

# **Six-month Financial Report 2010 (IFRS)**

## **Coca-Cola Hellenic Bottling Company S.A.**

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## **1. Directors' Statement pursuant to article 5 of Law 3556/2007**

## **Directors' Statement pursuant to article 5 of Law 3556/2007**

To our knowledge:

1. The half-yearly financial statements which have been prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of Coca-Cola Hellenic Bottling Company S.A. and of the undertakings included in the consolidation, taken as a whole, in accordance with paragraphs 3 to 5 of article 5 of Law 3556/2007.
2. The half-yearly report of the Board of Directors is a true representation of the information required by paragraph 6 of article 5 of Law 3556/2007.

Maroussi, 28 July 2010

George David,  
Chairman of the Board of Directors

Doros Constantinou,  
Chief Executive Officer

Irial Finan,  
Authorised Non-Executive Director

## **2. Board of Directors' Report for the six months ended 2 July 2010**

## Board of Directors' Report

of 'Coca-Cola Hellenic Bottling Company S.A. ('Coca-Cola Hellenic' or the 'Group' or the 'Company') regarding the condensed interim financial statements (consolidated and parent company) as at 2 July 2010

### RESULTS FOR THE SIX MONTHS ENDED 2 JULY 2010

#### HALF YEAR 2010 HIGHLIGHTS

- Free cash flow of €251 million for the first half of 2010, an increase of €129 million compared to the prior year period.
- Volume of 1,009 million unit cases, 2% below the first half of 2009. Net sales revenue of €3,300 million, 1% above the prior year period.
- On a comparable basis, operating profit (EBIT) of €320 million, 3% above the prior year period.
- On a comparable basis, net profit of €201 million, stable compared to the prior year period, and earnings per share of €0.55, stable compared to the prior year period. The first half of 2010 includes a tax charge of €21 million (€0.06 per share) related to the 'Extraordinary Social Contribution Tax' in Greece.

#### SECOND QUARTER 2010 HIGHLIGHTS

- Free cash flow of €186 million for the second quarter of 2010, an increase of €73 million compared to the prior year period.
- Volume of 578 million unit cases, 2% below the second quarter of 2009. Net sales revenue of €1,923 million, 2% above the prior year period.
- On a comparable basis, operating profit (EBIT) of €264 million, 2% below the prior year period.
- On a comparable basis, net profit of €172 million, 11% below the prior year period, and earnings per share of €0.47, 11% below the prior year period. The second quarter of 2010 includes a tax charge of €21 million (€0.06 per share) related to the 'Extraordinary Social Contribution Tax' in Greece.

Note: For the definition of comparable basis and EBIT refer to 'Reconciliation of Reported to Comparable Financial Indicators' below.

#### **Doros Constantinou, Chief Executive Officer of Coca-Cola Hellenic, commented:**

*"The broad geographic spread of our business enabled us to deliver a robust operating performance in the first half of the year, with the effects of increasingly challenging conditions in specific key countries being offset by improving trading performances in other markets, particularly in Eastern Europe.*

*Our ability to compete effectively through our strong market place execution and planned marketing programmes has enabled us to gain volume share in many of our key markets. In addition, we continue to focus successfully on identifying further efficiency improvements and cost savings which are expected to support future profitability.*

*Our Group-wide focus on strong cash flow generation continues to yield results, while we are increasing our investment in marketing in countries where signs of recovery are more evident. Whilst remaining vigilant in the highly challenging Balkan markets, we remain on target to deliver our three-year cash flow guidance."*

### Reconciliation of Reported to Comparable Financial Indicators

Group Financial Results (numbers in € million except per share data)	Half year 2010			Half year 2009		
	Operating profit <sup>1</sup>	Net profit <sup>2</sup>	EPS	Operating profit <sup>1</sup>	Net profit <sup>2</sup>	EPS
Reported	314.6	196.6	0.54	301.3	190.0	0.52
Restructuring costs	5.7	4.3	0.01	18.8	17.4	0.05
Other items	-	-	-	(10.0)	(6.7)	(0.02)
Comparable	320.3	200.9	0.55	310.1	200.7	0.55

Group Financial Results (numbers in € million except per share data)	Second quarter 2010			Second quarter 2009		
	Operating profit <sup>1</sup>	Net profit <sup>2</sup>	EPS	Operating profit <sup>1</sup>	Net profit <sup>2</sup>	EPS
Reported	262.7	171.2	0.47	264.5	188.1	0.51
Restructuring costs	1.1	0.8	-	9.2	9.7	0.03
Other items	-	-	-	(4.8)	(4.3)	(0.01)
Comparable	263.8	172.0	0.47	268.9	193.5	0.53

<sup>1</sup> Operating profit (EBIT) refers to profit before tax excluding finance income / (costs) and share of results of equity method investments.

<sup>2</sup> Profit after tax attributable to owners of the parent.

In order to enhance the analysis and comparability of our financial information, items of an exceptional nature are eliminated from the reported financial indicators to present a comparable basis. Financial indicators presented on a *comparable basis* exclude the recognition of restructuring costs incurred in both periods under review and the insurance payments received in 2009 in respect of damage sustained at our Nigerian operation in 2008.

Our comparable results in 2010 for both periods under review include a tax charge of €21 million (€0.06 per share) related to the 'Extraordinary Social Contribution Tax' in Greece.

## Group Operational Review

Coca-Cola Hellenic Bottling Company S.A. ('Coca-Cola Hellenic' or 'we' or the 'Group') achieved comparable earnings per share of €0.47 in the second quarter of 2010, a 6 cent decline from the second quarter of 2009. This primarily reflects higher taxation expense related to the 'Extraordinary Social Contribution Tax' in Greece which reduced earnings per share by 6 cents in the quarter. Unit case volume declined 2% in the quarter reflecting continued challenging economic conditions and low consumer confidence in some key countries, unfavourable weather conditions in Central Europe and the earlier timing of the Easter holiday period in 2010, which particularly affected non-Orthodox countries. These factors were only partly offset by improved volume performances in a few markets.

In terms of categories, sparkling beverages volume declined 3% and 2% in the second quarter and first six months of 2010, respectively. Sales of Coca-Cola trademarked products were marginally up in the quarter, benefiting from successful marketing activities for the FIFA World Cup football event, as well as, extensive sampling programmes in some key countries. Coca-Cola Zero was the main driver of such marginal increase in sales of Coca-Cola trademarked products, with volume of Coca-Cola Zero increasing mid-single digit percentage points in the quarter. Sales of Fanta trademarked products declined by low-double digit percentage points in the quarter. However, early signs are encouraging for our support of the Fanta brand through the introduction of new flavours and the successful re-formulation of Fanta Orange and Fanta Lemon in Russia, Bulgaria, Austria and Hungary.

Volume in the combined water and still beverage category declined by 2% and 3% in the second quarter and first six months of 2010, respectively. In the second quarter, a 1% decline in water and a 5% decline in juice volume were partly offset by volume gains in the ready-to-drink tea and energy drink categories. We continue to support the juice category with flavour and packaging innovation for the Fruice, Cappy and Amita trademarked brands, as well as brand-building marketing programmes.

In the second quarter, the effect of high unemployment and government austerity measures continued to place pressure on household incomes in some of our key countries. These factors, together with unfavourable weather conditions, particularly in Central Europe, had an adverse impact on consumer spending in the immediate consumption channels. As a result, volume of single-serve packages declined by mid-single digit percentage points in the second quarter. An increased level of promotional activity and strong brand activation in the modern trade channel supported multi-serve packages volume, which exhibited only a moderate decline in the second quarter. We continue to maintain a Group-wide focus on strengthening our market positions. In the first half of the year, the successful implementation of planned marketing programmes and high quality outlet execution led to overall volume share gains in the non-alcoholic ready-to-drink category in several of our key markets including Ukraine, Poland, Hungary and Romania.

Net sales revenue for the second quarter increased 2%, with a 2% decline in volume offset by a 4% benefit from foreign exchange rate movements, primarily reflecting the strengthening of the Russian rouble, the Ukrainian hryvnia, the Polish zloty and the Swiss franc against our reporting currency, the euro. In the quarter, comparable operating income declined by 2% as higher pricing, lower commodity costs and favourable currency movements were more than offset by lower volume, negative category and channel mix and higher operating expenses. Furthermore, the change in the mix of our capital expenditure this year, primarily reflecting our increased investment in SAP, resulted in additional depreciation compared to the prior year period. All these factors led to a decrease in comparable operating profit margins from 14.2% to 13.7% in the quarter. Comparable EBITDA grew by 3% in the quarter and EBITDA margin increased by 20 basis points to 19.0%.

In the second quarter, Coca-Cola Hellenic's profitability benefited from earlier cost saving and restructuring initiatives, with the majority of the €30 million incremental benefits from the initiatives undertaken in 2009 already realised in the first six months of the year. We have also identified further cost saving opportunities that we expect will support the long-term competitiveness and efficiency of our operations. Increased operating profit, effective working capital management and the different phasing of our capital investments contributed to a €129 million increase in free cash flow in the first half of the year.

## Operational Review by Reporting Segments

### Established markets

	Half year	Half year	%	Q2	Q2	%
	2010	2009	change	2010	2009	change
Volume (million unit cases)	<b>352.7</b>	371.2	-5%	<b>197.3</b>	206.9	-5%
Net sales revenue (€ million)	<b>1,414.0</b>	1,479.1	-4%	<b>789.8</b>	825.5	-4%
Operating profit (€ million)	<b>145.3</b>	149.5	-3%	<b>101.9</b>	113.2	-10%
Comparable operating profit (€ million)	<b>150.7</b>	165.2	-9%	<b>103.3</b>	122.0	-15%

- Unit case volume in the established markets segment declined by 5% in both the quarter and first half of 2010, cycling flat organic volume in each of the respective prior year periods.
- Volume in Greece declined by approximately 10% in the second quarter following the introduction of severe austerity measures in response to the country's economic crisis. Such austerity measures have resulted in a further deterioration in consumer confidence, declining real wages, rising unemployment and reduced consumer spending. The anticipated pressure on the tourism sector over the key summer selling period, as well as increasing liquidity constraints of some customers are expected to result in the current challenging trading conditions in Greece continuing over the full year.
- Volume in Italy declined by low-single digit percentage points in the quarter, primarily reflecting unfavourable weather conditions in May and June in the northern region of Italy, as well as, the delayed timing of promotional activities compared with 2009. The adverse impact of low consumer confidence is particularly evident in immediate consumption channels.
- Volume in Ireland declined by mid-single digit percentage points in the second quarter. Economic conditions remain highly challenging in the country as consumer spending continues to be negatively impacted by high unemployment and the effect of new austerity measures introduced by the government.
- Volume in Switzerland grew by low-single digit percentage points in the second quarter as we continue to benefit from an improving economic environment and the successful listing of Coca-Cola branded products in the largest supermarket chain in the country. This volume performance was achieved despite heavy rainfall across the country in May which resulted in the delayed opening of many seasonal outlets.
- Established markets contributed €151 million to the Group's comparable operating profit for the first half of 2010 (a 9% decrease from the prior year period) and €103 million for the second quarter (a 15% decrease from the prior year period). In the second quarter, lower volume and adverse category and channel mix, more than offset lower raw material costs and a positive impact from the realisation of prior year cost savings.

## Operational Review by Reporting Segments (continued)

### Developing markets

	Half year 2010	Half year 2009	% change	Q2 2010	Q2 2009	% change
Volume (million unit cases)	185.2	187.6	-1%	105.4	109.0	-3%
Net sales revenue (€ million)	539.1	550.6	-2%	308.5	325.3	-5%
Operating profit (€ million)	32.3	27.1	19%	31.4	35.1	-11%
Comparable operating profit (€ million)	32.2	28.3	14%	31.1	35.5	-12%

- Unit case volume in the developing markets segment declined by 3% in the second quarter of 2010, following a decline of 4% in the prior year period. Unit case volume declined 1% in the first six months of 2010, following a 1% decline in the prior year period.
- Net sales revenue declined 5% in the quarter as the benefit of positive foreign currency movements and pricing were offset by lower volume and negative product and channel mix.
- Volume in Poland declined by low-single digit percentage points in both periods under review. Volume in the second quarter was adversely affected by severe flooding in parts of the country in May and June, resulting in some disruption to our distribution. In addition, a period of national mourning following the death of Poland's president and other senior ranking government officials resulted in the closure of some retail outlets over two consecutive weekends in April. Even though we witnessed a recovery in June, these factors had a disproportionate negative impact on volume particularly in immediate consumption channels in the second quarter. However, we continue to gain volume share across most beverage categories and extended our leadership ratio versus our main competitors in the second quarter.
- Volume in Hungary declined by high single-digit percentage points in the second quarter and mid-single digit percentage points in the year-to-date. The volume performance in the quarter reflects ongoing challenging economic conditions in the country, the impact of unfavourable weather conditions in April and May and a negative timing effect from the earlier timing of Easter this year. Nevertheless, our promotional activities and successful outlet level execution have helped us increase our overall volume share of the non-alcoholic ready-to-drink category since the beginning of the year.
- Volume in the Czech Republic grew by mid single-digit percentage points in both periods under review. Successful multi-pack promotional activity in the modern trade channel supported low double digit growth of Coca-Cola trademarked products in both the quarter and the first six months of the year. Strong outlet execution and new flavour innovation in the ready-to-drink tea category supported mid-teens percentage point growth of the Nestea brand in the second quarter.
- Developing markets contributed €32 million to the Group's comparable operating profit for the first half of 2010 (14% higher than the prior year period) and €31 million for the second quarter (a 12% decrease from the prior year period). Lower volume and negative channel mix more than offset the positive impact of currency movements and improved cost efficiencies in the second quarter.

## Operational Review by Reporting Segments (continued)

### Emerging markets

	Half year	Half year	%	Q2	Q2	%
	2010	2009	change	2010	2009	change
Volume (million unit cases)	471.1	474.6	-1%	275.2	276.7	-1%
Net sales revenue (€ million)	1,347.0	1,236.0	9%	824.8	740.6	11%
Operating profit (€ million)	137.0	124.7	10%	129.4	116.2	11%
Comparable operating profit (€ million)	137.4	116.6	18%	129.4	111.4	16%

- Unit case volume in the emerging markets segment declined by 1% in both the second quarter and first half of 2010, following a decline of 2% in both of the prior year periods.
- Net sales revenue increased by 11% in the second quarter as lower volume was more than offset by higher pricing, improved category mix and a positive currency impact.
- Volume in Russia increased by mid-single and low-single digit percentage points in the second quarter and first six months of 2010, respectively. We are witnessing signs of economic stabilisation in Russia, with a decline in unemployment and rising real disposable income supporting increased consumer confidence and spending. Volume of Coca-Cola trademarked products grew by double-digit percentage points in the quarter, following a successful FIFA World Cup marketing campaign and extensive sampling activities. Juice volume grew by low-single digit percentage points in the second quarter, supported by effective marketing programmes aimed at increasing brand equity.
- Volume in Nigeria grew by low-single digit percentage points in the second quarter, cycling high single-digit growth in the prior year period. Slight volume growth in sparkling beverages in the quarter was supported by the continued successful roll-out of the 'Ultra-bottle' package in the Lagos area. We continue to witness strong growth in the juice category as we benefit from increased capacity, as well as, new flavour and package innovation.
- Volume in Romania declined by low-double digit percentage points in the second quarter reflecting the continued challenging economic environment, earlier timing of Easter this year and the effect of severe flooding in the southern and eastern regions of the country. In the quarter, the Romanian government announced new austerity measures comprising steep cuts to public sector salaries, a 5% increase in VAT (effective from July) and a reduction in subsidies for certain household utilities. Such measures are expected to further reduce consumer confidence and discretionary spending in 2010.
- Emerging markets contributed €137 million to the Group's comparable operating profit for the first half of 2010 (18% higher than the prior year period) and €129 million for the second quarter (a 16% increase from the prior year period). The positive impact of increased pricing, positive category mix and favourable currency movements more than offset the negative impact of lower volume and higher raw material prices.

## Business Outlook

In the first half of 2010, we witnessed varying volume performances across our portfolio of markets. While economic conditions remain challenging in certain of our key markets, we are encouraged by some early signs of economic stabilisation in a few of our countries of operation. We continue to expect that the timing and degree of economic recovery will differ across our markets. While consensus estimates indicate that economic growth may return in many European countries in 2010, we expect growth in the non-alcoholic ready-to-drink category to lag this GDP growth. We remain vigilant with regard to deteriorating economic conditions in Greece, Romania and Bulgaria and are closely monitoring developments in these countries.

We continue to expect a slight increase in commodity costs in 2010 compared with the prior year. Based on the favourable year-to-date currency impact and hedge contracts in place for the remainder of 2010, at current spot prices we continue to expect a significant currency benefit to our 2010 operating profit.

We continue to maintain a strong focus on realising efficiency improvements and effectively managing operating costs to maximise the long-term competitiveness of our business. As a result, we have identified new cost reduction opportunities from restructuring initiatives that are expected to deliver a benefit of approximately €6 million to 2010 operating profit and an annualised benefit of approximately €20-25 million in future years. Such initiatives are expected to result in approximate pre-tax charges of between €25-30 million in 2010. Of this amount, restructuring costs incurred during the first six months of 2010 were €6 million before tax. In addition, prior year restructuring initiatives are expected to generate an incremental benefit to operating profit in 2010 of approximately €30 million, the majority of which was realised in the first six months of the year.

Our ongoing focus on working capital management, our well invested production capacity and our planned improvement in operating profit, are all expected to support continued strong cash flow generation over the current three-year business planning cycle, with EBITDA growth continuing to outpace operating profit growth. In the three-year period ending 2012, cumulative net capital expenditure is expected to be approximately €1.4 billion and free cash flow (operating cash flow net of capital expenditure) is expected to be approximately €1.5 billion. In addition, Coca-Cola Hellenic continues to benefit from a robust capital structure and good liquidity with no bond refinancing commitments until July 2011.

## Group Financial Review

	Six months		
	2010 € million	2009 € million	% Change
Volume in unit cases (in millions)	1,009.0	1,033.4	-2%
Net sales revenue	3,300.1	3,265.7	1%
Cost of goods sold	(1,955.3)	(1,961.1)	-
Gross profit	1,344.8	1,304.6	3%
Total operating expenses	(1,030.2)	(1,003.3)	3%
Comparable operating expenses <sup>1</sup>	(1,024.5)	(994.5)	3%
Operating profit	314.6	301.3	4%
Comparable operating profit <sup>1</sup>	320.3	310.1	3%
Adjusted EBITDA <sup>2</sup>	507.7	482.1	5%
Comparable Adjusted EBITDA <sup>1,2</sup>	513.8	488.6	5%
Net profit attributable to owners of the parent	196.6	190.0	3%
Comparable net profit attributable to owners of the parent <sup>1</sup>	200.9	200.7	-
Basic earnings per share (in euro)	0.54	0.52	4%
Comparable basic earnings per share (in euro) <sup>1</sup>	0.55	0.55	-

	Second quarter		
	2010 € million	2009 € million	% Change
Volume in unit cases (in millions)	577.9	592.6	-2%
Net sales revenue	1,923.1	1,891.4	2%
Cost of goods sold	(1,113.3)	(1,100.2)	1%
Gross profit	809.8	791.2	2%
Total operating expenses	(547.1)	(526.7)	4%
Comparable operating expenses <sup>1</sup>	(546.0)	(522.3)	5%
Operating profit	262.7	264.5	-1%
Comparable operating profit <sup>1</sup>	263.8	268.9	-2%
Adjusted EBITDA <sup>2</sup>	363.1	351.3	3%
Comparable Adjusted EBITDA <sup>1,2</sup>	364.6	355.5	3%
Net profit attributable to owners of the parent	171.2	188.1	-9%
Comparable net profit attributable to owners of the parent <sup>1</sup>	172.0	193.5	-11%
Basic earnings per share (in euro)	0.47	0.51	-8%
Comparable basic earnings per share (in euro) <sup>1</sup>	0.47	0.53	-11%

<sup>1</sup> Refer to the 'Reconciliation of Reported to Comparable Financial Indicators' section above.

<sup>2</sup> We define Adjusted EBITDA as operating profit before deductions for depreciation and impairment of property, plant and equipment (included both in cost of goods sold and in operating expenses), amortisation and impairment of and adjustments to intangible assets, stock option compensation and other non-cash items, if any.

### Net sales revenue

Net sales revenue per unit case increased by approximately 3% in the first half of 2010 and 4% in the second quarter of 2010, in each case compared to the respective prior year periods. On a currency neutral basis, net sales revenue per unit case for the Group remained stable in the first half and the second quarter of 2010, in each case compared to the respective prior year periods. In the first half of 2010 net sales revenue per unit case for our established markets remained stable, whereas for our developing markets decreased by approximately 7% and for our emerging markets increased by approximately 4%, in each case on a currency neutral basis.

### Cost of goods sold

Cost of goods sold remained stable in the first half of 2010 and increased by 1% during the second quarter of 2010, compared to the prior year periods. Cost of goods sold per unit case increased by 2% during the first half of 2010 and by 4% during the second quarter of 2010, in each case compared to the respective prior year periods. These increases relate to lower raw material costs and the benefit of earlier cost savings being more than offset by the foreign currency effects of a weaker euro during the current year period.

## Group Financial Review (continued)

### **Gross profit**

Gross profit margins increased from 39.9% in the first half of 2009 to 40.8% in the first half of 2010 and from 41.8% in the second quarter of 2009 to 42.1% in the second quarter of 2010. On a per unit case basis, gross profit increased by approximately 6% in the first half of 2010 and by 5% in the second quarter of 2010, in each case versus the respective prior year periods. On a currency neutral basis, gross profit per unit case increased by approximately 1% in the first half of 2010 and remained stable in the second quarter of 2010, in each case versus the respective prior year periods.

### **Operating expenses**

Total comparable operating expenses increased by approximately 3% in the first half of 2010 and by 5% in the second quarter of 2010, in each case versus the respective prior year periods. The higher comparable operating expenses in the first six months reflected an increase in sales costs and the impact of foreign exchange movements, which was partly offset by lower administration costs.

### **Operating profit**

Comparable operating profit increased by approximately 3% to €320 million in the first half of 2010 versus €310 million in the first half of 2009. Comparable operating profit slightly decreased from €269 million to €264 million in the second quarter of 2010, as positive pricing, lower input costs and foreign currency benefits were offset by negative volume and package mix and higher operating expenses, compared to the prior year period. The Group's comparable operating margin increased by 21 basis points in the first half of 2010 and decreased by 50 basis points in the second quarter of 2010, in each case compared to the respective prior year periods.

### **Tax**

On a comparable basis, Coca-Cola Hellenic's effective tax rate for the first half of 2010 was approximately 28% versus 22% in the prior year period. The Group's effective tax rate varies quarterly based on the mix of taxable profits, non-deductibility of certain expenses, non-taxable income and other one off tax items across its territories. Included in current tax expense in the second quarter, is €21 million for the 'Extraordinary Social Contribution Tax' in Greece applicable to 2009. This tax was enacted during the second quarter as part of the country's austerity measures and was applied retrospectively on net income for the 2009 fiscal year.

### **Net profit**

Comparable net profit remained stable at €201 million in the first half of 2010. In the second quarter, comparable net profit was €172 million, compared to €194 million the prior year period, reflecting mainly the accrual for the 'Extraordinary Social Contribution Tax' in Greece which was applied retrospectively on net income for the 2009 fiscal year.

### **Cash flow**

Cash flow generated from operating activities increased by €48 million to €426 million in the first half of 2010, versus €378 million in the prior year period. Free cash flow was €251 million for the first half of 2010, compared to €122 million in the corresponding prior year period.

### **Capital expenditure**

Capital expenditure, amounted to €175 million in the first half of 2010, compared to €256 million in the prior year period. Amounts are net of receipts from the disposal of assets, including principal repayments of finance lease obligations and excluding any insurance receipts in respect of fire damage at the Nigerian operation in 2008.

## Supplementary Information

The financial measures operating profit, Adjusted EBITDA, Capital Expenditure and Free Cash Flow are comprised of the following reported amounts in the condensed consolidated interim financial statements, as follows:

	Half year	
	2010 € million	2009 € million
Profit after tax	203.2	201.1
Tax charged to the income statement	79.1	57.6
Finance costs, net	34.3	43.5
Share of results of equity method investments	(2.0)	(0.9)
<b>Operating profit</b>	<b>314.6</b>	<b>301.3</b>
Depreciation of property, plant and equipment	188.1	174.8
Amortisation and adjustments to intangible assets	1.8	3.0
Employee share options	3.2	3.0
<b>Adjusted EBITDA</b>	<b>507.7</b>	<b>482.1</b>
Net losses on disposal of non-current assets	-	4.2
Increase in working capital	(31.8)	(83.2)
Tax paid	(50.4)	(25.6)
<b>Net cash from operating activities</b>	<b>425.5</b>	<b>377.5</b>
Payments for purchases of property, plant and equipment	(143.5)	(216.6)
Principal repayments of finance lease obligations	(36.7)	(44.8)
Proceeds from sale of property, plant and equipment	5.6	5.9
<b>Capital expenditure</b>	<b>(174.6)</b>	<b>(255.5)</b>
Net cash from operating activities	425.5	377.5
Capital expenditure	(174.6)	(255.5)
<b>Free cash flow</b>	<b>250.9</b>	<b>122.0</b>
	Second quarter	
	2010 € million	2009 € million
Profit after tax	175.6	194.6
Tax charged to the income statement	71.6	53.3
Finance costs, net	17.3	18.2
Share of results of equity method investments	(1.8)	(1.6)
<b>Operating profit</b>	<b>262.7</b>	<b>264.5</b>
Depreciation of property, plant and equipment	97.8	83.9
Amortisation and adjustments to intangible assets	0.9	1.7
Employee share options	1.7	1.2
<b>Adjusted EBITDA</b>	<b>363.1</b>	<b>351.3</b>
Net (gains) / losses on disposal of non-current assets	(1.2)	1.6
Increase in working capital	(47.2)	(98.7)
Tax paid	(20.9)	(15.3)
<b>Net cash from operating activities</b>	<b>293.8</b>	<b>238.9</b>
Payments for purchases of property, plant and equipment	(90.9)	(108.4)
Principal repayments of finance lease obligations	(18.3)	(20.6)
Proceeds from sale of property, plant and equipment	1.8	3.3
<b>Capital expenditure</b>	<b>(107.4)</b>	<b>(125.7)</b>
Net cash from operating activities	293.8	238.9
Capital expenditure	(107.4)	(125.7)
<b>Free cash flow</b>	<b>186.4</b>	<b>113.2</b>

## Principal risks and uncertainties

The following are the principal risks and uncertainties to our business for the second half of 2010 and in general:

1. If The Coca-Cola Company exercises its right to terminate our bottlers' agreements, upon the occurrence of certain events, or is unwilling to renew these agreements, our net sales revenue may decline dramatically. In addition, if The Coca-Cola Company is unwilling to renew our bottlers' agreements on terms at least as favourable to us as the current terms, our net sales revenue could also be adversely affected.
2. The Coca-Cola Company could exercise its rights under our bottlers' agreements to determine concentrate prices, to set maximum prices we may charge to customers and to approve certain of our suppliers, in a manner that would make it difficult for us to achieve our financial goals.
3. As a result of their influence on our business, Kar-Tess Holding S.A. and The Coca-Cola Company could prevent us from making certain decisions or taking certain actions that would protect the interests of shareholders other than The Coca-Cola Company and Kar-Tess Holding S.A. or which would otherwise benefit us.
4. If The Coca-Cola Company were to reduce its marketing activities, the level of its contributions to our annual marketing plan or its commitment to the development of acquisition of new products, particularly new non-carbonated soft drinks ("non-CSDs"), these reductions could lead to decreased consumption of trademarked beverages of The Coca-Cola Company in the countries in which we operate.
5. If The Coca-Cola Company fails to protect its proprietary rights against infringement or misappropriation, this could undermine the competitive position of the products of The Coca-Cola Company and could lead to a significant decrease in the volume of products of The Coca-Cola Company that we sell.
6. The Beverage Partners Worldwide joint venture between The Coca-Cola Company and Nestlé S.A. could be dissolved or altered in a manner that adversely affects our business.
7. Weaker consumer demand for carbonated soft drinks could harm our revenues and profitability. Consumer preferences may shift due to a variety of factors, including the ageing of the general population or other changes in demographics, changes in social trends, such as consumer health concerns about obesity, product attributes and ingredients, changes in travel, vacation of leisure activity patterns, weather, negative publicity resulting from regulatory action or litigation against us, The Coca-Cola Company or other comparable companies or a downturn in economic conditions.
8. Our growth prospects may be harmed if we are unable to expand successfully in the non-CSD segment.
9. The lack of institutional continuity and safeguards in our emerging and developing countries could adversely affect our competitive position, increase our cost of regulatory compliance and/or expose us to a heightened risk of loss due to fraud and criminal activity.
10. Emerging and developing market risks could affect us more than our competitors with less exposure to emerging and developing countries, and any general decline in emerging and developing countries as a whole could impact us disproportionately compared to our competitors.
11. The sustainability of our growth in our developing and emerging countries depends partly on our ability to attract and retain sufficient number of qualified and experienced personnel for which there is strong demand.
12. Competition law enforcement by the European Union and national authorities may have a significant adverse effect on our competitiveness and results of operations.

### Principal risks and uncertainties (continued)

13. We are engaged in a highly competitive business. Adverse actions by our competitors or other changes in the competitive environment may adversely affect our results of operations.
14. The increasing concentration of retailers and independent wholesalers, on which we depend to distribute our products in certain countries, could lower our profitability and harm our ability to compete.
15. Our revenue is impacted by how large retailers, such as supermarket and hypermarket chains and independent wholesalers market or promote our products. Revenue may, for example, be negatively impacted by unfavourable product placement at points of sale or less aggressive price promotions by large retailers or independent wholesalers, particularly in future consumption channels.
16. The Greek government debt crisis and the associated impact on the economic and fiscal prospects of Greece and other EU countries in which we operate could have a material adverse effect on our business. Measures in response to such crisis are likely to reduce disposable income and discretionary spending by our customers, and could adversely affect the tourism industry, which could result in a reduced demand for our products. Such measures have also resulted and may continue to result in increased taxation on our business, which would reduce our profits.
17. Unfavourable changes in general economic conditions, such as economic slowdowns, increases in unemployment and increases in inflation, may reduce demand for our products.
18. An event, or series of events, that materially damages the reputation of one or more of our brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business.
19. Contamination or deterioration of our products could hurt our reputation and depress our revenues.
20. Adverse weather conditions could reduce demand for our products.
21. The effects of climate change could have a long-term adverse impact on our business and results of operations.
22. Miscalculation of infrastructure investment need could adversely impact our financial results.
23. If we do not allocate and effectively manage the resources necessary to build and sustain the proper technology infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and in some instances, loss of customers.
24. Damage or disruption to our supply or distribution capabilities due to weather, natural disaster, fire, terrorism, pandemic, strikes, the financial and/or operational instability of key suppliers, distributors, warehousing and transportation providers, or brokers, or other reasons could impair our ability to manufacture or sell our products.
25. Price increases and shortages of raw materials and packaging materials could lead to an increase in our cost of goods.
26. Increase in the cost of energy could lead to an increase of our cost of goods and operating expenses.
27. Fluctuations in exchange rates may adversely affect the results of our operations.
28. In certain of our countries, we are exposed to the impact of exchange controls, which may adversely affect our ability to repatriate profits.
29. Our operations are subject to extensive regulation, including resource recovery, environmental and health and safety standards. Changes in the regulatory environment may cause us to incur liabilities or additional costs or limit our business activities.

## Related Party Transactions - Group

### a) The Coca-Cola Company

As at 2 July 2010, The Coca-Cola Company and its subsidiaries (collectively, 'TCCC') indirectly owned 23.3% (2009: 23.3%) of the issued share capital of Coca-Cola Hellenic.

Total purchases of concentrate, finished products and other materials from TCCC during the first half and the second quarter of 2010 amounted to €658.3 million and €360.6 million respectively (€655.4 million and €357.5 million in the respective prior year periods). Total net contributions received from TCCC for marketing and promotional incentives during the same periods amounted to €20.1 million and €12.2 million respectively (€19.9 million and €9.0million in the prior year periods).

In the first half and the second quarter of 2010, the Group did not record any gain or loss from sales of items of property, plant and equipment to TCCC (€0.2 million gain and nil in the prior year periods). During the first half and the second quarter of 2010, the Group sold €28.1 million and €19.9 million of finished goods and raw materials to TCCC (€11.3 million and €6.3 million in the prior year periods), while other income from TCCC was €15.3 million and €8.9 million respectively (€11.1 million and €9.1 million in the prior year periods). There were no other expenses incurred in the first half of 2010 and second quarter (€3.5 million and €2.4 million in the prior year periods).

As at 2 July 2010, the Group had a total amount of €57.6 million (€64.2 million as at 31 December 2009) due from TCCC, and had a total amount of €213.2 million (€125.1 million as at 31 December 2009) due to TCCC.

### b) Frigoglass S.A. ('Frigoglass')

Frigoglass, a company listed on the Athens Stock Exchange, is a manufacturer of coolers, glass bottles and crowns. Frigoglass is related to Coca-Cola Hellenic by way of 44% (2009: 44%) ownership by the parent of Kar-Tess Holding S.A., which as at 2 July 2010 owned 29.5% (2009: 29.5%) of the issued share capital of Coca-Cola Hellenic. Frigoglass has a controlling interest in Frigoglass Industries Limited, a company in which Coca-Cola Hellenic has a 16% effective interest, through its investment in Nigerian Bottling Company plc.

During the first half and the second quarter of 2010, the Group made purchases of €51.9 million and €32.5 million respectively (€34.8 million and €20.7million in the prior year periods) of coolers, raw materials and containers from Frigoglass and its subsidiaries and incurred maintenance and other expenses of €2.4 million and €1.2 million respectively (€2.5 million and €1.3 million in the prior year periods). Other income from Frigoglass during the first half and the second quarter of 2010 was €0.2 million and €0.1 million respectively (€0.5 million in both the prior year periods). As at 2 July 2010, Coca-Cola Hellenic owed €7.9 million (€3.6 million as at 31 December 2009) to, and was owed €2.8 million (€4.7 million as at 31 December 2009) by Frigoglass.

### c) Other related parties

During the first half and the second quarter of 2010, the Group purchased €56.3 million and €37.5 million of raw materials and finished goods (€57.4 million and €35.2 million in the prior year periods) and fixed assets of €0.4 million from other related parties in both periods under review (€0.4 million and nil in the prior year periods). In addition, the Group received reimbursement for direct marketing expenses incurred of €0.4 million both for the first half and the second quarter of 2010 (€0.2 million in both prior year periods). Furthermore, during the first half and the second quarter of 2010, the Group incurred other expenses of €1.3 million and €0.6 million respectively (€2.4 million and €0.6 million in the prior year periods) and recorded income of €1.2 million in the first half and €0.9 million in the second quarter of 2010 from other related parties (€0.4 million and €0.1 million in the prior year periods). As at 2 July 2010, the Group owed €24.0 million (€4.5 million as at 31 December 2009) to, and was owed €1.8 million (€1.8 million as at 31 December 2009) by other related parties.

There were no transactions between Coca-Cola Hellenic and its directors and senior management except for remuneration for the period ended 2 July 2010.

There were no other significant transactions with related parties for the period ended 2 July 2010.

## Related Party Transactions - Parent Company

### a) Transactions with direct and indirect subsidiaries

The Company had the following transactions with subsidiary undertakings for the six months ended:

	2 July 2010 € million	3 July 2009 € million
Purchase of raw materials and finished goods	(55.7)	(7.1)
Purchases of fixed assets	(1.2)	-
Other purchases	(0.3)	(1.2)
Sales of raw materials and finished goods	8.2	12.3
Management fee income	9.4	5.5
Rental income and other cost recharges	-	1.2
Other income	1.1	-
Interest expense	(14.4)	(3.8)

The Company had the following transactions with subsidiary undertakings for the second quarter ended:

	2 July 2010 € million	3 July 2009 € million
Purchase of raw materials and finished goods	(30.6)	(3.9)
Purchases of fixed assets	(0.5)	-
Other purchases	(0.1)	(0.6)
Sales of raw materials and finished goods	5.3	7.3
Management fee income	5.8	4.7
Rental income and other cost recharges	-	0.6
Other income	0.6	-
Interest expense	(7.8)	(1.4)

The Company had the following balances with subsidiary undertakings:

	2 July 2010 € million	As at 31 December 2009 € million
Payables to subsidiaries	5.9	0.3
Interest accrual on borrowings from subsidiaries	0.3	0.5
Receivables from subsidiaries	7.8	12.1
Total borrowings from subsidiaries (net of accrued interest)	987.3	811.4

### b) The Coca-Cola Company

As at 2 July 2010, The Coca-Cola Company and its subsidiaries (collectively, 'TCCC') indirectly owned 23.3% (2009: 23.3%) of the issued share capital of Coca-Cola Hellenic.

Total purchases of concentrate, finished products and other materials from TCCC during the first half and the second quarter of 2010 amounted to €53.6 million and €31.1 million respectively (€58.9 million and €34.7 million in the respective prior year periods). Total net contributions received from TCCC for marketing and promotional incentives during the same periods amounted to €8.0 million and €4.8 million respectively (€7.7 million and €3.5 million in the prior year periods).

As at 2 July 2010, the Company had a total amount of €3.8 million (€3.3 million as at 31 December 2009) due from TCCC, and had a total amount of €11.9 million (€5.7 million as at 31 December 2009) due to TCCC.

## Related Party Transactions - Parent Company (continued)

### c) Frigoglass S.A. ('Frigoglass')

Frigoglass, a company listed on the Athens Stock Exchange, is a manufacturer of coolers, glass bottles and crowns. Frigoglass is related to Coca-Cola Hellenic by way of 44% (2009: 44%) ownership by the parent of Kar-Tess Holding S.A., which as at 2 July 2010 owned 29.5% (2009: 29.5%) of the issued share capital of Coca-Cola Hellenic. Frigoglass has a controlling interest in Frigoglass Industries Limited, a company in which Coca-Cola Hellenic has a 16% effective interest, through its investment in Nigerian Bottling Company plc.

During the first half and the second quarter of 2010, the Company made purchases of €5.4 million and €3.7 million respectively (€5.2 million and €3.6 million in the prior year periods) of coolers, raw materials and containers from Frigoglass and its subsidiaries and incurred maintenance and other expenses of €2.4 million and €1.2 million respectively (€2.3 million and €1.3 million in the prior year periods). Other income from Frigoglass during the first half and the second quarter of 2010 was €0.2 million and €0.1 million respectively (€0.5 million and nil in the prior year periods). As at 2 July 2010, Coca-Cola Hellenic owed €0.4 million (€0.1 million as at 31 December 2009) to, and was owed €0.7 million (€0.5 million as at 31 December 2009) by Frigoglass.

### d) Other related parties

During the first half and the second quarter of 2010, the Company purchased €3.1 million and €1.8 million of raw materials and finished goods (€3.6 million and €2.0 million in the prior year periods). In addition, the Company received reimbursement for direct marketing expenses incurred of €0.2 million for the first half and second quarter of 2010 (nil in both prior year periods). As at 2 July 2010, the Company owed €0.4 million (€0.1 million as at 31 December 2009) to, and was owed nil (€0.1 million as at 31 December 2009) by other related parties.

There were no transactions between Coca-Cola Hellenic and its directors and senior management except for remuneration for the period ended 2 July 2010.

There were no other significant transactions with related parties for the period ended 2 July 2010.

## Share buy-back programme

On 30 April 2009, the Board of Directors of Coca-Cola Hellenic Bottling Company S.A. resolved to buy-back a maximum of 5% of its paid-in share capital during the period that is 24 months from the date of the Extraordinary General Meeting of 27 April 2009 which approved a share buy-back programme pursuant to article 16 of Codified Law 2190/1920. Based on the Coca-Cola Hellenic's capitalisation at that time, the maximum amount that may be bought back pursuant to the programme is 18,270,104 shares. Purchases under the programme are subject to a minimum purchase price of €1.00 per share and a maximum purchase price of €20.00 per share and may only be undertaken until 26 April 2011.

Applicable law does not require any actual use of such approved share buy-back programmes. Coca-Cola Hellenic may therefore, at its sole discretion, decide not to buy back any shares or to buy fewer shares than the maximum permissible number approved under the programme. The purchase of shares pursuant to the share buy-back programme is dependent upon a number of factors including, without limitation, the relative attractiveness of alternative investment opportunities and the availability of funds. As at 2 July 2010, 3,081,812 shares had been purchased pursuant to the share buy-back programme for a total cost of approximately €52.3 million, bringing the shares in circulation to 362,782,280. No additional shares were purchased up to 28 July 2010.

### Non-controlling interests

The Group has initiated a tender offer to purchase all shares of the non-controlling interest in Coca-Cola HBC Serbia A.D. Coca-Cola Hellenic indirectly controls 89.1% of the shares of Coca-Cola HBC Serbia A.D. The total value of the transaction, if agreed by the non-controlling interest at the offered price, is approximately €19.5 million. The period of the tender offer expires on 2 August 2010.

### Subsequent Events

There have been no significant subsequent events up to 28 July 2010.

By order of the Board of Directors

**Doros Constantinou**  
Chief Executive Officer

Maroussi, 28 July 2010

### **3. Report on Review of Interim Financial Information**

[Translation from the original text in Greek]

## **Report on Review of Interim Financial Information**

### **To the Shareholders of “Coca-Cola Hellenic Bottling Company S.A.”**

#### ***Introduction***

We have reviewed the accompanying condensed company and consolidated balance sheet of Coca-Cola Hellenic Bottling Company S.A. (the “Company”) and its subsidiaries (the “Group”) as of 2 July 2010 and the related condensed company and consolidated statements of income and comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by article 5 of L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

#### ***Scope of review***

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

#### ***Reference to Other Legal and Regulatory Requirements***

Our review has not revealed any inconsistency or discrepancy of the other information of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.



Athens, 28 July 2010  
The Certified Auditor Accountant

PricewaterhouseCoopers S.A.  
Certified Auditors - Accountants  
268 Kifissias Avenue, Halandri 152 32  
SOEL Reg. No. 113

Marios Psaltis  
SOEL Reg. No. 38081

#### **4. Condensed Consolidated Interim Financial Statements and Accompanying Notes for the six months ended 2 July 2010**

## Condensed consolidated interim balance sheet (unaudited)

	Note	As at 2 July 2010 € million	As at 31 December 2009 € million
<b>Assets</b>			
Intangible assets	4	1,928.2	1,874.1
Property, plant and equipment	4	3,104.1	2,961.3
Other non-current assets		234.7	212.9
<b>Total non-current assets</b>		<b>5,267.0</b>	<b>5,048.3</b>
Inventories		614.6	425.1
Trade and other receivables		1,328.3	1,091.4
Cash and cash equivalents	5	329.0	232.0
<b>Total current assets</b>		<b>2,271.9</b>	<b>1,748.5</b>
<b>Total assets</b>	3	<b>7,538.9</b>	<b>6,796.8</b>
<b>Liabilities</b>			
Short-term borrowings	5	261.1	307.0
Other current liabilities		1,745.2	1,335.6
<b>Total current liabilities</b>		<b>2,006.3</b>	<b>1,642.6</b>
Long-term borrowings	5	2,224.1	2,100.6
Other non-current liabilities		388.2	457.7
<b>Total non-current liabilities</b>		<b>2,612.3</b>	<b>2,558.3</b>
<b>Equity</b>			
Owners of the parent		2,807.8	2,493.2
Non-controlling interests	11	112.5	102.7
<b>Total equity</b>		<b>2,920.3</b>	<b>2,595.9</b>
<b>Total equity and liabilities</b>		<b>7,538.9</b>	<b>6,796.8</b>

The notes on pages 8 to 16 are an integral part of and should be read in conjunction with these condensed consolidated interim financial statements.

## Condensed consolidated interim income statement (unaudited)

	Note	Six months to 2 July 2010 € million	Six months to 3 July 2009 € million
Net sales revenue	3	3,300.1	3,265.7
Cost of goods sold		(1,955.3)	(1,961.1)
<b>Gross profit</b>		<b>1,344.8</b>	<b>1,304.6</b>
Operating expenses		(1,024.5)	(994.5)
Restructuring costs	6	(5.7)	(18.8)
Other items	6	-	10.0
Total operating expenses		(1,030.2)	(1,003.3)
<b>Operating profit</b>	3	<b>314.6</b>	<b>301.3</b>
Finance income		3.1	5.6
Finance costs		(37.4)	(49.1)
Finance costs, net	7	(34.3)	(43.5)
Share of results of equity method investments		2.0	0.9
<b>Profit before tax</b>		<b>282.3</b>	<b>258.7</b>
Tax	8	(79.1)	(57.6)
<b>Profit after tax</b>		<b>203.2</b>	<b>201.1</b>
<b>Attributable to:</b>			
Owners of the parent		196.6	190.0
Non-controlling interests		6.6	11.1
		<b>203.2</b>	<b>201.1</b>
<b>Basic and diluted earnings per share (€)</b>	9	<b>0.54</b>	0.52

The notes on pages 8 to 16 are an integral part of and should be read in conjunction with these condensed consolidated interim financial statements.

## Condensed consolidated interim statement of comprehensive income (unaudited)

	Six months to 2 July 2010 € million	Six months to 3 July 2009 € million
<b>Profit after tax for the period</b>	<b>203.2</b>	<b>201.1</b>
<b>Other comprehensive income:</b>		
Available-for-sale financial assets:		
Valuation gains during the period	2.1	0.4
Cash flow hedges:		
Amounts of gains / (losses) during the period	1.8	(16.6)
Amounts of losses / (gains) reclassified to profit and loss for the period	2.3	(8.7)
Foreign currency translation	215.1	(89.0)
Share of other comprehensive income of equity method investments	2.2	(0.5)
Income tax relating to components of other comprehensive income	(0.8)	5.2
<b>Other comprehensive income for the period, net of tax</b>	<b>222.7</b>	<b>(109.2)</b>
<b>Total comprehensive income for the period</b>	<b>425.9</b>	<b>91.9</b>
<b>Attributable to:</b>		
Owners of the parent	411.9	82.1
Non-controlling interests	14.0	9.8
	<b>425.9</b>	<b>91.9</b>

The notes on pages 8 to 16 are an integral part of and should be read in conjunction with these condensed consolidated interim financial statements.

### Condensed consolidated interim income statement (unaudited)

	Note	Three months to 2 July 2010 € million	Three months to 3 July 2009 € million
Net sales revenue	3	1,923.1	1,891.4
Cost of goods sold		(1,113.3)	(1,100.2)
<b>Gross profit</b>		<b>809.8</b>	<b>791.2</b>
Operating expenses		(546.0)	(522.3)
Restructuring costs	6	(1.1)	(9.2)
Other items	6	-	4.8
Total operating expenses		(547.1)	(526.7)
<b>Operating profit</b>	3	<b>262.7</b>	<b>264.5</b>
Finance income		1.8	1.5
Finance costs		(19.1)	(19.7)
Finance costs, net	7	(17.3)	(18.2)
Share of results of equity method investments		1.8	1.6
<b>Profit before tax</b>		<b>247.2</b>	<b>247.9</b>
Tax	8	(71.6)	(53.3)
<b>Profit after tax</b>		<b>175.6</b>	<b>194.6</b>
<b>Attributable to:</b>			
Owners of the parent		171.2	188.1
Non-controlling interests		4.4	6.5
		<b>175.6</b>	<b>194.6</b>
<b>Basic and diluted earnings per share (€)</b>	9	<b>0.47</b>	0.51

The notes on pages 8 to 16 are an integral part of and should be read in conjunction with these condensed consolidated interim financial statements.

## Condensed consolidated interim statement of comprehensive income (unaudited)

	Three months to 2 July 2010 € million	Three months to 3 July 2009 € million
<b>Profit after tax for the period</b>	<b>175.6</b>	<b>194.6</b>
<b>Other comprehensive income:</b>		
Available-for-sale financial assets:		
Valuation gains during the period	2.3	0.3
Cash flow hedges:		
Amounts of gains / (losses) during the period	3.2	(6.6)
Amounts of losses / (gains) reclassified to profit and loss for the period	0.9	(5.2)
Foreign currency translation	61.6	55.3
Share of other comprehensive income of equity method investments	1.2	(0.2)
Income tax relating to components of other comprehensive income	(0.9)	2.5
<b>Other comprehensive income for the period, net of tax</b>	<b>68.3</b>	<b>46.1</b>
<b>Total comprehensive income for the period</b>	<b>243.9</b>	<b>240.7</b>
<b>Attributable to:</b>		
Owners of the parent	234.9	236.8
Non-controlling interests	9.0	3.9
	<b>243.9</b>	<b>240.7</b>

The notes on pages 8 to 16 are an integral part of and should be read in conjunction with these condensed consolidated interim financial statements.

## Condensed consolidated interim statement of changes in equity (unaudited)

	Attributable to owners of the parent						Total € million	Non- controlling interests € million	Total equity € million
	Share capital € million	Share premium € million	Treasury shares € million	Exchange equalisation reserve € million	Other reserves € million	Retained earnings € million			
<b>Balance as at 1 January 2009</b>	<b>182.7</b>	<b>1,665.0</b>	-	<b>(191.9)</b>	<b>366.7</b>	<b>818.2</b>	<b>2,840.7</b>	<b>90.1</b>	<b>2,930.8</b>
Share-based compensation:									
Options	-	-	-	-	3.0	-	<b>3.0</b>	-	<b>3.0</b>
Movement in treasury shares	-	-	-	-	(0.7)	-	<b>(0.7)</b>	-	<b>(0.7)</b>
Shares repurchased	-	-	(10.0)	-	-	-	<b>(10.0)</b>	-	<b>(10.0)</b>
Adoption of euro by Slovakia	-	-	-	(9.5)	-	9.5	-	-	-
Appropriation of reserves	-	-	-	-	18.4	(18.4)	-	-	-
Dividends	-	-	-	-	-	(61.4)	<b>(61.4)</b>	(4.5)	<b>(65.9)</b>
Total comprehensive income for the period, net of tax <sup>1</sup>	-	-	-	(88.2)	(19.7)	190.0	<b>82.1</b>	9.8	<b>91.9</b>
<b>Balance as at 3 July 2009</b>	<b>182.7</b>	<b>1,665.0</b>	<b>(10.0)</b>	<b>(289.6)</b>	<b>367.7</b>	<b>937.9</b>	<b>2,853.7</b>	<b>95.4</b>	<b>2,949.1</b>
Shares issued to employees exercising stock options	0.1	1.7	-	-	-	-	<b>1.8</b>	-	<b>1.8</b>
Share-based compensation:									
Options	-	-	-	-	3.4	-	<b>3.4</b>	-	<b>3.4</b>
Movement in treasury shares	-	-	-	-	0.7	-	<b>0.7</b>	-	<b>0.7</b>
Shares repurchased	-	-	(6.6)	-	-	-	<b>(6.6)</b>	-	<b>(6.6)</b>
Capitalisation of share premium reserve	548.1	(548.1)	-	-	-	-	-	-	-
Expenses relating to the share capital increase (net of tax of € 1.2m)	-	(4.8)	-	-	-	-	<b>(4.8)</b>	-	<b>(4.8)</b>
Return of capital to shareholders	(548.1)	-	1.7	-	-	-	<b>(546.4)</b>	-	<b>(546.4)</b>
Exchange equalisation reserve recycled to retained earnings	-	-	-	(30.1)	-	30.1	-	-	-
Appropriation of reserves	-	-	-	-	(16.2)	16.2	-	-	-
Statutory minimum dividend	-	-	-	-	-	(41.6)	<b>(41.6)</b>	-	<b>(41.6)</b>
Dividends	-	-	-	-	-	-	-	(2.7)	<b>(2.7)</b>
Total comprehensive income for the period, net of tax	-	-	-	10.6	13.2	209.2	<b>233.0</b>	10.0	<b>243.0</b>
<b>Balance as at 31 December 2009</b>	<b>182.8</b>	<b>1,113.8</b>	<b>(14.9)</b>	<b>(309.1)</b>	<b>368.8</b>	<b>1,151.8</b>	<b>2,493.2</b>	<b>102.7</b>	<b>2,595.9</b>
Shares issued to employees exercising stock options	0.1	3.0	-	-	-	-	<b>3.1</b>	-	<b>3.1</b>
Share-based compensation:									
Options	-	-	-	-	3.2	-	<b>3.2</b>	-	<b>3.2</b>
Movement in treasury shares	-	-	-	-	0.2	-	<b>0.2</b>	-	<b>0.2</b>
Shares repurchased	-	-	(35.7)	-	-	-	<b>(35.7)</b>	-	<b>(35.7)</b>
Appropriation of reserves	-	-	-	-	11.0	(11.0)	-	-	-
Dividends	-	-	-	-	-	(68.1)	<b>(68.1)</b>	(4.2)	<b>(72.3)</b>
Total comprehensive income for the period, net of tax <sup>2</sup>	-	-	-	209.9	5.4	196.6	<b>411.9</b>	14.0	<b>425.9</b>
<b>Balance as at 2 July 2010</b>	<b>182.9</b>	<b>1,116.8</b>	<b>(50.6)</b>	<b>(99.2)</b>	<b>388.6</b>	<b>1,269.3</b>	<b>2,807.8</b>	<b>112.5</b>	<b>2,920.3</b>

<sup>1</sup> The amount included in the exchange equalisation reserve of €88.2 million loss for the first half of 2009 represents the exchange loss attributed to the owners of the parent of €87.7 million plus the share of equity method investments of €0.5 million loss.

The amount included in other reserves of €19.7 million loss for the first half of 2009 consists of gains on valuation of available-for-sale financial assets of €0.4 million, losses on cash flow hedges of €25.3 million (of which €16.6 million represents revaluation losses for the period and €8.7 million represents revaluation gains reclassified to profit and loss for the period) and the deferred income tax credit therefore amounting to €5.2 million.

The amount included in non-controlling interests of €9.8 million income for the first half of 2009 represents the share of non-controlling interests in the exchange equalisation reserve of €1.3 million loss and in the retained earnings of €11.1 million income.

<sup>2</sup> The amount included in the exchange equalisation reserve of €209.9 million gain for the first half of 2010 represents the exchange gain attributed to the owners of the parent of €207.7 million plus the share of equity method investments of €2.2 million gain.

The amount included in other reserves of €5.4 million gain for the first half of 2010 consists of gains on valuation of available-for-sale financial assets of €2.1 million, gains on cash flow hedges of €4.1 million (of which €1.8 million represents revaluation gains for the period and €2.3 million represents revaluation losses reclassified to profit and loss for the period) and the deferred income tax charge thereof amounting to €0.8 million.

The amount included in non-controlling interests of €14.0 million income for the first half of 2010 represents the share of non-controlling interests in the exchange equalisation reserve of €7.4 million gain and in the retained earnings of €6.6 million income.

The notes on pages 8 to 16 are an integral part of and should be read in conjunction with these condensed consolidated interim financial statements.

## Condensed consolidated interim cash flow statement (unaudited)

	Note	Six months to 2 July 2010 € million	Six months to 3 July 2009 € million
<b>Operating activities</b>			
Profit after tax		203.2	201.1
Finance costs, net	7	34.3	43.5
Share of results of equity method investments		(2.0)	(0.9)
Tax charged to the income statement		79.1	57.6
Depreciation of property, plant and equipment	4	188.1	174.8
Employee share options		3.2	3.0
Amortisation and adjustments to intangible assets	4	1.8	3.0
		<b>507.7</b>	<b>482.1</b>
Losses on disposal of property, plant and equipment		-	4.2
Increase in inventories		(163.2)	(115.4)
Increase in trade and other receivables		(209.9)	(89.9)
Increase in trade and other payables		341.3	122.1
Tax paid		(50.4)	(25.6)
<b>Net cash from operating activities</b>		<b>425.5</b>	<b>377.5</b>
<b>Investing activities</b>			
Payments for purchases of property, plant and equipment		(143.5)	(216.6)
Payments for purchases of intangible assets		-	(0.5)
Proceeds from sales of property, plant and equipment		5.6	5.9
Net (payments for) / receipts from investments		(1.7)	0.1
Interest received		3.1	6.6
Net receipts from acquisitions		-	8.7
<b>Net cash used in investing activities</b>		<b>(136.5)</b>	<b>(195.8)</b>
<b>Financing activities</b>			
Share buy-back payments		(35.7)	(10.0)
Proceeds from shares issued to employees exercising stock options		3.1	-
Dividends paid		(108.2)	(98.2)
Net decrease in borrowings		(40.4)	(471.3)
Principal repayments of finance lease obligations		(36.7)	(44.8)
Proceeds from sale of interest rate swap contracts	7	33.0	-
Interest paid	7	(13.1)	(31.1)
<b>Net cash used in financing activities</b>		<b>(198.0)</b>	<b>(655.4)</b>
<b>Increase / (decrease) in cash and cash equivalents</b>		<b>91.0</b>	<b>(473.7)</b>
<b>Movement in cash and cash equivalents</b>			
Cash and cash equivalents at 1 January		232.0	724.6
Increase / (decrease) in cash and cash equivalents		91.0	(473.7)
Effect of changes in exchange rates		6.0	(2.8)
<b>Cash and cash equivalents at the end of the period</b>	5	<b>329.0</b>	<b>248.1</b>

The notes on pages 8 to 16 are an integral part of and should be read in conjunction with these condensed consolidated interim financial statements.

**Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)**

**1. Accounting policies**

The accounting policies used in the preparation of the condensed consolidated interim financial statements of Coca-Cola Hellenic Bottling Company S.A. ('Coca-Cola Hellenic' or the 'Group') are consistent with those used in the annual financial statements for the year ended 31 December 2009, except for the following new or revised accounting standards and interpretations that have been implemented in 2010: International Financial Reporting Standard ('IFRS') 3, *Business Combinations*; IFRS 8, *Operating Segments*; International Accounting Standard ('IAS') 27, *Consolidated and Separate Financial Statements*; IAS 36, *Impairment of Assets*; IAS 38, *Intangible Assets* and International Financial Reporting Interpretations Committee ('IFRIC') Interpretation 17, *Distribution of Non-cash Assets to Owners*. None of these new or revised accounting standards and interpretations had a material impact on the current or prior periods.

Operating results for the first half of 2010 are not indicative of the results that may be expected for the year ended 31 December 2010 because of business seasonality. Business seasonality results from higher unit sales of the Group's products in the warmer months of the year. The Group's methods of accounting for fixed costs such as depreciation and interest expense are not significantly affected by business seasonality.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

These condensed consolidated interim financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ('IASB') and IFRS as adopted by the European Union ('EU') applicable to Interim Financial Reporting ('IAS 34'). IFRS as adopted by the EU differs in certain respects from IFRS as issued by the IASB. However, the differences have no impact on the Group's condensed consolidated financial statements for the periods presented. These condensed consolidated financial statements should be read in conjunction with the 2009 annual financial statements, which include a full description of the Group's accounting policies.

**2. Exchange rates**

The Group's reporting currency is the euro (€). Coca-Cola Hellenic translates the income statements of subsidiary operations to the euro at average exchange rates and the balance sheet at the closing exchange rate for the period.

The principal exchange rates used for translation purposes in respect of one euro were:

	Average for the period ended		Closing as at	
	2 July 2010	3 July 2009	2 July 2010	31 December 2009
US dollar	1.31	1.34	1.23	1.44
UK sterling	0.86	0.89	0.81	0.90
Polish zloty	4.03	4.50	4.14	4.15
Nigerian naira	195.27	196.79	182.43	213.71
Hungarian forint	274.00	289.65	285.40	272.70
Swiss franc	1.43	1.51	1.33	1.49
Russian rouble	39.62	44.45	38.35	43.33
Romanian leu	4.17	4.22	4.36	4.21
Ukrainian hryvnia	10.44	10.29	9.64	11.47

**Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)**

**3. Segmental analysis**

The Group has one business, being the production, distribution and sale of alcohol-free, ready-to-drink beverages. The Group operates in 28 countries and its financial results are reported in the following three reportable segments:

**Established:** Austria, Cyprus, Greece, Italy, Northern Ireland, Republic of Ireland and Switzerland.

**Developing:** Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

**Emerging:** Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, FYROM, Moldova, Montenegro, Nigeria, Romania, Russia, Serbia and Ukraine.

Information on the Group's segments is as follows:

	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>2 July 2010</b>	<b>3 July 2009</b>	<b>2 July 2010</b>	<b>3 July 2009</b>
<i>Volume in unit cases (million)</i>				
Established countries	<b>197.3</b>	206.9	<b>352.7</b>	371.2
Developing countries	<b>105.4</b>	109.0	<b>185.2</b>	187.6
Emerging countries	<b>275.2</b>	276.7	<b>471.1</b>	474.6
<b>Total volume</b>	<b>577.9</b>	<b>592.6</b>	<b>1,009.0</b>	<b>1,033.4</b>
<i>Net sales revenue (€ million)</i>				
Established countries	<b>789.8</b>	825.5	<b>1,414.0</b>	1,479.1
Developing countries	<b>308.5</b>	325.3	<b>539.1</b>	550.6
Emerging countries	<b>824.8</b>	740.6	<b>1,347.0</b>	1,236.0
<b>Total net sales revenue</b>	<b>1,923.1</b>	<b>1,891.4</b>	<b>3,300.1</b>	<b>3,265.7</b>
<i>Adjusted EBITDA (€ million)</i>				
Established countries	<b>138.0</b>	144.3	<b>212.1</b>	211.9
Developing countries	<b>48.8</b>	52.4	<b>67.7</b>	62.0
Emerging countries	<b>176.3</b>	154.6	<b>227.9</b>	208.2
<b>Total adjusted EBITDA</b>	<b>363.1</b>	<b>351.3</b>	<b>507.7</b>	<b>482.1</b>
<i>Operating profit (€ million)</i>				
Established countries	<b>101.9</b>	113.2	<b>145.3</b>	149.5
Developing countries	<b>31.4</b>	35.1	<b>32.3</b>	27.1
Emerging countries	<b>129.4</b>	116.2	<b>137.0</b>	124.7
<b>Total operating profit</b>	<b>262.7</b>	<b>264.5</b>	<b>314.6</b>	<b>301.3</b>
<i>Reconciling items (€ million)</i>				
Finance costs, net	<b>(17.3)</b>	(18.2)	<b>(34.3)</b>	(43.5)
Share of results of equity method investments	<b>1.8</b>	1.6	<b>2.0</b>	0.9
Tax	<b>(71.6)</b>	(53.3)	<b>(79.1)</b>	(57.6)
Non-controlling interests	<b>(4.4)</b>	(6.5)	<b>(6.6)</b>	(11.1)
<b>Profit after tax attributable to owners of the parent</b>	<b>171.2</b>	188.1	<b>196.6</b>	190.0

Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)

3. Segmental analysis (continued)

	As at	
	2 July 2010	31 December 2009
<i>Total assets (€ million)</i>		
Established	3,788.8	3,512.1
Developing	1,121.3	1,059.1
Emerging	2,867.7	2,421.2
Corporate / inter-segment receivables	(238.9)	(195.6)
<b>Total assets</b>	<b>7,538.9</b>	<b>6,796.8</b>

4. Tangible and intangible assets

	Property, plant and equipment € million	Intangible assets € million
Opening net book value as at 1 January 2010	2,961.3	1,874.1
Additions	170.9	-
Disposals	(6.7)	-
Reclassified from assets held for sale	0.6	-
Classified to assets held for sale	(0.4)	-
Depreciation / amortisation	(188.1)	(1.8)
Foreign exchange differences	166.5	55.9
<b>Closing net book value as at 2 July 2010</b>	<b>3,104.1</b>	<b>1,928.2</b>

5. Net debt

	As at	
	2 July 2010 € million	31 December 2009 € million
Long-term borrowings	2,224.1	2,100.6
Short-term borrowings	261.1	307.0
Cash and cash equivalents	(329.0)	(232.0)
<b>Net debt</b>	<b>2,156.2</b>	<b>2,175.6</b>

The Group's net debt position was stable compared to 31 December 2009. Long-term and short-term borrowings increased by a combined total of €77.6 million, largely due to the currency translation impact of the US dollar borrowings, while at the same time the Group's cash position increased by €97.0 million mainly due to positive cash flow generated from operating activities during the period, as well as, proceeds from the sale of interest rate swap contracts.

On 7 July 2010, Standard & Poor's Ratings Services affirmed Coca-Cola Hellenic's "A" long-term corporate credit rating and its "A-1" short-term corporate credit and commercial paper ratings. The outlook is stable. The long-term rating of the Company's senior unsecured debt currently remains on CreditWatch negative. Moody's credit ratings remained unchanged over the period, i.e. "A3" long-term corporate credit rating, "P2" short-term corporate credit and commercial paper ratings and stable outlook.

The balance of cash and cash equivalents as at 2 July 2010 of €329.0 million includes an amount of €17.2 million that has been deposited in a special purpose account in Serbia in relation to the tender offer to purchase all shares of the non-controlling interest in Coca-Cola HBC Serbia A.D. Refer to Note 11 for further information.

**Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)**

**6. Restructuring costs and other items**

Restructuring costs during the first half and the second quarter of 2010 amounted to €5.7 million and €1.1 million before tax, respectively, mainly in established markets. Restructuring costs during the first half of 2009 amounted to €18.8 million, of which €15.8 million, €1.1 million and €1.9 million related to the Group's established, developing and emerging markets, respectively.

On 19 December 2008, it was announced that a production plant in Benin City, Nigeria, which was owned by the Nigerian Bottling Company plc in which the Group has a 66% interest, had been substantially damaged by fire. During the first half of 2009, €5.2 million was received as an interim payment from the Group's insurers and an additional amount of €4.8 million was recorded following the agreement with our insurers on a further interim payment. During the full year of 2009, a total of €32.8 million was received. There were no such amounts received in the first half of 2010.

**7. Finance costs, net**

	<b>Six months ended</b>	
	<b>2 July 2010</b>	<b>3 July 2009</b>
	<b>€ million</b>	<b>€ million</b>
Interest expense	<b>37.6</b>	44.4
Net foreign exchange (gains) / losses	<b>(0.2)</b>	4.7
Interest income	<b>(3.1)</b>	(5.6)
<b>Finance costs, net</b>	<b>34.3</b>	<b>43.5</b>

	<b>Three months ended</b>	
	<b>2 July 2010</b>	<b>3 July 2009</b>
	<b>€ million</b>	<b>€ million</b>
Interest expense	<b>19.0</b>	17.4
Net foreign exchange losses	<b>0.1</b>	2.3
Interest income	<b>(1.8)</b>	(1.5)
<b>Finance costs, net</b>	<b>17.3</b>	<b>18.2</b>

In the second quarter of 2010, Coca-Cola Hellenic adjusted its interest rate profile by unwinding outstanding fixed to floating interest rate swap contracts with an aggregate notional principal amount of €792.5 million. This unwinding aims to stabilize future interest expense by causing the majority thereof to be unaffected by fluctuations in Euribor. As a result of this unwinding, Coca-Cola Hellenic received €48.5 million, of which €15.5 million related to accumulated net interest receivable and €33.0 million related to the fair value of the interest rate swap contracts.

## Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)

### 8. Tax

The Group's effective tax rate can differ from the Greek statutory tax rate (24% for 2010) as a consequence of a number of factors, the most significant of which are: non-deductibility of certain expenses, non-taxable income and other one off tax items. This is mainly because the statutory tax rates of the countries in which the Group operates range from 0%-31% and thus differ significantly from the Greek statutory tax rate.

On 6 May 2010, the Greek Government enacted the 'Extraordinary Social Contribution Tax' (Law Nr 3845/2010). According to article 5, the 'Extraordinary Social Contribution Tax', was applied retrospectively on net income for the fiscal year ended 31 December 2009. The amount of such 'Extraordinary Social Contribution Tax' applicable to 2009 is €21.2 million and this amount is recorded as current tax expense in the three months ended 2 July 2010.

### 9. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to the owners of the parent by the weighted average number of shares in issue during the period (2010 first half: 364,030,136, 2010 second quarter: 363,723,904, 2009 first half: 365,287,482, 2009 second quarter: 365,170,349). Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares arising from exercising employee stock options.

### 10. Share capital

During 2009, the Board of Directors resolved to increase Coca-Cola Hellenic's share capital by issuing 5,751 and 131,227 new ordinary shares, as announced on 28 August and 23 November 2009 respectively, following the exercise of stock options by option holders pursuant to the Coca-Cola Hellenic stock option plan. Total proceeds from the issue of the shares were €1.8 million.

During the first half of 2010, the Board of Directors resolved to increase Coca-Cola Hellenic's share capital by issuing 163,354 and 161,663 new ordinary shares, as announced on 26 February and 17 May 2010 respectively, following the exercise of stock options by option holders pursuant to the Coca-Cola Hellenic stock option plan. Total proceeds from the issue of the shares were €3.1 million.

After the above changes, the share capital amounts to €182.9 million and is comprised of 365,864,092 shares with a nominal value of €0.50 each.

#### *Recapitalisation (Capital return)*

On 18 September 2009, Coca-Cola Hellenic announced proposals for a recapitalisation, which resulted in a capital return of approximately €548.1 million to its shareholders, i.e. €1.50 per share. At an Extraordinary General Meeting held on 16 October 2009, shareholders approved an increase of Coca-Cola Hellenic's share capital by €548.1 million, through the capitalization of share premium and an increase in the nominal value of each share by €1.50 per share. As a result, the nominal value of each share was increased from €0.50 to €2.00.

At the same Extraordinary General Meeting, the shareholders also approved the decrease of Coca-Cola Hellenic's share capital by €548.1 million, through a reduction of the nominal value of the shares by €1.50 per share. As a result, the nominal value of the shares was decreased from €2.00 to €0.50 per share, and an equal amount of capital was returned to the shareholders in cash. Following shareholder and regulatory approval, Coca-Cola Hellenic realised the capital return on 2 December 2009. The capital return was financed through a combination of accumulated cash and new debt.

## Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)

### 10. Share capital (continued)

#### *Share buy-back programme*

On 30 April 2009, the Board of Directors of Coca-Cola Hellenic Bottling Company S.A. resolved to buy-back a maximum of 5% of its paid-in share capital during the period that is 24 months from the date of the Extraordinary General Meeting of 27 April 2009 which approved a share buy-back programme pursuant to article 16 of Codified Law 2190/1920. Based on the Coca-Cola Hellenic's capitalisation at that time, the maximum amount that may be bought back pursuant to the programme is 18,270,104 shares. Purchases under the programme are subject to a minimum purchase price of €1.00 per share and a maximum purchase price of €20.00 per share and may only be undertaken until 26 April 2011.

Applicable law does not require any actual use of such approved share buy-back programmes. Coca-Cola Hellenic may therefore, at its sole discretion, decide not to buy back any shares or to buy fewer shares than the maximum permissible number approved under the programme. The purchase of shares pursuant to the share buy-back programme is dependent upon a number of factors including, without limitation, the relative attractiveness of alternative investment opportunities and the availability of funds. As at 2 July 2010, 3,081,812 shares had been purchased pursuant to the share buy-back programme for a total cost of approximately €52.3 million, bringing the shares in circulation to 362,782,280. No additional shares were purchased up to 28 July 2010.

### 11. Non-controlling interests

The Group has initiated a tender offer to purchase all shares of the non-controlling interest in Coca-Cola HBC Serbia A.D. Coca-Cola Hellenic indirectly controls 89.1% of the shares of Coca-Cola HBC Serbia A.D. The total value of the transaction, if agreed by the non-controlling interest at the offered price, is approximately €19.5 million. The period of the tender offer expires on 2 August 2010.

### 12. Dividends

The shareholders approved a dividend of €0.30 per share (totalling €109.7 million, based on the number of shares outstanding as at 31 December 2009) for the year ended 31 December 2009, at the Annual General Meeting of Shareholders that was held on 21 June 2010.

An amount equal to €41.6 million of the total dividend was accrued as of 31 December 2009, as a statutory minimum dividend in accordance with the Greek corporate legislation. The remaining €68.1 million is recorded in shareholders' equity in the second quarter of 2010, as an appropriation of retained earnings.

The dividend is subject to a 10% withholding tax in accordance with article 18 of Law Nr 3697/2008 and the dividend payment commenced on 1 July 2010.

## Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)

### 13. Contingencies

The Greek Competition Authority issued a decision on 25 January 2002, imposing a fine on the Company of approximately €2.9 million for certain discount and rebate practices and required changes to the Company's commercial practices with respect to placing coolers in certain locations and lending them free of charge. On 16 June 2004, the fine was reduced on appeal to €1.8 million. On 29 June 2005, the Greek Competition Authority requested that the Company provide information on its commercial practices as a result of a complaint by certain third parties regarding the Company's compliance with the decision of 25 January 2002. On 7 October 2005, the Company was served with notice to appear before the Greek Competition Authority. On 14 June 2006, the Greek Competition Authority issued a decision imposing a daily penalty of €5,869 for each day that the Company allegedly failed to comply with the decision of 25 January 2002. On 31 August 2006, the Company deposited an amount of €8.9 million, reflecting the amount of the fine and applicable tax, with the Greek authorities. As a result of this deposit, the Company increased the charge to its 2006 financial statements in connection to this case. On 23 November 2007 the Court of Appeals partly reversed and partly upheld the decision of the Greek Competition Authority reducing the amount of the fine to €5.9 million. The reduction of the fine of € 2.8 million was recognised in the Company's 2007 income statement. The Company has appealed the decision of the Court of Appeals to the extent it upholds the fine, to the Supreme Administrative Court of Greece. The Company believes that it has substantial legal grounds for its appeal against the judgment of the Court of Appeals. The Greek Competition Authority and one of the Company's competitors have also appealed the decision of the Court of Appeals. The cases are still pending before the Supreme Administrative Court of Greece.

In relation to the Greek Competition Authority's decision of 25 January 2002, one of the Company's competitors has filed a lawsuit claiming damages in an amount of €7.7 million. The court of first instance heard the case on 21 January 2009 and subsequently rejected the lawsuit. The plaintiff has appealed the judgment. At present, it is not possible to predict the final outcome of this lawsuit or quantify the likelihood or materiality of any potential liability arising from it. We have not provided for any losses related to this case.

In the second quarter of 2010, the Serbian Competition Authority opened an investigation into the commercial practices of the Company's Serbian subsidiary for potential abuse of dominance in the market for distribution of alcoholic and non-alcoholic beverages. The authority published an invitation for comments by third parties. At present, it is not possible to predict the final outcome of this investigation or quantify the likelihood or materiality of any potential liability arising from it.

The Company is also involved in various other legal proceedings. Management believes that any liability to the Company that may arise as a result of these pending legal proceedings will not have a material adverse effect on the results of operations, cash flows, or the financial condition of the Company taken as a whole.

The tax filings of the Company and its subsidiaries are routinely subjected to audit by tax authorities in most of the jurisdictions in which the Company conducts business. These audits may result in assessments of additional taxes. The Company provides additional tax in relation to the outcome of such tax assessments, to the extent that a liability is probable and estimable.

### 14. Employee numbers

The average number of full-time equivalent employees in the first half of 2010 was 42,374 (44,865 for the first half of 2009).

**Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)**

**15. Related party transactions**

**a) The Coca-Cola Company**

As at 2 July 2010, The Coca-Cola Company and its subsidiaries (collectively, 'TCCC') indirectly owned 23.3% (2009: 23.3%) of the issued share capital of Coca-Cola Hellenic.

Total purchases of concentrate, finished products and other materials from TCCC during the first half and the second quarter of 2010 amounted to €658.3 million and €360.6 million respectively (€655.4 million and €357.5 million in the respective prior year periods). Total net contributions received from TCCC for marketing and promotional incentives during the same periods amounted to €20.1 million and €12.2 million respectively (€19.9 million and €9.0 million in the prior year periods).

In the first half and the second quarter of 2010, the Group did not record any gain or loss from sales of items of property, plant and equipment to TCCC (€0.2 million gain and nil in the prior year periods). During the first half and the second quarter of 2010, the Group sold €28.1 million and €19.9 million of finished goods and raw materials to TCCC (€11.3 million and €6.3 million in the prior year periods), while other income from TCCC was €15.3 million and €8.9 million respectively (€11.1 million and €9.1 million in the prior year periods). There were no other expenses incurred in the first half of 2010 and second quarter (€3.5 million and €2.4 million in the prior year periods).

As at 2 July 2010, the Group had a total amount of €57.6 million (€64.2 million as at 31 December 2009) due from TCCC, and had a total amount of €213.2 million (€125.1 million as at 31 December 2009) due to TCCC.

**b) Frigoglass S.A. ('Frigoglass')**

Frigoglass, a company listed on the Athens Stock Exchange, is a manufacturer of coolers, glass bottles and crowns. Frigoglass is related to Coca-Cola Hellenic by way of 44% (2009: 44%) ownership by the parent of Kar-Tess Holding S.A., which as at 2 July 2010 owned 29.5% (2009: 29.5%) of the issued share capital of Coca-Cola Hellenic. Frigoglass has a controlling interest in Frigoglass Industries Limited, a company in which Coca-Cola Hellenic has a 16% effective interest, through its investment in Nigerian Bottling Company plc.

During the first half and the second quarter of 2010, the Group made purchases of €51.9 million and €32.5 million respectively (€34.8 million and €20.7 million in the prior year periods) of coolers, raw materials and containers from Frigoglass and its subsidiaries and incurred maintenance and other expenses of €2.4 million and €1.2 million respectively (€2.5 million and €1.3 million in the prior year periods). Other income from Frigoglass during the first half and the second quarter of 2010 was €0.2 million and €0.1 million respectively (€0.5 million in both the prior year periods). As at 2 July 2010, Coca-Cola Hellenic owed €7.9 million (€3.6 million as at 31 December 2009) to, and was owed €2.8 million (€4.7 million as at 31 December 2009) by Frigoglass.

**Selected explanatory notes to the condensed consolidated interim financial statements (unaudited)**

**15. Related party transactions (continued)**

**c) Other related parties**

During the first half and the second quarter of 2010, the Group purchased €56.3 million and €37.5 million of raw materials and finished goods (€57.4 million and €35.2 million in the prior year periods) and fixed assets of €0.4 million from other related parties in both periods under review (€0.4 million and nil in the prior year periods). In addition, the Group received reimbursement for direct marketing expenses incurred of €0.4 million both for the first half and the second quarter of 2010 (€0.2 million in both prior year periods). Furthermore, during the first half and the second quarter of 2010, the Group incurred other expenses of €1.3 million and €0.6 million respectively (€2.4 million and €0.6 million in the prior year periods) and recorded income of €1.2 million in the first half and €0.9 million in the second quarter of 2010 from other related parties (€0.4 million and €0.1 million in the prior year periods). As at 2 July 2010, the Group owed €24.0 million (€4.5 million as at 31 December 2009) to, and was owed €1.8 million (€1.8 million as at 31 December 2009) by other related parties.

There were no transactions between Coca-Cola Hellenic and its directors and senior management except for remuneration for the period ended 2 July 2010.

There were no other significant transactions with related parties for the period ended 2 July 2010.

Athens, 28 July 2010

**Chairman of the  
Board of Directors**

George A. David  
Passport C 034870/95

**Chief Executive Officer**

Doros G. Constantinou  
I.D. R 519139

**Head of Financial  
Reporting**

François J. Eksteen  
Passport CH1HV46CR

**Financial Reporting  
Supervisor**

Evgenia G. Maridaki  
I.D. R 604571  
E.C.G. Licence Nr. A/65015

**5. Parent Company Condensed Interim Financial Statements and  
Accompanying Notes for the six months ended 2 July 2010**

**Condensed interim balance sheet (unaudited)**

	Note	As at 2 July 2010 € million	As at 31 December 2009 € million
<b>Assets</b>			
Goodwill	2	7.5	7.5
Property, plant and equipment	2	175.1	172.1
Investment in subsidiaries and joint ventures		2,326.8	2,334.4
Other non-current assets		14.1	14.1
<b>Total non-current assets</b>		<b>2,523.5</b>	<b>2,528.1</b>
Inventories		40.2	32.9
Trade and other receivables		225.2	189.5
Cash and cash equivalents	3	0.4	0.5
<b>Total current assets</b>		<b>265.8</b>	<b>222.9</b>
<b>Total assets</b>		<b>2,789.3</b>	<b>2,751.0</b>
<b>Liabilities</b>			
Short-term borrowings from subsidiaries	3	134.3	8.6
Other current liabilities		193.6	205.7
<b>Total current liabilities</b>		<b>327.9</b>	<b>214.3</b>
Long-term borrowings from subsidiaries	3	853.3	803.3
Other non-current liabilities		33.1	33.4
<b>Total non-current liabilities</b>		<b>886.4</b>	<b>836.7</b>
<b>Equity</b>		<b>1,575.0</b>	<b>1,700.0</b>
<b>Total equity and liabilities</b>		<b>2,789.3</b>	<b>2,751.0</b>

The notes on pages 8 to 13 are an integral part of and should be read in conjunction with these condensed interim financial statements.

**Condensed interim income statement (unaudited)**

	Note	Six months to 2 July 2010 € million	Six months to 3 July 2009 € million
Net sales revenue		300.8	360.5
Cost of goods sold		(167.3)	(191.1)
<b>Gross profit</b>		<b>133.5</b>	<b>169.4</b>
Operating expenses		(114.3)	(117.3)
Restructuring costs	4	(5.1)	-
Total operating expenses		(119.4)	(117.3)
<b>Operating profit</b>		<b>14.1</b>	<b>52.1</b>
Interest expense		(14.5)	(4.0)
Dividend income		-	0.1
<b>Profit / (loss) before tax</b>		<b>(0.4)</b>	<b>48.2</b>
Tax	5	(27.0)	(19.6)
<b>Profit / (loss) after tax</b>		<b>(27.4)</b>	<b>28.6</b>

The notes on pages 8 to 13 are an integral part of and should be read in conjunction with these condensed interim financial statements.

**Condensed interim statement of comprehensive income (unaudited)**

	<b>Six months to 2 July 2010 € million</b>	Six months to 3 July 2009 € million
<b>Profit / (loss) after tax for the period</b>	<b>(27.4)</b>	<b>28.6</b>
<b>Other comprehensive income:</b>		
Available-for-sale financial assets:		
Valuation (losses) / gains during the period	<b>(0.5)</b>	0.4
Cash flow hedges:		
Amounts of gains / (losses) during the period	<b>0.4</b>	(0.3)
<b>Other comprehensive income for the period, net of tax</b>	<b>(0.1)</b>	<b>0.1</b>
<b>Total comprehensive income for the period</b>	<b>(27.5)</b>	<b>28.7</b>

The notes on pages 8 to 13 are an integral part of and should be read in conjunction with these condensed interim financial statements.

**Condensed interim income statement (unaudited)**

	Note	Three months to 2 July 2010 € million	Three months to 3 July 2009 € million
Net sales revenue		173.8	205.1
Cost of goods sold		(95.5)	(106.6)
<b>Gross profit</b>		<b>78.3</b>	<b>98.5</b>
Operating expenses		(59.5)	(64.4)
Restructuring costs	4	(1.1)	-
Total operating expenses		(60.6)	(64.4)
<b>Operating profit</b>		<b>17.7</b>	<b>34.1</b>
Interest expense		(7.9)	(1.6)
Dividend income		-	0.1
<b>Profit before tax</b>		<b>9.8</b>	<b>32.6</b>
Tax	5	(26.4)	(9.8)
<b>Profit / (loss) after tax</b>		<b>(16.6)</b>	<b>22.8</b>

The notes on pages 8 to 13 are an integral part of and should be read in conjunction with these condensed interim financial statements.

**Condensed interim statement of comprehensive income (unaudited)**

	<b>Three months to 2 July 2010 € million</b>	Three months to 3 July 2009 € million
<b>Profit / (loss) after tax for the period</b>	<b>(16.6)</b>	<b>22.8</b>
<b>Other comprehensive income:</b>		
Available-for-sale financial assets:		
Valuation (losses) / gains during the period	<b>(0.4)</b>	0.3
Cash flow hedges:		
Amounts of gains / (losses) during the period	<b>0.1</b>	(0.4)
<b>Other comprehensive income for the period, net of tax</b>	<b>(0.3)</b>	<b>(0.1)</b>
<b>Total comprehensive income for the period</b>	<b>(16.9)</b>	<b>22.7</b>

The notes on pages 8 to 13 are an integral part of and should be read in conjunction with these condensed interim financial statements.

**Condensed interim statement of changes in equity (unaudited)**

	Share capital € million	Share premium € million	Treasury shares € million	Other reserves € million	Retained earnings € million	Total equity € million
<b>Balance as at 1 January 2009</b>	<b>182.7</b>	<b>1,665.0</b>	-	<b>297.6</b>	<b>91.9</b>	<b>2,237.2</b>
Share-based compensation - options	-	-	-	3.0	-	<b>3.0</b>
Shares repurchased	-	-	(10.0)	-	-	<b>(10.0)</b>
Appropriation of reserves	-	-	-	17.8	(17.8)	-
Dividends	-	-	-	-	(61.4)	<b>(61.4)</b>
Total comprehensive income for the period, net of tax <sup>1</sup>	-	-	-	0.1	28.6	<b>28.7</b>
<b>Balance as at 3 July 2009</b>	<b>182.7</b>	<b>1,665.0</b>	<b>(10.0)</b>	<b>318.5</b>	<b>41.3</b>	<b>2,197.5</b>
Shares issued to employees exercising stock options	0.1	1.7	-	-	-	<b>1.8</b>
Share-based compensation - options	-	-	-	3.4	-	<b>3.4</b>
Shares repurchased	-	-	(6.6)	-	-	<b>(6.6)</b>
Capitalisation of share premium reserve	548.1	(548.1)	-	-	-	-
Expenses relating to the share capital increase ( <i>net of tax of € 1.2m</i> )	-	(4.8)	-	-	-	<b>(4.8)</b>
Return of capital to shareholders	(548.1)	-	1.7	-	-	<b>(546.4)</b>
Appropriation of reserves	-	-	-	6.3	(6.3)	-
Statutory minimum dividend	-	-	-	-	(41.6)	<b>(41.6)</b>
Total comprehensive income for the period, net of tax	-	-	-	0.1	96.6	<b>96.7</b>
<b>Balance as at 31 December 2009</b>	<b>182.8</b>	<b>1,113.8</b>	<b>(14.9)</b>	<b>328.3</b>	<b>90.0</b>	<b>1,700.0</b>
Shares issued to employees exercising stock options	0.1	3.0	-	-	-	<b>3.1</b>
Share-based compensation - options	-	-	-	3.2	-	<b>3.2</b>
Shares repurchased	-	-	(35.7)	-	-	<b>(35.7)</b>
Appropriation of reserves	-	-	-	10.7	(10.7)	-
Dividends	-	-	-	-	(68.1)	<b>(68.1)</b>
Total comprehensive income for the period, net of tax <sup>2</sup>	-	-	-	(0.1)	(27.4)	<b>(27.5)</b>
<b>Balance as at 2 July 2010</b>	<b>182.9</b>	<b>1,116.8</b>	<b>(50.6)</b>	<b>342.1</b>	<b>(16.2)</b>	<b>1,575.0</b>

<sup>1</sup> The amount included in other reserves of €0.1 million gain for the first half of 2009 consists of gains on valuation of available-for-sale financial assets of €0.4 million and losses on cash flow hedges of €0.3 million.

The amount included in retained earnings of €28.6 million for the first half of 2009 represents the profit after tax for the period.

<sup>2</sup> The amount charged to other reserves of €0.1 million loss for the first half of 2010 consists of losses on valuation of available-for-sale financial assets of €0.5 million and gains on cash flow hedges of €0.4 million.

The amount included in retained earnings of €27.4 million for the first half of 2010 represents the loss after tax for the period.

The notes on pages 8 to 13 are an integral part of and should be read in conjunction with these condensed interim financial statements.

**Condensed interim cash flow statement (unaudited)**

	Note	Six months to 2 July 2010 € million	Six months to 3 July 2009 € million
<b>Operating activities</b>			
Profit / (loss) after tax		(27.4)	28.6
Interest expense		14.5	4.0
Dividends income		-	(0.1)
Tax charged to the income statement		27.0	19.6
Depreciation of property, plant and equipment	2	15.0	13.6
Employee share options		2.1	1.9
		<b>31.2</b>	<b>67.6</b>
Losses / (gains) on disposal of property, plant and		(0.5)	1.3
Increase in inventories		(7.3)	(4.5)
Increase in trade and other receivables		(34.4)	(57.3)
Increase in trade and other payables		20.0	33.8
Tax paid		(26.2)	(6.1)
<b>Net cash (used in) / from operating activities</b>		<b>(17.2)</b>	<b>34.8</b>
<b>Investing activities</b>			
Payments for purchases of property, plant and equipment		(18.2)	(12.7)
Net receipts from investments		8.7	-
<b>Net cash used in investing activities</b>		<b>(9.5)</b>	<b>(12.7)</b>
<b>Financing activities</b>			
Share buy-back payments		(35.7)	(10.0)
Proceeds from shares issued to employees exercising stock options		3.1	-
Net dividends paid		(101.9)	(95.0)
Proceeds from borrowings	3	278.3	115.5
Repayments of borrowings	3	(117.0)	(28.4)
Interest paid		(0.2)	(4.0)
<b>Net cash from / (used in) financing activities</b>		<b>26.6</b>	<b>(21.9)</b>
<b>Increase / (decrease) in cash and cash equivalents</b>		<b>(0.1)</b>	<b>0.2</b>
<b>Movement in cash and cash equivalents</b>			
Cash and cash equivalents at 1 January		0.5	0.2
Increase / (decrease) in cash and cash equivalents		(0.1)	0.2
<b>Cash and cash equivalents at the end of the period</b>		<b>0.4</b>	<b>0.4</b>

The notes on pages 8 to 13 are an integral part of and should be read in conjunction with these condensed interim financial statements.

## Selected explanatory notes to the condensed interim financial statements (unaudited)

### 1. Accounting policies

The accounting policies used in the preparation of the condensed interim financial statements of Coca-Cola Hellenic Bottling Company S.A. ('Coca-Cola Hellenic' or the 'Company') are consistent with those used in the annual financial statements for the year ended 31 December 2009, except for the following new or revised accounting standards and interpretations that have been implemented in 2010: International Financial Reporting Standard ('IFRS') 3, *Business Combinations*; IFRS 8, *Operating Segments*; International Accounting Standard ('IAS') 27, *Consolidated and Separate Financial Statements*; IAS 36, *Impairment of Assets*; IAS 38, *Intangible Assets* and International Financial Reporting Interpretations Committee ('IFRIC') Interpretation 17, *Distribution of Non-cash Assets to Owners*. None of these new or revised accounting standards and interpretations had a material impact on the current or prior periods.

Operating results for the first half of 2010 are not indicative of the results that may be expected for the year ended 31 December 2010 because of business seasonality. Business seasonality results from higher unit sales of the Company's products in the warmer months of the year. The Company's methods of accounting for fixed costs such as depreciation and interest expense are not significantly affected by business seasonality.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim period are accrued using the tax rate that will be applicable to the expected total annual earnings of the Company.

These stand alone condensed interim financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ('IASB') and IFRS as adopted by the European Union ('EU') applicable to Interim Financial Reporting ('IAS 34'). IFRS as adopted by the EU differs in certain respects from IFRS as issued by the IASB. However, the differences have no impact on the Company's condensed financial statements for the periods presented. These condensed financial statements should be read in conjunction with the 2009 annual financial statements, which include a full description of the Company's accounting policies.

### 2. Tangible and intangible assets

	Property, plant and equipment € million	Goodwill € million
Opening net book value as at 1 January 2010	172.1	7.5
Additions	18.5	-
Disposals	(0.5)	-
Depreciation	(15.0)	-
<b>Closing net book value as at 2 July 2010</b>	<b>175.1</b>	<b>7.5</b>

**Selected explanatory notes to the condensed interim financial statements (unaudited)**

**3. Net debt**

	As at	
	2 July 2010 € million	31 December 2009 € million
Long-term borrowings from subsidiaries	853.3	803.3
Short-term borrowings from subsidiaries	134.3	8.6
Cash and cash equivalents	(0.4)	(0.5)
<b>Net debt</b>	<b>987.2</b>	<b>811.4</b>

	Short-term borrowings from subsidiaries € million	Long-term borrowings from subsidiaries € million
Opening balance as at 1 January 2010	8.6	803.3
Proceeds from borrowings	242.6	35.7
Repayments of borrowings	(117.0)	-
Interest expense recognised during the period	0.1	14.3
<b>Closing balance as at 2 July 2010</b>	<b>134.3</b>	<b>853.3</b>

**4. Restructuring costs**

The Company has identified new cost reduction opportunities from restructuring initiatives. In the first half and second quarter of 2010 the amount of restructuring costs was €5.1 million and €1.1 million respectively.

**5. Tax**

The Company's effective tax rate can differ from the Greek statutory tax rate (24% for 2010) as a consequence of a number of factors, the most significant of which are: non-deductibility of certain expenses, non-taxable income and other one off tax items.

During 2008, the tax audit for unaudited tax years 2003 up to and including 2006 was completed. For the years 2003 to 2005 there are pending tax litigations before the administrative courts. A provision for the unaudited tax years 2007 to 2010 was recognised in the financial statements of 2010.

On 6 May 2010, the Greek Government enacted the 'Extraordinary Social Contribution Tax' law (Law Nr 3845/2010). According to Article 5, the 'Extraordinary Social Contribution Tax', applied retrospectively on net income for the fiscal year ended 31 December 2009. The amount of such 'Extraordinary Social Contribution Tax' applicable to 2009 is €21.2 million and this amount is recorded as current tax expense in the three months ended 2 July 2010.

**6. Share capital**

During 2009, the Board of Directors resolved to increase Coca-Cola Hellenic's share capital by issuing 5,751 and 131,227 new ordinary shares, as announced on 28 August and 23 November 2009 respectively, following the exercise of stock options by option holders pursuant to the Coca-Cola Hellenic stock option plan. Total proceeds from the issue of the shares were €1.8 million.

During the first half of 2010, the Board of Directors resolved to increase Coca-Cola Hellenic's share capital by issuing 163,354 and 161,663 new ordinary shares, as announced on 26 February and 17 May 2010 respectively, following the exercise of stock options by option holders pursuant to the Coca-Cola Hellenic stock option plan. Total proceeds from the issue of the shares were €3.1 million.

## Selected explanatory notes to the condensed interim financial statements (unaudited)

### 6. Share capital (continued)

After the above changes, the share capital amounts to €182.9 million and is comprised of 365,864,092 shares with a nominal value of €0.50 each.

#### *Recapitalisation (Capital return)*

On 18 September 2009, Coca-Cola Hellenic announced proposals for a recapitalisation, which resulted in a capital return of approximately €548.1 million to its shareholders, i.e. €1.50 per share. At an Extraordinary General Meeting held on 16 October 2009, shareholders approved an increase of Coca-Cola Hellenic's share capital by €548.1 million, through the capitalization of share premium and an increase in the nominal value of each share by €1.50 per share. As a result, the nominal value of each share was increased from €0.50 to €2.00.

At the same Extraordinary General Meeting, the shareholders also approved the decrease of Coca-Cola Hellenic's share capital by €548.1 million, through a reduction of the nominal value of the shares by €1.50 per share. As a result, the nominal value of the shares was decreased from €2.00 to €0.50 per share, and an equal amount of capital was returned to the shareholders in cash. Following shareholder and regulatory approval, Coca-Cola Hellenic realised the capital return on 2 December 2009. The capital return was financed through a combination of accumulated cash and new debt.

#### *Share buy-back programme*

On 30 April 2009, the Board of Directors of Coca-Cola Hellenic Bottling Company S.A. resolved to buy-back a maximum of 5% of its paid-in share capital during the period that is 24 months from the date of the Extraordinary General Meeting of 27 April 2009 which approved a share buy-back programme pursuant to Article 16 of Codified Law 2190/1920. Based on the Coca-Cola Hellenic's capitalisation at that time, the maximum amount that may be bought back pursuant to the programme is 18,270,104 shares. Purchases under the programme are subject to a minimum purchase price of €1.00 per share and a maximum purchase price of €20.00 per share and may only be undertaken until 26 April 2011.

Applicable law does not require any actual use of such approved share buy-back programmes. Coca-Cola Hellenic may therefore, at its sole discretion, decide not to buy back any shares or to buy fewer shares than the maximum permissible number approved under the programme. The purchase of shares pursuant to the share buy-back programme is dependent upon a number of factors including, without limitation, the relative attractiveness of alternative investment opportunities and the availability of funds. As at 2 July 2010, 3,081,812 shares had been purchased pursuant to the share buy-back programme for a total cost of approximately €52.3 million, bringing the shares in circulation to 362,782,280. No additional shares were purchased up to 28 July 2010.

### 7. Dividends

The shareholders approved a dividend of €0.30 per share (totalling €109.7 million, based on the number of shares outstanding as at 31 December 2009) for the year ended 31 December 2009, at the Annual General Meeting of Shareholders that was held on 21 June 2010.

An amount equal to €41.6 million of the total dividend was accrued as of 31 December 2009, as a statutory minimum dividend in accordance with the Greek corporate legislation. The remaining €68.1 million is recorded in shareholders' equity in the second quarter of 2010, as an appropriation of retained earnings.

The dividend is subject to a 10% withholding tax in accordance with Article 18 of Law Nr 3697/2008 and the dividend payment commenced on 1 July 2010.

## Selected explanatory notes to the condensed interim financial statements (unaudited)

### 8 Contingencies

The Greek Competition Authority issued a decision on 25 January 2002, imposing a fine on the Company of approximately €2.9 million for certain discount and rebate practices and required changes to the Company's commercial practices with respect to placing coolers in certain locations and lending them free of charge. On 16 June 2004, the fine was reduced on appeal to €1.8 million. On 29 June 2005, the Greek Competition Authority requested that the Company provide information on its commercial practices as a result of a complaint by certain third parties regarding the Company's compliance with the decision of 25 January 2002. On 7 October 2005, the Company was served with notice to appear before the Greek Competition Authority. On 14 June 2006, the Greek Competition Authority issued a decision imposing a daily penalty of €5,869 for each day that the Company allegedly failed to comply with the decision of 25 January 2002. On 31 August 2006, the Company deposited an amount of €8.9 million, reflecting the amount of the fine and applicable tax, with the Greek authorities. As a result of this deposit, the Company increased the charge to its 2006 financial statements in connection to this case. On 23 November 2007 the Court of Appeals partly reversed and partly upheld the decision of the Greek Competition Authority reducing the amount of the fine to €5.9 million. The reduction of the fine of €2.8 million was recognized in the Company's 2007 income statement. The Company has appealed the decision of the Court of Appeals to the extent it upholds the fine, to the Supreme Administrative Court of Greece. The Company believes that it has substantial legal grounds for its appeal against the judgment of the Court of Appeals. The Greek Competition Authority and one of the Company's competitors have also appealed the decision of the Court of Appeals. The cases are still pending before the Supreme Administrative Court of Greece.

In relation to the Greek Competition Authority's decision of 25 January 2002, one of the Company's competitors has filed a lawsuit claiming damages in an amount of €7.7 million. The court of first instance heard the case on 21 January 2009 and subsequently rejected the lawsuit. The plaintiff has appealed the judgment. At present, it is not possible to predict the final outcome of this lawsuit or quantify the likelihood or materiality of any potential liability arising from it. We have not provided for any losses related to this case.

The Company is also involved in various other legal proceedings. Management believes that any liability to the Company that may arise as a result of these pending legal proceedings will not have a material adverse effect on the results of operations, cash flows, or the financial condition of the Company taken as a whole.

The tax filings of the Company are routinely subjected to audit by tax authorities. These audits may result in assessments of additional taxes. The Company provides additional tax in relation to the outcome of such tax assessments, to the extent that a liability is probable and estimable.

### 9. Employee numbers

The average number of full-time equivalent employees in the first half of 2010 was 2,523 (2,514 for the first half of 2009).

**Selected explanatory notes to the condensed interim financial statements (unaudited)**

**10. Related party transactions**

**a) Transactions with direct and indirect subsidiaries**

The Company had the following transactions with subsidiary undertakings for the six months ended:

	<b>2 July 2010</b> € million	3 July 2009 € million
Purchase of raw materials and finished goods	<b>(55.7)</b>	(7.1)
Purchases of fixed assets	<b>(1.2)</b>	-
Other purchases	<b>(0.3)</b>	(1.2)
Sales of raw materials and finished goods	<b>8.2</b>	12.3
Management fee income	<b>9.4</b>	5.5
Rental income and other cost recharges	-	1.2
Other income	<b>1.1</b>	-
Interest expense	<b>(14.4)</b>	(3.8)

The Company had the following transactions with subsidiary undertakings for the second quarter ended:

	<b>2 July 2010</b> € million	3 July 2009 € million
Purchase of raw materials and finished goods	<b>(30.6)</b>	(3.9)
Purchases of fixed assets	<b>(0.5)</b>	-
Other purchases	<b>(0.1)</b>	(0.6)
Sales of raw materials and finished goods	<b>5.3</b>	7.3
Management fee income	<b>5.8</b>	4.7
Rental income and other cost recharges	-	0.6
Other income	<b>0.6</b>	-
Interest expense	<b>(7.8)</b>	(1.4)

The Company had the following balances with subsidiary undertakings:

	<b>2 July 2010</b> € million	<b>As at</b> 31 December 2009 € million
Payables to subsidiaries	<b>5.9</b>	0.3
Interest accrual on borrowings from subsidiaries	<b>0.3</b>	0.5
Receivables from subsidiaries	<b>7.8</b>	12.1
Total borrowings from subsidiaries (net of accrued interest)	<b>987.3</b>	811.4

**b) The Coca-Cola Company**

As at 2 July 2010, The Coca-Cola Company and its subsidiaries (collectively, 'TCCC') indirectly owned 23.3% (2009: 23.3%) of the issued share capital of Coca-Cola Hellenic.

Total purchases of concentrate, finished products and other materials from TCCC during the first half and the second quarter of 2010 amounted to €53.6 million and €31.1 million respectively (€58.9 million and €34.7 million in the respective prior year periods). Total net contributions received from TCCC for marketing and promotional incentives during the same periods amounted to €8.0 million and €4.8 million respectively (€7.7 million and €3.5 million in the prior year periods).

**Selected explanatory notes to the condensed interim financial statements (unaudited)**

**10. Related party transactions (continued)**

**b) The Coca-Cola Company (continued)**

As at 2 July 2010, the Company had a total amount of €3.8 million (€3.3 million as at 31 December 2009) due from TCCC, and had a total amount of €11.9 million (€5.7 million as at 31 December 2009) due to TCCC.

**c) Frigoglass S.A. ('Frigoglass')**

Frigoglass, a company listed on the Athens Stock Exchange, is a manufacturer of coolers, glass bottles and crowns. Frigoglass is related to Coca-Cola Hellenic by way of 44% (2009: 44%) ownership by the parent of Kar-Tess Holding S.A., which as at 2 July 2010 owned 29.5% (2009: 29.5%) of the issued share capital of Coca-Cola Hellenic. Frigoglass has a controlling interest in Frigoglass Industries Limited, a company in which Coca-Cola Hellenic has a 16% effective interest, through its investment in Nigerian Bottling Company plc.

During the first half and the second quarter of 2010, the Company made purchases of €5.4 million and €3.7 million respectively (€5.2 million and €3.6 million in the prior year periods) of coolers, raw materials and containers from Frigoglass and its subsidiaries and incurred maintenance and other expenses of €2.4 million and €1.2 million respectively (€2.3 million and €1.3 million in the prior year periods). Other income from Frigoglass during the first half and the second quarter of 2010 was €0.2 million and €0.1 million respectively (€0.5 million and nil in the prior year periods). As at 2 July 2010, Coca-Cola Hellenic owed €0.4 million (€0.1 million as at 31 December 2009) to, and was owed €0.7 million (€0.5 million as at 31 December 2009) by Frigoglass.

**d) Other related parties**

During the first half and the second quarter of 2010, the Company purchased €3.1 million and €1.8 million of raw materials and finished goods (€3.6 million and €2.0 million in the prior year periods). In addition, the Company received reimbursement for direct marketing expenses incurred of €0.2 million for the first half and second quarter of 2010 (nil in both prior year periods). As at 2 July 2010, the Company owed €0.4 million (€0.1 million as at 31 December 2009) to, and was owed nil (€0.1 million as at 31 December 2009) by other related parties.

There were no transactions between Coca-Cola Hellenic and its directors and senior management except for remuneration for the period ended 2 July 2010.

There were no other significant transactions with related parties for the period ended 2 July 2010.

Athens, 28 July 2010

**Chairman of the  
Board of Directors**

George A. David  
Passport C 034870/95

**Chief Executive Officer**

Doros G. Constantinou  
I.D. R 519139

**Head of Financial  
Reporting**

François J. Eksteen  
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**Financial Reporting  
Supervisor**

Evgenia G. Maridaki  
I.D. R 604571  
E.C.G. Licence Nr. A/65015

**6. Published Condensed Financial Statements, Notes and Information for the six months ended 2 July 2010**

