

ANADOLU EFES (BIST: AEFES. IS) 4Q2018 & FY2018 EARNINGS RELEASE

Istanbul, February 28, 2019

FY2018 HIGHLIGHTS
Consolidated sales volume up 4.7% to 106.5 mhl on a proforma basis

Consolidated net sales revenue up 28.1% to TL 18,689.7 million on a proforma basis

Consolidated EBITDA Before Non-Recurring Items (BNRI) up 24.0% to TL 3,089.8 million on a proforma basis

Consolidated Free Cash Flow was TL 1,053.7 million in FY2018

4Q2018 HIGHLIGHTS
Consolidated sales volume up 1.9% to 21.2 mhl on a proforma basis

Consolidated net sales revenue up 30.6% to TL 4,325.6 million on a proforma basis

Consolidated EBITDA (BNRI) down 2.3% to TL 569.0 million on a proforma basis

AEFES Consolidated (TL mn)	Proforma*			Proforma*		
	4Q2017	4Q2018	% change	FY2017	FY2018	% change
Volume (mhl)	20.8	21.2	1.9%	101.7	106.5	4.7%
Net Sales	3,312.9	4,325.6	30.6%	14,587.1	18,689.7	28.1%
Gross Profit	1,322.6	1,539.4	16.4%	5,599.7	6,985.1	24.7%
EBIT (BNRI)	336.8	175.0	-48.1%	1,407.4	1,697.0	20.6%
EBITDA (BNRI)	582.2	569.0	-2.3%	2,492.2	3,089.8	24.0%
Net Income/(Loss)*	-119.2	147.9	224.1%	195.7	96.9	-50.5%
	Change (bps)			Change (bps)		
Gross Profit Margin	39.9%	35.6%	-433	38.4%	37.4%	-101
EBIT (BNRI) Margin	10.2%	4.0%	-612	9.6%	9.1%	-57
EBITDA (BNRI) Margin	17.6%	13.2%	-442	17.1%	16.5%	-55
Net Income Margin**	-3.6%	3.4%	702	1.3%	0.5%	-82

*2017 Proforma figures include ABI Russia and ABI Ukraine effect starting from April 1st.

**Net income attributable to shareholders

Anadolu Efes' **consolidated sales volume** has posted a growth of 1.9% on a proforma basis in 4Q2018, benefitting from the growth of both beer and soft drinks operations. The growth in the quarter was driven mainly by international beer operations. As a result, Anadolu Efes' consolidated sales volume in FY2018 reached 106.5 mhl with y-o-y increase of 4.7%, towards the upper end of our guidance of low-to-mid single digit growth.

Consolidated **net sales revenue** has reached TL 4,325.6 million in 4Q2018 with a y-o-y increase of 30.6% on a proforma basis, contributed by all business lines. Higher volumes in EBI and CCI, price increases made during the quarter and the positive currency translation impact led to a significant y-o-y increase in revenues in 4Q2018. Accordingly, in FY2018, net sales revenue increased to 18,689.7 million with a growth rate of 28.1% y-o-y.

Anadolu Efes' **consolidated EBITDA (BNRI)** declined by 2.3% on a proforma basis to TL 569.0 million in 4Q2018 with margin decline of 442 bps. The decline in EBITDA margin in the quarter was attributable to both business lines. In FY2018, consolidated EBITDA (BNRI) was TL 3,089.8 million with a margin of 16.5%, slightly below last year, being in line with our guidance.

Anadolu Efes reported **net profit** of TL 147.9 million in 4Q2018 vs net loss of TL 119.2 million. Anadolu Efes posted net profit of TL 96.9 million in FY2018 vs TL 195.7 million in FY2017, despite higher operational profitability in the period. Primarily non-cash FX losses which were mostly attributable to CCI as well as y-o-y higher net interest expenses led to the decline on the bottomline.

2018 has been another very strong year in terms of **Free Cash Flow** generation. Anadolu Efes generated **Free Cash Flow** of TL 1,053.7 million in FY2018, benefitting not only from higher operational profitability but also from the improvement in working capital mainly in international beer operations. Moderate capex spending as a percentage of net sales also contributed positively to FCF generation. On the other hand, Anadolu Efes' **net debt to EBITDA** stayed at 1.5x in FY2018, unchanged vs previous year despite 35% devaluation in TL vs basket in the period.

SUMMARY FINANCIALS

Consolidated (TL mn)	4Q2017 Proforma*	4Q2018 Proforma	Change %	FY2017 Proforma*	FY2018 Proforma	Change %
Volume (mhl)	20.8	21.2	1.9%	101.7	106.5	4.7%
Net Sales	3,312.9	4,325.6	30.6%	14,587.1	18,689.7	28.1%
Gross Profit	1,322.6	1,539.4	16.4%	5,599.7	6,985.1	24.7%
EBIT (BNRI)	336.8	175.0	-48.1%	1,407.4	1,697.0	20.6%
EBITDA (BNRI)	582.2	569.0	-2.3%	2,492.2	3,089.8	24.0%
Net Income/(Loss)**	-119.2	147.9	224.1%	195.7	96.9	-50.5%
			Change (bps)			Change (bps)
Gross Profit Margin	39.9%	35.6%	-433	38.4%	37.4%	-101
EBIT (BNRI) Margin	10.2%	4.0%	-612	9.6%	9.1%	-57
EBITDA (BNRI) Margin	17.6%	13.2%	-442	17.1%	16.5%	-55
Net Income Margin**	-3.6%	3.4%	702	1.3%	0.5%	-82
Beer Group (TL mn)	4Q2017 Proforma*	4Q2018 Proforma	Change %	FY2017 Proforma*	FY2018 Proforma	Change %
Volume (mhl)	7.9	8.2	3.9%	31.5	31.8	1.2%
Net Sales	1,684.6	2,324.4	38.0%	6,195.0	8,066.7	30.2%
Gross Profit	806.2	967.7	20.0%	2,830.9	3,463.6	22.3%
EBIT (BNRI)	297.3	195.7	-34.2%	547.8	455.5	-16.8%
EBITDA (BNRI)	412.2	421.9	2.3%	1,113.5	1,219.3	9.5%
Net Income/(Loss)**	-43.1	85.9	299.4%	107.5	49.8	-53.7%
			Change (bps)			Change (bps)
Gross Profit Margin	47.9%	41.6%	-622	45.7%	42.9%	-276
EBIT (BNRI) Margin	17.6%	8.4%	-923	8.8%	5.6%	-320
EBITDA (BNRI) Margin	24.5%	18.1%	-632	18.0%	15.1%	-286
Net Income Margin**	-2.6%	3.7%	625	1.7%	0.6%	-112
Turkey Beer (TL mn)	4Q2017 Restated***	4Q2018	Change %	FY2017 Restated***	FY2018	Change %
Volume (mhl)	1.4	1.4	-2.6%	5.8	5.7	-2.0%
Net Sales	442.0	526.5	19.1%	1,588.4	1,869.5	17.7%
Gross Profit	272.7	302.5	10.9%	940.5	1,053.9	12.0%
EBIT (BNRI)	84.3	57.7	-31.6%	218.4	199.8	-8.5%
EBITDA (BNRI)	126.1	107.3	-14.9%	391.0	396.5	1.4%
Net Income/(Loss)**	-42.7	466.3	1193.1%	-18.3	-600.7	3183.2%
			Change (bps)			Change (bps)
Gross Profit Margin	61.7%	57.4%	-424	59.2%	56.4%	-284
EBIT (BNRI) Margin	19.1%	11.0%	-812	13.8%	10.7%	-306
EBITDA (BNRI) Margin	28.5%	20.4%	-813	24.6%	21.2%	-341
Net Income Margin**	-9.7%	88.6%	9,822	-1.2%	-32.1%	-3,098
EBI (TL mn)	4Q2017 Proforma*	4Q2018 Proforma	Change %	FY2017 Proforma*	FY2018 Proforma	Change %
Volume (mhl)	6.4	6.8	5.3%	25.6	26.1	2.0%
Net Sales	1,236.1	1,788.4	44.7%	4,576.0	6,158.1	34.6%
Gross Profit	527.6	654.6	24.1%	1,866.0	2,368.9	27.0%
EBIT (BNRI)	220.5	161.9	-26.6%	360.3	299.1	-17.0%
EBITDA (BNRI)	292.8	337.3	15.2%	751.2	862.8	14.9%
Net Income/(Loss)**	20.7	8.9	-57.1%	144.9	5.7	-96.1%
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Gross Profit Margin	42.7%	36.6%	-608	40.8%	38.5%	-231
EBIT (BNRI) Margin	17.8%	9.1%	-879	7.9%	4.9%	-302
EBITDA (BNRI) Margin	23.7%	18.9%	-483	16.4%	14.0%	-240
Net Income Margin**	1.7%	0.5%	-118	3.2%	0.1%	-308
CCI (TL mn)	4Q2017	4Q2018	Change %	FY2017	FY2018	Change %
Volume (mn u/c)	227.1	228.5	0.6%	1,237.5	1,314.9	6.3%
Net Sales	1,628.3	2,001.4	22.9%	8,392.1	10,623.4	26.6%
Gross Profit	518.0	573.2	10.7%	2,772.3	3,526.8	27.2%
EBIT	43.1	-17.3	-140.1%	874.0	1,254.8	43.6%
EBITDA	170.0	147.1	-13.4%	1,378.7	1,870.6	35.7%
Net Income/(Loss)**	-148.5	148.2	199.8%	237.6	326.8	37.5%
			Change (bps)			Change (bps)
Gross Profit Margin	31.8%	28.6%	-317	33.0%	33.2%	16
EBIT Margin	2.6%	-0.9%	-351	10.4%	11.8%	140
EBITDA Margin	10.4%	7.4%	-309	16.4%	17.6%	118
Net Income Margin**	-9.1%	7.4%	1,653	2.8%	3.1%	24

*2017 Proforma figures include ABI Russia and ABI Ukraine effect starting from April 1st.

** Net income attributable to shareholders

***In 2018, there has been a reallocation of certain "other income/expense" items within Beer Group without affecting consolidated profitability. Therefore 4Q2017 & FY2017 numbers are restated accordingly.

Within the scope of IFRS 15 "Revenue from Customer Contracts" standard, service fees received from customers which were previously recognized in sales and marketing expense are now recorded under sales discount account. In order to give consistent and like-for-like figures, FY2017 are restated as well.

In FY2017, in CCI, service fees received from customers amounting to 129 million TL are now classified as sales discounts rather than sales and marketing expenses. Likewise, in beer group, service fees received from customers amounting to 205 million TL in FY2017 on a proforma basis are now classified as sales discounts rather than sales and marketing expenses.

MANAGEMENT COMMENTS

“We are pleased with our performance in 2018 a year packed with challenges and achievements. First of all, we successfully completed a milestone merger, in our largest operation, Russia. This merger with AB InBev, not only solidified our #2 position in Russian beer market, but also created high synergy opportunities, which we started to reap in the first year of the merger. The collaboration in Russia and Ukraine further strengthened our relationship with ABI, World’s largest brewer and our shareholder. In 2018, we recorded 5% consolidated volume growth while revenues significantly outperformed volumes by growing 28% y-o-y on a proforma basis. Main contributors to this robust increase were mainly international beer operations and CCI. Our consolidated EBITDA expanded by 24% reaching all-time high level of TL 3.1 billion with 16.5% margin. I am also very encouraged and happy with over TL 1.0 billion Free Cash Flow that we generated during the year which enabled us to keep our leverage ratios at comfortable level of 1.5x despite a significant devaluation of TL compared to 2017YE” **commented Mr. Can Çaka, Anadolu Efes CEO and Beer Group President.**

In Turkey Beer, the soft start to the year was mostly offset by the strong performance in 3rd quarter. Despite lower volumes in 4Q driven by a price increase in October to offset the sharp increase in cost inflation, we managed to meet our FY volume guidance. 2018 has been a very busy year in terms of brand portfolio expansion in Turkey. Launches of two new brands “Bud” and “Varım” went very well and contributed significantly to volume even in just 6 months. We are also very excited to include “Corona”, “Leffe” and “Hoegaarden” in our portfolio by the beginning of 2019. These launches are totally in line with our strategy of maintaining a strong portfolio, leading premiumization and ensuring affordability.

2018 performance in Russia has been quite pleasing. The large scale marketing campaign held during FIFA World Cup brought strong growth to “Bud”. Other activities supported our strong position in the premium and super premium segment, where we have more than 40% share. In 2019, capturing synergies will be our top priority which will lead us to expand our margins. In other international operations, Ukraine and Kazakhstan outperformed our expectations while gaining market share. The performance in Moldova and Georgia were slightly behind expectations negatively affected by adverse weather conditions and competitive landscape.

Anadolu Efes has a long standing track record of meeting consumer demand by having a strong brand portfolio and excellence in execution. Furthermore, financial discipline is an indispensable part of our business model, which enable us to maintain our flexibility even in challenging times. In 2019, our concentration will continue to be on our people, brands and operational excellence while we will deliver on our financial targets. We will work to bring out the full potential of our Company and maintain its financial flexibility in the years to come.”

OPERATIONAL PERFORMANCE - BEER GROUP

TURKEY BEER OPERATIONS

Turkey Beer (TL mn)	4Q2017 Restated**	4Q2018	% change	FY2017 Restated**	FY2018	% change
Volume (mhl)	1.4	1.4	-2.6%	5.8	5.7	-2.0%
Net Sales	442.0	526.5	19.1%	1,588.4	1,869.5	17.7%
Gross Profit	272.7	302.5	10.9%	940.5	1,053.9	12.0%
EBIT (BNRI)	84.3	57.7	-31.6%	218.4	199.8	-8.5%
EBITDA (BNRI)	126.1	107.3	-14.9%	391.0	396.5	1.4%
Net Income/(Loss)**	-42.7	466.3	1193.1%	-18.3	-600.7	3183.2%
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Gross Profit Margin	61.7%	57.4%	-424	59.2%	56.4%	-284
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EBITDA (BNRI) Margin	28.5%	20.4%	-813	24.6%	21.2%	-341
Net Income Margin*	-9.7%	88.6%	9,822	-1.2%	-32.1%	-3,098

* Net income attributable to shareholders

**In 2018, there has been a reallocation of certain "other income/expense" items within Beer Group without affecting consolidated profitability. Therefore 4Q2017 & FY2017 numbers are restated accordingly.

Turkey **domestic beer volume** declined by 4.2% y-o-y in 4Q2018, cycling a strong growth of 5.6% in 4Q2017 and impacted further by deteriorating consumer confidence and pricing in 4Q. Double digit growth in export volumes in 4th quarter mitigated the decline in domestic operations. As a result total sales volume decline of Turkey was limited to 2.6%. In FY2018, Turkey domestic beer volume reached 5.3 mhl, indicating 2.0% decline compared to FY2017, in line with our guidance.

Turkish beer market is estimated to be up by mid-single digit year on year during 2018, and our market share has been stable since the second quarter of the year. **Total Turkey sales volume** including exports realized as 5.7 mhl in FY2018, also down 2.0% y-o-y. We started to see some slowdown in demand due to deterioration of consumer confidence in 4th quarter. The intermediary price increases taken by the industry in October also put pressure on market performance in 4Q. We benefitted from new launches and focusing on our strong portfolio.

Revenue per liter of Turkey beer operations increased by 22.3% in 4Q2018 driven by the price increases during the year including at the beginning of October, as well as favorable sales mix and premiumization. Thus, **net sales revenue** of Turkey beer operations was up by 19.1% in 4Q2018 compared to the same period of 2017, bringing up net sales revenues to TL 1,869.5 million in FY2018 with an y-o-y increase of 17.7%.

Turkey beer operation's **gross profit** increased by 10.9% to TL 302.5 million in 4Q2018 and by 12.0% to 1,053.9 million TL in FY2018. Gross profit remained under inflationary pressure in the quarter, driven, in particular by higher utility and packaging costs in addition to increased prices of FX-based raw materials. The impact of the latter was mitigated to a certain extent by our hedging initiatives. As a result, the gross profit margin was at 56.4% in FY2018 with the decline limited to 284 bps.

Turkey beer's **EBITDA (BNRI)** decreased by 14.9% to TL 107.3 million in 4Q2018 vs the same period of last year. Operating expenses as a percentage of net sales increased in the last quarter as a result of low base of marketing and sales expenses in 4Q2017, as marketing expenses in 2017 were mostly concentrated in the 2nd and 3rd quarters due to the relaunch of "Efes Pilsen" brand. Lower volumes and gross margin in the quarter put further pressure on the profitability. In FY2018, EBITDA (BNRI) of Turkey beer increased by 1.4% to TL 396.5 million with a margin of 21.2%.

Turkey beer operation's **net loss** was TL 600.7 million in FY2018 due to non-cash FX losses on hard currency borrowings. (As a reminder, since we designated our USD500 million bond and EUR100 million loan as a hedging instrument for our investment in EBI and available cash, fx gains/losses incurred from these does not affect P&L on a consolidated basis, however we record these fx gains/losses on P&L on solo financials due to IFRS standards).

INTERNATIONAL BEER OPERATIONS

International Beer (TL mn)	Proforma*			Proforma*		Proforma
	4Q2017	4Q2018	% change	FY2017	FY2018	% change
Volume (mhl)	6.4	6.8	5.3%	25.6	26.1	2.0%
Net Sales	1,236.1	1,788.4	44.7%	4,576.0	6,158.1	34.6%
Gross Profit	527.6	654.6	24.1%	1,866.0	2,368.9	27.0%
EBIT (BNRI)	220.5	161.9	-26.6%	360.3	299.1	-17.0%
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Net Income/(Loss)**	20.7	8.9	-57.1%	144.9	5.7	-96.1%
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Gross Profit Margin	42.7%	36.6%	-608	40.8%	38.5%	-231
EBIT (BNRI) Margin	17.8%	9.1%	-879	7.9%	4.9%	-302
EBITDA (BNRI) Margin	23.7%	18.9%	-483	16.4%	14.0%	-240
Net Income Margin**	1.7%	0.5%	-118	3.2%	0.1%	-308

*2017 Proforma figures include ABI Russia and ABI Ukraine effect starting from April 1st.

**Net income attributable to shareholders

EBI's consolidated sales volume has increased by 5.3% y-o-y on a proforma basis in 4Q2018 reaching 6.8 mhl, with positive contribution of Russia, Kazakhstan and Moldova. Accordingly for full year 2018, EBI's sales volume was realized at 26.1 mhl, with an increase of 2.0% on a proforma basis.

World Cup as well as favorable weather conditions during summer period in Russia led to an estimated market growth of low-single digit in FY2018, slightly ahead of our expectation of flattish volumes. We have been able to leverage on our execution during the integration period in our Russian operation, while also enjoying the growth of the industry. As a result sales volume in Russia grew by high single digit in 4Q and by low single digit in FY2018 on a proforma basis. Our operations in Ukraine performed ahead of expectations and delivered growth on a full year basis. We maintain our strong number two position in this market. The market is estimated to be flattish in Kazakhstan. Our volume performance was ahead of the market driven by our successful brand portfolio and execution efforts despite intense competition. This resulted in market share gains, solidifying our leadership position in the market. In our other international beer operations, the markets were impacted negatively with unfavorable weather conditions especially during summer period.

EBI's **net sales revenue** increased by 44.7% to 1,788.4 million TL in 4Q2018 y-o-y on a proforma basis as a result of volume growth and price increases together with positive translation impact. Accordingly, FY2018 net revenues reached TL 6,158.1 million with a growth rate of 34.6%.

EBI's **gross profit** was up by 24.1% to TL 654.6 million in 4Q2018 y-o-y on a proforma basis. Gross profit margin was down to 36.6% in the last quarter of the year. The decline in margin was mainly driven by changing channel mix and higher packaging costs. In FY2018, gross profit was up by 27.0% to TL 2,368.9 million with margin of 38.5%.

EBI's **consolidated EBITDA (BNRI)** was TL 337.3 million in 4Q2018 and TL 862.8 million in FY2018 with respective **EBITDA (BNRI)** margins of 18.9% and 14.0%. EBI's margin performance throughout 2018 was impacted by gross margin as well as merger related expenses in Russia despite the fact that we have been able to deliver synergies higher than initially anticipated.

EBI reported **net profit** of TL 5.7 million in FY2018 vs TL 144.9 million in FY2017. The decline in net profit in the period vs last year was due to lower operational profitability as well as mostly non-cash FX losses derived from hard currency shareholder loans.

OPERATIONAL PERFORMANCE - SOFT DRINK GROUP

MANAGEMENT COMMENTS

Burak Basarir, Chief Executive Officer of Coca-Cola İçecek, commented: "I am pleased with the quality growth in 2018, once again delivering on our strategic growth equation with net revenue growth ahead of volume and EBITDA growth ahead of net revenue growth. We generated 77 million unit cases of additional sales volume, translating into solid topline growth along with margin expansion. Our successful portfolio strategy enabled us to drive IC packs and grow in almost all our markets.

In Turkey, we recorded the highest annual volume growth since 2012 with strong momentum in the Sparkling category. We achieved a healthy topline growth and margin expansion despite significant headwinds, such as special consumption tax, higher commodity prices, and FX volatility. Throughout 2018, successful brand innovations, increasing portfolio availability in growing channels and accelerated cooler investments supported our growth while our revenue growth management capabilities enabled us to deliver success in a challenging macroeconomic environment.

In Pakistan and the Middle East, operating environment was tough in the second half of the year with political uncertainty and macroeconomic challenges. Nevertheless, we managed to deliver 7.3% volume growth in Pakistan in a year of structural transformation. We outperformed the overall Sparkling market growth on the back of continuous improvement in market execution and the inauguration of our Faisalabad plant in April.

Central Asia operations maintained their strong momentum, with almost all markets posting double-digit volume growth. Successful market execution and effective marketing campaigns provided market share gains in key markets.

Having delivered on our full-year guidance with a solid performance, we remain focused on delivering quality growth with disciplined financial management. As we begin to execute our plans for 2019, we are confident in our execution to turn challenges into opportunities, achieve sustainable quality growth and create value for our stakeholders."

Coca-Cola İçecek (TL mn)	4Q2017	4Q2018	% change	FY2017	FY2018	% change
Volume (mn u/c)	227.1	228.5	0.6%	1,237.5	1,314.9	6.3%
Net Sales	1,628.3	2,001.4	22.9%	8,392.1	10,623.4	26.6%
Gross Profit	518.0	573.2	10.7%	2,772.3	3,526.8	27.2%
EBIT	43.1	-17.3	-140.1%	874.0	1,254.8	43.6%
EBITDA	170.0	147.1	-13.4%	1,378.7	1,870.6	35.7%
Net Income/(Loss)*	-148.5	148.2	199.8%	237.6	326.8	37.5%
	Change (bps)			Change (bps)		
Gross Profit Margin	31.8%	28.6%	-317	33.0%	33.2%	16
EBIT Margin	2.6%	-0.9%	-351	10.4%	11.8%	140
EBITDA Margin	10.4%	7.4%	-309	16.4%	17.6%	118
Net Income Margin*	-9.1%	7.4%	1,653	2.8%	3.1%	24

* Net income attributable to shareholders

In 4Q2018, consolidated sales volume increased by 0.6% to 228.5 million U/C, driven by Water (up 7.0%) and NRTD Tea (up 11.5%) while Sparkling and Stills categories contracted by 2.2% and 4.9%, respectively, mostly due to Turkey operation. In FY2018, consolidated sales volume increased by 6.3% to 1,314.9 million unit case (U/C), exceeding our guidance of 4%-6%. FY2018 growth represents 77 million U/C incremental volume which was driven by strong performance of Sparkling (up 6.8%), Stills (up 11.6%) and Water (up 6.0%) categories while non-ready-to-drink ('NRTD') Tea was down by 1.2%.

In 4Q2018, in Turkey volume remained almost flat at 120.1 million U/C, despite the decline in NARTD market, impacted by macroeconomic headwinds deteriorating consumer sentiment and price increases taken in September. The Sparkling category contracted by 6.9% while sugar free segment continued to grow. The Stills category volume declined by 10.4% in the quarter, while the Water category grew by 9.4%. NRTD Tea delivered 11.9% growth, supported by the low base in 4Q2017. In FY2018, volume increased by 4.8% to 650.5 million U/C, marking the highest annual growth since 2012. All categories except for the NRTD Tea posted growth in FY2018 while the Sparkling category grew by 5.7%, cycling 1.7% growth in FY2017. The share of immediate consumption ('IC') packages in the Sparkling category continued to increase in 2018, reaching to 23% from 22% in FY2017 while the number of transactions exceeded the volume growth. The Stills category grew by 5.8% with Ice Tea being the main contributor through accelerated investment and increased

availability. The Water category volume was up by 7.6% in 2018 with double-digit growth in IC packages. The decline in NRTD Tea volume was primarily due to the price increases.

In 4Q2018, international operations delivered 1.5% growth, reaching 108.4 million U/C sales volume. Pakistan volume was up by 1.4% in 4Q2018, reflecting some slowdown due to price increases in early October as well as macroeconomic backdrop putting pressure on private consumption. Across the Middle East, volume declined by 5.3%. Sales volume in Iraq was down by 2.2%, as markets were closed for almost 10 days due to a religious occasion and security concerns, along with continued challenges due to political environment. Jordan contracted 21.9% mainly due to the weak macroeconomic environment. Central Asia registered 7.2% volume growth with more than 20% growth in Azerbaijan, Kyrgyzstan, and Tajikistan. During the quarter, Kazakhstan posted 6.7% growth, cycling 13.4% growth in 4Q2017. New year consumer promotions and successful consumer activations contributed to the Sparkling category growth in the Region. In FY2018, our international operations posted 7.8% volume growth, reaching 664.5 million U/C primarily driven by Pakistan and Kazakhstan operations. In Pakistan, volume increased by 7.3% in FY2018, cycling 3.5% growth in FY2017. The growth was supported by our focus on route-to-market, the inauguration of our Faisalabad plant before the high season and successful consumer activities. Across the Middle East, volume grew by 2.0%. Iraq posted 3.9% growth while high-single digit growth in the Sparkling category partially offset by the contraction in the Water category. Jordan sales volume contracted by 8.4% due to increases in the excise tax and weak macroeconomic backdrop putting pressure on overall consumer spending. Central Asia registered 12.7% growth, with all markets except for Turkmenistan delivering double-digit growth. Kazakhstan posted 14.1% growth, reaching the highest-ever sales volume, along with significant value share gains. Strong market execution and effective marketing campaigns coupled with improved macroeconomics supported by higher oil prices resulted in double-digit growth in all categories. Azerbaijan posted 29.7% growth, driven by more than 30% growth in the Sparkling category. Growth in Azerbaijan coming from all major categories which was the result of strong market execution and marketing investment. Turkmenistan on the other hand, recorded 34.9% volume contraction due to continued currency convertibility issues, causing interruptions in production.

In 4Q2018, consolidated net sales revenue rose by 22.9% while it was up by 5.2% on an FX-neutral basis. In Turkey, NSR was up by 12.9%, mainly led by price adjustments throughout the year. In our International operations, NSR grew by 32.3% while it was down by 1.8% on an FX-neutral basis. NSR per unit case decreased by 3.3%, on an FX-neutral basis, reflecting higher discounts in Pakistan. In FY2018, net sales revenue ("NSR") rose by 26.6%, mainly driven by Turkey operation and the positive FX conversion impact of International operations. On an FX-neutral basis, consolidated NSR was up by 12.8%, mainly driven by volume growth, pricing and favorable sales mix. Turkey's better than expected NSR growth more than offset the lower than expected contribution of international operations; thus, resulting in a consolidated FX-neutral NSR growth ahead of our guidance range of 10-12% for 2018. In Turkey, NSR was up by 18.7%, mainly led by price adjustments, better portfolio mix and strong volume growth in the Sparkling category. NSR per unit case grew by 13.3%, reflecting our focus on affordability and better sales mix driven by strong growth in Sparkling along with a higher share of IC packages. In our International operations, NSR grew by 33.6%, or 7.7% on an FX-neutral basis. NSR growth was mainly attributable to strong volume growth in Pakistan and Central Asia, while NSR per unit case was flat, on an FX-neutral basis.

In 4Q2018, gross margin declined by 317 bps to 28.6% due to Turkey and International operations. In Turkey, gross margin declined by 84 bps to 33.7% which was mainly attributable to higher costs of packaging materials as the impact of cash designation was limited in the last quarter. In our International operations, gross margin declined by 457 bps to 24.7%. The favorable impact of lower sugar prices was offset by higher prices of PET resin, and devaluation of local currency and higher discounts in Pakistan. In FY2018, gross margin improved by 16 bps to 33.2% while raw material costs as a percentage of revenue was slightly down on a consolidated basis. Margin improvement was mainly attributable to Turkey operations while the margin of International operations remained almost flat. In Turkey, the increase in NSR per unit case, effective cost management through hedging, cash designation and product reformulations more than offset the adverse impact of higher raw material prices and FX headwinds. Gross margin expanded by 106 bps to 38.4%. In our International operations, gross margin declined by 10 bps to 29.1%. The favorable impact of lower sugar prices was offset by higher prices of packaging materials, especially PET resin.

In 4Q2018, EBIT margin decreased by 351 bps in the quarter, reflecting lower gross profitability while operating expenses as a percentage of revenue increased slightly compared to 4Q2017, on a consolidated basis. In Turkey, operating expenses as a percentage of revenue was higher driven by distribution, selling and marketing expenses which was partially offset by lower general and administrative expenses. International operations recorded higher operating expenses due to increase in distribution, selling, marketing and general and administrative expenses. In 4Q2018, EBITDA margin declined by 309 bps to 7.4% which was attributable to lower operating profitability both in Turkey and international operations. In FY2018, EBIT margin improved

by 140 bps to 11.8%, mainly driven by our ongoing focus on opex management. Operating expenses as a percentage of revenue was 120 bps lower compared to 2017, on the back of increasing efficiency both in Turkey and International operations. In FY2018, EBITDA margin expanded by 118 bps to 17.6% in FY2018, reflecting better operating profitability both in Turkey and International operations. Turkey operation's EBITDA margin was up by 455 bps in FY2018, boosted by dividend income from subsidiaries. Excluding the impact of other income/(expense), Turkey's EBITDA margin was 166 bps higher compared to FY2017.

Net income was TL 327 million in FY2018 vs. TL 238 million in FY2017. Higher operating profitability, lower net FX exposure in the balance sheet and positive impact (TL 288 million) of net investment hedging, more than offset the adverse impact of higher net FX losses due to the depreciation of TRY against USD. Free cash flow remained almost flat TL730.0 million in FY2018, mainly driven by higher operating cash flow as well as positive FX translation impact. CapEx was TL 858 million in FY2018 compared to TL 499 million in FY2017, mainly driven by investments in cold drink equipment and FX translation impact. Net debt/EBITDA ratio was 1.4x in FY2018.

CONSOLIDATED FINANCIAL PERFORMANCE

EBITDA (TL mn)	FY2017 Proforma	FY2018
Profit/loss from Operations	1,388.3	1,606.0
Depreciation and amortization	1,045.4	1,297.8
Provision for retirement pay liability	22.8	36.7
Provision for vacation pay liability	1.8	11.7
Foreign exchange gain/loss from operating activities	10.6	39.5
Rediscount interest income/expense from operating activities	0.5	1.6
Other	3.7	5.6
EBITDA	2,473.1	2,998.8
EBITDA (BNRI*)	2,492.2	3,089.8

* Non-recurring items amounted to TRL 91.0 million in FY2018 and TRL 19.1 million in FY2017

Financial Income / (Expense) Breakdown (TL mn)	FY2017	FY2018
Interest income	141.3	296.0
Interest expense	-266.7	-555.8
Foreign exchange gain / (loss)	-524.1	-681.9
Other financial expenses (net)	-24.7	-46.6
Gain/(loss) on derivative transactions	0.0	29.7
Net Financial Income / (Expense)	-674.2	-958.6

Anadolu Efes Free Cash Flow (TL mn)	FY2018
EBITDA	2,998.8
Change in Working Capital	106.7
Income Taxes & Employee Benefits Paid	-239.7
CAPEX, net	-1,504.2
Net Financial Income / (Expense)	-307.9
FCF	1,053.7
Other investing activities (Acq., Disp., Min. Buy-Out and SC Increases)	131.4
FCF (after investing activities)	1,185.1

As of FY2018	Consolidated Gross Debt	Cash & Cash Equivalents	Net Cash/(Debt) Position
AEFES Consolidated (TL mn)	9,228.7	4,791.2	-4,437.5
Beer Group (TL mn)	4,285.2	2,480.3	-1,804.9
Turkey Beer (TL mn)	3,403.9	498.4	-2,905.5
EBI (TL mn)	877.0	1,971.2	1,094.2
CCI (TL mn)	4,943.5	2,310.9	-2,632.6

Net Debt / EBITDA (BNRI)	FY2017 Proforma	FY2018
Anadolu Efes Consolidated	1.5	1.5
Beer Group	1.5	1.5

OUTLOOK

Our 2019 guidance reflects reported financials where 2018 numbers include 9-months ABI-Efes impact and 2019 expected numbers include 12-months. Reference to "proforma" means 12 month ABI-Efes impact in 2018.

Consolidated sales volume is expected to grow by low to mid-single digit (low to mid single digit on a proforma basis).

Total Beer volume is to grow by mid-single digit (flat on a proforma basis).

Turkey beer sales volume is expected to be flattish

Russian beer sales volume is estimated to grow by low single digit (perform in line with the market by declining slightly on a proforma basis)

International beer sales volume is expected to increase by mid to high single digit (flat on a proforma basis)

Consolidated Soft Drinks sales volume: 3%-5% growth

Turkey soft drinks: Flat volume

International soft drinks: 6%-8% growth

Consolidated Net Sales Revenue is expected to increase in all business lines while outperforming sales volumes.

Total Beer revenue is expected to grow by low forties, benefitting from both Turkey beer and EBI (low thirties on a proforma basis)

Turkey Beer Revenue is expected to grow by high twenties driven by price increases and sales mix together with favorable channel mix.

International Beer Revenue is estimated to increase by low forties (low thirties on a proforma basis)

Total Soft Drinks: 16%-18% growth on a consolidated basis (FX-neutral)

Consolidated EBITDA Margin: Slight improvement in margin

Total Beer EBITDA margin is expected to be flat to slight positive, primarily by the margin expansion in Russia (proforma margin expansion higher than reported).

Turkey Beer EBITDA margin is to decline slightly as a result of savings in OPEX despite higher procurement prices on a y-o-y basis which is to put pressure on gross profitability.

International Beer EBITDA margin is expected to improve. The expansion in margin is mainly attributable to the Russian operations, where we expect to capture synergies in line with our earlier guidance.

Total Soft Drinks: Slight improvement in margin on a consolidated basis

Capex: As a percentage of sales, high single digits on a consolidated basis

FCF: Continue to deliver strong FCF in both beer and soft drinks

FORESEEABLE RISKS FOR 2019

Financial Markets Related: 2019 will continue to be a challenging year for Emerging Markets. Apart from specific country/region economic or political issues, concerns on global slowdown, trade tensions, tightening global financial conditions and general investor sentiment put pressure on emerging countries' economic activities and their local currencies. In addition, specific events/political tension may also bring additional volatility. Company has been taking actions to mitigate financial markets related risk as much as possible and manage volatility to some extent. With an accumulated experience of operating in highly volatile markets for long years, we have a successful track record of managing and mitigating risks.

Procurement Related: A significant portion of our cost of sales relates to raw and packaging materials and many of these raw materials are commodities, or are priced based on commodity prices. The supply and price of raw materials used by us can fluctuate as a result of a number of factors. This risk is mitigated by our long term supply contracts and using of available hedging mechanisms to a meaningful extent.

Geo-Political Environment Related: Some of Anadolu Efes' operating markets have been under geo-political tension for some time both in beer and soft drink sides. Any further escalation of this tension may negatively impact our performance.

Consumption Related: With all sales generated from emerging and frontier markets, political or economic instability could deteriorate consumer sentiment.

2019 outlook reflects management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties including but not limited to macroeconomical, financial, geopolitical and political risks, which could materially impact the Company's actual performance.

PLEASE CLICK TO ACCESS ALL TABLES IN EXCEL FORMAT

ANADOLU EFES			
Consolidated Income Statements For the Twelve-Month Period Ended 31.12.2017 and 31.12.2018			
Prepared in accordance with IFRS as per CMB Regulations			
(TL mn)			
	Reported 2017/12	Proforma 2017/12	2018/12
SALES VOLUME (mhl)	91.3	101.7	106.5
SALES REVENUE	12,732.4	14,587.1	18,689.7
Cost of Sales (-)	-7,906.5	-8,987.3	-11,704.6
GROSS PROFIT FROM OPERATIONS	4,825.9	5,599.7	6,985.1
Selling, Distribution and Marketing Expenses (-)	-2,701.3	-3,148.8	-3,944.5
General and Administrative Expenses (-)	-955.5	-1,272.5	-1,580.8
Other Operating Income /Expense (net)	82.9	209.8	146.1
PROFIT FROM OPERATIONS (BNRI)*	1,267.5	1,407.4	1,697.0
Income /Expense From Investing Activities (net)	-64.0	-40.9	63.7
Income / (Loss) from Associates	-30.4	-30.4	-81.1
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	1,157.6	1,317.1	1,588.6
Financial Income / Expense (net)	-674.2	-741.4	-958.6
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	483.4	575.7	629.9
Continuing Operations Tax Income/(Expense)			
- Current Period Tax Expense (-) / Income	-157.6	-154.3	-261.3
- Deferred Tax Expense (-) / Income	-19.9	-23.0	-53.6
INCOME/(LOSS) FOR THE PERIOD	305.9	398.4	315.1
Attributable to:			
Non-Controlling Interest	156.5	202.7	218.2
EQUITY HOLDERS OF THE PARENT	149.4	195.7	96.9
EBITDA (BNRI)*	2,228.4	2,492.2	3,089.8

*Non-recurring items amounted to TL 19.1 million in FY2017 and TL 91.0 million in FY2018

Note: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit From Operations.

ANADOLU EFES
Consolidated Balance Sheets as of 31.12.2017 and 31.12.2018
Prepared In Accordance with IFRS as per CMB Regulations
(TL mn)

	2017/12	2018/12
Cash & Cash Equivalents	5,409.6	4,770.1
Financial Investments	88.6	21.2
Derivative Instruments	0.2	0.0
Trade Receivables from Third Parties	1,372.6	2,183.8
from Related Parties	158.1	230.0
Other Receivables	103.4	102.0
Inventories	1,179.2	1,943.1
Other Current Assets	786.4	1,039.5
Total Current Assets	9,098.0	10,289.6
Other Receivables	22.3	52.9
Financial Investments	0.8	0.8
Investments in Associates	46.3	71.2
Property, Plant and Equipment (incl. inv properties)	7,587.1	10,163.1
Other Intangible Assets	10,242.1	11,062.0
Goodwill	1,840.8	5,897.5
Deferred Tax Assets	307.4	867.1
Other Non-Current Assets	384.8	522.0
Total Non-Current Assets	20,431.7	28,636.5
Total Assets	29,529.6	38,926.1
	2017/12	2018/09
Current portion of long term borrowings	2,956.1	1,524.4
Short-term Borrowings	89.4	830.7
Derivative Instruments	0.0	29.8
Current Trade Payables to Third Parties	1,624.0	3,318.0
to Related Parties	52.4	282.6
Other Current Payables	851.1	1,472.4
Provision for Corporate Tax	6.5	17.1
Provisions	115.4	132.5
Other Liabilities	123.7	172.2
Total Current Liabilities	5,818.7	7,779.7
Long-term Borrowings	5,464.0	6,873.6
Non Current Trade Payables	35.2	44.2
Other Non Current Payables	347.2	391.4
Deferred Tax Liability	1,908.1	2,088.8
Other Non Current Liabilities	290.9	414.5
Total Non-Current Liabilities	8,045.4	9,812.4
Total Equity	15,665.6	21,334.0
Total Liabilities and Shareholders' Equity	29,529.6	38,926.1

Note 1: "Financial Investments" in Current Assets includes the time deposits with a original maturity more than three months.

BEER GROUP
Highlighted Income Statements For the Twelve Month Period Ended 31.12.2017 and 31.12.2018
Prepared in accordance with IFRS as per CMB Regulations
(TL mn)

	Reported 2017/12	Proforma 2017/12	2018/12
SALES VOLUME (mhl)	21.1	31.5	31.8
SALES REVENUE	4,340.3	6,195.0	8,066.7
GROSS PROFIT FROM OPERATIONS	2,057.1	2,830.9	3,463.6
PROFIT FROM OPERATIONS (BNRI)*	407.8	547.8	455.5
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	337.4	496.9	468.0
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	102.5	194.7	198.1
INCOME/(LOSS) FOR THE PERIOD	61.5	154.0	76.6
EQUITY HOLDERS OF THE PARENT	61.2	107.5	49.8
EBITDA (BNRI)*	849.7	1,113.5	1,219.3

*Non-recurring items amounted to TL 19.1 million in FY2017 and TL 91.0 million in FY2018.
Note: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit From Operations

BEER GROUP
Consolidated Balance Sheets as of 31.12.2017 and 31.12.2018
Prepared In Accordance with IFRS as per CMB Regulations
(TL mn)

	2017/12	2018/12
Cash & Cash Equivalents	1,534.9	2,480.3
Financial Investments	71.4	0.0
Derivative Instruments	0.0	0.0
Trade Receivables	856.0	1,663.9
Other Receivables	63.1	70.9
Inventories	615.4	1,139.2
Other Current Assets	252.5	400.1
Total Current Assets	3,393.3	5,754.4
Investments in Associates	643.8	668.7
Property, Plant and Equipment (incl. inv properties)	2,092.7	3,434.6
Other Intangible Assets	1,804.4	1,784.1
Goodwill	1,102.7	5,059.3
Other Non-Current Assets	500.6	1,127.2
Total Non-Current Assets	6,144.2	12,073.9
Total Assets	9,537.6	17,828.3
Current portion of long term borrowings	237.7	816.2
Short-term Borrowings	11.1	620.3
Current Trade Payables	721.4	2,307.6
Other Current Payables	618.5	1,184.2
Provisions	49.4	74.2
Other Liabilities	53.4	110.2
Total Current Liabilities	1,691.4	5,112.8
Long-term Borrowings	2,270.0	2,848.7
Other Non Current Payables	347.2	381.5
Deferred Tax Liability	305.1	347.4
Other Non Current Liabilities	101.0	134.0
Total Non-Current Liabilities	3,023.3	3,718.7
Total Equity	4,822.9	8,996.9
Total Liabilities and Shareholders' Equity	9,537.6	17,828.3

TURKEY BEER OPERATIONS

Highlighted Income Statement Items For Twelve-Month Period Ended 31.12.2017 and 31.12.2018
Prepared In Accordance with IFRS as per CMB Regulations
(TL mn)

	2017/12 Restated**	2018/12
SALES VOLUME (mhl)	5.8	5.7
NET SALES	1,588.4	1,869.5
GROSS PROFIT FROM OPERATIONS	940.5	1,053.9
PROFIT FROM OPERATIONS (BNRI)*	218.4	199.8
Income / Expense from Investing Activities (net)	9.6	180.6
Financial Income / Expense (net)	-262.9	-1,058.4
CONTINUING OPERATIONS PROFIT BEFORE TAX	-41.4	-678.0
Tax income / (expense)	23.1	77.3
PROFIT FOR THE YEAR	-18.3	-600.7
EBITDA (BNRI)*	391.0	396.5

*Non-recurring items amounted to TL 6.6 million in FY2017

***In 2018, there has been a reallocation of certain "other income/expense" items within Beer Group without affecting consolidated profitability. Therefore 4Q2017 & FY2017 numbers are restated accordingly.

Note : EBITDA comprises of Profit from Operations (excluding other operating income/expense arising from Anadolu Efes' holding nature), depreciation and other relevant non-cash items up to Profit From Operations.

INTERNATIONAL BEER OPERATIONS (EBI)

Highlighted Income Statement Items For Twelve-Month Period Ended 31.12.2017 and 31.12.2018
Prepared In Accordance with IFRS as per CMB Regulations
(TL mn)

	Reported 2017/12	Proforma 2017/12	2018/12
SALES VOLUME (mhl)	15.2	25.6	26.1
NET SALES	2,721.3	4,576.0	6,158.1
GROSS PROFIT	1,092.1	1,866.0	2,368.9
PROFIT FROM OPERATIONS (BNRI)*	220.4	360.3	299.1
Income / Expense from Investing Activities (net)	-77.5	-54.4	-95.7
Financial Income / Expense (net)	27.9	-39.2	-71.9
(LOSS)/PROFIT BEFORE TAX	162.4	254.7	40.8
Tax income / (expense)	-63.4	-63.2	-8.3
(LOSS)/PROFIT AFTER TAX	99.0	191.5	32.5
Attributable to			
Minority Interest	0.3	46.6	26.9
Equity Holders of the Parent Company	98.7	144.9	5.7
EBITDA (BNRI)*	487.4	751.2	862.8

*Non-recurring items amounted to TL 12.0 million in 2017 and TL 90.6 million in 2018.

Note 1: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit From Operations.

Note 2: Figures for EBI are obtained from consolidated financial statements prepared in accordance with IFRS after CMB reclasses.

SOFT DRINK OPERATIONS (CCI)

Highlighted Income Statement Items For Twelve-Month Period Ended 31.12.2017 and 31.12.2018

Prepared In Accordance with IFRS as per CMB Regulations

(TL mn)

	2017/12	2018/12
SALES VOLUME (mn u/c)	1,237.5	1,314.9
NET SALES	8,392.1	10,623.4
COST OF SALES	-5,619.8	-7,096.6
GROSS PROFIT	2,772.3	3,526.8
Operating Expenses	-1,913.1	-2,311.1
Other Operating Income / (Expense) (net)	14.8	39.1
EBIT	874.0	1,254.8
Gain / (Loss) from Associates	-0.4	-0.9
Income / (Expense) from Investing Activities, net	-13.4	-9.3
Financial Income / (Expense), net	-439.2	-688.8
INCOME BEFORE MINORITY INTEREST & TAX	421.0	555.8
Tax income / (expense)	-139.5	-195.6
INCOME BEFORE MINORITY INTEREST	281.5	360.2
Attributable to,		
Minority Interest	-43.9	-33.4
Net Income attributable to Shareholders	237.6	326.8
EBITDA	1,378.7	1,870.6

Note 1: EBITDA comprises of profit from operations, depreciation and other relevant non-cash items up to EBIT.

Note 2: Figures for CCI are obtained from consolidated financial results prepared in accordance with IFRS as per CMB regulations.

SOFT DRINK OPERATIONS (CCI)

Highlighted Balance Sheet Items as of 31.12.2017 and 31.12.2018

Prepared In Accordance with IFRS as per CMB Regulations

(TL mn)

	2017/12	2018/12
Cash and Cash Equivalents	3,874.7	2,289.7
Financial Investments	17.2	21.2
Derivative Instruments	0.2	0.0
Trade Receivables and due from related parties	675.2	750.7
Inventory (net)	563.8	804.0
Other Receivables	40.3	32.3
Other Current Assets	533.9	639.4
Total Current Assets	5,705.3	4,537.2
Property, Plant and Equipment	5,258.0	6,489.1
Intangible Assets (including goodwill)	2,226.5	2,688.9
Other Non- Current Assets	204.4	305.2
Total Non-current Assets	7,688.9	9,483.2
Total Assets	13,394.2	14,020.4
Short-term Borrowings	79.9	212.3
Current Portion of Long-term Borrowings	2,716.8	706.4
Trade Payables	955.6	1,294.4
Other Payables	232.4	288.1
Provision for Corporate Tax	4.8	10.9
Short Term Provisions	66.1	58.3
Employee Benefits Payable	39.6	34.7
Other Current Liabilities	32.4	63.6
Total Current Liabilities	4,127.6	2,668.6
Long-term Borrowings	3,194.0	4,024.8
Non -Current Trade Payables	35.2	47.0
Non Current Provisions	72.3	82.5
Deferred Tax Liabilities	407.9	548.7
Other Non- Current Liabilities	117.6	198.0
Total Non-Current Liabilities	3,827.0	4,901.1
Total Equity	5,439.6	6,450.7
Total Liabilities and Shareholders' Equity	13,394.2	14,020.5

Note 1: Figures for CCI are obtained from consolidated financial results prepared in accordance with IFRS as per CMB regulations.

ABOUT ANADOLU EFES

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes), together with its subsidiaries and affiliates produces and markets beer, malt and soft drinks across a geography including Turkey, Russia, the CIS countries, Central Asia and the Middle East with total employees of 17,560, including both beer & soft drink operations. Anadolu Efes, listed at Borsa İstanbul (AEFES.IS), is an operational entity under which the Turkey beer operations are managed, as well as a holding entity which is the 100% shareholder of EBI that manages international beer operations, and is the largest shareholder of CCI, that manages the soft drink business in Turkey and international markets.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document may contain certain forward-looking statements concerning our future performance and should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact the Company's actual performance.

ACCOUNTING PRINCIPLES

The consolidated financial statements of Anadolu Efes are prepared in accordance with International Financial Reporting Standards ("IFRS") as per regulations of the Capital Markets Board of Turkey ("CMB").

The attached financial statements in this announcement comprise the income statements for the period ended 31.12.2017 and 31.12.2018 as well as the balance sheets as of 31.12.2017 and 31.12.2018. Figures in FY2017 and FY2018 are presented in the reporting currencies of each business division.

Anadolu Efes and its subsidiaries in which Anadolu Efes holds the majority stake; including Efes Pazarlama (marketing, sales & distribution of beer products in Turkey) and EBI (international beer operations), are fully consolidated in the financials. According to the Shareholder's Agreement regarding the governance of CCI, in which Anadolu Efes holds 50.3% stake, Anadolu Efes also fully consolidates CCI.

BEER OPERATIONS' FY2018 RESULTS PRESENTATION & WEBCAST

Anadolu Efes - Beer Operations' FY2018 Results Presentation will be held on Friday, 1st of March 2019 at 16:30 (Istanbul), 13:30 (London) and 08:30 (New York) time.

Audio Conference:

UK Dial-in: +44 207 194 37 59/ 0 800 376 61 83

USA Dial-in: +1 646 722 49 16

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ENQUIRIES

For financial reports and further information regarding Anadolu Efes, please visit our website at <http://www.anadoluefes.com/> or you may contact;

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