

Efes Breweries International N.V. (EBI) 1H2009 Results Conference Call Presentation



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25.08.2009

Forward-Looking Statements

This presentation 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.



General Overview & Operating Performance

by **Alejandro Jimenez**



Operational Snapshot-1H2009 Performance

	1H2008	1H2009	Growth (%)
Total Sales Volume (mhl)	7,1	6,7	-4,6%
Net Sales (million USD)	523,9	416,9	-20,4%
Gross Profit (million USD)	217,9	195,5	-10,3%
Gross Profit margin (%)	41,6%	46,9%	530 bps
EBITDA (million USD)	81,6	83,6	2,4%
EBITDA margin (%)	15,6%	20,1%	448 bps

✓ **Sales Volume:**

- Challenging market conditions continued in the second quarter with higher magnitude
- Organic* volumes down by 2.8%

✓ **Net Sales:**

- Declined due to lower volumes as well as depreciation of local currencies vs. EBI's reporting currency USD

✓ **EBITDA Margin:** Improvement due to;

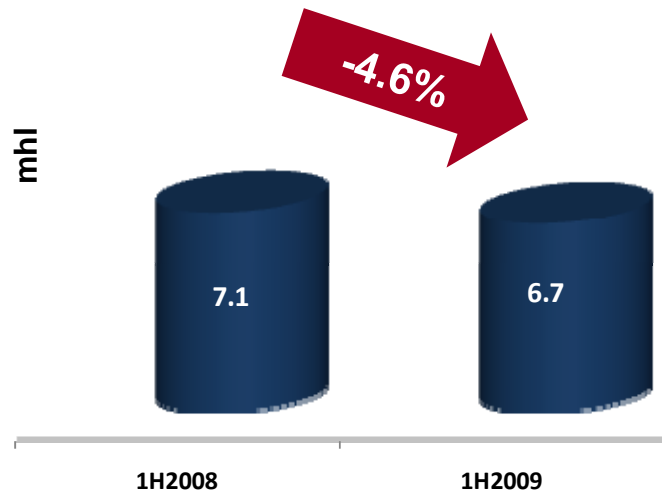
- higher gross profit margin due to declining commodity prices and initiatives on operational excellence
- strict cost management initiatives
- disposal of EBITDA negative operations
- but slightly muted by higher operating expenses as a percentage of net sales revenues

*By excluding i) the Jan-Feb 2009 sales volume of JSC Lomisi in Georgia, which EBI acquired in February 2008 and started full consolidation starting from March 1st 2008, ii) the sales volume of Efes Serbia, which is excluded from EBI's financials after the end of 1H2008



Challenges Continued In The Operating Markets

Volume Development



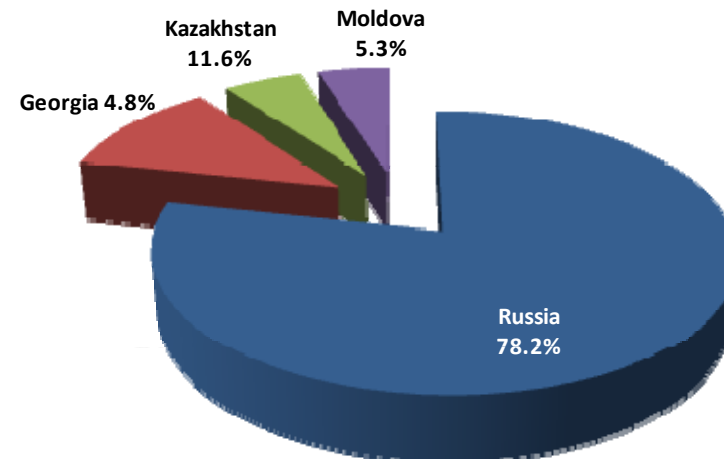
Sales volume decline was due to:

- the continued effect of the economic slowdown in the region
- the strong base of 1H2008

- Consolidated sales volume down 4.6% in 1H2009 compared to the same period of previous year
 - Decline was 2.8% on an organic basis⁽¹⁾

(1) By excluding i) the Jan-Feb 2009 sales volume of JSC Lomisi in Georgia, which EBI acquired in February 2008 and started full consolidation starting from March 1st 2008, ii) the sales volume of Efes Serbia, which is excluded from EBI's financials after the end of 1H2008

Breakdown of Sales Volume

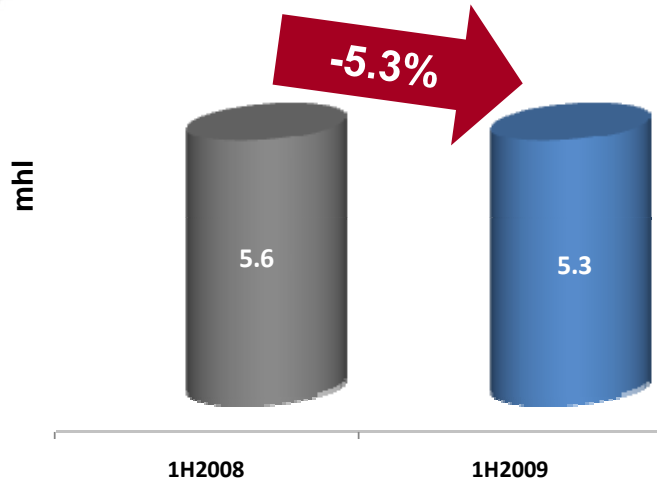


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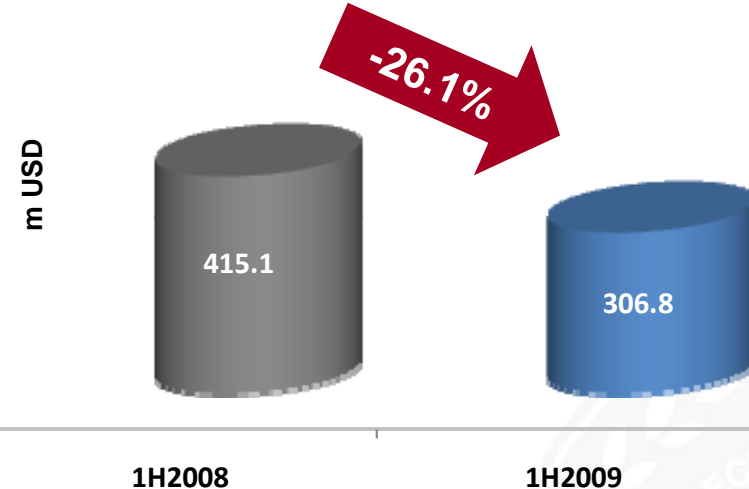


Continued to Outperform the Russian Market

Volume Development

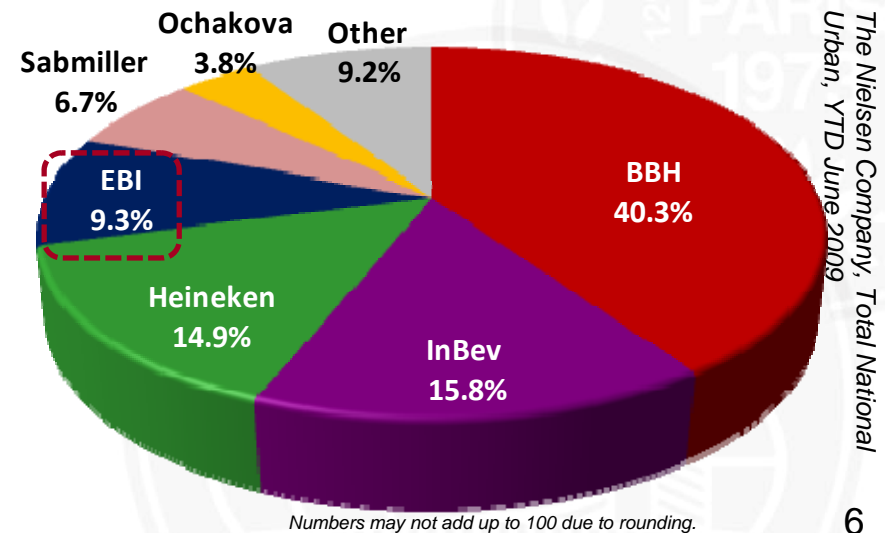


Revenue Development



- 10.1% GDP decline in Russia in 1H2009
- Beer market is estimated to have declined by high single digits
- EBI's sales volume down by 5.3%
- Market share slightly improved to 9.3% from 9.1% in 1H2008
- Local currency revenue grew by 2.1% due to;
 - 12.7% average price increase y-o-y
- 38.1% devaluation of Ruble vs. USD resulted in negative FX effect leading to a 26.1% decline in revenue on reporting currency basis.

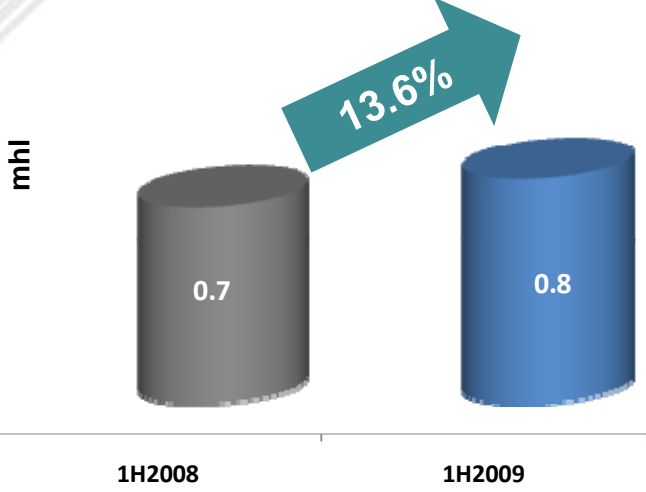
Market Share by Volume



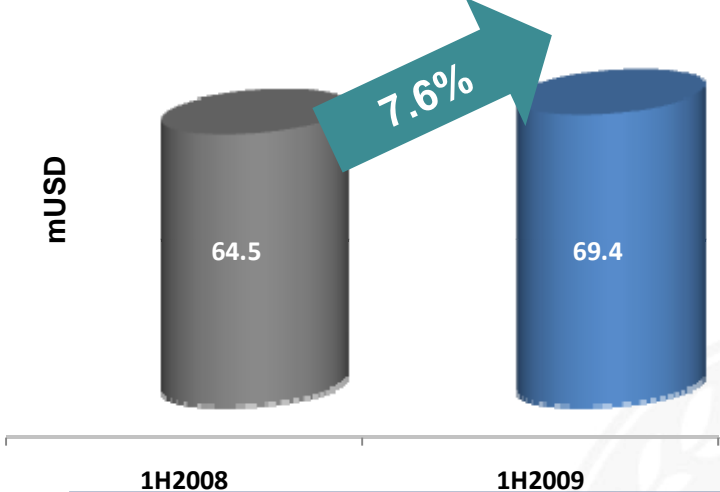


Superior Performance in Kazakhstan

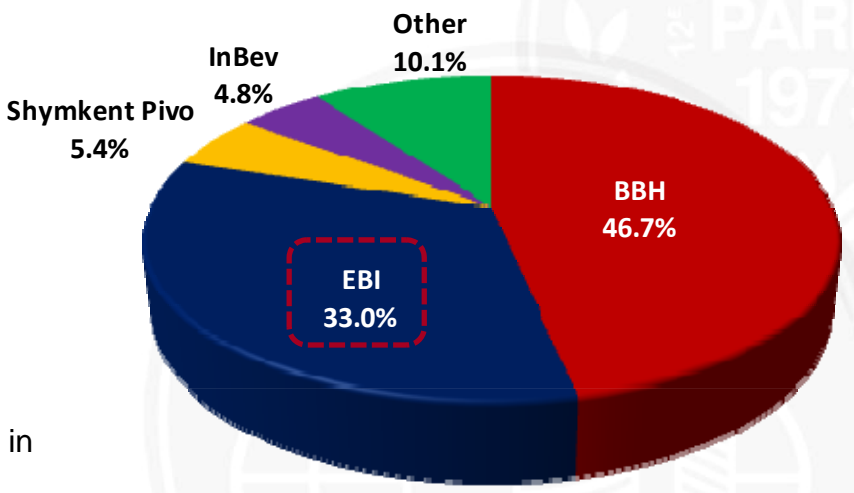
Volume Development



Revenue Development



Market Share by Volume



- 2.3% GDP decline in Kazakhstan in 1H2009
- EBI outperformed the market by growing 13.6% y-o-y
 - Market share increased to 33.0% in 1H2009 from 30.0% in 1H2008
- Revenue growth of 7.6% due to:
 - local currency price increases,
 - sales volume increase**despite;**
 - 20.1% devaluation of Tenge vs. USD in 1H2009 y-o-y, resulting in negative FX impact

The Nielsen Company, YTD June 2009

Numbers may not add up to 100 due to rounding.

New Introductions & Innovations

✓ *Relaunch of “Efes Pilsener” in all countries*

RUSSIA

- ✓ *“Stary Melnik Iz Bochonka Osoboe” launch*
 - *contains 4,6% alcohol*
 - *retains all advantages of saturated draft beer taste*
 - *easy to drink*
- ✓ *“Bavaria 8,6” in 50cl bottle and 50cl can*
- ✓ *“Green Beer” in 1.5 lt PET and 50cl bottle*
- ✓ *“Gold Mine” in can*



KAZAKHSTAN

- ✓ *“Gold Mine” in 50cl can and “Kruzhka Svezhego Mild” in 50cl bottle launched in April*
- ✓ *“Tyan-Shan” 50cl bottle relaunched in June*

GEORGIA

- ✓ *new products in Nataktari portfolio “Nataktari Kasris” in draft bottle and “Nataktari Karva” in transparent bottle and PET launched in April and May, respectively*

MOLDOVA

- ✓ *In Moldova, “Bely Medved” in 2,5Liters in green bottle was launched in April*





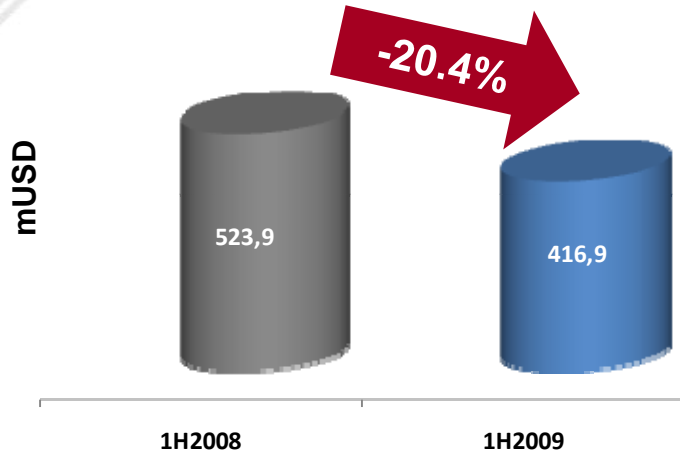
Financial Overview

by **Can aka**

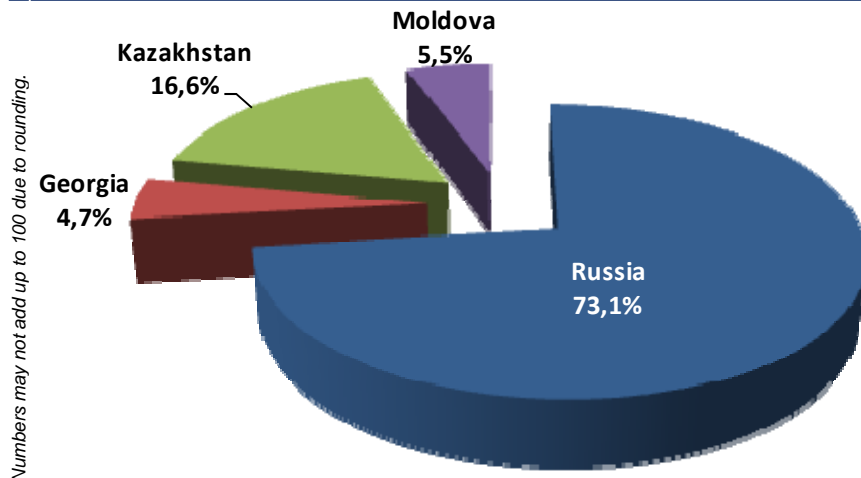


Depreciation of Local Currencies Hit Revenues

Sales Revenue Development



Breakdown of Sales Revenue



Numbers may not add up to 100 due to rounding.

✓ Consolidated net sales revenue down by 20.4% in 1H2009, attributable to the depreciation of local currencies versus EBI's reporting currency USD

- Decline was 19.1% organically*

* By excluding i) the Jan-Feb 2009 revenues of JSC Lomisi in Georgia, which EBI acquired in February 2008 and started full consolidation starting from March 1st 2008, ii) revenues of Efes Serbia, which is excluded from EBI's financials after the end of 1H2008

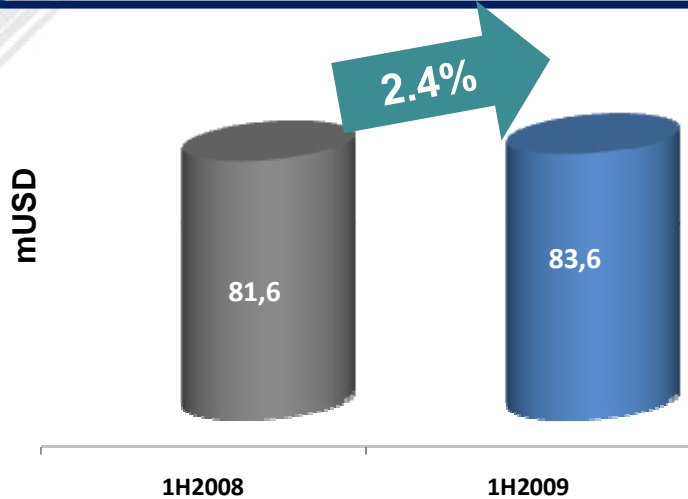
✓ Net revenue per hl decreased by 16.6%; due to devaluation of Ruble and Tenge vs. USD

✓ On local currency basis, EBI reported net sales revenue improvement in its major operations



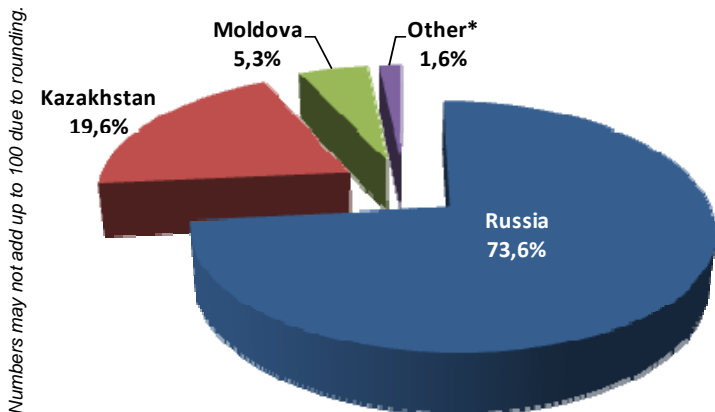
EBITDA Margin Expansion As Expected

EBITDA



- **Cost of sales/hl down by 24.2%, due to;**
 - declining commodity prices and devaluation of local currencies
- **Operating expenses as a percentage of net sales revenue increased due to;**
 - higher marketing expenses due to innovations and relaunches despite ;
 - tighter expense management
 - very limited increase in transportation costs

Breakdown of EBITDA



Numbers may not add up to 100 due to rounding.

- **EBITDA up by 2.4% in 1H2009**
- **EBITDA margin increased by 448 bps to 20.1% in 1H2009 vs. 1H2008**

*Other includes Georgia and headquarter eliminations

Free Cash Flow Generation

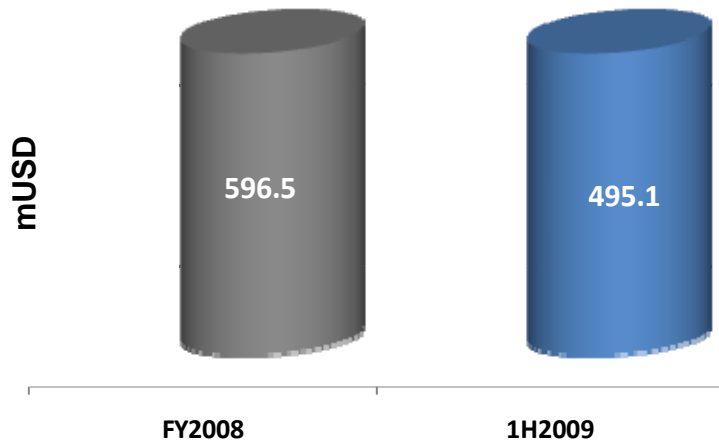
- On the back of tighter working capital management, lower input costs and capex management , EBI generated strong FCF in 1H2009

	1H2008	1H2009
Operating Profit	29.9	41.2
Depreciation & Amortization	46.4	40.8
Other non-cash items	5.3	1.7
EBITDA	81.6	83.6
<i>Change in Inventory</i>	<i>(47.8)</i>	<i>30.7</i>
<i>Change in Trade Receivables</i>	<i>(24.9)</i>	<i>2.8</i>
<i>Change in Trade Payables</i>	<i>63.3</i>	<i>63.5</i>
<i>Change in Other Assets/ Liabilities</i>	<i>5.8</i>	<i>11.9</i>
Change in Working Capital	(3.6)	108.9
Income Taxes Paid	(5.9)	(2.5)
CAPEX	(114.5)	(60.9)
Acquisitions, Disposals and Minority Buy-Out	(73.2)	(1.5)
Net Financial Expense (Including interest)	(17.5)	(31.5)
FCF	(132.9)	96.1
FCF excluding acquisitions/disposals	(60.0)	96.1



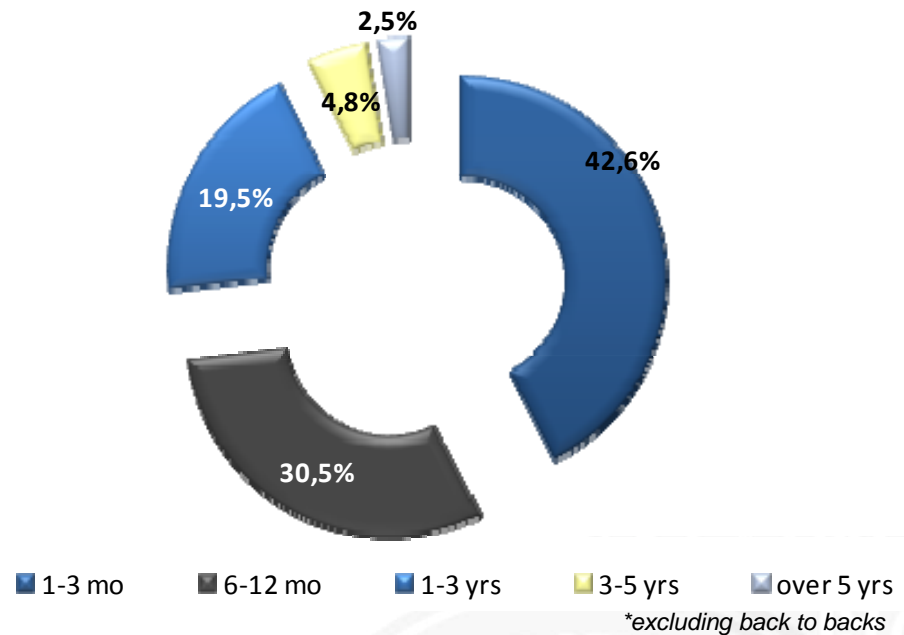
Consolidated Net Financial Debt & Financing

Net Financial Debt*



*excluding put options

Maturity Breakdown



- Consolidated gross debt at US\$ 787.6 million in 1H2009
- Cash & cash equivalents at US\$ 292.5 million
- A significant portion of the short term debt is attributable to the US\$300 million syndication loan facility due in September 2009, which was successfully refinanced on July.



Recent Developments on Refinancing

- Syndication loan due in September 2009 was successfully refinanced on July 7th with a new Term Loan Facility, which;
 - comprises of two tranches of US\$150.2 million & EUR107.0 million
 - has a maturity of 3 years
 - has an interest rate of LIBOR+475 bps p.a. for the US\$ tranche & EURIBOR+475 bps p.a for the EURO tranche
- was participated by 15 banks and over-subscribed by more than 2.5 times



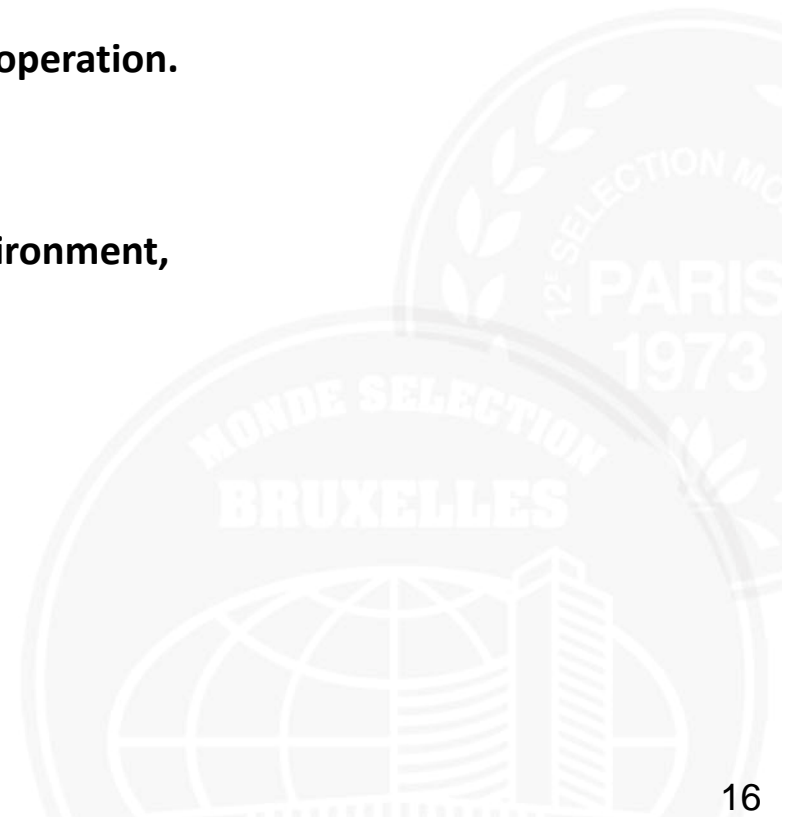


2009 Outlook

by Alejandro Jimenez

2009 Outlook

- We remain committed to;
 - margin development
 - tighter working capital management vs. last year,
 - positive free cash flow generation
 - limiting the effect of devaluations on top line
 - outperforming the beer markets in all countries of operation.
- We maintain our consumer focused approach;
 - price increases below inflation in a challenging environment,
 - innovations to satisfy our consumers.
- We are well positioned to;
 - enjoy lower commodity prices





? QUESTIONS PLEASE ?

The logo for EFES, featuring the word "EFES" in a bold, white, serif font with a blue outline. The text is centered within a golden, three-dimensional oval frame that has a red inner border and a white shadow effect. The background is a vibrant blue with a subtle pattern of water droplets and a faint, stylized image of a water bottle.

EFES

APPENDIX

EFES BREWERIES INTERNATIONAL N.V.
CONSOLIDATED INCOME STATEMENT

For the period ended June 30, 2009 and 2008

(US\$ in thousands)	YTD Q2 2009	YTD Q2 2008
Revenue	416.866	523.924
Cost of sales	(221.400)	(306.032)
Gross profit	195.466	217.892
Selling and marketing expenses	(101.079)	(126.987)
General and administrative expenses	(51.087)	(59.949)
Other operating income/(expense)	(2.137)	(1.061)
Operating profit	41.163	29.895
Financial income/(expense)	(61.630)	(13.224)
Share of net loss of associates	(3.967)	-
(Loss)/Profit before tax	(24.434)	16.671
Income tax	250	(8.866)
(Loss)Profit after tax	(24.184)	7.805
(Loss)/Profit for the period	(24.184)	7.805
Attributable to:		
-Equity holders of the parent company	(21.416)	7.981
-Minority interests	(2.768)	(176)
	(24.184)	7.805
EBITDA ⁽¹⁾	83.614	81.622
VOLUME (mio hl)	6,74	7,07

(1) EBITDA here means earnings before interest (financial income/(expense) — net), tax, share of net loss of associates, depreciation and amortisation, minus minority interest, and as applicable, minus gain on holding activities, plus loss on PPE disposals, provisions, and impairment.

EFES BREWERIES INTERNATIONAL N.V.
CONSOLIDATED BALANCE SHEET

As of June 30, 2009 and December 31, 2008

(US\$ in thousands)	2009	2008
Cash and cash equivalents	292.488	220.827
Trade and other receivables	87.608	88.078
Due from related parties	1.912	4.195
Inventories	136.435	166.385
Prepayments and other current assets	34.614	43.419
Total current assets	553.057	522.904
Available-for-sale investments	3.001	1.525
Investments in associates	30.380	35.004
Property, plant and equipment	669.937	710.311
Intangible assets	449.782	474.397
Deferred tax assets	26.357	24.758
Prepayments and other non-current assets	581	423
Total non-current assets	1.180.038	1.246.418
Total assets	1.733.095	1.769.322
Trade and other payables	247.219	189.193
Due to related parties	28.637	21.459
Income tax payable	1.933	502
Short-term borrowings	125.394	123.613
Current portion of long-term borrowings	470.979	307.409
Total current liabilities	874.162	642.176
Long-term borrowings-net of current portion	191.185	386.301
Deferred tax liability	2.150	2.775
Other non-current liabilities	24	30
Total non-current liabilities	193.359	389.106
Minority interest	15.608	22.280
Equity attributable to equity holders of the parent	649.966	715.760
Total liabilities and equity	1.733.095	1.769.322

EFES BREWERIES INTERNATIONAL N.V.
CONSOLIDATED CASH FLOW

For the period ended June 30, 2009 and 2008

(US\$ in thousands)	YTD Q2 2009	YTD Q2 2008
(Loss) / profit before tax	(24.434)	16.671
Depreciation and amortisation	40.776	46.406
Provisions(reversal of provisions), reserves and impairment	(88)	3.398
Share of net loss of associates	3.967	-
Other non-cash expense	2.428	2.541
Net interest expense	16.959	20.222
(Increase)/decrease in net working capital	108.863	(3.552)
Unrealized foreign exchange loss/(gain) on loans	30.408	(6.292)
Net interest paid	(17.871)	(18.780)
Income taxes paid	(2.493)	(5.859)
Net cash provided by operating activities	158.515	54.755
Purchase of property plant and equipment	(61.765)	(121.270)
Acquisition of subsidiaries, net of cash acquired	-	(73.145)
Proceeds from sales of PPE and other	897	6.758
Payments to acquire shares of available-for-sale investments	(1.475)	-
Net cash used in investing activities	(62.343)	(187.657)
Proceeds from/(repayments of) debt	(14.551)	246.335
Dividends paid to minority shareholders	(24)	(36)
Net cash (used for)/provided by financing activities	(14.575)	246.299
Currency translation differences	(9.936)	12.311
Net increase in cash and cash equivalents	71.661	125.708
Cash and cash equivalents at beginning of year	220.827	58.526
Cash and cash equivalents at end of period	292.488	184.234