COCA-COLA HBC FINANCE B.V.

AMSTERDAM, THE NETHERLANDS

ANNUAL REPORT 2011

Coca-Cola HBC Finance B.V. – Annual Report 2011

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Coca-Cola HBC Finance B.V. – Annual Report 2011

DIRECTORS' REPORT

In accordance with the Articles of Association of Coca-Cola HBC Finance B.V. ('the Company'), the Board of Directors herewith submits the annual report for the year ended December 31, 2011.

General

The Coca-Cola HBC Finance BV, a private limited liability Company, was incorporated in the Netherlands on 13 April 2001, as a 100% owned subsidiary of CC Beverages Holdings II B.V. with its statutory seat in Amsterdam and it functions under the Laws of Netherlands. The Company is considered to be one fiscal unity with CC Beverages Holdings II B.V. for tax purposes.

The Company acts as a finance vehicle for the Coca-Cola Hellenic Group of companies (the 'Group' or the 'Coca-Cola Hellenic Group'). The parent company for this Group is Coca-Cola Hellenic Bottling Company S.A. based in Athens, Greece. Funding of these activities is achieved mainly through the debt capital markets.

Financial Review

The interest income for the financial year is €102,563 thousand (2010: €107,913 thousand). The profit for the financial year is €8,721 thousand (profit for 2010: €27,869 thousand). Current year's profit was mainly the result of the fact that effective 1 January 2011 the Company changed its internal interest rate policy and decreased the mark-up on the average external finance rate on the financing to the entities of the Coca Cola Hellenic Group.

Three important changes in the external financing can be noted in 2011, which influenced the cash flows of 2011 as well as the cost of external financing.

An amount of € 301.1 million, which is the remainder of the €500 million 4.375% fixed rate notes issued in 2004, has been repaid at the contractual due date of 15 July 2011. The first part of €198.9 million, which was almost 40% of the total issued €500.0 million euro-denominated bond, had been repaid on 14 December 2010 after the finalization of a cash tender offer.

On 2 March 2011 the Company issued an additional €300 million on the existing €300 million 4.25 % fixed fixed rate notes. The new notes form a single series with the existing € 300 million 4.25% fixed rate notes due 16 November 2016 issued on 16 November 2009. The €300 million additional notes bring the total outstanding amount of the series to €600 million. The proceeds of the issue were used to repay the maturity of the existing €301.1 million notes due on 15 July 2011.

Next to the both aforementioned external financing events which almost balance one another, the €500 million revolving credit facility has been renewed before its original due date of 17 December 2012. The new facility is valid until 11 May 2016. An amount of €1.9 million additional amortisation has been booked in the income statement of 2011 which was the remainder of the deferred fees related to the old facility. The terms of new facility have improved compared to the previous facility. The Company did not use the facility in 2011.

Another important cash outflow arose on 2 February 2011 as a share premium of €125.0 million has been repaid to the shareholder CC Beverages Holding II B.V. The share premium account amounts to €263.1 million at the end of 2011.

The Coca-Cola Hellenic Group's goal is to maintain a conservative financial profile. This is evidenced by the strong credit ratings maintained with Standard & Poor's and Moody's. The corporate credit ratings by

Standard & Poor's remained unchanged over the period, i.e. "A" long term, "A1" short term and stable outlook. In November 2011, Moody's affirmed Coca-Cola Hellenic's "A3" long-term, "P2" short-term corporate credit ratings but changed the outlook to negative.

Outlook

- The Company operates as a intragroup financing entity and only operates for this purpose. Hence, there is no planned capital expenditure for the Company or any issue regarding personnel or events, which may affect revenue and profitability.

- The Company has a sufficient liquidity management framework in place, which ensures that there are sufficient funds available to cover its short and long-term commitments.

- The implementation of SAP Treasury 'Wave 2' platform effective 1st of January 2011 has significantly improved the efficiency of our entire business, by increasing the speed and accuracy of our treasury transactions, by standardising work processes and delivering operational synergies across the organisation.

- In order to further exploit this new platform, the Company has built further functionality in 2011 regarding the concept of "In House Cash" and as such has started a pilot program with 4 other participants as per January 1, 2012 with the aim to expand this with 10 more countries in 2012.

Principal risks and uncertainties

In the course of its business, the Company is exposed to several financial risks. These include foreign currency risk, interest rate risk, credit risk and liquidity risk. During the year 2011 the Board of Directors of the Company adopted the amended Treasury Policy of the Group.

Foreign Currency Risk

The Company is exposed to the effect of foreign currency risk on cash balances and on funding provided to Coca-Cola Hellenic Group companies. Forward exchange and option contracts are used to hedge a portion of the Company's foreign currency risk. These contracts normally mature within one year. Hedging beyond a 12-month period may occur, subject to certain maximum coverage levels. As a matter of policy, we do not enter into speculative derivative financial instruments. It is our policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item in order to maximize hedging effectiveness.

Interest rate risk

The fair value of interest rate swap agreements utilised by the Company modify the Company's exposure to interest rate risk and the changes in fair value of debt by converting the Company's fixed rate debt into floating rate based on EURIBOR over the life of the underlying debt. The agreements involve the receipt of fixed rate interest payments in exchange for floating rate interest payments over the life of the agreement without an exchange of the underlying principal amount. Interest rate option contracts may also be utilized by the Company to reduce the impact of adverse change in interest rates on our floating rate debt.

Credit risk
The Company has limited concentrations of credit risk across financial institutions. The Company has policies in place that limit the amount of credit exposure to any single financial institution. The investment policy objective is to minimize counterparty risks whilst ensuring an acceptable return on the excess cash position. Counterparty limits are approved by the Board of Directors of the Company to ensure that risks are controlled effectively and transactions are undertaken with approved counterparties.

Liquidity risk
The Company actively manages liquidity risk to ensure there are sufficient funds available for any short term and long-term commitment. The commercial paper program and the unused revolving credit facility are used to manage this risk. Cash and cash equivalents for the year ending 31 December 2011 amount to €343.2 million (2010: €230.8 million). This increased cash balance was largely due to increased outstandings under the Commercial Paper Program at €250.0 million (2010: €127.0 million).

Capital risk
The Company's objectives when managing capital are to safeguard the Company's ability to continue as going concern and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may increase or decrease its debt.

Management is comfortable with how risks are addressed within the organization.

The internal audit function monitors the internal financial control system across all Coca-Cola Hellenic Bottling Company S.A. companies, including Coca-Cola HBC Finance B.V. and reports the findings to management and the Audit Committee of Coca-Cola Hellenic Bottling Company S.A. The audit plan and audit scope for the Company is focused on the areas of greatest risks, using a risk based approach audit plan.

Coca-Cola Hellenic Group has adopted a strategic Enterprise Wide Risk Management (EWRM) approach to risk management, providing a fully integrated common risk management framework across the Coca-Cola Hellenic Group, including Coca-Cola HBC Finance B.V. The primary aim of this framework is to minimize the organisation's exposure to unforeseen events and to provide certainty to the management of identified risks in order to create stable environment within which the Company can deliver its operational and strategic objectives for the Group. These objectives are achieved by:

- Monthly management reporting
- Regular risk reviews with the Board of Directors of Coca-Cola HBC Finance B.V.
- Escalation of significant operational risks and,
- Twice yearly communication of business risk exposure to the Operating Committee and Audit Committee of Coca-Cola Hellenic Bottling Company S.A.

Dividends
The directors do not recommend the distribution of dividends.

Managing Directors

During the year under review, the Company had four Managing Directors, who received no renumeration during the current or previous financial year. The company has no Supervisory Directors. Mr. S. Boermans has been appointed as Managing Director as per February 17, 2011. Mr. S Boermans resigned as Managing Director of the Company and Ms. H. Balcarova has been appointed as Managing Director of the Company as per January 1, 2012. The Managing Directors thank Mr. S. Boermans for his contribution to the Company.

Directors' statement

The 2011 annual report of Coca-Cola HBC Finance B.V. has been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and in our opinion gives a true and fair view of the Company's assets and liabilities, of the financial position at 31 December 2011 and of the results of the Company's operations and cash flows for the financial year 2011.

Amsterdam, 22 March 2012

Directors

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Bart Jansen	**Jan S. Gustavsson**	**Isidro Helder**	**Hana Balcarova**

INCOME STATEMENT
YEAR ENDED 31 DECEMBER

	Notes	2011 €'000	2010 €'000
Interest income on loans to the Coca-Cola Hellenic Group	15	98,775	105,048
Other interest income		3,788	2,865
Total interest income		**102,563**	**107,913**
Interest expense on bank loans		(81,583)	(62,523)
Interest expense on loans from the Coca-Cola Hellenic Group	15	(5,588)	(11,448)
Total interest expense		**(87,171)**	**(73,971)**
Net interest income		**15,392**	**33,942**
Other finance costs		(5,385)	(9,646)
Net foreign exchange translation gains		2,259	5,290
Other operating expenses	3	(201)	(155)
Other non operating loss	3	(331)	-
Profit before taxation		**11,734**	**29,431**
Taxation	4	(3,013)	(1,562)
Net profit		**8,721**	**27,869**

STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER

	2011 €'000	2010 €'000
Profit after tax	8,721	27,869
Other comprehensive income:		
Amounts of losses arising from cash flow hedges	(4,232)	(8,272)
Total comprehensive income for the year	4,489	19,597

The Notes on pages 10 to 36 are an integral part of these financial statements.

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CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER

		2011 €'000	2010 €'000
Operating activities			
Profit before tax		**11,734**	29,431
Add back interest expense		**87,171**	73,971
Deduct interest income		**(102,563)**	(107,913)
Add back amortization of prepaid fees in respect of loans		**3,886**	2,644
Add back write off of receivable loan		**331**	-
Cash flows generated/(used) before working capital		**559**	**(1,867)**
Decrease in loans to Coca-Cola Hellenic Group	15	**253,058**	200,696
(Decrease)/increase in loans from Coca-Cola Hellenic Group	15	**(110,012)**	92,802
(Increase)/decrease in other assets		**(14,691)**	43,008
Increase in other liabilities		**81**	397
Interest received	15	**90,385**	107,779
Interest paid	15	**(103,753)**	(72,870)
Cash flow generated from operating activities		**115,627**	**369,945**
Financing activities			
Proceeds from external borrowings		**1,465,000**	895,000
Repayment of external borrowings		**(1,343,371)**	(1,156,353)
Repayment of share premium		**(125,000)**	-
Cash flow used in financing activities		**(3,371)**	**(261,353)**
Increase in cash and cash equivalents		**112,256**	**108,592**
Cash and cash equivalents at 1 January		**230,989**	122,397
Increase in cash and cash equivalents		**112,256**	108,592
Cash and cash equivalents at 31 December	9	**343,245**	**230,989**

The Notes on pages 10 to 36 are an integral part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER
(After profit appropriation)

	Notes	2011 €'000	2010 €'000
Assets			
Receivables from related parties	8,15	2,531,311	1,420,658
Derivative assets	5,6	69,501	73,071
Prepayments	7	1,103	1,109
Total non-current assets		2,601,915	1,494,838
Receivables from related parties	8,15	13,466	1,364,040
Derivative assets	5,6	5,945	1,894
Prepayments	7	634	1,358
Other current assets		26,400	11,696
Cash and cash equivalents	9	343,245	230,989
Total current assets		389,690	1,609,977
Total assets		2,991,605	3,104,815
Liabilities			
Short-term borrowings	9,10	250,000	432,163
Payables to related parties	8,15	192,489	184,236
Accrued interest payable		46,671	50,526
Derivative liabilities	5,6	5,863	1,450
Current tax liabilities	12	5,675	2,662
Other current liabilities/accruals		216	136
Total current liabilities		500,914	671,173
Long-term borrowings	10	1,857,043	1,557,170
Payables to related parties	8,15	218,086	336,253
Cross-currency swap payables relating to borrowings	5,6	130,802	136,065
Deferred income	11	1,117	-
Total non-current liabilities		2,207,048	2,029,488
Total liabilities		2,707,962	2,700,661
Equity			
Share capital	13	1,018	1,018
Share premium	13	263,064	388,064
Hedging reserve	16	(12,504)	(8,272)
Accumulated profit		32,065	23,344
Total shareholder's equity		283,643	404,154
Total equity		283,643	404,154
Total equity and liabilities		2,991,605	3,104,815

The Notes on pages 10 to 36 are an integral part of these financial statements.

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

YEAR ENDED 31 DECEMBER

	Share capital €'000	Share premium €'000	Hedging Reserve €'000	Accumulated (Loss)/Profit €'000	Total shareholder's equity €'000
As at 1 January 2010	1,018	388,064	-	(4,525)	**384,557**
Total comprehensive income for the year	-		(8,272)	27,869	**19,597**
As at 31 December 2010	**1,018**	**388,064**	**(8,272)**	**23,344**	**404,154**
Repayment share premium	-	(125,000)	-	-	**(125,000)**
Total comprehensive income for the year	-	-	(4,232)	8,721	**4,489**
As at 31 December 2011	**1,018**	**263,064**	**(12,504)**	**32,065**	**283,643**

The Notes on pages 10 to 36 are an integral part of these financial statements.

Coca-Cola HBC Finance B.V. – Annual Report 2011
Notes to the financial statements for the year ended 31 December 2011

1. General Information

Coca-Cola HBC Finance B.V. ('the Company'), a private limited liability Company, was incorporated in the Netherlands on 13 April 2001, as a 100% owned subsidiary of CC Beverages Holdings II B.V. with its statutory seat in Amsterdam and functions under the Laws of the Netherlands.

Registered Company number: 34154633
Registered address: Arlandaweg 12,1043 EW Amsterdam, the Netherlands

Effective February 2011 the Company's registered address is:

Registered address: Naritaweg 165,1043 BW Amsterdam, the Netherlands

The Company acts as a finance vehicle for the Coca-Cola Hellenic Group (the "Group" or the "Coca-Cola Hellenic Group"). Funding of these activities is done mainly through the European capital markets.

The Company was ultimately controlled throughout the period by Coca-Cola Hellenic Bottling Company S.A., which owns 100% of the ordinary shares of the Company through its subsidiary CC Beverages Holdings II B.V. Coca-Cola Hellenic Bottling Company S.A. is incorporated in Greece and copies of the group accounts are available from its registered office:

Coca-Cola Hellenic Bottling Company S.A.
9 Fragoklissias Street
151 25 Maroussi
Athens
Greece

The financial statements included in this document are prepared in accordance with International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board ('IASB') and IFRS as adopted by the European Union ('EU').

These financial statements are presented in Euro because that is the currency of the primary economic environment in which the Company operates.

2. Accounting Policies

The accounting policies used in the preparation of the financial statements of the Company are in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union and are consistent with those used in the annual financial statements for the year ended 31 December 2010 except for the new and revised accounting standards and interpretations issued by the International Accounting Standards Board ('IASB') and the International Financial Reporting Interpretations Committee ('IFRIC') of the IASB, adopted by the company in 2011.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of derivative financial instruments to fair value.

2. Accounting Policies (continued)

Use of estimates

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Although these estimates are based on management's best knowledge of current events and actions that may be undertaken in the future, actual results may ultimately differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The most significant estimates are outlined below:

Income taxes

The Company is subject to income tax in the Netherlands. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises provision for anticipated liabilities arising from tax audits, based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the income tax provision in the period in which such determination is made.

Fair values of derivatives and other financial instruments

The fair values of financial instruments that are not traded in an active market are determined using fair valuation techniques. The company uses its judgement to select a variety of fair valuation methods and makes assumptions that are mainly based on market conditions existing at each balance sheet date.

Revenue recognition

Revenue comprises interest income from the lending of money to related Group companies. The Company's major activity is borrowing money, predominately from third party investors, and lending money to related Group companies. For the provision of these services to the Group companies, a fee is included in the interest rates charged to them in accordance with intercompany agreements.

Interest Income

Interest income is recognised on a time proportion basis using the effective interest rate method. If a receivable was impaired, the company would reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the effective interest rate of the instrument, and continue unwinding the discount as interest income. Interest income on impaired loans is also recognised using the effective interest rate.

Receivables and payables

Since the principal activity of the Company is the provision of financial services to the Coca-Cola Hellenic Bottling Company S.A., receivables and payables relate to the borrowing and lending activities of the Company with the Coca-Cola Hellenic Bottling Company S.A. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Payables are recognised initially at fair value and, when applicable, subsequently measured at amortised cost using the effective interest rate method.

2. Accounting Policies (*continued*)

Foreign currency and translation

Transactions in currencies other than Euro are recorded at the rates of exchange prevailing on the dates of such transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange prevailing on the balance sheet date. All gains and losses arising on remeasurement are included in net profit or loss for the period, except for exchange differences arising on assets and liabilities classified as cash flow hedges, which are deferred in equity until the occurrence of the hedged transaction, at which time they are recognised in the income statement.

Translation differences of non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions (or the approximated rates).

Translation differences of non-monetary assets such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and highly liquid investments with a maturity of three months or less when purchased. For the purpose of the cash flow statement, bank overdrafts are classified as short-term borrowings. Cash and cash equivalents are stated at face value.

Borrowings

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

After initial recognition, all interest-bearing loans and borrowings are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method whereby any discount, premium or transaction costs associated with a loan or borrowing is amortised to the income statement over the borrowing period. For liabilities carried at amortised cost, which are not part of a hedging relationship, any gains or losses are recognised in the income statement over the borrowing period and when the loans and borrowings are derecognised or impaired.

Derivative financial instruments

The Company uses financial instruments, including interest rate swap contracts, interest rate option contracts, currency and commodity derivatives. Their use is undertaken only to manage interest, currency and commodity risk associated with the Company's and the Group's underlying business activities.

The Company documents at the inception of hedging transactions the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. This process includes linking the derivative financial instrument designated as a hedging instrument to the specific asset, liability, firm commitment or forecasted transaction. The Company also documents its assessment, both at the hedge inception and on an ongoing basis, of whether the derivative financial instruments that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

All derivative financial instruments are initially recognised in the balance sheet at fair value and are subsequently remeasured at their fair values. Changes in the fair values of derivative financial instruments are recognised each reporting period either in the income statement or in equity, depending on whether the derivative financial instrument qualifies for hedge accounting, and if so, whether it qualifies as a fair value hedge or a cash flow hedge.

All derivative financial instruments that are not part of an effective hedging relationship (undesignated hedges) are classified as assets or liabilities at fair value through profit and loss.

2. Accounting Policies (*continued*)

Changes in the fair values of derivative financial instruments that are designated and qualify as fair value hedges and that are effective, are recorded in the income statement, along with the portions of the changes in the fair values of the hedged items that relate to the hedged risks. Changes in the fair value of derivative financial instruments that are designated, as hedges of future cash flows and that are effective are recognised directly in equity and the ineffective portion, if any, is recognised immediately in profit or loss. Amounts recognised directly in equity are recycled to profit and loss as the related asset acquired or liability assumed affects profit and loss. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in profit or loss as they arise. Regular way purchases and sales of financial assets are accounted for at trade date.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset when such reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Share capital

There is only one class of shares. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded to the share premium reserve.

Incremental external costs directly attributable to the issue of new shares or to the process of returning capital to shareholders are recorded in equity as a deduction, net of tax, in the share premium reserve.

Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders.

Comparative figures

Comparative figures have been reclassified where necessary to conform to changes in presentation in the current year.

Accounting pronouncements adopted in 2011

In the current year, the Company has adopted all of the new and revised standards and interpretations issued by the IASB and the International Financial Reporting Interpretations Committee ('IFRIC') of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2011. None of these standards and interpretations had a significant effect on the financial statements of the Company. The revised standards and interpretations are:

2. Accounting Policies (*continued*)

Amendment to IAS 32, '*Financial instruments: Presentation – Classification of rights issues*'. The standard was amended to allow rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency to be classified as equity instruments provided the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. There was no impact to the Company's financial statements as a result of adopting this amendment.

IFRIC 19, '*Extinguishing financial liabilities with equity instruments*'. The interpretation clarifies the requirements of IFRSs when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. There was no impact to the Company's financial statements as a result of adopting this interpretation.

IAS 24, '*Related party disclosures*' (revised 2009). The revised standard amends the definition of a related party and modifies certain related-party disclosure requirements for government-related entities. There was no impact to the Company's financial statements as a result of adopting the revised standard.

Amendment to IFRIC 14, '*IAS 19 – The limit on defined benefit assets, minimum funding requirements and their interaction*'. The amendment removes unintended consequences arising from the treatment of pre-payments where there is a minimum funding requirement. The amendment results in pre-payments of contributions in certain circumstances being recognised as an asset rather than an expense. As the Company does not have assets from voluntary prepayments for minimum funding contributions the amendment did not have an impact on the Company's financial statements.

As part of its annual improvement process, in May 2010 the IASB issued the following amendments to standards and interpretations. There was no impact to the Company's financial statements as a result of adopting these amendments:

IFRS 3, '*Business Combinations*': The amendments to the standard specify that the option to measure non-controlling interests either at fair value or at the proportionate share of the acquiree's net identifiable assets at the acquisition date applies only to non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation. All other components of non-controlling interests should be measured at their acquisition date fair value. Furthermore, the amendments to the standard clarify the treatment of the un-replaced and voluntary replaced share based payment awards and also clarify the transitional requirements for contingent consideration from a business combination that occurred before the effective date of IFRS 3(2008).

IFRS 7, '*Financial Instruments: Disclosures*' The amendments to the standard encourage specific qualitative disclosures and clarify the required level of disclosure around credit risk and collateral held and provide relief from disclosure of renegotiated loans.

IAS 1, '*Presentation of Financial Statements*' The amendments to the standard clarify that an entity may present the analysis of other comprehensive income by item either in the statement of changes in equity or in the notes to the financial statements.

IAS 27, '*Consolidated and Separate Financial Statements*' The amendments to the standard provide clarification on the transitional requirements resulting from the amendments of IAS 27 (2008).

IFRIC 13, '*Customer Loyalty Programmes*' The amendments to the interpretation clarify that the 'fair value' of award credits should take into account i) the amount of discounts or incentives that would otherwise be offered to customers who have not earned award credits from an initial sale, and ii) any expected forfeitures.

2. Accounting Policies (*continued*)

IAS 34, '*Interim Financial Reporting*' The amendments to the standard provide further clarification that disclosures for significant events and transactions in interim periods should update the relevant information presented in the most recent annual financial report.

Accounting pronouncements not yet adopted

At the date of approval of these financial statements, the following standards and interpretations relevant to Company's operations were issued but not yet effective and not early adopted:

IFRS 9, '*Financial Instruments*' addresses the classification, measurement and recognition of financial assets and liabilities. IFRS 9 was issued in November 2009 and October 2010 and it replaces parts of IAS 39, '*Financial Instruments: Recognition and Measurement*' that relate to the classification and measurement of financial instruments. The standard introduces new requirements for classifying and measuring financial assets and eliminates the available-for-sale and held-to-maturity categories. It separates financial assets into two categories; those measured at amortised cost and those measured at fair value. For financial liabilities the standard retains most of the IAS 39 requirements, the main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. IFRS 9 will be effective for annual periods beginning on or after 1 January 2015. The standard has not yet been adopted by the EU. The Company is currently evaluating the impact this standard will have on its financial statements.

In October 2010, the IASB issued amendments to IFRS 7, '*Financial Instruments: Disclosures*' as part of its comprehensive review of off balance sheet activities. The amendments require additional disclosures of the full or partial derecognition of financial assets that are transferred to a counterparty under certain conditions. Specifically, the amendments require disclosures of the relationship between transferred financial assets that are not derecognised in their entirety and the associated liabilities; as well as disclosure of the nature of, and risks associated with, an entity's continuing involvement in derecognised financial assets. The amended standard is effective for annual periods beginning on or after July 1, 2011. The amendments to the standard are not expected to have a significant impact on the Company's financial statements.

The amendment IAS 12, '*Income Taxes – Recovery of Underlying Assets*' clarified the determination of deferred tax on investment property measured at fair value. The amendment introduces a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, it introduces the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in IAS 16 always be measured on a sale basis of the asset. The amendment becomes effective for annual periods beginning on or after 1 January 2012 and is not expected to have an impact on the Company's financial statements.

In May 2011 the IASB issued IFRS 10, '*Consolidated Financial Statements*' which is effective for annual periods beginning on or after 1 January 2013. The new standard changes the definition of control and replaces all guidance on control and consolidation in IAS 27, '*Consolidated and Separate Financial Statements*' (which has been amended accordingly) and SIC-12, '*Consolidation—Special Purpose Entities*'. The Company expects that the new standard will have no impact on its financial statements. The new standard has not yet been adopted by the EU.

In May 2011 the IASB issued IFRS 11, '*Joint Arrangements*' which is effective for annual periods beginning on or after 1 January 2013. The new standard classifies joint arrangements as either joint operations or joint ventures and supersedes IAS 31, '*Interests in Joint Ventures* and SIC-13—*Jointly Controlled Entities–Non-Monetary*

2. Accounting Policies (*continued*)

Contributions by Venturers'. The new standard requires the use of the equity method of accounting for interests in joint ventures. The determination of as to whether a joint arrangement is a joint operation or a joint venture is based on the parties' rights and obligations under the arrangement. The Company expects that the new standard will have no impact on its financial statements. The new standard has not yet been adopted by the EU.

In May 2011 the IASB issued IFRS 12, '*Disclosures of Interests in Other Entities*' which is effective for annual periods beginning on or after 1 January 2013. The new standard sets out the required disclosures for entities reporting under IFRS 10 and IFRS 11; it replaces the disclosure requirements currently found in IAS 28 *Investments in associates* (which has been amended accordingly). The Company expects that the new standard will have no impact on its financial statements. The new standard has not yet been adopted by the EU.

In May 2011 the IASB issued IFRS 13, '*Fair Value Measurement*' which is effective for annual periods beginning on or after 1 January 2013. The new standard defines fair value and establishes a single framework for measuring fair value where that is required by other standards and introduces consistent requirements for disclosures on fair value measurements. The standard applies to both financial and non-financial assets and liabilities which are measured at fair value. The Company is currently evaluating the impact this standard will have on its financial statements. The new standard has not yet been adopted by the EU.

In June 2011 the IASB issued a revised version of IAS 19, '*Employee Benefits*' which is effective for annual periods beginning on or after 1 January 2013. The revised standard includes a number of changes and clarifications to IAS 19, the most significant being the removal of the corridor mechanism for pension plans so that all changes in defined benefit plans will be recognised as they occur, with actuarial gains and losses being recorded in other comprehensive income. The concept of expected return on plan assets has also been removed. The Company expects that the revised standard will have no impact on its financial statements. The new standard has not yet been adopted by the EU.

In June 2011 The IASB issued amendments to IAS 1, '*Presentation of Financial Statements*' which are effective for annual period beginning on or after 1 July 2012. The amendments require the separation of items presented in other comprehensive income into two groups, based on whether or not they may be recycled to the income statement in the future. The Company is currently evaluating the impact the amendments will have on its financial statements. The amendments have not yet been adopted by the EU.

In December 2011 the IASB issued an amendment to IFRS 7, '*Financial Instruments: Disclosures—Offsetting Financial Assets and Financial Liabilities*' which is effective for annual reporting periods beginning on or after January 1, 2013. The new disclosures will require entities to disclose gross amounts subject to rights of set-off, amounts set off in accordance with the accounting standards, and the related net credit exposure. The Company is currently evaluating the impact the amendments will have on its financial statements. The amendments have not yet been adopted by the EU.

In December 2011 the IASB issued and amendment of IAS 32, '*Financial Instruments: Presentation*' which is effective for annual reporting periods beginning on or after 1 January 2014. This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. This amendment has not yet been adopted by the EU. The Company is currently evaluating the impact this standard will have on its financial statements.

3. Other operating expenses and non operating loss

	2011 €'000	2010 €'000
Auditor's remuneration	21	29
General administrative expenses	180	126
Total other operating expenses	**201**	**155**

The general and administrative expenses of 2011 include an amount of €13 thousands for personnel expenses (2010: nil).

	2011 €'000
Gross salary	12
Social charges	1
Total personnel expenses	**13**

The non operating loss of €331 thousands recorded in 2011, relates to the partial write-off of the intercompany loan with Ilko Hellenic Partners (refer to note 15).

4. Taxation

The Company performs primarily financing activities for the Coca-Cola Hellenic Bottling Company S.A. Group with the required funds for its activity being borrowed from both internal and external funding sources. For these activities, the Company charges to the Coca-Cola Hellenic Bottling Company S.A. Group companies an arm's length remuneration and as a result, thereof a profit (interest) margin is earned in the Netherlands. This interest margin, after deduction of administrative expenses, is subject to taxation in the Netherlands.

The Company and CC Beverages Holdings II B.V. form a fiscal unity for Dutch corporate income tax purposes. The Company has recorded a corporate income tax charge in its financial statements for the year 2011 of total value €3,013 thousands.

	2011 €'000	2010 €'000
Profit before tax	11,734	29,431
Tax charge for the year	3,013	2,662
Adjustments to prior years	-	(1,100)
Current Taxation	**3,013**	**1,562**

4. Taxation (*continued*)

In 2010 the tax provision for previous years of total value €1,100 thousands has been reversed as no tax liability will arise for the fiscal years ended up to and including 2009.

The Company has signed in March 2011 an Advanced Pricing Agreement (APA) with the Dutch tax authorities for the period 1 January 2010 through 31 December 2013. The APA gives certainty in advance with respect to the Dutch corporate income tax position of the company (as part of the Dutch fiscal unity with CC Beverages Holdings II B.V.). The income tax calculated reflects the tax amount based on the APA. The minimum taxable income of the Company, as described in the APA, is based on a predetermined profit margins on average loans receivable and on average equity.

The amount reflected in the total shareholder's equity is net of tax. The total amount of tax has been taken into account in the accumulated profit; no tax has been allocated to the hedging reserve.

5. Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk), credit risk, liquidity risk and capital risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Group Treasury in a controlled manner, consistent with the Board of Directors' approved policies. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's subsidiaries. The Board of Directors has approved the Treasury Policy and Chart of Authority, which together provide the control framework for all treasury and treasury related transactions.

Market Risk

Foreign currency risk

The Company is exposed to the effect of foreign currency risk on recognised assets and liabilities that are denominated in currencies other than the functional currency. Foreign currency forward contracts and foreign currency option contracts are used to hedge a portion of the Company's foreign currency risk. The majority of the foreign currency forward contracts and foreign currency option contracts have maturities of less than one year after the balance sheet date and consequently the net fair value of the gains or losses on these contracts will be accounted for in the income statement at various dates during this period.

The following tables present details of the Company's sensitivity to reasonably possible increases and decreases in the euro and US dollar against the relevant foreign currencies. In determining reasonable possible changes, the historical volatility over a twelve-month period of the respective foreign currencies in relation to the euro and the US dollar, has been considered. The sensitivity analysis determines the potential gains and losses in the income statement or equity arising from the Group's foreign exchange positions as a result of the corresponding percentage increases and decreases in the Company's main foreign currencies, relative to the euro and the US dollar. The sensitivity analysis includes outstanding foreign currency denominated monetary items, external loans as well as loans between operations within the Company where the denomination of the loan is in a currency other than the currency of the local entity. The sensitivity analysis for exchange risk for 2011 and 2010 was as follows:

5. Financial risk management *(continued)*

2011 exchange risk sensitivity analysis

	% change	Euro strengthens against local currency		Euro weakens against local currency	
		Gain/(loss) in income statement	(Loss)/gain in equity	(Loss)/gain in income statement	Gain/(loss) in equity
		€'000	€'000	€'000	€'000
US dollar	11.09	25,197	(2,135)	(31,780)	2,668
Romanian leu	4.76	(150)	-	175	-
Russian rouble	8.66	142	-	(169)	-
Polish zloty	10.31	(783)	-	963	-
UK sterling	8.02	5,544	-	(6,511)	-
Hungarian forint	11.70	(39)	-	83	-
Czech koruna	6.71	(354)	-	564	-
Croatian Kuna	1.68	54	-	(54)	-
Swiss franc	14.95	(402)	-	1,430	-
Total		**29,209**	**(2,135)**	**(35,299)**	**2,668**

	% change	US dollar strengthens against local currency		US dollar weakens against local currency	
		(Loss)/gain in income statement	Gain/(loss) in equity	Gain/(loss) in income statement	(Loss)/gain in equity
		€'000	€'000	€'000	€'000
Euro	11.09	(26,389)	2,135	32,972	(2,668)
Total		**(26,389)**	**2,135**	**32,972**	**(2,668)**

2010 exchange risk sensitivity analysis

	% change	Euro strengthens against local currency		Euro weakens against local currency	
		(Loss)/gain in income statement	Gain/(loss) in equity	Gain/(loss) in income statement	(Loss)/gain in equity
		€'000	€'000	€'000	€'000
US dollar	10.3	3,550	3,012	(4,376)	(2,406)
Romanian leu	5.1	186	-	(207)	-
Russian rouble	8.6	1	-	(1)	-
Polish zloty	10.6	(12)	-	(51)	-
UK sterling	8.4	(88)	5,839	104	(6,907)
Hungarian forint	11.3	(422)	-	529	-
Czech koruna	6.2	(812)	-	919	-
Swiss franc	8.7	(3,122)	-	3,713	-
Total		**(719)**	**8,851**	**630**	**(9,313)**

5. Financial risk management *(continued)*

	% change	US dollar strengthens against local currency		US dollar weakens against local currency	
		(Loss)/gain in income statement	(Loss)/gain in equity	Gain/(loss) in income statement	Gain/(loss) in equity
		€'000	€'000	€'000	€'000
Euro	10.3	(3,327)	(3,012)	4,087	3,700
Total		**(3,327)**	**(3,012)**	**4,087**	**3,700**

Interest rate risk

The fair value of interest rate swap agreements utilised by the Company modifies the Company's exposure to interest rate risk and the changes in fair value of debt by converting the Company's fixed rate debt into floating rate obligation based on EURIBOR over the life of the underlying US$500.0 million notes. The agreements involve the receipt of fixed rate interest payments in exchange of floating rate interest payments over the life of the agreement without an exchange of the underlying principal amount. In June and July 2009, the Company unwound two euro interest rate swap contracts with a notional value of €207.5 million, while in June and July 2010 the Company unwound the remaining interest rate swap contracts with a notional value of €292.5 million all of which related to the €500.0 million 7-year euro-denominated fixed rate bond that matured in 2011. Furthermore, in June and July 2010 the Company unwound the interest rate swap contracts with notional value of €500.0 million, which related to the €500.0 million 5-year euro-denominated fixed rate bond that matures in 2014.

During 2009, the Company purchased interest rate option contracts on floating rate debt in order to continue to benefit from lower floating interest rates whilst ensuring protection against adverse interest rate movements. These interest rate options were sold in June and July 2010.

During 2011, the Company recognized in interest expense a loss of €6.6 million in relation to the ineffective portion of the swaps which qualified for hedge accounting compared to a gain of €1.0 million in 2010.

The sensitivity analysis in the following paragraphs has been determined based on exposure to interest rates of both derivative and non-derivative instruments existing at the balance sheet date and assuming constant foreign exchange rates. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates.

If interest rates had been 100 basis points higher and all other variables were held constant, the Company's profit for the year ended 31 December 2011 would have decreased by €6.6 million (2010: decreased by €3.6 million).

If interest rates had been 100 basis points lower and all other variables were held constant, the Company's profit for the year ended 31 December 2011 would have increased by €5.9 million (2010: increased by €2.5 million). This is mainly attributable to the Company's exposure to interest rates on its fixed rate bond that have been swapped to a floating obligation.

Credit Risk

The Company has limited concentrations of credit risk. The Company has policies that limit the amount of credit exposure to any single financial institution.

5. Financial risk management (*continued*)

The Company's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at 31 December 2011 in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the balance sheet.

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Company's maximum credit risk exposure for each derivative instrument is the carrying amount of the derivative (refer to note 6.) In addition, the Company regularly makes use of money market funds to invest temporarily excess cash balances and to diversify its counterparty risk. These funds all have a minimum AAA rating and strict investment limits are set, per fund, depending on the size of the fund.

The Company only undertakes investment transactions with banks and financial institutions that have a minimum credit rating of 'A+/A1' from Standard & Poor's or 'A1/P1' from Moody's. In relation to derivative transactions, the financial institutions are required to have at least one long-term credit rating of 'A+' or 'A1' from Standard & Poor's or Moody's respectively.

Liquidity Risk

The Company actively manages liquidity risk to ensure there are sufficient funds available for any short-term and long-term commitments. The commercial paper program as well as the unused revolving credit facility are used to cover this risk.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, access to the debt capital markets, and by continuously monitoring forecast and actual cash flows. Included in note 10 is a listing of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

The following tables detail the Company's remaining contractual maturities for its financial liabilities. The table includes both interest and principal undiscounted cash flows, assuming that the interest rates remain constant as at 31 December 2011:

2011	**Less than 1 year €'000**	**1 to 2 years €'000**	**2 to 5 years €'000**	**More than 5 years €'000**
Bonds, bills and unsecured notes[1]	334,628	495,440	1,581,841	-
Foreign currency forward and option contracts	5,863	-	-	-
Other Borrowings	196,632	3,345	10,036	220,738
As at 31 December	**537,123**	**498,785**	**1,591,877**	**220,738**

[1] Including the effect of interest rate swaps

5. Financial risk management (*continued*)

2010	Less than 1 year €'000	1 to 2 years €'000	2 to 5 years €'000	More than 5 years €'000
Bonds, bills and unsecured notes[2]	514,361	69,175	1,419,190	312,806
Foreign currency forward and option contracts	1,450	-	-	-
Other Borrowings	188,997	340,787	-	-
As at 31 December	**704,808**	**409,962**	**1,419,190**	**312,806**

The Company hedges exposures to changes in the fair value of debt, as well as in the foreign exchange cash flows of debt by using a combination of interest rate and cross-currency swap contracts (refer to Notes 6 and 10). Therefore, the impact of these instruments has been included in the aggregate interest and principal undiscounted cash flows related to the underlying borrowings presented above.

Capital Risk

The Company operates within the goals and objectives set out by the Group.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as going concern and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may increase or decrease debt, issue or buy back shares, adjust the amount of dividends paid to shareholders, or return capital to shareholders. The Company may increase or decrease its debt in order to reach the optimal capital structure.

The Group's goal is to maintain a conservative financial profile. This is evidenced by the strong credit ratings maintained with Standard & Poor's and Moody's. The corporate credit ratings by Standard & Poor's remained unchanged over the period, i.e. "A" long term, "A1" short term and stable outlook. In November 2011, Moody's affirmed Coca-Cola Hellenic's "A3" long-term, "P2" short-term corporate credit ratings but changed the outlook to negative. The Group monitors its capital structure on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Total capital is calculated as 'Total equity' plus 'Net debt' as shown in the consolidated balance sheet. The Group's strategy is to maintain a gearing ratio within a 35% to 45% range. The gearing ratios of the group at 31 December 2011 and 2010 are included in the Group's consolidated financial statements.

Fair values of financial assets and liabilities

For financial instruments such as cash, deposits, debtors and creditors, investments, short-term borrowings (excluding the current portion of bonds and notes payable) and other financial liabilities (other than bonds and notes payable), carrying values are a reasonable approximation of their fair values.

According to the fair value hierarchy, the financial instruments measured at fair value are classified as follows:

Level 1
The fair value of available-for-sale listed equity securities is based on quoted market prices at 31 December 2011. No financial instruments have been classified under this hierarchy.

[2] Including the effect of interest rate swaps

5. Financial risk management (*continued*)

Level 2
The fair value of foreign currency forward contracts, foreign currency option contracts, bonds and notes payable, interest rate swap contracts and cross-currency swap contracts is determined by using valuation techniques. These valuation techniques maximise the use of observable market data. The fair value of foreign currency forward contracts, foreign currency option contracts and cross-currency swap contracts is calculated by reference to quoted forward exchange and deposit rates at 31 December 2011 for contracts with similar maturity dates. The fair value of interest rate option contracts is calculated by reference to the Black and Scholes valuation model and implied volatilities. The fair value of bonds and notes payable has been determined on the basis of the estimated present value of future cash flows based on observable yield curves. The fair value of interest rate swap contracts is determined as the difference in the present value of the future interest cash inflows and outflows based on observable yield curves.

Level 3
The fair value of available-for-sale unlisted investments is determined though the use of estimated discounted cash flows. No financial instruments have been classified under this hierarchy.

The following tables provides the fair value hierarchy in which fair value measurements are categorised for assets and liabilities at respectively 31 December 2011 and 31 December 2010:

31 December 2011	Level 1 € 000	Level 2 € 000	Level 3 € 000	Total € 000
Financial assets at FVTPL				
Foreign currency forward/option contracts	-	5,945	-	5,945
Derivative financial assets used for hedging				
Fair value hedges				
Foreign currency forward/option contracts	-	-	-	-
Interest rate swap contracts	-	25,721	-	25,721
Cash flow hedges				
Interest rate swap contracts	-	43,780	-	43,780
Total financial assets	-	**75,446**		**75,446**
Financial liabilities at FVTPL				
Cross-currency swap contracts	-	(60,914)		(60,914)
Foreign currency forward/option contracts	-	(5,863)	-	(5,863)
Hedged financial liabilities				
Bonds and notes payable	-	(748,896)	-	(748,896)
Derivative financial liabilities used for hedging				
Fair value hedges				
Foreign currency forward/option contracts	-	-	-	-
Cash flow hedges	-			
Cross-currency swap contracts	-	(69,888)	-	(69,888)
Total financial liabilities	-	**(885,561)**	-	**(885,561)**

5. Financial risk management (*continued*)

31 December 2010	Level 1 € 000	Level 2 € 000	Level 3 € 000	Total € 000
Financial assets at FVTPL				
Foreign currency forward/option contracts	-	1,869	-	1,869
Derivative financial assets used for hedging				
Fair value hedges				
Foreign currency forward/option contracts	-	25	-	25
Interest rate swap contracts	-	35,390	-	35,390
Cash flow hedges				
Interest rate swap contracts	-	37,681	-	37,681
Total financial assets	-	**74,965**		**74,965**
Financial liabilities at FVTPL				
Cross-currency swap contracts	-	(72,632)		(72,632)
Foreign currency forward/option contracts	-	(1,434)	-	(1,434)
Hedged financial liabilities				
Bonds and notes payable	-	(744,132)	-	(744,132)
Derivative financial liabilities used for hedging				
Fair value hedges				
Foreign currency forward/option contracts	-	(16)	-	(16)
Cash flow hedges	-			
Cross-currency swap contracts	-	(63,433)	-	(63,433)
Total financial liabilities	-	**(881,647)**	-	**(881,647)**

6. Financial Instruments

The fair values of derivative financial instruments at 31 December designated as cash flow hedges were:

	2011	**2010**
	€'000	**€'000**
Contracts with positive fair values		
Interest rate swap contracts	43,780	37,681
	43,780	**37,681**
Contracts with negative fair values		
Cross-currency swap contracts	(69,888)	(63,433)
	(69,888)	**(63,433)**

Cash flows from the Company's cash flow hedges at 31 December 2011 are expected to occur and, accordingly, affect profit or loss in 2012, except for the combined interest rate/cross currency swap hedging contracts used for the $400m bond for which cash flows are expected to occur and affect profit or loss up to 2015.
The fair values of derivative financial instruments at 31 December designated as fair value hedges were:

6. Financial Instruments *(continued)*

	2011 €'000	2010 €'000
Contracts with positive fair values		
Interest rate swap contracts	25,721	35,390
Foreign currency forward/option contracts	-	25
	25,721	**35,415**
Contracts with negative fair values		
Foreign currency forward/option contracts	-	(16)
	-	**(16)**

The fair values of derivative financial instruments at 31 December, which form economic hedges, but for which hedge accounting has not been applied, were:

	2011 €'000	2010 €'000
Contracts with positive fair values		
Foreign currency forward/option contracts	5,945	1,869
	5,945	**1,869**
Contracts with negative fair values		
Foreign currency forward/option contracts	(5,863)	(1,434)
Cross-currency swap contracts	(60,914)	(72,632)
	(66,777)	**(74,066)**

As at 31 December 2011, other receivables of € 26.3 million (2010: €11.6 million) served as collateral for net open positions of interest rate and cross currency swap derivative financial instruments. The collateral resets monthly and earns interest based on Euro Overnight Index Average (EONIA) rate.

Foreign currency Forward and Option contracts
The notional principal amounts of the outstanding foreign currency forward and option contracts at 31 December 2011 are €241.4 million (2010: €317.1 million).

Interest rate swap contracts
The Company uses interest rate swap contracts to hedge its exposure to changes in the fair value of its debt (refer to Note 10), as well as to hedge the foreign exchange cash flow exposure on the $400 million fixed rate debt. In June and July 2010, the Company adjusted its interest rate profile by unwinding the euro denominated interest rate swap contracts maturing in 2011 and 2014. As a result, an amount of €1.4 million was credited to the income statement in 2010, in interest expense line. At 31 December 2011, the notional principal amount of the outstanding US dollar denominated interest rate swap contracts were $900.0 million (2010: $900.0 million). The interest rate swap contracts outstanding at 31 December 2011 were as follows:

6. Financial Instruments *(continued)*

Currency	Amount million	Start Date	Maturity Date	Receive fixed rate	Pay floating rate
USD	500	17 September 2003	17 September 2013	5.125%	Libor + margin
USD	400	17 September 2003	17 September 2015	5.500%	Libor + margin
	900				

Repricing dates for all US dollar denominated interest rate swap contracts are the 17th of March and the 17th of September annually until maturity.

Cross-currency swap contracts

The Company entered into cross-currency swap contracts to cover the currency risk related to its US dollar denominated debt (refer to Note 10). At 31 December 2011 the fair value of the cross-currency swap contracts represented a liability of € 130.8 million (2010: €136.1 million). The cross-currency swap contracts are recorded as long-term liabilities, as the maturities of the instruments match the underlying notes. The € 5.3 million gain (2010: €39.3 million gain) on the cross-currency swap contracts during 2011 was more than offset by the € 21.1 million loss (2010: €44.9 million loss) recorded on the translation of the US dollar-denominated debt to euro.

Part of the restructuring of the Company's interest rate profile which took place in June and July 2010 was the change of the interest rate conditions of the paying leg of the cross currency swap contracts maturing in 2015 from Euribor plus margin to a fixed rate.

The notional principal amounts of the outstanding cross-currency swap contracts at 31 December 2011 total €803.9 million (2010: €803.9 million). The cross-currency swap contracts outstanding at 31 December 2011 can be summarised as follows:

$ million	€ million	Start date	Maturity date	Receive floating rate	Pay rate
500.0	446.8	17 September 2003	17 September 2013	Libor + margin	Euribor + margin
250.0	223.2	17 September 2003	17 September 2015	Libor + margin	2.7175%
100.0	89.3	17 September 2003	17 September 2015	Libor + margin	2.7500%
50.0	44.6	17 September 2003	17 September 2015	Libor + margin	2.6750%
900.0	**803.9**				

Repricing dates for all US dollar denominated cross currency swap contracts are the 17th of March and the 17th of September annually until maturity.

6. Financial Instruments *(continued)*

Categories of financial assets and liabilities are as follows (in €'000):

	2011 €'000	2010 €'000
Cash and cash equivalents	343,245	230,989
Derivative financial instruments	(61,219)	(62,550)
Loans and receivables	2,571,177	2,796,394
Liabilities held at amortised cost	(2,565,622)	(2,560,484)
Total	**287,581**	**404,349**

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Company's maximum credit risk exposure for each derivative instrument is the carrying amount of the derivative.

The Company's maximum credit risk exposure for each class of derivative instrument is as follows:

	Assets €'000	Liabilities €'000
At 31 December 2011		
Current		
Foreign currency forward/option contracts	5,945	(5,863)
Total current	**5,945**	**(5,863)**
Non-current		
Interest rate swap contracts	69,501	-
Cross currency swap contracts	-	(130,802)
Total non-current	**69,501**	**(130,802)**

	Assets €'000	Liabilities €'000
At 31 December 2010		
Current		
Foreign currency forward/option contracts	1,894	(1,450)
Total current	**1,894**	**(1,450)**
Non-current		
Interest rate swap contracts	73,071	-
Cross currency swap contracts	-	(136,065)
Total non-current	**73,071**	**(136,065)**

6. Financial Instruments *(continued)*

Derivatives held by the Company have given rise to the following amounts being recorded in the income statement:

2011	Ineffectiveness charged to income statement €'000	Fair value hedges charged to income statement €'000	Cash flow hedges taken to equity €'000
Derivatives			
Interest rate swap contracts for fair value hedging (charged to interest expense)	1,068	(9,669)	-
Interest rate and Cross currency swap contracts for cash flow hedging (charged to interest expense and equity)	5,500	-	9,732
Foreign currency forwards and options (charged to foreign exchange losses)	-	(362)	-
Hedged items			
Borrowings	-	9,669	(15,232)
Total	**6,568**	**(362)**	**(5,500)**

2010	Ineffectiveness charged to income statement €'000	Fair value hedges charged to income statement €'000	Cash flow hedges taken to equity €'000
Derivatives			
Interest rate swap contracts for fair value hedging (charged to interest expense)	(3,809)	(27,741)	-
Interest rate and Cross currency swap contracts for cash flow hedging (charged to interest expense and equity)	2,842	-	8,272
Foreign currency forwards and options (charged to foreign exchange gains)	-	1,987	-
Hedged items			
Borrowings	-	27,741	(11,114)
Other foreign currency liabilities/assets	-	(1,552)	-
Total	**(967)**	**435**	**(2,842)**

7. Prepayments

Non-current prepayments for the year ending 31 December 2011 of €1.1 million (2010: €1.1 million) relate to the bookvalue of the non-current portion of finance costs of €1.6 million relating to the €500 million syndicated loan facility (refer to Note 10 – Borrowings) that were prepaid at inception. The amount which was amortized during the year was €0.2 million and the remainder of €0.3 million is presented under current prepayments.

Current prepayments for the year ending 31 December 2011 relate to the current portion of finance costs €0.3 million (2010: €1.2 million) relating to the €500 million syndicated loan facility that were prepaid at inception, as well as prepaid interest relating to the outstanding Commercial Paper of €0.2 million (2010: €0.1 million) and other prepaid expenses of €0.1 million (2010: €0.1 million).

8. Receivables and payables

Receivables and payables relate to the lending and borrowing activity of the Company with Coca-Cola Hellenic Group companies. For further information, refer to Note 15– Related party transactions.

9. Cash and cash equivalents

Cash and cash equivalents at 31 December comprise the following:

	2011 €'000	2010 €'000
Cash at bank, in transit and in hand/(bank overdrafts) (refer to Note 10)	1,273	(224)
Short term deposits and investment funds	341,972	230,989
Total cash and cash equivalents	**343,245**	**230,765**

Cash and cash equivalents include no deposits at 31 December 2011 (2010: €50.0 million).

10. Borrowings

The Company holds the following borrowings at 31 December:

	2011 €'000	2010 €'000
Bank overdrafts	-	224
Commercial paper	250,000	127,000
Current portion of long-term bonds, bills and unsecured notes	-	304,939
Total borrowings falling due within one year	**250,000**	**432,163**
Bonds, bills and unsecured notes falling due within one to two years	410,867	-
Bonds, bills and unsecured notes falling due within two to five years	1,446,176	1,258,787
Bonds, bills and unsecured notes falling due in more than five years	-	298,383
Total borrowings falling due after one year	**1,857,043**	**1,557,170**
Total borrowings	**2,107,043**	**1,989,333**

10. Borrowings *(continued)*

Commercial paper programme and committed credit facilities

In March 2002, the Company established a €1.0 billion global commercial paper programme to further diversify its short-term funding sources. The programme consists of a euro commercial paper facility and a US dollar-denominated US commercial paper facility, which is currently not active. The commercial paper notes may be issued either as non-interest bearing notes sold at a discount or as interest bearing notes at a fixed or at a floating rate, or by reference to an index or formula. All commercial paper issued under the programme must be repaid within 1 to 365 days. The outstanding amount under the euro commercial paper facility at 31 December 2011 was € 250.0 million (2010: €127.0 million).

In May 2011, the Company replaced its existing €500.0 million syndicated loan facility expiring on 17 December 2012 with a new €500.0 million syndicated loan facility, issued through various financial institutions, expiring on 11 May 2016. As a result an amount of €1.9 million additional fee amortisation was charged to the income statement, in the finance costs line. This facility can be used for general corporate purposes and carries a floating interest rate over Euribor and Libor. The facility allows the Company to draw down, on three to five days notice, amounts in tranches and repay them in periods ranging from one to six months, or any other period agreed between the financial institutions and Coca-Cola Hellenic. No amounts have been drawn under any of the above mentioned syndicated loan facilities since inception. There are no financial convenants applicable to this facility.

Euro medium-term note programme ('EMTN')

In 2001, the Company has established a €2.0 billion euro medium-term note programme. Bonds issued under the programme through the Company are fully, unconditionally and irrevocably guaranteed by Coca-Cola Hellenic, as well as Coca-Cola HBC Finance plc (for issues prior to 2009), and are not subject to any financial covenants.

In July 2004, the Company successfully completed a €500.0 million bond issue. The issue was completed as part of the Coca-Cola Hellenic's Euro Medium Term Note programme and had a term of seven years. In December 2010, Coca-Cola Hellenic finalized a cash tender offer through its subsidiary Coca-Cola HBC Finance B.V. for the repurchase of it existing €500.0 million 4.375 % fixed rate notes due in 15 July 2011. On 14 December 2010, Coca-Cola HBC Finance B.V. purchased an aggregate amount of €198.9 million, which was almost 40% of the total issued €500.0 million euro-denominated bond. Consequently, an amount of €1.7 million was charged to the income statement, in the finance costs line.

In December 2008, the Company completed the issue of a €500.0 million 5-year euro-denominated fixed rate bond. Proceeds from the bond offering were partly used to pay for the acquisition of Socib S.p.A. by Coca-Cola Hellenic and partly to refinance the floating rate bond that matured in March 2009.

In November 2009, the Company completed the issue of a €300 million 7-year euro-denominated fixed rate bond. Proceeds from the bond offering were used to fund the capital return payment of Coca-Cola Hellenic and it allowed Coca-Cola Hellenic to extend its maturity profile.

In March 2011, Coca-Cola Hellenic completed the successful offering of an additional €300 million 4.25% fixed rate notes to be consolidated and form a single series with the existing €300 million 4.25% fixed rate notes due 16 November 2016 issued on 16 November 2009. The €300 million additional notes bring the total outstanding amount of the series to €600 million. The proceeds of the issue were used to repay the outstanding balance of the €301.1 million 4.375% fixed rate notes, matured on 15 July 2011.

10. Borrowings (*continued)*

As at 31 December 2011, a total of €1.1 billion in Eurobonds issued under the €2.0 billion Euro Medium Term Note programme were outstanding. A further amount of €0.9 billion is available for issuance.

Notes issued in the US market
In September 2003, the Company successfully completed a US$900.0 million (€694.4 million at 31 December 2011 exchange rates) global offering of privately placed notes with registration rights. The first tranche consisted of an aggregate principal amount of US$500.0 million (€385.8 million at 31 December 2011 exchange rates) due in 2013

and the second tranche consisted of an aggregate principal amount of US$400.0 million (€308.6 million at 31 December 2011 exchange rates) due in 2015. The net proceeds of the offering were used to refinance certain outstanding debt, including the repayment of €200.0 million bonds, which matured on 17 December 2003, the leveraged re-capitalisation of the Group and the acquisition of Römerquelle GmbH. In December 2003, an exchange offer was made by Coca-Cola Hellenic in order to realise the exchange of the privately placed notes for similar notes registered with the US Securities and Exchange Commission (SEC). Acceptances under the offer, which was finalised in February 2004, were US$898.1 million. The notes are fully, unconditionally and irrevocably guaranteed by Coca-Cola Hellenic Group. These notes are not subject to financial covenants.

The summary of the outstanding bonds is as follows:

	Start date	Maturity date	Fixed Coupon
€500m Eurobond	17 December 2008	15 January 2014	7.875%
€300m Eurobond	16 November 2009	16 November 2016	4.250%
€300m Eurobond	2 March 2011	16 November 2016	4.250%
US$500 m notes	17 September 2003	17 September 2013	5.125%
US$400m notes	17 September 2003	17 September 2015	5.500%

The fair value of bonds and notes payable, including the current portion, is € 1,926.3 million (2010: €1,919.0 million) compared to their book value, including the current portion, of € 1,857.0 million (2010: €1,862.1 million).

Borrowings at 31 December are held in the following currencies:

	Current 2011 €'000	Non-current 2011 €'000	Current 2010 €'000	Non-current 2010 €'000
Euro	250,000	1,108,147	432,163	813,947
US dollar	-	748,896	-	743,223
Borrowings	**250,000**	**1,857,043**	**432,163**	**1,557,170**

10. Borrowings *(continued)*

The carrying amounts of the borrowings held at fixed and floating interest rate, as well as the weighted average interest rates and maturities of fixed rate borrowings are as follows:

	Fixed interest rate € '000	Floating interest rate € '000	Total 2011 € '000	Fixed rate liabilities weighted average interest rate	Weighted average maturity for which rate is fixed (years)
Euro	1,358,147	-	1,358,147	4.9%	3.0
US Dollar	748,896	-	748,896	5.3%	2.6
Financial liabilities	**2,107,043**	**-**	**2,107,043**	**5.0%**	**2.8**

Financial liabilities represent fixed rate borrowings held by the Company. The Company's policy is to hedge exposures to changes in the fair value of debt and interest rates by using a combination of cross-currency swap contracts, fixed to floating rate interest rate swap contracts, as well as interest rate option contracts.

The $500 million US dollar fixed rate debt has been fully swapped into a euro floating rate obligation through a combination of interest rate and cross-currency swap contracts, with no residual currency risk for the life of the respective bond, that bears interest based on the 6 month EURIBOR (European inter-bank rate). In June and July 2010 the $400 million US dollar fixed rate debt which was initially swapped into a euro floating rate obligation, was restructured to a €357 million fixed rate liability.

11. Deferred income

An amount of €1.3 million has been received as a premium at the issuance of the additional €300 million 4.25 % fixed rates notes in March 2011. The premium is amortised over the duration of the bond, the amortisation for 2011 amounted to €0.2 million.

12. Current tax liabilities

The movement in current tax liabilities during the years ending 31 December 2011 and 2010 were as follows:

	2011 €'000	2010 €'000
As at 1 January	2,662	1,100
Charged to the income statement (refer to Note 4)	3,013	2,662
Adjustments to prior year	-	(1,100)
Total current tax liabilities	**5,675**	**2,662**

13. Share capital and share premium

The authorised capital of the Company is €5.0 million and is divided into 50,000 shares of €100 each. The issued share capital at 31 December 2011 and 2010 comprised 10,180 shares of €100 each fully paid, with total nominal value €1,018,000.

In August 2004, 10,000 shares with a nominal value of €100 each were issued at an issue price of €4.5 million. The difference between the issue price and the total nominal value of the new shares was recorded as share premium.

On 2 February 2011 the Company repaid to CC Beverages Holdings II B.V. the amount of €125.0 million in share premium. As at 31 December 2011 the Company's share premium amounted to €263.1 million (2010: €388.1 million).

There is only one class of shares, of which the par value is €100. Each share provides the right to one vote at general meetings of the Company and entitles the holder to dividends declared by the Company.

14. Directors' remuneration

None of the directors was remunerated by the Company during the year.

15. Related party transactions

Since the principal activity of the Company is the provision of financial services to the Coca-Cola Hellenic Bottling Company S.A Group, related party transactions relate to the borrowing and lending activities of the Company with the Coca-Cola Hellenic Bottling Company S.A. Group.

The transactions between the Company and its related parties and the balances of the loans between the Company and its related parties for the years ending 31 December 2011 and 2010 are summarised in the table below:

	2011			2010			
	Closing balance €'000	**Advances** €'000	**Repayments** €'000	Closing balance €'000	Advances €'000	Repayments €'000	Opening balance €'000
Loans receivable							
Ilko Hellenic Partners GmbH	250	-	(331)	581	10	0	571
3E (Cyprus) Limited	621,572	24,042	(128,124)	725,654	703,892	(70,676)	92,438
CC Beverages Holdings II B.V.	-	78,188	(78.188)	-	42,846	(119,665)	76,819
CCB Management Services GmbH	89,120	176,117	(140,001)	53.004	76,362	(74,262)	50,904
CCHBC Armenia CJSC	2,441	2,470	(29)	-	618	(618)	-
Clith Trading & Invest Corp.	2,919	9,196	(6.277)	-	-	(19.918)	19,918
Coca-Cola HBC Hungary Ltd.	-	12,677	(12,677)	-	369	(10,311)	9,942
Coca-Cola HBC Switzerland Ltd	-	-	-	-	33	(205)	172
Coca-Cola Beverages Austria GmbH	49.262	2.265	(13,699)	60,696	2.371	(36.113)	94,438
Coca-Cola HBC Slovenska republika s.r.o.	16,229	11.953	(17,144)	21.420	4.535	(9.356)	26,241
Coca-Cola HBC Nothern Ireland Limited.	78.271	85.593	(82,852)	75.530	63.627	(65.672)	77,575
Coca-Cola HBC Finance plc	388.175	308,480	(301,576)	381,271	495.184	(925.130)	811.217
Coca-Cola HBC Italia Srl	1.217.140	293.494	(402,046)	1.325,692	207.519	(231.476)	1.349.649
Coca-Cola HBC Romania Ltd	-	3.280	(8,283)	5.003	22.125	(23.299)	6.177

	2011			2010			
	Closing balance €'000	**Advances** €'000	**Repayments** €'000	Closing balance €'000	Advances €'000	Repayments €'000	Opening balance €'000
Coca-Cola HBC Slovenija d.o.o.	1,002	5,701	(6,583)	1,884	3,203	(3,269)	1,950
Dorna Investment Limited	27	-	-	27	-	-	27
Brewtech BV	-	208	(271)	63	63	-	-
Coca-Cola HBC-Srbija d.o.o.	5,864	133	-	5,731	1,592	-	4,139
Coca Cola Hellenic Procurement GmbH	-	-	-	-	-	(1)	1
Deepwaters Investments Ltd	111	12	-	99	13	-	86
Molino Beverages Services S.A.	1,445	56	(1)	1,390	374	-	1,016
Star Bottling Limited	-	104,004	(166,408)	62,404	42,656	(299,211)	318,959
Star Bottling Services Corp.	-	-	-	-	589	(10,271)	9,682
UAB Coca-Cola Bottlers Lietuva	-	-	(3)	3	-	-	3
Nigerian Bottling Company Plc	42,926	4,960	-	37,966	25,491	(8,754)	21,229
Coca-Cola HBC Balkan Holding BV	-	17,617	(22,990)	5,373	20,565	(15,453)	261
Molino Services S.A.	4,334	160	-	4,174	136	-	4,038
Roemerquelle Beteiligungsverwaltungs GmbH	4,475	1,884	(519)	3,110	2,063	-	507
Jayce Enterprises Ltd	-	-	-	-	71,973	(72,099)	126
Leman Beverages Holding SARL	2,874	184	(1,494)	4,184	223	(2,453)	6,414
John Daly and Company Limited	-	-	-	-	17,500	(17,892)	392
Coca-Cola Bottlers Chisinau	8,934	656	(1,161)	9,439	8,939	-	500
Coca-Cola Beverages Belorussiya	7,404	9,340	(1,936)	-	-	-	-
Lanitis Bros Ltd	2	7,126	(7,124)	-	-	-	-
Total loans receivable	**2,544,777**			**2,784,698**			**2,985,392**
Loans payable							
Softbul Investments Limited	-	-	-	-	(17,517)	56,647	(39,130)
CCBC Services Limited	(5,566)	(65)	4	(5,505)	(151)	1,912	(7,266)
Brewmasters Holdings Limited	(5,716)	(86)	-	(5,630)	(5,638)	6,456	(6,448)
CCHBC Bulgaria AD	(36,126)	(63,407)	51,702	(24,421)	(21,429)	16,422	(19,414)
CCHBC Insurance (Guernsey) Ltd	(22,302)	(2,757)	-	(19,545)	(6,118)	9	(13,436)
Clarina Bulgaria Limited	(871)	(505)	3	(369)	(3)	0	(366)
Coca-Cola HBC Hungary Ltd.	(1,812)	(85,616)	93,580	(9,776)	(38,644)	31,206	(2,338)
Coca-Cola Beverages B-H d.o.o	(21,961)	(12,261)	17,673	(27,373)	(13,264)	11,315	(25,424)
Coca-Cola Beverages Ceska republika spol sr.o.	(24,057)	(161,450)	151,176	(13,783)	(130,988)	120,355	(3,150)
Coca-Cola HBC Nothern Ireland Limited	(3,628)	(3,628)	1,168	(1,168)	(7,029)	5,861	-
Coca-Cola HBC Finance plc	(29)	(137,986)	138,388	(431)	(290,368)	336,321	(46,384)
Coca-Cola HBC Italia Srl	(145)	(322,508)	322,489	(126)	(144,777)	145,981	(1,330)
Lanitis Bros Ltd	(3,794)	(5,118)	13,555	(12,231)	(8,060)	10,643	(14,814)
John Daly and Company Limited	(1,831)	(102,171)	113,452	(13,112)	(139,613)	126,501	-
Coca-Cola HBC Kosovo L.L.C.	-	(11,146)	27,511	(16,365)	(10,232)	1,001	(7,134)
Coca Cola HBC Procurem.GmbH	(107,271)	(901,621)	874,765	(80,415)	(821,009)	765,719	(25,125)
Star Bottling Services Corp.	(7,880)	(6,316)	151	(1,715)	(1,968)	253	-
LLC Coca-Cola HBC Eurasia	(4,876)	(1,519)	29,472	(32,829)	(349,519)	487,789	(171,099)

	2011			2010			
	Closing balance €'000	**Advances** €'000	**Repayments** €'000	Closing balance €'000	Advances €'000	Repayments €'000	Opening balance €'000
Clith Trading & Invest Corp.	-	-	-	-	(19)	4,917	(4,898)
Coca-Cola Beverages Austria GmbH	(1,492)	(301,531)	300,450	(411)	(294,409)	299,447	(5,449)
Bankya Mineral Waters Bottling Company EOOD	(3,738)	(1,044)	2,432	(5,126)	(3,324)	200	(2,002)
SIA Coca-Cola HBC Latvia	(6,625)	(78)	55	(6,602)	(47)	-	(6,555)
AS Coca-Cola HBC Eesti	(18,544)	(3,699)	635	(15,480)	(4,596)	1,002	(11,886)
UAB Coca-Cola Bottlers Lietuva	(10,088)	(3,608)	1,574	(8,054)	(5,033)	-	(3,021)
Coca-Cola HBC Slovenska republica, s.r.o.	(3,149)	(10,851)	7,702	-	(10,170)	13,020	(2,850)
Balkanbrew Holdings Ltd	(4,050)	(61)	-	(3,989)	(2,488)	-	(1,501)
Softbev Investments Ltd	(6,943)	(300)	8	(6,651)	(44)	8	(6,615)
Coca-Cola HBC Switzerland Ltd	(20,458)	(340,005)	357,612	(38,065)	(316,770)	278,757	(52)
CCB Holdings II BV	(347)	(82,315)	230,209	(148,241)	(158,619)	10,378	-
CCB Liegenschaftsverwaltungs GmbH	(1,204)	(1,032)	62	(234)	(234)	-	-
Römerquelle Liegenschaftsverwaltungs GmbH	(5,460)	(2,031)	212	(3,641)	(4,862)	1,221	-
Coca Cola Beverages Hrvatska d.o.o.	(3,327)	(3,327)	-	-	(11,687)	11,687	-
Coca-Cola HBC Polska sp.z.o.o.	(6,702)	(111,444)	104,742	-	-	-	-
Coca-Cola Hellenic Business Service Organization	(1,357)	(2,762)	1,405	-	-	-	-
Star Bottling Limited	(48,399)	(72,276)	23,877	-	-	-	-
CCB Management Services GmbH	(753)	(3,819)	3,067	(1)	(1)	-	-
Coca Cola HBC Romania	(20,074)	(260,123)	259,249	(19,200)	(182,795)	163,595	-
Total loans payable	**(410,575)**			**(520,489)**			**(427,687)**

The current receivables are due within 1 year and the non current receivables have a remaining term of over 1 year and will fall due within less than five years. The interest income and expense on loans to/from the Coca-Cola Hellenic Group for the year was settled for most of the loans listed above on a three-month basis, except for the last quarter of 2011, which will be settled in January 2012 .

In 2010, Jayce Enterprises Limited and Softbul Investments were put into liquidation.

Part of the loan with Ilko Hellenic Partners, which amounted to €331 thousands, was written off as part of the obligations arising from the termination of the JV agreement. The remaining amount of the loan of €250 thousands has remained as an interest free loan. All other receivable balances are not impaired.

The following table details the Company's remaining contractual maturities for its liabilities to related parties. The table includes both interest and principal.

2011	**Less than 1 year** €'000	**1 to 2 years** €'000	**2 to 5 years** €'000	**More than 5 years** €'000
Payables to related parties	192,489	-	-	218,086
As at 31 December	**192,489**	-	-	**218,086**

16. Reserves

The hedging reserve, which amounted to €12.5 million at 31 December 2011 (2010: €8.3 million), reflects changes in the fair values of derivatives accounted for as cash flow hedges, net of the deferred tax related to such balances.

17. Number of Employees

During the year 2011, there was one employee employed by the Company (2010: nil).

18. Dividends

No dividends have been distributed during 2011 (2010 nil).

19. Events after the Balance Sheet date

No significant events occurred subsequent to the year-end.

The financial statements on pages 6 to 9 and the attached notes on pages 10 to 36 were approved by the directors in Amsterdam on 22 March 2012.

Directors:

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Bart Jansen	**Jan S. Gustavsson**	**Isidro Helder**	**Hana Balcarova**

Profit appropriation according to the Articles of Association

According to article 18 of the Articles of Association, the net result for the year is at the disposal of the General Meeting of Shareholders.

Proposed appropriation of profit

The Board of Directors proposes that the net profit for the period ended December 31, 2011, be added to accumulated profit. This proposal has already been included in the financial statements.

Independent auditor's report

The Independent Auditor's report can be found on page 38.

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Independent auditor's report

To: the General Meeting of Shareholders of Coca-Cola HBC Finance B.V.

Report on the financial statements

We have audited the accompanying financial statements 2011 of Coca-Cola HBC Finance B.V., Amsterdam, which comprise the balance sheet as at 31 December 2011, the income statement, the statements of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the directors' report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the directors are responsible for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PricewaterhouseCoopers PricewaterhouseCoopers Accountants N.V., Paterswoldseweg 806, 9728 BM Groningen, P.O. Box 8060, 9702 KB Groningen, The Netherlands
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Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Coca-Cola HBC Finance B.V. as at 31 December 2011, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the directors' report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the directors' report, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Groningen, 22 March 2012
PricewaterhouseCoopers Accountants N.V.

Drs. H.D.M. Plomp RA