

## ASX Announcement

18 March 2013

### **CCA GROUP MANAGING DIRECTOR, TERRY DAVIS, TO STAY ON UNTIL THE END OF AUGUST 2014**

Coca-Cola Amatil Limited (CCA) wishes to announce that Terry Davis has agreed to continue as Group Managing Director until 31 August 2014 at which time he will retire from this role.

CCA Chairman, David Gonski said, "Over the last 18 months there has been much speculation concerning the tenure of our long serving Group Managing Director, Terry Davis. I am therefore very pleased to confirm that Terry will remain as Group Managing Director until 31 August 2014. The next 18 months will be crucial for CCA in the further development of its alcoholic beverage strategy and the accelerated plans for growth of the Indonesian business and the Board felt it was prudent to provide the market with certainty as to Terry's tenure.

"In his 11 years so far as Group Managing Director, Terry has made a significant and lasting contribution in transforming CCA into a world-class, premium multi-beverage business. The market capitalisation of CCA has increased from \$3.5 billion to \$11.4 billion, Group return on capital has increased from just over 7% in 2001 to 24% today, generating total shareholder returns of nearly 400%."

The Board will form a subcommittee over the coming months to commence the search process for the new Group Managing Director which is expected to include both internal and external candidates. Mr Gonski said, "The Board will seek to ensure an orderly transition during 2014 to the new Group Managing Director and I very much look forward to working with Terry over the next 18 months."

Annexed are details of key terms and conditions of Mr Davis' employment arrangements relating to the cessation of his role as Group Managing Director.

For further information, please contact:

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## Annexure to CCA Announcement dated 18 March 2013

In accordance with Mr Davis' employment arrangements, on the basis that Mr Davis' role as Group Managing Director will cease on 31 August 2014:

1. As it is anticipated that Mr Davis will be working out his entire 12 month notice period, it is anticipated that he will not be entitled to any payment in lieu of notice on cessation of his role as Group Managing Director.
2. CCA has determined not to invite Mr Davis to participate in its long term incentive plan for 2013 or 2014 but will instead increase Mr Davis' target short term incentive for each of these years by \$750,000;
3. Any short term incentive Mr Davis receives in respect of the 2014 calendar year will be reduced by a pro-rata amount (i.e. to take into account the fact that he will be serving as Group Managing Director for 8/12th of the performance period);
4. Mr Davis will not be eligible for any retention payments that had previously been part of his remuneration package. Instead, Mr Davis has received a comparable increase in his fixed remuneration of \$385,000 effective from 1 December 2012. Further, Mr Davis' fixed remuneration was increased by 3% as part of his normal annual review effective from 1 January 2013; and
5. Under the terms of the existing 2012-2014 LTISP, the CCA Board may grant Mr Davis a pro-rata award (or a cash payment in lieu of such an award) if it considers it is fair to do so.

On the basis that Mr Davis' role as Group Managing Director will cease prior to the end of the performance period, and having regard to the terms of the 2012-2014 LTISP, the Board expects to grant Mr Davis the right to a pro-rata amount of his unvested 2012-2014 LTISP entitlement and make a cash payment to Mr Davis in lieu of such an award in accordance with the terms of that Plan, payable after Mr Davis ceases his role as Group Managing Director.