**	**–**
J.R. Broadbent, AO Director (Non-Executive)	**2008**	**159,000**	**–**	**–**	**–**	**–**	**13,437**	**–**	**–**	**–**	**–**	**–**	**172,437**	**–**
	2007	144,300	–	–		–	12,837	–	–	–	–	–	157,137	–
T.J. Davis[13] Director and Group Managing Director	**2008**	**2,020,000**	**1,868,000**	**–**	**258,482**	**437,740**	**777,600**	**–**	**–**	**2,447,097**	**–**	**–**	**7,808,919**	**55**
	2007	1,925,000	1,900,000	500,000	210,525	295,350	765,000	–	–	1,763,408	–	–	7,359,283	57
I. Finan Director (Non-Executive)	**2008**	**153,000**	**–**	**–**	**–**	**–**	**13,437**	**–**	**–**	**–**	**–**	**–**	**166,437**	**–**
	2007	140,850	–	–		–	12,677	–	–	–	–	–	153,527	–
G.J. Kelly Director (Non-Executive)	**2008**	**141,000**	**–**	**–**	**–**	**–**	**12,690**	**–**	**–**	**–**	**–**	**–**	**153,690**	**–**
	2007	129,300	–	–		–	11,637	–	–	–	–	–	140,937	–
W.M. King, AO Director (Non-Executive)	**2008**	**141,000**	**–**	**–**	**–**	**–**	**12,690**	**–**	**–**	**–**	**–**	**–**	**153,690**	**–**
	2007	129,300	–	–		–	11,637	–	–	–	–	–	140,937	–
D.E. Meiklejohn Director (Non-Executive)	**2008**	**163,000**	**–**	**–**	**–**	**–**	**13,437**	**–**	**–**	**–**	**–**	**–**	**176,437**	**–**
	2007	149,300	–	–		–	12,908	–	–	–	–	–	162,208	–
Former Director														
M.K. Ward, AO[12] Director (Non-Executive)	**2008**	**103,210**	**–**	**–**	**–**	**–**	**8,494**	**–**	**–**	**–**	**–**	**–**	**111,704**	**–**
	2007	147,850	–	–		–	12,908	–	–	–	–	–	160,758	–
Total Directors	**2008**	**3,367,672**	**1,868,000**	**–**	**258,482**	**437,740**	**874,696**	**–**	**–**	**2,447,097**	**–**	**–**	**9,253,687**	
Total Directors	2007	3,129,900	1,900,000	500,000	210,525	295,350	852,512	–	–	1,763,408	–	–	8,651,695	
Executives														
W.G. White Managing Director, Australasia	**2008**	**570,958**	**657,200**	**–**	**228,848**	**–**	**171,942**	**–**	**–**	**742,695**	**17,129**	**359,686**	**2,748,458**	**51**
	2007	538,125	706,600	–	155,757	–	174,262	–	–	700,770	16,144	353,666	2,645,324	53
G. Adams Managing Director, New Zealand & Fiji	**2008**	**285,906**	**205,081**	**–**	**133,334**	**–**	**68,738**	**–**	**–**	**152,714**	**8,577**	**14,292**	**868,642**	**41**
	2007	268,580	262,500	–	68,810	–	74,351	–	–	159,388	8,057	14,292	855,978	49
P.N. Kelly Managing Director, Asia	**2008**	**428,017**	**316,500**	**–**	**96,040**	**–**	**178,684**	**–**	**–**	**276,396**	**12,808**	**43,557**	**1,352,002**	**44**
	2007	415,965	330,600	150,000	87,503	–	177,292	–	–	239,800	12,210	43,557	1,456,927	49
J. Seward[14] Managing Director, Indonesia & PNG	**2008**	**293,303**	**230,561**	**–**	**526,950**	**–**	**73,341**	**–**	**–**	**249,341**	**8,799**	**36,752**	**1,419,047**	**34**
	2007	285,276	242,958	–	563,542	–	73,953	–	–	228,021	8,558	36,752	1,439,060	33
N. Garrard Managing Director, Food & Services	**2008**	**783,106**	**273,600**	**–**	**17,423**	**–**	**13,437**	**–**	**–**	**284,233**	**23,872**	**184,580**	**1,580,251**	**35**
	2007	772,470	350,800	–	12,700	20,833	12,908	–	–	218,291	23,174	184,580	1,595,756	36
N.I. O'Sullivan[12] Chief Financial Officer – Operations	**2008**	**266,735**	**224,508**	**–**	**67,974**	**–**	**41,586**	**–**	**–**	**161,523**	**7,880**	**15,341**	**785,547**	**49**
K.A. McKenzie[12] Chief Financial Officer – Statutory and Compliance	**2008**	**244,194**	**186,790**	**–**	**43,584**	**–**	**103,436**	**13,685**	**–**	**166,875**	**7,111**	**30,682**	**796,357**	**44**

Refer to the following page for footnote details.

F. Remuneration of key management personnel continued

		Short term					Post employ-ment	Other long term	Termi-nation[8]	Share based payments				Total performance related
	Year	Salary and fees[1] $	STIP[2] $	South Korean incentive[3] $	Non-monetary benefits[4] $	Other[5]	Super-annuation[6] $	Deferred remune-ration[7] $	$	LTISP[9] $	ESP[10] $	ERSP/ Other[11] $	Total $	%
Former key management personnel														
J.M. Wartig[12] Chief Financial Officer	**2008**	**146,598**	**–**	**–**	**19,093**	**208,591**	**20,524**	**–**	**762,000**	**421,707**	**5,053**	**–**	**1,583,566**	**27**
	2007	670,995	662,500	40,000	93,453	–	105,658	79,406	–	638,306	20,130	95,282	2,405,730	56
R. Randall[12&14] Managing Director, South Korea	2007	177,317	–	–	295,964	–	24,824	–	388,161	85,548	5,320	–	977,134	9
M. Clark[12] General Manager, Grinders Coffee Business, Australia	2007	118,356	–	–	–	–	23,671	–	–	45,219	–	–	187,246	24
Total executives	**2008**	**3,018,817**	**2,094,240**	**–**	**1,133,246**	**208,591**	**671,688**	**13,685**	**762,000**	**2,455,484**	**91,229**	**684,890**	**11,133,870**	
Total executives	2007	3,247,084	2,555,958	190,000	1,277,729	20,833	666,919	79,406	388,161	2,315,343	93,593	728,129	11,563,155	
Total remuneration	**2008**	**6,386,489**	**3,962,240**	**–**	**1,391,728**	**646,331**	**1,546,384**	**13,685**	**762,000**	**4,902,581**	**91,229**	**684,890**	**20,387,557**	
Total remuneration	2007	6,376,984	4,455,958	690,000	1,488,254	316,183	1,519,431	79,406	388,161	4,078,751	93,593	728,129	20,214,850	

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

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

2 Short Term Incentive Plan (STIP).

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

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

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

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

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

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

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

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

The current year's remuneration includes the following –

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

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

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

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

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

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

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

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

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

Remuneration report continued

F. Remuneration of key management personnel continued

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

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

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

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

LTISP entitlements

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

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

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

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

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

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

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

F. Remuneration of key management personnel continued

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

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

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

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

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

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

Remuneration report continued

F. Remuneration of key management personnel continued

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

These shares were purchased in February 2008.

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

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

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

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

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

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

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

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

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

No performance conditions were attached to the grant of options.

Options held by key management personnel

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

Options exercised in the prior financial year were –

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

Auditor independence and non-audit services

Auditor independence

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

ERNST & YOUNG

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

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

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

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

Ernst & Young

T. van Veen
Partner
Sydney
12 February 2009

Liability limited by a scheme approved
under Professional Standards Legislation

Non-audit services

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

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

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

Signed in accordance with a resolution of the Directors.

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

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

Income Statements

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

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

Notes appearing on pages 51 to 115 to be read as part of the financial statements.

Balance Sheets

Coca-Cola Amatil Limited and its subsidiaries

As at 31 December 2008

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

Notes appearing on pages 51 to 115 to be read as part of the financial statements.

Cash Flow Statements

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

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

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

Notes appearing on pages 51 to 115 to be read as part of the financial statements.

Statements of Changes in Equity

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

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

1 Refer to Note 24.

Notes appearing on pages 51 to 115 to be read as part of the financial statements

Statements of Changes in Equity continued

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

CCA Entity — **Equity attributable to members of Coca-Cola Amatil Limited**

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

1 Refer to Note 24.
2 AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions", as applicable on 1 Jan 2008.

Notes appearing on pages 51 to 115 to be read as part of the financial statements.

Notes to the Financial Statements

Coca-Cola Amatil Limited and its subsidiaries

For the financial year ended 31 December 2008

1. Summary of Significant Accounting Policies

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

a) Basis of financial report preparation

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

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

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

b) Statement of compliance

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

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

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

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

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

Reference	Title	Summary	Application date of standard[1]	Impact on the Group's financial report	Application date for the Group
AASB 2008 – 10	Amendments to Australian Accounting Standards – Reclassification of Financial Assets	Amendments to AASB 7 which specify the disclosures required by an entity that reclassifies financial assets out of "fair value through the income statements" in accordance with the amendments to AASB 139 made by this standard.	1 Jul 2008	This is a disclosure standard so it will have no direct material impact on the amounts included in the Group's financial report.	1 Jan 2009
AASB 2008 – 12	Amendments to Australian Accounting Standards – Reclassification of Financial Assets	Clarifies the effective date of the amendments made to AASB 139 and AASB 7 as a result of the issuance of AASB 2008 – 10 in Nov 2008.	1 Jul 2008	As above.	1 Jan 2009
AASB Interpretation 16	Hedges of a Net Investment in a Foreign Operation	Provides guidance on accounting for the hedge of a net investment in a foreign operation in an entity's consolidated financial statements.	1 Oct 2008	Any impact will depend on whether CCA enters into any hedge arrangements for its foreign investments.	1 Jan 2009

Refer to the following page for footnote details.

1. Summary of Significant Accounting Policies continued

b) Statement of compliance continued

Reference	Title	Summary	Application date of standard[1]	Impact on the Group's financial report	Application date for the Group
AASB 8	Operating Segments	New standard replacing "AASB 114 Segment Reporting".	1 Jan 2009	AASB 8 is a disclosure standard so it will have no direct material impact on the amounts included in the Group's financial report. However, it will result in additional disclosure included in the Group's financial report.	1 Jan 2009
AASB 2007 – 3	Amendments to Australian Accounting Standards Arising from AASB 8	Amendments arise from the release in Feb 2007 of "AASB 8 Operating Segments".	1 Jan 2009	As above.	1 Jan 2009
AASB 101	Presentation of Financial Statements	Changes the references used in Australian Accounting Standards to better align with IFRS terminology.	1 Jan 2009	The amendments will have no material impact on the amounts included in the Group's financial report. It will only result in changes in the references used in the Group's financial report.	1 Jan 2009
AASB 2007 – 8	Amendments to Australian Accounting Standards Arising from AASB 101	Amendments arise from the amendments to "AASB 101 Presentation of Financial Statements".	1 Jan 2009	As above.	1 Jan 2009
AASB 123	Borrowing Costs	Eliminates from AASB 123 the option of recognising borrowing costs immediately as an expense, to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset.	1 Jan 2009	No impact as the Group is currently adopting the practice of capitalising borrowing costs which are directly attributable to the acquisition, construction or production of qualifying assets.	1 Jan 2009
AASB 2007 – 6	Amendments to Australian Accounting Standards Arising from AASB 123	Amendments arise from the amendments to "AASB 123 Borrowing Costs".	1 Jan 2009	As above.	1 Jan 2009
AASB 2008 – 1	Amendments to the Australian Accounting Standards – Share Based Payments: Vesting Conditions and Cancellations	Changes the measurement of share based payments that contain non-vesting conditions and broadens the scope of accounting for cancellations.	1 Jan 2009	No material impact on the Group is expected from the adoption of the standard.	1 Jan 2009
AASB 2008 – 5	Amendments to Australian Accounting Standards Arising from the Annual Improvement Project	Amendments to some Accounting Standards which result in accounting changes for presentation, recognition or measurement purposes, while some amendments relate to terminology and editorial changes which will have no or minimal impact on accounting.	1 Jan 2009	No material impact on the Group is expected from the adoption of the standard.	1 Jan 2009

Refer to the following page for footnote details.

1. Summary of Significant Accounting Policies continued

b) Statement of compliance continued

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

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

c) Use of estimates

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

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

i) Impairment of goodwill and intangible assets with indefinite useful lives

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

1. Summary of Significant Accounting Policies continued

c) Use of estimates continued

ii) Estimation of useful lives of assets

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

iii) Share based payments

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

iv) Income taxes

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

d) Principles of consolidation

i) Subsidiaries

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

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

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

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

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

ii) Joint venture entity

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

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

e) Segment reporting

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

f) Foreign currency translations

i) Functional and presentation currency

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

ii) Transactions and balances

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

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

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

1. Summary of Significant Accounting Policies continued

g) Revenue

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

i) Sale of goods and materials

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

ii) Rendering of services

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

iii) Interest income

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

iv) Dividends

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

v) Rental income

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

h) Finance costs

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

i) Income tax

i) Current tax

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

ii) Deferred tax

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

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

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

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

iii) Tax consolidation

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

j) Cash and cash equivalents

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

k) Trade receivables

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

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

l) Inventories

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

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

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

1. Summary of Significant Accounting Policies continued

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

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

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

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

n) Financial assets

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

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

Recognition and derecognition

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

i) Financial assets at fair value through the income statements

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

ii) Loans and receivables

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

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

o) Business combinations

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

p) Investments in bottlers' agreements

Investments in bottlers' agreements are carried at cost.

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

q) Property, plant and equipment

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

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

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

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

1. Summary of Significant Accounting Policies continued

r) Leased assets

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

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

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

s) Intangible assets

i) Identifiable intangible assets

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

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

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

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

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

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

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

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

ii) Goodwill

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

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

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

t) Impairment of assets

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

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

u) Trade and other payables

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

v) Provisions

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

1. Summary of Significant Accounting Policies continued

w) Employee benefits

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

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

ii) Long service leave

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

iii) Pensions and post retirement benefits

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

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

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

iv) Equity compensation plans

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

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

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

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

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

x) Share capital

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

y) Derivative financial instruments

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

The Group designates certain derivatives as either –

- hedges of the fair value of recognised liabilities (fair value hedges); or
- hedges of foreign currency risk associated with recognised liabilities or highly probable forecast transactions (cash flow hedges).

1. Summary of Significant Accounting Policies continued

y) Derivative financial instruments continued

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

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

Hedge accounting

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

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

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

Fair value hedges

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

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

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

Cash flow hedges

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

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

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

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

z) Interest bearing liabilities and other borrowings

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

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

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

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

aa) Dividends

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

ab) Earnings per share (EPS)

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

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

2. Financial Reporting by Business and Geographic Segments

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

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

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

	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
	Earnings before interest, tax and significant items		**Significant items**[2]		**Segment result – earnings before interest and tax**	
Beverage business						
Australia	**488.4**	446.0	**–**	–	**488.4**	446.0
New Zealand & Fiji	**83.4**	77.8	**–**	–	**83.4**	77.8
Indonesia & PNG	**50.6**	36.8	**–**	–	**50.6**	36.8
	622.4	560.6	**–**	–	**622.4**	560.6
Share of net profit of joint venture entity	**0.6**	0.8	**–**	–	**0.6**	0.8
Total Beverage	**623.0**	561.4	**–**	–	**623.0**	561.4
Food & Services business						
Australia	**90.8**	87.0	**(26.7)**	–	**64.1**	87.0
Total Food & Services	**90.8**	87.0	**(26.7)**	–	**64.1**	87.0
Total continuing operations	**713.8**	648.4	**(26.7)**	–	**687.1**	648.4
Discontinued operation[1]	**–**	4.7	**–**	(59.4)	**–**	(54.7)
Total CCA Group	**713.8**	653.1	**(26.7)**	(59.4)	**687.1**	593.7

Refer to the following page for footnote details.

2. Financial Reporting by Business and Geographic Segments continued

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

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

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

2 Significant items include the following –

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

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

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

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

1 Mainly relates to management and guarantee fees from subsidiaries.

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

4. Expenses and Income Statement Disclosures

a) Expenses

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

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

1 Includes hedging gains of $2.7 million (2007: $1.9 million) transferred from the cash flow hedging reserve.
2 Includes hedging losses of $0.3 million (2007: $1.0 million) on interest rate and cross currency swaps transferred from the cash flow hedging reserve.
3 Includes hedging losses of $0.5 million (2007: losses of $1.1 million) on interest rate and cross currency swaps transferred from the cash flow hedging reserve.

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

4 Includes hedging gains of $1.9 million (2007: losses of $0.3 million) transferred from the cash flow hedging reserve, and losses on derivatives not qualifying as hedges of $3.9 million (2007: gains of $5.2 million).
5 Includes losses on derivatives not qualifying as hedges of $3.9 million (2007: gains of $5.8 million).
6 Relates to CCKBC Holdings Ltd.

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

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

5. Income Tax Expense

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
a) Income tax expense/(benefit)					
Current tax expense/(benefit)		**153.6**	173.7	**(9.5)**	(10.9)
Deferred tax expense/(benefit)	20b)	**2.4**	(29.3)	**(1.1)**	(0.6)
Adjustments to current tax of prior periods		**(6.0)**	0.2	**(1.6)**	3.7
		150.0	144.6	**(12.2)**	(7.8)
Income tax expense/(benefit) is attributable to –					
Continuing operations		**150.0**	148.4	**(12.2)**	(7.8)
Discontinued operation	6b)	**–**	(3.8)	**–**	–
		150.0	144.6	**(12.2)**	(7.8)
b) Reconciliation of income tax expense/(benefit) to prima facie tax payable					
Profit from continuing operations before income tax		**535.6**	516.0	**523.3**	254.6
Loss from discontinued operation before income tax	6b)	**–**	(60.7)	**–**	–
		535.6	455.3	**523.3**	254.6
Prima facie income tax expense on profit at the Australian rate of 30%		**160.7**	136.6	**157.0**	76.4
Tax effect of permanent differences –					
Non-allowable expenses		**3.7**	3.5	**0.1**	0.2
Non-assessable dividends		**–**	–	**(166.4)**	(201.4)
Tax offset for franked dividends		**(0.2)**	(0.3)	**–**	–
Other items		**0.7**	2.0	**3.5**	0.5
Impairment of –					
investment in subsidiary		**–**	–	**–**	111.4
intangible assets		**0.6**	1.9	**–**	–
Loss on disposal of the South Korean business		**–**	17.0	**–**	–
Overseas tax rates differential		**(0.7)**	2.3	**–**	–
Overseas withholding tax		**0.7**	(16.8)	**–**	–
Share of net profit of joint venture entity		**(0.2)**	(0.3)	**–**	–
Deductible temporary differences from –					
movement in derecognised amounts		**–**	(4.7)	**–**	–
(recognition)/derecognition of deferred tax assets		**(4.8)**	3.0	**(4.8)**	1.4
Adjustments to current tax of prior periods		**(6.0)**	0.2	**(1.6)**	3.7
Change in overseas tax rate		**(4.5)**	0.2	**–**	–
Income tax expense/(benefit)		**150.0**	144.6	**(12.2)**	(7.8)

c) Australian tax consolidation

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

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

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

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

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

6. Discontinued Operation

a) Details of the disposed business

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

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

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

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

b) Financial performance of the disposed business

The results of the discontinued operation are presented as follows –

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

1 Significant items include the following –

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

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

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

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

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

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

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

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

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

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

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

b) Non-cash investing and financing activities

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

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

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

d) Risk exposure

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

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

8. Trade and Other Receivables

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
Current					
Trade receivables		**598.4**	555.0	**–**	–
Allowance for doubtful receivables	8a)	**(7.8)**	(6.8)	**–**	–
		590.6	548.2	**–**	–
Amounts due from subsidiaries	36	**–**	–	**73.1**	88.5
Amounts due from related entities (trade)	36	**3.3**	11.6	**–**	–
Amounts due from related entities (non-trade)	36	**28.3**	8.6	**0.6**	0.1
Other receivables		**43.4**	79.0	**2.1**	3.4
Other receivables (escrow amount)	6c)	**5.4**	38.6	**–**	–
		80.4	137.8	**75.8**	92.0
Total trade and other receivables (current)		**671.0**	686.0	**75.8**	92.0
Non-current					
Amounts due from subsidiaries	36	**–**	–	**1,914.2**	2,098.2
Amounts due from related entities (non-trade)	36	**2.1**	2.1	**–**	–
Other receivables		**1.6**	1.4	**–**	–
Total trade and other receivables (non-current)		**3.7**	3.5	**1,914.2**	2,098.2
a) Impaired trade receivables					
As at 31 December 2008, trade receivables with a nominal value of $7.8 million (2007: $6.8 million) were impaired and fully provided for. Movements in the allowance for trade receivables are as follows –					
At 1 January		**(6.8)**	(9.1)	**–**	–
Disposal of operation		**–**	0.6	**–**	–
Charge for the year		**(3.9)**	(3.2)	**–**	–
Written off		**2.9**	4.7	**–**	–
Net foreign currency movements		**–**	0.2	**–**	–
		(7.8)	(6.8)	**–**	–

b) Analysis of receivables

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

	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
2008	**544.6**	**31.6**	**11.7**	**2.7**	**590.6**
2007	440.4	74.0	28.3	5.5	548.2

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

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

8. Trade and Other Receivables continued

c) Related party receivables

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

d) Fair value

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

e) Interest rate and foreign exchange risk

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

f) Credit risk

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

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

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

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

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

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

11. Investment in Joint Venture Entity

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

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

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

Carrying amount of investment in Pacific Beverages Pty Ltd	**35.7**	16.4	**34.5**	15.8
a) Share of Pacific Beverages assets and liabilities				
Current assets				
Cash assets	**2.7**	2.4	**–**	–
Trade and other receivables	**10.8**	11.6	**–**	–
Other current assets	**6.9**	4.4	**–**	–
Total current assets	**20.4**	18.4	**–**	–
Non-current assets				
Property, plant and equipment	**13.9**	4.4	**–**	–
Intangible assets	**17.5**	7.3	**–**	–
Deferred tax assets	**1.4**	0.1	**–**	–
Total non-current assets	**32.8**	11.8	**–**	–
Total assets	**53.2**	30.2	**–**	–
Current liabilities				
Trade and other payables	**12.0**	8.0	**–**	–
Interest bearing liabilities	**0.2**	0.8	**–**	–
Other current liabilities	**4.6**	4.1	**–**	–
Total current liabilities	**16.8**	12.9	**–**	–
Non-current liabilities				
Interest bearing liabilities	**0.7**	0.9	**–**	–
Total liabilities	**17.5**	13.8	**–**	–
Net assets	**35.7**	16.4	**–**	–
b) Share of Pacific Beverages revenue, expenses and results				
Revenue, excluding finance income				
Trading revenue	**39.4**	18.1	**–**	–
Other revenue	**2.6**	1.4		
	42.0	19.5	**–**	–
Expenses, excluding finance costs				
Cost of sales	**(28.9)**	(13.2)	**–**	–
Other expenses	**(12.7)**	(5.2)	**–**	–
	(41.6)	(18.4)	**–**	–
Earnings before interest and tax	**0.4**	1.1	**–**	–
Net finance income	**0.5**	0.1	**–**	–
Profit before income tax	**0.9**	1.2		
Income tax expense	**(0.3)**	(0.4)	**–**	–
Profit after income tax	**0.6**	0.8	**–**	–

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

1 Refer to Note 31 for details of subsidiaries.
2 The increase in the balance is due to accounting for equity settled share based payments following the adoption of AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions".
3 Shares in subsidiaries at cost in 2007 has been adjusted following the adoption of AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions".

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

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

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

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

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

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

14. Property, Plant and Equipment

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

1 Freehold and leasehold buildings include improvements made to buildings.

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

14. Property, Plant and Equipment continued

CCA Group

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

CCA Entity

	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 31 December 2007					
Cost (gross carrying amount)	–	–	5.5	–	5.5
Accumulated depreciation	–	–	(5.5)	–	(5.5)
Net carrying amount	–	–	–	–	–

1 Freehold and leasehold buildings include improvements made to buildings.

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

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

1 Purchased as part of a business combination.
2 Asset purchases.
3 Software development assets mainly relate to the new SAP (Systems Applications and Products) operating system, which was implemented in October 2008 in the Australian Beverage business.

15. Intangible Assets continued

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

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

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

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

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

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

16. Impairment Testing of Intangible Assets with Indefinite Lives

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

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

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

16. Impairment Testing of Intangible Assets with Indefinite Lives continued

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

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

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

i) Cash flow forecasts

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

ii) Residual value

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

iii) Forecast growth rates

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

iv) Discount rates

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

b) Impairment tests for brand names with indefinite lives

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

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

i) Cash flow forecasts

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

ii) Royalty rates

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

iii) Residual value

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

iv) Forecast growth rates

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

v) Discount rates

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

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

a) Related party payables

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

b) Interest rate, foreign exchange and liquidity risk

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

18. Interest Bearing Liabilities

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

18. Interest Bearing Liabilities continued

a) Interest rate, foreign exchange and liquidity risk

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

CCA Group Type of interest bearing liability/country	2008 $M	2007 $M	Interest rate p.a. 2008 %	Interest rate p.a. 2007 %	Denomination	Maturity date
Current						
Bonds						
Australia	**50.0**	–	**7.3**	–	Australian Dollar	Apr 09
Australia – CCA Entity	**5.2**	150.0	**6.1**	7.4	Australian Dollar	Jan to Jul 09
Australia – CCA Entity	**–**	20.3	**–**	1.2	Japanese Yen	Aug 08
	55.2	170.3				
Loans						
Australia	**0.5**	0.4	**6.9**	7.0	Australian Dollar	Oct 09
Bank loans						
Indonesia	**–**	0.3	**–**	7.5	United States Dollar	Jan 08
Bank overdrafts	**–**	0.4	**–**	8.0		
Total interest bearing liabilities (current)	**55.7**	171.4				
Non-current						
Bonds						
Australia	**–**	50.0	**–**	7.3	Australian Dollar	Apr 09
Australia – CCA Entity	**497.4**	336.0	**5.1**	5.2	United States Dollar	Jun 10 to Apr 16
Australia – CCA Entity	**556.8**	220.2	**2.3**	3.8	Japanese Yen	Jun 10 to Jun 36
Australia – CCA Entity	**1,064.6**	1,075.2	**5.5**	7.6	Australian Dollar	Jul 10 to Jan 19
	2,118.8	1,681.4				
Loans						
Australia	**5.4**	5.9	**6.9**	7.0	Australian Dollar	Jun 17 to Apr 18
Bank loans						
New Zealand	**226.5**	7.9	**6.6**	8.6	New Zealand Dollar	Jun 10 to Oct 11
Total interest bearing liabilities (non-current)	**2,350.7**	1,695.2				
CCA Entity						
Current						
Bonds						
Australia – CCA Entity	**5.2**	150.0	**6.1**	7.4	Australian Dollar	Jan to Jul 09
Australia – CCA Entity	**–**	20.3	**–**	1.2	Japanese Yen	Aug 08
	5.2	170.3				
Total interest bearing liabilities (current)	**5.2**	170.3				
Non-current						
Bonds						
Australia – CCA Entity	**497.4**	336.0	**5.1**	5.2	United States Dollar	Jun 10 to Apr 16
Australia – CCA Entity	**556.8**	220.2	**2.3**	3.8	Japanese Yen	Jun 10 to Jun 36
Australia – CCA Entity	**1,064.6**	1,075.2	**5.5**	7.6	Australian Dollar	Jul 10 to Jan 19
	2,118.8	1,631.4				
Total interest bearing liabilities (non-current)	**2,118.8**	1,631.4				

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

18. Interest Bearing Liabilities continued

b) Fair value

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

c) Financing facilities

The following financing facilities are available as at balance date –

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

d) Defaults or breaches

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

19. Provisions

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

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

20. Deferred Tax Assets and Liabilities

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
a) Deferred taxes					
Deferred tax assets		**–**	1.8	**42.1**	4.9
Deferred tax liabilities		**(138.7)**	(153.3)	**–**	–
Net deferred tax (liabilities)/assets		**(138.7)**	(151.5)	**42.1**	4.9
b) Movement in net deferred tax assets/(liabilities) for the financial year –					
Balance at the beginning of the financial year		**(151.5)**	(325.7)	**4.9**	12.9
Charged to the income statements as deferred tax (expense)/benefit	5a)	**(2.4)**	29.3	**1.1**	0.6
Charged to equity	24c)	**22.8**	(6.9)	**43.9**	(10.2)
Acquisitions of entities and operations		**–**	(0.2)	**–**	–
Disposal of operation		**–**	132.8	**–**	–
Net foreign currency movements		**(1.9)**	20.0	**–**	–
Other		**(5.7)**	(0.8)	**(7.8)**	1.6
Balance at the end of the financial year		**(138.7)**	(151.5)	**42.1**	4.9
c) Deferred tax assets and liabilities at the end of the financial year (prior to offsetting balances within the same tax jurisdiction) are attributable to –					
Deferred tax assets (gross)					
Trade receivables		**2.1**	2.0	**–**	–
Inventories		**1.0**	5.4	**–**	–
Property, plant and equipment		**2.6**	1.9	**1.3**	1.6
Intangible assets		**–**	0.9	**–**	–
Accrued charges		**11.2**	9.5	**4.5**	2.2
Employee benefits provisions		**31.8**	29.6	**13.6**	11.0
Defined benefit superannuation plan liabilities		**7.1**	11.0	**0.9**	4.5
Income tax losses		**–**	1.1	**–**	–
Derivatives		**17.8**	–	**28.0**	–
Other		**8.7**	8.9	**3.7**	3.4
Total deferred tax assets (gross)		**82.3**	70.3	**52.0**	22.7
Deferred tax liabilities (gross)					
Inventories		**(6.5)**	(7.2)	**–**	–
Investments in bottlers' agreements		**(131.7)**	(133.0)	**–**	–
Property, plant and equipment		**(41.2)**	(47.1)	**–**	–
Intangible assets		**(1.7)**	–	**–**	–
Defined benefit superannuation plan assets		**(1.4)**	–	**(1.4)**	–
Retained earnings balances of overseas subsidiaries[1]		**(16.8)**	(16.1)	**–**	–
Derivatives		**(6.2)**	(13.2)	**–**	(17.5)
Other		**(15.5)**	(5.2)	**(8.5)**	(0.3)
Total deferred tax liabilities (gross)		**(221.0)**	(221.8)	**(9.9)**	(17.8)
Net deferred tax (liabilities)/assets		**(138.7)**	(151.5)	**42.1**	4.9

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

	CCA Group		CCA Entity	
	2008 $M	2007 $M	**2008 $M**	2007 $M
20. Deferred Tax Assets and Liabilities continued				
d) Movements in deferred tax assets and liabilities during the financial year, reflected in deferred tax expense/(benefit) –				
Deferred tax assets				
Trade receivables	**(0.4)**	0.6	**–**	–
Inventories	**3.3**	(3.5)	**–**	–
Property, plant and equipment	**0.2**	–	**0.3**	0.4
Intangible assets	**–**	1.6	**–**	–
Accrued charges	**(2.0)**	(0.3)	**(1.3)**	–
Employee benefits provisions	**(3.8)**	(2.1)	**(2.6)**	(1.6)
Defined benefit superannuation plan liabilities	**4.3**	(2.2)	**5.1**	(1.4)
Income tax losses	**–**	(0.5)	**–**	–
Other	**(6.0)**	0.7	**(2.6)**	2.0
Total deferred tax assets	**(4.4)**	(5.7)	**(1.1)**	(0.6)
Deferred tax liabilities				
Inventories	**0.2**	0.9	**–**	–
Prepayments	**–**	0.2	**–**	–
Investments in bottlers' agreements	**–**	(6.9)	**–**	–
Property, plant and equipment	**2.4**	(2.9)	**–**	–
Retained earnings balances of overseas subsidiaries	**0.7**	(16.8)	**–**	–
Derivatives	**3.5**	(1.7)	**–**	–
Other	**–**	3.6	**–**	–
Total deferred tax liabilities	**6.8**	(23.6)	**–**	–
Net deferred tax expense/(benefit)	**2.4**	(29.3)	**(1.1)**	(0.6)
e) Tax losses not brought to account, as the realisation of the benefits represented by these balances is not considered to be probable –				
Capital gains tax – no expiry date	**961.9**	978.3	**961.9**	978.3
Potential tax benefit	**288.6**	293.5	**288.6**	293.5
f) Other deductible temporary differences not brought to account, as the realisation of the benefits represented by these balances is not considered to be probable –				
Other deductible temporary differences – no expiry date	**38.4**	38.4	**–**	–
Potential tax benefit	**11.5**	11.5	**–**	–

21. Defined Benefit Superannuation Plan Assets and Liabilities

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

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

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

a) Accounting policies

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

b) Plan information

Australia

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

Indonesia

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

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

	CCAGSP		CCASP		CCBISP[1]	
	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Present value of defined benefit obligations at the beginning of the financial year	**29.9**	33.1	**62.0**	70.1	**23.7**	24.8
Current service cost	**2.0**	2.9	**6.1**	7.4	**2.1**	2.1
Interest cost	**1.8**	1.6	**3.9**	3.5	**2.4**	2.5
Actuarial losses/(gains)	**9.8**	(3.1)	**24.2**	(8.4)	**(2.4)**	–
Benefits paid	**(4.1)**	(4.6)	**(10.9)**	(10.6)	**(1.8)**	(1.9)
Net foreign currency movements	**–**	–	**–**	–	**1.7**	(3.8)
Present value of defined benefit obligations at the end of the financial year	**39.4**	29.9	**85.3**	62.0	**25.7**	23.7
d) Reconciliation of the fair value of plan assets						
Fair value of plan assets at the beginning of the financial year	**33.0**	36.5	**81.8**	85.1	**–**	–
Expected return on plan assets	**1.9**	2.0	**5.4**	5.5	**–**	–
Actuarial (losses)/gains	**(6.6)**	(0.9)	**(24.1)**	0.1	**–**	–
Employer contributions	**4.1**	–	**17.1**	1.7	**–**	–
Benefits paid	**(4.1)**	(4.6)	**(10.9)**	(10.6)	**–**	–
Fair value of plan assets at the end of the financial year	**28.3**	33.0	**69.3**	81.8	**–**	–

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

21. Defined Benefit Superannuation Plan Assets and Liabilities continued

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

	CCAGSP		CCASP		CCBISP		CCA Group	
	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Present value of funded defined benefit obligations at the end of the financial year	**39.4**	29.9	**85.3**	62.0	**25.7**	23.7	**150.4**	115.6
Fair value of plan assets at the end of the financial year	**(28.3)**	(33.0)	**(69.3)**	(81.8)	**–**	–	**(97.6)**	(114.8)
	11.1	(3.1)	**16.0**	(19.8)	**25.7**	23.7	**52.8**	0.8
Unrecognised past service cost	**–**	–	**–**	–	**(2.6)**	(2.6)	**(2.6)**	(2.6)
Unrecognised (losses)/gains	**(8.2)**	8.7	**(20.8)**	29.3	**2.8**	0.4	**(26.2)**	38.4
	2.9	5.6	**(4.8)**	9.5	**25.9**	21.5	**24.0**	36.6
These amounts are disclosed as –								
Net liability recognised in the balance sheets at the end of the financial year	**2.9**	5.6	**–**	9.5	**25.9**	21.5	**28.8**	36.6
Net asset recognised in the balance sheets at the end of the financial year	**–**	–	**(4.8)**	–	**–**	–	**(4.8)**	–
f) Expense recognised in the income statements								
Current service cost	**2.0**	2.9	**6.1**	7.4	**2.1**	2.1	**10.2**	12.4
Interest cost	**1.8**	1.6	**3.9**	3.5	**2.4**	2.5	**8.1**	7.6
Expected return on plan assets	**(1.9)**	(2.0)	**(5.4)**	(5.5)	**–**	–	**(7.3)**	(7.5)
Actuarial gains	**(0.6)**	(0.3)	**(1.8)**	(1.0)	**(0.1)**	–	**(2.5)**	(1.3)
Past service cost	**–**	–	**–**	–	**0.2**	0.7	**0.2**	0.7
Foreign exchange losses/(gains)	**–**	–	**–**	–	**0.3**	(0.5)	**0.3**	(0.5)
Expense recognised in the income statements	**1.3**	2.2	**2.8**	4.4	**4.9**	4.8	**9.0**	11.4

21. Defined Benefit Superannuation Plan Assets and Liabilities continued

g) Plan assets

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

	CCAGSP		CCASP		CCBISP	
	2008 %	2007 %	**2008 %**	2007 %	**2008 %**	2007 %
Australian equities	**13.0**	17.0	**20.0**	24.0	**–**	–
Overseas equities	**14.0**	13.0	**23.0**	26.0	**–**	–
Fixed interest securities	**59.0**	55.0	**40.0**	34.0	**–**	–
Property	**7.0**	8.0	**11.0**	11.0	**–**	–
Other	**7.0**	7.0	**6.0**	5.0	**–**	–
h) Principal actuarial assumptions at the reporting date (p.a.)						
Discount rate	**4.0**	6.3	**4.0**	6.3	**12.0**	10.0
Expected return on plan assets	**6.4**[1]	6.1[2]	**6.9**	6.6	**–**	–
Future salary increases	**4.7**	4.7	**4.5**	4.5	**8.0**	7.0
Future inflation	**3.0**	2.8	**3.0**	2.8	**7.0**	6.0
Future pension increases	**3.0**	2.8	**–**	–	**–**	–

1 Comprising 82% active member and 18% pensioner assets.
2 Comprising 84% active member and 16% pensioner assets.

i) Fair value of plan assets

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

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

j) Expected rate of return on plan assets

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

k) Historical information

	CCAGSP		CCASP		CCBISP	
	2008 $M	2007 $M	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Present value of defined benefit obligations	**39.4**	29.9	**85.3**	62.0	**25.7**	23.7
Fair value of plan assets	**(28.3)**	(33.0)	**(69.3)**	(81.8)	**–**	–
Deficit/(surplus) in plan	**11.1**	(3.1)	**16.0**	(19.8)	**–**	–
Experience adjustments – plan liabilities	**(1.6)**	(0.9)	**(4.6)**	(1.9)	**–**	–
Experience adjustments – plan assets	**(6.5)**	(0.9)	**(24.2)**	0.1	**–**	–
l) Actual return on plan assets						
Actual return on plan assets	**(4.6)**	1.1	**(18.8)**	5.5	**–**	–
m) Expected contributions						
Expected employer contributions	**1.9**	1.9	**6.2**	5.6	**–**	–

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

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding-up of the Company in proportion to the number of shares held. Every ordinary shareholder present at a meeting of the Company in person or by proxy, is entitled to one vote, and upon a poll each ordinary share is entitled to one vote.

Ordinary shares have no par value.

Off-market share buy-back

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

b) Dividend Reinvestment Plan

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

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

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

c) Earnings per share (EPS)

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

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

23. Shares Held by Equity Compensation Plans

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

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

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

24. Reserves

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

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

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

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

1 Purchased on market.

24. Reserves continued

b) Movements continued

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

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

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

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

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

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

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

c) Reserve movements attributable to deferred taxes

		CCA Group		CCA Entity	
Unvested equity compensation reserve	24b)	**(1.6)**	0.6	**(1.6)**	0.6
Cash flow hedging reserve	24b)	**24.4**	(7.5)	**45.5**	(10.8)
Total	20b)	**22.8**	(6.9)	**43.9**	(10.2)

25. Employee Ownership Plans

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

Employees Share Plan

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

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

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

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

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

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

Executive Option Plan

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

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

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

25. Employee Ownership Plans continued

Executive Option Plan continued

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

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

1 Each option represents an option to acquire one ordinary share.
2 All options designated current have vested with the respective executives.

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

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

Long Term Incentive Share Plan

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

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

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

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

25. Employee Ownership Plans continued

Long Term Incentive Share Plan continued

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

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

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

Executive Retention Share Plan

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

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

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

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

Non-Executive Directors Share Plan

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

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

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

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

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

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

25. 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 3 May 2006, the accrued benefits under the prior scheme were indexed against the movement in Average Weekly Ordinary Time Earnings from 1 January 2003 to 3 May 2006 and 152,236 shares in the Company were purchased at $6.8495 per share on 6 May 2006. The Directors are entitled to receive dividends or other distributions relating to the shares, however, each applicable Non-Executive Director has agreed to reinvest all dividends receivable on the relevant shares under the Company's Dividend Reinvestment Plan. All consequent shares will be held by the Trustee of the Non-Executive Directors' Retirement Share Trust and the Directors have agreed that they will not require the Trustee to transfer those shares to them until the time of his or her retirement.

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

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

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

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

Executive Salary Sacrifice Share Plan

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

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

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

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

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

26. Dividends

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

1 Paid at 20.0¢ (2007: 18.0¢) per share and fully franked at the Australian tax rate of 30%.
2 Paid at 17.0¢ (2007: 15.5¢) per share and fully franked at the Australian tax rate of 30%.
3 Declared at 22.0¢ (2007: 20.0¢) per share and fully franked at the Australian tax rate of 30%.
4 The franking credits are expressed on a tax paid basis. Accordingly, the total franking credits balance would allow fully franked dividends to be paid equal to $289.6 million (2007: $463.2 million).

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

	CCA Group	
	2008 ¢	2007 ¢

27. Earnings Per Share (EPS)

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

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

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

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

28. Commitments

a) Capital expenditure commitments				
Estimated aggregate amount of contracts for purchase of property, plant and equipment not provided for, payable –				
within one year	**46.1**	68.4	**–**	–
b) Operating lease commitments				
Lease commitments for non-cancellable operating leases with terms of more than one year, payable –				
within one year	**53.1**	56.2	**1.4**	1.4
later than one year but not later than five years	**109.9**	132.1	**0.7**	5.3
later than five years	**79.5**	86.2	**–**	17.6
	242.5	274.5	**2.1**	24.3

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

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

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

29. Contingencies

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

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

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

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

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

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

1 Mainly relates to services provided in connection with SAP implementation within the Australian Beverage business.
2 Relates to the discontinued South Korean business.

31. Investments in Subsidiaries

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

Refer to the following page for footnote details.

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

Names inset indicate that shares are held by the company immediately above the inset.
The above companies carry on business in their respective countries of incorporation.
† The proportion of ownership interest is equal to the proportion of voting power held.

Footnotes
1 These companies are parties to a Deed of Cross Guarantee as detailed in Note 37 and are eligible for the benefit of ASIC Class Order 98/1418.
2 CCA holds 4.84% of the shares in this company.
3 Associated Nominees Pty Ltd, CCA PST Pty Limited and CCA Superannuation Pty Ltd were trustees of in-house CCA superannuation funds. These superannuation funds were transferred to the AMP SignatureSuper Master Trust in 2007.
4 Matila Nominees Pty Limited is the trustee company for the Employees Share Plan (ESP), the Long Term Incentive Share Plan (LTISP), the Executive Retention Share Plan (ERSP), the Non-Executive Directors Share Plan, the Non-Executive Directors' Retirement Share Trust and the Executive Salary Sacrifice Share Plan. As at 31 December 2008, the trustee held 7,135,188 (2007: 6,778,166) ordinary shares on behalf of the members of the ESP, 1,542,362 (2007: 744,631) ordinary shares on behalf of the members of the LTISP, 403,787 (2007: 432,487) ordinary shares on behalf of the members of the ERSP, 303,431 (2007: 278,867) ordinary shares on behalf of the members of the Non-Executive Directors Share Plan, 135,008 (2007: 161,977) ordinary shares on behalf of the members of the Non-Executive Directors' Retirement Share Trust and 750,366 (2007: 670,131) ordinary shares on behalf of the members of the Executive Salary Sacrifice Share Plan.
5 Neverfail Springwater Limited holds 40.7% of the shareholding in Neverfail Bottled Water Co Pty Limited.
6 Neverfail Bottled Water Co Pty Limited holds 1.5% of the shareholding in Neverfail Springwater (Vic) Pty Limited.
7 SPC Ardmona Limited holds 50% of the shares in Australian Canned Fruit (I.M.O.) Pty Ltd.

32. Business Combinations

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

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

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

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

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

33. Key Management Personnel and Directors Disclosures

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

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

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

Options held by key management personnel

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

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

Shareholdings of key management personnel and Directors

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

Refer to the following page for footnote details.

33. Key Management Personnel and Directors Disclosures continued

Shareholdings of key management personnel and Directors continued

1 Includes the purchase of ordinary shares and shares issued under the Employees Share Plan, Dividend Reinvestment Plan and Executive Salary Sacrifice Share Plan. The additions to the shareholdings were at arms length.
2 Shares purchased during the period. Beneficial interest held subject to the conditions of the Plan.
3 Shares awarded under the 2005–2007 LTISP.
4 Appointed 2 April 2008.
5 Includes beneficial interest in 441,654 shares held by the LTISP, which are subject to the conditions of the Plan.
6 Subsequent to 31 December 2008, the following awards under the 2005–2007 LTISP and 2006–2008 LTISP were made – Mr Davis 325,928 shares; Mr White 119,732 shares; Mr Adams 19,021 shares; Mr Kelly 47,701 shares; Mr Seward 41,306 shares; Mr Garrard 43,624 shares; Ms O'Sullivan 32,801 shares; Mr McKenzie 45,726 shares; and Mr Wartig 68,465 shares.
7 Resigned 20 August 2008.
8 Appointed 1 April 2008.
9 Resigned 31 March 2008.

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

1 Includes the purchase of ordinary shares and shares issued under the Employees Share Plan, Dividend Reinvestment Plan and Executive Salary Sacrifice Share Plan. The additions to the shareholdings were at arms length.
2 Shares purchased during the period. Beneficial interest held subject to the conditions of the Plan.
3 Shares awarded under the 2004–2006 LTISP and 25,000 shares awarded under the 2006–2008 LTISP to Mr Davis.
4 Includes beneficial interest in 298,255 shares held by the LTISP, which are subject to the conditions of the Plan.
5 Subsequent to 31 December 2007, the following awards under the 2005–2007 LTISP were made – Mr Davis 193,429 shares; Mr Wartig 82,425 shares; Mr White 90,491 shares; Mr Adams 24,728 shares; Mr Kelly 27,671 shares; Mr Seward 28,260 shares; and Mr Garrard 32,970 shares.

Loans to key management personnel and Directors

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

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

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

34. Derivatives and Net External Debt Reconciliation

	Refer Note	CCA Group 2008 $M	CCA Group 2007 $M	CCA Entity 2008 $M	CCA Entity 2007 $M
a) Derivatives as per the balance sheets					
Derivative assets – current					
Non-debt related		**(57.0)**	(13.7)	**(15.6)**	(5.9)
	35c)	**(57.0)**	(13.7)	**(15.6)**	(5.9)
Derivative assets – non-current					
Debt related		**(168.7)**	–	**(168.7)**	–
Non-debt related		**(137.3)**	(83.9)	**(125.2)**	(80.7)
	35c)	**(306.0)**	(83.9)	**(293.9)**	(80.7)
Derivative liabilities – current					
Debt related		**–**	11.1	**–**	11.1
Non-debt related		**61.8**	30.9	**52.4**	3.9
	35c)	**61.8**	42.0	**52.4**	15.0
Derivative liabilities – non-current					
Debt related		**–**	109.3	**–**	109.3
Non-debt related		**106.8**	51.1	**106.6**	43.2
	35c)	**106.8**	160.4	**106.6**	152.5
Total net derivative (assets)/liabilities		**(194.4)**	104.8	**(150.5)**	80.9
Net derivative (assets)/liabilities comprises –					
Debt related		**(168.7)**	120.4	**(168.7)**	120.4
Non-debt related		**(25.7)**	(15.6)	**18.2**	(39.5)
Total net derivative (assets)/liabilities		**(194.4)**	104.8	**(150.5)**	80.9
b) Net external debt reconciliation					
Cash assets	7	**(298.3)**	(379.7)	**(176.1)**	(319.8)
Net derivative (assets)/liabilities – debt related		**(168.7)**	120.4	**(168.7)**	120.4
Interest bearing liabilities – current	18	**55.7**	171.4	**5.2**	170.3
Interest bearing liabilities – non-current	18	**2,350.7**	1,695.2	**2,118.8**	1,631.4
Total net external debt		**1,939.4**	1,607.3	**1,779.2**	1,602.3

35. Financial and Capital Risk Management

Financial risk management

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

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

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

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

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

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

Capital risk management

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

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

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

- sufficient finance for the business is maintained at a reasonable cost;
- sufficient funds are available for the business to implement its capital expenditure and business acquisition strategies;
- distributions to shareholders are maintained within stated dividend policy requirements; and
- where excess funds arise with respect to the funds required to enact the Group's business strategies, consideration is given to possible returns of equity to shareholders.

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

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

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

35. Financial and Capital Risk Management continued

a) Categories of financial assets and financial liabilities

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

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

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

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

35. Financial and Capital Risk Management continued

b) Risk factors

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

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

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

i) Interest rate risk

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

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

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

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

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

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

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

CCA Group	As at 31 December 2008				As at 31 December 2007			
	Average interest rate p.a. %	Floating rate $M	Non-interest bearing $M	Total $M	Average interest rate p.a. %	Floating rate $M	Non-interest bearing $M	Total $M
Financial assets								
Cash assets	4.0	298.3	–	298.3	6.0	379.7	–	379.7
Trade and other receivables	–	–	674.7	674.7	–	–	689.5	689.5
		298.3	674.7	973.0		379.7	689.5	1,069.2
Financial liabilities								
Trade and other payables	–	–	515.2	515.2	–	–	436.2	436.2
Bonds	5.5	617.7	–	617.7	7.7	640.4	–	640.4
Loans, bank loans and bank overdrafts	7.0	5.4	–	5.4	7.5	14.9	–	14.9
		623.1	515.2	1,138.3		655.3	436.2	1,091.5
CCA Entity								
Financial assets								
Cash assets	4.2	176.1	–	176.1	6.5	319.8	–	319.8
Trade and other receivables	7.8	1,914.7	75.3	1,990.0	8.6	2,098.2	92.0	2,190.2
		2,090.8	75.3	2,166.1		2,418.0	92.0	2,510.0
Financial liabilities								
Trade and other payables	8.0	103.6	64.4	168.0	7.6	485.7	34.7	520.4
Bonds	5.3	567.7	–	567.7	7.7	640.4	–	640.4
		671.3	64.4	735.7		1,126.1	34.7	1,160.8

35. Financial and Capital Risk Management continued

b) Risk factors continued

i) Interest rate risk continued

Sensitivity analysis

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

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

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

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

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

ii) Foreign currency risk

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

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

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

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

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

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

35. Financial and Capital Risk Management continued

b) Risk factors continued

ii) Foreign currency risk continued

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

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

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

Translation risk

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

Sensitivity analysis

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

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

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

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

35. Financial and Capital Risk Management continued

b) Risk factors continued

ii) Foreign currency risk continued

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

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

iii) Commodity price risk

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

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

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

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

Sensitivity analysis

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

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

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

35. Financial and Capital Risk Management continued

b) Risk factors continued

iv) Credit risk

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

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

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

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

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

	Beverage business			Food & Services business	
For the year ended 31 December 2008	**Australia $M**	**New Zealand & Fiji $M**	**Indonesia & PNG $M**	**Australia $M**	**Total CCA Group $M**
Cash assets	**252.7**	**5.2**	**18.0**	**22.4**	**298.3**
Trade and other receivables[1]	**407.1**	**81.1**	**74.9**	**111.6**	**674.7**
Derivatives	**358.7**	**–**	**4.3**	**–**	**363.0**
Total CCA Group	**1,018.5**	**86.3**	**97.2**	**134.0**	**1,336.0**
For the year ended 31 December 2007	Australia $M	New Zealand & Fiji $M	Indonesia & PNG $M	Australia $M	Total CCA Group $M
Cash assets	329.3	18.4	31.1	0.9	379.7
Trade and other receivables[1]	450.3	78.1	45.1	116.0	689.5
Derivatives	96.9	0.2	0.5	–	97.6
Total CCA Group	876.5	96.7	76.7	116.9	1,166.8

1 Excluding amounts due from subsidiaries.

35. Financial and Capital Risk Management continued

b) Risk factors continued

v) Liquidity risk

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

To help reduce this risk the Group –

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

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

CCA Group

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

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

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

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

35. Financial and Capital Risk Management continued

b) Risk factors continued

v) Liquidity risk continued

CCA Entity

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

1 For floating rate instruments, the amount disclosed is determined by reference to the interest rate at the last repricing date.
2 Net amount for interest rate swaps for which net cash flows are exchanged. Categorisation of inflows and outflows is based on current variable rates at the balance sheet date.
3 Contractual amounts to be exchanged representing gross cash flows to be exchanged.
4 Excluding amounts due from/to subsidiaries.

35. Financial and Capital Risk Management continued

c) Derivative financial instruments

This Note provides details of the Group's derivative financial instruments and hedges that are used for financial risk management.

	Refer Note	CCA Group Fair value 2008 $M	CCA Group Fair value 2007 $M	CCA Entity Fair value 2008 $M	CCA Entity Fair value 2007 $M
Derivative assets – current					
Contracts with positive fair values					
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as cash flow hedges are –					
Commodities future contracts		**0.1**	3.9	**0.1**	–
Commodities swaps		**3.5**	–	**3.5**	–
Forward currency contracts		**41.4**	2.1	**–**	–
Forward currency options		**10.1**	–	**10.1**	–
Interest rate swaps		**–**	1.6	**–**	1.6
Interest rate options		**–**	0.3	**–**	–
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 –					
Foreign exchange contracts		**0.5**	–	**0.4**	–
Foreign currency options		**0.4**	3.0	**0.5**	3.0
Interest rate swaps		**1.0**	1.5	**1.0**	–
Interest rate options		**–**	1.3	**–**	1.3
Total derivative assets – current (non-debt related)		**57.0**	13.7	**15.6**	5.9
Total derivative assets – current	34a)	**57.0**	13.7	**15.6**	5.9
Derivative assets – non-current					
Contracts with positive fair values					
The fair values of derivative financial instruments (debt related) at the end of the financial year designated as fair value hedges are –					
Cross currency swaps		**168.7**	–	**168.7**	–
Total derivative assets – non-current (debt related)		**168.7**	–	**168.7**	–
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as cash flow hedges are –					
Cross currency swaps		**24.3**	–	**24.3**	–
Commodities future contracts		**0.1**	1.8	**0.1**	–
Commodities swaps		**0.2**	–	**0.2**	–
Forward currency contracts		**12.1**	1.4	**–**	–
Foreign currency options		**10.5**	2.5	**10.5**	2.5
Interest rate swaps		**–**	50.2	**–**	50.2
Interest rate options		**–**	3.1	**–**	3.1
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as fair value hedges are –					
Cross currency swaps		**76.7**	2.8	**76.7**	2.8
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 swaps		**13.4**	21.8	**13.4**	21.8
Interest rate options		**–**	0.3	**–**	0.3
Total derivative assets – non-current (non-debt related)		**137.3**	83.9	**125.2**	80.7
Total derivative assets – non-current	34a)	**306.0**	83.9	**293.9**	80.7
Total derivative assets		**363.0**	97.6	**309.5**	86.6

35. Financial and Capital Risk Management continued

c) Derivative financial instruments continued

		CCA Group Fair value		CCA Entity Fair value	
	Refer Note	**2008 $M**	2007 $M	**2008 $M**	2007 $M
Derivative liabilities – current					
Contracts with negative fair values					
The fair values of derivative financial instruments (debt related) at the end of the financial year designated as fair value hedges are –					
Cross currency swaps		**–**	11.1	**–**	11.1
Total derivative liabilities – current (debt related)		**–**	11.1	**–**	11.1
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as cash flow hedges are –					
Commodities future contracts		**40.2**	4.5	**40.2**	–
Commodities swaps		**5.4**	–	**5.4**	–
Commodities options		**3.8**	–	**3.8**	–
Forward currency contracts		**1.8**	21.8	**–**	–
Cross currency swaps		**7.6**	0.1	**–**	0.1
Interest rate swaps		**2.0**	–	**2.0**	–
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 swaps		**1.0**	0.7	**1.0**	–
Forward currency contracts		**–**	2.9	**–**	2.9
Foreign currency options		**–**	0.9	**–**	0.9
Total derivative liabilities – current (non-debt related)		**61.8**	30.9	**52.4**	3.9
Total derivative liabilities – current	34a)	**61.8**	42.0	**52.4**	15.0
Derivative liabilities – non-current					
Contracts with negative fair values					
The fair values of derivative financial instruments (debt related) at the end of the financial year designated as fair value hedges are –					
Cross currency swaps		**–**	109.3	**–**	109.3
Total derivative liabilities – non-current (debt related)		**–**	109.3	**–**	109.3
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as cash flow hedges are –					
Commodities future contracts		**17.3**	0.4	**17.3**	–
Commodities swaps		**1.4**	–	**1.4**	–
Commodities options		**2.4**	–	**2.4**	–
Forward currency contracts		**0.2**	7.5	**–**	–
Interest rate swaps		**65.2**	–	**65.2**	–
Interest rate options		**5.7**	–	**5.7**	–
Cross currency swaps		**0.2**	0.7	**0.2**	0.7
The fair values of derivative financial instruments (non-debt related) at the end of the financial year designated as fair value hedges are –					
Cross currency swaps		**0.3**	19.9	**0.3**	19.9
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 swaps		**14.1**	22.6	**14.1**	22.6
Total derivative liabilities – non-current (non-debt related)		**106.8**	51.1	**106.6**	43.2
Total derivative liabilities – non-current	34a)	**106.8**	160.4	**106.6**	152.5
Total derivative liabilities		**168.6**	202.4	**159.0**	167.5

As noted within the summary of significant accounting policies, derivative financial instruments are initially recognised in the balance sheet 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 balance sheet date.

36. Related Parties

Parent entity

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

Subsidiaries

Interests in subsidiaries are set out in Note 31.

Key management personnel

Disclosures relating to key management personnel are set out in Note 33, and in the Directors' Report.

Related entities

The Coca-Cola Company (TCCC) directly and through its subsidiary, Coca-Cola Holdings (Overseas) Limited, holds 30.3% (2007: 29.6%) of the Company's fully paid ordinary shares.

Pacific Beverages Pty Ltd, a joint venture entity with SABMiller plc, is held 50% by CCA.

Transactions with related parties

	CCA Group		CCA Entity	
	2008 $M	2007 $M	**2008 $M**	2007 $M
Reimbursements and other revenue from –				
Entities with significant influence over the Group				
TCCC and its subsidiaries[1]	**17.8**	35.5	**–**	–
Associates of TCCC	**–**	0.5	**–**	–
Joint venture entity[2]				
Service fee	**2.0**	0.9	**–**	–
Subsidiaries				
Management and guarantee fees	**–**	–	**128.3**	108.4
Dividend income	**–**	–	**554.7**	671.3
Finance income	**–**	–	**163.7**	124.5
Purchases and other expense from –				
Entities with significant influence over the Group				
TCCC and its subsidiaries[3]	**600.5**	736.7	**–**	–
Other related parties	**9.0**	8.9	**–**	–
Subsidiaries				
Interest expense	**–**	–	**24.1**	29.3
Amounts owed by –				
Entities with significant influence over the Group				
TCCC and its subsidiaries	**9.1**	20.6	**0.6**	0.1
Joint venture entity	**24.6**	1.7	**–**	–
Subsidiaries	**–**	–	**1,987.3**	2,186.7
Amounts owed to –				
Entities with significant influence over the Group				
TCCC and its subsidiaries	**128.4**	151.2	**–**	–
Other related parties	**0.7**	0.8	**–**	–
Subsidiaries	**–**	–	**158.7**	512.1

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 Pty Ltd and its subsidiaries under certain agreements and arrangements agreed between CCA and Pacific Beverages Pty Ltd and its subsidiaries.

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 2008, the Group has not raised any allowance for doubtful receivables relating to amounts owed by related parties (2007: nil).

37. Deed of Cross Guarantee

Coca-Cola Amatil Limited and certain subsidiaries as indicated in Note 31 have entered into a Deed of Cross Guarantee with Matila Nominees Pty Ltd 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 balance sheet for the closed group	2008 $M	2007 $M
Current assets		
Cash assets	**272.3**	329.4
Trade and other receivables[1]	**528.6**	522.1
Inventories	**612.9**	538.3
Prepayments	**34.6**	22.3
Derivatives	**52.8**	13.0
Total current assets	**1,501.2**	1,425.1
Non-current assets		
Other receivables	**47.7**	223.3
Investment in joint venture entity	**34.5**	15.8
Investments in securities[1]	**932.4**	1,002.8
Investments in bottlers' agreements	**691.7**	691.7
Property, plant and equipment	**1,010.9**	945.7
Intangible assets	**490.1**	492.2
Prepayments	**9.0**	8.5
Defined benefit superannuation plan assets	**4.8**	–
Derivatives	**306.0**	83.9
Total non-current assets	**3,527.1**	3,463.9
Total assets	**5,028.3**	4,889.0
Current liabilities		
Trade and other payables	**857.4**	740.8
Interest bearing liabilities	**55.7**	171.1
Current tax liabilities	**15.9**	47.8
Provisions	**83.6**	71.6
Accrued charges	**274.9**	273.8
Derivatives	**53.5**	41.8
Total current liabilities	**1,341.0**	1,346.9
Non-current liabilities		
Interest bearing liabilities	**2,124.1**	1,687.2
Provisions	**9.2**	12.1
Deferred tax liabilities	**97.2**	118.3
Defined benefit superannuation plan liabilities	**2.9**	15.1
Derivatives	**106.8**	160.4
Total non-current liabilities	**2,340.2**	1,993.1
Total liabilities	**3,681.2**	3,340.0
Net assets	**1,347.1**	1,549.0
Equity		
Share capital	**1,987.5**	2,027.8
Shares held by equity compensation plans	**(16.6)**	(16.3)
Reserves	**4.4**	61.9
Accumulated losses[1]	**(628.2)**	(524.4)
Total equity	**1,347.1**	1,549.0

Refer to the following page for footnote details.

37. Deed of Cross Guarantee continued

Consolidated income statement for the closed group	**2008 $M**	2007 $M
Profit before income tax expense	**379.9**	201.1
Income tax expense	**(109.0)**	(125.4)
Profit after income tax expense	**270.9**	75.7
Accumulated losses at the beginning of the financial year[2]	**(515.0)**	(350.5)
Share based payments (AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions")[1]	**–**	2.5
Dividends appropriated/off-market share buy-back	**(384.1)**	(252.1)
Accumulated losses at the end of the financial year	**(628.2)**	(524.4)

1 Comparative figures have been adjusted following the adoption of AASB Interpretation 11 "AASB 2 Group and Treasury Share Transactions".

2 The difference is due to the retained earnings of Austral International Trading Company Pty Ltd (Austral), which became a party to the Deed of Cross Guarantee during the financial year.

	$M
Accumulated losses at 1 January 2008	(524.4)
Add: Retained earnings of Austral	9.4
	(515.0)

38. Events after the Balance Date

Dividend

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

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

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

Directors' Declaration

Coca-Cola Amatil Limited and its subsidiaries

In accordance with a resolution of the Directors of Coca-Cola Amatil Limited dated 12 February 2009, 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 Company and of the consolidated entity, are in accordance with the Corporations Act 2001, including –
   i) giving a true and fair view of the Company's and the consolidated entity's financial position as at 31 December 2008, and of their performance for the year ended on that date; and
   ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b) 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

c) at the date of this declaration, there are reasonable grounds to believe that the Company and the wholly owned subsidiaries identified in Note 31 to the financial statements as being parties to a Deed of Cross Guarantee with Matila Nominees Pty Ltd 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 Chief Financial Officer – Statutory and Compliance, in accordance with section 295A of the Corporations Act 2001 for the financial year ended 31 December 2008.

On behalf of the Directors

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

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

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

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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 balance sheets as at 31 December 2008, and the income statements, statements of changes in equity and cash flow statements for the year ended on that date, a summary of significant accounting policies, other explanatory notes 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 and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 our 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, we consider 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 met 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. In addition to our audit of the financial report, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditor's Opinion

In our opinion:

1. 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 financial position of Coca-Cola Amatil Limited and the consolidated entity at 31 December 2008 and of their performance for the year ended on that date; and
   - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
2. the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 18 to 44 of the directors' report for the year ended 31 December 2008. 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.

Auditor's Opinion

In our opinion the Remuneration Report of Coca-Cola Amatil Limited for the year ended 31 December 2008, complies with section 300A of the Corporations Act 2001.

Ernst + Young

Ernst & Young

T. van Veen
Partner
Sydney
12 February 2009

Shareholder Information

Coca-Cola Amatil Limited

Additional information required by Australian Securities Exchange Listing Rules is as follows. This information is current as at 11 March 2009.

Distribution Schedule of Shareholders

	Holders No.	Ordinary shares No.
1 – 1,000	21,840	8,234,720
1,001 – 5,000	13,953	31,762,053
5,001 – 10,000	2,020	14,183,796
10,001 – 100,000	1,249	28,755,645
100,001 and over	129	652,920,870
Total	**39,191**	**735,857,084**

There were 3,993 holders of less than a marketable parcel of 61 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
Barclays Group	36,957,612

Top Twenty Registered Shareholders

	Ordinary shares No.	%
Coca-Cola Holdings (Overseas) Limited[1]	149,392,972	20.30
HSBC Custody Nominees (Australia) Limited	109,359,426	14.86
National Nominees Limited	97,664,222	13.27
J P Morgan Nominees Australia Limited	94,324,637	12.82
The Coca-Cola Company[1]	73,656,304	10.01
ANZ Nominees Limited	33,302,674	4.53
Citicorp Nominees Pty Limited	27,281,254	3.71
Matila Nominees Pty Limited	11,889,014	1.61
Cogent Nominees Pty Limited	8,721,456	1.19
RBC Dexia Investor Services Australia Nominees Pty Limited	4,552,365	0.62
UBS Nominees Pty Ltd	4,224,166	0.57
AMP Life Limited	3,921,582	0.53
Australian Foundation Investment Company Limited	3,725,451	0.51
Queensland Investment Corporation	2,381,382	0.32
Neweconomy.Com.Au Nominees Pty Limited	2,053,309	0.28
Bond Street Custodians Limited	1,817,909	0.25
Jikinta Investments Pty Ltd	1,381,331	0.19
PSS Board	1,285,569	0.17
Argo Investments Limited	1,220,012	0.17
Djerriwarrh Investments Ltd	1,135,000	0.15
Total	633,290,035	86.06

1 Major holdings of The Coca-Cola Company.

Business activities

CCA is the largest non-alcoholic beverage company in the Asia-Pacific region and one of the world's top five Coca-Cola bottlers. CCA operates across 5 countries – Australia, New Zealand, Indonesia, Fiji and Papua New Guinea. CCA's diversified portfolio of products includes carbonated drinks, water, sports drinks, fruit juices, flavoured milk, coffee, iced teas and packaged ready-to-eat fruit and vegetable products.

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

Pacific Beverages, CCA's 50:50 joint venture with one of the world's leading brewers, SABMiller, markets and distributes imported premium beers, Peroni Nastro Azzurro, Peroni Leggera, Miller Genuine Draft, Miller Chill, Grolsch, and Pilsner Urquell, in Australia and New Zealand. In December 2007, Pacific Beverages acquired the Bluetongue Brewery which manufactures and distributes the Bluetongue range of premium beers in Australia.

CCA also sells and distributes the brands of premium spirits distributor Maxxium, which include Jim Beam, Makers Mark, The Macallan and Galliano. CCA also manufactures and distributes Jim Beam & Cola, the Number 1 alcoholic-ready-to-drink product in Australia.

Annual General Meeting

CCA's Annual General Meeting will be held on Friday, 22 May 2009 in the James Cook Ballroom, InterContinental Sydney, Cnr Bridge and Philip Streets, Sydney, NSW at 10am.

Voting rights

Shareholders are encouraged to attend the Annual General Meeting, however, when this is not possible, they are encouraged to use the form of proxy to register their vote or vote online at www.linkmarketservices.com.au. 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 are listed 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 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 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 dividend advice, a Fact Book and the annual Shareholder Review.

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 2008, 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.

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 a discount of 3% from the market price of CCA ordinary shares. The market price is calculated at each dividend payment, being the weighted average price of all shares sold on ASX on the first day on which those shares are quoted ex dividend and the following nine business days. There are no brokerage, stamp duty or other transaction costs payable by participants.

Note: the DRP rules may be modified, suspended or terminated by the Directors at any time after giving one month's notice to DRP participants. 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).

Company Directories

Chairman

David Gonski, AC

Corporate Office

Terry Davis
Group Managing Director

George Forster
General Counsel and Company Secretary

Senior Management

Warwick White
Managing Director, Australasia

Nessa O'Sullivan
Chief Financial Officer, Operations

Ken McKenzie
Chief Financial Officer,
Statutory & Compliance

George Adams
Managing Director, New Zealand & Fiji

Craig Richardson
Chief Financial Officer,
New Zealand & Fiji

Peter Kelly
Managing Director, Asia

Bapak Mugijanto
President Commissioner, Indonesia

John Seward
Managing Director, Indonesia & PNG

Craig Green
Chief Financial Officer, Indonesia

Colin McVea
General Manager, PNG

Andrew Preece
General Manager, Fiji

Nigel Garrard
Managing Director, Food & Services

Steve Perkins
Chief Financial Officer, Food & Services

Registered Office

Coca-Cola Amatil Limited
71 Macquarie Street
Sydney NSW 2000

Ph: 61 132 653
Fx: 61 2 9259 6623

New Zealand
The Oasis, Mt Wellington
Auckland

Ph: 64 9 970 8000

Indonesia
Jl. Teuku Umar KM 46
Cibitung. Bekasi 17520

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

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
International: 1 201 680 6825

Email: shrrelations@bnymellon.com
Website: www.adrbnymellon.com

For enquiries about the operations of the Company:

Investor Relations
71 Macquarie Street
Sydney NSW 2000

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

Email:
aus_investor_relations@anz.ccamatil.com
Website: www.ccamatil.com

Calendar of Events 2009

Date	Event
Thursday, 12 February	2008 full year results announcement
Tuesday, 17 February	Ex-dividend date (final dividend)
Monday, 23 February	Record date for dividend entitlements
Monday, 6 April	2008 final ordinary dividend paid
Friday, 22 May	Annual General Meeting
Thursday, 13 August	2009 half year results announcement
Tuesday, 18 August	Ex-dividend date (interim dividend)
Monday, 24 August	Record date for dividend entitlements
Tuesday, 6 October	2009 interim ordinary dividend paid

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

www.ccamatil.com

Designed and Produced by Designate Reporting

COCA-COLA AMATIL

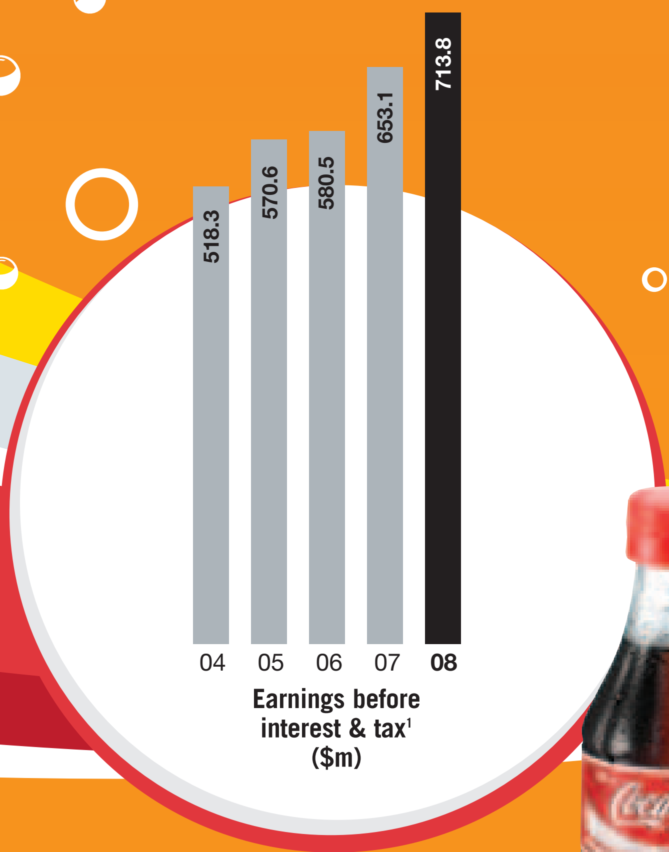
Coca-Cola Amatil Limited
ABN 26 004 139 397

COCA-COLA AMATIL

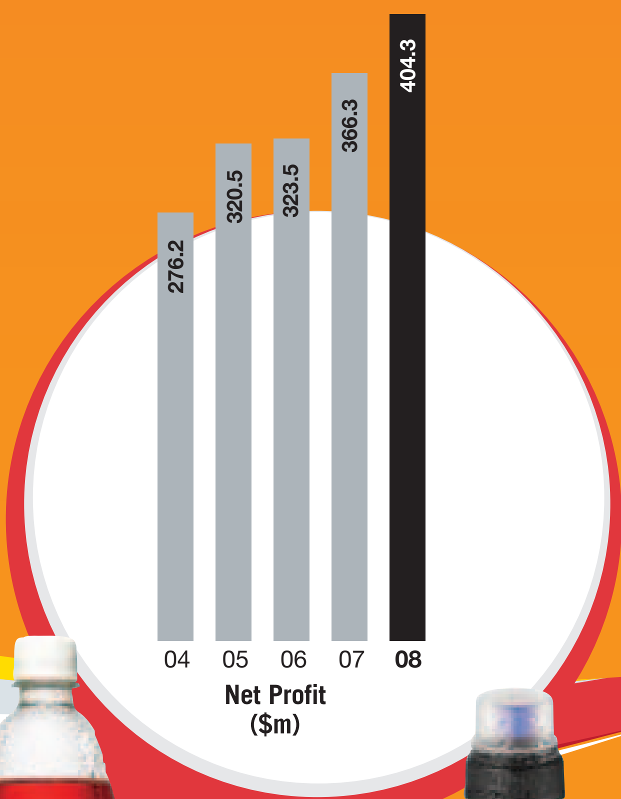
2008 Shareholder Review

Financial Highlights

9.3%
increase in earnings



10.4%
increase in net profit



1 Reported, before significant items

Dear Shareholder,

2008 was a very successful year for Coca-Cola Amatil (CCA) in which the Company achieved a record profit result and delivered on its core business priorities in the most challenging economic and trading environment experienced for many years.

The result was achieved through the continued strong performance of the Australian and New Zealand beverage businesses, a record result from Indonesia & PNG and an increasingly important contribution from our premium alcoholic beverages business.

I am also pleased to report that CCA's share price was remarkably resilient in 2008 in volatile market conditions, and over a longer time period from 1 January 2003 to 31 December 2008, CCA's share price increased by approximately 74% relative to an increase in the S&P/ASX 200 index of only 24%. Including the dividends paid to shareholders over this period, CCA's total shareholder return was approximately 139% while the total shareholder return from the S&P/ASX 200 was 68%.

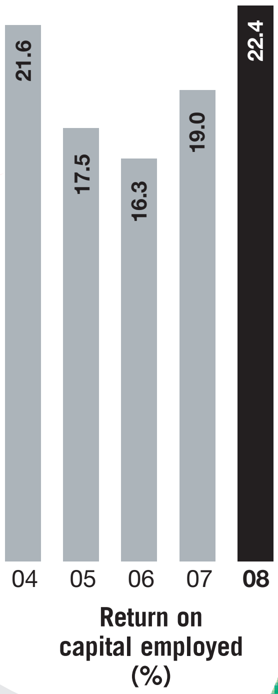
This share price performance is strong confirmation that the Company's strategy is on track and demand for our products remains robust.

We will continue to innovate and expand our premium brand portfolio and to increase product availability, even in the tougher trading conditions. In doing so, CCA will further extend its market-leading position and will continue to refresh, hydrate and energise its consumers – all day, every day.

Terry Davis
Group Managing Director

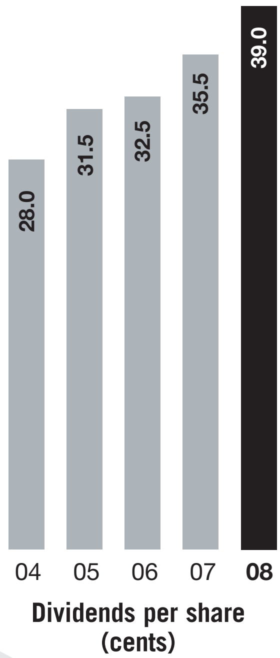
ROCE increased 3.4 points to

22.4%



9.9%

increase in dividends per share



Year in Review

In 2008, CCA delivered a record net profit after tax of $404.3 million, before significant items, an increase of $38.0 million or 10.4% on 2007.

This success was achieved through the continued strong performance of the Australian and New Zealand beverage businesses, an excellent result from Indonesia & PNG and an increasingly important contribution from our premium alcoholic beverages business.

Improved pricing and product mix, a number of outstanding new product launches including Glacéau vitaminwater and Mother energy drink in Australia and Coke Zero in Indonesia, and the earnings contribution from “Project Zero”, CCA’s major infrastructure and supply chain cost reduction program, all contributed to the result.

The strong operating performance has enabled the Board to increase the final dividend from 20.0 cents to 22.0 cents per share fully franked. For the full year, the total fully franked dividend was 39.0 cents a share, a 9.9% increase on 2007, representing a payout ratio of 71.0% of net profit before significant items.

In 2008, CCA successfully delivered on its core business priorities.

These were as follows

1. To grow CCA's share of non-alcoholic beverages in each of its markets by selective expansion of the product portfolio and the increased placement of cold drink coolers

In 2008, CCA introduced a number of innovative new non-alcoholic beverage brands to the Australian market, including Glacéau vitaminwater and the re-launched Mother energy drink in a 500ml can. Glacéau, launched in Australia in February, was the largest non-carbonated beverage launch in CCA's history and almost 25 million bottles were sold. Coke Zero was also successfully launched in Indonesia. Innovation in new products remains a fundamental part of CCA's business model and further extends CCA's market leadership position in non-alcoholic beverages and strengthens its relationship with its customers.

2. To grow CCA's premium alcoholic beverages business in Australia and New Zealand through the increased availability of its premium beer brands

Pacific Beverages, CCA's premium alcoholic beverages Joint Venture with SABMiller, continued to grow its share of the Australian premium beer market delivering excellent volume growth for the year. New products such as Miller Chill, the benefits of the acquisition of Bluetongue Brewery in December 2007 and the Grolsch distribution rights for Australia in May 2008, all contributed to an outstanding result. The construction of the new 500,000 hectolitre Bluetongue Brewery at Warnervale on the NSW Central Coast commenced in December 2008 and is on track for completion in March 2010.

3. To maintain the strong momentum in product expansion and new customer growth in Indonesia & PNG

CCA's investment in new one-way pack beverage production capacity in Indonesia enabled the business to meet increased consumer demand and rapidly grow market share in the important modern food-store channel. The business placed approximately 21,000 new glass door coolers and more than 80,000 ice chests to further increase cold drink availability.

4. To drive material efficiency gains from "Project Zero"

Project Zero continued to deliver on its cost savings and customer service targets in 2008. Major projects completed included the fully-automated warehouse at Northmead, the automated distribution centre in Auckland, and new beverage production capacity in WA, Queensland and Indonesia. The first phase of the SAP systems solution was also successfully commissioned in Australia. These initiatives enabled CCA to again deliver higher levels of customer service and new product innovation that was consistently recognised by its customers.

Operations Review

CCA's continuing operations delivered earnings before interest and tax (EBIT), before significant items of $713.8 million, an increase of $65.4 million, or 10.1%, on 2007, while return on average capital employed (ROCE) materially improved, increasing from 19.0% in 2007 to 22.4%.

Australia delivered a record result with EBIT growth of 9.5% to $488.4 million. Despite a small decline in volume of 1.1% for the full year, improved demand for single-serve products drove positive volume growth in the second half. Project Zero delivered material efficiency and operational savings, while CCA's premium alcoholic beverages business also made a solid contribution to 2008 profit growth.

New Zealand & Fiji also delivered a record result, with EBIT growth of 7.2% on volume growth of 1.0% that was driven by the continued growth of Brand Coke and Powerade, the successful launch of 'Relentless' energy drink and increased sales of multi-pack cans in the food-store channel.

Indonesia & PNG recorded the highest earnings growth of the Group, achieving a record EBIT result of $50.6 million, an increase of 37.5% on 2007. Revenue growth of 17.5% and volume growth of 8.0% was underpinned by the successful execution of the one-way pack strategy in Indonesia in both the modern and traditional channels.

Food & Services achieved EBIT growth of 4.4%, which was a commendable result given the continued impact on SPC Ardmona of the severe drought in the Goulburn Valley, increased import competition in Australia for packaged fruit and vegetable products, and higher commodity input costs.

Pacific Beverages achieved excellent volume growth in Australia of more than 100% for its premium beer brands as a result of successful innovation in new products such as Miller Chill, increased availability of the brands through CCA's large customer network, and the full-year impact of the acquisition of Bluetongue in December 2007. Pacific Beverages' premium beer brands now account for more than 7% of the Australian premium packaged beer market by value.

Merger Proposal by Lion Nathan Limited

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

The support of CCA's major shareholder and supplier, The Coca-Cola Company (TCCC), was a condition of the proposal and the CCA Board sought TCCC's view on the proposal. 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 the proposal to receive TCCC's support. As a consequence of this and a number of deficiencies in the proposal, the CCA Board decided at that point not to progress any further review of the proposal.

Subsequently, CCA was advised by TCCC that it had provided to Kirin a list of conditions that would need to be satisfied before TCCC would re-consider the proposal, and that discussions between TCCC and Kirin were continuing. Upon receipt of this advice, CCA then updated the market in relation to the proposal on 4 February 2009.

On 7 February 2009, CCA updated the market immediately after it had received a copy of a letter sent by TCCC to Kirin advising it that TCCC had terminated discussions with Kirin in respect of the proposal. As a consequence, on 9 February 2009 Lion advised the market that it had withdrawn its proposal to merge with CCA.

Net Debt and Interest Cover

At 31 December 2008, CCA's net debt was approximately $1.9 billion and the Company had total committed debt facilities of approximately $2.4 billion with an average maturity of 5.5 years. There is $50 million of debt maturing in 2009 and this is fully covered by cash deposits and undrawn committed facilities.

The Company remains in a very strong financial position with EBIT interest cover of 4.7 times at 31 December 2008. Moodys and Standard & Poors Ratings Agencies' have reaffirmed CCA's credit ratings at 'A3' and 'A-' respectively.

Outlook for 2009

In 2005, CCA decided to focus on organic growth opportunities rather than compete against private equity and other trade buyers for high-priced food and beverage assets. This decision and the actions taken subsequently has allowed CCA to further strengthen its customer service and innovation leadership in each of its markets and to maintain a strong balance sheet.

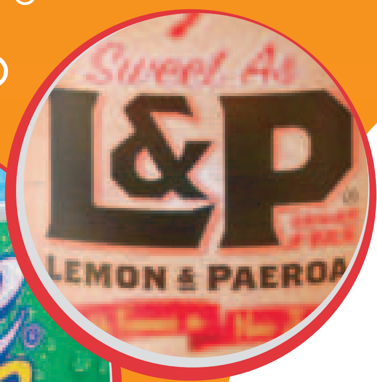
The priorities for 2009 are a continuation of the initiatives commenced in 2008 and include:

- Further expansion of CCA's non-alcoholic beverage portfolio in each of its markets through organic growth and new product and package innovation;
- Further expansion in Australia and New Zealand of CCA's premium alcoholic beverages business; and
- The successful delivery of Project Zero initiatives, including the completion of the automated distribution centre at Eastern Creek, NSW, and further beverage production and distribution capability in Indonesia.

CCA has a strong new product and package innovation pipeline in non-alcoholic beverages across a range of categories including the roll-out of Goulburn Valley fresh flavoured milk in NSW, Victoria and Queensland.

For Project Zero, CCA currently has approximately three years of new projects in the pipeline that will materially improve customer service levels and lower its cost of doing business.

The Company has had a strong start to the year with good growth in volume and revenue. There has been some change in channel growth with a softening in demand in restaurants and cafes. However, this has been more than balanced by an increase in demand in quick-service restaurants and the grocery channel for take-home products. Whilst the majority of CCA's products are considered to be consumer staples, the Company cannot be totally immune to a slow-down in overall consumer demand. However, an increase in at-home consumption does provide a buffer for reduced consumer activity.



Five Year Financial Summary

		2008	2007	2006	2005	2004
Income Statement[1]						
Trading Revenue	$ million	**4,091.4**	4,393.2	4,353.1	4,021.4	3,450.1
EBIT – before significant items	$ million	**713.8**	653.1	580.5	570.6	518.3
Net Profit – before significant items	$ million	**404.3**	366.3	323.5	320.5	274.3
Significant items (net of tax)	$ million	**(18.7)**	(55.6)	(41.1)	–	2.3
Net Profit	$ million	**385.6**	310.7	282.4	320.5	276.6
Balance Sheet[1]						
Net Debt	$ million	**1,939.4**	1,607.3	2,074.6	2,132.7	1,536.8
Equity	$ million	**1,372.0**	1,440.7	1,470.7	1,424.8	932.5
Capital Employed	$ million	**3,311.4**	3,048.0	3,545.3	3,557.5	2,469.3
Key ratios						
Capital expenditure to revenue	%	**6.8%**	6.8%	6.5%	7.5%	6.1%
Return on Average Capital Employed[2]	%	**22.4%**	19.0%	16.3%	17.5%	21.6%
EBIT Interest Cover[2]	times	**4.7**	4.7	4.0	4.1	4.7
Net Debt to Equity	%	**141.4%**	111.6%	141.1%	149.7%	164.8%
Per Share Information						
Earnings per Share - before significant items	cents	**54.9**	48.6	43.2	43.3	39.0
Earnings per Share	cents	**52.4**	41.3	37.7	43.3	39.3
Dividends per Share	cents	**39.0**	35.5	32.5	31.5	28.0
Level of Franking - Final	%	**100**	100	100	100	100
- Interim	%	**100**	100	100	100	100

1 2004 - 2007 includes results from the South Korean business, which was sold on 24 October 2007.

2 Before significant items.

Sustainability@CCA

The success of CCA's business is due in part to the way in which social and environmental considerations have been integrated into the core business.

In 2008, these considerations included:

- The provison of mosquito nets to all of CCA's employees in Papua New Guinea which reduced absenteeism from malaria by 23%;
- The construction of huge underground rainwater harvesting tanks in CCA's largest production facility in NSW to increase water efficiency; and
- Engaging local Indonesian communities in an ongoing clean-up project, "Coca-Cola For Bali Coastal Clean Up Day", on Bali's iconic beaches, Kuta and Sanur.

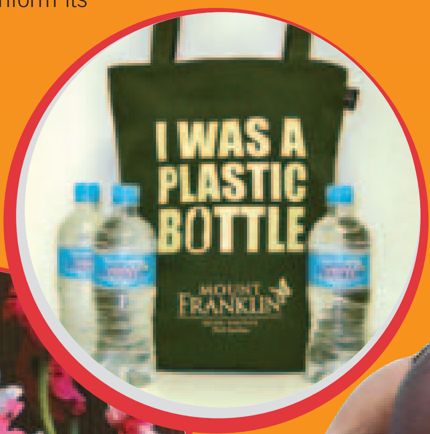
These and other initiatives serve to further embed sustainability principles across CCA. The Company also continues to educate and inform its employees about sustainability through "SustainabilitySeptember@CCA", an event that encourages sustainability, stimulates innovation, and looks at ways to reduce CCA's environmental impact.

Environment

A long term commitment to water savings strategies under CCA's National Environmental Policy and significant investment in new technology resulted in CCA maintaining its position in 2008 as one of the most water efficient beverage bottlers in the global Coca-Cola System. "Dry-lube" (waterless lubrication) has now been installed on all Australian production lines, saving 95 million litres of water annually.

CCA's manufacturing operations are relatively low emitters of carbon. However, the Company measures and reports its energy use and greenhouse gas emissions and continually looks for ways to reduce these emissions. CCA's new distribution centre at Eastern Creek, NSW, has rain-water tanks and solar power, and is seeking Australia's first "green-star" rating for an industrial building.

The new $120 million Bluetongue brewery under construction on the NSW Central Coast will use bio-gas from the waste water plant for steam generation, recover heat from the brewing process to save energy and also target maximum water efficiency ratios.



CCA continues to initiate recycling projects with its major customers and continues to install public place recycling stations at key areas in Australia's major cities.

Marketplace

In 2008, CCA further expanded its "Remote Communities" strategy in indigenous communities in the Northern Territory, Queensland and Western Australia to increase the availability and variety of low-kilojoule beverages and water. Initial results are encouraging with an increase in the proportion of water, diet soft drinks and flavoured milk now sold in remote communities.

During the year, CCA also launched 200ml "mini" cans with an energy content of 360 kilojoules, and further expanded its range of sugar-free, low kilojoule beverage options.

Community

CCA continues to be a generous donor to emergency services and victims of natural disasters. In 2009, the Company donated $1 million worth of beverages, food and long-term funding programs to Victorian communities devastated by the bushfires in February.

Through its great brands including Mount Franklin, Kirks, Neverfail, Kiwi Blue, Nature's Own, L&P and SPC Ardmona, CCA contributed funding for research into HIV/AIDS, prostate and breast cancer and kidney health. For example, Mount Franklin's "pink lids" campaign has contributed to the support of the National Breast Cancer Foundation with around $800,000 for breast cancer research in just three years.

The Coca-Cola Foundations in Australia, Indonesia and Papua New Guinea are the centrepieces of CCA's commitment to corporate social responsibility and through them the Company continues to fund a range of valuable community, environment and health programs.

CCA staff also contributed to many charities in 2008 and through the Company's workplace giving program, "Thirst For Giving", employees' donations were matched by the Company.

CCA's commitment to local communities in 2008 included the development of a multi-language library at the Darcy Road public school in Northmead and a film animation project with the local Sudanese community in the school.

CCA's ongoing commitment to the Northmead neighbourhood includes the irrigation of a local park using rainwater harvested in underground tanks at the Company's Northmead manufacturing plant.

For more information you can download "Sustainability@CCA" at www.ccamatil.com

Shareholder Information

Shareholder enquiries

Investors seeking information about their shareholding should contact the Company's Share Registry. Shareholders should have their Security holder Reference Number (SRN) or Holder Identification Number (HIN) available when contacting the Share Registry.

Share Registry contact details

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
International: 1 201 680 6825
Email: shrrelations@bnymellon.com
Website: www.adrbnymellon.com

Voting rights

Ordinary shares – entitle the holder to one vote, except on a poll where each share is entitled to one vote.

Website

The Annual Report and Shareholder Review are available on the website: www.ccamatil.com

How to contact us

Coca-Cola Amatil Investor Relations
71 Macquarie Street
Sydney NSW 2000
Ph: 61 2 9259 6185
Fx: 61 2 9259 6614
Email:
aus_investor_relations@anz.ccamatil.com

Shareholder Review

The Shareholder Review has been prepared as a general business overview and does not, and should not be expected to, provide a detailed understanding of Coca-Cola Amatil's financial performance, financial position or financing or investing activities. Financial commentary within this review has been derived from the Coca-Cola Amatil Annual Report for the year ended 31 December 2008.

You may obtain a copy of the Annual Report from CCA's website.

You may obtain a copy of the Annual Report from CCA's website

www.ccamatil.com

COCA-COLA CCA AMATIL

Coca-Cola Amatil Limited
ABN 26 004 139 397

Coca-Cola Amatil

2009 Notice of Meeting

Coca-Cola Amatil Limited

ABN 26 004 139 397

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 Friday, 22 May 2009 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 2008 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 2008.

The Remuneration Report is set out on pages 18 to 44 of the 2008 Annual Report. Please note that the vote on this resolution is advisory only, and does not bind the Directors or the Company.

3. Election of Directors

Mr D M Gonski, AC and Mr I Finan 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. Alteration of Constitution

To consider and, if thought fit, pass the following resolution as a **special** resolution:

"That the current constitution of the Company be amended, effective from the close of the meeting, by inserting a new Article 5.15, headed "Direct Voting". A copy of the amended constitution including the new Article 5.15 was tabled at the meeting and signed by the Chairman of the meeting for the purposes of identification."

An explanatory note to the above resolution appears on page 3.

5. Participation by Executive Director in the 2009-2011 Long Term Incentive Share 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 2009-2011 Long Term Incentive Share 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.

Dated 22 April 2009

By order of the Board
George Forster
General Counsel and Company Secretary
71 Macquarie Street
Sydney

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 20 May 2009;

b) a member entitled to attend and vote is entitled to appoint a proxy;

c) a proxy need not be a member;

d) a member entitled to cast 2 or more votes may appoint 2 proxies;

e) 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;

f) appointments of proxies must be received by the Company by 10.00am on 20 May 2009. Appointments 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 or lodged online at www.linkmarketservices.com.au.

g) The **CCA 2008 Annual Report**, which includes the Accounts for the year ended 31 December 2008, the Reports of the Directors and Auditor and the Remuneration Report, is available at CCA's website www.ccamatil.com. Printed copies of the 2008 Annual Report have been mailed only to those shareholders who have elected to receive a printed copy.

Explanatory Notes

ORDINARY BUSINESS

Resolution 3 – Election of Directors

The Board is comprised of 7 Non-Executive Directors and 1 Executive Director. The Board regularly reviews its composition to ensure there is an appropriate range of skills, and a broad mix of business talents, outlooks and backgrounds. All Directors have extensive business experience both in their chosen fields of endeavour and in business generally. Six Directors live in Australia (5 in Sydney and 1 in Melbourne). Two Directors live overseas.

The Board considers that 5 of the 8 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 Gonski and Mr Finan will retire at this Annual General Meeting and will offer themselves for re-election.

Background information on each Director who is seeking re-election is provided below.

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.

A full Curriculum Vitae of Mr Gonski is set out in Appendix 2 to this Notice.

Irial Finan
Mr Finan joined the Board in August 2005 and is a member of the Audit & Risk Committee and the Compliance & Social Responsibility Committee.

The Board has determined that Mr Finan, who is a Non-Executive Director, is not an independent Director as he is a nominee of a substantial shareholder, The Coca-Cola Company.

A full Curriculum Vitae of Mr Finan is set out in Appendix 2 to this Notice.

SPECIAL BUSINESS

Special Resolution 4 – Alteration of Constitution

The Board wishes to take this opportunity to update the Company's constitution to reflect recent developments in best practice corporate governance principles.

A copy of the constitution, marked up to show the proposed changes to the existing constitution, can be obtained prior to the meeting from the company's website www.ccamatil.com/2009AGM.asp or by contacting the Company's Share Registrar, Link Market Services Limited on 1300 554 474 or +61 2 8280 7121. A copy of the marked up constitution will also be available for inspection at the meeting.

The new Article 5.15 of the proposed constitution has been inserted to permit the Company to enable Shareholders in the future to vote directly on resolutions considered at a general meeting by submitting their votes to the Company prior to the meeting. This means a shareholder's votes can still be counted even where they cannot attend personally and do not appoint a proxy. Shareholders will continue to be entitled to appoint proxies if they so desire even if there is direct voting at future meetings.

Directors' Recommendation

The Board considers the proposed changes to the Company's constitution are appropriate as they will provide the Company with the ability to expand the ways in which shareholders can exercise their voting rights at general meetings of the Company. Accordingly, the Board recommends that shareholders vote in favour of Special Resolution 4.

Ordinary Resolution 5 – Participation by Executive Director in the 2009-2011 Long Term Incentive Share Plan

Approval is being sought to allow Mr Davis to participate, as an Executive Director of the Company, in the 2009-2011 Long Term Incentive Share Plan ("**LTISP**").

The LTISP 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 four most recent plans (2005-2007 LTISP, 2006-2008 LTISP, 2007-2009 LTISP and 2008-2010 LTISP), including the performance of each of these Plans as at 31 December 2008, are disclosed in the Remuneration Report within the Company's 2008 Annual Report.

Mr Davis' potential allocation of shares under the 2009-2011 LTISP (as set out in the table below) is identical to the amount approved by shareholders for the 2008-2010 LTISP.

The dual performance hurdles in the 2009-2011 LTISP continue to operate in the same way as the 2008-2010 LTISP, being a Relative Total Shareholder Return ("**TSR**") hurdle and average annual growth in Earnings Per Share ("**EPS**"). The minimum EPS hurdle has changed to 7.0% p.a. for the 2009-2011 LTISP, compared to 8.2% p.a. for the 2008-2010 LTISP.

The two components in the 2009-2011 LTISP 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 LTISP is subject to measurement of the Company's TSR from 1 January 2009 to 31 December 2011. 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
51st percentile	100.00%	31,600	31,600	63,200
55th percentile	117.60%	37,176	37,176	74,352
60th percentile	137.30%	43,372	43,372	86,744
65th percentile	156.90%	49,569	49,569	99,138
70th percentile	176.50%	55,765	55,765	111,530
75th percentile	196.10%	61,961	61,961	123,922

(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.)

If the TSR measure is not achieved against either one or both of the Peer Groups at the end of the 3 year period, then that part or parts of this Component A will be re-tested at the end of each subsequent quarter up to the end of year 4 (ie: one further year of testing up to 31 December 2012). The re-testing for each Peer Group ceases at the earlier of one year after the initial test or when the TSR hurdle first vests.

Component B

Component B of Mr Davis' participation in the LTISP is subject to measurement of the Company's average annual growth in EPS from 1 January 2009 to 31 December 2011. 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.

Annual Average Growth in EPS	Percentage of Threshold Awarded	Shares Awarded
7.0% growth	100.00%	63,200
9.0% growth	117.60%	74,352
10.0% growth	137.30%	86,744
15.0% growth	166.70%	105,334
16.0% growth	196.10%	123,922

(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.)

For the 2009-2011 LTISP, 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 2008 of $9.19 = $1.16 million (or if the 2008-2010 LTISP fair value at grant date of $6.42 was used, this would value the shares at $0.81 million). The LTISP component represents approximately 19% of Mr Davis' on-target remuneration package of $6.3 million.

All shares to which Mr Davis may become entitled as a result of his participation in the 2009-2011 LTISP will be allocated in respect of the 2009-2011 performance period by no later than 28 February 2013.

The shares will be acquired by the Trustee of the LTISP on behalf of Mr Davis either by purchase of shares at the prevailing market price or by subscription for new shares in the Company at no cost to Mr Davis.

Since the 2008 Annual General Meeting, 325,928 shares have been acquired on behalf of Mr Davis under the 2005-2007 LTISP and 2006-2008 LTISP, at no cost to him.

The proposal by the Board to offer shares under the LTISP 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 LTISP will be published in each annual report of the Company relating to the performance period in which the shares have been awarded together with a statement that approval for the award of the shares was obtained from shareholders.

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 LTISP. Should that change, no Director will be entitled to participate in the LTISP unless their participation is approved by shareholders.

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 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.

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

2009-2011 LTISP

Company Name	Peer 1	Peer 2
ABB Grain Limited		Yes
AGL Energy Limited	Yes	
Amcor Limited	Yes	
Ansell Limited	Yes	
Aristocrat Leisure Limited	Yes	
Asciano Group	Yes	
Australian Agricultural Company Limited		Yes
Australian Vintage Group Limited		Yes
Australis Aquaculture Limited		Yes
AWB Limited		Yes
Babcock & Brown Infrastructure Group	Yes	
Billabong International Limited	Yes	
Bluescope Steel Limited	Yes	
Boart Longyear Limited	Yes	
Boral Limited	Yes	
Brambles Limited	Yes	
Caltex Australia Limited	Yes	
Clean Seas Tuna Limited		Yes
Cochlear Limited	Yes	
Computershare Limited	Yes	
Connecteast Group	Yes	
Consolidated Media Holdings Limited	Yes	
Constellation Brands, Inc		Yes
Costaexchange Ltd		Yes
Crown Limited	Yes	
CSL Limited	Yes	
CSR Limited	Yes	
David Jones Limited	Yes	
Downer EDI Limited	Yes	
Fairfax Media Limited	Yes	
FFI Holdings Limited		Yes
Foster's Group Limited		Yes
Freedom Nutritional Products Limited		Yes
Futuris Corporation Limited		Yes
Goodman Fielder Limited		Yes
GrainCorp Limited		Yes
Harvey Norman Holdings Limited	Yes	
Incitec Pivot Limited	Yes	
James Hardie Industries N.V.	Yes	
Leighton Holdings Limited	Yes	
Lion Nathan Limited		Yes
Little World Beverages Limited		Yes
Macquarie Airports	Yes	
Macquarie Communications Infrastructure Group	Yes	
Macquarie Infrastructure Group	Yes	
Maryborough Sugar Factory Limited		Yes
Metcash Limited		Yes
Namoi Cotton Co-operative Limited		Yes
News Corporation Inc (Voting CDI)	Yes	
Nufarm Limited	Yes	
Onesteel Limited	Yes	
Orica Limited	Yes	
Patties Foods Ltd		Yes
Premier Investments Limited		Yes
Primary Health Care Limited	Yes	
Primeag Australia Limited		Yes
Qantas Airways Limited	Yes	
Ridley Corporation Limited		Yes
Select Harvests Limited		Yes
Sims Metal Management Limited	Yes	
Sonic Healthcare Limited	Yes	
Tabcorp Holdings Limited	Yes	
Tassal Group Limited		Yes
Tatts Group Limited	Yes	
Telecom Corporation of New Zealand Limited	Yes	
Telstra Corporation Limited	Yes	
Timbercorp Limited		Yes
Toll Holdings Limited	Yes	
Transfield Services Limited	Yes	
Transurban Group	Yes	
United Group Limited	Yes	
Warrnambool Cheese & Butter Factory Co. Holdings Ltd		Yes
Webster Limited		Yes
Wesfarmers Limited		Yes
West Australian Newspapers Holdings 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 held a number of directorships in publicly listed companies during his career:- Director of the ANZ Banking Group, Director of John Fairfax Holdings Limited, Director of ING Australia Limited, Chairman of Morgan Stanley Australia Limited 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 been Chairman of the Australia Council for the Arts, the National Institute of Dramatic Art and the Art Gallery of New South Wales, Chairman of Arthur Boyd's Gift to the Nation, Bundanon and Film Australia Pty Limited.

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 and the inquiry into the Major Performing Arts in Australia.

Mr Gonski is currently, in addition to being the Chairman of Coca-Cola Amatil Limited, Chairman of ASX Limited, Investec Bank (Australia) Ltd and the National E Health Transition Authority. He is a director of the Westfield Group and Singapore Airlines and Chancellor of the University of New South Wales and Chairman of the Board of Trustees of Sydney Grammar School.

Mr Gonski joined the Board of Coca-Cola Amatil Limited in 1997 and was appointed Chairman in 2001.

Appendix 2 (continued)

RE-ELECTION OF DIRECTORS (CONTINUED)

IRIAL FINAN

Irial Finan was born and educated in Roscommon, Ireland and graduated from National University of Ireland in Galway with a Bachelor of Commerce degree. He is also a Fellow of the Institute of Chartered Management Accountants.

Mr Finan began his career as an accountant and shortly thereafter joined the Coca-Cola System, where he has over 28 years of progressive experience with a strong general management background.

He began his Coca-Cola experience in finance with Coca-Cola Dublin. Mr Finan then expanded his general management experience with Coca-Cola Bottlers Ulster LTD and the start up bottling businesses in Romania and Bulgaria.

From 1995 to 1999, he served as managing director of Molino Beverages, with responsibility for expanding markets, including the Republic of Ireland, Northern Ireland, Romania, Moldova, Russia and Nigeria. In 2001 Mr Finan was named Chief Executive Officer of Coca-Cola HBC, during which time he managed the merger integration of Coca-Cola Beverages plc and Hellenic Bottling SA, and led the combined company's operations in 26 countries.

Mr Finan currently serves as the Executive Vice President and President of Bottling Investments and Supply Chain for The Coca-Cola Company. In his current capacity, he is responsible for the $9 billion internal bottling business with operations across the globe. He is also responsible for stewarding the Company's equity investments and leading the global Supply Chain.

In addition to his directorship of Coca-Cola Amatil Limited, Mr Finan serves on the boards of directors of Coca-Cola Enterprises, Coca-Cola FEMSA, Coca-Cola Hellenic Bottling Company, and the Supervisory Board of Coca-Cola Enterprises AG. He also serves as a non-executive director for non-profit Co-operation Ireland and National University of Ireland Galway Foundation.

Mr Finan joined the Coca-Cola Amatil Board in 2005.

Coca-Cola Amatil Limited

Coca-Cola Amatil

COCA-COLA AMATIL LIMITED
ABN 26 004 139 397

LODGE YOUR VOTE

By mail:
Coca-Cola Amatil Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

By fax: (02) 9287 0309

ONLINE VOTE www.linkmarketservices.com.au

All enquiries to:
Telephone: (02) 8280 7121

SECURITYHOLDER VOTING FORM

I/We being a member(s) of Coca-Cola Amatil Limited and entitled to attend and vote hereby appoint:

STEP 1 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 securityholder) you are appointing as your proxy

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 10:00am on Friday, 22 May 2009, at the James Cook Ballroom, InterContinental Sydney, Cnr Bridge and Phillip Streets, Sydney, NSW and at any adjournment or postponement of the meeting.

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 10:00am on Wednesday, 20 May 2009).

Please read the voting instructions overleaf before marking any boxes with an X

STEP 2 VOTING DIRECTIONS

	For	Against	Abstain*
Resolution 2 Adopt the Remuneration Report	☐	☐	☐
Resolution 3a Re-election of Mr D M Gonski, AC as a Director	☐	☐	☐
Resolution 3b Re-election of Mr I Finan as a Director	☐	☐	☐
Resolution 4 (Special Resolution) Alteration of Constitution	☐	☐	☐
Resolution 5 Participation by Executive Director in the 2009–2011 Long Term Incentive Plan	☐	☐	☐

* If you 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 SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)	Joint Securityholder 2 (Individual)	Joint Securityholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder'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 PRX941

HOW TO COMPLETE THIS PROXY FORM

1 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.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. 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 Step 1. 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.

3 Votes on Items of Business

You may 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 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 Proxy 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 Proxy Form and the second Proxy 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.

5 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 securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge 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.

6 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. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 10:00am on Wednesday, 20 May 2009, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the reply paid envelope or:

by mail:
Coca-Cola Amatil Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

by fax:
(02) 9287 0309

online: ONLINE VOTE www.linkmarketservices.com.au

lodging it online at Link's website (www.linkmarketservices.com.au) in accordance with the instructions given there (you will be taken to have signed your proxy form if you lodge it in accordance with the instructions given on the website);

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 LIMITED
ABN 26 004 139 397

LODGE YOUR QUESTIONS

By mail:
Coca-Cola Amatil Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

By fax: (02) 9287 0309

ONLINE QUESTIONS www.linkmarketservices.com.au

All enquiries to:
Telephone: (02) 8280 7121

AREAS OF INTEREST TO SHAREHOLDERS

Your concerns as shareholders are important to us. To assist us in compiling the Chairman's address for the Annual General Meeting, we would welcome your questions on any matters relating to Coca-Cola Amatil's Notice of Meeting or the Company generally and invite you to use this form to submit them. Alternatively, you will be given an opportunity to ask questions at the Annual General Meeting.

This form must be received by the Share Registrar, Link Market Services Limited at Locked Bag A14 Sydney South NSW 1235 or by facsimile to (02) 9287 0309 in Australia or +61 2 9287 0309 if you are overseas, by 10:00am on Wednesday, 20 May 2009. A return envelope is provided.

We will endeavour to address as many of the more frequently raised shareholder matters during the course of the Annual General Meeting as possible. However there may not be sufficient time available at the meeting to address all topics. 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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Help reduce paper usage

Did you know you can now get all your shareholder communications online?

- Dividend statements
- Annual Report
- Notice of Meetings and Proxy forms.

How?

- Go to *www.linkmarketservices.com.au* and click on ‘Communication Options’ in the left hand menu bar; or
- Contact the Coca-Cola Amatil registry on (02) 8280 7121.

Lodge online

Coca-Cola Amatil shareholders are able to lodge their proxy vote and questions online.

How?

Proxy Voting – Go to *www.linkmarketservices.com.au* and click on ‘Proxy Voting’ in the top right corner.

Questions Online – Go to *www.linkmarketservices.com.au* and click on ‘AGM Questions’ at the bottom right.