Postal Address:
GPO Box 145
Sydney NSW 2001
AUSTRALIA
Telephone: 612 9259 6387
Facsimile: 612 9259 6233

Company Announcements Office
Australian Stock Exchange Limited

COCA-COLA AMATIL TRADING UPDATE

Sydney, 5 December 2007: Coca-Cola Amatil Ltd ("CCA") today provides an update on trading for the second half and full year 2007. Assuming current trading conditions remain for December, CCA expects its net operating profit after tax and before significant items to be in the range of 10% to 11% for both the second half and the full year. This is a change to its previous guidance on 9 August 2007 of high single-digit earnings (EBIT) growth.

CCA also announces a $170 million off-market share buy-back.

In addition, CCA announces the acquisition of Bluetongue Brewery Pty Ltd by Pacific Beverages Pty Ltd, CCA's 50:50 alcohol joint venture with SABMiller plc (SABMiller).

ACQUISITION OF BLUETONGUE BREWERY BY PACIFIC BEVERAGES

As noted in a separate ASX announcement released today, Pacific Beverages has taken another significant step in broadening its premium beverage portfolio in Australia with the acquisition of Bluetongue Brewery.

Bluetongue was launched in November 2003 and operates from an established boutique brewery near Newcastle, New South Wales. Bluetongue's premium beer brands include Bluetongue Premium Lager, Bluetongue Premium Light, Bluetongue Traditional Pilsner, Bluetongue Alcoholic Ginger Beer, and Bondi Blonde.

The acquisition price is subject to confidentiality and therefore not disclosed, however the cost is not material to either CCA or SABMiller.

$170 MILLION OFF-MARKET SHARE BUY-BACK

As also noted in a separate ASX announcement released today, following the successful completion of the sale of CCA's South Korean business for approximately $520 million including net debt, and given the continued strong performance of CCA, the Company intends to return up to $170 million to shareholders through an off-market share buy-back. After undertaking a detailed review of the available capital management options, the CCA Board has concluded that an off-market share buy-back is the most effective method to return capital to shareholders as participation is optional and there are ongoing benefits for both participating and non-participating shareholders.

Coca-Cola Amatil Limited
ABN 26 004 139 397
71 Macquarie St
Sydney NSW 2000
AUSTRALIA

The off-market share buy-back will not impact the funding of CCA's ongoing capital expenditure program or its capacity to pay fully-franked dividends for the foreseeable future, and is not expected to impact CCA's current investment grade credit rating.

APPLICATION OF SOUTH KOREAN SALE PROCEEDS

As previously disclosed, CCA successfully completed the sale of its South Korean business on 23 October 2007 for approximately $520 million, including net debt. Excluding the Korean debt, the amount held in escrow and transaction costs, CCA recognised net proceeds of approximately $360 million. As a consequence, CCA will record a loss on disposal after tax of approximately $49 million in the second half and this will be recorded as a significant item in its financial statements for the full year ending 31 December 2007.

CCA shall apply the cash proceeds to an off-market share buy-back of up to $170 million, accelerated capital projects of approximately $110 million, and the balance of approximately $80 million to debt reduction.

TRADING REVIEW

The first half trading momentum, which delivered first half growth in EBIT of 13.3% and 10.7% growth in net operating profit after tax and before significant items, has continued in the second half of 2007. The key priority for CCA in the second half has been the continued recovery of commodity driven cost of goods increases through a number of revenue management initiatives.

Australia

The Australian business has delivered strong revenue and profit growth in the second half from the combination of solid volume growth and good price realisation as a result of CCA's continued investment in new product and package innovation. Higher commodity driven cost of goods sold (COGS) increases, particularly PET resin and aluminium, continued to impact the business, with COGS per unit case expected to increase by over 6% for the second half.

CCA's Group Managing Director, Mr. Terry Davis said, "The highlight of the second half trading in Australia has been the continued strong performance of the Coca-Cola and Powerade brands, and our Mount Franklin and Pump water brands. Brand Coke in 385ml glass and slim line cans, Powerade Isotonic and Pumped flavoured water have all performed very well and achieved strong volume growth. Brand Coca-Cola continues to be a standout performer, maintaining volumes for the year to date in line with 2006 despite cycling the launch of Coke Zero from 2006."

Australia's agreement with Maxxium for the manufacture and distribution of the Jim Beam & Cola alcoholic ready to drink range has also provided solid incremental earnings during the second half with good volume growth and the successful launch in September of Jim Beam & Zero Sugar Cola.

New Zealand and Fiji

The New Zealand business has continued to deliver strong revenue and profit growth in the second half driven by good volume growth and price realisation, and despite the impact of continued high commodity driven COGS increases.

"The highlight of the past five months has been the strong performance of the Coca-Cola trademarks driven by continued strong growth in Coke Zero. In addition, New Zealand's iconic brand L&P, re-launched in January 2007, has also delivered strong volume growth in its centenary year", Mr. Davis said.

New Zealand's non-carbonated beverage portfolio also continued to perform well with standout growth from Powerade, with volume up 40% since the launch of Powerade Isotonic, and water, with Kiwi Blue delivering approximately 30% volume growth in the year to date. CCA New Zealand also commenced the manufacture of the Jim Beam & Cola ARTD range in October 2007 following the completion of a $NZ 10 million alcoholic ready to drink production line at its Auckland plant.

Fiji continues to recover from uncertain economic and political conditions as a result of the 2006 coup, with the business delivering good revenue and earnings growth in the second half of 2007, in local currency.

Indonesia and PNG

Following a strong first half, CCA's Indonesian business has continued to perform well as a result of improved mix and good price realisation.

The business has achieved high single digit volume growth in carbonated beverages, led by very strong growth in Coca-Cola. Good growth was also achieved in the non-carbonated portfolio, with Frestea delivering approximately 20% growth for the year to date. The business also continues to benefit from the mix shift into higher value one way packages in the modern channel, with significant growth in cans and PET.

For the second half of 2007, CCA expects Indonesia to at least match the record second half profit achieved in 2006, in local currency.

In PNG, CCA's water and juice brands and the launch of PNG's first energy drink, "Bu", have delivered very strong revenue and earnings growth in the second half. The "Nature's Own" water brand has been a stand-out performer, delivering over 40% volume growth in the year to date, while juice delivered double digit growth.

Food & Services

SPCA's operating performance continues to be negatively impacted by the drought. As a consequence, the Food & Services Division expects to achieve modest earnings growth for the second half.

The company continues to assist drought-stricken farmers in the Goulburn Valley with emergency funding which covers interest free advances for growers to purchase water, subsidies on fruit delivered for processing and access to water for irrigation. Rising commodity prices and increased competition from finished imported products and private label have also impacted demand.

Despite these challenges, top line growth has been achieved in fruit, baked beans & spaghetti and tomatoes, and this has delivered overall market share growth in Australia. Growth has also been achieved in international markets, with fruit in plastic under the "SPC Nature's Finest" brand delivering good volume growth for the second half in SPC Ardmona's key international markets of the United Kingdom, Germany, Spain, Canada and the United States.

Pacific Beverages Joint Venture

Pacific Beverages has continued to achieve very strong penetration with its three premium beer brands, Peroni Nastro Azzurro, Miller Genuine Draft and Pilsner Urquell. For the full year, CCA expects volumes to grow by more than 100% over the prior year when the brands were under other distribution arrangements. This growth has been achieved through targeted brand advertising, outlet execution, and the benefits of expanding availability through CCA's large customer network.

In November, Pacific Beverages launched Miller Chill, its first premium beer brand extension from the SABMiller portfolio. Miller Chill is a Mexican Chelada style beer characterised by the fusion of a lager beer with lime and salt flavours. Early consumer uptake has been very encouraging and initial demand has exceeded pre-launch expectations.

The Maxxium brands, led by the Jim Beam & Cola ARTD range, have experienced strong growth in the second half. In particular, the launch of Jim Beam & Zero Sugar Cola in September 2007 has been very successful, with the brand already capturing more than 50% share of the sugar-free ARTD market.

In October, Pacific Beverages also commenced the sale and distribution of its premium beer brands in New Zealand.

IMPACT OF HIGHER COMMODITY PRICES

Commodity price increases continue to impact on CCA's beverage manufacturing cost base, primarily driven by the continued high prices for aluminium and PET resin. For the second half of 2007, CCA expects beverage COGS per unit case, on a constant currency basis, to increase by around 6%, including a mix impact of approximately 1%.

For 2008, based on current forward commodity prices and CCA's prevailing hedge book, CCA expects the rate of increase in beverage COGS per unit case to significantly reduce to an increase of between 3% to 4% on a constant currency basis, after allowing for a mix impact of approximately 1%.

2007 CAPITAL EXPENDITURE & EFFECTIVE TAX RATE

Group capital expenditure is expected to be in the range of 6 to 7% of net sales revenue including approximately 1 to 2% for infrastructure-related expenditure.

The effective group corporate tax rate for the full year 2007, excluding significant items, is expected to be in the range of 28 to 30%.

For further information, please contact:

Media	**Analysts**
Sally Loane	Paul Irving
Ph: +61 2 9259 6797	Ph: +61 2 9259 6185
Sally.Loane@anz.ccamatil.com	Paul.Irving@anz.ccamatil.com