CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ

CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2010 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

pwc

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REPORT

To the Board of Directos of
Anadolu Efes Biracılık ve Malt Sanayii A.Ş.

1. We have audited the accompanying consolidated financial statements of Anadolu Efes Biracılık ve Malt Sanayii A.Ş., its subsidiaries and joint ventures (collectively referred to as the "Group"), which comprise the consolidated balance sheet at 31 December 2010 and the related consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

2. The Group management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the financial reporting standards accepted by the Capital Markets Board ("CMB"). This responsibility includes: designing, implementing and maintaining internal control relevant to the proper preparation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards issued by the CMB. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free of 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 entity's proper preparation 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.** a member of **PricewaterhouseCoopers
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Opinion

4. In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. as of 31 December 2010, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting standards accepted by the CMB (Note 2).

Other Matter

5. The financial statements of the Group as of 31 December 2009 were audited by other auditors whose report, dated 30 March 2010 expressed an unqualified opinion on those statements.

Additional paragraph for convenience translation into English

6. The accounting principles described in Note 2 to the consolidated financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period 1 January - 31 December 2005. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position and results of operations of the Group in accordance with IFRS.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

Burak Özpoyraz, SMMM
Partner

Istanbul, 29 March 2011

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CONSOLIDATED BALANCE SHEET
As at December 31, 2010
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

	Notes	Audited 2010	2009
ASSETS			
Current Assets		**2.140.817**	2.056.660
Cash and Cash Equivalents	6	**939.324**	1.053.256
Financial Investments	7	**55.090**	21.204
Trade Receivables	10	**518.251**	421.539
Due from Related Parties	37	**337**	810
Other Receivables	11	**7.919**	5.827
Inventories	13	**467.864**	412.389
Other Current Assets	26	**152.032**	141.635
Non-Current Assets		**3.448.014**	3.373.381
Other Receivables	11	**1.325**	944
Financial Investments	7	**37.488**	40.101
Investments In Associates	16	**21.441**	45.356
Biological Assets	14	**1.512**	-
Property, Plant and Equipment	18	**2.043.794**	1.981.611
Intangible Assets	19	**361.889**	357.016
Goodwill	20	**871.079**	855.570
Deferred Tax Assets	35	**40.008**	46.871
Other Non-Current Assets	26	**69.478**	45.912
Total Assets		**5.588.831**	5.430.041
LIABILITIES			
Current Liabilities		**1.757.195**	1.488.643
Borrowings	8	**996.113**	949.326
Trade Payables	10	**253.332**	234.879
Due to Related Parties	37	**8.646**	14.996
Other Payables	11	**290.846**	202.308
Provision for Corporate Tax		**15.292**	16.507
Provisions	22	**23.676**	20.334
Other Current Liabilities	26	**169.290**	50.293
Non-Current Liabilities		**1.016.631**	1.207.220
Borrowings	8	**768.383**	908.059
Other Payables	11	**144.366**	126.620
Provision for Employee Benefits	24	**51.337**	40.148
Deferred Tax Liability	35	**42.843**	33.780
Other Non-Current Liabilities	26	**9.702**	98.613
EQUITY			
Equity Attributable to Equity Holders of the Parent		**2.767.087**	2.426.917
Issued Capital	27	**450.000**	450.000
Inflation Adjustment to Issued Capital	27	**63.583**	63.583
Fair Value Reserve	27	**19.569**	17.339
Currency Translation Differences	27	**(4.085)**	(18.016)
Restricted Reserves Allocated from Net Income	27	**138.442**	108.217
Other Reserves	27	**(5.736)**	4.916
Accumulated Profits	27	**1.601.674**	1.378.290
Net Income		**503.640**	422.588
Minority Interests		**47.918**	307.261
Total Liabilities		**5.588.831**	5.430.041

The accompanying notes form an integral part of these consolidated financial statements

CONSOLIDATED INCOME STATEMENT
For the year ended December 31, 2010
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

		Audited	
	Notes	**2010**	2009
Continuing Operations			
Sales	5, 28	**4.168.793**	3.811.067
Cost of Sales (-)	28	**(2.051.348)**	(1.907.934)
Gross Profit From Operations		**2.117.445**	1.903.133
Marketing, Selling and Distribution Expenses (-)	29	**(1.060.488)**	(928.050)
General and Administration Expenses (-)	29	**(353.951)**	(322.094)
Other Operating Income	31	**25.022**	41.470
Other Operating Expense (-)	31	**(34.404)**	(46.478)
Profit From Operations		**693.624**	647.981
Loss from Associates	16	**(17.910)**	(10.925)
Financial Income	32	**244.302**	375.081
Financial Expenses (-)	33	**(261.464)**	(468.383)
Profit Before Tax From Continuing Operations		**658.552**	543.754
Continuing Operations Tax Income / (Expense)			
Current Period Tax Expense (-)	35	**(127.846)**	(127.260)
Deferred Tax Income / (Expense)	35	**(12.265)**	5.778
Profit For The Year		**518.441**	422.272
Attributable to:			
Minority interests		**14.801**	(316)
Equity holders of the parent		**503.640**	422.588
Earnings per share (Full TRL)	36	**1,1192**	0,9391

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2010
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

	Notes	Audited 2010	2009
Profit for the Year		**518.441**	422.272
Other Comprehensive Income / (Loss):			
Currency Translation Differences		**25.202**	(57.786)
Fair Value Difference	3	**-**	4.916
Value Increase / (Decrease) in Available-for-Sale Securities	7	**2.347**	17.398
Tax Income / (Expense) on Other Comprehensive Income / (Loss)	7	**(117)**	(870)
Other Comprehensive Income / (Loss), (Net of Taxes)		**27.432**	(36.342)
Total Comprehensive Income		**545.873**	385.930
Attributable to:			
Minority Interests		**26.072**	(20.295)
Equity Holders of the Parent		**519.801**	406.225

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended December 31, 2010
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL)

	Issued Capital	**Inflation Adjustment to Issued Capital**	**Fair Value Reserve**	**Currency Translation Differences**	**Restricted Reserves Allocated from Net Income**	**Other Reserves**	**Net Income**	**Accumulated Profits**	**Equity Attributable to Equity Holders of the Parent**	**Minority Interests**	**Total Equity**
Balance at December 31, 2008	450.000	63.583	811	19.791	83.953	-	309.678	1.226.330	2.154.146	361.505	2.515.651
Other comprehensive income / (loss)	-	-	16.528	(37.807)	-	4.916	-	-	(16.363)	(19.979)	(36.342)
Profit for the year	-	-	-	-	-	-	422.588	-	422.588	(316)	422.272
Total comprehensive income / (loss)	-	-	16.528	(37.807)	-	4.916	422.588	-	406.225	(20.295)	385.930
Transfer of previous year net income to the accumulated profits	-	-	-	-	24.264	-	(176.224)	151.960	-	-	-
Dividends paid (Note 27)	-	-	-	-	-	-	(133.454)	-	(133.454)	-	(133.454)
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	(37)	(37)
Change in minority shares (*) (Note 3)	-	-	-	-	-	-	-	-	-	(33.912)	(33.912)
Balance at December 31, 2009	**450.000**	**63.583**	**17.339**	**(18.016)**	**108.217**	**4.916**	**422.588**	**1.378.290**	**2.426.917**	**307.261**	**2.734.178**
Other comprehensive income / (loss)	**-**	**-**	**2.230**	**13.931**	**-**	**-**	**-**	**-**	**16.161**	**11.271**	**27.432**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	**503.640**	**-**	**503.640**	**14.801**	**518.441**
Total comprehensive income / (loss)	**-**	**-**	**2.230**	**13.931**	**-**	**-**	**503.640**	**-**	**519.801**	**26.072**	**545.873**
Transfer of previous year net income to the accumulated profits	**-**	**-**	**-**	**-**	**30.225**	**-**	**(253.609)**	**223.384**	**-**	**-**	**-**
Dividends paid (Note 27)	**-**	**-**	**-**	**-**	**-**	**-**	**(168.979)**	**-**	**(168.979)**	**-**	**(168.979)**
Acquisition of minority shares (*) (Note 3)		**-**	**-**	**-**	**-**	**(10.652)**	**-**	**-**	**(10.652)**	**(285.415)**	**(296.067)**
Balance at December 31, 2010	**450.000**	**63.583**	**19.569**	**(4.085)**	**138.442**	**(5.736)**	**503.640**	**1.601.674**	**2.767.087**	**47.918**	**2.815.005**

(*) The Company acquired minority shares of 26,53% of Efes Breweries International N.V. (EBI) and as a result of this share purchase, minority shares decreased by TRL285.415. (December 31, 2009 - The Company acquired minority shares of 3,25% of its subsidiary EBI and EBI acquired minority shares of KV Group in 2009 and also Coca Cola İçecek A.Ş. (CCİ), which is the joint venture of the Company, acquired minority shares of Azerbaijan Coca-Cola Bottlers LLC. As a result of these share purchases, minority interests decreased by TRL33.938, TRL2.338 and TRL3.412 respectively. Furthermore, CCİ consolidated Turkmenistan Coca-Cola Bottlers Ltd. for using the full consolidation method. Accordingly, the minority interests increased by TRL5.776).

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2010
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

	Notes	Audited 2010	Audited 2009
Cash flows from operating activities			
Continuing operations profit before tax		**658.552**	543.754
Adjustments for:			
Depreciation and amortization expenses	5, 18, 19, 30	**301.031**	265.557
(Gain)/loss on sale of property, plant and equipment and intangible assets, net	31	**(384)**	4.627
Provision for retirement pay liability	5, 24	**12.487**	9.023
Provision for vacation pay liability	5, 22	**3.124**	25
Provision / (reversal of provision) for inventory obsolescence, net	5, 13	**941**	3.409
Provision / (reversal of provision) for doubtful receivables, net	5, 10	**1.064**	1.498
Provision for long term incentive plan		**7.241**	4.484
(Impairment reversal) / impairment on property, plant and equipment, net	5, 18, 31	**2.079**	(561)
Foreign exchange (gain) / loss raised from loans, net		**(5.442)**	36.571
Interest expense	33	**77.534**	84.007
Interest income	32	**(71.669)**	(59.209)
(Gain) / loss from derivative financial instruments	32, 33	**224**	587
Syndication loan expense	33	**10.073**	2.966
Negative goodwill	3, 5, 31	**-**	(13.503)
Loss from associates	5, 16	**17.910**	10.925
Other (income) / expense, net		**(211)**	(511)
Operating profit before changes in operating assets and liabilities		**1.014.554**	893.649
Change in trade receivables		**(97.863)**	(361)
Change in due from related parties		**473**	3.063
Change in inventories		**(54.818)**	90.115
Change in other assets, other liabilities and provisions		**68.681**	65.218
Change in trade payables		**18.452**	24.156
Change in due to related parties		**695**	(4.258)
Vacation pay, retirement pay liability and long term incentive plan paid		**(9.586)**	(10.556)
Taxes paid		**(131.345)**	(123.297)
Net cash flows from operating activities		**809.243**	937.729
Cash flows used in investing activities			
Purchase of property, plant and equipment and intangible assets	5, 18, 19	**(330.714)**	(317.651)
Water source business investment	3	**-**	(14.835)
Proceeds from sale of property, plant and equipment and intangible assets		**14.210**	13.543
Purchase of biological assets		**(1.512)**	-
Acquisition of subsidiaries and joint venture, net of cash acquired	3	**(22.728)**	(20.121)
Cash payment for acquired minority shares	3	**(290.456)**	(78.211)
Net cash used in investing activities		**(631.200)**	(417.275)
Cash flows from financing activities			
Dividends paid	27	**(168.979)**	(133.454)
Dividends paid to minority shareholders		**-**	(37)
Capital increase in subsidiaries by minority shareholders		**26.920**	-
Proceeds from short-term and long-term debt		**1.255.225**	944.482
Repayment of short-term and long-term debt		**(1.370.278)**	(889.875)
Interest paid		**(78.629)**	(86.849)
Interest received		**72.980**	55.422
Change in time deposits with maturity more than three months		**(34.851)**	(19.259)
Net cash used in financing activities		**(297.612)**	(129.570)
Currency translation differences on cash and cash transactions		**7.273**	(29.488)
Net increase /(decrease) in cash and cash equivalents		**(119.569)**	390.884
Cash and cash equivalents at the beginning of the year	6	**1.048.534**	687.138
Cash and cash equivalents at the end of the year	6	**936.238**	1.048.534

The accompanying notes form an integral part of these consolidated financial statements.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES

General

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (a Turkish corporation, Anadolu Efes, the Company) was established in İstanbul in 1966. Certain shares of Anadolu Efes are listed on the İstanbul Stock Exchange (ISE).

The registered office address of the Company is located at Bahçelievler Mahallesi Şehit İbrahim Koparır Caddesi No: 4 Bahçelievler - İstanbul.

The Group consists of the Company, its subsidiaries and joint ventures. The average number of permanent personnel employed in the Group is 15.202 (December 31, 2009 – 15.122).

The consolidated financial statements of the Group are approved by the Board of Directors of the Company and signed by Chief Financial Officer and Finance Director for issue on March 29, 2011. General Assembly and specified regulatory bodies have the right to make amendments on statutory financial statements after issue.

Nature of Activities of the Group

The operations of the Group consist of production, bottling, selling and distribution of beer under a number of trademarks and also production, bottling, selling and distribution of sparkling and still beverages with The Coca-Cola Company (TCCC) trademark. The Group owns and operates fourteen breweries (five in Turkey and nine in other countries), seven malt production facilities (two in Turkey, five in Russia) and also eight facilities in Turkey, twelve facilities in other countries for sparkling and still beverages production. The Group has a joint control over Coca-Cola İçecek A.Ş. (CCİ), which undertakes production, bottling and distribution facilities of the Coca-Cola Products in Turkey, Pakistan, Central Asia and Middle East.

The Group also has joint control over Anadolu Etap Tarım ve Gıda Ürünleri San. ve Tic. A.Ş., which undertakes production and sales of fruit juice concentrates and purees in Turkey. In addition, the Group has minority stakes that have significant influence over an investment company which has breweries in Serbia, namely Central Europe Beverages B.V. (CEB).

List of Shareholders

As of December 31, 2010 and 2009, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	2010		2009	
	Amount	**%**	Amount	%
Yazıcılar Holding A.Ş.	**139.251**	**30,94**	139.251	30,94
Özilhan Sınai Yatırım A.Ş.	**78.937**	**17,54**	78.937	17,54
Anadolu Endüstri Holding A.Ş. (AEH)	**35.292**	**7,84**	35.292	7,84
Publicly traded and other	**196.520**	**43,68**	196.520	43,68
	450.000	**100,00**	450.000	100,00

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES (continued)

List of Subsidiaries

The subsidiaries included in the consolidation and their effective shareholding rates at December 31, 2010 and 2009 are as follows:

Subsidiary	Country	Principal Activity	Segment	Effective Shareholding and Voting Rights % 2010	2009
Efes Breweries International N.V. (EBI) (1) (6)	The Netherlands	Facilitating foreign investments in breweries	International Beer	**100,00**	73,47
ZAO Moscow-Efes Brewery (Efes Moscow)	Russia	Production and marketing of beer	International Beer	**90,97**	66,75
OAO Amstar (Amstar) (2)	Russia	Production of beer	International Beer	**-**	66,75
Rostov Beverages C.J.S.C. (Efes Rostov) (2)	Russia	Lease	International Beer	**-**	66,75
OOO Stary Melnik (Stary Melnik) (3)	Russia	Service sector	International Beer	**90,96**	66,75
ZAO Efes Entertainment (Efes Entertainment) (3)	Russia	Service sector	International Beer	**90,97**	66,75
OAO Krasny Vostok Solodovpivo (KV Group) (3)	Russia	Production of beer	International Beer	**90,96**	66,73
ZAO Siberian Brewery Company (2)	Russia	Production and marketing of beer	International Beer	**-**	66,74
OAO Knyaz Rurik (Knyaz Rurik) (9)	Russia	Investment company of EBI	International Beer	**99,95**	-
ZAO Mutena Maltery (Mutena Maltery) (10)	Russia	Production of malt	International Beer	**99,95**	-
OOO Vostok Solod (4)	Russia	Production of malt	International Beer	**90,96**	66,73
OOO KV-Invest (4)	Russia	Finance	International Beer	**90,96**	66,73
OOO T'sentralny Torgovy Dom (4)	Russia	Sales company	International Beer	**90,96**	66,73
ZAO Moskovskii Torgovyii Dom (4)	Russia	Sales company	International Beer	**90,96**	66,73
ZAO Samarskii Torgovyii Dom (8)	Russia	Sales company	International Beer	**-**	66,73
ZAO Saratovskii Torgovyii Dom (8)	Russia	Sales company	International Beer	**-**	66,73
OOO Volgogradskii Torgovyii Dom (8)	Russia	Sales company	International Beer	**-**	66,73
OOO Kurskii Torgovyii Dom (8)	Russia	Sales company	International Beer	**-**	66,73
OOO Nizhegorodskii Torgovyii Dom (8)	Russia	Sales company	International Beer	**-**	66,73
J.S.C. Efes Karaganda Brewery (Efes Karaganda)	Kazakhstan	Production and marketing of beer	International Beer	**72,00**	52,90
Dinal LLP (Dinal)	Kazakhstan	Distribution of beer	International Beer	**72,00**	52,90
Efes Vitanta Moldova Brewery S.A. (Efes Moldova)	Moldova	Production and marketing of beer, and low alcoholic drinks	International Beer	**96,50**	70,90
Efes Romania Industrie Si Comert S.A. (ERIC) (7)	Romania	Distribution of beer	International Beer	**100,00**	73,46
Euro-Asian Brauerein Holding GmbH (Euro-Asian)	Germany	Investment company of EBI	International Beer	**100,00**	73,47
J.S.C. Lomisi (Efes Georgia)	Georgia	Production, marketing and sales of beer and carbonated soft drink	International Beer	**100,00**	73,47
Central Asian Beverages B.V. (Central Asian)	The Netherlands	Investment company of EBI	International Beer	**60,00**	44,08
Efes Trade BY FLLC (Efes Belarus)	Belarus	Market development	International Beer	**100,00**	73,47
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa) (5)	Turkey	Marketing and distribution company of the Group in Turkey	Turkey Beer	**100,00**	100,00
Tarbes Tarım Ürünleri ve Besicilik Sanayi Ticaret A.Ş. (Tarbes) (5)	Turkey	Providing hops (major ingredient of beer) to the breweries of the Group	Turkey Beer	**99,75**	99,75
Anadolu Efes Dış Ticaret A.Ş. (Aefes Dış Ticaret)	Turkey	Foreign trade	Other	**99,62**	99,62
Cypex Co. Ltd. (Cypex)	Turkish Republic of Northern Cyprus	Marketing and distribution of beer	Other	**99,99**	99,99
Anadolu Efes Technical and Management Consultancy N.V. (AETMC)	The Netherlands Antilles	Providing technical assistance	Other	**99,75**	99,75
Efes Holland Technical Management Consultancy B.V. (EHTMC)	The Netherlands	Providing technical assistance	Other	**99,75**	99,75
Caspian Marketing Ltd.	Azerbaijan	Marketing and distribution of beer	Other	**100,00**	100,00
Efes Deutschland GmbH (Efes Germany)	Germany	Marketing and distribution of beer	Other	**100,00**	100,00

(1) Shares of EBI were traded on the London Stock Exchange as of December 31, 2009. The cancellation of listing on London Stock Exchange is effective as of October 6, 2010 (Note 3).
(2) The official merger of Amstar and Rostov Beverages with Efes Moscow was completed in March 2010. Following this merger, as a part of the restructuring of Efes Beer Group Companies, the official merger of ZAO Siberian Brewery Company and Stary Melnik was completed in October 2010.
(3) Subsidiaries of Efes Moscow.
(4) Subsidiaries of KV Group.
(5) Company's beer operations in Turkey form the Turkey Beer Operations together with Ef-Pa and Tarbes.
(6) As of October 2010, Company acquired EBI shares, representing approximately 26,53% of the issued share capital of EBI (Note 3).
(7) In December 2000, ERIC adopted a plan of liquidation and as a result, changed its basis of accounting from going concern basis to a liquidation basis.
(8) Dissolved down in 2010 during the restructuring of KV Group companies.
(9) In 2010, Knyaz Rurik has been acquired by EBI and AETMC and included in the scope of full consolidation (Note 3).
(10) After the acquisition of majority interests of Knyaz Rurik by EBI in 2010, Mutena Maltery, which was accounted as non current financial investments, became subsidiary of EBI and is included in consolidation by using full consolidation method (Note 3).

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES (continued)

List of Joint Ventures

The joint ventures included in the consolidation proportionally and their effective shareholding rates at December 31, 2010 and 2009 are as follows:

Joint Venture	Country	Principal Activity	Segment	Effective Shareholding and Voting Rights % 2010	2009
Coca-Cola İçecek A.Ş. (CCİ) (1)	Turkey	Production, bottling of Coca-Cola products	Soft Drinks	**50,26**	50,26
Coca-Cola Satış Dağıtım A.Ş. (CCSD)	Turkey	Distribution and selling of Coca-Cola products	Soft Drinks	**50,25**	50,25
Mahmudiye Kaynak Suyu Ltd. Şti. (Mahmudiye)	Turkey	Filling and selling of natural spring water	Soft Drinks	**50,25**	50,25
Efes Sınai Dış Ticaret A.Ş. (EST)	Turkey	Foreign trade	Soft Drinks	**50,50**	50,50
J.V. Coca-Cola Almaty Bottlers Limited Liability Partnership (Almaty CC)	Kazakhstan	Production, bottling, distribution and selling of Coca-Cola and distributions of Efes products	Soft Drinks	**50,11**	50,11
Tonus Joint Stock Company (Tonus)	Kazakhstan	Investment company of CCİ	Soft Drinks	**47,33**	47,33
Azerbaijan Coca-Cola Bottlers LLC (Azerbaijan CC)	Azerbaijan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**50,19**	50,19
Coca-Cola Bishkek Bottlers Closed Joint Stock Company (Bishkek CC)	Kyrgyzstan	Production, bottling, distribution and selling of Coca-Cola products and distributions of Efes products	Soft Drinks	**50,26**	50,26
CCI International Holland B.V. (CCI Holland)	The Netherlands	Investment company of CCİ	Soft Drinks	**50,26**	50,26
The Coca-Cola Bottling Company of Iraq FZCO (JV Dubai)	United Arabic Emirates	Investment company of CCİ	Soft Drinks	**25,13**	25,13
CC Beverage Limited	Iraq	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**15,08**	15,08
The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC)	Jordan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**45,23**	45,23
Syrian Soft Drink Sales and Distribution L.L.C. (Syrian SD)	Syria	Distribution and selling of Coca-Cola products	Soft Drinks	**25,13**	25,13
Coca-Cola Beverages Pakistan Ltd (CCBPL)	Pakistan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**24,73**	24,73
Turkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC)	Türkmenistan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**29,90**	29,90
Anadolu Etap Tarım ve Gıda Ürünleri San. ve Tic. A.Ş. (Anadolu Etap)	Turkey	Production and sales of fruit juice concentrate and puree	Other	**33,33**	33,33

(1) Shares of CCİ are currently traded on ISE.

Although the Company has been representing and controlling more than 50% of voting rights of CCİ, since the members of the board of directors of CCİ, representing the Company and other shareholders, take decisions mutually in the board of directors meetings; the financial statements of CCİ is consolidated in accordance with interests in joint venture.

Environments and Economic Conditions of Subsidiaries and Joint Ventures in Foreign Countries

Certain countries, in which consolidated subsidiaries and joint ventures are operating, have undergone substantial political and economical changes in recent years. Accordingly such markets do not possess well-developed business infrastructures and the operations in such countries might carry risks, which are not typically associated with those in more developed markets. Uncertainties regarding the political, legal, tax and/or regulatory environment, including the potential for adverse changes in any of these factors, could significantly affect the subsidiaries' and joint ventures' ability to operate commercially.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Preparation and Presentation of Consolidated Financial Statements

The Group companies, which operate in Turkey, maintain their books of account and prepare their statutory financial statements in TRL in accordance with the Generally Accepted Accounting Principles in Turkey accepted by the Capital Markets Board (CMB); and Turkish Commercial Code and Tax Legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries and joint ventures maintain their books of account and prepare their statutory financial statements in their local currencies and in accordance with the rules and regulations of the countries in which they operate.

The consolidated financial statements have been prepared from the statutory financial statements of Group's subsidiaries and joint ventures and presented in TRL in accordance with CMB Financial Reporting Standards with certain adjustments and reclassifications for the purpose of fair presentation. Such adjustments are primarily related to application of consolidation accounting, accounting for business combinations, accounting for deferred taxes on temporary differences, accounting for employment termination benefits on an actuarial basis and accruals for various expenses. Except for the financial assets carried from their fair values and assets and liabilities included in business combinations application, financial statements are prepared on historical cost basis.

In accordance with the CMB's "Communiqué on Financial Reporting in Capital Market" Serial XI, No:29 (Communiqué), published in the Official Gazette dated April 9, 2008, effective from January 1, 2008, listed companies are required to prepare their financial statements in conformity with International Accounting/Financial Reporting Standards (IAS/IFRS) as prescribed in the CMB Communiqué. The financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué.

2.2 Functional and Presentation Currency

Functional and reporting currency of the Company and its subsidiaries, joint ventures located in Turkey is Turkish Lira (TRL). As a result of the structure of subsidiaries and joint ventures located in foreign countries and the fact that some foreign subsidiaries and joint ventures transact more of their business in Euro (EURO) or US Dollars (USD) than in any other currency, those foreign subsidiaries or joint ventures have adopted EURO or USD as their functional currencies.

Functional Currency of Significant Subsidiaries and Joint Ventures Located in Foreign Countries

Subsidiary or Joint Venture	Local Currency	Functional Currency 2010	Functional Currency 2009
EBI	EURO	**USD**	USD
Efes Moscow	Russian Ruble (RUR)	**RUR**	RUR
KV Group	RUR	**RUR**	RUR
Efes Karaganda	Kazakh Tenge (KZT)	**KZT**	KZT
Efes Vitanta	Moldovan Leu (MDL)	**MDL**	MDL
Efes Georgia	Georgian Lari (GEL)	**GEL**	GEL
CCI Holland	EURO	**USD**	USD
Almaty CC	KZT	**USD**	USD
Azerbaijan CC	Azerbaijan Manat (AZN)	**USD**	USD
Bishkek CC	Kirghiz Som (KGS)	**USD**	USD
CCBPL	Pakistan Rupee (PKR)	**PKR**	PKR
Jordan CC	Jordanian Dinar (JOD)	**USD**	USD
AETMC	EURO	**EURO**	EURO
EHTMC	EURO	**EURO**	EURO
Efes Germany	EURO	**EURO**	EURO
Knyaz Rurik	RUR	**RUR**	RUR

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.3 Changes in Accounting Policies

Adoption of new and revised International Financial Reporting Standards

The changes in accounting policies that have an impact on the consolidated financial statements are as follows:

- IFRS 3 (Revised) "Business Combinations": Revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition related costs and recognizing subsequent changes after the reporting period in fair value of contingent consideration in the profit or loss rather than by adjusting goodwill. However, as permitted by the revised standard in accordance with the transition period application, the Group recognized subsequent changes in the fair value of contingent consideration balances, originated in previous periods before the effective date of IFRS 3 (Revised), by adjusting goodwill.

- IAS 27 (Amendment) "Consolidated and Separate Financial Statements": The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such equity transaction will have no impact on goodwill, nor will it give raise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

  The amendments to the following standards and adoption of the following new interpretations below did not have any impact on the accounting policies, financial position or performance of the Group:

- IFRS 1 (Amendment) "First Time Adoption of IFRS"
- IFRS 2 (Amendment) "Share-based Payment – Vesting Conditions and Cancellation"
- IFRS 5 (Amendment) "Non-current Assets Held for Sale and Discounted Operations"
- IAS 1 (Amendment) "Presentation of Financial Statements"
- IAS 36 (Amendment) "Impairment of Assets"
- IAS 39 "Financial Instruments: Recognition and Measurement – Eligible Hedged Items"
- IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"
- IFRIC 17 "Distributions of Non-cash Assets to Owners"
- IFRIC 18 "Transfer of Assets from Customers"

Revised and amended standards and interpretations that are effective subsequent to December 31, 2010 and do not have any impact on the financial position or performance of the Group:

- IFRS 1 (Amendment) "Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters" (effective for annual periods beginning on or after July 1, 2010): IFRS 1 has been amended to allow first-time adopters to utilise the transitional provisions in IFRS 7 and give relief from providing comparative information in the first year of application.

- IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after January 1, 2013): IFRS 9 introduces new requirements for classifying and measuring financial assets. The standard has not yet been endorsed by the European Union (EU).

- IAS 12 (Amendment), "Income Taxes": IAS 12 has been updated to include:

  i) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the bases that its carrying amount will be recovered through sale.

  ii) a requirement that deferred tax on non depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.3 Changes in Accounting Policies (continued)

Adoption of new and revised International Financial Reporting Standards (continued)

- IAS 24 (Revised) "Related Party Disclosures" (effective for annual periods beginning on or after January 1, 2011): The definition of a related party has been clarified and partial exemption from the disclosures for all transactions of government-related entities with other government-related entities and government has been included.

- IAS 32 (Amendment) "Financial Instruments – Presentation : Classification of Rights Issues" (effective for annual periods beginning on or after February 1, 2010): The amendment addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment applies retrospectively in accordance with IAS 8 "Accounting policies, changes in accounting estimates and errors".

- IFRIC 14 (Amendment) "Prepayments of a Minimum Funding Requirement" (effective for annual periods beginning on or after January 1, 2011): The amendments correct an unintended consequence of IFRIC 14, "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction". Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct this. Early application is permitted. The amendment should be applied retrospectively to the earliest comparative period presented.

- IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments" (effective for annual periods beginning on or after July 1, 2010): The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished.

In May 2010, the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various and the earliest is effective for annual periods beginning on or after July 1, 2010. Early application is permitted in all cases and this annual improvements project has not yet been endorsed by the EU.

The following improvements to IFRS are not expected to have an impact on the financial statements of the Group:

- IFRS 1 "First Time Adoption of IFRS": The amendments:

  i) clarify the requirements in case of accounting policy change in the year of adoption. The amendment is applied prospectively.

  ii) allow first-time adopters to use an event-driven fair value as deemed cost, even if the event occurs after the date of transition, but before the first IFRS financial statements are issued. Entities that adopted IFRS in previous periods are permitted to apply the amendment retrospectively in the first annual period after the amendment is effective.

  iii) expand the scope of deemed cost for property, plant and equipment or intangible assets to include items used subject to rate regulated activities. The amendment is applied prospectively.

- IFRIC 13 "Customer Loyalty Programmes": The meaning of 'fair value' is clarified in the context of measuring award credits under customer loyalty programmes. The amendment is applied retrospectively.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.3 Changes in Accounting Policies (continued)

Adoption of new and revised International Financial Reporting Standards (continued)

The impact of the improvement to IFRS's below on the financial statements is being assessed by the Group:

- IFRS 3 "Business Combinations": The amendments:

  i) clarify that the amendments to IFRS 7 "Financial Instruments – Disclosures", IAS 32 "Financial Instruments – Presentation" and IAS 39 "Financial Instruments – Recognition and Measurement", that eliminate the exemption for contingent consideration, do not apply to contingent consideration that arose from business combinations whose acquisition date precede the application of IFRS 3 (as revised in 2008). The amendment is applicable to annual periods beginning on after July 1, 2010.

  ii) limit the scope of the measurement choices that only the components of non-controlling interests that are present ownership interests that entitle their holders to a proportionate share of entity's net assets, in the event of liquidation, shall be measured either at fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets. This amendment is applicable to annual periods beginning on after July 1, 2010. The amendment is applied prospectively from the date entity applies IFRS 3 (Revised).

  iii) require an entity (in a business combination) to account for the replacement of the acquiree's share based payment transactions (whether obliged or voluntarily). The amendment is applicable to annual periods beginning on or after July 1, 2010. The amendment is applied prospectively.

- IFRS 7 "Financial Instrument – Disclosures": The amendment emphasizes the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments. The amendment is applied retrospectively.

- IAS 1 "Presentation of Financial Statements": The amendment clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to financial statements. The amendment is applied retrospectively.

- IAS 27 "Consolidated and Separate Financial Statements": The amendment clarifies that the consequential amendments from IAS 27 made to IAS 21 "The Effect of Changes in Foreign Exchange Rates", IAS 28 "Investment in Associates" and IAS 31 "Interests in Joint Ventures". This amendment is applicable to annual periods beginning on after July 1, 2010 and applicable for annual periods beginning on after July 1, 2009 prospectively if IAS 27 is applied earlier.

- IAS 34 "Interim Financial Reporting": The amendment provides guidance to illustrate how to apply disclosure principles in IAS 34 and add disclosure requirements around the circumstances likely to affect fair values of financial instruments and their classification, transfers of financial instruments between different levels of fair value hierarchy, changes in classification of financial assets, changes in contingent assets and liabilities. The amendment is applied retrospectively.

2.4 Changes in Accounting Estimates

The accounting estimates of the Group are adopted to be the same as prior years and there is no material change from prior years' accounting policies.

2.5 Offsetting

Financial assets and liabilities are offset and the net amount are reported in the consolidated financial statements when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.6 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the parent company, Anadolu Efes, its subsidiaries and joint ventures drawn up to reporting date. The financial statements of the companies included in the consolidation have been prepared based on the accounting policies and presentation formats adopted by the Group in accordance with the CMB Financial Reporting Standards.

Subsidiaries are companies in which Anadolu Efes has the power to exercise more than 50% of the voting rights relating to the shares in the companies as a results of shares owned directly and/or indirectly by itself or although not having the power to exercise more than 50% of the voting rights, exercises control in order to make profit from the operations of companies through the exercise of actual dominant influence over the financial and operating policies. Subsidiaries are consolidated for using the full consolidation method; therefore, the carrying value of subsidiaries is eliminated against the related shareholders' equity. The equity and net income attributable to minority shareholders' interests of subsidiaries are shown separately in the consolidated balance sheet and consolidated income statement.

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by the Group and its subsidiaries together with one or more other parties. The Group's interest in joint ventures is accounted for by way of proportionate consolidation; in other words, the Group includes its share of the assets, liabilities, income and expenses of each joint venture in the relevant components of the financial statements.

Investments in associates are undertakings over which the Group generally has between 20% and 50% of the voting rights and the Group has significant influence and which are not subsidiaries or joint ventures of the Group. The Group's investments in associates are accounted for using the equity method.

The investments in associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates, less any impairment in value. The consolidated income statement reflects the Group's share of the results of operations of the associates.

Intercompany balances and transactions, including intercompany profits and unrealized profits and losses are eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The acquisition method of accounting is used for acquired business. Subsidiaries, joint ventures or investment in associates, acquired or disposed of during the year are included in the consolidated financial statements from the date of acquisition or to the date of disposal.

2.7 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash in hand, bank deposits and short-term investments, which can easily be converted into cash for a known amount, has high liquidity with maturities of 3 months or less. The amounts paid under the reverse repurchase agreements are included in the cash and cash equivalents.

2.8 Trade Receivables and Provision for Doubtful Receivables

Trade receivables that are originated by the Group by the way of providing goods or services generally have 5-90 day terms. Trade receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amounts.

The allowance for doubtful receivables is realized when there is objective evidence that receivable cannot be collected and is charged as an expense in the consolidated financial statements. The allowance is the difference between the carrying amount and the recoverable amount, being all cash flows, including amounts recoverable from guarantees and collaterals.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.9 Related Parties

Parties are considered to be related if one party directly or indirectly has the ability to control the other party or exercise significant influence over the other party in making the financial and operating decisions or be the associate of the group. Related parties also include individuals that are principle owners, management and members of the Group's board of directors and their families. Due from and due to related parties are carried at cost. Related party transactions are transfers of resources, services or obligations between related parties, regardless of whether a price is charged.

2.10 Inventories

Inventories, including work-in-process are valued at the lower of cost and net realizable value, after provision for obsolete items. Net realizable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost is determined primarily on the basis of weighted average cost method. For processed inventories, cost includes direct materials, direct labor and the applicable allocation of fixed and variable overhead costs based on a normal operating capacity. Unrealizable inventory has been fully written off.

2.11 Biological assets

Biological assets of the Group consist of sewed fruit tree seedlings of Anadolu Etap. The seedlings that are accounted for as biological assets are carried at cost due to immateriality and nonexistence of an active and fair market according to IAS 41.

2.12 Financial Investments

The Group has classified its financial assets as “available-for-sale” in accordance with IAS 39 “Financial Instruments: Recognition and Measurement”. Financial assets, intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates are classified as available-for-sale. These financial assets are included in non-current assets unless management has the intention of holding the investment for less than twelve months from the balance sheet date, or unless they will need to be sold to raise working capital, in which case they are included in current assets. Management determines the appropriate classification of its financial assets at the time of the purchase and re-evaluates such designation on a regular basis.

All investments are initially carried at cost, being the fair value of the consideration given and including acquisition changes associated with the investment. After initial recognition, investments which are classified as available-for-sale are measured at fair value. For investments that are actively traded in organized financial markets, fair value is determined by reference to stock exchange quoted market bid prices at the close of business on the balance sheet date and positive or negative valuation differences of investments, which are measured at fair value, have been recognized under comprehensive income statements as “value increase in available-for-sale securities” in the consolidated financial statements.

Investments classified as available-for-sale investments, that do not have a quoted market price in an active market and whose fair value cannot be reliably measured by alternative valuation methods, are measured at cost. The carrying amounts of such investments are reviewed at each balance sheet date for impairment.

All the acquisitions and disposals of the available for sale securities are recorded to accounts at the date of obligation of the Group for purchasing or selling the asset.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.13 Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost less accumulated depreciation and any impairment in value. Land is not depreciated. Depreciation is computed on straight-line method over the following estimated useful lives:

Buildings and land improvements	10-50 years
Machinery and equipment	4-20 years
Leasehold improvements	4-15 years
Furniture and fixtures	3-15 years
Vehicles	5-10 years
Returnable bottles and cases	5-10 years
Other tangible assets	2-14 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The increase in the carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior years. The increase is recognized in the consolidated income statement (Note 18).

The Group management accounts for returnable bottles under property, plant and equipment. Deposit obligations relating to such returnable bottles are reflected in other payables. The Group sells its products also in non-returnable bottles. For such sales, there is no deposit obligation of the Group.

Expenses for repair and maintenance of property, plant and equipment are normally charged to the income statement. They are, however, capitalized and depreciated through the estimated useful life of the property, plant and equipment in exceptional cases if they result in an enlargement or substantial improvement of the respective assets.

2.14 Intangible Assets

Intangible assets acquired separately from a business are capitalized at cost.

Intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill, if the fair value can be measured reliably. Intangible assets, excluding development costs, created within the business are not capitalized and expenditure is charged against profits in the year in which it is incurred. Supplies relating to promotion and marketing activities are incurred as expense when the right to reach these supplies is recognized. Intangible assets are amortized on a straight-line basis over the best estimate of their useful lives. Intangible assets with indefinite useful life formed in the financial statements in accordance with purchase method, are not subject to amortization and the carrying amounts of such intangibles are reviewed for impairment at least annually and whenever there is an indication of possible impairment.

a) Brands

The brands, which belong to International Beer Operations and which are acquired as part of a business combination, are carried at their fair value and if it is acquired separately, carried at cost in the financial statements. The Group expects that the brands will generate cash inflow indefinitely and therefore are not amortised. The brands are tested for impairment annually.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.14 Intangible Assets (continued)

b) Bottlers and Distribution Agreement

In the scope of consolidation, intangible assets identified in the fair value financial statements of subsidiaries acquired by CCİ in 2005 and 2009, and joint venture acquired by CCİ in 2008 include the "Bottlers and Distribution Agreements" that are signed with The Coca-Cola Company. Since the Group management expects to renew these agreements without any additional costs after expiration, it is decided that there are no definite useful lives of such assets. The intangible assets relating to the bottlers and distribution agreements are therefore not amortized. Bottlers and distribution agreements are tested for impairment annually.

c) Rights

The rights acquired as part of a business combination is carried at their fair value and if it is acquired separately, it is carried at cost in the financial statements. Rights in the consolidated financial statements comprise mainly water sources usage rights and amortized on a straight-line basis over 10 to 40 years.

d) Software

The cost of acquisition of new software is capitalized and treated as an intangible asset if these costs are not an integral part of the related hardware. Software is amortized on a straight-line basis over 1 to 5 years.

2.15 Business combinations and goodwill

A business combination is the bringing together of separate entities or business into one reporting entity.

The Group accounted business combinations occurred before January 1, 2010 using the purchase method according to the IFRS 3 before revision. In this method, the cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the acquirer shall include the amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured.

Goodwill is accounted in the consolidated financial statements being the excess of the cost of the business combination over the Group's share is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill recognized in business combinations is tested for impairment annually (as of December 31) or more frequently, if events or changes in circumstances indicate impairment, instead of amortization. Even though these circumstances do not indicate impairment in the following periods, the impairment loss of goodwill recognized in consolidated income statement is not subject to be reversed. During the impairment test, goodwill relates to cash-generating units.

The excess of the Group's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is accounted for as an income in the related year (negative goodwill).

In business combinations involving entities under common control, assets and liabilities subject to a business combination are recognized at their carrying amounts in the consolidated financial statements. As a result of these transactions, no goodwill or negative goodwill is directly accounted to the financial statements.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.15 Business combinations and goodwill (continued)

For business combinations occurred after January 1, 2010, the Group applied revised IFRS 3 "Business Combination" which is effective for the periods beginning on January 1, 2010.

IFRS 3 (Revised) introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported profit or loss in the period that a business combination occurs, and profit or loss of the future periods. Such changes include the expensing of acquisition related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). However, as permitted by the revised standard in accordance with the transition period application, the Group recognized subsequent changes in the fair value of contingent consideration balances originated in previous periods before the effective date of IFRS 3 (Revised) by adjusting goodwill.

The Group applies a policy of treating transactions with minority interests as transactions with equity owners of the Group. Accordingly, for share purchases from minority interests, the difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is accounted for as an equity transaction.

2.16 Borrowings

All borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in net profit or loss when the obligations related with the borrowings are removed.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the balance sheet date.

a) Finance Lease

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. The initial direct costs attributable for the finance lease are added to the amount recognized as an asset. Capitalized leased assets are depreciated over the estimated useful life of the asset.

b) Operating Lease

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.17 Current Income Tax and Deferred Tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity. In such case, the tax is also recognized in equity.

The current income tax charge is calculated in accordance with the tax laws enacted or substantively enacted at the balance sheet date in the countries where the subsidiaries and joint ventures of the Group operate.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax related to the equity items is carried under the equity and not reflected to income statement. Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to net off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxation authority.

2.18 Employee Benefits

a) Defined Benefit Plans

In accordance with existing social legislation in Turkey, the Group companies operating in Turkey are required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct. In the consolidated financial statements the Group has reflected a liability using the Projected Unit Credit Method and based upon estimated inflation rates and factors derived using the Group's experience of personnel terminating their services and being eligible to receive such benefits and discounted by using the current market yield at the balance sheet date on government bonds.

b) Defined Contribution Plans

The Group pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are paid.

c) Long Term Incentive Plan

The Group provides a benefit to its employees over a certain seniority level under the name “long term incentive plan”. Provision for long term incentive plan accrued in consolidated financial statements reflects the discounted value of the estimated total provision of possible future liabilities until the financial statement date.

2.19 Provisions, Contingent Assets and Liabilities

a) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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 recognized as an interest expense.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.19 Provisions, Contingent Assets and Liabilities (continued)

b) Contingent Assets and Liabilities

Contingent liabilities are not recognized in the consolidated financial statements, but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the consolidated financial statements, but disclosed when an inflow of economic benefits is probable.

2.20 Foreign Currency Translations

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income statement of the associated period, as foreign currency loss or gain. Foreign currency translation rates announced by the Central Bank of the Republic of Turkey and used by the Group's subsidiaries and joint ventures in Turkey as of respective year-ends are as follows:

Date	**USD / TRL (full)**	**EURO / TRL (full)**
December 31, 2010	1,5460	2,0491
December 31, 2009	1,5057	2,1603

The assets and liabilities of foreign subsidiaries and joint ventures are translated at the rate of exchange ruling at the balance sheet date and the equity items are translated using the exchange rates at the date of the transaction. The income statements of foreign subsidiaries and joint ventures are translated at average exchange rates. Differences resulting from the deviation between the values of investment related to equity accounts of consolidated subsidiaries and joint ventures and the appreciation of foreign currencies against the Turkish Lira were taken to equity as "currency translation differences".

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the acquiring company and are recorded at the exchange rate of balance sheet date. On disposal of a foreign entity, currency translation differences are recognized in the income statement as a component of the gain or loss on disposal.

2.21 Paid in Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from the proceeds.

2.22 Dividends Payable

Dividends payable are recognized as an appropriation of profit in the period in which they are declared.

2.23 Subsequent Events

The Group adjusts the amount recognized in its financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.24 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenues are stated net of discounts and returns, value added and sales taxes. The following specific recognition criteria must also be met before revenue is recognized:

a) Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably.

b) Interest Income

Interest income is recognized as the interest accrues. Interest income is reflected under the “financial income” in the consolidated income statement.

c) Dividend Income

Dividend income is recognized when the right to collect the dividend is established.

2.25 Borrowing Costs

Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized. Borrowing costs other than these are expensed as incurred.

2.26 Segment Reporting

The Group management monitors the operating results of its three business units separately for the purpose of making decisions about the resource allocation and performance assessment. The three operating segments are Turkey Beer Operations (Turkey Beer) which is conducted by the Company, International Beer Operations (International Beer) which is conducted by EBI and Soft Drinks Operations (Soft Drinks) which is conducted by CCİ.

Segment performance is evaluated based on profit from operations before depreciation, amortization and non-cash expenses (EBITDA). EBITDA has been determined as the optimum indicator by the Group management for the evaluation of the performance of the operating segments by considering the comparability with the entities in the same business (Note 5).

2.27 Earnings per Share

Earnings per share in the consolidated income statements are calculated by dividing the net profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. In Turkey, companies can increase their share capital by making distribution of free shares to existing shareholders from inflation adjustment to shareholders equity.

For the purpose of the earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of free shares issued without corresponding change in resources by giving them retroactive effect for the period in which they were issued and each earlier period.

2.28 Reporting of Cash Flows

In the consolidated statement of cash flows, cash flows are classified and reported according to their operating, investing and financing activities. Cash flows related with investing activities present the cash flows provided from and used in the Group’s investing activities and cash flows related with financing activities present the proceeds and repayments of sources in the Group’s financing activities.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.29 Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of balance sheet date. Actual results may vary from the current estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in income statement in the periods in which they become known. The source of the estimates and assumptions which may cause to significant adjustments at assets and liabilities at following periods as of balance sheet date are as follows:

a) Provision for doubtful receivables is an estimated amount that management believes to reflect for possible future losses on existing receivables that have collection risk due to current economic conditions. During the impairment test for the receivables, the debtors, other than the key accounts and related parties, are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements; and also the renegotiation conditions with these debtors are considered (Note 10).

b) During the assessment of the reserve for inventory obsolescence the following are considered; analyzing the inventories physically and historically, considering the employment and usefulness of the inventories respecting to the technical personnel view. Sales prices listed, average discount rates given for sale and expected cost incurred to sell are used to determine the net realizable value of the inventories (Note 13).

c) The Group performs impairment test for tangible assets, intangible assets with indefinite useful life and goodwill annually or when circumstances indicate that the carrying value may be impaired. As of December 31, 2010, impairment test for the intangible assets with indefinite useful life and goodwill is generated by comparing its carrying amount with the recoverable amount. The recoverable amount is the higher of net selling price and value in use.

In these calculations, estimated free cash flows before tax from financial budgets covering a 3-year period and approved by Board of Directors are used. Estimated free cash flows before tax after a 3-year period are calculated for 5 – 10 years period by using expected growth rates. Estimated free cash flows before tax are discounted to expected present value for future cash flows. Key assumptions such as country specific market growth rates, GDP per capita and consumer price indices were derived from external sources. Main estimates such as raw material and good prices, working capital requirements and capital expenditures were based on the Group’s key assumptions and historical operating data. The enterprise value used as a base for the impairment test has been calculated using cash flow projections from the strategic business plan approved by the Board of Directors and no impairment has been detected on goodwill. Perpetuity growth rate used in impairment test in the operating units is between 1,00% and 3,00% (December 31, 2009 – 1,00 % - 3,00 %) and after tax discount rate is between 9,59% and 13,05% (December 31, 2009 – 10,33% - 14,40%).

d) The discount rates related with retirement pay liability are actuarial assumptions determined with future salary increase and the employee’s turnover rates (Note 24).

e) Deferred tax asset is only recorded if it is probable that a taxable income will be realized in the future. Under the circumstances that a taxable income will be realized in the future, deferred tax is calculated over the temporary differences by carrying forward the deferred tax asset in the previous years and the accumulated losses. As of December 31, 2010, the estimations made to indicate that the company will incur taxable profits in the future periods were reasonable and deferred tax asset was recorded (Note 35).

f) The Group has used the future market rates stated on December 31, 2010, in order to value the derivative instruments as of the balance sheet date (Note 39). The fair value difference occurred due to using these rates have been recorded in consolidated income statement.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 3. BUSINESS COMBINATIONS

Transactions Related with 2010

Acquisitions

The Company acquired 11.219.811 EBI Global Depository Receipts (GDRs) representing approximately 26,53% of the issued share capital of EBI from a group of shareholders at a price of USD 17,00 per GDR (each GDR representing 5 EBI shares) for a total consideration of TRL290.456 during 2010. In accordance with IAS 27, positive difference amounting to TRL5.041 between the net asset value of EBI and the acquisition cost has been reflected to “other reserves” under the equity attributable to equity holders of the parent.

As a result of holding over 95% of the issued share capital of EBI, the Company intends to acquire the outstanding EBI shares by means of a squeeze-out procedure in accordance with the article 2:92a of the Dutch Civil Code before the Enterprise Chamber of the Court of Appeals in Amsterdam, the Netherlands. The writ that introduces the squeeze-out procedure was issued in June 2010 and the squeeze-out process was completed in October 2010.

At the extraordinary general meeting of shareholders of EBI held in Amsterdam on June 2010, the resolution approving the cancellation of the admission of the GDRs to the official list of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities was passed. In addition, amendment to the deposit agreement between the Company and The Bank of New York Mellon dated October 20, 2004 to permit such delisting was approved. As the amendment to the deposit agreement became effective following the date on which the extraordinary general meeting of shareholders has been held, de-listing of the GDRs was completed as of October 6, 2010.

In July 2010, EBI acquired 62,96% shares of OAO Knyaz Rurik, which owns 80,02% of Mutena Maltery shares, from Specialized State-Owned Unitary Enterprise for Sale of Property of the City of Moscow through a public auction process for a cash consideration of TRL18.608. After having the necessary approval from the competition board in August 2010, Knyaz Rurik is included in the consolidation by using full consolidation method. The difference between the cash consideration and the net assets calculated from the financial statements of Knyaz Rurik based on fair value accounting prepared in conformity with IFRS 1, amounting to TRL1.373, and the fair value difference amounting to (TRL1.580) arising from 19,98% shares on hand of Mutena Maltery, which was accounted under “non-current financial investments” and currently is fully consolidated as subsidiary, are presented net under the “other operating income” in the consolidated income statement.

The net asset value calculated from the financial statements of Knyaz Rurik based on fair value accounting as of the acquisition date is as follows:

	Fair Value
Cash and cash equivalents	1.666
Trade and other receivables	7.052
Inventories	1.775
Other assets	1.089
Property, plant and equipment	20.384
Deferred tax liability	(3.722)
Other liabilities	(461)
Minority interests	(6.683)
Fair value of net assets acquired	**21.100**
Total cash consideration	18.608
Group’s share in net assets	(17.235)
Net book value of Mutena Maltery shares on hand	5.103
Fair value of Mutena Maltery shares on hand	(6.683)
Amount recognised in income statement	**(207)**
Total cash consideration	18.608
Cash in the subsidiary acquired (-)	(1.666)
Net cash outflow on acquisition	**16.942**

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2010 (continued)

Acquisitions (continued)

In November 2010, AETMC acquired 15,10% shares of OAO Knyaz Rurik, which owns 80,02% of Mutena Maltery shares for a cash consideration of TRL5.786. The Group accounted the difference between the cash consideration and the net assets of Knyaz Rurik amounting to TRL1.921 to "other reserves" under the equity attributable to equity holders of the parent in accordance with IAS 27.

Transactions Related with 2009

Acquisitions

In January 2009, CCİ has increased its existing shareholding in Turkmenistan CC with the acquisition of 13,75% shares of Turkmenistan CC which previously owned by The Coca-Cola Export Corporation (TCCEC) and 12,50% shares from Day Investments Ltd. which had 25% shares in Turkmenistan CC, for a cash consideration of TRL7.026. Following the completion of the acquisitions, CCİ's share in Turkmenistan CC reached to 59,5% and it is included in consolidation by using the full consolidation method. The Group recorded TRL1.928 difference between the fair value of the net assets of Turkmenistan CC and the acquisition cost as negative goodwill in "other operating income" in the consolidated financial statements (Note 31).

In accordance with the change in the scope of consolidation and in conformity with IFRS 3, Group's share of fair value difference amounting to TRL4.916 occurred from the financial statements of Turkmenistan CC prepared according to fair value basis was recorded by the Group as "fair value difference" in consolidated comprehensive income statement.

The total fair value of net assets of Turkmenistan CC as of the acquisition date is as follows:

	Fair Value	Carrying Value
Cash and cash equivalents	1.113	1.113
Trade and other receivables	297	297
Inventories	9.059	9.059
Other assets	481	481
Property, plant and equipment	14.280	14.154
Intangible assets	29.648	333
Trade and other payables	(10.087)	(10.087)
Due to related parties	(3.407)	(3.407)
Other liabilities	(4)	(4)
Fair value of net assets acquired	41.380	11.939
Total cash consideration, Group's share	3.531	
Group's share in net assets	(5.459)	
Negative goodwill arising from acquisition	(1.928)	
Total cash consideration, Group's share	3.531	
Cash in the subsidiary acquired, Group's share (-)	(559)	
Net cash outflow on acquisition	2.972	

NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2009 (continued)

Acquisitions (continued)

According to the put and call option agreement signed with Day Investments Ltd., within three months from the expiry of the three year period from the completion date of share transfer registration which is in January 2009, Day Investments Ltd. shall have an option to offer (and CCI will have an obligation to buy) its remaining 12,5% participatory shares in Turkmenistan CC and CCI shall have an option to buy (and Day Investments Ltd. will have an obligation to sell) Day Investment Ltd.'s 12,5% participatory shares in Turkmenistan CC with an amount of USD 2.360 thousands (Note 23). The Group recorded TRL814 negative goodwill which is occurred from the accounting of the buying obligation liability in accordance with IAS 32, to "other operating income" in the consolidated income statement (Note 31).

In March 2009, CCİ has purchased certain real estates, movables, licenses and other assets related to the water business of Sandras Su Gıda Turizm Taşımacılık İnşaat A.Ş (Sandras), natural water company of Kalkavan Grubu, for an amount of TRL29.500. In accordance with IFRS 3 "Business Combinations", tangible and intangible assets identified in the acquisition of Sandras were recorded at their fair value amounting to TRL17.856. The Group recorded TRL2.468 negative difference between the fair value of total assets acquired and the acquisition cost of the Company amounting to TRL14.835 as negative goodwill to "other operating income" in the consolidated income statement (Note 31).

In May 2009, CCİ acquired 9,96% minority shares of Azerbaijan CC for a cash consideration of TRL9.121 and increased its shareholding percentage to 99,86%. The Group recorded the difference amounting to TRL1.404 between the net asset value of Azerbaijan CC and the acquisition cost of the Group, which is amounting to 4.584, as goodwill to the consolidated financial statements (Note 20).

The put option, which had been granted by EBI to Tradex Partner Limited Co. (Tradex) and that was exercisable between 2007 and 2010, has been exercised by purchasing the shares in KV Group by EBI's Russian operating subsidiary Efes Moscow in August 2009 for a cash consideration of TRL44.916. Subsequent to purchase of option shares, a further 0,43% of KV Group minority shares have been acquired with a cash consideration of TRL3.066. The excess of the acquisition costs over the fair value of net assets acquired was TRL728 and recognized as goodwill in the consolidated financial statements with the purchase of 0,43% minority shares, Efes Moscow increased its shareholding in KV Group to 99,98% from 92,85% (Note 20).

In July 2009, the Company announced its firm intention to make a cash offer for the entire issued share capital of EBI, not already owned by the Group. The aforementioned shares are held in the form of Global Depository Receipts (GDRs), listed on the London Stock Exchange, held only by Qualified Institutional Buyers and represent approximately 29,78% of the entire issued share capital of EBI. The Offer values EBI at US$ 11,10 in cash for each GDR (representing five EBI ordinary shares). As of September 3, 2009, the Company acquired 6.872.085 shares of EBI, representing 3,25% of EBI's issued capital, for a cash consideration TRL25.645 and increased its share in EBI to 73,47%. Difference between the net asset value of EBI and the acquisition cost amounting to TRL8.923 has been reflected as negative goodwill under "other operating income" in the Group's consolidated financial statements (Note 31).

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2009 (continued)

Acquisitions (continued)

In November 2009, the Company acquired 33,33% of Anadolu Etap, a leading company that produces fruit juice concentrates and purees in Turkey for a cash consideration of TRL18.311. Difference between the fair value of net assets of Anadolu Etap and the acquisition cost amounting to TRL12.178 has been reflected as goodwill in the Group's consolidated financial statements (Note 20).

The total fair value of net assets of Anadolu Etap as of the acquisition date is as follows:

	Fair Value	Carrying Value
Cash and cash equivalents	3.487	3.487
Trade and other receivables	1.290	1.290
Inventories	30.531	25.577
Other assets	4.438	4.438
Property, plant and equipment and intangibles	34.548	13.873
Deferred tax assets	-	1.021
Financial liabilities	(17.238)	(17.238)
Trade and other payables	(6.697)	(6.697)
Due to related parties	(2.727)	(2.727)
Deferred tax liabilities	(4.002)	-
Other liabilities	(25.233)	(25.233)
Fair value of net assets acquired	18.397	(2.209)
Total cash consideration	18.311	
Group's share in net assets	(6.133)	
Goodwill arising from acquisition	12.178	
Total cash consideration	18.311	
Cash in the subsidiary acquired, Group's share (-)	(1.162)	
Net cash outflow on acquisition	17.149	

NOTE 4. JOINT VENTURES

Summarized financial information about proportionally consolidated amounts included in the consolidated financial statements before consolidation adjustments and reclassifications are as follows:

	2010	2009
Current assets	**659.168**	609.128
Non-current assets	**883.904**	854.736
Total assets	**1.543.072**	1.463.864
Short-term liabilities	**452.245**	587.452
Long-term liabilities	**357.821**	232.062
Equity	**733.006**	644.350
Total liabilites	**1.543.072**	1.463.864
Net income	**96.111**	85.226

There are no commitments given by the Company on behalf of the joint ventures as of December 31, 2010 and 2009.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 5. SEGMENT INFORMATION

The Group's segment reporting disclosed in accordance with IFRS 8 is disclosed as follows with respect to operating segments as of December 31, 2010 and 2009.

	Turkey Beer	International Beer	Soft Drinks	Other [(1)] and Eliminations	Total
2010					
Revenues	1.293.426	1.464.174	1.383.607	51.257	4.192.464
Inter-segment revenues	(10.821)	(188)	(38)	(12.624)	(23.671)
Total Sales	**1.282.605**	**1.463.986**	**1.383.569**	**38.633**	**4.168.793**
EBITDA	**519.064**	**320.273**	**218.589**	**(38.922)**	**1.019.004**
Depreciation and amortization	74.932	149.623	74.027	2.449	301.031
Provision for retirement pay liability	8.348	-	3.981	158	12.487
Other	3.617	1.768	3.963	2.514	11.862
Profit / (loss) for the year	**368.514**	**94.209**	**99.694**	**(43.976)**	**518.441**
Capital expenditures (Note 18, 19)	**92.077**	**147.322**	**80.206**	**11.109**	**330.714**

2009					
Revenues	1.264.171	1.325.053	1.209.908	32.415	3.831.547
Inter-segment revenues	(9.046)	(349)	(49)	(11.036)	(20.480)
Total Sales	1.255.125	1.324.704	1.209.859	21.379	3.811.067
EBITDA	502.959	262.993	185.277	(34.615)	916.614
Depreciation and amortization	68.967	130.214	66.286	90	265.557
Provision for retirement pay liability	4.820	-	4.203	-	9.023
Negative goodwill	-	-	(5.210)	(8.293)	(13.503)
Other	2.276	5.257	1.154	(1.131)	7.556
Profit / (loss) for the year	363.056	(360)	85.035	(25.459)	422.272
Capital expenditures (Note 18, 19)	102.698	156.581	65.704	(7.332)	317.651

(1) Includes other subsidiaries included in the consolidation of Anadolu Efes and headquarters expenses.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 5. SEGMENT INFORMATION (continued)

Segment assets and liabilities as of December 31, 2010 and 2009 is disclosed as follows:

	Turkey Beer	International Beer	Soft Drinks	Other [(1)] and Eliminations	Total
2010					
Segment assets	3.002.585	2.294.972	1.514.717	(1.223.443)	5.588.831
Segment liabilities	851.663	1.124.038	793.535	4.590	2.773.826
Other disclosures					
Investments in associates	-	21.441	-	-	21.441
2009					
Segment assets	2.463.934	2.449.692	1.439.099	(922.684)	5.430.041
Segment liabilities	502.454	1.390.927	800.882	1.600	2.695.863
Other disclosures					
Investments in associates	-	45.356	-	-	45.356

(1) Includes other subsidiaries included in the consolidation of Anadolu Efes.

Reconciliation of EBITDA to the consolidated profit before tax and its components as of December 31, 2010 and 2009 are explained in the following table:

	2010	2009
EBITDA	**1.019.004**	916.614
Depreciation and amortization expenses	**(301.031)**	(265.557)
Provision for retirement pay liability	**(12.487)**	(9.023)
Provision for vacation pay liability	**(3.124)**	(25)
(Impairment reversal) / impairment on property, plant and equipment, net	**(2.079)**	561
Provision for doubtful receivables, net	**(1.064)**	(1.498)
Provision for inventory, net	**(941)**	(3.409)
Negative goodwill	**-**	13.503
Other	**(4.654)**	(3.185)
Profit from Operations	**693.624**	647.981
Loss from Associates	**(17.910)**	(10.925)
Financial Income	**244.302**	375.081
Financial Expenses (-)	**(261.464)**	(468.383)
Profit Before Tax from Continuing Operations	**658.552**	543.754

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 6. CASH AND CASH EQUIVALENTS

	2010	2009
Cash on hand	**855**	990
Bank accounts		
- Time deposits	**896.289**	1.013.979
- Demand deposits	**39.042**	33.532
Other	**52**	33
Cash and cash equivalents in cash flow statement	**936.238**	1.048.534
Interest income accrual	**3.086**	4.722
	939.324	1.053.256

As of December 31, 2010, as the maturity of all time deposits is less than three months, annual interest rates of the TRL denominated time deposits vary between 3,8% and 9,5% (December 31, 2009 - 4,5% - 10,8%) and annual interest rates of the USD, EURO denominated and other time deposits vary between 0,1% and 5,4% (December 31, 2009 – 0,2% - 8,0%). As of December 31, 2010, there is no pledge over the Group's cash deposits at banks as collateral for credit facilities (December 31, 2009 - TRL11.161).

NOTE 7. FINANCIAL INVESTMENTS

a) Current Investments

	2010	2009
Time deposits with maturity more than three months	**53.830**	19.259
Investment funds	**1.260**	1.753
Government bonds	**-**	192
	55.090	21.204

Investment funds and government bonds in the consolidated financial statements are valued with their market value prevailing at the balance sheet date. Time deposits with maturities over three months were made for periods varying between 3 to 8 months and earned interest is between 1,4% and 9,1% (December 31, 2009 – for 5 months to 1 year; 5,0% - 8,0%).

b) Non-current Investments

	Ownership			
	2010	2009	**2010**	2009
Alternatifbank A.Ş.	**7,46%**	7,46%	**36.702**	34.240
ZAO Mutena Maltery (Mutena Maltery)	**-**	14,68%	**-**	5.075
Other			**786**	786
			37.488	40.101

Available for sale securities (except for Alternatifbank) are carried at cost, since these investments do not have a quoted market price in an active market and its fair value cannot be reliably measured by alternative valuation methods. Shares of Alternatifbank are traded on the ISE, and the Group carried the shares of Alternatifbank at fair value as of December 31, 2010 in the consolidated financial statements.

As a result of the valuation of current investments and shares of Alternatifbank at their market value, a gain amounting to TRL2.347 in 2010 is recognized under consolidated comprehensive income statement as "value increase in available for sale securities" (December 31, 2009 –TRL17.398). The deferred tax expense effect of such gain amounting to TRL117 (December 31, 2009 – TRL870) is also recognized under consolidated comprehensive income statement.

The Group has increased its share in Mutena Maltery to 99,95% as a result of the step acquisition explained in Note 3 and included Mutena Maltery in consolidation by using the full consolidation method.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 8. BORROWINGS

As of December 31, 2010, total borrowings consist of principal (finance lease obligations included) amounting to TRL1.759.960 (2009 – TRL1.852.556) and interest expense accrual amounting to TRL4.536 (2009 – TRL4.829). As of December 31, 2010 and 2009, total amount of borrowings and the effective interest rates are as follows:

	December 31, 2010			December 31, 2009		
Short-term	**Amount**	**Fixed rate**	**Floating rate**	Amount	Fixed rate	Floating rate
Borrowings						
TRL denominated borrowings	**397.003**	**7,20% -7,93%**	**7,19% - 7,61%**	260.691	7,67%- 7,88%	6,67% - 15,75%
Foreign currency denominated borrowings (USD)	**13.343**	**2,80%**	**Libor + 1,40%**	63.596	4,00% - 5,40%	Libor + 0,95% - 4,00%
Foreign currency denominated borrowings (EURO)	**-**	**-**	**-**	7.563	4,00%	-
Foreign currency denominated borrowings (Other)	**54.293**	**5,50%**	**Mosprime +1,00% - Kibor + 1,25%**	28.817	-	Kibor + 1,75% - 2,50%
	464.639			360.667		
Short-term portion of long term borrowings						
TRL denominated borrowings	**2.720**	**11,30%**	**-**	-	-	-
Foreign currency denominated borrowings (USD)	**467.861**	**4,90%**	**Libor + 0,95% - 2,80%**	509.561	-	Libor + 0,75% - 6,00%
Foreign currency denominated borrowings (EURO)	**45.115**	**-**	**Euribor + 1,00% - 2,00%**	25.472	-	Euribor + 0,88% - 4,75%
Foreign currency denominated borrowings (Other)	**15.215**	**8,11%**	**-**	52.844	8,11%	Mosprime + 3,65%
	530.911			587.877		
Leasing obligations	**563**	**3,45%- 7,20%**	**-**	782	4,00% - 12,50%	-
	996.113			949.326		
Long-term						
Borrowings						
Foreign currency denominated borrowings (USD)	**661.322**	**4, 90%**	**Libor + 1,00% - 2,80%**	582.632	-	Libor + 0,75% - 6,00%
Foreign currency denominated borrowings (EURO)	**82.630**	**-**	**Euribor + 2,00%**	279.288	-	Euribor + 0,88% - 4,75%
Foreign currency denominated borrowings (Other)	**22.808**	**8,11%**	**-**	44.913	8,11%	Kibor + 0,75%
	766.760			906.833		
Leasing obligations	**1.623**	**3,45%- 7,20%**	**-**	1.226	4,00% - 12,50%	-
	768.383			908.059		
	1.764.496			1.857.385		

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 8. BORROWINGS (continued)

Repayments of long-term borrowings are scheduled as follows (excluding finance lease obligation):

	2010	2009
2011	**-**	313.244
2012	**386.027**	524.510
2013	**321.233**	44.755
2014 and thereafter	**59.500**	24.324
	766.760	906.833

As of December 31, 2010, TRL1.560 (December 31, 2009 – TRL44.328) of the total borrowings are secured by the Group with the followings:

Related with CCİ, its subsidiaries and joint ventures;

- Certain property, plant and equipment amounting to TRL22.350 (December 31, 2009 – TRL13.701).
- There is no cash collateral under the provision of loan agreements (December 31, 2009 – TRL11.161).

Lessee - Finance Lease

Properties leased by the Group include buildings, machinery and equipment, motor vehicles and furniture and fixtures. The most significant obligations assumed under the lease terms, other than rental payments, are the upkeep of the facilities, insurance and property taxes. Lease terms generally range from 3 to 25 years with options to renew at varying terms.

As of December 31, 2010 and 2009, the costs of the property plant and equipment obtained by finance lease are TRL65.544 and TRL64.037, respectively whereas net book values are TRL7.387 and TRL9.086, respectively.

Lessee - Operating Lease

One of the production facilities of Efes Moscow and the production facility of Mutena Maltery are situated on a site leased from the Moscow City Government under a 49-year lease contract. Furthermore, the Group has operational leasing agreements with Çelik Motor Ticaret A.Ş., a related party.

NOTE 9. OTHER FINANCIAL LIABILITIES

None (December 31, 2009 – None).

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 10. TRADE RECEIVABLES AND PAYABLES

a) Short-Term Trade Receivables

	2010	2009
Trade receivables	**518.819**	419.310
Notes and cheques receivables	**14.498**	16.096
Provision for doubtful accounts (-)	**(15.066)**	(13.867)
	518.251	421.539

The movement of provision for doubtful accounts as of December 31, 2010 and 2009 is as follows:

	2010	2009
Balance at January 1	**13.867**	21.148
Current year provision	**4.620**	2.581
Unused provisions	**(3.556)**	(1.083)
Write-offs from doubtful receivables	**(127)**	(8.538)
Currency translation differences	**262**	(241)
Balance at December 31	**15.066**	13.867

b) Short-Term Trade Payables

	2010	2009
Trade payables	**253.332**	234.879

NOTE 11. OTHER RECEIVABLES AND PAYABLES

a) Other Current Receivables

	2010	2009
Due from personnel	**3.492**	2.368
Other receivables	**4.427**	3.459
	7.919	5.827

b) Other Non-Current Receivables

	2010	2009
Deposits and guarantees given	**508**	418
Other	**817**	526
	1.325	944

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 11. OTHER RECEIVABLES AND PAYABLES (continued)

c) Other Current Payables

	2010	2009
Taxes other than on income	**255.135**	163.264
Deposits and guarantees taken	**24.055**	20.548
Payables for goods in transit	**7.504**	13.376
Other	**4.152**	5.120
	290.846	202.308

d) Other Non-Current Payables

	2010	2009
Deposits and guarantees taken	**144.366**	126.620

NOTE 12. RECEIVABLES AND PAYABLES RELATED TO FINANCE SECTOR

None (December 31, 2009 - None).

NOTE 13. INVENTORIES

	2010	2009
Finished and trade goods	**95.975**	97.281
Work-in-process	**50.426**	47.382
Raw materials	**187.762**	147.776
Packaging materials	**36.339**	35.075
Supplies	**58.515**	49.628
Bottles and cases	**30.264**	29.424
Other	**21.056**	17.180
Reserve for obsolescence (-)	**(12.473)**	(11.357)
	467.864	412.389

The movement of reserve for obsolescence as of December 31, 2010 and 2009 is as below:

	2010	2009
Balance at January 1	**11.357**	8.495
Current year provision	**4.205**	5.740
Inventories written off	**(3.264)**	(2.331)
Currency translation differences	**175**	(547)
Balance at December 31	**12.473**	11.357

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 14. BIOLOGICAL ASSETS

Sewed fruit tree seedlings carried at cost in accordance with IAS 41 are amounting to TRL1.512 as of December 31, 2010.

NOTE 15. RECEIVABLES AND DEFERRED INCOME FROM CONTINUING CONSTRUCTION CONTRACTS

None (December 31, 2009 - None).

NOTE 16. INVESTMENTS IN ASSOCIATES

	2010		2009	
	Ownership (%)	**Carrying value**	Ownership (%)	Carrying value
CEB	**28,00%**	**21.441**	20,57%	45.356
Total		**21.441**		45.356

As of December 31, 2010 and 2009, total assets, liabilities and net loss for the year of CEB are shown as below:

	2010	2009
Total Assets	**49.586**	68.838
Total Liabilities	**28.145**	23.482
Net Assets	**21.441**	45.356
Net Loss for the Year	**(17.910)**	(10.925)

The movement of investment in associates as of December 31, 2010 and 2009 is as below:

	2010	2009
Balance at January 1	**45.356**	54.911
Loss from associates	**(17.910)**	(10.925)
Change in scope of consolidation (Note 3)	**-**	(1.995)
Foreign currency translation	**(6.005)**	3.365
Balance at December 31	**21.441**	45.356

In 2010, CEB recognized an impairment loss amounting to TRL11.371 on its property plant and equipment in its financial statements.

NOTE 17. INVESTMENT PROPERTY

None (December 31, 2009 - None).

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 18. PROPERTY, PLANT AND EQUIPMENT

For the year ended December 31, 2010, the movements of property, plant and equipment are as follows:

Cost	2009	Additions	Disposals	Addition Through Business Combination	Foreign Currency Translation	Transfers (*)	2010
Land and land improvements	137.998	20.625	(121)	3.540	1.742	3.623	167.407
Buildings	820.883	3.123	(1.403)	6.673	10.347	13.868	853.491
Machinery and equipment	2.266.184	29.965	(19.413)	10.146	25.760	125.708	2.438.350
Vehicles	73.395	5.118	(5.409)	6	1.171	1.018	75.299
Furniture and fixtures	884.642	116.454	(45.540)	19	5.196	9.969	970.740
Leasehold improvements	3.245	638	(47)	-	30	-	3.866
Construction in progress	63.344	151.496	(232)	-	942	(154.762)	60.788
	4.249.691	327.419	(72.165)	20.384	45.188	(576)	4.569.941

Accumulated Depreciation (-)	2009	Additions	Disposals	Addition Through Business Combination	Foreign Currency Translation	Impairment / (Impairment reversal)	2010
Land and land improvements	31.257	2.975	-	-	219	-	34.451
Buildings	243.348	23.883	(278)	-	2.200	-	269.153
Machinery and equipment	1.366.467	159.821	(14.783)	-	12.154	1.517	1.525.176
Vehicles	40.863	8.234	(4.728)	-	699	-	45.068
Furniture and fixtures	583.647	100.826	(38.512)	-	3.115	562	649.638
Leasehold improvements	2.498	189	(47)	-	21	-	2.661
	2.268.080	295.928	(58.348)	-	18.408	2.079	2.526.147
Net book value	1.981.611						2.043.794

(*) There are transfers to intangible assets in 2010 amounting to TRL576.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 18. PROPERTY, PLANT AND EQUIPMENT (continued)

For the year ended December 31, 2009, the movements of property, plant and equipment are as follows:

Cost	2008	Additions	Disposals	Addition Through Business Combination	Foreign Currency Translation	Transfers (*)	2009
Land and land improvements	131.183	3.201	(594)	2.623	(3.063)	4.648	137.998
Buildings	780.633	22.357	(5.358)	11.264	(22.600)	34.587	820.883
Machinery and equipment	2.153.449	23.456	(19.494)	9.624	(54.259)	153.408	2.266.184
Vehicles	77.020	2.672	(4.676)	746	(3.185)	818	73.395
Furniture and fixtures	836.211	98.501	(29.114)	691	(20.494)	(1.153)	884.642
Leasehold improvements	3.250	52	-	-	(57)	-	3.245
Construction in progress	98.351	165.427	(627)	519	(7.829)	(192.497)	63.344
	4.080.097	315.666	(59.863)	25.467	(111.487)	(189)	4.249.691

Accumulated Depreciation (-)	2008	Additions	Disposals	Addition Through Business Combination	Foreign Currency Translation	Impairment / (Impairment reversal)	2009
Land and land improvements	29.209	2.633	(87)	-	(498)	-	31.257
Buildings	227.325	20.885	(1.396)	-	(3.466)	-	243.348
Machinery and equipment	1.255.525	144.982	(15.772)	-	(17.637)	(631)	1.366.467
Vehicles	37.635	7.941	(3.549)	-	(1.164)	-	40.863
Furniture and fixtures	531.222	85.516	(23.715)	-	(9.446)	70	583.647
Leasehold improvements	2.400	143	(7)	-	(38)	-	2.498
	2.083.316	262.100	(44.526)	-	(32.249)	(561)	2.268.080
Net book value	1.996.781						1.981.611

(*) There are transfers to intangible assets in 2009 amounting to TRL189.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 19. INTANGIBLE ASSETS

For the year ended December 31, 2010, movements of intangible assets are as follows:

Cost	2009	Additions	Disposals	Currency translation differences	Transfers	2010
Bottling and distribution agreements	175.359	-	-	4.666	-	180.025
Brands	159.141	-	-	1.299	-	160.440
Rights	26.219	614	-	17	576	27.426
Other	18.306	2.681	(135)	387	-	21.239
	379.025	3.295	(135)	6.369	576	389.130

Accumulated amortization (-)	2009	Additions	Disposals	Currency translation differences	Impairment	2010
Bottling and distribution agreements	-	-	-	-	-	-
Brands	-	-	-	-	-	-
Rights	10.747	2.294	-	5	-	13.046
Other	11.262	2.809	(126)	250	-	14.195
	22.009	5.103	(126)	255	-	27.241
Net book value	357.016					361.889

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 19. INTANGIBLE ASSETS (continued)

For the year ended December 31, 2009, movements of intangible assets are as follows:

Cost	2008	Additions	Disposals	Addition Through Business Combinations	Currency translation differences	Transfers	2009
Bottling and distribution agreements	161.242	-	-	14.869	(752)	-	175.359
Brands	163.998	-	-	-	(4.857)	-	159.141
Rights	15.771	284	(1.111)	11.081	5	189	26.219
Other	19.077	1.701	(1.818)	31	(685)	-	18.306
	360.088	1.985	(2.929)	25.981	(6.289)	189	379.025

Accumulated amortization (-)	2008	Additions	Disposals	Addition Through Business Combinations	Currency translation differences	Impairment	2009
Bottling and distribution agreements	-	-	-	-	-	-	-
Brands	-	-	-	-	-	-	-
Rights	8.888	1.954	(96)	-	1	-	10.747
Other	10.014	1.503	-	-	(255)	-	11.262
	18.902	3.457	(96)	-	(254)	-	22.009
Net book value	341.186						357.016

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 20. GOODWILL

Movement of the goodwill during the period is as follows:

	2010	2009
At January 1	**855.570**	866.506
Additions (Note 3)	**-**	14.310
Put option fair value change (Note 23)	**6.147**	(8.273)
Currency translation differences	**9.362**	(16.973)
At December 31	**871.079**	855.570

As of December 31, 2010 and 2009, operating segment distributions of goodwill are presented below:

	Turkey Beer	**International Beer**	**Soft Drinks**	**Other**	**Total**
2010	**50.099**	**538.043**	**270.759**	**12.178**	**871.079**
2009	50.099	523.450	269.843	12.178	855.570

NOTE 21. GOVERMENT INCENTIVES AND GRANTS

As of December 31, 2010, the Group used an incentive for its investment amounting to TRL3.326 on Bursa mineral water by generating a total tax advantage of TRL665. The tax advantage amounting to TRL38 was recognized during 2010 (December 31, 2009 - None).

NOTE 22. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of December 31, 2010 and 2009, the movement of provisions is as follows:

	2010	2009
Vacation pay liability	**17.702**	15.141
Management bonus accruals	**5.974**	4.681
Other	**-**	512
	23.676	20.334

As of December 31, 2010 and 2009, movement of vacation pay liability is as follows:

	2010	2009
Balance at January 1	**15.141**	16.023
Payments	**(765)**	(593)
Current year provision	**3.124**	25
Addition through acquisition	**-**	59
Currency translation differences	**202**	(373)
	17.702	15.141

As of December 31, 2010 and 2009 movement of management bonus accruals is as follows:

	2010	2009
Balance at January 1	**4.681**	1.698
Payments	**(23.031)**	(15.500)
Current year provision	**24.258**	18.541
Currency translation differences	**66**	(58)
	5.974	4.681

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 23. COMMITMENTS AND CONTINGENCIES

Parent Company (Anadolu Efes) and Subsidiaries Included in Full Consolidation

As of December 31, 2010 and 2009 guarantees, pledges and mortgages (GPMs) given in favor of the parent company and subsidiaries included in full consolidation are as follows:

2010	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand KZT	Original Currency Thousand RUR
A. GPMs given on behalf of the Company's legal personality	**60.423**	13.035	895	8.381	314.003	493.954
B. GPMs given in favor of subsidiaries included in full consolidation	**673.948**	-	358.629	40.000	3.625.311	-
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-
D. Other GPMs	-	-	-	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above	-	-	-	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-
Total	**734.371**	**13.035**	**359.524**	**48.381**	**3.939.314**	**493.954**
Ratio of other GPMs over the Company's equity (%)	**-**	**-**	**-**	**-**	**-**	**-**

2009	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand KZT	Original Currency Thousand RUR	Original Currency Thousand GEL
A. GPMs given on behalf of the Company's legal personality	62.424	12.548	5.925	5.606	129.178	452.846	5.492
B. GPMs given in favor of subsidiaries included in full consolidation	1.013.936	-	458.202	107.000	4.659.097	950.000	-
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	-	-	-	-	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above	-	-	-	-	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	1.076.360	12.548	464.127	112.606	4.788.275	1.402.846	5.492
Ratio of other GPMs over the Company's equity (%)	-	-	-	-	-	-	-

GPM tables prepared as of December 31, 2010 and 2009 have been presented according to the CMB bulletin, numbered 2010/45, which was published on October 28, 2010.

EBI and Its Subsidiaries

Put Options

The put option granted to European Bank for Reconstruction and Development (EBRD) by EBI that may be exercisable between the 7^{th} and the 10^{th} anniversaries of the date of EBRD's first subscription in the share capital of Efes Moscow has been restructured and the exercisable period of the put option has been revised as between 2011 and 2015. By such put option, EBRD will be entitled to sell its Efes Moscow shares to EBI at an option price determined by an independent valuation. The liability for the put option has been measured by applying a weighting of different valuation techniques based on best estimates currently available, and the fair value of liability for put option amounting to TRL126.279 has been presented in "other current liabilities" in the consolidated balance sheet (December 31, 2009 – the fair value of liability for put option amounting to TRL90.425 has been presented in "other non-current liabilities" in the consolidated balance sheet). The valuation difference between current year fair value and prior year fair value amounting to TRL6.147 has been disclosed as "put option fair value change" in goodwill in accordance with IFRS 3 (Revised) (December 31, 2009 –(TRL10.532)).

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 23. COMMITMENTS AND CONTINGENCIES (continued)

CCİ, Its Subsidiaries and Joint Ventures

a) Put Options

A put option has been granted to Day Investments Ltd. by CCİ that may be exercisable in 2012. By such option, Day Investments Ltd. will have right to sell its shares in Turkmenistan CC to CCİ at the price of USD2.360 thousand. Group's portion of the liability for the put option amounting to TRL1.834 has been presented in "other non-current liabilities" (December 31, 2009 – TRL1.785).

b) Letters of Guarantee

As of December 31, 2010, CCİ's letters of guarantee given to various enterprises are amounting to TRL63.901 (December 31, 2009 – TRL56.013).

Operational Lease

As of December 31, 2010, Group's contingent liability for the following periods resulting from the non-cancellable operational lease agreements is amounting to TRL14.681 (December 31, 2009 – TRL14.642).

Tax and Legal Matters

Legislation and regulations regarding taxation and foreign currency transactions in most of the territories in which the Group operates out of Turkey continue to evolve as a result of the transformation from command to market-oriented economy managed by the government. The various legislation and regulations are not always clearly written and the interpretation related with the implementation of these regulations is subject to the opinions of the local, regional and national tax authorities, the Central Bank and Ministry of Finance. Tax declarations, together with other legal compliance areas (as examples, customs and currency control) are subject to review and investigation by a number of authorities, who are enabled by law to impose significant fines, penalties and interest charges. These facts create tax risks in the territories in which the Group operates substantially more so than typically found in countries with more developed tax systems.

NOTE 24. EMPLOYEE BENEFITS

	2010	2009
Employment termination benefits	**39.010**	30.103
Long-term incentive plans	**12.327**	10.045
	51.337	40.148

In accordance with existing social legislation, the Group's companies incorporated in Turkey are required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days' pay. The retirement pay liability as at December 31, 2010 is subject to a ceiling of full TRL2.517 (December 31, 2009 – full TRL2.365) (Retirement pay liability ceiling has been increased to full TRL2.623 as of January 1, 2011). In the consolidated financial statements as of December 31, 2010 and 2009, the Group reflected a liability calculated using the projected unit credit method and based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds.

The principal actuarial assumptions used at the balance sheet dates are as follows:

	2010	2009
Discount rate	**10,0%**	11,0%
Expected salary / limit increase rate	**5,1%**	4,8%

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 24. EMPLOYEE BENEFITS (continued)

Movement of provision for employment termination benefits represented in the consolidated financial statements is as follows:

	2010	2009
Balance at January 1	**30.103**	25.604
Payments	**(3.580)**	(4.583)
Interest cost	**3.006**	2.816
Current year provision	**9.481**	6.207
Addition through joint venture acquired	**-**	55
Currency translation differences	**-**	4
	39.010	30.103

NOTE 25. PENSION PLANS

None (December 31, 2009 – None).

NOTE 26. OTHER CURRENT / NON-CURRENT ASSETS AND LIABILITIES

a) Other Current Assets

	2010	2009
Value Added Tax (VAT) deductible and VAT to be transferred	**58.100**	55.806
Prepayments	**35.661**	29.582
Advances given to suppliers	**34.267**	25.912
Prepaid taxes	**23.251**	27.517
Other	**753**	2.818
	152.032	141.635

b) Other Non-Current Assets

	2010	2009
Prepayments	**48.341**	27.260
Advances given	**14.274**	12.873
Deferred VAT and other taxes	**6.690**	5.275
Other	**173**	504
	69.478	45.912

c) Other Current Liabilities

	2010	2009
Liability for put option (Note 23)	**126.279**	-
Expense accruals	**24.418**	29.005
Advances taken	**12.185**	15.587
Due to personnel	**5.169**	3.514
Other	**1.239**	2.187
	169.290	50.293

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 26. OTHER CURRENT / NON-CURRENT ASSETS AND LIABILITIES (continued)

d) Other Non-Current Liabilities

	2010	2009
Deferred VAT and other taxes	**6.654**	5.228
Liability for put option (Note 23)	**1.834**	92.210
Other	**1.214**	1.175
	9.702	98.613

NOTE 27. EQUITY

a) Issued Capital and Adjustments to Share Capital and Equity Investments

	2010	2009
Common shares 1 full TRL per value		
Authorized capital	**900.000**	900.000
Issued capital	**450.000**	450.000

As of December 31, 2010 and 2009, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	2010		2009	
	Amount	**%**	Amount	%
Yazıcılar Holding A.Ş.	**139.251**	**30,94**	139.251	30,94
Özilhan Sınai Yatırım A.Ş.	**78.937**	**17,54**	78.937	17,54
Anadolu Endüstri Holding A.Ş. (AEH)	**35.292**	**7,84**	35.292	7,84
Publicly traded and other	**196.520**	**43,68**	196.520	43,68
Issued capital	**450.000**	**100,00**	450.000	100,00
Inflation correction adjustment	**63.583**		63.583	
	513.583		513.583	

As of December 31, 2010 and 2009, there is not a privileged share representing the capital. According to the articles of association, foundation shares that do not represent the share capital receives 2% of the profit that remains after 10% of the paid in capital is deducted from the distributable profit. 5% of the remaining profit after deducting the portion of the foundation shares is distributed to the members of the Board of Directors equally.

b) Restricted Reserves Allocated from Net Profit, Revaluation Fund and Accumulated Profits

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory net income (inflation-restated income in accordance with CMB) at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's issued capital (inflation-restated issued capital in accordance with the communiqués and announcements of CMB). The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's issued capital (inflation-restated capital in accordance with CMB). The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves cannot be used.

Quoted companies are subject to dividend requirements regulated by the CMB as follows: Based on the CMB Decree 1/6, dated January 9, companies that take their consolidated financial statements as basis for their distributable profit, shall consider the profits of their subsidiaries, joint ventures and associates to the extent that such profits do not exceed the amount recorded in the statutory financial statements of these companies and without considering whether a profit distribution resolution is taken at their annual general meetings. Such profits as reported in the financial statement as per Communiqué.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 27. EQUITY (continued)

b) Restricted Reserves Allocated from Net Profit, Revaluation Fund and Accumulated Profits (continued)

In accordance with the CMB decision dated January 27, 2010, it's decided to remove the obligation related with the minimum dividend distribution rate for publicly traded companies.

Inflation adjustment to shareholders' equity and carrying amount of extraordinary reserves can only be netted-off against prior years' losses and used as an internal source for capital increase where extraordinary reserves can be netted-off against prior years' loss and used in the distribution of bonus shares and dividends to shareholders. However, when inflation adjustment to shareholders' equity is used for cash dividend distribution, it is subject to income tax.

Net income for the year and other statutory resources treated for dividend distribution are TRL1.161.584 as of December 31, 2010. (December 31, 2009 – TRL1.055.588)

Anadolu Efes distributed dividend in 2010, related with the year ended as of December 31, 2009, for a gross amount of full TRL0,32 per share, amounting to a total of TRL168.979 including the payments to founders and members of board of directors (2009 – gross amount full TRL0,258 per share, total amount TRL133.454 including the payments to founders and member of board of directors).

For December 31, 2010 and 2009, nominal amounts, equity restatement differences and restated value of equity are as follows:

December 31, 2010	**Nominal Amount**	**Equity Restatement Differences**	**Restated Amount**
Issued capital	**450.000**	**63.583**	**513.583**
Legal reserves	**138.442**	**74.697**	**213.139**
Extraordinary reserves	**444.119**	**26.091**	**470.210**
	1.032.561	**164.371**	**1.196.932**
Fair value reserve			**19.569**
Currency translation differences			**(4.085)**
Other reserves			**(5.736)**
Accumulated profits (Including net income)			**1.560.407**
Equity attributable to equity holders of the parent			**2.767.087**

December 31, 2009	Nominal Amount	Equity Restatement Differences	Restated Amount
Issued capital	450.000	63.583	513.583
Legal reserves	108.217	74.697	182.914
Extraordinary reserves	348.976	26.091	375.067
	907.193	164.371	1.071.564
Fair value reserve			17.339
Currency translation differences			(18.016)
Other reserves			4.916
Accumulated profits (Including net income)			1.351.114
Equity attributable to equity holders of the parent			2.426.917

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 28. SALES AND COST OF SALES

Revenues	**2010**	2009
Domestic revenues	**2.361.655**	2.193.184
Foreign revenues	**1.807.138**	1.617.883
Total Sales, net	**4.168.793**	3.811.067
Cost of Sales (-)		
Net change in inventory	**1.581.174**	1.488.821
Depreciation and amortisation expense on PP&E and intangible assets	**157.794**	134.821
Personnel expenses	**108.967**	101.978
Utility expenses	**89.797**	88.407
Provision for retirement pay liability	**3.954**	1.859
Other expenses	**109.662**	92.048
Total cost of sales	**2.051.348**	1.907.934
Gross Operating Profit	**2.117.445**	1.903.133

As of January 1- December 31, 2010 and 2009, the amount of excise tax accrued over beer sales by the Group in Turkey are TRL1.470.821 and TRL1.042.193, respectively.

NOTE 29. OPERATING EXPENSES

a) Selling, Distribution and Marketing Expenses

	2010	2009
Advertising, selling and marketing expenses	**449.321**	405.857
Personnel expenses	**194.726**	168.543
Transportation and distribution expenses	**181.399**	148.208
Depreciation and amortization expense on PP&E and intangible assets	**126.365**	114.286
Utilities and communication expenses	**19.498**	17.359
Rent expenses	**10.490**	9.183
Repair and maintenance expenses	**8.292**	7.372
Provision for retirement pay liability	**2.651**	2.761
Obsolete inventory provision, net	**941**	3.409
Other expenses	**66.805**	51.072
	1.060.488	928.050

b) General and Administration Expenses

	2010	2009
Personnel expenses	**168.112**	143.968
Services rendered from outside	**70.158**	68.471
Taxation (other than on income) expenses	**19.209**	18.031
Depreciation and amortization expense on PP&E and intangible assets	**16.793**	15.973
Utilities and communication expenses	**10.720**	9.445
Insurance expenses	**6.414**	7.298
Provision for retirement pay liability	**5.882**	4.403
Meeting and travel expenses	**4.384**	3.919
Repair and maintenance expenses	**3.694**	3.319
Other expenses	**48.585**	47.267
	353.951	322.094

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 30. EXPENSES BY NATURE

a) Depreciation and Amortization Expenses

	2010	2009
Cost of sales	**(157.794)**	(134.821)
Marketing, selling and distribution expenses	**(126.365)**	(114.286)
General and administration expenses	**(16.793)**	(15.973)
Other operating expenses	**(79)**	(477)
	(301.031)	(265.557)

b) Personnel Expenses

	2010	2009
Cost of sales	**(108.967)**	(101.978)
Marketing, selling and distribution expenses	**(194.726)**	(168.543)
General and administration expenses	**(168.112)**	(143.968)
	(471.805)	(414.489)

NOTE 31. OTHER OPERATING INCOME / EXPENSE

a) Other Operating Income

	2010	2009
Income from scrap and other materials	**5.398**	4.980
Rent income	**2.444**	2.633
Gain on sale of fixed assets	**1.999**	3.733
Insurance compensation income	**1.106**	5.977
Negative goodwill (Note 3)	**-**	13.503
Impairment reversal of fixed assets (Note 18)	**-**	631
Other income	**14.075**	10.013
	25.022	41.470

b) Other Operating Expense

	2010	2009
Donations	**(23.201)**	(22.297)
Impairment loss on fixed assets (Note 18)	**(2.079)**	(70)
Loss from fixed assets sales	**(1.615)**	(8.360)
Other expenses	**(7.509)**	(15.751)
	(34.404)	(46.478)

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 32. FINANCIAL INCOME

	2010	2009
Foreign exchange gain	**171.740**	315.852
Interest income	**71.669**	59.209
Gain from derivative financial instruments	**893**	20
	244.302	375.081

NOTE 33. FINANCIAL EXPENSES

	2010	2009
Foreign exchange loss	**(168.047)**	(375.748)
Interest expense	**(77.534)**	(84.007)
Syndication loan expense	**(10.073)**	(3.604)
Loss from derivative financial instruments	**(1.117)**	(607)
Other financial expenses	**(4.693)**	(4.417)
	(261.464)	(468.383)

NOTE 34. NON-CURRENT ASSETS AVAILABLE FOR SALE AND DISCONTINUING OPERATIONS

None (December 31, 2009 - None).

NOTE 35. INCOME TAXES, DEFERRED TAX ASSETS AND LIABILITIES

The corporation tax rate for the fiscal year is 20% in Turkey (2009 - 20%). Corporate tax returns are required to be filed until the twenty fifth of the fourth month following the fiscal year end and paid in full until the end of the same month. The tax legislation provides for a provisional tax of 20% (2009 – 20%) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the fiscal year.

According to the Turkish Tax Law, corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years. In Turkey, the tax legislation does not permit to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

The main components of tax income and expenses as of December 31, 2010 and 2009 are as follows:

	2010	2009
Current period tax expense	**(127.846)**	(127.260)
Deferred tax income / (expense), net	**(12.265)**	5.778
	(140.111)	(121.482)

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 35. INCOME TAXES, DEFERRED TAX ASSETS AND LIABILITIES (continued)

As of December 31, 2010 and 2009, the reconciliation of theoretical income tax calculated with the tax rates used in the countries that Anadolu Efes operates in and total income tax is as follows:

	2010	2009
Consolidated profit before tax	**658.552**	543.754
Enacted tax rate	**20%**	20%
Tax calculated at the parent company tax rate	**(131.710)**	(108.751)
Non-deductible expenses	**(5.978)**	(6.448)
Income excluded from tax bases	**1.521**	2.426
Impact of different tax rates	**1.575**	2.722
Other	**(5.519)**	(11.431)
	(140.111)	(121.482)

As of December 31, 2010 and 2009 consolidated deferred tax assets calculated by using effective tax rates are summarized as below:

	Asset		**Liability**		**Net**	
	2010	2009	**2010**	2009	**2010**	2009
PPE and intangible assets	**-**	-	**(95.130)**	(77.733)	**(95.130)**	(77.733)
Inventories	**2.198**	3.923	**-**	-	**2.198**	3.923
Carry forward losses	**52.684**	57.149	**-**	-	**52.684**	57.149
Retirement pay liability and other employee benefits	**13.736**	11.018	**-**	-	**13.736**	11.018
Other (*)	**23.677**	18.734	**-**	-	**23.677**	18.734
	92.295	90.824	**(95.130)**	(77.733)	**(2.835)**	13.091

(*) Includes the income tax paid regarding the disputed tax receivable from tax authorities which was not recognized as income.

As of December 31, 2010 and 2009, the movement of deferred tax liability is as follows:

	2010	2009
Balance at January 1,	**13.091**	10.221
Recorded to the consolidated income statement	**(12.265)**	5.778
Recognized in equity (Note 7)	**(117)**	(870)
Addition through company acquisition	**(3.722)**	(1.699)
Currency translation differences	**178**	(339)
Balance at December 31	**(2.835)**	13.091

As a result of the Group management's assessment that sufficient taxable income will be generated and such assets will be used in 9 years period, deferred tax asset amounting to TRL52.684 has been recognized.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 36. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Following table illustrates the net income and share figures used in earnings per share calculation:

	2010	2009
Net income	**503.640**	422.588
Weighted average number of shares	**450.000.000**	450.000.000
Earnings per share (full TRL)	**1,1192**	0,9391

There have been no other transactions involving ordinary shares or potential ordinary shares between the financial statement date and the date of approval of these consolidated financial statements.

NOTE 37. RELATED PARTY BALANCES AND TRANSACTIONS

a) Balances with Related Parties

i) Bank and Available-For-Sale Securities Balances With Related Parties

	2010	2009
Alternatifbank (2) (4)	**202.200**	218.315
Alternatif Yatırım A.Ş. (4)	**1.260**	1.945
	203.460	220.260

ii) Due from Related Parties

	2010	2009
Anadolu Restoran İşletmeleri Ltd. Şti. (4)	**-**	127
Other	**337**	683
	337	810

iii) Due to Related Parties

	2010	2009
Oyex Handels GmbH (4)	**4.990**	4.553
AEH (1) (3)	**2.822**	313
Anadolu Bilişim Hizmetleri A.Ş. (2) (4)	**612**	1.088
Mutena Maltery (5)	**-**	8.248
Other	**222**	794
	8.646	14.996

(1) Related party of Yazıcılar Holding A.Ş., a shareholder
(2) Non-current financial investment of the Group
(3) The shareholder of the Group
(4) Related party of AEH, a shareholder
(5) Included in the consolidation by using the full consolidation method starting from August 2010.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 37. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Transactions with Related Parties

i) Purchases of Goods and Other Charges

	2010	2009
Efes Pilsen Spor Kulübü	**42.000**	33.000
Oyex Handels GmbH (4)	**26.729**	26.932
Anadolu Vakfı	**23.128**	22.261
AEH (1) (3)	**15.828**	12.824
Anadolu Bilişim Hizmetleri A.Ş. (2) (4)	**12.642**	12.673
Çelik Motor Ticaret A.Ş. (4)	**11.123**	10.060
Mutena Maltery (5)	**5.321**	7.727
Efes Turizm İşletmeleri A.Ş. (4)	**5.203**	3.452
AEH Münih (4)	**3.557**	4.476
Anadolu Isuzu Otomotiv Sanayi ve Ticaret A.Ş. (1)	**1.142**	1.145
Other	**2.906**	2.894
	149.579	137.444

ii) Financial Income / (Expense), Net

	2010	2009
Alternatifbank (2) (4)	**7.384**	12.839
AEH (1) (3)	**22**	1.183
Other	**(125)**	-
	7.281	14.022

iii) Other Income / (Expense), Net

	2010	2009
Anadolu Bilişim Hizmetleri A.Ş. (2) (4)	**237**	263
Anadolu Restaurant İşl. Ltd. Şti. (4)	**210**	65
Alternatifbank (2) (4)	**193**	80
Other	**393**	580
	1.033	988

(1) Related party of Yazıcılar Holding A.Ş., a shareholder
(2) Non-current financial investment of the Group
(3) The shareholder of the Group
(4) Related party of AEH, a shareholder
(5) Included in the consolidation by using the full consolidation method starting from August 2010.

iv) Director's remuneration

Dividends paid to Board of Directors of Anadolu Efes are amounting to TRL17.739 and TRL12.324 as of December 31, 2010 and 2009, respectively. Remuneration and similar benefits received by total executive members of the Board of Directors and executive directors in the current year are as follows:

	2010	2009
Short-term employee benefits	**12.269**	10.688
Post-employment benefits	**449**	316
Other long term benefits	**733**	1.130
Termination benefits	**-**	-
Share-based payments	**-**	-
	13.451	12.134

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Group's principal financial instruments comprise bank borrowings, finance leases, cash and short-term deposits. The main purpose of these financial instruments is to raise funds for the Group's operations. Besides, The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments can be identified as foreign currency risk, credit risk, interest rate risk, price risk and liquidity risk. The board/management reviews and agrees policies for managing each of these risks. The Group also monitors the market price risk arising from all financial instruments. Related policies can be summarized as follows:

a) Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages interest rate risk by using natural hedges that arise from offsetting interest rate of assets and liabilities or derivative financial instruments.

The Group manages interest rate risk arising from the interest rate fluctuations on international markets, by using interest rate swap (IRS) agreements. Total outstanding amount of IRS agreements was USD25,1 million as of December 31, 2010 (December 31, 2009 – USD25,1 million).

Certain parts of the interest rates related to borrowings are based on market interest rates; therefore the Group is exposed to interest rate fluctuations on domestic and international markets. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's debt obligations.

The Group's financial instruments sensitive to interest rate risk is as follows:

	2010	2009
Financial instruments with fixed interest rate		
Financial assets		
Financial assets at fair value through profit or loss	**953.205**	1.038.185
Financial liabilities	**310.317**	232.892
Financial instruments with floating interest rate		
Financial liabilities	**1.452.699**	1.624.463

At December 31, 2010, if interest rate on the Group's foreign currency denominated borrowings would have been 100 basis points higher / lower with all other variables held constant, then profit before tax and minority interest for the period ended March 31, 2011, which is the following reporting period, would be:

	2010	2009
Change in USD denominated borrowing interest rate	**2.815**	2.685
Change in EURO denominated borrowing interest rate	**318**	754
Change in Other denominated borrowing interest rate	**104**	285
Total	**3.237**	3.724

b) Foreign Currency Risk

Foreign currency risk arises from the EURO and USD denominated assets and liabilities of the Group. The Group has transactional currency exposures. Such exposures arise from sales or purchases or borrowings by the Group in currencies other than the Group's functional currency. The Group manages foreign currency risk by using natural hedges that arise from offsetting foreign currency denominated assets and liabilities.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

b) Foreign Currency Risk (continued)

Net foreign currency exposure for the consolidated Group companies as of December 31, 2010 and 2009 are presented below:

Foreign Currency Position Table
2010

	Total TRL Equivalent (Functional Currency)	Thousand USD	TRL Equivalent	Thousand Euro	TRL Equivalent	Other Foreign Currency TRL Equivalent
1. Trade Receivables and Due from Related Parties	12.219	4.453	6.885	489	1.002	4.332
2a. Monetary Financial Assets (Cash and cash equivalents included)	66.718	26.871	41.542	2.959	6.063	19.113
2b. Non- monetary Financial Assets	-	-	-	-	-	-
3. Other Current Assets and Receivables	6.915	50	77	1.488	3.049	3.789
4. Current Assets	**85.852**	**31.374**	**48.504**	**4.936**	**10.114**	**27.234**
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-Current Assets	-	-	-	-	-	-
9. Total Assets	**85.852**	**31.374**	**48.504**	**4.936**	**10.114**	**27.234**
10.Trade Payables and Due to Related Parties	(75.043)	(3.750)	(5.798)	(32.280)	(66.145)	(3.100)
11.Short- term Borrowings and Current Portion of Long- term Borrowings	(505.118)	(297.179)	(459.439)	(22.292)	(45.679)	-
12a. Monetary Other Liabilities	(4.982)	(706)	(1.092)	(276)	(565)	(3.325)
12b. Non-monetary Other Liabilities	-	-	-	-	-	-
13. Current Liabilities	**(585.143)**	**(301.635)**	**(466.329)**	**(54.848)**	**(112.389)**	**(6.425)**
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. Long-Term Borrowings	(436.370)	(227.759)	(352.116)	(41.118)	(84.254)	-
16 a. Monetary Other Liabilities	(1.833)	(1.186)	(1.833)	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities	**(438.203)**	**(228.945)**	**(353.949)**	**(41.118)**	**(84.254)**	-
18. Total Liabilities	**(1.023.346)**	**(530.580)**	**(820.278)**	**(95.966)**	**(196.643)**	**(6.425)**
19. Off Balance Sheet Derivative Items' Net Asset/(Liability) Position	-	-	-	-	-	-
19a. Total Hedged Assets	-	-	-	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position	**(937.494)**	**(499.206)**	**(771.774)**	**(91.030)**	**(186.529)**	**20.809**
21. Monetary Items Net Foreign Currency Asset / (Liability) Position	**(944.409)**	**(499.256)**	**(771.851)**	**(92.518)**	**(189.578)**	**17.020**
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-	-	-	-	-	-
23.Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

Foreign Currency Position Table
2009

	Total TRL Equivalent (Functional Currency)	Thousand USD	TRL Equivalent	Thousand Euro	TRL Equivalent	Other Foreign Currency TRL Equivalent
1. Trade Receivables and Due from Related Parties	12.203	3.644	5.487	825	1.783	4.933
2a. Monetary Financial Assets (Cash and cash equivalents included)	172.818	48.041	72.335	38.421	83.001	17.482
2b. Non- monetary Financial Assets	-	-	-	-	-	-
3. Other Current Assets and Receivables	3.741	74	112	173	374	3.255
4. Current Assets	**188.762**	**51.759**	**77.934**	**39.419**	**85.158**	**25.670**
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-Current Assets	-	-	-	-	-	-
9. Total Assets	**188.762**	**51.759**	**77.934**	**39.419**	**85.158**	**25.670**
10.Trade Payables and Due to Related Parties	(76.315)	(5.642)	(8.495)	(30.586)	(66.075)	(1.745)
11 Short- term Borrowings and Current Portion of Long- term Borrowings	(512.407)	(317.936)	(478.716)	(15.596)	(33.691)	-
12a. Monetary Other Liabilities	(4.393)	(604)	(910)	(362)	(783)	(2.700)
12b. Non-monetary Other Liabilities	-	-	-	-	-	-
13. Current Liabilities	**(593.115)**	**(324.182)**	**(488.121)**	**(46.544)**	**(100.549)**	**(4.445)**
14. Trade Payables and Due to Related Parties	(933)	-	-	(432)	(933)	-
15. Long-Term Borrowings	(595.039)	(209.343)	(315.208)	(129.533)	(279.831)	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities	**(595.972)**	**(209.343)**	**(315.208)**	**(129.965)**	**(280.764)**	-
18. Total Liabilities	**(1.189.087)**	**(533.525)**	**(803.329)**	**(176.509)**	**(381.313)**	**(4.445)**
19. Off Balance Sheet Derivative Items' Net Asset/(Liability) Position	-	-	-	-	-	-
19a. Total Hedged Assets	-	-	-	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position	**(1.000.325)**	**(481.766)**	**(725.395)**	**(137.090)**	**(296.155)**	**21.225**
21. Monetary Items Net Foreign Currency Asset / (Liability) Position	**(1.004.066)**	**(481.840)**	**(725.507)**	**(137.263)**	**(296.529)**	**17.970**
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-	-	-	-	-	-
23.Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

b) Foreign Currency Risk (continued)

The information regarding the export and import figures realized as of December 31, 2010 and 2009 is as follows:

	2010	2009
Total Export	**115.196**	98.606
Total Import	**519.773**	509.818

The following table demonstrates the sensitivity analysis of foreign currency as of December 31, 2010 and 2009:

Foreign Currency Position Sensitivity Analysis				
	2010			
	Income / (Loss)		**Equity**	
	Increase of the foreign currency	**Decrease of the foreign currency**	**Increase of the foreign currency**	**Decrease of the foreign currency**
Increase / decrease in the USD against TRL by 10%:				
USD denominated net asset / (liability)	(77.177)	77.177	112.810	(112.810)
USD denominated hedging instruments(-)	-	-	-	-
Net effect in USD	**(77.177)**	**77.177**	**112.810**	**(112.810)**
Increase / decrease in the EURO against TRL by 10%:				
EURO denominated net asset / (liability)	(18.653)	18.653	2.190	(2.190)
EURO denominated hedging instruments(-)	-	-	-	-
Net effect in EURO	**(18.653)**	**18.653**	**2.190**	**(2.190)**
Increase / decrease in the other foreign currencies against TRL by 10%:				
Other foreign currency denominated net asset / (liability)	2.081	(2.081)	-	-
Other foreign currency hedging instruments(-)	-	-	-	-
Net effect in other foreign currency	**2.081**	**(2.081)**	**-**	**-**
TOTAL	**(93.749)**	**93.749**	**115.000**	**(115.000)**

Foreign Currency Position Sensitivity Analysis				
	2009			
	Income / (Loss)		Equity	
	Increase of the foreign currency	Decrease of the foreign currency	Increase of the foreign currency	Decrease of the foreign currency
Increase / decrease in the USD against TRL by 10%:				
USD denominated net asset / (liability)	(72.540)	72.540	105.876	(105.876)
USD denominated hedging instruments(-)	-	-	-	-
Net effect in USD	(72.540)	72.540	105.876	(105.876)
Increase / decrease in the EURO against TRL by 10%:				
EURO denominated net asset / (liability)	(29.616)	29.616	2.130	(2.130)
EURO denominated hedging instruments(-)	-	-	-	-
Net effect in EURO	(29.616)	29.616	2.130	(2.130)
Increase / decrease in the other foreign currencies against TRL by 10%:				
Other foreign currency denominated net asset / (liability)	2.123	(2.123)	-	-
Other foreign currency hedging instruments(-)	-	-	-	-
Net effect in other foreign currency	2.123	(2.123)	-	-
TOTAL	(100.033)	100.033	108.006	(108.006)

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

c) Liquidity Risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions.

The table below summarizes the maturity profile of the Group's financial liabilities on the consolidated balance sheet as of December 31, 2010 and 2009;

2010	**Carrying value**	**Contractual undiscounted payment (=I+II+III+IV)**	**Less than 3month (I)**	**Between 3-12 month (II)**	**Between 1-5 year (III)**	**More than 5 year (IV)**
Financial Liabilities	1.764.496	1.822.992	454.346	556.589	812.057	-
Trade Payable and due to related parties	261.978	261.978	221.390	38.678	1.910	-
Liability for put option	128.113	128.113	-	126.279	1.834	-
	2.154.587	**2.213.083**	**675.736**	**721.546**	**815.801**	**-**

2009	Carrying value	Contractual undiscounted payment (=I+II+III+IV)	Less than 3month (I)	Between 3-12 month (II)	Between 1-5 year (III)	More than 5 year (IV)
Financial Liabilities	1.857.385	1.939.770	689.223	270.582	979.965	-
Trade Payable and due to related parties	249.875	249.902	203.607	41.152	5.143	-
Liability for put option	92.210	92.210	-	-	92.210	-
	2.199.470	2.281.882	892.830	311.734	1.077.318	-

d) Price Risk

This is a combination of currency, interest and market risks which the Group manages through natural hedges that arise from offsetting the same currency receivables and payables, interest bearing assets and liabilities. Market risk is closely monitored by the management using the available market information and appropriate valuation methods.

e) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group attempts to control credit risk by limiting transactions with specific counterparties and continually assessing the creditworthiness of the counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location.

The Group seeks to manage its credit risk exposure through diversification of sales activities to avoid undue concentrations of risks with individuals or groups of customers in specific locations or businesses. The Group also obtains guarantees from the customers when appropriate.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

e) Credit Risk (continued)

Maximum exposure to credit risk and aging of financial assets past due but not impaired as of December 31, 2010 and 2009 are disclosed as below:

	Receivables						
	Trade Receivables		**Other Receivables**				
Current Year	**Due from related parties**	**Due from third parties**	**Due from related parties**	**Due from third parties**	**Deposits**	**Derivative Instruments**	**Other**
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	**337**	**518.251**	**-**	**9.244**	**992.299**	**-**	**73.361**
- Maximum credit risk secured by guarantees	-	318.290	-	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	337	477.987	-	9.244	992.299	-	-
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	-	38.733	-	-	-	-	-
- Under guarantee	-	6.208	-	-	-	-	-
D. Net carrying amount of financial assets impaired	-	1.531	-	-	-	-	-
- past due (gross carrying value)	-	16.597	-	-	-	-	-
- impaired (-)	-	(15.066)	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	1.531	-	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	-	-	-	-	-	-
E. Off- balance sheet items which include credit risk	-	-	-	-	-	-	73.361

Current Year	**Trade Receivables**	**Other Receivables**	**Deposits**	**Derivative Instruments**	**Other**
Past due between 1-30 days	**23.853**	**-**	**-**	**-**	**-**
Past due between 1-3 months	**9.126**	**-**	**-**	**-**	**-**
Past due between 3-12 months	**3.308**	**-**	**-**	**-**	**-**
Past due for more than 1 year	**2.446**	**-**	**-**	**-**	**-**

	Receivables						
	Trade Receivables		Other Receivables				
Prior Year	Due from related parties	Due from third parties	Due from related parties	Due from third parties	Deposits	Derivative Instruments	Other
Maximum exposure to credit risk at the end of reporting period (A+B+C+D+E)	810	421.539	-	6.771	1.071.525	-	65.750
- Maximum credit risk secured by guarantees	-	245.455	-	74	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	810	371.686	-	6.771	1.071.525	-	-
B. Carrying amount of financial assets whose term has been renegotiated, otherwise past due or impaired	-	-	-	-	-	-	-
C. Net carrying amount of financial assets past due but not impaired	-	48.007	-	-	-	-	-
- Under guarantee		6.908	-	-	-	-	-
D. Net carrying amount of financial assets impaired	-	1.846	-	-	-	-	-
- past due (gross carrying value)	-	15.713	-	-	-	-	-
- impaired (-)	-	(13.867)	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	1.846	-	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	-	-	-	-	-	-
E. Off- balance sheet items which include credit risk	-	-	-	-	-	-	65.750

Prior Year	Trade Receivables	Other Receivables	Deposits	Derivative Instruments	Other
Past due between 1-30 days	21.425	-	-	-	-
Past due between 1-3 months	13.411	-	-	-	-
Past due between 3-12 months	6.901	-	-	-	-
Past due for more than 1 year	6.270	-	-	-	-

f) Capital Risk Management

The Group's policy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

NOTE 39. FINANCIAL INSTRUMENTS

Fair Value

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The optimum fair value of a financial instrument is the quoted market value, if any.

The financial assets and liabilities which are denominated in foreign currencies are evaluated by the foreign exchange rates prevailing on the date of balance sheet which approximate to market rates. The following methods and assumptions were used to estimate the fair value of each class of financial instrument of the Group for which it is practicable to estimate a fair value:

i) Financial Assets

The fair values of certain financial assets carried at cost in the consolidated financial statements, including cash and cash equivalents plus the respective accrued interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying value of trade receivables along with the related allowance for unearned income and uncollectibility are estimated to be their fair values.

ii) Financial Liabilities

Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The bank borrowings are stated at their amortized costs and transaction costs are included in the initial measurement of loans and bank borrowings. The fair value of bank borrowings are considered to state their respective carrying values since the interest rate applied to bank loans and borrowings are updated periodically by the lender to reflect active market price quotations. The carrying value of trade payables along with the related allowance for unrealized cost is estimated to be their fair values.

Fair value hierarchy table

The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows

Level 1: Market price valuation techniques for the determined financial instruments traded in markets
Level 2: Other valuation techniques includes direct or indirect observable inputs
Level 3: Valuation techniques does not contains observable market inputs

Current Year	**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value			
Share certificates	**36.702**	**-**	**-**
Investment funds	**1.260**	**-**	**-**
Financial liabilities at fair value			
Interest rate swap	**-**	**596**	**-**
Options	**-**	**-**	**128.113**

Prior Year	Level 1	Level 2	Level 3
Financial assets at fair value			
Share certificates	34.240	-	5.075
Investment funds	1.753	-	-
Financial liabilities at fair value			
Interest rate swap	-	1.488	-
Options	-	-	90.425

NOTE 39. FINANCIAL INSTRUMENTS (continued)

Derivative Financial Instruments, Risk Management Objectives and Policies

Derivative financial instruments are initially measured at cost. After initial recognition, derivatives are measured at fair value. Structured forward buy-sell contracts and interest rate swap agreements are the main derivative financial instruments of the Group, which are effective to avoid the occurrence of foreign currency and interest rate risks from the operational and financial activities. Since the conditions for the hedge accounting in accordance with IAS 39 "Financial Instruments: Recognition and Measurement" are not met, hedge accounting is not applicable for these derivative financial instruments.

The Group manages interest rate risk arising from the interest rate fluctuations on international markets, by using interest rate swap (IRS) agreements. Total outstanding amount of IRS agreements was USD25,1 million as of December 31, 2010 (December 31, 2009 – USD25,1 million). The fair value difference related to the agreement amounting to TRL224 (December 31, 2009 – TRL587) has been recorded in consolidated income statement as loss from derivative financial instruments.

NOTE 40. SUBSEQUENT EVENTS

a) In accordance with the amendment in the Articles of Association, in Extraordinary General Meeting of EBI held on February 10, 2011, it has been decided to release each member of the Supervisory Board from his duties as member of the Supervisory Board of EBI and to discharge each member of the Supervisory Board from his respective liability for his supervision on the EBI's management.

b) CCİ has applied for the cancellation of the admission of its Global Depository Receipts to listing on the Official List and trading on the London Stock Exchange's main market for listed securities due to limited trading volumes in recent years. The last day of listing and trading will be April 1, 2011 and Global Depository Receipts will continue to be traded on Over the Counter basis starting from April 2, 2011.

c) In January 2010, CCİ's Board of Directors approved the refinancing of USD360 million existing Club Loan maturing in March 2013 and refinancing the maturing facilities of CCİ and its subsidiaries in 2011 as well as to finance new borrowing needs by 3 year USD600 million financing, which has a bullet payment at maturity. USD425 million of the loan will be utilised by CCİ and the remaining part will be utilised by CCİ's fully consolidated subsidiaries, The Coca-Cola Bottling Company of Jordan Ltd, J.V. Coca-Cola Almaty Bottlers LLP and CCI International Holland BV. CCİ will guarantee the subsidiary facilities.

d) CCİ's Board of Directors approved the purchase of 100% shares of SSG Investment Limited (SSG), who owns 40% shares of CC Beverage Limited (CCBL) that produces, sells and distributes Coca-Cola products in Northern Iraq and 50% share of JV Dubai who owns 60% shares of CCBL from The Coca Cola Export Corporation (TCCEC) by CCI Holland. In accordance with the regulations in relevant countries, upon payment of a total of USD36.90 million, the referred SSG and JV Dubai shares have been registered to CCI Holland as of March 9, 2011. Consequently, the Group's share in JV Dubai and CCBL has been increased to 50,26%.

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