Anadolu Efes Annual Report 2013



Contents

Strong position in national and international markets

With its entrepreneurial spirit and sound financial structure, Anadolu Efes remains to be strongly positioned under changing local and global conditions in national and international markets. The company acts as a responsible corporate citizen and creates value for stakeholders in every geography in which it is active.

Anadolu Efes is the world's 10th and Europe's 5th largest brewer*, while CCİ is the 6th largest bottler in the Coca-Cola System.**

- 18 breweries*** in 6 countries
- 23 bottling plants in 10 countries****
- 7 malteries***
- Turkey's largest brewer with a 76% market share
- CCİ: Turkey's largest soft drinks producer with 66% market share
- Beer production capacity: 43.7 million hectoliters***
- Malt production capacity: ca. 293,656 tons***
- Soft drinks production capacity: ca. 1,293 million unit cases
- Beer and soft drinks market leader in Kazakhstan
- More than 70 export markets
- More than 40 beer brands

Source: Euromonitor 2012, Canadean Global Beer Trends 2013, Nielsen
** Company estimate*
*** According to information provided by The Coca-Cola Company to CCİ*
**** It has been decided to suspend the brewing and malting operations in Moscow as of January 1, 2014 and to suspend the brewing operations in Rostov in the first quarter of 2014.*
***** In markets where there is production*

Anadolu Efes at a Glance

As of 2013–end, Anadolu Efes continues to be a potent international force with 18 breweries, 7 malteries, and 23 bottling plants located in 16 countries.*

Products and services for more than 600 million **consumers across a broad region**

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes) is a group of companies which make and market beer, malt, and soft drinks.

Anadolu Efes is the beverages industry representative of Anadolu Group, that was set up by members of the Özilhan and Yazıcı families in the early 1950s, and transformed to a holding company in 1969. Since its inception, Anadolu Group has grown steadily, becoming what is today, a conglomerate of more than 80 companies in 18 countries ranging from the Atlantic to the Pacific. Anadolu Group is active primarily in beer, soft drinks, automotives, retailing, and financial services sectors. In recent years the group has been diversifying and expanding the scope of its activities through investments in IT, energy, foods, health services, and real estate sectors.

Anadolu Efes started its business with two breweries that it opened in Turkey in 1969. In a very short time period, the company established itself as the leader of the country's domestic beer market. Today Anadolu Efes supplies products and services to more than 600 million consumers across a wide region that includes Turkey, Russia, CIS, Central Asia, and the Middle East.

Anadolu Efes conducts its beer operations in international markets through Efes Breweries International N.V. (EBI), a wholly-owned subsidiary that is based in Holland. Anadolu Efes is also the majority shareholder of Coca-Cola İçecek A.Ş. ("CCİ"), which is responsible for the conduct of the group's Coca-Cola operations in Turkey and abroad.

Geographically strategic investments in both the beer and the soft drinks business lines undertaken over the years made it possible for Anadolu Efes to take the knowledge and experience gained in its home market into the international arena, while advancing the company steadily towards becoming a leading regional player in other markets with high growth potential. The countries in which the company operates distinguish themselves by virtue of demographics that are better capable of supporting growth than is the case in more mature markets. Growth potential is an inherent feature of the company's target markets, where consumers are not only younger on average but where per capita consumption levels of beer and soft drinks are also relatively lower. This situation provides Anadolu Efes a significant advantage in terms of growth potential.

On the other hand, a readily expandable product portfolio consisting of strong, well-known brands that are the preferred choices of consumers in the markets in which it is active, is one of the cornerstones of Anadolu Efes' growth.

Anadolu Efes continues to be a potent international force with 18 breweries, 7 malteries, and 23 bottling plants located in 16 countries.*

* *It has been decided to suspend the brewing and malting operations in Moscow as of January 1, 2014 and to suspend the brewing operations in Rostov in the first quarter of 2014.*

Capital and Shareholder Structure

A higher percentage of Anadolu Efes' free float is in the hands of international institutional investors than is the case with most other publicly-traded companies in Turkey.

Market capitalization
TRL 13.8 billion**:
One of the largest companies quoted at Borsa İstanbul

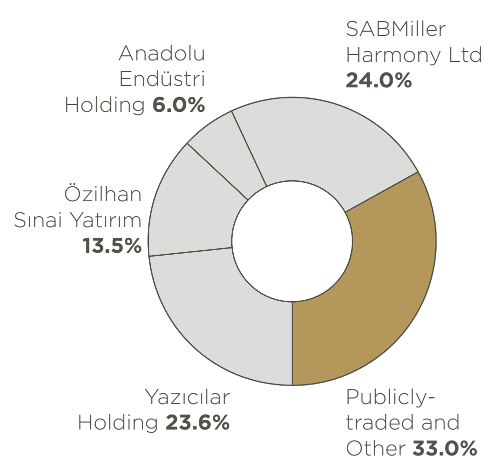
31 December 2013		
	Amount (TRL)	**%**
Yazıcılar Holding A.Ş. ("Yazıcılar Holding")	139,786,634	23.61
Özilhan Sınai Yatırım A.Ş. ("Özilhan Sınai")	79,812,569	13.48
Anadolu Endüstri Holding A.Ş.("AEH")*	35,291,953	5.96
SABMiller Harmony Ltd.	142,105,263	24.00
Publicly-traded and Other	195,108,843	32.95
Total issued capital	**592,105,263**	**100.00**
Registered capital ceiling	900,000,000	
BIST symbol	AEFES.IS	
Company's capital is comprised of 592,105,263 shares each with a nominal value of 1 (one) TRL 142,105,263 of the shares are owned by SABMiller Harmony Limited and are registered shares, while 450,000,000 of the shares are bearer shares.		
As Anadolu Efes has established a Level 1 American Depository Receipts (ADR) program (AEBZY/Cusip No: 032523102), its shares may be bought and sold by private investors on over-the-counter (OTC) markets as well as by international institutional investors.		

** AEH is jointly held by Yazıcılar Holding, (BIST symbol: YAZIC.IS) (68%) and Özilhan Sınai (32%).*

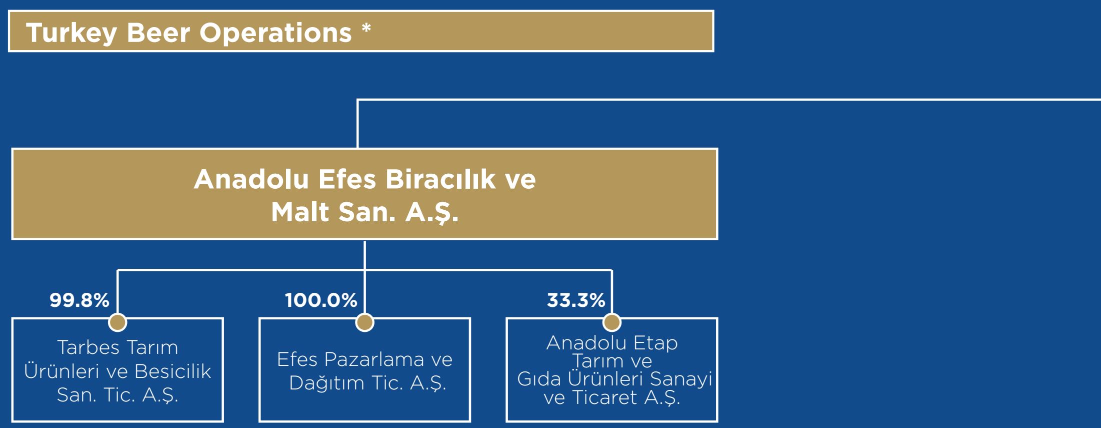
Anadolu Efes is one of the largest companies trading on Borsa İstanbul (BIST) as measured by market capitalization. Anadolu Efes' shares have consistently attracted the interest from international institutional investors ever since the shares began trading in 2000. A higher percentage of Anadolu Efes' free float is in the hands of international institutional investors than is the case with most other publicly-traded companies in Turkey.

*** As of 31 December 2013*

Capital and Shareholder Structure

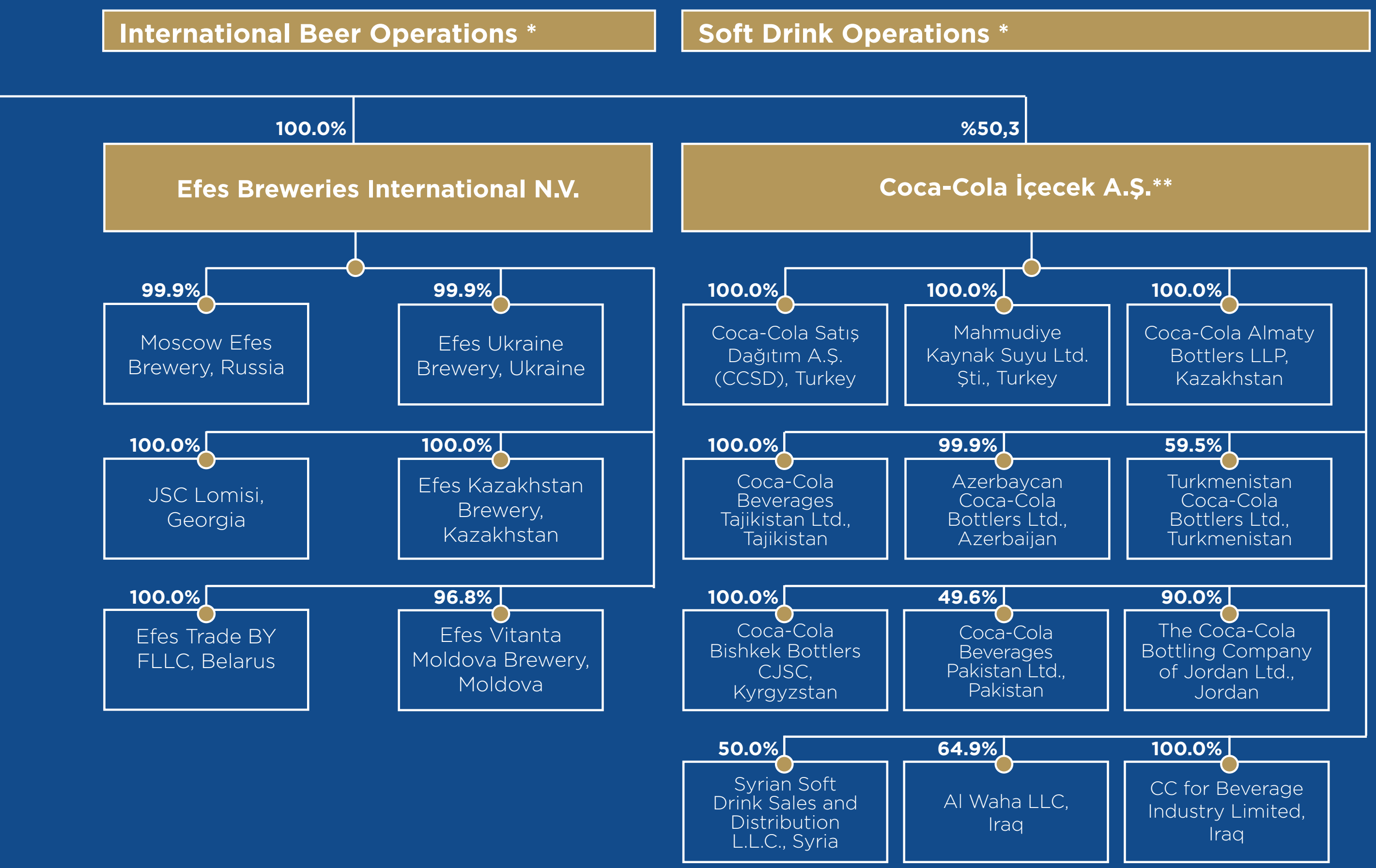


Anadolu Efes' Subsidiaries



Anadolu Efes:

- Conducts its international beer operations through Efes Breweries International N.V.
- Is the majority shareholder in Coca-Cola İçecek A.Ş., which is responsible for the conduct of the group's soft-drink operations in Turkey and abroad.



* As of 31.12.2013

** Direct and indirect total shareholding.

Beer Group

Anadolu Efes has the ability to take advantage of market opportunities, to expand its product portfolio, and to further build up its brand value.

Anadolu Efes' Beer Operations

Our Vision:
To become the most admired beer company in the countries where we operate.

Our Mission:
We help people enjoy life better through the responsible enjoyment of our products.

Positioned and supported by a balanced brand portfolio in markets with growth potential, Anadolu Efes adheres to strategies that exploit its ability to take advantage of market opportunities, to expand its product portfolio, and to further build up its brand value.

Anadolu Efes started out its business in 1969 with the production and sale of beer that it made at two breweries it opened in Turkey. "Efes Pilsen", the company's flagship brand, is not only the best-recognized beer brand in Turkey today but also one of the country's most important global brands.

Quickly establishing itself as the unchallenged leader of its home market, Efes Pilsen has enjoyed a distinguished reputation for its superior quality and unchanging flavor ever since the day it was first produced.

Continuing to pursue sustainable growth over the years through new investments as well as through effective marketing strategies and a strong sales network with a national reach, Anadolu Efes represents one of the most successful examples of entrepreneurship in Turkey.

Having firmly established itself in its home market, Anadolu Efes turned its focus abroad, first by exporting its products and then by continuing to focus on investment opportunities in new markets. Initially, it gave priority to countries which were culturally and geographically close, undertaking its first international investments in Kazakhstan and Russia in the late 1990s. The company continues to pursue a strategy of making acquisitions which will generate added value in a region including Turkey, Russia, and CIS countries, where its beer operations are concentrated.

As measured by sales volumes, Anadolu Efes is Europe's 5^{th} and the world's 10^{th} largest brewer. As of 2013-end, the company had total annual production capacities of 43.7 million hectoliters of beer and 293,656 tons of malt.* Anadolu Efes has more than 40 beer brands in its product portfolio.

** It has been decided to suspend the brewing and malting operations in Moscow as of January 1, 2014 and to suspend the brewing operations in Rostov in the first quarter of 2014.*

Anadolu Efes successfully maintained its leading position in Turkish beer market in 2013 with a 76% average market share in off-premise channel.

Turkey Beer Operations

Milestones of Turkey Beer Operations

1969 First beer production began under the "Efes Pilsen" brand.

1970s–1980s–1990s A hop processing facility, two malteries, and two new breweries were established.

1986 Efes Pazarlama was formed and made responsible for sales, distribution, and marketing operations in Turkey

1998 Anadolu Efes increased the number of its breweries in Turkey to 5 by acquiring the assets of the Toros brewery along with the "Marmara" brand name.

2000 The group's four publicly traded beer and malt producing companies were merged to form Anadolu Efes.

Anadolu Efes operates in Turkey with five breweries, two malteries, and one hops processing facility. Turkey's largest brewer Anadolu Efes is by far the leader of its home market with a market share of 76%. The company has annual production capacities of 10.4 million hectoliters of beer and 117,680 tons of malt in Turkey. Anadolu Efes exports its primary brand "Efes" to more than 70 countries.

Anadolu Efes' sales, distribution, and marketing activities in Turkey are carried out by Efes Pazarlama ve Dağıtım Ticaret A.Ş. ("EFPA"), a wholly-owned subsidiary of the company. EFPA controls a network of 177 dealers and 28 distributors in 15 sales regions to keep consumers all over the country supplied with Anadolu Efes products. EFPA's own sales team directly serves dealers and distributors in Turkey's five biggest cities, including İstanbul, Ankara, and İzmir.

Tarbes Tarım Ürünleri ve Besicilik Sanayi ve Ticaret A.Ş. ("Tarbes"), another Anadolu Efes subsidiary, produces hops, an essential raw material in beer-making process. With a production capacity of 1,200 tons a year, Tarbes keeps Anadolu Efes supplied with all of the hops it needs to carry out its brewing operations in Turkey.

The size of the Turkish beer market in terms of consumption was 8.7 million hectoliters in 2013, with a per capita consumption of 11 liters. Expectations of low single-digit growth for the Turkey beer market at the beginning of the year subsequently had to be revised downwards owing to new regulations governing the sector and to developments that took place in late May. As a result of the effects of both, Anadolu Efes completed 2013 with a sales volume contraction of 14.8%, in line with its revised expectations.

Shaping the sector by developing new products and being able to respond to consumers' changing needs has an important place among Anadolu Efes' most essential priorities.

new products developed with **years of sectoral acumen**

As had been anticipated, in 2013 the excise tax on beer in Turkey was increased twice at the same rate of 1.6%, first in January and then again in July. Anadolu Efes immediately reflected these excise tax increases into its selling prices on both occasions same as before. Turkey is one of the countries in the world with the highest excise tax amount on beer.

Despite the difficulties arising from higher taxes and tightened regulatory environment in the Turkish market, one of its major beer markets, Anadolu Efes successfully maintained its leading position with a 76% market share in 2013 contributed by the investments that it undertook.

Shaping the sector by developing new products and being able to respond to consumers' changing needs has an important place among Anadolu Efes' most essential priorities. Years of sectoral acumen make it possible for Anadolu Efes not only to supply new products to the market but also to further develop its existing ones.

Efes Turkey - Brand Portfolio

Segment	Brand
Premium	Mariachi, Mariachi Black, Miller Genuine Draft, Beck's, Peroni Nastro Azzuro, Duvel
Mainstream	Efes Pilsen, Efes Light, Efes Dark, Efes Xtra, Efes Pilsen Fıçı, Bomonti, Marmara Kırmızı, Efes Pilsen Filtresiz, Efes Malt, Bomonti Filtresiz
Discount	Marmara Gold

Anadolu Efes today, is a respected and trusted business partner not only in Turkey but in the international arena as well.

International Beer Operations

Milestones of International Beer Operations

1998 Efes Breweries International N.V. was founded.

1999 Production began in Russia at a Moscow-based brewery and the "Stary Melnik" brand was launched.

2003 The group entered the Kazakhstan beer market with its acquisition of a brewery in the country.

2003 The Moldovan beer market was entered.

2006 The Krasny Vostok Brewing Group was acquired in Russia.

Since the day it was founded, Anadolu Efes has fostered and driven change in its sector by both being a creative pioneer and through its long-term vision of the future. Anadolu Efes today, is a respected and trusted business partner not only in Turkey but in the international arena as well.

Anadolu Efes conducts its international beer operations through Efes Breweries International N.V. ("EBI"), a wholly-owned Holland-based subsidiary set up in 1998.

On the international front, Anadolu Efes is active in Russia, Kazakhstan, Ukraine, Moldova, and Georgia. As of 2013-end, the company operates 13 breweries and 5 malteries with annual production capacities of 33.3 million hectoliters* of beer and 175,976 tons of malt respectively.

Anadolu Efes also has organizations which conduct and/or coordinate group product sales, distribution, and marketing activities through companies which are owned or controlled in Belarus and Azerbaijan. Additionally, in 2010 Efes Deutschland GmbH, Anadolu Efes' wholly-owned subsidiary in Germany, began selling "Efes Pilsener" brand beer, which is manufactured for it by Einbecker Brauhaus AG under an agreement with that firm.

Being one of the most important sectoral players in its operational region, Anadolu Efes is the market leader in Kazakhstan, Moldova, and Georgia. Under a strategic alliance that it entered into with SABMiller Plc ("SABMiller"), the world's second largest brewer, in 2012, the company further strengthened its regional position by acquiring SABMiller's three breweries in Russia and one in Ukraine.

It has been decided to suspend the brewing and malting operations in Moscow as of January 1, 2014 and to suspend the brewing operations in Rostov in the first quarter of 2014.

Anadolu Efes' Russian operations account for the largest share of all of its beer operations in terms of sales volumes.

International Beer Operations

2008 The Georgian beer market was entered.

2010 A German brewer began producing "Efes Pilsener" brand beer for the group in Germany under a licensing agreement.

2011 SABMiller and Anadolu Efes signed a collaboration agreement.

2012 Anadolu Efes acquired all of SABMiller's beer operations in Russia and Ukraine. The new company started its operations in conjunction with Anadolu Efes' existing operations in Russia.

Russia

Anadolu Efes' Russian operations account for the largest share of all of its beer operations in terms of sales volumes.

The Moscow-Efes Brewery ("MEB"), which was set up by Anadolu Efes in 1997, today operates with five breweries in the cities of Moscow*, Rostov*, Ufa, Kazan, and Novosibirsk. The strategic partnership with SABMiller increased the number of Russian breweries under Anadolu Efes' control to eight with the addition of three belonging to SABMiller in Kaluga, Ulyanovsk, and Vladivostok to the existing five owned by Anadolu Efes. The company also owns five malteries: one in Moscow and the other four in Kazan*. The portfolio of operations in Kazan include a preform plant, whose annual production capacity of about 1.3 million PET preforms, makes it possible for Anadolu Efes to manufacture all of the PET bottles that it needs.
In 2013 the total consumption of the Russian beer market is estimated to be around 87.1 million hectoliters, which corresponds to a per capita consumption of 61 liters a year. According to the Euromonitor data for 2012, Russia ranked the world's fourth biggest beer market.

During the past five years, Russian beer market has contracted by more than 20%, primarily due to the tightened regulatory environment. As a result, the average capacity utilization rate of the brewing industry has decelerated to ca. 60% in the recent years. Consequently, after an evaluation process by taking into consideration of the technical, logistical and financial points of view, Anadolu Efes initiated a production network optimization program in Russia.

* *It has been decided to suspend the brewing and malting operations in Moscow as of January 1, 2014 and to suspend the brewing operations in Rostov in the first quarter of 2014.*

Anadolu Efes believes that it will be able to improve its competitiveness and efficiency and ensure sustainable success in Russian beer market.

Fourth in Russia with a market share of **14%**

Under this program, Anadolu Efes decided to suspend its brewing and malting operations in Moscow as of 1 January 2014, and to suspend its brewing operations in Rostov in the first quarter of 2014. Aggregate installed production capacity at these two locations amount to about 5.0 million hectoliters of beer and 46,000 tons of malt, which corresponds to 19% and 26% of the total annual installed beer and malt production capacities of the company's Russian operations, respectively. The beer production volumes at these locations will be re-allocated to the company's other production facilities in Russia.

The decision was taken after the review of the current trends in the Russian beer sector and Anadolu Efes believes that it will be able to improve its competitiveness and efficiency and ensure sustainable success in Russia taking into account both the expected synergies and the restructuring costs associated with this decision.

Efes Russia - Brand Portfolio

Segment	**Brand**
High Premium	Redd's, Miller Genuine Draft, Peroni Nastro Azzuro
Mid Premium	Essa, Grolsch, Amberweiss, Pilsner Urquell
Low Premium	V. Kozel, Bavaria
Upper Mainstream	Zolotaya Bochka, Stary Melnik, Stary Melnik Iz Bochonka, Efes Pilsener, Amsterdam Navigator, Sokol, Zwei Meister
Lower Mainstream	Beliy Medved, Gold Mine Beer, Tri Bogatyrya, Green Beer, Zhigulevskoe, Moya Kaluga, Simbirskoe, Vladpivo, Studenoe, Rytsar Primorya

Anadolu Efes' marketing strategy for the Ukrainian market is rooted in becoming the largest brewer in Eastern Ukraine, where its brewery is located.

International Beer Operations

Market leader in Kazakhstan with a share of **58%**

Kazakhstan

Anadolu Efes first ventured into the Kazakhstan market in 1996, when it acquired a privatized brewery in Karaganda. The company subsequently expanded the scope of its operations by opening a new brewery in Almaty.

According to Canadean's Global Beer Trends report for 2013, the size of the Kazakhstan beer market on a consumption basis is estimated to be 4.9 million hectoliters in 2013. This corresponds to a year-on-year rise of 3%. The same report also puts per capita consumption at 30 liters/year.

According to figures published by Nielsen, Anadolu Efes controlled a twelve-month average market share of 58% in Kazakhstan market on a volume basis. Two of the labels in Efes Kazakhstan's portfolio-Beliy Medved and Kruzhka Svezhego-are the best-selling beers in the country.

Efes Kazakhstan - Brand Portfolio

Segment	Brand
Super Premium	Miller Genuine Draft, Grolsch, Pilsner Urquell, Perroni Nastro Azzurro
Premium	Efes Pilsener, Efes Lite, Bavaria, Amsterdam Navigator, V. Kozel Lager, V. Kozel Dark
Mainstream	Beliy Medved Lager, Beliy Medved Osoboe-Non-filtered, Beliy Medved Mild, Beliy Medved Strong, Kruzhka Svezhego Lager, Kruzhka Svezhego Mild, Kruzhka White Non-filtered, Karagandinskoe Lager, Karagandinskoe Strong, Zhigulevskoe Razlivnoe, Zhigulevskoe Mild, Zhigulevskoe Avtorskoye
Discount	Lyubitelskoe

Ukraine

Anadolu Efes entered the Ukranian market with its acquisition of SABMiller's operations as a result of its strategic alliance in March 2012.

According to Canadean's Global Beer Trends 2013 report, the size of the Ukrainian beer market on a consumption basis is estimated to be 25.2 million hectoliters in 2013 and per capita consumption is 57 liters. In 2013, the country's beer market shrank by about 1% as compared with the previous year. According to the same report, Ukraine's 2013-end results make it the world's thirteenth largest beer market as measured by consumption.

Anadolu Efes' marketing strategy for the Ukrainian market is rooted in becoming the largest brewer in Eastern Ukraine, where its brewery is located.

Efes Ukraine - Brand Portfolio

Segment	Brand
Super Premium	Redd's, Miller Genuine Draft, Stary Melnik
Premium	Zolotaya Bochka, V. Kozel, Amsterdam Navigator, Kruzhka Svezhego, Zhigulivske Razlivnoe
Mainstream	Beliy Medved
Discount	Sarmat, Zhigulivske

Being one of the most important actors of its sector in the region it operates, Anadolu Efes is the market leader in Kazakhstan, Moldova and Georgia.

Market leader in Moldova with a share of **72%**

Market leader in Georgia with a share of **55%**

Moldova

Anadolu Efes first entered the Moldovan market in 2003 with the acquisition of a brewery in Chisinau. In a country seen to have a bright future, the company quickly became the country's largest brewer, with an overwhelming 72% share of the national market, as measured by volume.

According to Canadean's Global Beer Trends report for 2013, the size of the Moldovan beer market on a consumption basis is estimated to be 1.4 million hectoliters in 2013 and per capita consumption is 38 liters. In the context of this estimation, this performance corresponds to a year-on-year growth of 2% in 2013.

Efes Moldova, controls brands that rank in either first or second place in every price segment.

Efes Moldova - Brand Portfolio

Segment	Brand
Super Premium	Efes Pilsener, Grolsch, Pilsner Urquell, Miller Genuine Draft, V. Kozel, Bavaria
Premium	Stary Melnik, Sokol, Timisoreana
Mainstream	Chisinau Blonda, Chisinau Draft, Chisinau Aurie, Chisinau Speciala Tare, Chisinau Unfiltered, Chisinau Non Alco, Chisinau Jubilee, Jiguleovskoe Bocikovoe
Discount	Beliy Medved, Beliy Medved V. Rozliv

Georgia

Recognizing the strategic importance of the Georgian beer market, Anadolu Efes commenced its beer operations in Georgia with the acquisition of Lomisi, the country's biggest brewer, in 2008. With its strategic location between Europe and Asia and low per capita beer consumption levels, Georgia is a market that Anadolu Efes believes has great potential.

According to Canadean's Global Beer Trends 2013 report, the size of the Georgian beer market on a consumption basis is estimated to be 1.0 million hectoliters in 2013 while per capita consumption is 22 liters. In the context of the same report, this performance corresponds to a year-on-year growth of 15% in 2013.

Being the market leader with a market share of 55% as measured by volume, Anadolu Efes is undertaking a variety of marketing activities in order to pursue growth in the Georgian market, to boost per capita consumption, and to raise market share through product development.

Efes Georgia - Brand Portfolio

Segment	Brand
Super Premium	Miller Genuine Draft
Premium	Efes Pilsener, V. Kozel
Mainstream	Natakhtari, Mtieli, Kaiser, Karva, Natakhtari Unfiltered, Natakhtari Extra, Natakhtari Kasris, Mtieli Unfiltered, Kaiser Weissbier

Employing more than 10,000 people, CCİ operates in Turkey, Pakistan, Kazakhstan, Azerbaijan, Kyrgyzstan, Turkmenistan, Jordan, Iraq, Syria and Tajikistan.

Soft Drinks Group

Anadolu Efes' Soft Drink Operations

Our Vision:
Be the outstanding beverage company leading the market, inspiring people, adding value through excellence

Our Mission:
Build a sustainable and profitable business by refreshing consumers, partnering with consumers, delivering superior value to shareholders and being socially responsible.

Undertaking ventures that support its vision of being a respected global company, Anadolu Efes continuously updates its corporate plans, strategies, and goals. Seeking to diversify its business lines within this perspective, in 1993 the company originally commenced its soft drinks operations in Kazakhstan, Kyrgyzstan, and Azerbaijan through Efes Sınai Yatırım Holding A.Ş. ("Efes Sınai"), a subsidiary that it set up to undertake Coca-Cola bottling investments in CIS countries. In 2006, these soft drinks operations were merged with those of CCİ, a Turkish company in which a 33% stake was acquired by Anadolu Efes in 1996 and into which a number of other bottling and marketing companies were subsequently merged to create CCİ as it exists today.

Today, Anadolu Efes conducts soft drink operations in Turkey and abroad through CCİ, in which it controls a 50.3% stake. Employing more than 10,000 people, CCİ is responsible for manufacturing, selling, and distributing The Coca-Cola Company ("TCCC") branded beverages not just in Turkey but also in Pakistan, Kazakhstan, Azerbaijan, Kyrgyzstan, Turkmenistan, Jordan, Iraq, Syria and Tajikistan.

CCİ is the sole owner of Coca-Cola bottling plants in Kazakhstan, Kyrgyzstan, Azerbaijan, Tajikistan, Iraq, and Jordan and it controls a majority stake in the Coca-Cola bottling plant in Turkmenistan. In Pakistan and Syria, CCİ's operations are carried out by companies in which it controls 49% and 50% stakes respectively. Kazakhstan and Pakistan are CCİ's two biggest markets in its international operations.

As measured by sales volumes, CCİ is the sixth largest bottler in the Coca-Cola System. CCİ is the market leader in Turkey, Kazakhstan, Azerbaijan, Turkmenistan and Kyrgyzstan and it ranks second in Jordan and Pakistan.

CCİ keeps more than 360 million consumers across a broad region supplied with an extensive product range.

Milestones of Soft Drink Operations

1993 Efes Sınai Yatırım Holding A.Ş. ("Efes Sınai") was set up.

1995 Coca-Cola bottling operations commenced in Kazakhstan.

1996–1998 Bottling plants were set up in Kyrgyzstan, Azerbaijan, and Turkmenistan.

1996 Anadolu Group invested in Coca-Cola operations in Turkey.

2005 Existing Coca-Cola operations in Jordan were acquired.

2006 CCİ shares began trading on the BİST.

All soft drink operations in Turkey and other countries were merged under CCİ.

2008 CCİ entered the Pakistan market.

2009 ASoft drink operations were diversified with the acquisition of a stake in Anadolu Etap.

2012 CCİ entered the Southern Iraq market through an acquisition.

Twenty-three plants and an annual bottling capacity of 1,293 million unit cases make it possible for CCİ to keep more than 360 million consumers across a broad region supplied with an extensive product range of still beverages-fruit juices, bottled water, energy and sports drinks, iced teas, and teas-in addition to sparkling beverages.

In 2013, the company's Turkish operations contributed a 54% share of total consolidated sales volumes. The share of its international operations, which was 39% last year, reached 46% in 2013.

CCİ Turkey - Brand Portfolio	
Brand	**Flavors / Types**
Sparkling Beverages	
Coca-Cola	-
Sensun	-
Fanta	Orange, Mandarin, Apple, Peach, Pear
Coca-Cola Light	-
Sprite	Lemon & Lime
Schweppes	Bitter Lemon, Mandarin, Tonik, Soda
Burn	Regular, Blue, Berry, Subzero
Coca-Cola Zero	-
Still Beverages	
Cappy	Orange, Peach, Apricot, Sour Cherry, Multifruit, Yellow Mix, Red Mix, Pineapple, Atom, 100% Apple, 100% Orange, 100% Tomato, 100% Apple-Mix, 100% Apple-Peach, 100% Apple-Sour Cherry, Pulpy Peach, Pulpy Mix, Black Mulberry, Fruit Scherbet, Vişnelim, Pulpy Lemonade, Pulpy Sugar-free Lemonade, Pulpy Orange, Mixx Peach-Quince, Mixx Grape-Sour Cherry, Mixx Apple-Apricot
Fuse Tea	Lemon, Peach, Mango-Ananas, Karpuz
Powerade	Ice Blast, Snow Storm, Sun Rush
Damla Su	-
Damla Minera	Plain Soda, Strawberry, Apple, Lemon, Sour Cherry
Gladiator	-

Geographic Footprint

- Beer
- Soft Drinks

Russia* •

Population: 141.4 million [1]
Beer Operations
Breweries: 8
Malteries: 5
Preform manufacturing plants: 1
Brewing capacity: 26.0 mhl
Malt production capacity: 175.9 thousand tons
Per capita consumption: 61 liters/year [2]
Market share: 14% [3]
Market position: 4th

Ukraine •

Population: 45.5 million [1]
Beer Operations
Breweries: 1
Brewing capacity: 2.3 mhl
Per capita consumption: 57 liters/year [4]
Market position: 4th

Moldova •

Population: 3.6 million [1]
Beer Operations
Breweries: 1
Brewing capacity: 1.3 mhl
Per capita consumption: 38 liters/year [4]
Market position: 1st

It has been decided to suspend the brewing and malting operations in Moscow as of January 1, 2014 and to suspend the brewing operations in Rostov in the first quarter of 2014.

Georgia •

Population: 4.9 million [1]
Beer Operations
Breweries: 1
Brewing capacity: 1.1 mhl
Per capita consumption: 22 liters/year [4]
Market position: 1st

Belarus [5] •

Population: 9.3 million [1]
Beer Operations
Per capita consumption: 48 liters/year [4]

Germany [6] •

Population: 81.8 million [1]
Beer Operations
Per capita consumption: 103 liters/year [4]

Turkey ••

Population: 76.7 million [1]
Beer Operations
Breweries: 5
Malteries: 2
Hop processing facilities: 1
Brewing capacity: 10.0 mhl
Malt production capacity: 117.7 thousand tons
Per capita consumption: 11 liters/year [2]
Market share: 76% [3]
Market position: 1st
Soft Drink Operations
Plants: 9
Market share: 66% [3]
Market position: 1st

Kazakhstan ••
Population: 17.2 million [1]
Beer Operations
Breweries: 2
Brewing capacity: 2.6 mhl
Per capita consumption:
30 liters/year [4]
Market share: 58% [3]
Market position: 1st
Soft Drink Operations
Plants: 1
Market share: 48% [3]
Market position: 1st

Azerbaijan [5] ••
Population: 9.3 million [1]
Beer Operations
Per capita consumption:
6 liters/year [4]
Soft Drink Operations
Plants: 1
Market position: 1st [7]

Pakistan •
Population: 182.6 million [1]
Soft Drink Operations
Plants: 6
Market share: 30% [3]
Market position: 2nd

Iraq •
Population: 34.8 million [1]
Soft Drink Operations
Plants: 3
Market share: 26% [8]
Market position: 2nd

Turkmenistan •
Population: 5.7 million [1]
Soft Drink Operations
Plants: 1
Market position: 1st [7]

Jordan •
Population: 6.5 million [1]
Soft Drink Operations
Plants: 1

Kyrgyzstan •
Population: 5.6 million [1]
Soft Drink Operations
Plants: 1
Market position: 1st [7]

Syria •
Population: 23 million [1]
Soft Drink Operations

Tajikistan •
Population: 8.1 million [1]
Soft Drink Operations

[1] *Turkish Statistical Institute, IMF*
[2] *AEFES estimate*
[3] *Nielsen, January-December 2013*
[4] *Canadean, Global Beer Trends, 2013 (estimate)*
[5] *In addition to exporting Efes brand throughout the world, Anadolu Efes also has organizations which conduct and/or coordinate group product sales, distribution, and marketing activities through companies which are owned or controlled in Belarus and Azerbaijan.*
[6] *Since March 2010, Efes Deutschland GmbH, Anadolu Efes' wholly-owned subsidiary in Germany, has been selling "Efes Pilsener" brand beer which is manufactured for it by Einbecker Brauhaus AG under an agreement with that firm.*
[7] *CCİ estimate*
[8] *Retail Zoom*

Total assets of
TRL 22.4 billion
in 2013

Main Operational and Financial Indicators

Despite the signifcant macro and micro challenges we faced in 2013, Anadolu Efes maintained focus on its core priorities including brands, execution and efficiency in its beer and soft drinks operations in order to deliver profitable and sustainable future growth.

An experienced and financially strong organization, supported by alliances with largest brands of the world, will continue to be among Anadolu Efes' major strengths.

In 2013 shareholders' equity **TRL 9.6 billion**

Income Statement Items (1)	2013	2012	% Change
Beer Sales Volume (m hectoliters) (2)	25,6	28,4	-10,0
Soft Drink Sales Volume (m unit case) (3)	1,057.7	0.0	∞
Net Sales (TRL thousand)	9,195,773	4,319,725	112.9
Net Sales per Liter (TRL)	1.07	1.52	-29.3
Profit from Operations (TRL thousand)	743,854	540,350	37.7
Operating Profit Margin	8.1%	12.5%	
Depreciation and Amortization (TRL thousand)	711,713	349,723	103.5
Net Income (TRL thousand)	2,608,920	609,811	327.8
Net Income Margin	%28.4	%14.1	
EBITDA(4) (TRL thousand)	1,494,687	908,313	64.6
EBITDA(4) per Liter (TRL)	0.17	0.32	-45.4
EBITDA(4) Margin	16.3%	21.0%	

Balance Sheet Items	2013	2012	% Change
Cash, Cash Equivalents and Marketable Securities (TRL thousand)	2,309,354	1,565,395	47.5
Total Assets (TRL thousand)	22,366,984	10,381,556	115.4
Equity Attributable Equity Holders of the Parent (TRL thousand)	9,571,651	6,702,765	42.8
Total Financial Debt (including lease obligations) (TRL thousand)	5,275,932	2,052,063	157.1
Net Financial Debt/Equity	0.3X	0.07X	
Net Financial Debt/EBITDA	2.0X	0.5X	
Capital Expenditure (Gross) (5) (TRL thousand)	1,174,551	336,705	248.8
Number of Shares	592,105,263	592,105,263	
Earnings per Share (6) (TRL)	4.4062	1.0765	309.3
Average Number of Employees	19,852	9,005	120.5

(1) *According to the Shareholder's Agreement regarding the governance of Coca-Cola İçecek A.Ş. ("CCİ"), with effect from 01.01.2013, Anadolu Efes started to fully consolidate CCİ, whereas CCİ has been consolidated into Anadolu Efes' financial results by using proportionate consolidation method until 31.12.2012. Consequently, CCİ is fully consolidated into Anadolu Efes' financials in FY2013, while, as per TFRS II that became effective as of 01.01.2013, reported financials for FY2012 are restated by using equity pick-up method. The financials are also restated in accordance with the Capital Markets Board's "Communique on Principles Regarding Financial Reporting in Capital Markets (Serial II No:14.1)*

(2) *1 hectoliter = 100 liters*

(3) *1 unit case = 5.678 liters*

(4) *EBITDA: Earnings before interest, tax, depreciation, and amortization are calculated by adding or subtracting depreciation and other relevant non-cash items to or from profit from operations.*

(5) *Acquisitions excluded.*

(6) *Earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.*

Tuncay Özilhan
Chairman of the Board of Directors

Commitment to maintain the strong position despite tough market conditions

Esteemed stakeholders,

Conditions in global markets remained volatile in 2013.

As well as this conjuncture that created pressure on our national economy, developments in the Turkish beer market were also among the factors shaping our performance in 2013.

By effectively fine-tuning its strategy in light of its inherent strengths and competencies throughout the year, Anadolu Efes fulfilled its commitment to maintain its healthy financial and operational performance.

In 2013, the global and national economic environment preserved its volatile and relatively difficult conditions.
By the end of 2013, the outlook for recovery in the global economy seems modest at best. The main reasons for this are sluggish global trade, low investment levels in developing economies and OECD countries, and persistently high levels of unemployment.

The decision of the US Federal Reserve Bank ("Fed") to cut back the bond purchases that it had been making as part of its loose-monetary policy towards the end of the year resulted in an increase of uncertainty about the future course of monetary policies throughout the world. The global appetite for risk also followed a wavering course all year long; capital flight was observed to be taking place, especially from developing countries with current account deficit problems; and there was an across-the-board repricing of financial assets in this period. Changes in the components of global growth that became more evident by the Fed's transition to a tight-monetary policy but also overdue structural reforms pose downward risks for developing economies.

Growth in the BRIC countries fell below the 2010-2011 average.
Despite the recovery in developed economies that took place relatively more quickly, the slowing trend in the growth rates of developing economies is remarkable. Growth in BRIC countries that includes China, India, Brazil and Russia fell below the 2010-2011 average.

As was expected, the US economy continued to perform well in the fourth quarter of 2013 and registered a 3.2% rate of growth, thereby racking up an overall 1.9% growth rate for the year 2013. Among the Euro-Zone economies, where leading indicators and production figures suggested stabilization rather than a strong recovery: the aggregate GNP was down by 0.4% on a twelve-month basis and it was up by 0.1% in the

Chairman's Message

Despite tough market conditions, Anadolu Efes has fulfilled its commitment to maintain its healthy financial and operational performance.

Turkish economy registered its 16th consecutive quarter of **sustained growth**

EU area. In the same period, inflation in the Euro-Zone realized at 0.8%. This optimistic picture suggests that a recovery has at last got under way in what is our most important trading partner, Europe.

In its November Economic Outlook report, the OECD pointed that downside risks persisted and that any recovery in global economic activity would be gradual because of the weak performance of the developing economies. Owing to low expected growth performance among the developed economies, especially in the Euro-zone and in Japan, OECD reduced its global growth estimates for 2013 from 3.1% to 2.7%, while also revising its projections for 2014 from 3.8% to 3.6%.

The Turkish economy grew by 4% in the first nine months of 2013.

By posting a growth rate of 4.4% in the 3rd quarter of 2013, the Turkish economy registered its 16th consecutive quarter of sustained growth. After growing by 3% and 4.5% respectively in the first and second quarters, the Turkish economy grew by 4% in the first nine months of the year.

In a difficult environment characterized by high levels of external uncertainty and volatility, despite the rises in exchange rates and interest rates, the inability to fully restore performance in net exports, and inadequate increase in investments, Turkey nevertheless continued to make progress along the path of sustainable growth, thanks to the intrinsic dynamics of its domestic demand.

In 2013, the foreign trade deficit grew by 18.7% and reached USD 99.8 billion. The coverage ratio of exports to imports fell by 4.2 percentage points to 60.3%.

In 2013 January-December, the current account deficit increased by 34% compared to the same period of the previous year, reaching USD 65 billion. The revision in the calculation of tourism industry revenues was one of the reasons of the current account deficit ending up larger than anticipated. The contribution of direct investments to the financing of the current account deficit continues to remain low.

The Central Bank continues to keep inflation indicators under its tight control.

The rise in consumer prices index in 2013 was 7.40%, 1.2 percentage points higher than its level in 2012, while the rise in producer prices index weighed in at 6.97% year-on-year, was even more unambiguous. The depreciation of the Turkish lira in the second half of the year pushed core inflation indicators upwards, especially through the "basic goods" category, while the higher than

In the third quarter of 2013, Russia's gross national product was up by 1.2% compared to the same period of the previous year.

Russian economy's estimated growth rate for 2013 was **1.4%**

anticipated year-on-year rise in food prices contributed to inflation.

Foreseeing that inflation indicators are likely to outpace targets for some time owing to exchange rate volatility in the last months of 2013, the Central Bank decided to strengthen its cautious stance and to take action to reduce money market interest rate volatilities so as to limit the impact of these on pricing behavior.

Driven by the Central Bank's cautious monetary policy stance, the Fed's tapering of its quantitative easing, and by domestic uncertainties, there were significant increases in interest rates in all maturities and rises in exchange rates in the last quarter of 2013 and the first month of 2014.

The Central Bank has notified that it is not going to allow price stability to suffer in the face of developments. Adopting a credible and proactive monetary-tightening aimed at suppressing both inflationary expectations and any impairment in pricing behavior, at its Monetary Policy Committee meeting on 28 January 2014, the Central Bank raised its marginal funding rate from 7.75% to 12% and its one-week repo auction rate from 4.5% to 10%. Announcing that henceforth the one-week repo auction rate rather than the marginal funding rate would be serving as the basis for its funding, the bank signaled that it might increase its marginal funding rate to as high as the 12% range if circumstances so warranted. The Central Bank also made it clear that it would maintain its tightened stance in monetary policy until an unambiguous improvement in the inflationary outlook is obtained.

Based on the Central Bank's current tightened monetary policy in the short term, it can be said that the pressure on economic activity will continue, and there is also unlikely to be any noteworthy growth in the current account deficit.

On the other hand, it is thought that, based on global developments, capital outflows from developing countries will continue in 2014 and this will have a relative impact on the Turkish economy as well.

Economic growth in Russia, our largest production hub, is expected to slow down.

In the third quarter of 2013, Russia's GNP was up by 1.2% compared to the same period of the previous year.

In its most recently published report, the World Bank announced that it reduced its 2013 growth projection for

We believe that excise tax increases will continue to be one of the most significant factors affecting the beer sector in the future, as it had been before.

We improved our operational and financial **efficiency.**

Russia firstly from 2.3% to 1.8% and then to 1.4%, saying that the reasons for this revision were the global decline in oil prices, the slowdown in global trade, and the absence of a recovery in investments. In the same report, the World Bank also said that the increase in the rate of consumption in Russia would also be less than anticipated and remain at around the 3% level.

According to World Bank figures, the Russian economy that grew by 3.4% in 2012, used to have a growth rate of approximately 7% until the 2009 crisis. The report noted it is important for the Russian economy that is dependent on oil and gas exports to take steps to increase competition and to encourage and ease the entrance of new companies to the market.

The Russian ministry of economics said that it expects the price of a single barrel of oil to average around USD 107.50 next year and agriculture sector, which grew by 7% in 2013, will be unable to achieve that performance in 2014. The ministry also announced that it had revised downwards its growth projection in manufacturing sector from 0.2% to 0.1% and in retailing sector from 4.3% to 3.8% as well.

The beer sector in Turkey was affected both by developments and by high levels of excise taxes in 2013.
The Turkish beer market grew by 5.2% in 2012 after having followed a stable course for quite some time despite the significant increase in consumer prices impacted by the reflection of increased excise taxes to prices.

In 2013 by contrast, the beer market was adversely affected by the tax hikes and by newly-introduced sectoral regulations as well as the sociopolitical developments that began in late May and continued into June, completing the year with a decline of 10%.

In 2013, the Turkish beer market witnessed two tax increases of 1.6% each; the first in January and the second in July. Turkey is one of the countries ranking the highest from the standpoint of the level of excise taxes on beer. We believe that tax increases will continue to be one of the most significant factors affecting the beer sector in the future, as it had been before.

In 2013 Anadolu Efes focused on maintaining its leading and strong position.
Seeking to exploit our standing as a leading brand in national and international markets, we continued to maintain our operational and financial efficiency.

Anadolu Efes once again successfully preserved its leading position in the Turkish beer market, and continued to have a high market share of 76%.

On and off-premise investments in Turkey beer operations

Our 2013 performance was in line with our expectations.
2013 has been as a difficult year in our company's history from the standpoint of beer operations. However, in terms of its ability to manage and overcome the vagaries of market conditions, Anadolu Efes successfully maintained its sound position by displaying a successful organizational competency and by taking all necessary precautions and measures in advance. Our company's effective policies and strategic initiatives played a significant role in this success.

The leader of the Turkish beer market
Anadolu Efes once again successfully preserved its leading position in the Turkish beer market, and continued to have a high market share of 76%. Despite higher taxes and changes in the regulations in recent years, our investments in the sector have made it possible to limit the impact of these on sales volumes.

In addition to the increased availability of our products as a result of our investments in on and off-premise, new product launches and successful trade executions were the factors contributing to the 2013 sales volumes of Turkey beer operations. However, the beneficial effects of these factors were countered and more than outweighed by the negative impact on our sales volumes caused by competition, the immediate reflection of two tax hikes during the year into our sales prices, and the developments in our country towards the end of May.

In consequence of all of these factors, we completed 2013 with a decrease of 14.8% in our total sales volume, a performance in line with our revised projections for the year.

The increase in our sales prices more than covered the rise in our per liter costs and thanks to this, we succeeded in keeping our 2013 gross profit margin in line with that of 2012. However, despite reduced sales volumes, due to our sales and marketing costs that were proportionally higher as compared with net sales revenues, our operating costs in 2013 ended up higher than they were in 2012. This resulted with a contraction in operational profitability in 2013.

Developments in our international operations took place as anticipated.
Anadolu Efes' largest international market is Russia.

The downward trend observed in the Russian beer market in recent years continued in 2013 as well. The underlying reasons for this decline in total sales volumes may be summed up under three main headings:

- Changes in the legal framework, the impact of newly-introduced regulations

The growth and development in our Turkish and international soft drink operations continued in 2013.

Increase in the EBITDA margin of Soft drink operations

- Deteriorated pricing environment and price competition brought by stiffer competition, especially in some sales channels
- Weaker-than-expected growth in the Russian economy.

In the context of the newly-introduced changes in the legal framework in Russia, the application of kiosk ban to all beer sales, adversely impacted total sales volumes and brought about a number of structural changes in the sector. With the kiosk ban, some of the sales, which used to take place through it, shifted to the key accounts instead, with the result that its share of the sector's total beer sales increased substantially.

Our company which controlled a relatively higher market share in traditional channel (of which these kiosks are a part) was harder hit by this regulation change compared to the other players.

Additionally, during the renegotiation process that ensued after we acquired SABMiller's Russian operations last year, sales of our products through a number of key accounts were temporarily suspended. This too had an adverse impact on our sales performance. With the completion of those negotiations and the signing of new agreements in 2013, our company succeeded in re-strengthening its presence in the Russian modern trade channel.

As a result, the consolidated sales volume of EBI, our subsidiary conducting the international beer operations, decreased by 8% in 2013 compared to the previous year, mainly due to the volume decrease in Russia. On an operational proforma basis, EBI's consolidated sales volume decreased by 12%.

The phased reflection of the 25% increase in excise taxes to prices in Russia effective as of January 1, 2013, adversely affected our profitability just like other beer producers. Another development adversely affecting our profitability was the rise in per liter fixed costs brought about by lower sales volumes. As a result of all of these developments the EBITDA (BNRI) margin of our international beer operations amounted to 10.8%.

Healthy growth in our soft drink operations continued.

The growth and development in our Turkish and international soft drink operations continued in 2013 and we registered healthy growth figures in both our sparkling and still beverage categories.

Anadolu Efes has shown the strength, competencies and flexibility to adapt to change, to defend its stature as a leader, and to translate every evolution into its performance positively.

The first and only Turkish company to be included in **the Dow Jones Sustainability Index**

On a proforma basis, the share of our international soft drink operations in total sales volumes, which was 39% in 2012, reached 46% in 2013 due to the inclusion of South Iraq and high levels of organic growth in international markets. Similarly on a proforma basis, we maintained our gross profit margin thanks in part to localized price increases registering a rise in our EBITDA margin in 2013.

Anadolu Efes has been the first and only Turkish company to be included in the Dow Jones Sustainability Index. We have long recognized sustainability as an essential element of our corporate culture and integrated it into all of our strategies and processes.

As a result of both the sustainability policies that we have introduced and adhered to over the years and our effective implementation of them, Anadolu Efes has become the first and the only Turkish company to be included in the Dow Jones Sustainability Index ("DJSI") in 2013. This development is the collective success and source of pride for the entire Anadolu Efes team. Speaking personally as well as on behalf of the Board of Directors, I take this opportunity to congratulate all of our employees and our management team for their contributions to our company's sustainability efforts.

Inaugurated in 1999, the DJSI assesses the management quality and future performance potential of the world's leading companies by integrating sustainability criteria into traditional financial analyses.

DJSI leads investors to investment decisions based on more complete and accurate information in order for them to spot investment opportunities with sustainable value.

Anadolu Efes has been included in the Dow Jones Sustainability Index 2013 Emerging Markets Category, which consists of emerging market companies that surpass their peers on the basis of numerous sustainability criteria. Our company's inclusion in this index places it among the ranks of the world's leading sustainability-focused firms.

As of September 2013, there are 81 companies in the Emerging Markets category with Anadolu Efes.

Performance consistency, stakeholder–value creation, and sustainability will remain our primary concerns.

We will put our sound and perceptive insights to work **and exploit our competencies.**

Concerning the future
The importance of the sectoral investments that will be undertaken as market conditions evolve, will become increasingly more critical to the future of our business.

We are absolutely committed to 100% compliance with new regulations.

Having faced with such changes in the past, Anadolu Efes has shown the strength, competencies and flexibility to adapt to changes, to defend its stature as a leader, and to translate every evolution into its performance positively.

Over the years we have continued to further improve and reinforce our skills in dealing with such issues as responding to changing consumer demand and developing new products and new sales practices. I believe that our strengths as a company will be more important than ever in the future and they will enable us to create sustainable value.

2014 will be the first full year in which the regulatory changes introduced in Turkey in 2013 will be in effect. These changes will inevitably exert downward pressure on our sector's sales. Anadolu Efes has taken this fact into account in the processes of formulating expectations for 2014 and revising its business plans accordingly.

We foresee 2014 as a year in which the global economy will continue to recover gradually and Turkey will remain to be one of the strong players.

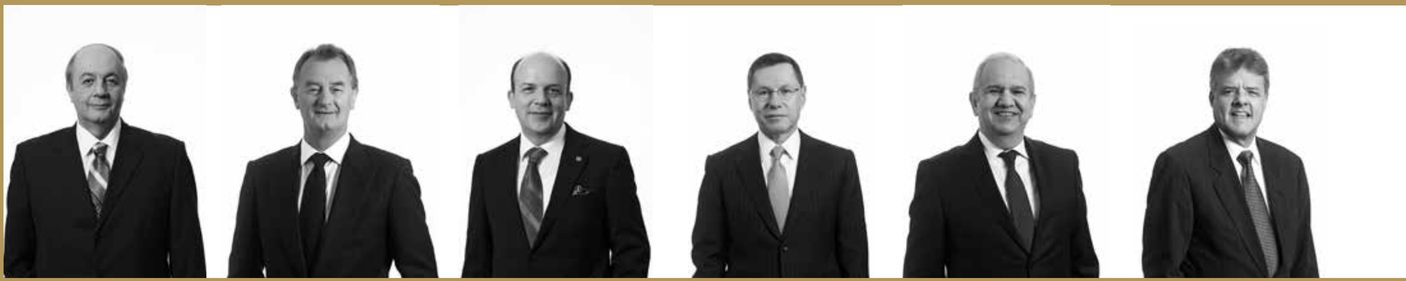
Taking such considerations into account, our company is committed not just to repeat its successes but to build upon and advance them as well.

Change is simply a fact that everyone has to deal with. When national and global conditions change, the duty incumbent on strong leaders like ourselves involves putting our sound and perceptive insights to work and exploiting our competencies to the utmost in order to internalize the changes and adapt to the new era. To that end, performance consistency, stakeholder-value creation, and sustainability will remain our primary concerns.

With the confidence and support of our stakeholders, we will continue to do this.

Tuncay Özilhan
Chairman

Board of Directors



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1- Tuncay Özilhan - Chairman

Born in 1947, Tuncay Özilhan graduated from Saint Joseph High School and the Faculty of Economics of Istanbul University. He received his MBA in Management Sciences from Long Island University in USA. His professional career began in 1977 as General Director of Erciyas Biracılık (brewery); he later became Coordinator of Anadolu Endüstri Holding Beer Group and General Coordinator of Anadolu Endüstri Holding until his appointment as CEO of the Anadolu Group in 1984. In May 2007, Mr. Özilhan was appointed as Chairman of Anadolu Group and still continues to serve in this position. He also serves as the Chairman of some other Anadolu Group companies. Having held the position of the President of TÜSİAD (Turkish Industry and Business Association) from 2000 to 2003, Tuncay Özilhan is currently the Vice-President of TÜSİAD High Advisory Council, Board of Directors member of Foreign Economic Relations Board (DEİK), Turkish-Russian Business Council Executive Board Chairman, Estonian Honorary Consulate in İstanbul, and President of Anadolu Efes Sports Club. Mr. Özilhan has been named the "Executive of the Year" for the season 2012-2013 by the Euroleague for his invaluable efforts to promote the sport of basketball nationally and internationally.

2- Alan Jon Clark - Vice Chairman

Born in 1959, after graduating from University of Port Elizabeth with degrees of B.A. in Psychology and M.A. in Clinical Psychology, Alan Clark received his Doctorate of Psychology degree from the University of South Africa. He joined SABMiller Plc in 1990 as Training and Development Manager. Mr. Clark held various senior positions during his career including, SAB Ltd. Marketing Director, Amalgamated Beverage Industries Ltd. Managing Director, Appletiser South Africa (Pty) Ltd. Chairman and SABMiller Europe Managing Director. Serving as Chief Operating Officer since 2012, Alan Clark was appointed Chief Executive of SABMiller plc in April 2013. Mr. Clark is a member of the Executive Committee and Corporate Accountability and Risk Assurance Committee of SABMiller Plc.

3- Recep Yılmaz Argüden - Member

Dr. Yılmaz Argüden graduated from Boğaziçi University with The Top Graduating Engineering Award. He received his Ph.D. in policy analysis from The RAND Graduate School with General Distinction. He began his professional career at the R&D Center of Koç Holding. Later he worked as a Strategic Analysis Specialist at the RAND Corporation. Dr. Argüden worked with 20 countries during his service as the Section Chief at the World Bank. Upon the invitation of the Turkish government, he returned back to Turkey in 1988 and he led the Privatization Program until 1990 and served as the Chief Economic Advisor to the Prime Minister (1991).

He is the Chairman of a leading management consulting firm, ARGE Consulting, which has been recognized by the European Parliament as one of the top three companies "Shaping the Future" with its commitment to corporate social responsibility. Dr. Argüden has sat on the boards of Anadolu Group, Borusan, Doğuş Group, Koç Holding, Vestel, Petkim, Sümerbank and Inmet Mining, which has operations spread over four continents. He served as the Chairman of the largest Turkish steel company, Erdemir from 1997 to 1999. He also serves as the Chairman of Rothschild Turkey, one of world's leading investment banks, since 2005.

Teaching strategy classes at Boğaziçi and Koç universities, Dr. Argüden has more than 20 books and hundreds of published articles. He represents Turkey in the United Nations Global Compact and is a member of the Private Sector Advisory Group under the Global Corporate Governance Forum established by the OECD and the World Bank. Dr. Argüden was selected by the World Economic Forum among "100 Global Leaders for Tomorrow" for his commitment to improving the quality of life.


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4- Mehmet Cem Kozlu - Member

Born in 1946, Dr. Cem Kozlu completed middle and high school at Robert College after which he received his bachelor's degree from Denison University, MBA from Stanford University and PhD from Boğaziçi University. Dr. Kozlu lectured International Marketing and Export Administration at Boğaziçi University from 1978 to 1981 and was a visiting Professor in the Department of Economics at Denison University in 1985. After holding executive positions in various domestic and international companies, Dr. Kozlu was appointed General Manager and Chairman of the Board of Directors of Turkish Airlines in 1988 and held these positions until 1991. He also served as the Chairman of the Association of European Airlines (AEA) in 1990. Cem Kozlu remained in public service as a Member of the Turkish Parliament from 1991 to 1995 and Chairman of the THY Board of Directors from 1997 to 2003. Dr. Kozlu has held different positions in The Coca-Cola Company since 1996. He assumed the posts of Turkey, Caucasia and Central Asian Republics Executive Director and the Vienna-based Central Europe, Eurasia and Middle East Group President, retiring in April 2006. Currently, he works as a consultant to The Coca-Cola Company for Eurasia & Africa and he is also the Chairman of the Board of Directors of Noktacom Medya İnternet Hizmetleri A.Ş. (media and internet services) and Singapore-based Evyap Asia.

Cem Kozlu also serves as member of the Boards of Directors of İstanbul-based Coca-Cola Satış ve Dağıtım A.Ş., Anadolu Endüstri Holding A.Ş., Kamil Yazıcı Yönetim ve Danışmanlık A.Ş., Pegasus Airlines, The Marmara Hotels & Residences and the Foreign Economic Relations Board, as consultant to the Board of Directors of TAV Havalimanları Holding, and as member of the Boards of Trustees of Anadolu-Johns Hopkins Sağlık Merkezi (Anadolu-Johns Hopkins Health Center) and İstanbul Modern Sanatlar Vakfı (İstanbul Modern Arts Foundation).

5- Mehmet Hurşit Zorlu - Member

Born in 1959, M. Hurşit Zorlu graduated from the Faculty of Economics of İstanbul University. After serving in various positions at Toz Metal and Turkish Airlines, he joined the Efes Beverage Group affiliated to the Anadolu Group in 1984 as a Marketing Specialist. Throughout his career with the Efes Beverage Group, Mr. Zorlu held various posts including Marketing Supervisor, Assistant Project Development Manager, Project Development Manager and Business Development and Investor Relations Director. He worked as the Finance and Investor Relations Director of Efes Beverage Group from 2000 until 2008, and as the CFO of Anadolu Group from 2008 to 2013. Having been appointed as the Deputy CEO of Anadolu Group in January 2013, M. Hurşit Zorlu also holds seats on the boards of directors of various companies under the Anadolu Group. Mr. Zorlu is also a board member of several non-governmental organizations including Corporate Governance Association of Turkey, Investor Relations Association of Turkey, and Ethics and Reputation Society of Turkey.

6- Alejandro Jimenez Fonseca* - Member

Alejandro Jimenez, holding a Bachelor of Science degree in Chemical Engineering from the University of Texas, began his professional career in 1973 at TCCC in Costa Rica and served in various marketing and technical positions. Following his appointment as Central America Regional Director for TCCC Costa Rica, he assumed the responsibility of TCCC Puerto Rico Caribbean Regional Director in 1984. He served as the Vice President and Director of Marketing Operations responsible for Latin America at TCCC Headquarters from 1989 until 1991. In 1991, Mr. Jimenez was appointed as the President of Panamco Mexico, a subsidiary of Panamco, the largest bottler in Latin America and the second largest bottler of Coca-Cola products in the world. In 1994, he became President and Member of the Board of Directors at Panamco where he assumed these responsibilities until 2001. Mr. Jimenez was working as General Director at Mexico-based Dinesa, in which he is a shareholder and which was giving financial and management consultancy services to consumer goods companies in their establishment and developmental stages until February 2007, when he was appointed as Efes Beer Group President.

* *At the Company's Board of Directors meeting held on 4 February 2014, it was resolved to appoint Mr. Damian Gammell to succeed Mr. Alejandro Jimenez, who has resigned, until expiration of the term of office of the latter, whose appointment will be laid down for approval at the immediately following General Assembly.*

7- Salih Metin Ecevit - Member

Born in 1946, Metin Ecevit graduated from Faculty of Political Sciences in 1967. He also received a master's degree in Economics from Syracuse University in 1976. From 1967 to 1980, he worked as a Government Auditor and served as Deputy General Manager of General Directorate of Revenues at the Ministry of Finance. Mr. Ecevit joined Anadolu Group in 1980 and worked in various roles, serving as General Manager, Executive Director, and Chairman of the Board of Directors in automotive companies of the Anadolu Group. He retired in 2006, while he was serving as the Automotive Group President, owing to the retirement age limit regulations of the Group. He served as Board Member and Chairman of the Association of Imported Car Distributors in Turkey from 1992 to 2004. He is a member of the Board of Directors of many Anadolu Group companies and serves as the Chairman of the Board of Directors at Yazıcılar Holding A.Ş.

8- Ahmet Dördüncü - Independent Member

Born in 1953 in Istanbul, Mr. Ahmet Cemal Dördüncü graduated from Çukurova College and holds a bachelor's degree from Çukurova University. He pursued graduate studies at the University of Mannheim and the University of Hannover. Having started his professional career in Germany in 1981, he worked at Mercedes Benz Turkey for three years after which he joined Sabancı Group in 1987, where he held various managerial positions. From 1999 until 2004, he served in the positions of Chairman and Managing Director at the Group's various companies. Having functioned as Sabancı Holding Business Development and Strategic Planning Executive Vice President from 2004, he assumed the position of CEO and held a seat on the Board of Directors from 2005 through 2010. Ahmet Dördüncü is the previous Chairman of TÜSİAD Energy Working Group and a founding member of Endeavor Türkiye and the National Innovation Initiative. Mr. Dördüncü currently functions as the President of the TÜSİAD Environment Working Group and is the Chief Executive Officer of Akkök Group.

9- Kamil Ömer Bozer - Independent Member

Born in 1958 in İstanbul, Ömer Bozer holds a bachelor's degree in Business Administration from the Middle East Technical University and received his MBA from Georgia State University. Mr. Bozer began his professional career in Koç Group as an MT and served as Deputy Chief Executive in Maret and Düzey Pazarlama, respectively. He was appointed as General Manager of Migros in 2002. Ömer Bozer served at the Koç Group as President of Food, Retailing and Tourism Group (2005-2006), President of Food and Retailing Group (2006-2008) and once again as President of Food, Retailing and Tourism Group (2008-2011).

10- Mehmet Mete Başol - Independent Member

Born in 1957 in İstanbul, M. Mete Başol graduated from the Economics Department of Arizona State University. From 1984 until 1988, he worked in Interbank at various banking positions. He served as Deputy Chief Executive, Chief Executive Officer and Chairman of the Board at Turk Merchant Bank A.Ş., Bankers Trust A.Ş. and Deutsche Bank A.Ş. from 1988 until 2001. From 2001 through 2003, he assumed the post of Managing Director at Public Banks Joint Board for restructuring and rehabilitation practice. Having functioned as a financial adviser and Board Member at various institutions since 2003 to date, Mr. Başol was elected as a member of İşbank's Board of Directors on 31 March 2011 and as an alternate member of the Credit Committee on 1 April 2011.

11- İzzet Karaca - Independent Member

Born in 1954, Mr. İzzet Karaca graduated from Boğaziçi University Industrial Engineering Department in 1977. Having started his professional career in 1977 at Koç Research and Development Centre, he held Industrial Engineer and IT Manager position until 1985. Between 1985-1988, Mr. Karaca worked as Systems and Organization Director at Ford Otosan. Since 1988, he held several positions at Unilever in Germany, Turkey and Baltic States including Internal Audit Group Manager, Logistics Manager, Commercial Director and Managing Director. In addition, between 2011-2013, İzzet Karaca served as the Chairperson at YASED (International Investors Association). After serving as Executive Chairman at Unilever Turkey and Unilever NAMET RUB (North Africa, Middle East, Russia, Ukraine and Belarus) and being a member of the Unilever CEO Forum, Mr. Karaca has retired from his duties as of 31 December 2013.

12- Ahmet Boyacıoğlu - Advisor

Born in 1946, Ahmet Boyacıoğlu holds a bachelor's degree in Business Administration from the Middle East Technical University. Mr. Boyacıoğlu began his professional career with the Efes Beverage Group (Anadolu Efes) in 1973. He served in various positions from 1973 to 2005 including Bursa Region Sales Manager, Ege Biracılık ve Malt San. A.Ş. Sales Manager, Güney Biracılık ve Malt San. A.Ş. General Manager, Ege Biracılık ve Malt San. A.Ş. General Manager, Eastern Europe President, International Beer Operations Group President, and Strategy and Business Development Director. Mr. Boyacıoğlu was appointed as the President of the Efes Beer Group in May 2005 and retired on 1 February 2007. Currently, he is an Advisor to the Board of Directors of Anadolu Efes and sits on the Boards of Directors of some Anadolu Group companies.

** All members of the Board of Directors apart from Mr. İzzet Karaca were elected for a term of office of one year at the Ordinary General Assembly Meeting held on 21 May 2013. On 3 December 2013, Mr. Aycan Avcı resigned from his position, and Mr. İzzet Karaca was appointed to the place vacated by him effective of the same date.*

Independent Board Members' Statements of Independent Status

I hereby declare and state that

- I did not officiate as a board member at Anadolu Efes Biracılık ve Malt Sanayii A.Ş. for longer than 6 years in total during the last ten years,
- No employment, capital or business relationship of material importance was established either directly or indirectly during the last five years between legal persons which the company, any related party of the company or shareholders holding either directly or indirectly 5% or more shares in the capital of the company has a management or capital relationship with and myself, my spouse and my relatives by blood or marriage up to third degree,
- I did not work or officiate as a board member in any company which conducts the activities or organization of the company in part or in full especially in such companies that carry out auditing, rating and consultancy services for the company during the last five years,
- I was not a partner, employee or board member in any of the firms that supply a considerable amount of services and products to the company during the last five years,
- The percentage of the company shares that I own does not exceed 1% and they are not preference shares,
- I have the professional education, knowledge and experience that shall allow me to duly carry out the duties which I shall assume due to my position as an independent board member,
- I am not a full time employee with any public entity or organization as of the date of my nomination and during the term of my office, if I am elected,
- I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests among company shareholders and decide freely by taking into account the rights of beneficiaries,
- I shall be able to dedicate sufficient time to the affairs of company as necessary to follow up the operation of company activities and to fulfill the duties I have assumed duly and completely,
- and thus I shall carry out the duties imposed upon me due to my being a board member as an independent member.

Ahmet Cemal Dördüncü

I hereby declare and state that

- I did not officiate as a board member at Anadolu Efes Biracılık ve Malt Sanayii A.Ş. for longer than 6 years in total during the last ten years,
- No employment, capital or business relationship of material importance was established either directly or indirectly during the last five years between legal persons which the company, any related party of the company or shareholders holding either directly or indirectly 5% or more shares in the capital of the company has a management or capital relationship with and myself, my spouse and my relatives by blood or marriage up to third degree,
- I did not work or officiate as a board member in any company which conducts the activities or organization of the company in part or in full especially in such companies that carry out auditing, rating and consultancy services for the company during the last five years,
- I was not a partner, employee or board member in any of the firms that supply a considerable amount of services and products to the company during the last five years,
- The percentage of the company shares that I own does not exceed 1% and they are not preference shares,
- I have the professional education, knowledge and experience that shall allow me to duly carry out the duties which I shall assume due to my position as an independent board member,
- I am not a full time employee with any public entity or organization as of the date of my nomination and during the term of my office, if I am elected,
- I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests among company shareholders and decide freely by taking into account the rights of beneficiaries,
- I shall be able to dedicate sufficient time to the affairs of company as necessary to follow up the operation of company activities and to fulfill the duties I have assumed duly and completely,
- and thus I shall carry out the duties imposed upon me due to my being a board member as an independent member.

Mehmet Mete Başol

I hereby declare and state that

- I did not officiate as a board member at Anadolu Efes Biracılık ve Malt Sanayii A.Ş. for longer than 6 years in total during the last ten years,
- No employment, capital or business relationship of material importance was established either directly or indirectly during the last five years between legal persons which the company, any related party of the company or shareholders holding either directly or indirectly 5% or more shares in the capital of the company has a management or capital relationship with and myself, my spouse and my relatives by blood or marriage up to third degree,
- I did not work or officiate as a board member in any company which conducts the activities or organization of the company in part or in full especially in such companies that carry out auditing, rating and consultancy services for the company during the last five years,
- I was not a partner, employee or board member in any of the firms that supply a considerable amount of services and products to the company during the last five years,
- The percentage of the company shares that I own does not exceed 1% and they are not preference shares,
- I have the professional education, knowledge and experience that shall allow me to duly carry out the duties which I shall assume due to my position as an independent board member,
- I am not a full time employee with any public entity or organization as of the date of my nomination and during the term of my office, if I am elected,
- I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests among company shareholders and decide freely by taking into account the rights of beneficiaries,
- I shall be able to dedicate sufficient time to the affairs of company as necessary to follow up the operation of company activities and to fulfill the duties I have assumed duly and completely,
- and thus I shall carry out the duties imposed upon me due to my being a board member as an independent member.

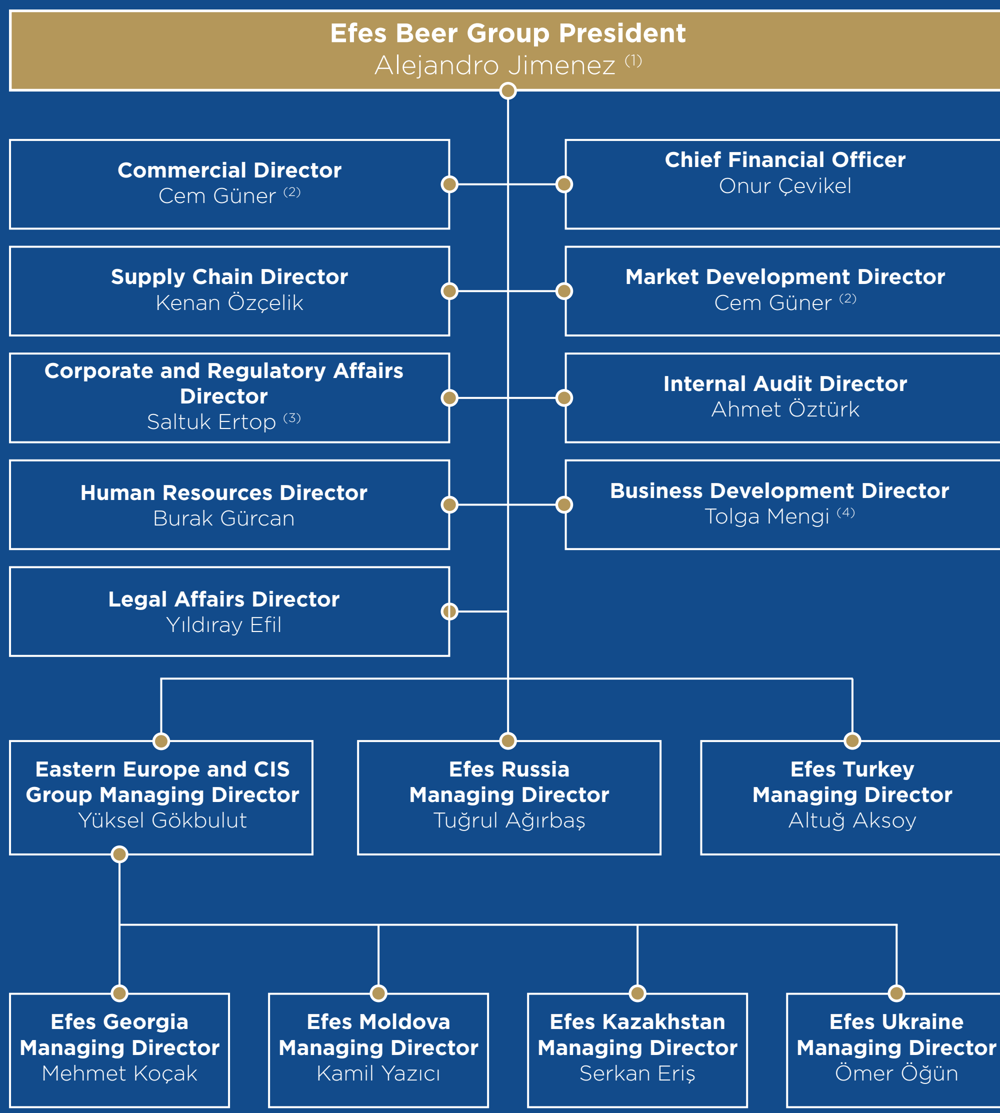
Kamil Ömer Bozer

I hereby declare and state that

- I did not officiate as a board member at Anadolu Efes Biracılık ve Malt Sanayii A.Ş. for longer than 6 years in total during the last ten years,
- No employment, capital or business relationship of material importance was established either directly or indirectly during the last five years between legal persons which the company, any related party of the company or shareholders holding either directly or indirectly 5% or more shares in the capital of the company has a management or capital relationship with and myself, my spouse and my relatives by blood or marriage up to third degree,
- I did not work or officiate as a board member in any company which conducts the activities or organization of the company in part or in full especially in such companies that carry out auditing, rating and consultancy services for the company during the last five years,
- I was not a partner, employee or board member in any of the firms that supply a considerable amount of services and products to the company during the last five years,
- The percentage of the company shares that I own does not exceed 1% and they are not preference shares,
- I have the professional education, knowledge and experience that shall allow me to duly carry out the duties which I shall assume due to my position as an independent board member,
- I am not a full time employee with any public entity or organization as of the date of my nomination and during the term of my office, if I am elected,
- I have strong ethical standards, professional reputation and experience that shall allow me to contribute positively to the activities of the company, maintain partiality in conflicts of interests among company shareholders and decide freely by taking into account the rights of beneficiaries,
- I shall be able to dedicate sufficient time to the affairs of company as necessary to follow up the operation of company activities and to fulfill the duties I have assumed duly and completely,
- and thus I shall carry out the duties imposed upon me due to my being a board member as an independent member.

İzzet Karaca

Organizational Structure



(1) *Due to the retirement of Mr. Alejandro Jimenez as of 1 January 2014, Mr. Damian Gammell, who had served as the CEO of Coca-Cola İçecek, was appointed as the Beverage Group President and Anadolu Efes CEO effective as of the aforementioned date.*

(2) *In addition to his current position of Market Development Director, Mr. Cem Güner was also serving as the acting Commercial Director. As of 1 January 2014, Mr. Berke Kardeş has been appointed to the position of Commercial Director.*

(3) *Mr. Saltuk Ertop resigned from his post as of March 2014.*

(4) *Mr. Tolga Mengi resigned from his post as of 31 December 2013.*

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Efes Soft Drinks Group President
Damian Paul Gammell [1]

- **Chief Financial Officer**
  N. Orhun Köstem
- **Supply Chain Services Director**
  Ali Hüroğlu
- **Human Resources Director**
  Rengin Onay
- **General Counsel and Chief Ethics & Compliance Officer**
  R. Ertuğrul Onur
- **Corporate Affairs Director**
  Atilla D. Yerlikaya
- **Chief Audit Executive**
  Gökhan İzmirli
- **Strategy & Business Development Director**
  Meltem Metin
- **President, International Operations**
  Hüseyin Murat Akın [5]
- **President, Turkey Region**
  Burak Başarır [6]

(5) *Mr. Hüseyin M. Akın, who had served as the International Operations President at Coca-Cola İçecek, was appointed as the Deputy CEO of the Beverage Group as of 1 March 2014.*

(6) *Having served in the position of Turkey Region President of Coca-Cola İçecek, Mr. Burak Başarır was appointed as the Coca-Cola İçecek CEO as of 1 January 2014.*

* *Mr. Tugay Keskin was appointed as Coca-Cola İçecek Commercial Excellence Director on 31 January 2014.*

Top Management – Beer Group


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1- Alejandro Jimenez - Efes Beer Group President*

Alejandro Jimenez, holding a Bachelor of Science degree in Chemical Engineering from the University of Texas, began his professional career in 1973 at TCCC in Costa Rica and served in various marketing and technical positions. Following his appointment as Central America Regional Director for TCCC Costa Rica, he assumed the responsibility of TCCC Puerto Rico Caribbean Regional Director in 1984. He served as the Vice President and Director of Marketing Operations responsible for Latin America at TCCC Headquarters from 1989 until 1991. In 1991, Mr. Jimenez was appointed as the President of Panamco Mexico, a subsidiary of Panamco, the largest bottler in Latin America and the second largest bottler of Coca-Cola products in the world. In 1994, he became President and Member of the Board of Directors at Panamco where he assumed these responsibilities until 2001. Mr. Jimenez was working as General Director at Mexico-based Dinesa, in which he is a shareholder and which was giving financial and management consultancy services to consumer goods companies in their establishment and developmental stages until February 2007, when he was appointed as Efes Beer Group President.

* *Due to the retirement of Mr. Alejandro Jimenez as of 1 January 2014, Mr. Damian Gammell, who had served as the CEO of Coca-Cola İçecek, was appointed as the Beverage Group President and Anadolu Efes CEO effective as of the aforementioned date.*

2- T. Altuğ Aksoy - Efes Turkey Managing Director

T. Altuğ Aksoy received his bachelor's degree in economics from Oglethorpe University in USA. He began his career as Finance Assistant Specialist at Anadolu Group in 1995 and was appointed as a Finance Specialist in 1996. Mr. Aksoy worked as a Human Resources and Treasury Specialist from 1998 to 2000. He served as Director of Sales and Marketing at Efes Invest from 2000 to 2003 and was appointed as the Director of Trade and Export at Efes Beer Group in January 2003. Continuing his career at the Group as the Director of Purchasing and Logistics from 2006, Mr. Aksoy was appointed Director of Supply Chain of Efes Beer Group in June 2008. Mr. Aksoy served in this position until 1 November 2011, when he was appointed as Efes Turkey Managing Director.

3- Tuğrul Ağırbaş - Efes Russia Managing Director

Tuğrul Ağırbaş received his bachelor's degree in Business Administration from Istanbul University and joined Efes Beverage Group in 1990. From 1990 to 2001, Mr. Ağırbaş worked as Project Development Specialist, Marketing Specialist, Istanbul Region Sales Supervisor, New Product Development Supervisor, Group Product Manager, Sales Manager of Marmara Region and Marketing Manager of Miller. Mr. Ağırbaş was appointed as the Marketing Director of Efes Russia in 2001 and Managing Director of Efes Russia in June 2005. He assumed the post of Efes Turkey Managing Director on 1 January 2010. Mr. Ağırbaş was reappointed Managing Director of Efes Russia on 1 November 2011.


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4- Yüksel Gökbulut - Eastern Europe and CIS Group Managing Director

Yüksel Gökbulut received his bachelor's degree in Journalism & Public Relations from Marmara University and worked as Sales Development and Audit Inspector at Hürriyet Holding prior to joining Efes Beverage Group. Mr. Gökbulut joined Efes Beer Group as a Marketing Specialist in 1990 and worked as a Market Research Supervisor from 1994 to 1996; Domestic Sales Assistant Manager in Ege Biracılık from 1996 to 1997; Marketing Manager in the Eastern Europe Region from 1997 to 1999 and Marketing Director of Turkey Beer operations from 1999 to 2006. Appointed as Sales Director of Efes Beer Group on 1 September 2006, Yüksel Gökbulut later functioned as Marketing and Sales Director of Efes Beer Group as of 15 June 2007. Mr. Gökbulut was appointed as Efes Beer Group Russian Beer Operations Managing Director on 1 January 2010 and as Eastern Europe and CIS Group Managing Director on 1 November 2011.

5- Serkan Eriş - Efes Kazakhstan Managing Director

Born in 1971, Serkan Eriş received his bachelor's degree in Public Administration from Dokuz Eylül University. He began his career at Anadolu Group in 1996 as Sales Representative at Efes Turkey, where he was later appointed as Sales Supervisor. He held the position of Sales Supervisor at Efes Romania (1997-1998) and later promoted to Sales Manager position. After working as the Sales and Marketing Manager for Europe Telecommunication Company in Frankfurt from 2001 until 2003, he returned back to Anadolu Group as the Sales and Marketing Manager of Efes Kazakhstan. Serkan Eriş was appointed as Regional Sales Manager of Kazakhstan in 2006, and as the Managing Director of Efes Kazakhstan as of 1 February 2012.

6- Kamil Yazıcı - Efes Moldova Managing Director

Kamil Yazıcı holds a bachelor's degree in business administration from the Emory University in the U.S.A. He began his career in 2000 as a Finance Specialist and then worked as a Human Resources Specialist. Mr. Yazıcı worked as Marketing Specialist at Efes Russia from 2003 to 2005, during which he pursued MBA studies at AIBEC (American Institute of Business and Economics). He was appointed as New Product Development Manager at Efes Russia in February 2005. After serving as Logistic Systems Manager in Russia from 2006 to 2008, Mr. Yazıcı was appointed as Supply Chain Director of Efes Russia in November 2008. After carrying on with his career at the Group as Efes Russia Development Director from 2010, Mr. Yazıcı was appointed as Efes Moldova Managing Director on 1 November 2011.

7- Mehmet Koçak - Efes Georgia Managing Director

Mehmet Koçak holds a bachelor's degree in Business Administration from Middle East Technical University and began his professional career at the Anadolu Group as Internal Audit Specialist at Anadolu Endüstri Holding in 1993. After he worked as Finance Manager at Coca-Cola Russia Operations and as Finance Manager at Efes Moscow Brewery from 1996 to 1997, Mr. Koçak was appointed as the Trade Manager of Efes Russia Moscow Brewery in 2000. Mr. Koçak served as the Kazan Plant Director of Efes Russia from 2006 to 2007 and has been working as Efes Georgia Managing Director since 2008.


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8- Ömer Öğün - Efes Ukraine Managing Director

Ömer Öğün holds a bachelor's degree from the Department of Geophysical Engineering at Yıldız Technical University. Mr. Öğün began his professional career at Anadolu Group as Service Representative at Çelik Motor in 1992, where he later worked as a Sales Supervisor. He served as Planning and Logistics Manager at Coca-Cola Russia (Rostov) Operations from 1998 to 1999 and Operations Manager at Efes Russia Rostov Brewery from 2000 to 2006. Mr. Öğün was appointed as Operations Director of Efes Russia in 2006 and Director in Efes Beer Group in November 2007. He served as Efes Kazakhstan Managing Director from May 2008 until March 2012, when he was appointed as Efes Ukraine Managing Director.

9- Onur Çevikel - Chief Financial Officer

Onur Çevikel received his degree in Business Administration from Istanbul University. Mr. Çevikel began his professional career with the Efes Beer Group as Finance Specialist in 1995. From 1996 to 2011, he held various positions including Finance Manager of Coca-Cola Kuban Bottlers, Finance Manager of Coca-Cola Rostov Bottlers, Finance Manager, Finance Director and Operations Director of Efes Russia. Following the announcement of the strategic alliance with SABMiller Plc. in 2011, Mr. Çevikel was appointed as Integration Director leading the integration team coordinating the integration activities in Russia. Mr. Çevikel has been appointed as the Anadolu Efes Chief Financial Officer effective as of 1 January 2013.

10- Cem Güner - Market Development Director & Commercial Director*

Cem Güner holds a bachelor's degree in Business Administration from Middle East Technical University. He began his professional career at Anadolu Efes as Marketing Specialist in 1991. From 1994 to 2003, he worked as Sales Manager at Efes Invest, Product Marketing Supervisor at EFPA, Marketing Manager at Efes Russia and Product Development Manager at Efes Beverage Group. He was appointed as the Marketing Director of Efes Beverage Group in February 2003. Mr. Güner had served as the Efes Vitanta Moldova General Manager from October 2007 until August 2009, when he was appointed as the Market Development Director. In addition to this position, Mr. Güner was also appointed as the acting Commercial Director for Anadolu Efes effective from 26 January 2012.

* *As of 1 January 2014, Mr. Berke Kardeş has been appointed to the position of Commercial Director.*

11- Kenan Özçelik - Supply Chain Director

Kenan Özçelik received his bachelor's degree in Mechanical and Industrial Engineering from the Vienna University of Technology and obtained his MBA from the same University as well. Having completed the Brewing Science program at Munich Technical University, Mr. Özçelik began his career as a Systems Programmer at Siemens in 1986, and worked freelance from 1987 to 1994 before joining Anadolu Efes. He began his career at Anadolu Efes as a Filling Engineer at Erciyas Biracılık in 1994. He worked as Assistant Technical Manager at the Moscow Plant from 1999 to 2000 and Technical Manager in Efes Russia from 2000 to 2006. Appointed as the Technical Director of Efes Russia in 2006, he also served as Technical Director of Turkey Beer Group from 2006 to 2009. Mr. Özçelik was appointed as Efes Moldova Managing Director in 2009 and Efes Beer Group Supply Chain Director on 1 November 2011.

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12- Saltuk Ertop - Corporate & Regulatory Affairs Director

A graduate of the Istanbul University Faculty of Law, Saltuk Ertop received his master's degree in Tax Law from the same university and Executive MBA in Finance from the University of Wales. He began his professional career at Çaylıgil & Gündoğdu Law Firm as an attorney in 1990. Saltuk Ertop worked at Alcatel as Legal Counsel, International Legal Counsel (Belgium), General Counsel, Human Resources Director, Career Development Director at Alcatel Headquarters (France), Vice President of Human Resources at South Asia and Vice President of South Asia Operations (India) at Alcatel-Lucent from 1993 to 2008. Having joined Efes Beer Group as Human Resources Director in March 2008, Mr. Ertop was appointed as Group Director of Corporate Affairs, Regulations and Human Resources on 1 April 2010 and as Corporate & Regulatory Affairs Director as of 1 October 2013.

** Mr. Saltuk Ertop resigned from his post as of March 2014.*

13- Burak Gürcan - Human Resources Director

Holding a bachelor's and a master's degree from the Department of Industrial Engineering at Istanbul Technical University, Mr. Gürcan began his career at Anadolu Endüstri Holding A.Ş. as an Assistant Human Resources Specialist in 1996. He held various positions at Anadolu Group companies including Marketing Supervisor, Human Resources Process Supervisor, Human Resources Team Leader, Human Resources Systems Manager, Human Resources Manager and Assistant Human Resources and Industrial Relations Coordinator from 1997 to 2011. Between 2011-2013, Mr. Gürcan served as Human Resources Director at Anadolu Medical Centre. Since 1 October 2013, Burak Gürcan has been serving as Efes Beer Group Human Resources Director.

14- Ahmet Öztürk - Internal Audit Director

Ahmet Öztürk graduated from the Department of Economics of the Faculty of Economics, Administrative and Social Sciences at Bilkent University and joined Anadolu Group in 1995. He began his professional career as Assistant Specialist in the Audit Department and later served in various positions with various responsibilities at international companies operating under Anadolu Group. He worked as Financial Control Manager at Coca-Cola Rostov Bottlers in 1998 and as Director of Financial Affairs at Coca-Cola Turkmenistan, Coca-Cola Azerbaijan, Efes Ukraine and Efes Serbia operations from 1999 to 2007. Mr. Öztürk assumed responsibility for internal audit activities at international operations in 2007. Mr. Öztürk has been working as the Internal Audit Director at Efes Beer Group since January 2011.

15- Tolga Mengi - Business Development Director*

Tolga Mengi received his B.Sc. degree in Management Engineering from Istanbul Technical University and is a certified public accountant. After beginning his career as an auditor at PricewaterhouseCoopers, he joined Anadolu Endüstri Holding A.Ş. as Financial Controller. From 2001 to 2010, Mr. Mengi has held various positions including Financial Controller at Anadolu Efes, Financial Control Manager at EBI and Country Finance Manager at Efes Kazakhstan. Mr. Mengi serves as Efes Beer Group Business Development Director since 2010.

** Mr. Tolga Mengi resigned from his post as of 31 December 2013.*

16- Yıldıray Efil - Legal Affairs Director

Born in 1971 in Ordu, Yıldıray Efil graduated from the Faculty of Law at İstanbul University. From 2001 until 2005, he worked as Legal Advisor/Lawyer at Türkiye İş Bankası A.Ş. Mr. Efil completed Kadir Has University Sports Law Program in 2006 and Master in Sports Law in 2011. He joined Anadolu Endüstri Holding A.Ş. in 2005 as Legal Advisor/Lawyer and held the positions of Legal Affairs Manager and Assistant Legal Affairs Coordinator until 2013. Since April 2013, Mr. Efil serves as Anadolu Efes Legal Affairs Director.

Top Management – Soft Drink Group

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1- Damian Paul Gammell - Soft Drink Group President Board Member and Managing Director

Being a graduate of the College of Marketing, Dublin, Damian Gammell studied for his Masters at Oxford University and HEC Paris and graduated with an M.Sc. in Change Management. He began his professional career in 1991 at Ireland Coca-Cola Hellenic Bottlers and served at several positions including Region Manager and Balkans Southeast Europe Commercial Director. Being appointed as CEO of Coca-Cola Hellenic Bottlers Russia in 2001, Mr. Gammell worked as Commercial Director of Coca-Cola Amatil between 2004-2005 and CEO of Coca-Cola Erfrischungsgetranke AG Germany between 2005-2011. In January 2012, he was appointed as CEO of Coca-Cola İçecek A.Ş. As of 1 January 2014, Mr. Gammell is assigned as Beverage Group President and Anadolu Efes CEO. In 2009, Damian Gammell was nominated as Young Global Leader (YGL) of the World Economic Forum and is currently serving on the health care committee. As a YGL, he is involved in a number of global non-profit initiatives.

2- Hüseyin M. Akın - President, International Operations

Hüseyin M. Akın holds a B.Sc. degree in electrical engineering and computer science from Princeton University, and an MBA in Marketing, Finance and International Business from the University of Chicago. Prior to joining the Coca-Cola System, he worked for Procter & Gamble as a Brand Manager and for Madra-Akın Edible Oil and Soap Company as Regional Sales Manager and Finance Director. Hüseyin Akın has been serving at The Coca-Cola Company and CCİ since 1989. He worked at the Coca-Cola System in various positions such as Marketing Manager of Caucasus & Central Asian Republics and Commercial Director of CCİ. Mr. Akın also served as Turkey Region President from 2006 to 2010. Holding the position of International Operations President for CCİ since January 2010, Mr. Akın is appointed as Deputy CEO of the Beverage Group as of 1 March 2014. Having 31 years of work experience, Mr. Akın is the Chairman of Turkish-Pakistan Business Council of the Foreign Economic Relations Board, and Head of TÜSİAD Fight Against Informal Economy Working Group.

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3- Burak Başarır - President, Turkey Region

Burak Başarır holds a B.A. in business administration and a minor in computer sciences from American River College. He studied management at California State University of Sacramento between 1990 and 1992 and received a B.Sc. degree in business administration from Middle East Technical University in 1995. Prior to joining Coca-Cola İçecek, he worked for Arthur Andersen as a Senior Auditor. He joined CCİ in 1998 and assumed increasing managerial responsibilities in finance and commercial functions. He was appointed as CFO in 2005 and has played an integral role during CCİ's IPO process and effectively managed the financial integration of Efes Invest in 2006. Having led the Turkey Region, which is the largest operation of CCİ in terms of sales volume and revenues, between 2010 and 2013, Mr. Başarır was appointed to the position of CEO of Coca-Cola İçecek as of 1 January 2014. Recognized as Best CFO in Turkey by Thomson Reuters Extel in 2009, he has 17 years of work experience.

4- N. Orhun Köstem - Chief Financial Officer

N. Orhun Köstem holds a B.Sc. in Mechanical Engineering and an MBA from Middle East Technical University, as well as an M.A. in Economics Law from Bilgi University. He joined Anadolu Group in 1994 and assumed various managerial positions such as Corporate Finance and Investor Relations Director, Finance Director of Efes Breweries International, and Corporate Finance Coordinator of the Anadolu Group. Since 2010, he has been functioning as Coca-Cola İçecek's Chief Financial Officer. Mr. Köstem is one of the two Turkish executives who took part among Europe's first 20 executives in Investor Relations peer group in the European Investor Relations Survey in 2007. He was also awarded as Best CFO in Turkey at Turkey Investor Relations Awards in 2011 and 2013. Mr. Köstem is also one of the three authors of the book "A Window to Capital Markets: The A to Z of Public Offerings and Investor Relations" published in 2009.

5- Ali Hüroğlu - Supply Chain Services Director

Ali Hüroğlu holds both Bachelor of Science and Master of Science degrees in Mechanical Engineering from Black Sea Technical University. Prior to joining The Coca-Cola system, he worked for HEMA Gear manufacturing as a Process Engineer from 1983 to 1985 and for General Dynamics Forth Worth-Texas as a trainee from 1985 to 1986. He then returned to Turkey in 1986 and worked on an F-16 aircraft design and manufacturing project at Turkish Aerospace Industries in Ankara until 1990. He joined The Coca-Cola System as Plant Manager of former Trabzon production facility under the responsibility of Black Sea Sales Center in 1990. Following this, Mr. Hüroğlu worked on the construction of the Mersin production facility and was responsible for the South and Southeast Sales Center. In 1995, he transferred to the operations department, assuming the position of Operations Manager of the Mersin plant in 1996 and, later, Ankara plant and East Region Group Operation Manager. Mr. Hüroğlu serves as Group Supply Chain Services Director for Turkey and International Operations since 2001. He is a Board Member of the Association of Beverage Producers (MEDER). Mr. Hüroğlu has 33 years of professional experience.

6- Rengin Onay - Human Resources Director

Rengin Onay is a graduate of Marmara University Faculty of English Language and Literature and holds a certificate diploma in Personnel Management from Kingston Business School, London. She started her career in 1986 at The Shell Company of Turkey Limited where she held various human resources roles until her appointment to Public Relations Manager position in 1995. In 1999 she joined The Coca-Cola Company where she worked until 2007, initially as Training and Development Manager, then as HR Manager for Turkey Region and eventually as Eurasia Division Human Resources Director, responsible for 36 countries. In 2007, she joined Vodafone Turkey as Human Resources and Property Director in tandem with her role as the Chairman of Vodafone Turkey Foundation. In October 2010, she re-joined The Coca-Cola Company as Human Resources Director responsible for Turkey, Caucasus and Central Asia Business Unit and Eurasia and Africa Group Office, responsible for the management of 92 countries. Rengin Onay was appointed as Group Human Resources Director of Coca-Cola İçecek A.Ş. in May 2012. Ms. Onay is a board member of Coca-Cola Hayata Artı Foundation, Private Sector Volunteerism Association and is a founding board member of Common Purpose Turkey. She chaired Employment and Education Group of International Investors Association (YASED) between 2011 and 2013.

7- Atty. R. Ertuğrul Onur - General Counsel and Chief Ethics & Compliance Officer

Atty. R. Ertuğrul Onur graduated from Istanbul University's Faculty of Law in 1988. Following the completion of his apprenticeship at the Konya Bar Association, he worked as a research assistant at the same university. Mr. Onur served as Legal Counsel for Mobil Oil Türk A.Ş. and BP Petrolleri A.Ş. between 1995 and 2000. He also worked as BP Turkey Employee Representative, BP Oil Europe Works Council Member and BP Oil Europe Works Council Link Committee Member. Prior to joining The Coca-Cola system, he set up the legal department within Pfizer İlaçları and served as Assistant General Manager and Legal Director. Mr. Onur implemented various compliance programs as Compliance Liaison Officer at Pfizer Turkey. Serving as General Counsel of Coca-Cola İçecek since 2007, he was also assigned as CCİ Compliance & Ethics Officer in 2013. Mr. Onur, who has 24 years of work experience, is a member of the Istanbul Bar Association.

8- Atilla D. Yerlikaya - Corporate Affairs Director

Atilla D. Yerlikaya holds a B.A. in Economics from Boğaziçi University. After having worked as a journalist and publisher for more than ten years, he took senior managerial positions at Philip Morris SA and Shell. He joined Coca-Cola İçecek in 2007 as Group Corporate Affairs Director. Mr. Yerlikaya is currently the Board Member of Turkish-Azerbaijan Business Council, the Deputy Chairman of the Turkish-Kazakh Business Council and Vice Chairman of Turkish-Turkmen Business Council of DEİK (Turkish Foreign Economic Relations Board). He also serves as a Board Member of Association of Beverage Producers and the Chairman of YASED's (International Investors Association of Turkey) Food and Agriculture Commission. He has 18 years of professional experience.

9- Gökhan İzmirli - Chief Audit Executive

Gökhan İzmirli received his B.Sc. degree in Business Administration from Bilkent University and his MBA degree from Sabancı University. Mr. İzmirli is a Certified Public Accountant and holds both Certified Internal Auditor (CIA) and Certification in Risk Management Assurance (CRMA) certifications. Having started his career as an auditor at KPMG, he worked as Financial Coordination Manager at Akbank between 2003 and 2007 and joined Anadolu Group in December 2007. Since then, he served as Internal Audit Manager in Anadolu Group, Audit Manager in Efes Russia and Internal Audit Manager in Efes Russia respectively. He was appointed the Group Chief Audit Executive of CCİ as of January 1, 2013.

10- Meltem Metin - Strategic Business Development Director

Meltem Metin, a graduate of Istanbul University in Business Administration (English), started her career at Pamukbank Financial Control Department as a management trainee. She joined to Anadolu Group to work as a specialist in the Financial Control Directorate in 1995. She became Financial Controller at Anadolu Endüstri Holding before being transferred to Efes Sınai Yatırım Holding in 1998, working first as a Financial Controller, then as Regional Finance Manager. In May 2000, she was appointed Finance Manager to the Kazakhstan operations of Efes Sınai (Coca-Cola Almaty Bottlers-CCAB) during which time she was the Finance Manager for the Kyrgyzstan operations (Coca-Cola Bishkek Bottlers-CCBB) as well. Subsequently, she was appointed General Manager of CCAB in February 2002; she additionally assumed the same position for CCBB in June 2005. With 18 years of professional experience, she has been the Group Strategic Business Development Director at CCİ since May 2009.

Management's Financial Review and Expectations

Consolidation principles

Anadolu Efes' 2013 consolidated financial statements, which have been prepared in accordance with Turkish Accounting Standards ("TMS") as specified by the Public Oversight, Auditing and Accounting Standards Authority (Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu "KGK") and which have been independently audited, show the results of consolidating the financial statements, all of which are drawn up as of the same date, of Anadolu Efes, its subsidiaries, and its joint-venture partnerships. TMS consist of TMS, Turkish Financial Reporting Standards ("TFRS"), and their associated appendices and commentaries.

Besides Anadolu Efes' independently-audited and IFRS-compliant financial statements for 2013 and 2012 prepared in accordance with CMB regulations, we are also presenting, as additional information for the benefit of domestic and international individual and corporate investors, summaries of the results of our Turkish beer operations, of our international beer operations, and of our consolidated Coca-Cola operations on which those financial statements are based.

The consolidated financial statements comprise the financial statements of the parent company (Anadolu Efes) and of its subsidiaries and joint ventures as drawn up on the reporting date. The purchase method of accounting is used for acquired businesses. Subsidiaries, joint ventures, and investments in associates acquired or disposed of during the year are included in the consolidated financial statements as of the date of acquisition or the date of disposal as appropriate.

A "subsidiary" is a company that is subject to the Group's control. "Control" in this context means that the Group is exposed to various consequences arising in such companies, that it is entitled to receive some of their earnings, and that it has the power to influence their management. Among the Group's subsidiaries are EFPA (marketing, sales, and distribution of beer products in Turkey), Tarbes (hops production in Turkey), EBI (International Beer Operations), and CCİ (domestic and international Coca-Cola operations).

A "joint venture" is a company in 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. Until 31 December 2012, the Group consolidated the results of its joint ventures using the proportional consolidation method. As of that date, the companies subject to the Group's joint control were CCİ (and its subsidiaries) and Anadolu Etap. With the introduction of TFRS 11, previously-issued consolidated financial statements were revised so as to account for CCİ (and its subsidiaries) and Anadolu Etap using the equity method instead. As a result of changes introduced by TFRS 11, joint ventures have been accounted for using the equity method ever since the calendar year beginning 1 January 2013.

The equity and net income attributable to minority shareholders' interests in subsidiaries are shown separately in the consolidated balance sheet and consolidated income statement as appropriate.

In March 2013, the company and the Coca-Cola Export Corporation ("TCCEC"), which controls a 20.09% stake in CCİ, decided to modify certain provisions of CCİ's articles of association–in particular those pertaining to "major decisions"–by means of a shareholders' agreement that became effective on 1 January 2013. As a result of the changes made under that shareholder's agreement, Anadolu Efes began fully consolidating CCİ's results as of that date while TCCEC retains specific rights protecting its interests with respect to such decisions.

Public disclosure concerning the consolidated financial results for the period ending 31 December 2013

In addition to consolidated financial statements dated 31 December 2013 and prepared in accordance with accounting principles published by the Capital Markets Board ("SPK"), we are also presenting, for the information of our company's domestic and international individual and institutional investors, a summary of the consolidated results of our Turkish and international beer operations and of our soft drink operations.

For purposes of comparison, consolidated balance sheets dated 31 December 2013 and 31 December 2012 are included along with the accompanying financial statements and are referred to in their footnotes as are the income statements for the periods ending as of the same dates. In accordance with TFRS 11 and TMS 19 that are effective as of January 1, 2013, the consolidated balance sheets as of 31 December 2012 and consolidated income statements for the period ended 31 December 2012 were restated. All the financial statements for all of our operations are denominated in their respective reporting currencies.

SABMiller's Russian and Ukrainian beer businesses are consolidated into EBI's financial results (thus into Anadolu Efes' as well) starting from March 1, 2013. As a result, reported financials for FY2013 include only ten months contribution (starting from March 1, 2013). However, for comparison purposes, Anadolu Efes' and EBI's operating proforma figures are also provided for both FY2013 & FY2013, which include the results of SABMiller's Russian and Ukrainian beer businesses for these periods in full as if both businesses were operating together with Anadolu Efes' international beer operations starting from January 1st in both periods. Also, due to one-off transaction and integration costs, EBI and Anadolu Efes started to report operating performance before such non-recurring items (BNRI).

Operating through two distinct companies, we maintained our focus on diversification and on building capability in 2013.

We manage our business dynamically in order to achieve **our short and long-term ambitions**

2013 Review by Damian Gammell, Beverage Group President and Anadolu Efes CEO

Despite the signifcant macro and micro challenges we faced, which affected our performance in 2013, we maintained focus on our core priorities including brands, execution and efficiency in our beer and soft drinks operations in order to deliver profitable and sustainable future growth. We will continue to manage our business dynamically in 2014, depending on the developments in the uncertain business environment that we operate, in order to achieve our short and long-term ambitions.

Operating through two distinct companies, we maintained our focus on diversification and on building capability. Despite having faced contracting beer markets, our consolidated volumes and revenues expanded thanks to the solid performance of our soft drink operations. We are very pleased with CCİ's successful volume performance through an organic and inorganic expansion especially in its international operations and improved profitability, meeting our guidance. You can see more comprehensive analysis of these and further data on CCİ's release.

On beer operations front, 2013 was another tough year in our business, marked with significant contraction in our two major markets; Turkey and Russia. In Turkey, while the peak season was hit by the developments in Turkey in May & June, new regulations negatively impacted volume performance of the sector in the second half of the year. Consequently, total sales volume of our Turkey beer operations was realized at 7.3mhl in 2013, down from its level of 8.6mhl in 2012. We were able to maintain our gross margin flat, while EBITDA margin receded to 27.7% in 2013 parallel to our guidance.

In line with our premiumization strategy, new brand launches like Peroni and Duvel in Turkey, as well as continued focus on high-growth young brands like Efes Malt and Bomonti were very welcomed by the consumers. Success of these new launches was also the result of our strong execution capabilities and great service. While Efes Malt became one of our flagship brands in a very short time period, we recently introduced a new SKU, Efes Malt in returnable bottle, which will help us to grow the 100% malt category further in 2014.

In our international beer operations, EBI's total volume was down organically by 12.0% in 2013 versus the previous year, mainly led by softer volumes in Russian operations. It is worth mentioning that, in Russia, we gradually improved our presence in modern trade channel, which continuously expanded its share in total industrial volumes throughout the year. In addition, we also focused on brands & execution and initiated a network optimization

We will be developing profitable new markets for our brands, like Ukraine and Central Asia.

Strategy of focusing to premium brands

programme, which is expected to contribute to our profitability in the coming years.

Despite lower volumes and the challenging pricing environment in Russia that caused a significant decline in our international beer operations' proforma EBITDA (BNRI) margin, we believe that margins found their bottom in 2013. In 2014, while we will start to enjoy benefits of the merger more, we will also reduce our cost base through capacity reduction, procurement savings and opex reduction.

Although beer markets in Turkey and Russia will be under pressure in the short-term mainly due to factors like regulatory changes and excise tax increases, our main targets are to restore margins and market shares in both operations through cost reduction, premium brand focus and optimization of route-to-market. We will also be developing profitable new markets for our brands, like Ukraine and Central Asia.

Our world class brand portfolio, diverse and exciting operating region with low per capita consumption levels and strong GDP growth rates, as well as an experienced and financially strong organization supported through world alliances will continue to be our major strengths.

2014 Outlook

- On a consolidated basis, we expect Anadolu Efes' consolidated sales volumes (including beer & soft drink volumes) to grow at a rate of mid-single digit, contributed mainly by the growth in soft drink volumes, which are expected to constitute above 70% of the total consolidated volumes of Anadolu Efes. While consolidated sales revenue growth is expected to outperform the rise in sales volumes, EBITDA (BNRI) growth in absolute terms is also expected to outpace the revenue growth, indicating a margin expansion led by improved margins in both operations, especially in beer business.

- While the outlook for our soft drink operations is available in the CCİ section of this release, guidance for our beer operations is provided below.

We expect consolidated sales volumes to grow at a rate of mid-single digit, contributed mainly by the growth in soft drink volumes, which are expected to constitute above 70% of the total consolidated volume.

2104 expectation: Margin expansion **both in Turkey and Russia**

- In our beer operations, we expect 2014 to continue to be challenging due to macro economic and political factors, predominately impacted by the exchange rate pressures in Turkey, Russia and across Central Asia. In 2014, we expect to cycle the full impact of the regulations from 2013 in Turkey, which will keep volumes under pressure through the first half of the year, after which we expect to see a recovery in our volumes. In line with the markets, our volumes in Turkey and Russia are expected to fall by mid-to-high single digit, while other markets forecasted to perform better. Consequently, our total beer volumes for 2014 is expected to decline at a rate of low-single digit.

- Revenues will grow in 2014 on the back of the actions taken in 2013 and pricing in 2014 that will cover excise tax increases. In addition to the reflection of the excise tax rises, we anticipate pricing to be in line with inflation across our beer markets.

- Building on the steps taken in 2013, our network and cost base optimization program, particularly in but not limited with Russia, will continue in 2014. These cost reductions coupled with a low COGS inflation will support EBITDA growing ahead of revenues and an absolute margin expansion in our beer operations. The margin expansion will be reflected both in Turkey and Russia.

Beer Operations

In 2013 total sales volumes of beer operations in Turkey and international beer operations were 7.3 mhl and 18.2 mhl, respectively.

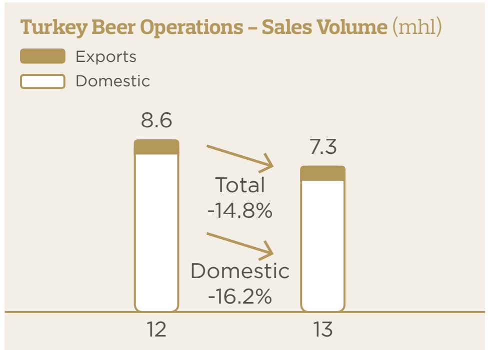
Beer Operations

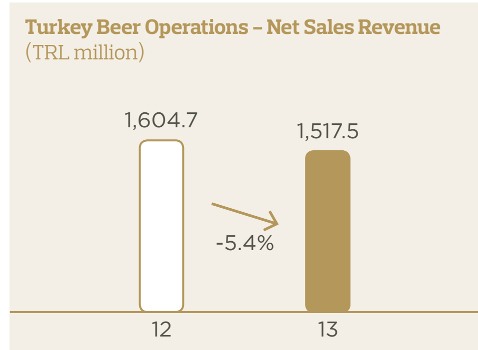
Net sales revenues of Turkey beer operations were TRL 1,517.5 million in FY2013.

Turkey Beer Operations net profit in 2013: **TRL 129.6 million**

Turkey Beer Operations

- Domestic sales volume in Turkey was 1.3mhl in the last quarter of 2013, down from 1.8mhl in the same period of the previous year. In addition to the continued negative impact of higher prices to reflect the excise tax increases and competition, volumes were also under pressure in the last quarter of 2013 due to the negative impact of the night sales restriction in off-premise channel, effective as of September 9, 2013. This performance also reflects the effect of the lower stocks held by our distributors in the last quarter of 2013 versus 4Q2012. On the other hand, exports were up 19.8% y-o-y, absorbing some of the volume loss in our home market, thus total sales volume of Turkey beer operations was reported at 1.5mhl in 4Q2013, down 23.9% y-o-y. For the full year of 2013, Turkey beer operations' total sales volume was 7.3mhl, down 14.8% versus FY2012. Our YTD average market share was 76% in the off-premise channel in FY2013.
- Sales revenues fell 24.1% in 4Q2013 to TRL 286.0 million, in line with the volume decline in the quarter. Consequently, net sales revenues was TRL 1,517.5 million in FY2013, down 5.4% over FY2012, contributed by higher per unit sales prices.
- In the last quarter of 2013, gross profit was TRL 183.5 million, down 26.8% compared to the same quarter of 2012. As a result, gross margin receded by 232bps to 64.2% in the same time period. In addition to lower volumes leading to comparatively higher per unit fixed costs, higher F/X rates also elevated per unit costs in 4Q2013 compared to 4Q2012. Consequently, Turkey beer operations reported a gross profit of TRL 1,055.3 million in FY2013, indicating a slightly better margin at 69.5%.
- In addition to lower gross margin, higher operating expenses have led to an operating loss of TRL 6.0 million in 4Q2013. A lower net other income in the last quarter of the year was mainly due to an accounting change as Turkey beer operations started to record some other income items on a quarterly basis since the beginning of 2013, rather than a cumulative recording at year-ends as in the previous years, in line with the periodicity principle. In additon, one-off expenses related to the relaunch of "Efes Pilsen» brand and higher sales investments also caused higher operating expenses in 4Q2013 over 4Q2012. As a result, operating profit was reported at TRL 309.1 million in FY2013, compared to TRL 438.0 million in FY2012, indicating a a 692bps fall in operating margin to 20.4%.

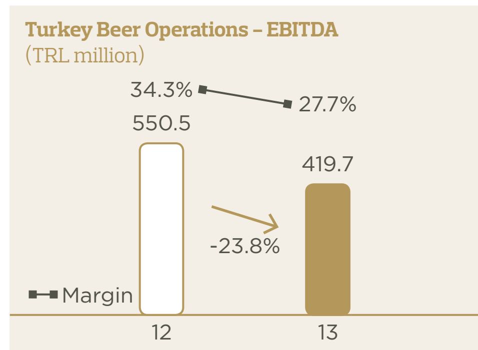




Turkey Beer Operations gross margin in 2013: **69.5%**

- Due to an operating loss in 4Q2013, Turkey beer operations' EBITDA was realized at TRL 23.7 million compared to TRL 118.4 million in 4Q2012. For the full year of 2013, EBITDA was TRL 419.7 million, indicating an EBITDA margin of 27.7% compared to 34.3% in FY2012.
- Turkey beer operations reported a TRL 129.6 million net profit in its bottomline in FY2013 compared to TRL 386.3 million in the previous year. Major reason behind this decline was the net loss reported in the last quarter of the year, mainly due to the impact of weaker TRL. Increased F/X rates caused Turkey beer operations to report a mostly non-cash net financial loss of TRL 256.9 million in FY2013, compared to a net financial gain of TRL 28.0 million in FY2012.

International Beer Operations (EBI)
International beer operations are conducted by Efes Breweries International N.V.("EBI"), 100% subsidiary of Anadolu Efes based in the Netherlands. As of December 31, 2013, EBI has operations in 5 countries with 13 breweries and 5 malteries. EBI also owns a sales and distribution company in Belarus.



- EBI's consolidated sales volume was 3.8 mhl in 4Q2013, down 3.2% y-o-y. Consequently, EBI's total volume was reported as 18.2 mhl in FY2013, indicating a decline of 8.0% versus FY2012. Likewise, on an operating proforma basis, consolidated sales volume of EBI was down organically by 12.0% in FY2013 versus the previous year. Factors like tightened regulatory environment and higher price levels in Russia continued to be the reasons behind the above stated volume performance in the last quarter of 2013, in addition to lower stocks with our distributors versus 4Q2012. Resumed shipments to key accounts in Russia have led to gradually improving availability of our products in this channel during 2013, which contributed to a milder y-o-y

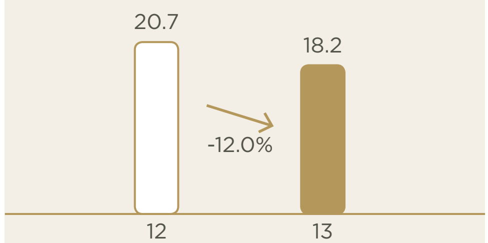
Sales revenues of international beer operations for the full year of 2013 were realized at USD 1,300.5 million.

International beer operations
Gross profit in 2013:
USD 516.3 million

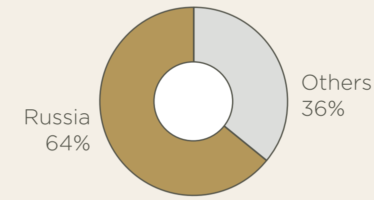
decline in EBI's sales volume in the last quarter of the year as expected, compared to the previous quarters of 2013. Our market share in Russia improved slightly in the last quarter of 2013 compared to the previous quarter and average market share for the full year of 2013 was realized at 13.6%.

- Sales revenues were USD 263.4 million in 4Q2013, down from USD 305.3 million in 4Q2012, outpacing the sales volume decline in the quarter despite local price increases in operating countries, i.e. 4.1% rise in Russia in October 2013. This was due to factors like weaker Ruble against USD and higher sales volumes in modern trade, in which sales prices were comparatively low due to price promotions. As a result, sales revenues for the full year of 2013 were realized at USD 1,300.5 million, indicating a 13.6% fall over the previous year. On an operating proforma basis, sales revenues of EBI fell organically by 18.0% in FY2013 versus FY2012, due to lagged reflection of excise tax hike in January 2013 into prices.
- Gross profit was reported at USD 95.6 million in 4Q2013 compared to USD 127.6 million in 4Q2012, leading to a gross margin of 36.3% versus 41.8% in the same time period. In addition to lower per unit sales prices, increased hard currency-based costs due to the deterioration in F/X rates also caused this margin decline. Consequently, gross profit was reported at USD 516.3 million in FY2013, down from USD 686.9 million in FY2012, indicating a ca. 6pp lower gross margin at 39.7%. On an operating proforma basis, gross profit was down organically by 28.8% to USD 516.3 million in FY2013 over the previous year, indicating a 604 bps fall in gross margin to 39.7%.
- Despite flattish operating expenses in absolute terms, the ratio of operating expenses to net sales was higher in 4Q2013 compared to 4Q2012, mainly due to higher fixed costs per liter led by lower volumes. Consequently, EBI reported an operating loss (BNRI) of USD 23.4 million in 4Q2013 and USD 20.7 million in FY2013. Due to the same reason, EBI's operating profit (BNRI) declined from USD 113.3 million to a loss of USD 20.7 million in FY2013.

International Beer Operations – Consolidated Sales Volume (proforma – mhl)

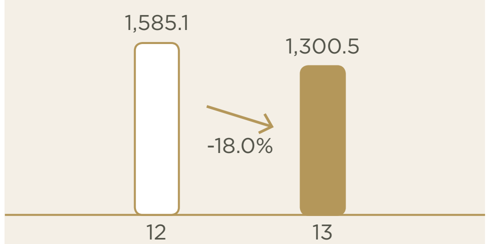


International Beer Operations Sales Volume Breakdown (%)

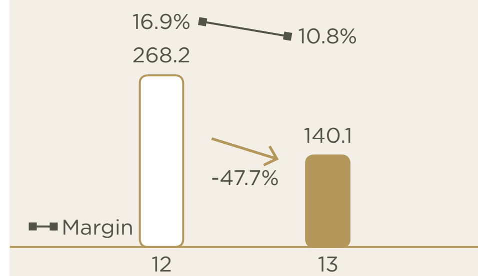


International beer operations
gross margin in 2013:
39.7%

International Beer Operations – Consolidated Net Sales Revenue (proforma – USD million)



International Beer Operations – Consolidated EBITDA (BNRI) (proforma – USD million)



- In line with lower operating profitability, EBITDA (BNRI) was reported at USD 12.1 million in 4Q2013, compared to USD 33.2 million in 4Q2012, leading to an EBITDA (BNRI) of USD 140.1 million for the full year of 2013 with an EBITDA (BNRI) margin of 10.8%. On an operating proforma basis, EBI's EBITDA (BNRI) fell 47.7% in absolute terms leading to a 614 bps fell in EBITDA (BNRI) margin from 16.9% FY2012 to 10.8% in FY2013.

- EBI reported a net loss of USD 85.4 million in FY2013, mainly due to weaker operating profitability.

Soft Drink Operations

CCİ delivered on its full year targets on a consolidated basis by the excellent performance of international operations in 2013 and exceeded 1 billion unit cases of volume for the first time.


Coca-Cola

Soft Drink Operations

Net revenue per case in Turkey increased by 5% on the back of strong pricing and favorable mix.

Soft drink operations sales volume growth: **13.0%**

Soft Drink Operations (CCİ)
Anadolu Efes' soft drink operations are run by CCİ. CCİ produces, sells and distributes sparkling and still beverages, primarily the brands of The Coca-Cola Company across Turkey, Pakistan, Kazakhstan, Azerbaijan, Kyrgyzstan, Turkmenistan, Jordan, Iraq, Syria and Tajikistan. Anadolu Efes is the largest shareholder of CCİ.

2013 Review by Burak Başarır, CEO of CCİ
Despite the challenges in Turkey, I am happy that CCİ delivered on its full year targets on a consolidated basis by the excellent performance of international operations in 2013 and exceeded 1 billion unit cases of volume for the first time. In-line with our long term guidance, we delivered net sales growth ahead of volume growth and EBITDA growth ahead of net sales growth, as consolidated sales volume up by 13%, net sales revenue up by 17% and EBITDA up by 22%.

Volume growth in Turkey was 1% in 2013, while both volume and value share in the sparkling category was stable. Despite the challenges in the second half of the year, net revenue per case in Turkey increased by 5% on the back of strong pricing and favorable mix. Going forward, we will focus on revitalizing the sparkling growth, particularly brand Coca-Cola and continue to improve the immediate consumption portfolio to support profitable growth in Turkey.

Volume in international operations increased by 32% thanks to strong organic growth particularly in Pakistan, Kazakhstan and Iraq as well as acquisition of Al Waha in South Iraq in 4Q2012. Excluding the volume of South Iraq, volume growth in international operations was at high-teens which was in line with our long-term guidance. Furthermore, margins in international operations displayed impressive improvement on the back of higher profitability in key markets.

In 2013, our efforts to improve balance sheet health continued with a US Private Placement in May and a Eurobond in October. With these successful debt issuances, total duration of debt portfolio was extended from 1.2 years to 5 years.

As we leave the first couple of months of 2014 behind, we continue to see challenges. Some of these have already been realized like the devaluation of Tenge in Kazakhstan and the impact of volatility on consumer confidence in Turkey. Nevertheless, we have taken the necessary mitigating steps across our operating geography to ensure the profitable growth momentum of CCİ continues. In 2014, we expect low single digit and mid-teens volume growth in Turkey and international operations, respectively. Our consolidated sales revenue growth is expected to exceed the volume growth. Although we expect to maintain a flat EBITDA margin

In 2014, we expect low single digit and mid–teens volume growth in Turkey and international operations, respectively.

Soft drink operations
EBITDA growth:
22.2%

vs. 2013 given the current uncertain environment, we are confident that CCİ will continue delivering in line with its unsurpassed track record.

We are very happy that CCİ has a more balanced portfolio of businesses as of end of 2013. As in 2013 we intend to continue leveraging the strength of our portfolio to drive strong and profitable growth. We look forward to continue reporting strong and healthy results throughout 2014.

- **Restatement Explanation:**
  Restated financials were adjusted according to (a) new IFRS standards, and accordingly (i) for 2012, Pakistan and Syria operations were consolidated on equity pick-up basis (ii) for 2013, Pakistan was fully consolidated and Syria was consolidated on equity pick-up basis; and (b) new CMB communique numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets. Please refer to Footnote 2 of the financial report of CCİ.

  There is also a one-off increase of TRL 241.6 million in 'Gain from investing activities' due to full consolidation of Pakistan operations under IFRS 3 "Business combinations achieved in stages" resulting in a provisional value increase recognized as an income due to acquisition of subsidiary. Please refer to Footnote 3 of the financial report of CCİ.

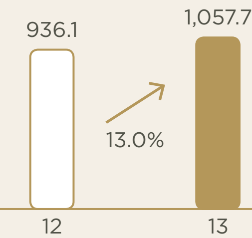
- **Proforma Explanation:**
  Due to the restatement (see restatement explanation above) of 2012 results as per the changes in IFRS and new CMB communique, discussion of the 2013 results vs 2012 is made on pro-forma basis and financial statements were adjusted to include Pakistan operations fully consolidated both in 2012 and 2013 for better comparison.
- Proforma consolidated sales volume increased by 7.3% in 4Q2013. International operations volume accounted for 45% of the total net sales in the quarter, compared to 43% a year ago. Consolidated proforma sales volume grew by 13.0% in FY2013. International sales volume constituted 46% of total volume in FY2013 up from 39% in FY2012 due to high organic growth in Central Asia and Pakistan as well as inclusion of Al Waha in South Iraq. The sparkling category grew by 13%, driven by Coca-Cola and Sprite brands while the still category grew by 11% due to the strong growth of juice, Fuse tea and packaged water segments.

Proforma consolidated net sales revenue in FY2013 climbed by 16.6% to TRL 5,186.4 million, ahead of sales volume growth.

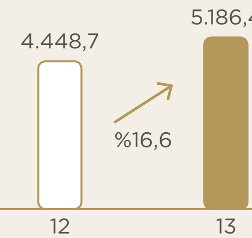
Soft drink operations share of international operations: **46%**

- In 4Q2013, Turkey sales volume grew by 2.1%, cycling 12.5% growth a year ago. This performance was supported by campaigns such as Connect Project and New Year, resulting in volume growth vs. the contraction in 3Q2013. Turkey sales volume increased by 0.9% to 573.7 million unit cases in FY2013, cycling 4.0% growth in FY2012. Strong volume growth momentum stalled in the third quarter of the year due to worsening consumer sentiment after May and lower temperatures in the high season and started to gain momentum in the fourth quarter despite a very strong base effect in the fourth quarter of 2012. Optimization of water category and the shift of mix towards immediate consumption packages had a negative impact on the volume growth, while contributing the profitability positively. The sparkling beverage category contracted by 1%. Still beverages, excluding water, grew at high single digits in FY2013 on the back of double digit growth in iced-tea and low single digit growth in juice categories. The water category contracted at high-single digits, driven by the HOD (Home and Office Delivery) segment. The tea business grew at double digits, driven by the loose tea segment.
- International volume increased by 14.3% in 4Q2013. All key markets posted volume growth thanks to New Year campaigns, expanded route to market initiatives and promotion activities. International volume increased by 31.7% in FY2013 as all key markets posted strong growth. In Pakistan, unit case sales volume growth was 22% in FY2013, driven by strong local marketing campaigns, cooler investments and increased market penetration. Central Asia volume grew by 19% thanks to growing economies, market share gains, and improved execution. The largest markets in the region; Kazakhstan and Azerbaijan posted 24% and 5% volume growth, respectively. Iraq volume grew by 121% in FY2013 on the back of strong organic growth in North Iraq and acquisition of Al Waha in South Iraq in 4Q2012.
- Proforma consolidated net sales revenue in 4Q2013 reached TRL 1,002.6 million, representing an increase of 11.0% while exceeding sales volume growth. Net revenue per case rose by 3.5% to TRL 4.92 thanks to higher average pricing in Turkey in spite of lower average pricing in international operations, reflecting the dilutive impact of the

Soft Drink Operations – Sales Volume (proforma – mu/c)



Soft Drink Operations – Consolidated Net Sales Revenue (proforma – TRL million)

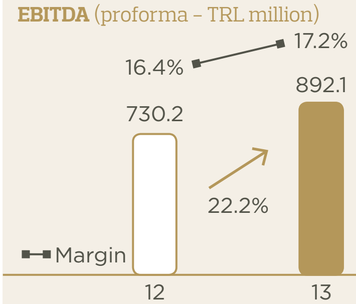


Soft drink operations international operations sales volume growth in 2013: **31.7%**

newly acquired South Iraq business on average prices. Proforma consolidated net sales revenue in FY2013 climbed by 16.6% to TRL 5,186.4 million, ahead of sales volume growth. Net revenue per case rose by 3.2% to TRL 4.90, as a result of higher average prices in Turkey, which was partially diluted by the inclusion of South Iraq with comparably lower average prices. International operations formed 44% of the total net sales in FY2013, compared to 38% in FY2012.

- In Turkey, net sales declined by 2.6% in the fourth quarter of 2014, whereas net sales per unit case was down by 4.6% due to increased promotions. Net sales revenue grew by 5.6% to TRL 2,913.1 million, exceeding sales volume growth in FY2013. Accordingly, net sales per unit case was up by 4.7% to TRL 5.08 as a result of both price increases and improved mix.
- In 4Q2013, in international operations, proforma net sales revenue increased by 12.9% and reached USD 232.7 million whereas net sales per unit case dropped by 1.2% to USD 2.52 due to increased share of Pakistan and South Iraq in international volume compared to a year ago. In FY2013, proforma net revenue reached USD 1,197.1 million, registering an increase of 26.2%, while net revenue per case declined by 4.2% to USD 2.47, as net revenue per case in the South Iraq business, for which 2013 was the first full year of operation, was lower than the international average.

Soft Drink Operations – Consolidated EBITDA (proforma – TRL million)



- In 4Q2013, the gross profit margin decreased by 87bps to 34.8%, due to Turkey operations. In FY2013, gross profit posted growth of 16.2% while gross profit margin was flat at 37.8%. In Turkey, cost of sales increased by 2.8%, therefore gross profit margin was down by 332bps to 37.4% in 4Q2013. In FY2013, cost of sales was up by 5.5%, slightly lower than net sales growth, accordingly gross profit per unit case rose by 4.9%. In international operations, proforma cost of sales increased by 6.1% in

In Turkey, net sales per unit case was up by 4.7% to TRL 5.08.

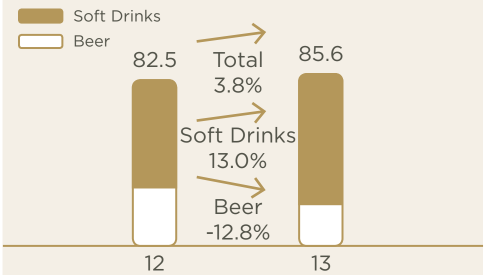
Soft drink operations
gross margin of Turkey operations:
32.6%

4Q2013 lower than net sales growth as a result of lower raw material prices and strategic procurement initiatives. Hence, gross profit margin increased by 435bps with 32.4%. In FY2013, proforma cost of sales were up by 23.7% which was lower than pro-forma net sales growth, driven by lower raw material prices and the strategic procurement initiatives. Therefore, proforma gross profit margin was up by 135bps to 32.6%.

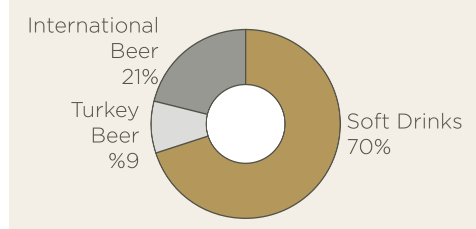
- Consolidated proforma EBIT rose by 65.7% while EBIT margin was up by 80bps to 2.4% in 4Q2013. Proforma EBITDA grew by 29.3% and EBITDA margin increased by 148bps to 10.5%. In FY2013, proforma EBIT grew by 22.3% while EBIT margin was up by 54bps to 11.5% on the back of improved profitability particularly in international operations. Proforma EBITDA climbed by 22.2% while EBITDA margin was up by 79bps to 17.2%.
- Consolidated net financial loss was TRL 69.3 million in 4Q2013 million vs. TRL 10.7 million in 4Q2012 due to weaker TRL in the quarter. As a result of higher non-cash foreign exchange losses from FX denominated financial loans, proforma net loss in 4Q2013 was TRL 49.4 million vs. TRL 1.3 million net income a year ago. In FY2013, net financial loss was TRL 257.0 million versus TRL 4.5 million of net financial loss in FY2012 on proforma basis, primarily driven by non-cash FX loss, due to the sharp depreciation of Turkish Lira in 2013. Proforma net income, excluding one-off other income stemming from Pakistan full consolidation in 1Q2013, fell by 35.0% to TRL 247 million due to non-cash FX loss.

In 2013, Anadolu Efes' consolidated sales volume reached 85.6 mhl in 2013 with an increase of 3.8%.

Anadolu Efes – Consolidated Sales Volume (proforma – mhl)

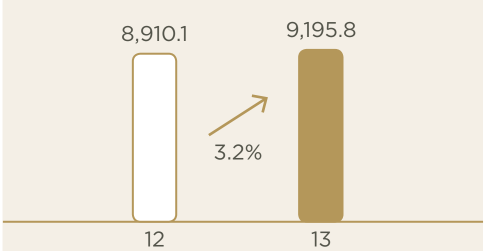


Anadolu Efes – Consolidated Sales Volume Breakdown (proforma – %) *

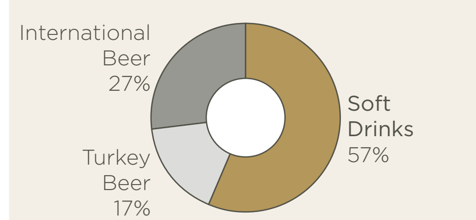


** On a combined basis*

Anadolu Efes – Consolidated Net Sales Revenue (proforma – TRL million)

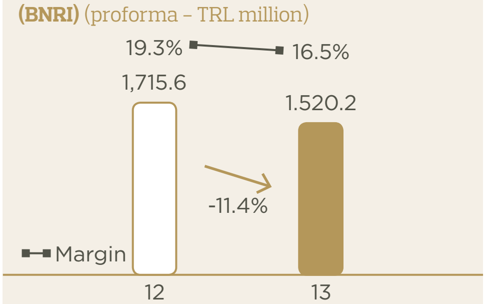


Anadolu Efes – Consolidated Net Sales Revenue Breakdown (proforma – %) *

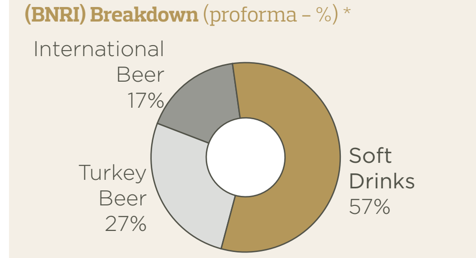


** On a combined basis*
Numbers may not add up to 100% due to rounding.

Anadolu Efes – Consolidated EBITDA (BNRI) (proforma – TRL million)



Anadolu Efes – Consolidated EBITDA (BNRI) Breakdown (proforma – %) *



** On a combined basis*
Numbers may not add up to 100% due to rounding.

Anadolu Efes Consolidated Results

	RESTATED	REPORTED		OPERATIONAL PROFORMA		
Consolidated (TRL million)	**4Q2012**	**4Q2013**	**Change (%)**	**4Q2012**	**4Q2013**	**Change (%)**
Volume (mhl)	5.9	16.8	187.1%	16.6	16.8	1.1%
Net Sales	925.4	1,834.7	98.3%	1,828.4	1,834.7	0.3%
Gross Profit	477.8	721.3	51.0%	799.8	721.3	-9.8%
EBIT (BNRI)	52.2	-76.7	n.m.	59.2	-76.7	n.m.
EBITDA (BNRI)	145.1	140.3	-3.3%	225.0	140.3	-37.6%
Net Income/(Loss)	25.5	-308.5	n.m.	19.7	-308.5	n.m.
			Change (bps)			**Change (bps)**
Gross Profit Margin	51.6%	39.3%	-1,232	43.7%	39.3%	-443
EBIT (BNRI) Margin	5.6%	-4.2%	-982	3.2%	-4.2%	-742
EBITDA (BNRI) Margin	15.7%	7.6%	-803	12.3%	7.6%	-465
Net Income Margin	2.8%	-16.8%	-1,957	1.1%	-16.8%	-1.789

	RESTATED	REPORTED	
Beer Operations in Turkey (TRL million)	**4Q2012**	**4Q2013**	**Change (%)**
Volume (mhl)	2.0	1.5	-23.9%
Net Sales	377.0	286.0	-24.1%
Gross Profit	250.6	183.5	-26.8%
EBIT	89.2	-6.0	n.m.
EBITDA	118.4	23.7	-79.9%
Net Income/(Loss)	70.3	-66.1	n.m.
			Change (bps)
Gross Profit Margin	66.5%	64.2%	-232
EBIT Margin	23.7%	-2.1%	-2,574
EBITDA Margin	31.4%	8.3%	-2,311
Net Income Margin	18.7%	-23.1%	-4,178

RESTATED	REPORTED		OPERATIONAL PROFORMA		
2012	**2013**	**Change (%)**	**2012**	**2013**	**Change (%)**
28.4	85.6	201.2%	82.5	85.6	3.8%
4,319.7	9,195.8	112.9%	8,910.1	9,195.8	3.2%
2,340.8	3,995.7	70.7%	4,092.4	3,995.7	-2.4%
581.0	769.3	32.4%	1,078.4	769.3	-28.7%
948.9	1,520.2	60.2%	1,715.6	1,520.2	-11.4%
630.8	2,853.0	352.3%	803.8	2,853.0	254.9%
		Change (bps)			**Change (bps)**
54.2%	43.5%	-1,074	45.9%	43.5%	-248
13.4%	8.4%	-508	12.1%	8.4%	-374
22.0%	16.5%	-544	19.3%	16.5%	-272
14.6%	31.0%	1,642	11.7%	31.0%	2,200

RESTATED	REPORTED	
2012	**2013**	**Change (%)**
8.6	7.3	-14.8%
1,604.7	1,517.5	-5.4%
1,106.5	1,055.3	-4.6%
438.0	309.1	-29.4%
550.5	419.7	-23.8%
386.3	129.6	-66.4%
		Change (bps)
69.0%	69.5%	58
27.3%	20.4%	-692
34.3%	27.7%	-665
24.1%	8.5%	-1,553

	RESTATED	REPORTED	
EBI (USD million)	**4Q2012**	**4Q2013**	**Change (%)**
Volume (mhl)	3.9	3.8	-3.2%
Net Sales	305.3	263.4	-13.7%
Gross Profit	127.6	95.6	-25.1%
EBIT (BNRI)	-7.5	-23.4	-210.1%
EBITDA (BNRI)	33.2	12.1	-63.6%
Net Income/(Loss)	-6.1	-72.9	-1,100.9%
			Change (bps)
Gross Profit Margin	41.8%	36.3%	-552
EBIT (BNRI) Margin	-2.5%	-8.9%	-642
EBITDA (BNRI) Margin	10.9%	4.6%	-628
Net Income Margin	-2.0%	-27.7%	-2,569

	RESTATED	REPORTED		OPERATIONAL PROFORMA		
CCİ (TRL million)	**4Q2012**	**4Q2013**	**Change (%)**	**4Q2012**	**4Q2013**	**Change (%)**
Volume (m u/c)	158.1	203.7	28.8%	189.9	203.7	7.3%
Net Sales	787.8	1,002.6	27.3%	903.2	1,002.6	11.0%
Gross Profit	290.9	348.7	19.9%	322.0	348.7	8.3%
EBIT	21.0	24.2	15.6%	14.6	24.2	65.7%
EBITDA	69.7	105.3	51.1%	81.5	105.3	29.3%
Net Income/(Loss)*	0.9	-49.4	n.m.	1.3	-49.4	n.m.
			Change (bps)			**Change (bps)**
Gross Profit Margin	36.9%	34.8%	-214	35.6%	34.8%	-87
EBIT Margin	2.7%	2.4%	-24	1.6%	2.4%	80
EBITDA Margin	8.8%	10.5%	166	9.0%	10.5%	148
Net Income Margin	0.1%	-4.9%	-504	0.1%	-4.9%	-507

** Net income attributable to shareholders*

RESTATED	REPORTED		OPERATIONAL PROFORMA		
2012	**2013**	**Change (%)**	**2012**	**2013**	**Change (%)**
19.8	18.2	-8.0%	20.7	18.2	-12.0%
1,505.9	1,300.5	-13.6%	1,585.1	1,300.5	-18.0%
686.9	516.3	-24.8%	725.1	516.3	-28.8%
101.0	-20.7	n.m.	113.3	-20.7	n.m.
248.3	140.1	-43.6%	268.2	140.1	-47.7%
70.2	-85.4	n.m.	61.4	-85.4	n.m.

		Change (bps)			Change (bps)
45.6%	39.7%	-591	45.7%	39.7%	-604
6.7%	-1.6%	-830	7.1%	-1.6%	-874
16.5%	10.8%	-572	16.9%	10.8%	-614
4.7%	-6.6%	-1,123	3.9%	-6.6%	-1.044

RESTATED	REPORTED		OPERATIONAL PROFORMA		
2012	**2013**	**Change (%)**	**2012**	**2013**	**Change (%)**
766.3	1,057.7	38.0%	936.1	1.057.7	13.0%
3,819.3	5,186.4	35.8%	4,448.7	5,186.4	16.6%
1,494.4	1,958.3	31.0%	1,684.6	1,958.3	16.2%
462.5	594.0	28.4%	485.6	594.0	22.3%
643.5	892.1	38.6%	730.2	892.1	22.2%
380.1	488.8	28.6%	380.2	488.8	28.6%

		Change (bps)			Change (bps)
39.1%	37.8%	-137	37.9%	37.8%	-11
12.1%	11.5%	-66	10.9%	11.5%	54
16.8%	17.2%	35	16.4%	17.2%	79
10.0%	9.4%	-53	8.5%	9.4%	88

Summarized Financial Statements:

ANADOLU EFES

Consolidated Income Statements For the Years Ended 31.12.2013 and 31.12.2012
Prepared in accordance with IFRS as per CMB Regulations
(TRL million)

	2012/12 restated	2013/12 reported
SALES VOLUME (million hectoliters)	**28.4**	**85.6**
SALES	**4,319.7**	**9,195.8**
Cost of Sales (-)	-1,979.0	-5,200.1
GROSS PROFIT FROM OPERATIONS	**2,340.8**	**3,995.7**
Marketing, Selling and Distribution Expenses (-)	-1,266.8	-2,461.8
General and Administrative Expenses (-)	-533.7	-797.0
Other Operating Income	55.8	79.2
Other Operating Expense (-)	-55.7	-72.1
PROFIT FROM OPERATIONS (BNRI)*	**581.0**	**769.3**
Income From Investing Activities	8.2	2,802.0
Expenses From Investing Activities (-)	-12.5	-84.2
Income / (Loss) from Associates	183.7	-9.8
OPERATING PROFIT BEFORE FINANCE EXPENSE	**719.7**	**3,451.9**
Finance Income	192.8	407.0
Finance Expense (-)	-156.5	-956.4
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	**756.0**	**2,902.4**
Continuing Operations Tax Expense (-)	-125.2	-49.5
- Current Period Tax Expense (-) / Income	-144.7	-104.2
- Deferred Tax Expense (-) / Income	19.5	54.7
PROFIT FOR THE PERIOD	**630.8**	**2,853.0**
Attributable to:		
Minority Interest	21.0	244.1
Net Income Attributable to Equity Holders of the Parent	609.8	2,608.9
EBITDA (BNRI)*	**948.9**	**1,520.2**

**Non-recurring items amounted to TRL 25.5 million in FY2013.*

Note 1: According to the Shareholder's Agreement regarding the governance of Coca-Cola İçecek A.Ş. ("CCİ"), with effect from 01.01.2013, Anadolu Efes started to fully consolidate CCİ, whereas CCİ has been consolidated into Anadolu Efes' financial results by using proportionate consolidation method until 31.12.2012. Consequently, CCİ is fully consolidated into Anadolu Efes' financials in FY2013, while, as per IFRS, reported financials for FY2012 are restated by using equity pick-up method.

Note 2: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit From Operations.

Note 3: Restatement Explanation: Financials were adjusted according to (i) new "IFRS 10 Consolidated Financial Statements» and "IFRS 11 Joint Arrangements» standards, in which FY2012 CCİ operations were consolidated with equity pick-up versus full consolidation in FY2013, and (ii) new CMB communique numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets".

ANADOLU EFES

Consolidated Balance Sheets as of 31.12.2013 and 31.12.2012 Prepared In Accordance with IFRS as per CMB Regulations (TRL million)

	2012/12 restated	2013/12 reported		2012/12 restated	2013/12 reported
Cash & Cash Equivalents	1,394.6	1,746.4	Short-term Borrowings	749.7	1,740.4
Financial Investments	170.7	563.0	Derivative Financial Instruments	-	0.5
Derivative Financial Instruments	-	-	Trade Payables	324.1	773.7
Trade Receivables	633.0	888.3	Due to Related Parties	23.1	27.6
Due from Related Parties	0.2	6.2	Other Payables	427.5	414.4
Other Receivables	16.6	47.5	Provision for Corporate Tax	15.5	6.8
Inventories	551.1	1,004.0	Provisions	54.5	73.2
Other Current Assets	199.3	703.7	Other Liabilities	119.7	110.7
Total Current Assets	**2,965.6**	**4,959.1**	**Total Current Liabilities**	**1,714.0**	**3,147.3**
Other Receivables	1.0	5.6	Long-term Borrowings	1,302.4	3,535.5
Investments in Securities	0.8	0.8	Other Payables	198.3	210.8
Investments in Associates	1,215.8	62.8	Provision for Employee Benefits	51.3	88.3
Biological Assets	-	-	Deferred Tax Liability	332.9	1,730.6
Property, Plant and Equipment	2,582.4	5,876.8	Other Liabilities	10.2	192.5
Other Intangible Assets	1,632.1	8,636.8			
Goodwill	1,783.2	2,453.0	**Total Non-Current Liabilities**	**1,895.2**	**5,757.8**
Deferred Tax Assets	74.3	132.5			
Other Non-Current Assets	126.3	239.6			
Total Non-Current Assets	**7,415.9**	**17,407.9**	**Total Equity**	**6,772.4**	**13,461.9**
Total Assets	**10,381.6**	**22,367.0**	**Total Liabilities and Shareholders' Equity**	**10,381.6**	**22,367.0**

Note 1: According to the Shareholder's Agreement regarding the governance of Coca-Cola İçecek A.Ş. ("CCİ"), with effect from 01.01.2013, Anadolu Efes started to fully consolidate CCİ, whereas CCİ has been consolidated into Anadolu Efes' financial results by using proportionate consolidation method until 31.12.2012. Consequently, CCİ is fully consolidated into Anadolu Efes' financials in FY2013, while, as per IFRS, reported financials for FY2012 are restated by using equity pick-up method.

Note 2: "Financial Investments" in Current Assets mainly includes the time deposits with a maturity more than three months.

Note 3: Restatement Explanation: Financials were adjusted according to (i) new "IFRS 10 Consolidated Financial Statements» and "IFRS 11 Joint Arrangements» standards, in which FY2012 CCİ operations were consolidated with equity pick-up versus full consolidation in FY2013, and (ii) new CMB communique numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets".

TURKEY BEER OPERATIONS
Highlighted Income Statement Items For the Years Ended 31.12.2013 and 31.12.2012 Prepared In Accordance with IFRS as per CMB Regulations (TRL million)

	2012/12 restated	2013/12 reported
SALES VOLUME (million hectoliters)	**8.6**	**7.3**
SALES	**1,604.7**	**1,517.5**
GROSS PROFIT FROM OPERATIONS	**1,106.5**	**1,055.3**
PROFIT FROM OPERATIONS	**438.0**	**309.1**
Income / Expense from Investing Activities (net)	3.0	77.4
Financial Income / Expense (net)	28.0	-256.9
CONTINUING OPERATIONS PROFIT BEFORE TAX	**469.0**	**129.6**
Provision for Taxes	-82.6	0.0
PROFIT FOR THE YEAR	**386.3**	**129.6**
EBITDA	**550.5**	**419.7**

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

TURKEY BEER OPERATIONS
Highlighted Balance Sheet Items as of 31.12.2013 and 31.12.2012 Prepared In Accordance with IFRS as per CMB Regulations (TRL million)

	2012/12 restated	2013/12 reported
Cash, Cash equivalents and Investment in Securities	967.0	461.0
Trade Receivables	462.6	378.2
Inventories	176.2	157.0
Other Assets	163.7	227.7
Total Current Assets	**1,769.5**	**1,223.8**
Investments	5,539.1	5,921.0
Property, Plant and Equipment	407.4	463.1
Other Assets	133.0	148.7
Total Non-Current Assets	**6,079.5**	**6,532.8**
Total Assets	**7,849.0**	**7,756.6**
Trade Payables	76.8	69.6
Other Liabilities	341.3	202.0
Short-term Borrowings	344.7	346.4
Total Current Liabilities	**762.9**	**618.0**
Long-term Borrowings	1,145.8	1,408.8
Other Liabilities	263.8	278.6
Total Non-Current Liabilities	**1,409.6**	**1,687.4**
Shareholders' Equity	**5,676.6**	**5,451.2**
Total Liabilities and Shareholders' Equity	**7,849.0**	**7,756.6**

Note: Anadolu Efes subsidiaries, excluding brewing and malt production subsidiaries in Turkey, are stated on cost basis in order to provide more comprehensive presentation.

Restatement explanation: Financials were adjusted according to new CMB communique numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets".

INTERNATIONAL BEER OPERATIONS (EBI)

Highlighted Income Statement Items for the Years Ended 31.12.2013 and 31.12.2012 Prepared in Accordance with IFRS (USD million)

	2012/12 restated	2013/12 reported
VOLUME (million hectoliters)	**19.8**	**18.2**
NET SALES	**1,505.9**	**1,300.5**
GROSS PROFIT	**686.9**	**516.3**
PROFIT FROM OPERATIONS (BNRI)*	**101.0**	**-20.7**
Financial Income / Expense (net)	6.0	-23.4
(LOSS)/PROFIT BEFORE TAX	**93.1**	**-94.1**
Income Tax	-22.9	8.7
(LOSS)/PROFIT AFTER TAX	**70.2**	**-85.4**
Attributable to		
Minority Interest	11.8	0.1
Equity Holders of the Parent Company	58.4	-85.5
EBITDA (BNRI)*	**248.3**	**140.1**

**Non-recurring items amounted to USD13.4 million in FY2013.*

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

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

INTERNATIONAL BEER OPERATIONS (EBI)

Highlighted Consolidated Balance Sheet Items as of 31.12.2013 and 31.12.2012 Prepared in Accordance with IFRS (USD million)

	2012/12 restated	2013/12 reported
Cash and Cash Equivalents	331.9	160.8
Trade Receivables	133.8	119.3
Inventories	210.3	180.7
Other Current Assets	41.8	39.1
Total Current Assets	**717.7**	**499.8**
Property, Plant and Equipment	1,222.5	1,047.0
Intangible Assets (including goodwill)	1,885.5	1,769.1
Investments in Associates	-	54.9
Other Non-Current Assets	39.4	50.4
Total Non-Current Assets	**3,147.4**	**2,921.4**
Total Assets	**3,865.2**	**3,421.2**
Trade Payables, Due to Related Parties and Other Payables	363.0	302.7
Short-term Borrowings *(including current portion of long-term debt and lease obligations)*	225.2	103.5
Total Current Liabilities	**588.2**	**406.2**
Long-term Borrowings *(including lease obligations)*	87.9	98.0
Other Non-Current Liabilities	184.3	157.6
Total Non-Current Liabilities	**272.1**	**255.6**
Total Equity	**3,004.9**	**2,759.3**
Total Liabilities and Shareholders' Equity	**3,865.2**	**3,421.2**

Note 1: Figures for EBI are obtained from consolidated financial statements prepared in accordance with IFRS.

The functional currency of international beer operations is USD. In order to present the relevant numbers in terms of TL in 31.12.2013 consolidated financial statements, balance sheet items were converted using the period-end exchange rate and income statement items were converted using the twelve months average exchange rate.

Restatement explanation: Financials were adjusted according to new CMB communique numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets".

SOFT DRINK OPERATIONS (CCİ)

Highlighted Income Statement Items For the Years Ended 31.12.2013 and 31.12.2012
Prepared In Accordance with IFRS as per CMB Regulations
(TRL million)

	2012/12 restated	2013/12 reported
SALES VOLUME (million Unit Case)	**766.3**	**1,057.7**
Sales (net)	3,819.3	5,186.4
Cost of Sales	-2,324.9	-3,228.1
GROSS PROFIT	**1,494.4**	**1,958.3**
Operating Expenses	-1,033.0	-1,363.1
Other Operating Income / (Expense) (net)	1.1	-1.3
EBIT	**462.5**	**594.0**
Gain / (Loss) from Associates	-4.9	-2.7
Income / Expense from Investing Activities	0.9	239.7
Financial Income / (Expense) (net)	22.3	-257.0
INCOME BEFORE MINORITY INTEREST & TAX	**480.8**	**574.0**
Income Taxes	-95.8	-71.8
INCOME BEFORE MINORITY INTEREST	**384.9**	**502.2**
Attributable to,		
Minority Interest	4.8	13.4
Net Income attributable to Shareholders	380.1	488.8
EBITDA	**643.5**	**892.1**

Note 1: EBITDA comprises of profit from operations (excluding other operating income/expense), depreciation and other relevant non-cash items up to EBIT.
Note 2: Figures for CCİ are obtained from consolidated financial results prepared in accordance with IFRS as per CMB regulations.

SOFT DRINK OPERATIONS (CCİ)

Highlighted Balance Sheet Items as of 31.12.2013 and 31.12.2012 Prepared In Accordance with IFRS as per CMB Regulations (TRL million)

	2012/12 restated	2013/12 reported
Cash and Cash Equivalents	489.0	916.8
Investments in Securities	117.7	563.0
Derivative Financial Instruments	0.3	-
Trade Receivables and Due from Related Parties (net)	309.0	383.4
Inventory (net)	290.2	461.5
Other Receivables	6.1	21.5
Other Current Assets	290.1	456.2
Total Current Assets	**1,502.3**	**2,802.4**
Investment in Associates	161.8	-
Property, Plant and Equipment	1,700.4	2,783.9
Intangible Assets (including goodwill)	667.0	1,301.5
Deffered Tax Assets	1.6	-
Other Non- Current Assets	48.2	118.0
Total Non-current Assets	**2,579.1**	**4,203.4**
Total Assets	**4,081.4**	**7,005.8**
Short-term Borrowings	68.4	164.3
Current Portion of Long-term Borrowings	61.1	1,004.3
Trade Payables and Due to Related Parties	310.8	433.2
Other Payables	67.3	131.0
Provision for Corporate Tax	2.4	4.5
Provisions for Employee Benefits	17.4	34.9
Employee Benefits Payable	17.6	21.1
Other Current Liabilities	10.9	21.9
Total Current Liabilities	**555.9**	**1,815.3**
Long-term Borrowings	1,405.4	1,917.6
Trade Payables to Third Parties	-	2.9
Provisions for Employee Benefits	37.8	44.6
Deffered Tax Liabilities	51.4	185.6
Other Non- Current Liabilities	120.8	168.5
Total Non-Current Liabilities	**1,615.3**	**2,319.2**
Total Equity	**1,910.1**	**2,871.3**
Total Liabilities and Shareholders' Equity	**4,081.4**	**7,005.8**

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

Note 2: CCİ was consolidated according to "IFRS 10 Consolidated Financial Statements» and "IFRS 11 Joint Arrangements» standards as of 01.01.2013 and with equity pick-up method as of 31.12.2012. The afore-mentioned 31.12.2012 financials are presented for comparison purposes with 2013, and are not included in the consolidated income statement of Anadolu Efes for the twelve month period as of 31.12.2012.

Restatement Explanation: Financials were adjusted according to (i) new "IFRS 10 Consolidated Financial Statements» and "IFRS 11 Joint Arrangements» standards, in which FY2012 Pakistan and Syria operations were consolidated with equity pick-up versus Pakistan was full consolidated and Syria was consolidated with equity pick-up in FY2013 and (ii) new CMB communique numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets".

Sustainable Growth and Social Responsibility

For Anadolu Efes, sustainability management means having the core competencies and methods needed to develop and nurture the value-added that is created for stakeholders in an intensely competitive environment.

Beer Operations

The sustainability management tools that Anadolu Efes continues to improve year after year ensure the longevity of its sustainability performance.

Anadolu Efes is a member of the Board of Directors **of UNGC Turkey Local Network**

Sustainability Management at Anadolu Efes

For Anadolu Efes, sustainability management means having the core competencies and methods needed to develop and nurture the value-added that is created for stakeholders in an intensely competitive environment. A focus on sustainable development is an indispensable element in the formulation of Anadolu Efes' strategic business plans.

The sustainability management tools that the company continues to improve year after year ensure the longevity of its performance. Foremost among these tools is the United Nations Global Compact ("UNGC"), to which the company became a signatory in 2011. For Anadolu Efes, UNGC is as essential to the protection of human rights, to the existence of an equitable working environment, to the preeminence of ethical, transparent, and accountable management principles, and to an eco-friendly business model as it is to the fulfillment of the company's commitment to create value today and in the future. In this context, in addition to ensuring that UNGC principles prevail throughout its own value-creation chain, Anadolu Efes also supports the furtherance of those principles throughout Turkey in its capacity as member of the Board of Directors of the UNGC Turkey Local Network.

Anadolu Efes: The first and only Turkish company to be included in the Dow Jones Sustainability Index

The oldest and most respected global index rating companies' sustainability performance, the Dow Jones Sustainability Index ("DJSI") has been published regularly since its inauguration in 1999. Conducted annually by participation of companies that are the leaders of their regions and sectors throughout the world, DJSI employs a methodology that integrates sustainability criteria into traditional financial analyses. DJSI seeks to help investors make more informed investment decisions by providing them with access to a broader range of information that includes companies' social and environmental as well as their economic and financial performance.

Based on DJSI's assessment of the company's sustainability management model and demonstrated progress, Anadolu Efes was included in the Dow Jones "Emerging Markets" category in 2013. Besides making it the first and only Turkish company to be so honored, this listing also confirms Anadolu Efes' stature as a leading firm throughout its operational territory.

The Efes Positive Impact Plan

The strategic dimension of Anadolu Efes' sustainability management is laid out in the Efes Positive Impact Plan, which sets forth the operational areas and principles that will ensure Anadolu Efes' sustainable growth while also contributing to a sustainably better way of life for future generations as well. The priorities that are defined in this plan are meticulously managed so as to systematize all gains and to create a sustainably positive impact for Anadolu Efes stakeholders both today and in the future as well.

More detailed information about sustainability management at Anadolu Efes can be found at the company's website at www.anadoluefes.com.

Anadolu Efes' inclusion in the Dow Jones "2013 Emerging Markets" category makes it the first and only Turkish company to be so honored.

Contributing to a better way of life for future generations

Water Management
Anadolu Efes engages in productivity-improvement efforts in order to use less water to make more beer. The underlying objective of such efforts is to ensure the sustainability of water resources, which are not just essential to its own production activities but also a, fundamental need of society as a whole. The long-term downward trend in the amounts of water used and of waste water discharged per unit of product continued as did efforts to improve the recovery/recycling of used water continued despite a significant decline in production figures during the reporting period.

Energy & Emissions Management
Seeking to reduce its carbon footprint by making more intelligent use of energy resources in the conduct of all of its operations, Anadolu Efes strives not only to improve its operational efficiency but also to reduce its environmental impact. Besides efforts to improve energy efficiency at its production facilities, the company also seeks to increase the energy- and carbon-efficiency of its operations by optimizing its distribution processes and by using more eco-friendly refrigeration methods and equipment.

Value-chain development
Through its long-standing agricultural support and R&D programs, Anadolu Efes not only creates value for farmers but also guarantees the quality and quantity of its raw material supplies. Similarly through its business partnership programs, Anadolu Efes seeks to improve productivity, business volumes, and operational norms throughout the value-creation chain. A conscientious, trustworthy, and transparent customer in the conduct of its procurements, Anadolu Efes also expects its suppliers not just to abide by laws and regulations but also to respect the company's business ethics and to understand the importance of such fundamental issues as human rights, occupational health & safety, and environmental protection norms. Efforts continue to be made to encourage, throughout the company's value-creation chain, the propagation of the United Nations Global Compact principles to which it subscribed in 2011.

Product responsibility
"Making the world's best-quality beers", "marketing responsibly", and "having a positive impact on stakeholders" are the elements that inform Anadolu Efes' approach to product responsibility. The incorporation of ISO9000 (Quality Management System) and HACCP (Hazard Analysis & Critical Control Point) standards into management systems not only makes operational functions more effective but also minimizes quality and food-safety risks. By offering consumers new flavor and options and by carrying out consumption-point and service quality improvement programs, Anadolu Efes also promotes the spread of a responsible beer-appreciation culture throughout its operational geography.

Anadolu Efes seeks to be the most preferred employer that provides workplace environments in which employees are treated equitably and their abilities are valued.

We aim to increase economic, social, and cultural **wellbeing**

Anadolu Efes conducts all of its marketing and communication activities in line with the principles of responsible marketing and within a framework defined by laws and regulations, by rules prescribed by industry initiatives, and by principles stipulated by the company itself. Through campaigns conducted in all operating countries, it is aimed to inform consumers about responsible consumption.

Operational health & safety

Anadolu Efes strives to strengthen its "good neighbor" standing among its stakeholders by carrying out its operations in ways that conform to best practices and are mindful of safety and environmental concerns. In order both to safeguard the health and safety not just of its own employees but of all stakeholders who may be affected by its operations and to avoid having an adverse impact on biodiversity, the company's processes are informed by ISO 14001 (Environmental Management System) and OHSAS 18001 (Occupational Health and Safety Management System) principles and similar standards while an ongoing effort is made to improve workplace conditions.

Talent management

Anadolu Efes seeks to be the most preferred employer that provides workplace environments in which employees are treated equitably and their abilities are valued. The Efes Code of Conduct, which applies to all national operations, and the United Nations Global Compact, to which the company became a signatory in 2011, are the main policy documents that govern the company's approach to and treatment of human rights. Continuing to support its employees' professional and personal development, Anadolu Efes provides its personnel with tens of thousands of hours of training every year.

Packaging management

Packaging plays a vital role in Anadolu Efes' ability to supply customers products that fulfill its quality and flavor commitments, to ensure that its products are safe to consume, and to communicate its messages as a company. Anadolu Efes reduces the environmental impact of the packaging of its products by redesigning and by reducing, recovering, reusing, and recycling the materials used.

Social development

Anadolu Efes believes that increasing people's socioeconomic and sociocultural levels is crucially important to its ability to achieve its own sustainability goals.

Anadolu Efes engages in many local-level efforts aimed at ensuring that its brewing operations contribute towards stimulating economic activity, increasing employment opportunities, and expanding business volumes among micro-scale companies. Anadolu Efes has also been providing support in the areas of education, health, sports, and culture & art for many years in Turkey and it continues to do so. In its national operations, Anadolu Efes contributes to environmental, social, and economic wellbeing by developing social responsibility projects in line with

Anadolu Efes' national operations contribute to local environmental, social, and economic wellbeing by developing social responsibility projects.

Anadolu Efes Kazakhstan received the Company of the Year Award **at the 7th National Golden Heart Awards**

the expectations of the communities in which it has a presence.

The Future Is In Tourism

The "Doğu Anadolu Tourism" and "Efes Tourism Training" projects that were originally inaugurated under "The Future Is In Tourism" program that Anadolu Efes' Turkish operations launched in 2007 in collaboration with the United Nations Development Programme and the Turkish Ministry of Culture and Tourism were concluded as of the end of 2012. These programs were succeeded by another "The Future Is In Tourism" program called the "Sustainable Tourism Support Fund".

In response to a call for projects to make tourism a means of supporting sustainable development, to prepare the groundwork for the creation of role models by supporting tourism entrepreneurship, and to encourage many different stakeholder groups to contribute to the development of tourism by bringing them together, 252 projects were submitted from 62 cities in Turkey in 2013. After undergoing examination and evaluation, it was decided to provide Sustainable Tourism Support Fund support to three projects: "100% Misia" from the village of Misi in Bursa, "Creating sustainable women-led tourism ventures in Mardin" from the city of Mardin, and "Traditional Seferihisar Cuisine" from the town of Seferihisar in İzmir.

More detailed information about Anadolu Efes' "The Future Is In Tourism" program and its projects may be found at the program's website at www.gelecekturizmde.com.

Golden Eagle Protection Program

Although it is one of the country's cultural symbols, the golden eagle is threatened with extinction in Kazakhstan. In 2012 Anadolu Efes' Kazakhstan operations launched a "Golden Eagle Protection Program" to support effective efforts aimed at protecting golden eagles and increasing their numbers. This program also continued during the period covered by this report.

Under this project, which has been developed in collaboration with the Sunkar Birds of Prey Breeding Center and the Kazakhstan Institute of Zoology, the living habits of golden eagles and the reasons for the population decline are being investigated and existing knowledge is being updated while efforts are being made in breeding centers to raise these birds for release into the wild.

In recognition of the "Karaganda Street Markets Modernization Project" as well as of the "Golden Eagle Protection Program", Anadolu Efes' Kazakhstan operations received the "Company Of The Year Award" at the 7th National Altyn Zhurek (Golden Heart) Awards in November 2013. This award is given to companies that make the biggest impact through the conduct of large-scale social-development and charitable projects. It is widely regarded as one of the most prestigious recognitions that a charity may be granted in Kazakhstan.

Soft Drinks Group

As an integral part of CCİ's operational framework, sustainability is managed together with its core business strategy.

Effectively deploying the sustainability concept **throughout every layer and level of the organization**

Sustainability is one of the five main pillars that our company is built on. Our sustainability approach is "to ensure the long-term viability of our business by being proactive and innovative in environmental protection and to be recognized as one of the most responsible corporate citizens by all stakeholders." In tandem with this approach, CCİ's sustainability strategy focuses on material issues determined both by external and internal stakeholders. In order to keep material issues up to date, CCİ organizes regular meetings, workshops, surveys and interviews. As an integral part of CCİ's operational framework, sustainability is managed together with our core business strategy, thereby effectively deploying the sustainability concept throughout every layer and level of the organization.

PEOPLE

Product Safety & Quality

The nature of our business requires working with the highest standards and processes to ensure quality all the way through from production to product delivery. Accordingly, maintaining the safety and quality requirements of our products is one of our priorities. To this end, CCİ operates in accordance with the universal rules of the TCCC system while considering regional characteristics of our individual operating geographies.

In the Coca-Cola System, the set of Coca-Cola Operating Requirements known as KORE governs all quality processes. KORE guarantees the highest standards not only in the quality management of products, but also in the environment, food health and safety areas. The system is consistent with ISO 9001, ISO 14001, ISO 18001, ISO 22000 and ISO 14064-1. All of our production processes are operated in accordance with the requirements of these systems, and necessary audits are conducted during each operating year.

Our Suppliers

At CCİ, as at all Coca-Cola System bottlers, we expect our suppliers to operate in compliance with the set of rules constructed to evaluate the integrity of suppliers to ensure that the raw materials they provide are of the highest quality. In addition, we expect our suppliers to operate in compliance with TCCC standards as well as the standards and legal requirements of the relevant operating country. We believe that such practices and requirements are fundamental to improving our suppliers' environmental, social and broad economic performance. Additionally, our raw material suppliers are required to have the authorization of the TCCC. All raw material suppliers should meet all the governmental requirements, Company requirements, environmental protection, safety and labor protection requirements, quality certificate, certificate of conformance, necessary technical documentation, test certificate, certificate of safety, letter of guarantee which confirms quality of product, and contract in which delivery terms, terms of payment, indemnity commitments on quality assurance are stipulated. At CCİ, we are committed to making direct and indirect contributions to local economies where we carry out our operations.

CCİ believes that the sustainability of our business depends on understanding of our consumers clearly.

Basic of Coca-Cola System (BOCCS) training provided **to all new distributors**

Our Distributors

Distributors are our main business partners and, as such, they play a critical role in our sales operations. Consequently, we focus on developing their capabilities and satisfying their needs. Building the capabilities of our distributors not only helps us achieve our business goals but also helps our distributors develop a lean and more sustainable business model for themselves. We provide Basic of Coca-Cola System ("BOCCS") training to all our new entrants. These training modules provide information about products and quality as well as CCİ's 2020 Vision and corporate responsibility issues.

Our Consumers

We work hard to understand and satisfy our consumers' expectations because we believe that the sustainability of our business depends on understanding of our consumers clearly.

As we pursue our commercial activities, we apply TCCC's global labeling standards and comply with all relevant local laws and regulations in all 10 countries where we operate. Providing our more than 360 million consumers with clear, understandable and scientific information regarding our products not only addresses our principle of complying with laws and regulations, but it also represents our commitment to maintaining a healthy, transparent working relationship with our stakeholders.

Producing and distributing beverages of various kinds, along with our commitment to properly informing our consumers, require us to include nutritional information on all of our labels.

In addition to our labeling practices, we pursue various other practices including seminars and trainings that aim to inform our stakeholders about our belief that with appropriate consumption and physical exercise all of our products can be healthy components of an active lifestyle.

Responsible Advertising & Marketing

In line with our principle of complying with legal regulations, we realize responsible and law-abiding advertising and promotional practices in all countries where we operate. In addition to the various communication mediums we employ to this end, we create the channels whereby our stakeholders can actively participate in our advertising and presentation processes with their valuable suggestions, requests, and complaints.

In addition to the legal requirements and the expectations of our stakeholders, TCCC's standards serve as our fundamental guide in our marketing practices. The Global School Beverage Guidelines, as set by TCCC, grounds our approach to responsible marketing. Beginning in the 2010-2011 academic year, we chose to cease conducting sales operations for sparkling beverages in any elementary schools in our operating geography. We made this

CCİ incorporates the best talents, develops and retains them.

Helping consumers to develop healthy lifestyles **through healthy nutrition trainings**

decision with the cooperation of our business partners. Moreover, in line with our belief that parents should be the ones to make decisions regarding the nutrition of their children, we do not engage in advertising or marketing activities targeting children under 12 years old.

Active Healthy Living

Through our marketing operations, social responsibility projects, and other practices involving our consumers, we address the fact that all our products can be a part of an active healthy lifestyle. To this end, we provide our consumers with a wide range of beverages to suit their taste and calorie need. With no- and low-calorie beverages, as well as with our regular beverages in smaller sizes, our consumers enjoy beverage options from our continuously expanding portfolio. Through various channels, we aim to inform and empower them in making sensible beverage choices.

In line with TCCC, we strive to raise the standards for physical activity throughout our operating geography. As it is essential to maintain energy balance (the balance between “calories in” and “calories out”) for overall fitness and health, we support the physical activity projects and programs run by the Coca-Cola Life Plus Foundation in Turkey for the benefit of our stakeholders. Through healthy nutrition trainings, we support our mission of helping them to develop healthy lifestyles.

Specifically devoted to promoting healthy and active lifestyles, we continue to participate in sports by hosting several tournaments in football, tennis, bowling, cycling, cricket, and more.

COMMUNITIES

Our Workplace

The business success of CCİ depends on our employees. Incorporating the best talents, developing and retaining them, CCİ’s priority is to provide a happy, safe and motivating workplace where our employees are able to showcase their true potential.

Our main goals within the workplace are:

- To provide our employees with a non-discriminatory workplace that meets the standards of national and international workplace rights policies.
- To protect the rights of employees to unionize.
- To become a leading company which employs only the best practices in occupational health and safety in all our workplaces.
- To provide a fair and pleasant place for our employees to work, enabling them to feel free to be innovative and improve themselves in order to become the most qualified workforce.

Employee Rights

Respect for human rights is a vital component of our commitment to working in a responsible way. The

In addition to health, safety, and employee development, diversity is one of the top priorities for CCİ.

A healthy and safe working environment for all employees

Workplace Rights Program ("WRP") of TCCC is based on the Universal Declaration of Human Rights ("UNHR"), United Nation's Global Compact ("UNGC") and serves as the fundamental guideline for our HR activities. With this strong basis of support, we fully integrate human and workplace rights into our practices (one of the key priorities of CCİ's 2020 Vision), our corporate values, and our sustainability strategy. We are committed to deploying this message continually and consistently throughout our supply chain. In so doing, we diligently uphold human rights and are pleased to boast that we remain free of any human rights violations.

Equality & Diversity

In addition to health, safety, and employee development, diversity is one of the top priorities for CCİ. Building a diverse workforce (in Azerbaijan, alone, there are employees representing 17 nationalities) helps us connect with consumers and customers across our territories. CCİ does not discriminate among its employees based on religion, race, gender or physical disability in any way.

Employee Engagement

Ensuring the continuity and enhancing the knowledge pool of the CCİ system is only possible by measuring, understanding and responding to the needs of our employees throughout all work processes.

At CCİ, we enjoy various methods of listening to employees and informing them about company developments. We actively evaluate the innovative ideas of our employees regarding work processes. We help our employees to establish innovative, creative, and environmentally-friendly work models.

Occupational Health & Safety

Since it is our main responsibility to ensure a healthy and safe working environment for all of our employees and our visitors, we focus on reducing job-related incidents and creating an OHS awareness to lower risks at the workplace and amongst fleet operations. CCİ's ultimate goal with respect to OHS is to achieve "zero OHS incidents" in all operations. At CCİ, our Environment, Health & Safety Policy specifically seeks to:

- Protect the most valuable and important resource of our company - our human capital - from any occupational health and safety risks or hazards.
- Protect the environment and minimize the impacts of CCİ's operations on the environment while ensuring a sustainable business.
- Ensure that OHS is an integral part of our business and is actively supported through management leadership and commitment.
- Protect the Company from any legal challenges by complying with (at a minimum) local legal requirements as well as applying industry best practices to set higher standards than such legal requirements.

CCİ's continuous dialogue with its stakeholders is the main driver of its community investments.

Replenishing every drop **of water used**

- Protect all other resources and assets from any losses that may be caused by work-related risks and hazards.

Our Community

CCİ is a global company that strives to remain in line with local needs and expectations. Doing business in ten countries across a consumer base of more than 360 million people requires us to understand and respect local outlooks. Our continuous dialogue with our stakeholders is the main driver of our community investments.

Coca-Cola products are manufactured locally, thereby creating thousands of jobs directly and indirectly for local communities. As such, our business has a significant and positive economic impact on the local economies and communities where we operate. In addition, we are concerned with, and driven to act on, other local community issues such as social and ecological concerns. Following are some of the actions we take to support our local communities:

- We directly contribute to the economic growth of the markets where we operate by contracting with local suppliers and vendors and through our local hiring practices.
- We establish platforms for dialogue with members and representatives of our local communities.
- We support the welfare of local communities and national societies at large by contributing to programs that focus on environmental and resource protection, health, active lifestyle, education, youth development and disaster relief.
- We support our employees in community contribution programs by encouraging employee volunteerism.

ENVIRONMENT

Our Environmental Approach

With our continuous efforts to minimize water consumption in our operations, to reduce our total carbon footprint, and to preserve natural resources, we aim to deliver on our sustainability commitments and inspire others by setting an example with our performance in our industry. In line with our environmental impact management approach we've determined our three main focus areas:

Water Management

Water is one of the most essential resources for life and is the main ingredient of our beverages. Establishing a water sustainable operation is key to the success of our business and to the welfare of the communities in which we operate.

Given many risk factors such as population growth, increasing per-capita consumption of natural resources, and global warming-related threats, we work especially hard to become more efficient in our water use by reducing the amount of water used to produce our products. While increasing our business volume, our goal is "to produce more beverages by consuming less water."

CCİ realizes that it has a role to reduce the potential climate impact of the products it sells.

Identifying climate protection **as a top priority in the sustainability agenda**

As a part of the Coca-Cola System, we support the ultimate goal of "replenishing every drop of water used" and are assisted by global water management studies. Supporting this ultimate goal, we focus on the following areas:

1. Reducing water consumption/reusing water.
2. Reclamation/safe discharge of water.
3. Replenishing water.
4. Supporting studies devoted to preserving and improving water basins.
5. Supporting studies that raise the awareness of consumers, public institutions and non-governmental organizations.

Energy Management & Climate Protection

The consensus on climate science is increasingly unequivocal; global climate change is happening and man-made GHG emissions are a crucial factor. The implications of climate change for our planet are profound and wide ranging, with expected adverse impacts on biodiversity, water resources, public health, and agriculture. At CCİ, we consider the risks and opportunities climate change exerts on our business. An increase in global temperatures will increase pressures on natural resources, including water, necessary for agricultural production.

We have identified climate protection as a top priority in our sustainability agenda. We are transparent in sharing our energy performance and carbon footprint statistics which are verified by independent organizations according to internationally recognized standards. We realize that we have a role to play in ensuring that we use the best possible mix of energy sources, improve the energy efficiency of our manufacturing processes, and reduce the potential climate impact of the products we sell.

Sustainable Packaging

Packaging is an essential part of our business. At the same time, it forms a significant part of our environmental footprint. Continuously reducing the materials used in packaging and the energy consumed in the process makes good business sense and is crucial for establishing a sustainable operation. While the safety and quality of our products remain as the most significant aspects of our packaging operations, we develop practices that will reduce our environmental impact arising from these operations. Three fundamental principles define our approach to sustainable packaging:

- Continuously reducing the material amount and energy used in package manufacturing and using recycled materials as much as food safety principles and technology allow.
- Reducing material use and increasing reuse and recycle rates in our operations.
- Working together with stakeholders in order to establish an environmentally friendly and economically sustainable infrastructure for post-consumer packaging recovery and recycling.

Rules of Ethics & Code of Conduct

Commitment to ethical values **and provisions of law**

Since the day it was founded, Anadolu Group has had a corporate culture that it has conscientiously carried out, managed, and conserved. The corporate culture shared by all managers and employees also incorporates acumen and experience as well as expectations and strategies compatible with the needs of today and tomorrow.

Wherever it may be in operation, offering products and services that represent the very best not just locally but globally as well while also ensuring that the reputation which it enjoys is handed on to future generations, are essential elements of the Anadolu Group's approach to business. Anadolu Efes fully subscribes to and abides by the core ethics and principles which the Anadolu Group has identified and internalized in the conduct of its business.

Anadolu Efes regards the following as essential elements of its corporate culture: conforming to ethical values in business and social life; entering into and maintaining trust-based relationships; delivering superior-quality, correct, and reliable results; acting in accord with established beliefs, rules, and ideas; being mindful of nature and the environment.

Over the years Anadolu Efes has always complied with both the corporate governance principles and the business ethics to which it subscribes. By doing so, the company has repeatedly demonstrated its broad vision and leadership and revealed its unique foresight in such matters.

The "Code of Conduct" that make up the Anadolu Group's and the Efes Beer Group's ethical values are published on the company's corporate website www.anadoluefes.com.

Investor and Shareholder Relations

Proactive, and transparent communication with investors

Anadolu Efes shares all information about its past performance and future expectations impartially with all domestic and international shareholders, stakeholders, investors, and capital markets institutions equally, fully, fairly, correctly, timely and understandably in consistence with the generally-accepted accounting principles and with CMB rules and regulations. Anadolu Efes always engages in proactive, and transparent communication on such matters. The company's investor relations are conducted by the Investor Relations Department, which is established within Finance Directorate.

Anadolu Efes has formulated a Disclosure Policy, a fundamental tenet of which is that all announcements and other statements about the company intended for shareholders and other stakeholders must be made in such a way as to be timely, correct, complete, understandable, analyzable, and affordably accessible, while also being mindful of the company's own rights and responsibilities.

Every request for information received from any shareholder or other stakeholder is dealt within this framework and no information is imparted except that which has been already publicly disclosed. Requests from shareholders and investors for information about matters concerning, which the company may not already have made a public disclosure, are dealt with in exactly the same way and it is a rule in such situations to ensure that all shareholders and investors are simultaneously informed by special case announcements and/or press releases.

During 2013, a total of 319 face-to-face meetings were conducted with local and international, institutional and private investors, shareholders, and analysts on the issues related to the company's business results, performance and other reporting period developments.

Anadolu Efes regularly takes part in domestic and international investor conferences and other meetings intended for providing shareholders and investors information about the company. In that respect, the company representatives took part in eight conferences in Turkey and abroad and one roadshow was organized during 2013.

Anadolu Efes maintains a corporate website on which it regularly publishes, both in English and Turkish, information about its most recent results, current performance, and other material events. This website serves as an up-to-date communication channel through which the company keeps shareholders, investors, analysts, and other stakeholders informed about issues as required by CMB's Corporate Governance Principles.

Special case announcements are simultaneously published on the corporate website and by other means; they are also dispatched by email to stakeholders, who have provided the company with contact information. The company's annual report is prepared and published in both Turkish and English. All issues mandated by Capital Markets Laws and regulations are publicly disclosed through special case announcements and press releases.

Credit Ratings

Moody's
long-term credit rating:
Baa3

S&P
long-term credit rating:
BBB-

Anadolu Efes' financial and operational performance is assessed and confirmed at regular intervals by international rating agencies.

Following its annual assessment conducted in July 2013, Moody's announced that it had assigned a "Baa3 / Stable" long-term credit rating to Anadolu Efes.

On 20 November 2013, Moody's confirmed its rating with respect to the corporate bonds with a nominal value of USD 500 million issued by Anadolu Efes and its long term rating as Baa3, revising the outlook of its long term credit rating from "Stable" to "Negative". As justification for the outlook change while confirming its long-term credit rating, Moody's said that Anadolu Efes' financial profile (and largely its operational performance) will remain depressed as a result of long-term structural pressure unless they are offset by countermeasures such as the recently announced production capacity closure in Russia. Moody's also emphasized that Anadolu Efes' investment grade rating continues to benefit from the Company's equity investment in CCİ, the extended debt maturity profile and the strong market position in Turkey.

Following its annual credit committee review of Anadolu Efes' corporate credit rating in July 2013, Standard & Poor's ("S&P") maintained the long-term corporate credit rating and outlook of Anadolu Efes as "BBB- / Stable".

In its rating report, S&P stated that the Stable outlook reflects Anadolu Efes' strong and resilient cash generation but taking into account the emerging market volatility. S&P expects Anadolu Efes to maintain adjusted debt to EBITDA in the range of 1.0x-2.0x and to continue generating positive free cash flow despite tightening regulation and investments in growth markets. The Stable outlook also reflects S&P's assumption that the company will meaningfully address some of the refinancing and market risks currently weighing on its financial risk profile.

Anadolu Efes did not issue any capital market instruments in 2013.

Anadolu Efes Corporate Governance Compliance Report

Adopting the corporate governance understanding as an indispensable component in its activities, Anadolu Efes works within the framework of all existing regulations and the "Corporate Governance Principles", which are prepared by CMB, and adopts these principles as an important part of its management understanding. Furthermore, our Company aims to develop structures and principles that are appropriate for the conduct of our business and which will serve best for the benefit of our shareholders and other stakeholders.

As a result of the studies conducted by SAHA Kurumsal Yönetim ve Kredi Derecelendirme A.Ş. (SAHA - Corporate Governance and Credit Rating Services Inc.), Anadolu Efes received a Corporate Governance Rating of 80.96 (8.10) and qualified for listing in the BIST Corporate Governance Index in 2008. In the subsequent years, SAHA's studies indicated a steady increase in the Corporate Governance Rating of Anadolu Efes, and the Corporate Governance Rating of our company was revised up to 82.71 (8.27) as of 05.06.2009, 84.00 (8.40) as of 02.06.2010, 85.46 (8.55) as of 01.06.2011, 89.39 (8.94) as of 01.06.2012 and finally to 93.30 (9.33) as of 24.05.2013.

The final rating mentioned above was determined within the framework of relevant CMB's resolution by attaching specific weights to the rating under four sub-categories. In this context, below is the distribution of the Corporate Governance Rating according to main categories.

Main sections	Weight	Note
Shareholders	25%	89.58
Public Disclosure & Transparency	25%	99.47
Stakeholders	15%	91.67
Board of Directors	35%	92.25
Total	**100%**	**93.30**

A copy of the Corporate Governance Rating Report, which has been published by SAHA is available on the Company's website, www.anadoluefes.com.

1. CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE DISCLOSURE

Anadolu Efes conducts all of its operations within the framework of all existing regulations and the "Corporate Governance Principles", which are prepared by CMB. Currently, Corporate Governance Communiqué numbered II-17.1 which has been effective since 03.01.2014, is in force. For the period between 01.01.2013-31.12.2013, our Company complies with the old Corporate Governance Principles (Communiqué on the Determination and Implementation of the Corporate Governance Principles Serial: IV Number: 56) which was published by CMB. In this regard, 2013 Corporate Governance Compliance Report has been prepared according to CMB's old Corporate Governance Principles. For this reason, this report makes references to the articles of the previous principles. The Corporate Governance Compliance Report includes information regarding the application of each item of the

Corporate Governance Principles by our company, as well as if there are principles which were not applied, the reasons for not applying these principles, the conflicts of interest arising from not applying these principles and whether there is a plan to change the company's management applications in the framework of the principles.

Our Company has complied with the Corporate Governance Principles issued by CMB except for the below-mentioned provisions that were voluntary, in the period of 01.01. 2013-31.12.2013. There are no conflicts of interest arising from the below-mentioned provisions that are not implemented.

- In accordance with the Article 4.6.6 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibilities are made public through our annual report. However, as it was done in the past, the declaration is not made separately for each person, but a cumulative number is given for all board members and managers having administrative responsibilities separately.
- While using mechanisms which are provided for the stakeholders such as indemnities, our company applies the provisions of the relevant legislations,but our company does not have a written indemnity policy for its employees yet, as required by article 3.1.2 of Corporate Governance Principles.
- Although in the previous years, more than one woman was present in our Board of Directors, currently, there are no women Board members. It is recommended by the Corporate Governance Committee to the Board of Directors to include women in the Board in the coming years.

Kamil Ömer Bozer
Corporate Governance
Committee Chairman

Hurşit Zorlu
Corporate Governance
Committee Member

Yılmaz Argüden
Corporate Governance
Committee Member

İzzet Karaca
Corporate Governance
Committee Member

Sue Clark
Corporate Governance
Committee Member

SECTION I - SHAREHOLDERS

2. Investor Relations Unit

Our company has adopted the principle of treating each shareholder equally, and the Investor Relations Department, established within our Company's Finance and Investor Relations Directorate, continued to conduct the relations with our shareholders in 2013 as well. Investor Relations Unit plays an essential role in accordance with the protection of shareholders rights and making usage of these rights easier particularly the rights to obtain information and the rights to examine.

In accordance with the Disclosure Policy of our company, information regarding operations and performance of our company as well as other events is shared, through meetings with shareholders, investors, research specialists of intermediary institutions and other stakeholders. In addition, any type of information and explanation which may affect the exercise of the shareholders' rights are uploaded and updated on a regular basis on our website for the usage of the shareholders.

During 2013, 319 face-to-face meetings were conducted with local and international institutional and individual investors, shareholders, and analysts concerning issues related to the company's business results, performance, and other developments during the reporting period. Anadolu Efes participates in conferences in Turkey and abroad and other meetings to provide shareholders and investors information about the company. In this context, in 2013, company representatives took part in eight conferences in Turkey and abroad and one roadshow was organized.

The individuals in charge of investor relations are as follows:

Onur Çevikel - Anadolu Efes Finance and Investor Relations Director Tel: 0 216 586 80 47 Faks: 0 216 389 58 63 e-mail: onur.cevikel@anadoluefes.com
Ayşe Dirik - Investor Relations Manager Tel: 0 216 586 80 02 Fax: 0 216 389 58 63 e-mail: ayse.dirik@anadoluefes.com
R. Aslı Kılıç - Investor Relations Supervisor Tel: 0 216 586 80 72 Fax: 0 216 389 58 63 e-mail: asli.kilic@anadoluefes.com
Ece Oktar Gürbüz - Investor Relations Specialist Tel: 0 216 586 83 32 Fax: 0 216 389 58 63 e-mail: ece.gurbuz@anadoluefes.com

At every meeting held by the Corporate Governance Committee, the Investor Relations Unit submits a report to the Committee regarding its activities.

Details regarding the activities performed by this department in 2013 can be found in our Company's 2013 Annual Report.

3. Exercise of the Information Rights by Shareholders

Information requests of shareholders are evaluated in accordance with our company's Disclosure Policy that is presented below, under the heading "Company Disclosure Policy". Additionally, as mentioned above, any type of information and announcement which may affect the exercise of the shareholders' rights are put and updated on a regular basis on our website for the usage of the shareholders.

Our Disclosure Policy dictates equal treatment of all our shareholders and investors, and provides that accurate disclosure with similar content reaches to everyone at the same time.

While shareholder's right to get and examine information given by laws, is not abolished or limited by the articles of association or the decision of any bodies of the company; every mechanism has been set up in order to ensure that shareholders use this right fully.

The Company's articles of association does not include an article that obstructs special audit and the management avoids any action that make special audit process difficult. Our company acts in accordance with the relevant articles of Turkish Commercial Law regarding the right to ask for special audit. In 2013, there has not been any request by shareholders for the assignment of a special auditor.

4. General Assembly Meetings

The General Assembly meetings of our company are held in accordance with the principles of the Corporate Governance Principles' "Right to Attend the General Assembly" section.

The Chairman of the meeting has obtained the required information and has done the necessary preparations in order to conduct the General Assembly as per the Turkish Commercial Code, related laws and legislations.

The date, time, venue and agenda of the 2012 Shareholders' Ordinary General Assembly Meeting were announced on the Trade Registry Gazette and Dünya newspaper circulated country-wide as well as on our website at www.anadoluefes.com, at least three weeks earlier than the meeting date; in compliance with Corporate Governance Principles and our articles of association. The proxy forms for attendance by proxy is also available on our website to ease the process of attendance.

The 2012 Shareholders' Ordinary General Assembly Meeting was held on 21.05.2013 with a meeting quorum where 519,847,048.464 shares (87.8%) were present, of 592,105,263 shares representing the Company's issued capital of TL 592,105,263.

Minutes of the meeting and list of attendees were disclosed to public on the same day through "Public Disclosure Platform". Minutes of the meeting and list of attendants are also published on our website.

On the website of our company, in addition to the announcement of the General Assembly, disclosures and statements that are mandatory to be made according to the regulations, as well as all matters required to be announced according to Corporate Governance Principles, were disclosed to shareholders. Namely;

- Total number of shares which reflect the current shareholding structure of the company and the rights of shares were announced on our website on the date of announcement of the General Assembly meeting.
- The General Assembly information document regarding the items on the agenda prepared for the Ordinary General Assembly Meeting included information about the candidates, who were nominated for the independent Board membership in line with Corporate Governance Principles. The candidates for the independent board membership submitted written statements to the Nomination Committee at the time they were proposed as candidates regarding their independence within the framework of the law, articles of association and the Corporate Governance Principles.
- Regarding the amendments on articles of association that were on the agenda of the General Assembly, the new and the old versions of the changing items of the articles of association, together with the relevant Board resolution were announced to public as an attachment to the announcement regarding the General Assembly invitation and our website.
- While preparing the agenda of the General Assembly, every proposal has been given in a separate heading and these headings were made clear in a way which would not cause different commentaries. Strict attention has been paid not to use expressions such as “other”, “various (miscellaneous)” on the agenda. The information given before the general assembly has been given by reference to the related articles of the agenda.
- While preparing the agenda of the Ordinary General Assembly Meeting, there has not been any written requests that the shareholders delivered to the Investor Relations Unit in writing to be included on the agenda. Likewise, shareholders, CMB or other government institutions which are related to the company have not delivered any written agenda item requests to be added to the agenda.
- In order to increase the attendance of the shareholders to the General Assembly, it is aimed to hold the meetings without causing any inequalities between shareholders and enable shareholders to attend these meetings with a minimum cost. In this context, the 2012 Ordinary General Assembly Meeting was held on 21.05.2013 in İstanbul where the headquarters of the company is registered, at Esenkent Mahallesi, Deniz Feneri Sokak No:4 Ümraniye/İSTANBUL, also in accordance with the articles of association.

- The chairman of the Ordinary General Assembly has taken specific care in conveying the information about the subjects on the agenda objectively and in a detailed, clear and unbiased way. The shareholders have been given opportunities under equal conditions in explaining their considerations and questions. The chairman of the General Assembly has made sure that the questions asked by the shareholders and the questions which were not considered as trade secret have been answered directly in the General Assembly. During the Ordinary General Assembly Meeting, there has not been any questions irrelevant to the topics on the agenda or extensive such that they cannot be answered immediately.
- In accordance with the Corporate Governance Principle article 1.3.8., there has not been any transaction in which persons who have privilege to access company information, had done on their behalf within the company's field of activity.
- The board of directors and other related persons, the ones who have responsibility in preparing the financial reports, and auditors have been present in the General Assembly in order to manage the necessary briefings and answer the questions about the important subjects on the agenda in particular.
- Although there is no such article on our articles of association, the General Assembly meetings of our company are open to public including the stakeholders and the media without having the right to speak. In the Ordinary General Assembly Meeting held in 21.05.2013, there were no attendance by any stakeholders or the media apart from Company representatives that are mentioned in the previous provision.

Decisions Taken at the 2012 Ordinary General Assembly Meeting Held on 21.05.2013

The Annual Report of the Board of Directors and reports of Board of Auditors and the Independent External Audit Company as well as the Consolidated Income Statement and Balance Sheet for 2012 calendar year have been discussed and approved.

The information was given to shareholders on the donations made by the Company in 2012; on any suretyship and guarantees granted or pledges including mortgages instituted by the Company in favor of third parties and related income and benefits; on the extensive and recurring related party transactions made by the Company in 2012 and on the payments made to Board members and senior management within the scope of the "Compensation Policy".

TUNCAY ÖZİLHAN, SALİH METİN ECEVİT, RECEP YILMAZ ARGÜDEN, MEHMET CEM KOZLU, MEHMET HURŞİT ZORLU, ALEJANDRO JIMENEZ FONSECA, ALAN CLARK, AHMET DÖRDÜNCÜ (Independent member), ÖMER BOZER (Independent member), MEHMET METE BAŞOL (Independent member) and AYCAN AVCI

(Independent member) were appointed in lieu of the released Directors of the Board for one year term.

The selection of the Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. as the external audit company for 2013-2014 fiscal year was approved.

It has been decided that a cash dividend payment for 2012 fiscal year, totaling a gross dividend of TL 266,447,368.35, will commence on 30.05.2013. Against 2012 dividend coupons, for each share representing TL 1 nominal value, a gross TL 0.45 (45.0%) and a net TL 0.3825 will be distributed.

The changes in and additions to the Articles of Association, which are already approved by the Capital Markets Board and Industry and Trade Ministry, were put to vote and accepted.
The proposed "Anadolu Efes Biracılık ve Malt Sanayii A.Ş. Internal Directive on Working Principles and Procedures of the General Assembly" has been discussed and approved.

5. Voting Rights and Minority Rights
While our company avoids practices which make the use of voting rights difficult, mechanisms have been set in order every shareholder, including the cross-border ones, to use their voting rights in a proper and simple way. In this context, according to the Article 26 of the articles of association of the company regarding "Participation to General Assembly via Electronic Means", shareholders having the right to attend the General Assembly can attend the meeting electronically in accordance with article 1527 of Turkish Commercial Law. In accordance with this article of articles of association, at the 2012 Ordinary General Assembly meeting, shareholders and their representatives were able to use their rights as mentioned in the regulation.

While utmost care is given to the use of minority rights, our articles of association regulates the usage of all minority rights in accordance with regulations. While, Corporate Governance Principles enables provision of minority rights to shareholders with less than 1/20 share in capital in the articles of association; articles of association of our company does not include any article broadening the extent of minority rights compared to Law.

There are no privileged shares among the shares representing the paid-in capital of our Company. There is no cross shareholding relationship with the majority shareholders of our Company.

6. Dividend Right
There is no privilege granted to shareholders regarding the distribution of dividends.

Within the framework of compliance with Corporate Governance Principles, our Dividend Policy has been resolved to be handled as a written policy starting from 2005.

As per the unanimous resolution of our Board of Directors dated 07.04.2009, about which the shareholders were informed at the General Assembly dated 24.09.2009 Anadolu Efes adopts as a general rule, except for investment periods requiring high cash outflows, distributing a dividend from the distributable profit each year with a ratio higher than the minimum amount that is implied by CMB, without prejudice to CMB's prevailing regulations or any other relevant law and regulation. For this reason, as a requirement of growth, and to the extent that investments and extraordinary developments in economical circumstances allow; the company has adopted a policy of distributing dividends from the distributable profit calculated according to principles set by CMB, at a higher rate than the minimum distribution rate determined by CMB.

Maintenance of this policy is among the primary objectives of our Company except for special conditions caused by extraordinary developments in economic conditions as well as investment and other funding requirements necessary for the long-term growth of the Company. Profit distribution in 2013 has been fulfilled within prescribed legal periods.

While dividend policy of our company is available on our website and annual report, detailed explanations and tables regarding the distribution of profit for the year 2013 are provided in our Company's 2013 Annual Report.

7. Transfer of Shares

There are no provisions contained in the Company's Articles of Association restricting the transfer of shares, or provisions causing the transfer of shares difficult.

SECTION II - PUBLIC DISCLOSURE AND TRANSPARENCY

Acting in compliance with principles regarding Public Disclosure and Transparency of Corporate Governance Principles, our Disclosure Policy includes such matters; information which will be disclosed apart from the ones pointed out in the legislation, how frequently and in what ways these information's shall be disclosed, how frequently the board and the managers shall meet with the media, how frequently meetings shall be arranged to inform the public, which method shall be followed in answering the questions to the company, etc.

In accordance with Article 2.1.2 of Corporate Governance Principles on public disclosure and transparency, the information which will be disclosed to the public should be helpful in decision making process of the persons and institutions and should be prepared on time, accurately, completely, comprehensibly, interpretably, and accessible with low costs with ease at "Public Disclosure Platform" (www.kap.gov.tr) and our company's website for public use. Besides, Central Registry Agency's "e-GOVERNANCE: Corporate Governance and Investor Relations

Portal" is used directly and effectively to give information to the shareholders.

During the year, 31 special case announcements were made in accordance with CMB regulations. All of the public disclosures were made on time and released on our website simultaneously.

While the Finance and Investor Relations Directorate is responsible for pursuing the Corporate Disclosure Policy in co-ordination with the Corporate Governance Committee, the details of individuals in charge are presented under the section "Investor Relations Unit".

While announcing its year-end financial results, our company regularly discloses its expectations for the following year along with assumptions and the data on which these assumptions are based, through an information document available to public. During the year, in the case where estimates and the base for these expectations are not realized or it is understood that they are not going to be realized, the updated expectations are shared with public with the required explanation.

8. Disclosure Policy

i. Purpose
Our Company maintains to act, in the course of disclosure to all our shareholders and other stakeholders, within the principles of equality, accuracy, impartiality, consistency and timing. It is essential to provide such announcement and clarifications under this policy in timely, correct, complete, understandable, analyzable and cost effective manner in strict observance of the rights and interests of our Company as well.

ii. Public Disclosure

a. General Principles
The information is immediately disclosed to the public about any development that may bring in a substantial change in the financial status and/or operations of our Company as well as all other matters laid down by the Capital Markets Board Legislation. However, information revealed to the public cannot contain, except for legal requirements, any sort of information that may potentially impede the competitive power thereby leading to detrimental consequences for our Company, shareholders and stakeholders and cannot be in the nature of trade secret.

Our Company's disclosure policy and any modifications thereto are approved by our Board of Directors, submitted to the information of the General Assembly and announced to the public. The conduct of our Company's disclosure policy is undertaken by the Finance and Investor Relations Directorate under the coordination of the Corporate Governance Committee.

The information and meeting requests from shareholders and other stakeholders are processed as per our Company's disclosure policy and any sharing of information is effected with already publicly available content. Whenever it is necessary to reveal any information that has not already been made public as a reply to any question transmitted by shareholders and other stakeholders regarding all the matters prescribed as per the Capital Markets Board Legislation, a working group comprised of the related Group President, Group Finance and Investor Relations Director and Investor Relations Manager under the coordination of our Company's Corporate Governance Committee, handles and processes the matter within the framework of our Company's disclosure policy. Questions transmitted to our Company in that manner and the related disclosure can only be made public upon approval of this working group.

The written questions related to the information that is public and directed to Investor Relations Department are answered in a written format within two work days, if the data is available. If the requested data should be derived from the existing information, then the question is answered within five work days. All correspondences with analysts and investors are kept in records.

Legal or commercial relationships with other enterprises or individuals with whom there is a direct/indirect managerial, administrative, supervisory or ownership related relationship is disclosed in the financial tables and footnotes.

b. Public Disclosure Tools
In addition to all the information and documentation assembled as per the legislation with respect to the matters to be discussed in ordinary General Assemblies, a presentation relating to the results of annual operations and performance of our Company and other developments within the period is prepared and presented to the General Assembly. A copy of such presentation is published in our website.

Our Company releases its financial results on a quarterly basis. Our company also publishes an earnings release report simultaneously with financial results each quarter, which evaluates the results, to inform the investors and analysts.

At least two regular meetings per year are held, in order to give information to research analysts on the results of operations, performance and other developments within the period. Additionally, domestic and international conferences and other meetings held for the purpose of giving information to shareholders and investors are participated.

The official website of our Company currently hosted at www.anadoluefes.com is prepared and utilized, in both Turkish and English, as a communication channel for shareholders, investors, research analysts and other stakeholders in line with the issues laid down in the CMB's Corporate Governance Principles. A copy of all the announcements and presentations utilized in meetings held for the purpose of giving information are kept in our website in an updated fashion.

Our Company publishes the "Dividend Policy" and "Ethical Rules" in its website laid down by the CMB's Corporate Governance Principles.

Our website is open to everybody and there is no restriction. The visitors of the website are kept confidential, except for legal requirements. Our Information Systems Directorate took all the necessary measures to secure the safety of our website. The legal disclaimer and confidentiality policy is available in every page of our website.

In addition to the traditional data transmission channels, various communication facilities provided by information technologies may be employed for public disclosure. Within this framework, special case announcements made by our Company can be sent directly by e-mail to stakeholders that have delivered their contact information via our website or other communication channels.

c. Public Disclosure via Press and the Monitoring of News in the Press

In addition to the announcements made through BIST, press releases and/or press conferences may also be utilized for disclosing the results of annual operations to the public including the year-end operational results, performance of our Company and other developments within the period as well as any development that may have a major impact on the financial status and/or operations of our Company.

Disclosure via press is affected under the coordination of our Company's Corporate Governance Committee and in collaboration with the above mentioned working group and Corporate Communications Directorate. In addition, opinions of the specialists, from the company or from outside, may be utilized when needed. A copy of each published press release is kept updated in the website.

On the other hand, all news and rumours about the company in TV, print media, internet and radio as well as the news in the local and international press followed by the nominated media monitoring agencies by the Company are evaluated by the above mentioned working group and Corporate Communications Directorate.

In case of facing with incorrect news, Investor Relations Department evaluates the situation and following the information request by BIST or CMB or in necessary circumstances, without the information request by BIST or CMB, the necessary announcements are made in accordance with Company's disclosure policy.

iii. Responsible Persons and Spokesperson of the Company
In our company, the persons with administrative responsibilities include members of the Board of Management, Board of Auditors and the highest level executive in the Company's management and directors directly reporting to him.

In all data communication channels including the press and in the meetings with shareholders, investors,research analysts and other stakeholders, only related Group President, Group Finance and Investor Relations Director and Investor Relations Manager as well as other managers and members of the Board designated by the Corporate Governance Committee will act in the capacity of spokesperson for and on behalf of our Company within the framework of our Company's disclosure policy.

iv. Protection of the Inside Information
The persons included in the "list of the persons entitled to access inside information" are reminded through personal letters about their responsibilities according to the law due to their inclusion in this list.

In addition, the spokesmen of the company are obliged to implement the "silence period" two weeks prior to the financial results announcement each quarter.

The starting and ending dates of the silence period are published in the website under investor calendar section, when the date of the financial results announcement becomes definite. The dates of the financial results announcement and related silence period is announced through investor calendar section at least four weeks prior to the financial results announcement.

During the silence period, excluding the information that has already been made public, the spokesmen are prohibited to make any comment on the financial position of the company on behalf of the company. The questions of the capital markets players like analysts and investors related to the financial position of the company are not answered. However, the silence period does not prohibit the attendance of and speeches by the spokesmen to conferences, panels etc.

v. Effective Date
This disclosure policy has been discussed and approved in the meeting of the Board of Directors of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. dated 01.03.2011 and put into effect the same day.

9. Corporate Website and Its Content
Our corporate website is at www.anadoluefes.com. In order for international investors to use it, our website is prepared in both; English and Turkish. In public disclosure, our website is used actively and the information given on the website is updated on a regular basis. The information on our website is the same and consistent with the announcements which are done in accordance with the relevant regulation and it does not include conflicting or missing information. The letterhead of our company includes our website address. In our website, all information required as per Article no 2.2.2 in Section 2 of Corporate Governance Principles is available.

10. Annual Report
The annual report of our company is prepared in detail in a way that the public may access to the full and accurate information about the operations of our company, and includes information which is required in Article no 2.3.2 in Section 2 of the Corporate Governance Principles in addition to the related regulations and the other requirements specified in other parts of the Corporate Governance Principles.

SECTION III - STAKEHOLDERS

11. Informing the Stakeholders
Stakeholders are persons, associations or interest groups such as employees, creditors, customers, suppliers, trade unions, several non-governmental organizations who are related to the matters on achieving the company's targets or that are related to the company's activities. Our company protects stakeholders' rights in transactions or activities conducted for the company which are set by the regulations or through the mutual contracts signed. If the rights of the stakeholders are not protected by regulations or with the mutual contracts, our company spends maximum effort to protect the rights of the stakeholders as much as possible in line with company means and within bona fide rules.

While using mechanisms which are provided for the stakeholders such as indemnities, our company applies the provisions of the relevant legislations, our company acts in accordance with Corporate Governance Principles with regard to relations with stakeholders and has set all necessary mechanisms for this.

According to non-mandatory Article no 3.1.2 of Corporate Governance Principles, while it is required to create an indemnity policy and announce this policy through company website to the public, measures are taken in order to form such a policy in the future.

Creating timely and applicable solutions to problems related to the employees and other stakeholders, in order to maintain the satisfaction of all the stakeholders, is one of the key policies of the Company. Our employees, suppliers, customers and consumers are informed on matters related to them in different ways.

The Efes Communication Line that is currently active (444 EFES / 444 33 37) serves 6 days of the week excluding Sundays between 08:00-20:00. A majority of the incoming calls are for information purposes and calls are immediately replied.

Information exchange with customers and suppliers is ensured by periodic dealer meetings as well as site meetings held by individuals in charge in relevant locations. Furthermore, customers and suppliers are capable of transmitting their problems to our Company via the dealer meetings and through oral or verbal applications submitted to the Company's management.

Meetings are held with our suppliers so as to improve the quality of the current materials as well as on other sectoral developments and pilot activities are conducted with respect to the co-produced projects.

Through the wide data information network established with its customers, the Company can exchange information on a real-time basis.

Our company conducts training programs to enhance the development of the employees. These development programs include class education, e-learning, on the job training and knowledge sharing. For this purpose, in-house developed systems using internet platforms are also used.

The necessary mechanisms are formed by the Corporate Governance Committee in order for the stakeholders to communicate with the "Corporate Governance Committee" or the "Audit Committee" about Company's practices which are contrary to the legislation and unethical. On the other hand, according to its own charter, the Audit Committee is responsible for monitoring whether a system regarding compliance to the Company's code of business conduct and ethical rules is established by the management. Additionally, the Audit Committee reviews whether the management monitors Company's compliance to code of business conduct and code of ethics, makes fraud risk assessments and gives code of business conduct and fraud and code of ethics trainings to Company employees.

12. Participation of the Stakeholders in Management

Employees are capable of transmitting their value adding suggestions via our ino-port system, which is the Anadolu Group Innovation Portal. In addition, "Human Resources Request & Improvement Line" that facilitates submission of requisitions and improvement requirements regarding the services provided by our Human Resources function is used effectively by our employees. Periodically, a study for Measuring Employee Loyalty is conducted and employees can also transmit their requests and suggestions for improvement regarding the company they are involved in via this way.

In order to manage the relationships with our employees working in our subsidiaries and affiliates in Turkey and in international operations, as well as to manage the corporate information flow, we launched a web-based intranet system in 2009. On the "Suggestions" field of this platform, the employees are allowed to post their requests directly to Human Resources department. As of 2013, our Human Resources Portal has been launched and our employees can obtain many human resources services via this portal which is an extensive self-service application.

As per our main system requirements, indicators designated under strategic planning process are reviewed through meetings held.

Our company takes all measures against customer satisfaction in marketing and selling its goods and services, and in this context, the satisfaction level of our customers is measured at outlets throughout the country with regularly conducted Customer Satisfaction questionnaire studies. Improvement activities are designed and implemented based on the results derived from such studies.

With the Efes Communication Line, complaints or claims from our customers, suppliers or consumers are replied and remedied within prescribed periods by designated officers in charge at relevant units and all incoming requests are stored in electronic media, allowing the monitoring and reporting of progress in customer satisfaction. In addition, the performance of our suppliers in terms of quality, price and delivery are monitored on our computer systems where they are scored and benchmarked on periodic basis.

In production processes, utmost care is given to quality standards and the quality of our products is under the guaranty of our company.

New product developments are steered by Customer- Consumer research results and product improvement and development work is conducted in accordance with the demand from the market with product, package and technology investments.

Within the context of trade secret, confidentiality of the information about the customers and the suppliers is taken care of. Regarding the important decisions that give rise to an outcome for the stakeholders, the opinion of the stakeholder is taken.

13. Human Resources Policy

Our company's human resources policy and practices in this area are in line with all of the principles of Section 3 Article no 3.3 of Corporate Governance Principles.

Our human resources mission is to develop human resources strategies and coordinate the application of human resources systems in our operations in line with our company's vision and mission and strategies in order to support our strategic growth and profitability strategies through increasing productivity of our employees, as well as establishing a qualified, motivated, loyal workforce. In line with our human resources mission our key strategy is to build up a satisfied, highly motivated and well-educated workforce that works as a team and continually develops, operates on knowledge and focuses on Company targets. Our human resources strategy is also disclosed publicly in our website.

The Human Resources Strategy of our company is designed in line with our vision and mission in order to support our strategic business plan and implemented under the following headings:

(1) Increasing organizational efficiency
(2) Centralized Strategy, Local Policy Development
(3) Right Person for the Right Position,
(4) Maintaining a Dynamic & Proactive Structure,
(5) An Unreplicated Human Capital that Creates Competitive Advantage.

Our Company gives great importance on training at all stages and at all levels in order to prepare our employees to the future. We "INVEST IN PEOPLE" through established systems where we present this importance in a transparent way. In this context, in order to develop leaders, to form a common management language and to strengthen our culture that supports continuous learning, corporate development practices have been in action since 2010 under the system "Academia Efes".

In addition, through an e-learning platform over the internet, it is aimed to improve the personal and occupational knowledge and skills of our employees. Via this platform, we are able to reach mass of employees in a short time period with the trainings which are designed interactively. The attendance is tracked on the system and exams are held in order to measure knowledge as well.

“Efes Quality Circle” project, whereby our employees voluntarily solve the problems in their respective work areas, enable a better environment for communication, creativity and innovation while contributing to our employees’ personal development and hence increasing their motivation. Parallel to monetary benefits and internal development, “Efes Quality Circle” activities also provide abstract benefits like development of responsibility, proving oneself, innovation and creative thinking, as well as job satisfaction.

It is essential to implement fastidiously any resolution rendered by our Board of Directors in the pertinent field of activity. Monitoring of such applications is conducted within the framework of the designated Critical Performance Criteria focused not only on the operating performance but also profitability. The annual performance targets we have designated for our employees in line with the relevant criteria allow not only the qualitative measurement but also the indicator-based quantitative assessment of our management policies. There is no share purchase plan designed for employees.

One of our Group’s commitments towards its employees in the course of every relationship, which is part of our working principles and followed strictly without any concession, is not to make any discrimination in terms of race, skin color, age, nationality, gender and religious beliefs. We take pride in different aspects and cultural diversification of our employees and consider such diversification a valuable tool for advancement towards a common objective.

In every Human Resources practice spanning from the initial recruitment to the training, compensation, career and financial means granted, equal opportunity is provided to all employees. No complaints, in particular on discrimination, have been raised by any of our employees within the period.

We are committed to respect and protect the rights granted to our employees by law and regulations.

Relations with blue-collar workers are regulated according to the collective bargaining agreement, and in the context of the agreement, 7 head representatives and 12 union representatives work in our 5 breweries and 2 malteries in Turkey. These representatives are responsible for communicating the requests, complaints and problems of our blue-collar workers to the senior management, following up the results of these, representing the employees in platforms such as Occupational Safety Board and Disciplinary Board and protecting their legal rights within the Collective Bargaining Agreement and the Legal framework. In addition, for both our blue-collar and white-collar workers, there is a Business Partnership organization deployed in our headquarters within our human resources structure and 10 regional human resources supervisors in total are affiliated to this organization. As a requirement of their job description, the afore-mentioned business partners and human resources supervisors are responsible for evaluating the requests, complaints and problems conveyed by employees and following up the results of the processes regarding these requests, complaints and problems, in coordination with the senior management.

In addition, representatives have been designated to conduct the relations with employees. For white-collar workers, a “Health and Security Worker Representative” has been selected to represent the workers on issues of occupational health and security. The duties and authorities of such representative that is selected by the workers at the workplace, as per Occupational Health and Safety Statute, are as follows:

One or more workers act as the “Health and Security Worker Representative” and participate in studies for health and security in the workplace, monitor the studies, request for measures and precautions, give suggestions and represent workers in similar matters particularly on health and security.

For blue-collar workers, a “Trade Union Representative at the workplace” is present as set forth in the collective bargaining agreements.

The trade union representatives fulfill the following delegated tasks to ensure occupational peace, maintain and safeguard the balance between the worker and the employer:

a) Ensuring the cooperation and occupational peace between the worker and the employer at the workplace,
b) Examining the demands and complaints of workers, persuading the worker in withdrawing its unreasonable demand or complaint, reflecting any demand or complaint that it will find reasonable in his sole discretion to the employer (the representative may not be penalized for his/her discretion in this process.)
c) Striving to settle amicably, conflicts or disputes to arise between the worker and employer,
d) Seeking remedies for problems that may arise in connection with implementing these contractual provisions and if necessary, conveying the matter to the employer after consulting with workers.
e) Striving to prevent, to the extent of his/her authority, any illegalized attempt

or behavior, refraining from getting involved in such attempts or behaviors,
f) Regulating the relationship of workers that are trade union members with the trade union,
g) Ensuring the uninterrupted execution of the contract,
h) Transmitting any matter that he/she could not settle at the workplace to his/her affiliated branch/department in writing,
i) Fulfilling all other liabilities imposed by the legislation.

While safe working environment and conditions are provided to the employees, General Occupational Health and Safety trainings, which require the participation of all employees, are organized by our company periodically.

Job descriptions of all employees of the company can be reached through the corporate portal. Performance evaluation is carried out through an online system, and evaluation and compensation criteria as well as expectations are shared with the employees in the system starting from the beginning of the year.

14. Ethical Rules and Social Responsibility

Ethical rules are highly respected within our Company and these merits have been exercised for years within the corporate culture of Anadolu Group, our parent company, and our all operations are performed within this context. Anadolu Group and Efes Beer Group Working Principles, which form our ethical values are disclosed publicly in our website, whereas the minimum ethical rules with respect to environment, discrimination, child employees and union rights have been included to public in our annual report and website.

Detailed explanations regarding the activities of our Company within the framework of social responsibility can be found in our Company's 2013 Annual Report.

SECTION III - BOARD OF DIRECTORS

15. Structure and Composition of the Board of Directors

Our Board which consists of at least 7, at most 13 members according to articles of association, currently is composed of one Chairman, one Vice Chairman and 9 members, totaling to eleven members.

Tuncay Özilhan - Chairman
Alan Jon Clark - Vice Chairman
S. Metin Ecevit - Member
Recep Yılmaz Argüden - Member
Mehmet Cem Kozlu - Member
Mehmet Hurşit Zorlu - Member
Damian Gammell - Member
Ahmet Cemal Dördüncü - Independent Member
Kamil Ömer Bozer - Independent Member
Mehmet Mete Başol - Independent Member
İzzet Karaca - Independent Member

Ahmet Boyacıoğlu - Consultant

The curriculum vitae of the Board members which also include their responsibilities outside of our Company, are present both in 2013 Annual Report and the website of our Company. There are no rules established by our Company regarding the Board Members taking responsibilities outside of Our Company however the requirements of the Corporate Governance Principles are applied on this issue.

According to the articles of association, the Board elects a Chairman and a Vice Chairman every year. The chairman is responsible for managing the Board meetings, ensuring that negotiations are held in order and the discussions during the meetings are recorded. While authorization of the Chairman of the Board, Board members and company executives are defined in the articles of association, no one in the company is given an unlimited decision making power.

According to Article no 4.3.3 of Corporate Governance Principles, among the non-executive board members, there should be independent members who are able to perform their duties without being under any influence. According to the Corporate Governance Principles, our company is required to have minimum four independent Board members.

According to Corporate Governance Principles on Board restructurings, in the case where a separate Nomination Committee cannot be established, the Corporate Governance Committee can fulfill the responsibilities of this committee. In that respect, the Corporate Governance Committee assessed the candidate proposals of Ahmet Cemal Dördüncü, Kamil Ömer Bozer, Mehmet Mete Başol, Aycan Avcı to become an independent member, including the ones proposed by the board and shareholders, by taking into consideration of whether or not the candidate meets the independency criteria and submitted this assessment as a report dated 19.03.2013 to the Board at the same day for its approval. The candidates for the independent board membership submitted their written statements to the Nomination Committee at the time they were proposed as candidates, that they are independent within the framework of the law, articles of association and the principles.

In accordance with the report of the Nomination Committee, the Board's decision to appoint Ahmet Cemal Dördüncü, Kamil Ömer Bozer, Mehmet Mete Başol and Aycan Avcı as independent Board members, was sent to CMB for opinion on 20.03.2013. CMB has delivered no negative opinion on independent membership of these candidates.

Therefore, the precise independent Board membership candidates list and information about the candidates was disclosed to public through an information document released with the announcement of the General Assembly.

Assignment of candidates whose curriculum vitae were submitted in the information document, was approved at the General Assembly dated 21.05.2013 and came into force. These individuals who were elected as Independent Board Members were neither registered nor declared on behalf of a corporate identity.

Aycan Avcı has resigned from his Independent Board Membership in the Company on 01.11.2013 due to personal reasons. On 03.12.2013, İzzet Karaca has been appointed for the place vacated by the resignation of Aycan Avcı to complete his term of duty and to be submitted to the approval of the earliest General Assembly to be held in accordance with the procedures set by the Communiqué on Determination and Application of Corporate Governance Principles. It has also been decided to appoint Mr. İzzet Karaca as the member of the Corporate Governance Committee for the place vacated by the resignation of Mr. Aycan Avcı.

On the other hand, at its meeting held on 04.02.2014, the Board of Directors decided to appoint Mr. Damian Gammell for the place vacated by the resignation of Mr. Alejandro Jimenez from his duty as a member of the Board of Directors due to his retirement as of 31.12.2013, to complete the term of duty of Mr. Alejandro Jimenez and to be submitted to the approval of the earliest General Assembly to be held. In addition to this, it has also been decided to appoint Mr. Mauricio Restrepo as the member of the Committee for Early Detection of Risks for the place vacated by the resignation of Mr. Jamie Wilson.

While there is one executive Board member (Damian Gammell), other members are non-executive Board members. According to our articles of association, the office terms of Board members are up to three years, and it is possible for these members to be re-elected.

16. Working Principles of the Board of Directors

The Board of our company executes its activities transparently, accountably, fairly and responsibly in accordance with the requirements set by the Corporate Governance Principles.

The Board has a leading role to protect the efficient communication and to eradicate and find solutions for disagreements between the company and the shareholders. For this purpose the Board conducts its roles with a close cooperation with the Corporate Governance Committee and Investor Relations Unit.

In accordance with Article no 4.4.1 of Corporate Governance Principles, the Board gathers as often so that it performs its duties effectively. The gathering procedures and frequency of Board meetings, meeting and resolution quorum, process of asserting objections and the validity of Board resolutions are explicitly laid down in our Company's Articles of Association. In this context, the Board holds its ordinary meetings five-six times a year and the Board members also convene upon any extraordinary situation and negotiate and render resolutions on critical agenda issues.

The rate of participation of Board Members in these six meetings during the year 2013 has been 92% and Board members aim attending every meeting and present an opinion.

The agenda of Board meetings comprises of the agenda issues designated in the previous Board meeting for further negotiation in the next meeting along with the issues designated by the related Group President. However, before the meeting, a Board member may propose the Chairman of the Board to make a change in the agenda. The opinion of a member, who did not attend the meeting but submitted his opinion to the Board in written format, is also submitted for other member's review.

Dates of the Board meetings are determined at the beginning of the year and accordingly the Board members are notified of the meeting dates. Furthermore Board members are also notified by means of a formal memorandum and report at least one week prior to any meeting. A secretariat is established for the meetings and all questions raised during the meetings and all issues negotiated are recorded into meeting minutes.

Each member in the Board has one voting right and Board Members do not have the right of weighted vote and/or power of veto. Board meetings are held in accordance with Article no 4.4.6 of Corporate Governance Principles.

Meeting minutes that have the nature of trade secrets are not disclosed to the public. However all of the critical matters resolved are announced through public disclosures.

The Board resolutions related to the related party transactions of our Company are taken with the majority vote of the independent members; in accordance with the Corporate Governance Principles.

There were no transactions that are in the scope of the significant transactions as described in Article 1.3.9 of Corporate Governance Principles, in 2013.

17. Number, Structure and Independence of the Committees established under the Board

According to Article no 4.5.1 of Corporate Governance Principles, in order the board to perform its duties properly, an Audit Committee, a Corporate Governance Committee, a Nomination Committee, an Early Determination of Risk Committee and a Remuneration Committee should be established, however, in case a separate Nomination Committee, Early Determination of Risk Committee and Remuneration Committee cannot be established due to the structure of Board, Corporate Governance

Committee may fulfill the responsibilities of these committees. In this context, in addition to the Audit Committee and Corporate Governance Committee that were already present in our company, Committee for Early Detection of Risks was established according to the Board resolution dated 07.06.2012. Responsibilities of committees that are not present within Board of Directors, are fulfilled by the Corporate Governance Committee according to Corporate Governance Principles.

According to Article no 4.5.2 of Corporate Governance Principles, the scope of duties, the working principles and the members of the committees' are identified and disclosed to the public by the Board. In this context, in line with the Principles, Charters regarding functions and working principles of Committees were approved on 29.06.2012 and disclosed to public on our company website at www.anadoluefes.com.

Apart from this, Article no 4.5.3 of Corporate Governance Principles requires all members of the Audit Committee and the chairman of other committees to be selected from independent Board members. In this context, selection of chairman and members to Committees was done through Board resolution dated 26.06.2013 for one year, was in line with this Corporate Governance Principle. Likewise, in line with the Principles, the chief executive/general manager does not have a role in any of the committees. Except from Hurşit Zorlu, who is a member of both Corporate Governance Committee and Early Determination of Risk Committee as his knowledge and experience is useful for both committees, and due to the same reason, Ahmet Cemal Dördüncü, who is the Chairman of the Audit Committee as well as a member of the Early Detection of Risk Committee; other Board members do not have a role in more than one committee.

Members of the committees constituted within the Board are as follows:

Audit Committee
Mete Başol-Chairman
Ahmet Cemal Dördüncü-Member
Corporate Governance Committee
Kamil Ömer Bozer-Chairman
Hurşit Zorlu-Member
Yılmaz Argüden-Member
İzzet Karaca*-Member
Sue Clark-Member
Committee for Early Detection of Risks
Ahmet Cemal Dördüncü-Chairman
Metin Ecevit-Member
Hurşit Zorlu-Member
Mauricio Restrepo-Member

** Aycan Avcı has resigned from his Independent Board Membership in the Company on 01.11.2013 due to personal reasons. On 03.12.2013, İzzet Karaca has been appointed for the place vacated by the resignation of Aycan Avcı to complete his term of duty and to be submitted to the approval of the earliest General Assembly to be held in accordance with the procedures set by the Communiqué on Determination and Application of Corporate Governance Principles. It has also been decided to appoint Mr. İzzet Karaca as the member of the Corporate Governance Committee for the place vacated by the resignation of Mr. Aycan Avcı.*
***On its meeting held on 04.02.2014, the Board of Directors decided to appoint Mauricio Restrepo as a member of the Committee for Early Detection of Risks, for the place vacated by the resignation of Jamie Wilson.*

Evaluation of the Board of Directors regarding the working principles and efficiency of Committees constituted within the Board is presented as attachment to Corporate Governance Compliance Report (Attachment 1).

18. Risk Management and Internal Control Mechanism

The aim of risk management and internal control mechanism is the protection of the value of the assets of the company, operational safety and pursuing sustainability. Intended for this aim, risk management and internal control mechanisms have been established within the Company and fundamental principles with respect thereto are being announced via our annual report and website.

Identification of all the existing and potential risks for the Company, development of practices for minimization of the identified risks and monitoring of such practices constitute the basic starting point of the risk management system.

The Committee for Early Detection of Risks is established within the Company for early detection of risks that might endanger the existence, development and perpetuation of the Company and to implement measures required against the risks determined as well as the management of risks. The Committee for Early Detection of Risks convenes as often as deemed necessary for the effectiveness of the work, at least two times per annum and regularly briefs the Board of Directors of the Company about its meeting resolutions, important sightings and recommendations.

Enterprise Risk Management ("ERM") project is being carried out within the Company with the support of consultants, in order to define, evaluate and monitor the current and potential risk factors that may affect reaching the goals of the Company; to determine the principles regarding management of relevant risks in accordance with the risk taking profile of the Company; and using these in decision making mechanisms.

Existing or potential risks for our Company are defined below:

Financial risk; assets and liabilities risk, credibility, equity/ debt ratio, exchange rate risk and other factors that can affect the Company's financial status.

Operational risk; the use of the technology at an optimal level and to identify the required investments that can affect our competitive advantage.

Environmental risk; risk factors such as fire, earthquake, etc. that can affect the Company's performance negatively.

SAP system is an important technological tool that provides measurement and processing to assist the decision support function to minimize the existing risks. SAP supplies operational results in real time that eliminates the human error and improves the efficiency of the internal control system. On the other hand, our high technology internal communication system enables us to quickly act and generate immediate solutions to problems as they occur.

Within the finance function, the actual results are compared to the budgeted figures on a regular basis and any deviations are analyzed.

The “Guarantee - Risk Management System” devoted to tracking customer risks has been put into service. Accordingly, purchasing limits applicable to our customers have been established and our systems are designed to prevent any product shipments in excess of prescribed limits.

Internal Control Mechanism can be defined as all practices aimed to eliminate circumstances that may affect reaching the goals of the Company negatively and/or reduce their effects and possibility. Standard definitions, policies and procedures, job descriptions and delegation structures regarding business processes constitute the basis of internal control system. In this context, holistic internal control systems including preventive and reformative ones have been established by the management, in order for the company to carry out Company’s business effectively and efficiently. Through internal control systems established within the company, it is aimed to provide effectiveness and efficiency of operations, trustworthiness of the financial reporting system, compliance with regulations, and assurance regarding these issues. The relevant internal control systems are also intended to protect the assets, reputation, sustainability and profitability of the company. The execution of the accounting system of the Company, the disclosure of financial information to the public, the external audit of the Company and supervision of the functioning and efficiency of the internal control system are mainly carried out by the Audit Committee established by the Board of Directors of the Company. While carrying out the relevant function, the Audit Committee utilizes the findings of the Internal Audit Directorate and Risk Management Directorate of Anadolu Group, as well as the institutions that perform endorsement facilities in the context of Independent Audit and Certified Councillorship. In the context of internal audit operations, the efficiency of the current risk management system and the sufficiency, efficiency and effectiveness of the internal control system of the Company are being evaluated, as well as suggestions being made for their improvement. Additionally, the processes of determination and application of required actions regarding these detections and suggestions, are closely monitored.

The authorities and responsibilities are defined in writing in the internal control mechanism of the Company. Within this framework, the rules governing the fulfillment of tasks by directorates in their respective business areas and the holders of such responsibilities are explicitly defined. The internal control mechanism is equipped with the following features:

- Purposes and principles of activities are explicitly defined.
- The current/potential risks of the Company are defined and constantly being monitored.
- Regular reporting is made to executives.

Issues to be approved as per chart of authorities are provided to executives electronically accompanied with detailed remarks and viewed, scrutinized and approved by several executives within pre-determined limits.

Investments within the annual budgets and business plans allow us to use the state-of-the-art technology in our facilities and the most up to date technology prevailing in the global brewing industry is utilized.

All our facilities are insured in order to minimize the environmental risks, and investments for backup systems are being made against any data loss due to extraordinary events.

Additionally, environmental factors and extraordinary situations are monitored on an immediate basis and investigations are made to take necessary measures against the causes to minimize financial risk.

Our company has an internal audit function. This function is organized comprising of both the headquarters and our subsidiaries, and carries out the process audits investigating the efficiency of the general control environment, corporate governance and risk management structures of our company, in accordance with the International Audit Standards and relevant laws and regulations also benefitting from the auditors of Anadolu Group, who are specialized in their areas.

19. Strategic Objectives of the Company

While the authorization and responsibilities of the Board members are clearly listed in our articles of association, the duties and responsibilities that are carried out by Board members de facto include:

- Setting the vision and mission of the company,
- Setting the strategic targets of the company,
- Determining the human and financial resource needs of the company,
- Auditing the performance of the management,
- Approving the budget and working plans of the company,
- Checking whether the company reaches its targets, examine results of operations,
- Ensure that the operations of the company are in line with regulations, articles of association, internal rules and policies,
- Examine Corporate Governance Principles of the company and improve missing points,
- Form the committees of the Board and ensure their operability.

While The Board manages and represents the company and is particularly loyal to company's long-term interests by keeping the risk, growth and return balance of the company at the optimum level through taking strategic decisions and with rationalistic and prudent risk, it is responsible for the company to reach its preset and publicly disclosed operational and financial performance targets. In this context, related Directorships make annual budgets and business plans every year and submits them to the Board. As a result, the operating results which are held in accordance with the plans throughout the year are continuously compared with the budget that was approved by the Board of Directors and the reasons of the deviations are analyzed.

20. Financial Benefits
In accordance with the decision taken on Annual Ordinary General Assembly, our company does not make any payment to Board members except for the independent Board members. On the Ordinary General Assemble dated 21.05.2013, it was decided to make an annual net payment of TL 60,000 on a monthly basis, to each independent Board member aiming to secure their independency. Apart from this, there is no other payment or benefit made to the Board members. In accordance with the Article 4.6.6 of Corporate Governance Principles, the remunerations and all other benefits provided to Board members and managers having administrative responsibility are made public through our annual report. However, the declaration is not made separately for each member, but a cumulative number is given for all board members and managers having administrative responsibility separately.

The company has not lend any money, given any loan, extended the maturity of the loans or credits, improved the conditions of the loans, given any loan under the name of an individual loan through third parties or given guarantee such as bail to a Board member or to the managers having administrative responsibility.

According to Article no 4.6.2 of Corporate Governance Principles, the remuneration principles of the Board members and managers having administrative responsibility should be in written form and the shareholders should be enabled to give their opinion after submitting these written remuneration principles to their reviews with a separate article in the General Assembly. The remuneration policy that is prepared for this reason should also be released at the website of the company. Our remuneration policy prepared in this context, is also made available to public at our company website www.anadoluefes.com.

While there is no Nomination Committee established within the Board of Directors, in line with the Corporate Governance Principles, responsibilities of this committee are fulfilled by the Corporate Governance Committee.

Attachment 1

EVALUATION OF THE BOARD OF DIRECTORS REGARDING THE WORKING PRINCIPLES AND EFFICIENCY OF THE COMMITTEES FORMED WITHIN THE BOARD

After the selection of Chairman and members made in accordance with Corporate Governance Principles, with the Board resolution dated 26.06.2013, it has been decided to;

- Appoint board member Mr. Mehmet Mete BAŞOL as the Chairman of the Audit Committee; Mr. Ahmet Cemal DÖRDÜNCÜ as a member of the Audit Committee,
- Appoint board member Mr. Kamil Ömer BOZER as the Chairman of the Corporate Governance Committee, and board members Mr. Mehmet Hurşit ZORLU, Mr. Recep Yılmaz ARGÜDEN and Mr. Aycan AVCI, and additionally Ms. Sue CLARK as members of the Corporate Governance Committee,
- Appoint board member Mr. Ahmet Cemal DÖRDÜNCÜ as the Chairman of the Early Detection of Risk Committee and board members Mr. Salih Metin ECEVİT and Mr. Mehmet Hurşit ZORLU and additionally Mr. Jamie WILSON as the members of the Early Detection of Risk Committee.

Aycan Avcı has resigned from his Independent Board Membership in the Company on 01.11.2013 due to personal reasons. On 03.12.2013, İzzet Karaca has been appointed for the place vacated by the resignation of Aycan Avcı to complete his term of duty and to be submitted to the approval of the earliest General Assembly to be held in accordance with the procedures set by the Communiqué on Determination and Application of Corporate Governance Principles. It has also been decided to appoint Mr. İzzet Karaca as the member of the Corporate Governance Committee for the place vacated by the resignation of Mr. Aycan Avcı.

In addition, on its meeting held on 04.02.2014, the Board of Directors decided to appoint Mauricio Restrepo as a member of the Committee for Early Detection of Risks, for the place vacated by the resignation of Jamie Wilson.

Charters regarding functions and working principles of the three afore-mentioned Committees were approved on 29.06.2012 and disclosed to public on our company website at www.anadoluefes.com.

In 2013, all committees constituted within the Board of Directors have performed their functions as required in Corporate Governance Principles and their own Charters, and performed efficiently.

In 2013, in compliance with the way required for the efficiency of their functions, their Charters and annual meeting schedules;

- Audit Committee met three times on 08.01.2013, 25.03.2013 and 21.10.2013,
- Corporate Governance Committee met four times on 09.01.2013, 25.03.2013, 21.10.2013 and 17.12.2013,
- Early Detection of Risk Committee met three times on 09.01.2013, 13.05.2013 and 21.10.2013

and submitted reports to the Board, consisting of information on their work and results of the meetings held during the year. According to this,

- Audit Committee that is responsible for taking all necessary measures in order to ensure that internal and external auditing are carried out adequately and transparently, as well as efficient performance of internal control system; has submitted all of its suggestions on areas it is responsible for including its opinion and suggestions on the internal audit and internal control system.
- Corporate Governance Committee, that has been established to follow company's compliance to Corporate Governance Principles, develop improvement processes in this area and submit suggestions to the Board, has determined whether or not the Corporate Governance Principles were applied in the company, if not what is the reason, and also determined the conflict of interests occurred due to not complying with these principles totally and gave the Board advices that will improve the corporate governance practices; and monitored the works of the Investor Relations Unit.
- Early Detection of Risk Committee, that has worked on early determination of risks that will endanger the existence, development and sustainability of the company, has worked on the application of due precautions regarding the determined risks and has worked for the aim to manage the risks, scrutinized the systems of risk management of the company in accordance with Corporate Governance Principles and Charter of the Committee for Early Detection of Risks.

Financial Information

Other Information Related to Operations

1. Anadolu Efes Biracılık ve Malt Sanayii A.Ş. trade registration

Trade name: Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Formation date: 26 June 2000

Registration number: 91324/36346

Address of record: Bahçelievler Mahallesi Şehit İbrahim Koparır Caddesi No: 4 Bahçelievler/Istanbul/Turkey

Number of issued shares and registered share capital: 592,105,263 shares each with a par value of TRL 1.00 (one Turkish lira). On this basis the company's issued share capital amounts to TRL 592,105,263.

2. Changes in the Articles of Association During the Reporting period:
At our company's annual general meeting for 2012 held on 21 May 2013, proposed amendments to the company's articles of association that had previously been submitted to and authorized by the Capital Markets Board and the Ministry of Customs and Trade were submitted to and approved by the general assembly of shareholders. The original and amended versions of the articles concerned are given in the appendix (page 241).

3. Capital Structure
As of 31 December 2013, the company's registered share capital ceiling was TRL 900,000,000 and its issued capital was TRL 592,105,263. During the reporting period there was no change in the company's capital structure.

4. Production and Sales
The production and sales amounts of beer, soft drinks and malt, as well as the domestic, international and consolidated net sales revenues for 2013, are given in the tables below.

A. PRODUCTION VOLUME				
		2013	**2012**	**Change (%)**
Beer (Operations in Turkey)	Beer (mhl)	7.4	8.7	-14.94
	Malt (ton)	95,184	110,313	-13.71
Beer (International Operations)	Beer (mhl)	17.9	20.4	-11.89
	Malt (ton)	113,150	140,691	-19.58
Total Soft Drinks	Soft Drinks (million unit cases)	965	848	13.80

B. SALES VOLUME				
		2013	**2012**	**Change (%)**
Beer (Operations in Turkey)	Beer (mhl)	7.3	8.6	-14.83
	Malt (ton)	0	295	-
Beer (International Operations)	Beer (mhl)	18.2	19.8	-7.99
	Malt (ton)			
Total Soft Drinks	Soft Drinks (million unit cases)	1,057.7	766.3	38.0

C. NET SALES (TRL thousand)	**Turkey Beer**	**International Beer**	**Soft Drinks**	**Other [1] and Eliminations**	**Total**
2013					
Sales	1,517,477	2,475,301	5,186,445	33,159	9,212,382
Intersegment sales	(13,005)	(1,132)	(85)	(2,387)	(16,609)
Sales Revenues	1,504,472	2,474,169	5,186,360	30,772	9,195,773

C. NET SALES (TRL thousand)	**Turkey Beer**	**International Beer**	**Soft Drinks**	**Other [1] and Eliminations**	**Total**
2012					
Sales	1,604,676	2,698,867	2,076,736	66,252	6,446,531
Intersegment sales	(11,960)	(220)	(48)	(17,469)	(29,697)
Sales Revenues	1,592,716	2,698,647	2,076,688	48,783	6,416,834

[1] *Includes other subsidiaries included in the consolidation of Anadolu Efes and headquarters expenses.*

5. Exports

Turkey-originated beer exports volume and CIF amounts in 2013, compared to 2012, are given in the table below.

EXPORTS	Amount (mhl)			CIF Amount (USD)		
	2013	2012	Change (%)	2013	2012	Change (%)
Exports	0.60	0.57	5.26	45.1	43.1	4.64

6. Capacity and Capacity Utilization Rates

Annual beer, malt and soft drinks production capacities and capacity utilization rates of the company's domestic and international, direct and indirect subsidiaries are as follows:

CAPACITY AND CAPACITY UTILIZATION RATES	Capacity	Capacity Utilization Rate in 2013 (%)
Beer (Operations in Turkey) (mhl)	10.0	74*
Beer (International Operations) (mhl)	33.3	54*
Total (mhl)	43.7	58*
Malt (Operations in Turkey) (ton)	117,680	81*
Malt (International Operations) (ton)	175,976	64*
Soft Drinks (million unit cases)	1,293	75**

* *Capacity Utilization Rate=Production Amount/Average Capacity*

** *Annual production capacity calculations are based on the formula provided by The Coca-Cola Company to all bottlers of Coca-Cola products. Calculations are made according to high season capacity utilization rates.*
Capacity is defined as the product obtained by multiplying the hourly unit case output of a plant at targeted utilization. Because package mix and sales may change from year to year, production capacity calculations for one year may not be directly comparable to such calculations for other years even if the numbers of production lines are the same.

7. Investment Policy and Investment Expenditures

Anadolu Efes is a company which pursues sustainable growth, takes risks that are quantifiable and manageable, and adroitly shepherds its investments. Continuously undertaking investments in order to maintain both its organic and its inorganic growth and to expand the market and foster a beer-appreciative culture in the countries in which it operates, the company also invests without letup in order to keep pace with rising demand. Anadolu Efes carries out its international beer investments through EBI, a wholly-owned subsidiary based in Holland, while its soft drinks investments in the Turkish and international markets are carried out by CCİ, in which it is the majority shareholder. CCİ is an independent company whose operations are completely separate from the Anadolu Efes' beer operations. CCİ provides for its own investment and working capital needs from its own cash flow and/or by borrowing and it makes no demands of Anadolu Efes on this account.

All of Anadolu Efes' investments and all investments related to all beer operations taking place under Anadolu Efes' responsibility are undertaken in line with Board of Directors-approved annual budgets and investment decisions as specified in business plans. Investments in beer operations are conducted as spelled out in the company's Investment Management Guide ("Guide"), whose aims are to ensure the appropriateness of investment decisions and to achieve standardization and consistency in investment activities. Every investment is carried out so as to be compatible with that specific operation's strategic business plan. Our most important priority is to make certain that only the most profitable and essential investments are undertaken in all beer operations. As a general principle, investment decisions must be based on the specific financial projections as spelled out in detail in the Guide and they must be documented in detail as also specified in the Guide.

The investment expenditures made by Anadolu Efes in recent years consist mainly of investments undertaken in three areas: investments related to the company's growth strategy; a variety of technical investments, which include those undertaken to make improvements and to comply with the requirements of laws and regulations in existing plants; marketing-related investments, such as investments in coolers aimed at increasing the cold-availability of products.

In the near and medium terms, Anadolu Efes' investment expenditures are expected to be related mainly to equipment purchases needed for technical improvements, outlays to fulfill legal compliance requirements, and marketing-related cooler upgrades. On the beer operations front, Anadolu Efes plans to set up a third brewery in Kazakhstan. However all of these outlays are associated exclusively with Anadolu Efes' beer operations and, as was pointed out above, CCİ is entirely responsible for financing its own investment expenditures and for satisfying any other needs for working capital that it may have. Experience shows that there may be significant discrepancies between Anadolu Efes' investment outlay projections and the company's actual expenditures. This is because investment plans and their performance are influenced by several factors such as market conditions, demand for the company's products, funding resources, operational cash flows, and other contingencies that are partly or sometimes even entirely beyond the company's control.

Total investments-related cash flow amounted to TRL 1,478.9 million in 2013. The (restated) figure for 2012 was TRL 408.4 million.

Of the TRL 1,478.9 million in cash flow spent by the company on investments in 2013, TRL 1,150.8 million was for the purchase of tangible and non-intangible assets related to the growth of soft drinks and beer operations. Of the remainder, TRL 37.2 million was for share capital increases in the company's joint ventures and TRL 290.9 million was for the acquisition of a minority stake in Efes Kazakhstan.

Of the TRL 408.4 million (restated figure) in cash flow spent by the company on investments in 2012, TRL 323.7 million was for the purchase of tangible and non-intangible assets related to the growth of beer operations while TRL 8.7 million was for share capital increases in the company's joint ventures and TRL 75.9 million was concerned with an investment related to SABMiller's Russian and Ukrainian operations. (TRL 75.9 million represents the difference between the assessed value of the SABMiller Russian and Ukrainian operations acquired by Anadolu Efes and the assessed value of 24% of the increase in Anadolu Efes' share capital that was transferred to SABMiller Anadolu Efes Limited.)

8. Investment Incentives

Anadolu Efes takes advantage of various "investment incentives" that are provided under Turkish laws and regulations whose intent is to encourage investment in designated regions of the country. Anadolu Efes also benefits from incentives under the Ministry of Economy's "Turquality" project, specifically under the headings of "International Branding of Turkish-Made Products" and "Entrenching the 'Made In Turkey' Logo".

9. Information Related to Employees

The average number of employees for the years ended on 31.12.2012 and 31.12.2013 are as follows (numbers represent the employees of the companies that are being consolidated):

2012: 9,005 (restated)
2013: 19,852

Anadolu Efes agreed with Tek-Gıda İş Labour Union on the terms of the collective bargaining agreement for the period September 1, 2013 – August 31, 2015.

The main terms of the collective agreement are as follows;

- Gross wages of the union member employees will be increased by 310TL per person per month in the first year of the collective bargaining agreement,
- In the second year of the agreement, gross wages of the union member employees will be increased by the rate of increase in the Consumer Price Index announced by the State Statistical Institute plus by 70TL per person per month,
- Social benefits will be increased by 12.4% in the first year of the agreement, while the increase will be in line with the increase in Consumer Price Index to be announced by the State Statistical Institute for the second year.

10. Donations and Assistance; Social Responsibility Project-Related Outlays; Benefits Provided to Company Directors and Senior Managers

In 2013, Anadolu Efes paid out a total of TRL 6,323,435 as charitable donations.

The consolidated value of Anadolu Efes' expenditures related to social responsibility projects was TRL 5,197,440.

Information about benefits consisting of salaries, bonuses, shares of profits, and similar forms of remuneration paid to members of the company Board of Directors and of its senior management is presented in the footnotes to the financial statements. The total value of all benefits provided to these persons as allowances (including travel, accommodation and representation allowances), as access to company-owned properties, as cash facilities, and as insurance and other guarantees was TRL 907,310 in 2013.

11. R&D

Anadolu Efes has been carrying out R&D work on barley, one of the most important inputs used in brewing, since 1982. The company has developed 15 barley cultivars, all of which are registered in its own name.

This R&D work has resulted in such benefits as diversifying and improving plant breeds, increasing crop productivity by 30%, and improving product quality.

12. Organizational Structure

Anadolu Efes - Turkey Beer Operations

Altuğ Aksoy - Efes Beer Group - Turkey Beer Operations Managing Director
See page 38 for Altuğ Aksoy's curriculum vitae.

Görkem Özer - Marketing Director
Görkem Özer graduated from Dokuz Eylül University (Department of Business Administration) in 1997 and holds an MBA from Sabancı University. She began his career as a Sales Representative in the Aegean Sales Department of Efes Pazarlama. He subsequently served as a Marketing Representative in the Efes Turkey Marketing Directorate (1997-1998), as a Sales Supervisor in the İstanbul Sales Department (1998-1999), as a Sales Chief in the İstanbul Sales Department (1998-1999), as a Sales Systems Supervisor in the Sales Systems Department (2001-2004), as a Product Manager in the Efes Turkey Marketing Directorate (2004-2006), as a Marketing Manager at Efes Kazakhstan (2006-2008), as a Local Brands Marketing Director in the Efes Turkey Marketing Directorate (2008-2010), and as an Operational Marketing Director in the EBG Marketing and Sales Directorate (2010-2012). Görkem Özer became Marketing Director for Efes Turkey as of January 2013.

Ertan Cüceloğlu - Sales Director *
Ertan Cüceloğlu graduated from the Middle East Technical University, Department of Economics in 1981 and began his career in Anadolu Efes as a Marketing Specialist at Erciyas Biracılık in İstanbul in 1983. He worked as a Sales Inspector at Güney Biracılık in Adana (1983-1987), Sales Supervisor at Ege Biracılık in Ankara (1987-1996), Direct Distribution Assistant Manager at Ege Biracılık in Ankara (1996), Sales Manager at EFPA Ankara (1996-1998) and Sales Manager at EFPA İstanbul (1998-2005). Mr. Cüceloğlu has been serving as the Sales Director of Turkey Beer Operations since September 2005.

** Levent Tansi was appointed to the position of Efes Türkiye Sales Director as of January 1, 2014.*

Burhan Tanık- Finance Director
Having graduated from Dokuz Eylül University Business Administration Department in 1998, Burhan Tanık worked as an auditor at Arthur Andersen between years 1998-2002, and at Ernst & Young between years 2002-2003. Mr. Tanık began his career in Anadolu Efes as Efes Beverage Group Financial Controller in years 2003. Between years 2003-2006 he served as Moscow Efes Breweries Budget and Planning Manager. Following that, he worked as Efes Russia Financial Control Manager between years 2006-2007, Efes Russia Finance Director between years 2007-2012 and Efes Russia Finance and Control Director between years 2012-2013. As of November 1, 2013, Mr. Tanık has been appointed as Efes Turkey Finance Director. Mr. Tanık is a Certified Public Accountant.

M. Can Karakaş - Corporate Affairs Director
M. Can Karakaş graduated from Ankara University, Faculty of Political Sciences Business Economics and Industrial Relations Department in 1988 and worked as a journalist and as Ankara office representative respectively for Nokta news magazine from 1986 to 1994. He served as an editor and news director at Inter-STAR TV channel (1994-2000) and Corporate Affairs Manager at Japan Tobacco International (2000-2010). Mr. Karakaş joined Anadolu Efes in June 2010 as Corporate Affairs Director, a position he still holds.

M. Adnan Aktan - Human Resources Director
M. Adnan Aktan graduated from the Academy of Economic and Commercial Sciences in Ankara, Business Administration and Accounting Department in 1978. Mr. Aktan began his career in Anadolu Efes in 1981 as Accounting Supervisor at the Ankara Sales Office of Ege Biracılık. He worked as Accounting Supervisor at Anadolu Biracılık in Konya (1982-1988) and at Ege Biracılık in Afyon (1988-1995), as Human Resources Manager at Ege Biracılık in Ankara (1995-1999), as Finance and Administration Manager at Anadolu Efes Biracılık in Ankara (1999-2002), as Human Resources Systems Manager at Turkey Beer Operations in İstanbul (2002) and as Human Resources Manager at Anadolu Efes in İstanbul (2003). Mr. Aktan has been serving as Human Resources Director of Efes Turkey since April 2003.

Gani Küçükkömürcü - Supply Chain Director
Gani Küçükkömürcü graduated from the Department of Chemical Engineering at the Middle East Technical University in 1993, and completed his master's degree in Brewing and Distilling at Heriot-Watt University in Scotland. He worked at Bossa T.A.Ş. as an Operation Engineer from 1993 to 1996 and began his career in Anadolu Efes as Production Engineer at Güney Bira in 1996. He worked as Beer Production Supervisor (1998-2003); as Operations Manager at Lüleburgaz Plant (2003-2005); as Technical Manager at İstanbul Plant (2005-2006), and as Country Technical Manager of Efes Kazakhstan (2006-2009). Mr. Küçükkömürcü has been serving as the Supply Chain Director of Turkey beer operations since August 2009.

Levent Tansi - OTC Director
Levent Tansi graduated from Ankara University, Department of Agricultural Engineering in 1989 and joined Anadolu Efes in 1992 as Regional Supervisor at Ege Biracılık in Ankara. He worked as a Sales Executive at EFPA Ankara (1996-1998), Assistant Sales Manager at EFPA İstanbul (1998-1999), Kadıköy Sales Manager at EFPA İstanbul (1999-2001), Mediterranean Sales Manager at EFPA İzmir (2001-2004), Key Accounts Manager at Turkey Beer Operations (2004-2006), and Market Development Manager at Efes Turkey Head Office (2006-2011). Mr. Tansi has been serving as the OTC Director of Efes Turkey since September 2011.

** Bülent Çelikmen was appointed to the position of Efes Türkiye OTC Director as of January 1, 2014.*

13. Issues Related to Group Companies
Instances in which the company increased or reduced any direct or indirect stakes it owns in the capital of any associate, subsidiary, or joint venture during the reporting period are summarized below.

	Effective rate (%)		
	31.12.2012	**31.12.2013**	**Reason for change**
CJSC SABMiller RUS	100.0%	0.00%	Merger
CJSC Moscow-Efes Brewery (ZAO Moscow)	90.96%	99.93%	Exercise of sales option right
Dinal LLP	72.00%	0.00%	Liquidation
CJSC Efes Kazakhstan Brewery	72.00%	100.00%	Acquisiton of minority shares
OOO Vostok Solod	90.96%	99.93%	Exercise of sales option right
OOO Centralny Torgovy Dom Krasny Vostok	90.96%	0.00%	Liquidation
ZAO Moskovsky Torgovy Dom Krasny Vostok	90.96%	99.93%	Exercise of sales option right

14. Other issues

The company acquired none of its own shares during the reporting period.

The company did not undergo any special audits during the reporting period. The company did undergo normal audits by public authorities as required by the laws and regulations to which it is subject.

As of the reporting date (31 December 2013), the company was not a respondent in any suit whose outcome would be capable of significantly affecting either the company's financial position or the conduct of its business.

As of the reporting date, no administrative or judicial action had been initiated against the company or any member of its Board on account of any violation of the requirements of law.

As of the reporting date, no member of company's Board of Directors had demanded the issuance of any report as provided for under Article 199/4 of the Turkish Commercial Code.

The company's financial position is solid. There is no risk of its having insufficient capital or of its becoming insolvent.

No member of the company's management has been authorized by the general assembly of shareholders to engage in business, on their own behalf or on behalf of someone else, that is in competition with the company.

In the Affiliate Report approved by the Board of Directors of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. concerning the company's dealings with members of its own corporate group it is stated that the company was involved in no dealings that were directed by a controlling shareholder or by any entity belonging to a controlling shareholder or by any other controlling entity and there were no dealings that were undertaken solely for the benefit of a controlling shareholder or any entity belonging to a controlling shareholder; that there were no measures that were either taken or refrained from solely for the benefit of a controlling shareholder or of any entity belonging to a controlling shareholder; that all the dealings in which the company was involved during 2013 with any controlling shareholder or with any entity belonging to a controlling shareholder were conducted on an arm's-length basis and the company was, to the best of our knowledge, adequately and appropriately compensated for each and every such transaction that it entered into at the time the transaction occurred; that there were no measures that were either taken or refrained from that would have benefited a controlling shareholder of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. or any entity belonging to a controlling shareholder while also causing the company to suffer a loss and that, for this reason, there were no transactions or measures whose consequences need to be compensated for.

Dividend Distribution Proposal

Dear shareholders:

In its meeting held on March 07, 2014 our Board of Directors resolved not to distribute dividends, as no distributable profit was recorded in the legal records of Anadolu Efes for the period January-December 2013, and to submit this decision to the approval of the General Assembly.

Tuncay Özilhan
Chairman

ANADOLU EFES BİRACILIK VE MALT SANAYİ VE TİCARET A.Ş.
2013 DIVIDEND DISTRIBUTION PROPOSAL (TRL)

1-	**Share Capital**		**592,105,263.00**
2-	**Total Legal Reserves (as per Statutory Records)**		**249,540.752.81**
If there are privileges for distribution of profits according to the Articles of Incorporation, information on such privileges			None.
		As per CMB	**As per Statutory Records**
3-	Profit for the Period [*]	2,658,373,343.48	-13,471,387.63
4-	Provision for Taxes (-)	49,452,894.00	0.00
5-	**Net Income (=)**	**2,608,920,449.48**	**-13,471,387.63**
6-	Previous Years' Losses (-)	0.00	0.00
7-	First Series of Legal Reserves (-)	0.00	0.00
8-	**NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)**	**2,608,920,449.48**	**-13,471,387.63**
9-	Donations within the Year (+)	6,254,616.16	
10-	Net Distributable Profit for the Period Including Donations	2,615,175,065.64	
11-	First Dividend to Shareholders	(1 or 10) Ratio determined by the partnership	
	- Cash		
	- Bonus		
	- Total		
12-	Dividends Distributed to Owners of Preferred Shares		
13-	Other Distributed Dividends		
	- To Board Members		
	- To Employees		
	- To People Other than Shareholders		
14-	Dividends Distributed to Owners of Redeemed Shares		
15-	Second Dividend to Shareholders of Ordinary Shares		
16-	General Legal Reserves		
17-	Statutory Reserves	0.00	0.00
18-	Special Reserves	0.00	0.00
19-	**EXTRAORDINARY RESERVES**	**2,608,920,449.48**	**0.00**
20-	Other Resources to be Distributed	-	-

[*] The Group and the Coca-Cola Export Corporation (TCCEC) which owns the 20,09% of CCİ, have decided to modify provisions of CCİ's Articles of Association in particular those described as "major decisions" with the execution of the Shareholder's Agreement. As a result of such amendment, TCCEC will have certain protective rights on such major decisions in accordance with the Shareholder's Agreement.

In addition, with the approval of amendment of Shareholders' Agreement of Coca-Cola Beverage Pakistan Ltd. (CCBPL) with CCİ Board decision, the control power of CCBPL, which was previously controlled jointly, has been transferred to CCİ. Consequently, with effect from January 1, 2013 CCBPL has been consolidated to the financial statements of CCİ in accordance with IFRS.

In accordance with IFRS, these transactions, which in fact do not include any consideration transferred, are accounted for as a business combination. With the change in scope of consolidation, the gain amounting to TRL2.722.194 occurred from the difference between the fair value and carrying value of CCİ and CCBPL net assets, and also the currency translation differences, minority put option liability reserve, cash flow hedge reserve, actuarial gain / (loss) and other reserves attributable to previously held shares is recognized in the interim income statement under "income from investing activities".

Statement of Responsibility

BOARD OF DIRECTORS' RESOLUTION ON THE APPROVAL OF FINANCIAL STATEMENTS AND ANNUAL REPORT
RESOLUTION DATE: 7 MARCH 2014 / 11 MARCH 2014
RESOLUTION NUMBER: 2014 - 219/221

DECLARATION OF RESPONSIBILITY PURSUANT TO ARTICLE 9 OF THE SECOND SECTION OF CAPITAL MARKETS BOARD COMMUNIQUE ON PRINCIPLES PERTAINING TO FINANCIAL REPORTING IN CAPITAL MARKETS

Appended to this resolution are our financial statements and annual report for January-December 2013, which have been approved by our company's Board of Directors and Audit Committee, which have been prepared in compliance with Capital Markets Board (SPK) Communique II-14.1 on principles pertaining to financial reporting in capital markets and with Turkish Accounting/Financial Reporting Standards (TMS/TFRS) and in an SPK-compatible format, and which have been independently audited.

We hereby declare:

a) We have examined the consolidated financial statements and annual report dated 31 December 2013;

b) That, to the best of our knowledge within the framework of our duties and responsibilities at our company, neither the consolidated financial statements nor the annual report contain any assertion that is untrue insofar as matters of material importance are concerned or any omission that would lead to the conclusion that such assertions were misleading as of the date on which they were made;

c) That, to the best of our knowledge within the framework of our duties and responsibilities at the company, these consolidated financial statements prepared in accordance with current financial reporting standards honestly reflect the realities of our company's assets, liabilities, financial standing, and profits & losses, and the annual report honestly reflects our company's business and performance and honestly reflects our company's financial standing along with any material risks and uncertainties that confront it.

Mete Başol
Chairman of the Audit Committee

Ahmet Dördüncü
Member of the Audit Committee

Onur Çevikel
Finance Group Director

Burhan Tanık
Finance Director

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Independent Auditor's Report on the Annual Report

To the Board of Directos of

Anadolu Efes Biracılık ve Malt Sanayii A.Ş.

1. As part of our audit, we have assessed whether the financial information and the assessment and explanations of the Board of Directors presented in the annual report of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. ("the Company") prepared as of 31 December 2013 are consistent with the audited consolidated financial statements as of the same date.
2. Management is responsible for the preparation of the annual report in accordance with "the Communique on Determining the Minimum Contents of Company Annual Reports".
3. Our responsibility is to express an opinion on whether the financial information provided in the annual report is consistent with the audited consolidated financial statements on which we have expressed our opinion dated 7 March 2014.

   Our assessment is made in accordance with the principles and procedures for the preparation and issuing of annual reports in accordance with Turkish Commercial Code No. 6102 ("TCC"). Those principles and procedures require that an audit is planned and performed to obtain reasonable assurance whether the financial information provided in the annual report are free from material misstatement regarding the consistency of such information with the audited consolidated financial statements and the information obtained during the audit.

   We believe that the assessment we have made is sufficient and appropriate to provide a basis for our opinion.
4. Based on our opinion, the financial information and the assessment and explanations of the Board of Director's in the accompanying annual report of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. are consistent with the audited consolidated financial statements as at 31 December 2013.

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

Burak Özpoyraz, SMMM
Partner

Istanbul, 7 March 2014

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Financial Statements as of 31 December 2013 together with Independent Auditor's Report

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

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 balance sheet of Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (the "Company) and its subsidiaries (collectively referred to as the "Group") as at

   31 December 2013 and the related consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Group 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 Turkish Accounting Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") and for such internal controls as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to error and/or fraud.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our audit was conducted in accordance with standards on auditing issued by the Capital Markets Board of Turkey. Those standards require that ethical requirements are complied with and that the audit is planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement.

   An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error and/or fraud. In making those risk assessments, the Group's internal control system is taken into consideration. Our purpose, however, is not to express an opinion on the effectiveness of internal control system, but to design procedures that are appropriate for the circumstances in order to identify the relation between the consolidated financial statements prepared by the Group and its internal control system. An audit includes also evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Group's management, as well as evaluating the overall presentation of the consolidated 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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Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Independent Auditor's Report

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. and its subsidiaries as at 31 December 2013, and their financial performance and their cash flows for the year then ended in accordance with Turkish Accounting Standards (Note 2).

Reports on independent auditor's responsibilities arising from other regulatory requirements

5. In accordance with Article 402 of the Turkish Commercial Code; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit, additionally, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2013 is not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.

6. Pursuant to Article 378 of Turkish Commercial Code No. 6102, Board of Directors of publicly traded companies are required to form an expert committee, and to run and to develop the necessary system for the purposes of: early identification of causes that jeopardize the existence, development and continuity of the company; applying the necessary measures and remedies in this regard; and, managing the related risks. According to subparagraph 4, Article 398 of the code, the auditor is required to prepare a separate report explaining whether the Board of Directors has established the system and authorized committee stipulated under Article 378 to identify risks that threaten or may threaten the company and to provide risk management, and, if such a system exists, the report, the principles of which shall be announced by the POA, shall describe the structure of the system and the practices of the committee. This report shall be submitted to the Board of Directors along with the auditor's report. Our audit does not include evaluating the operational efficiency and adequacy of the operations carried out by the management of the Company in order to manage these risks. As of the balance sheet date, POA has not announced the principles of this report yet so no separate report has been drawn up relating to it. On the other hand, the Company formed the mentioned committee on 7 June 2012 and it is comprised of 4 members. The committee has met 3 times since its formation to the reporting date for the purposes of early identification of risks that jeopardize the existence of the company and its development, applying the necessary measures and remedies in this regard, and managing the risks, and has submitted the relevant reports to the Board of Directors.

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

Burak Özpoyraz, SMMM
Partner

Istanbul, 7 March 2014

Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. a member of PricewaterhouseCoopers
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Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Financial Statements as of December 31, 2013

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Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Statement of Financial Position as at December 31, 2013

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

		Audited	
			Restated- Note 2
	Notes	**2013**	2012
ASSETS			
Current Assets		**4.959.127**	2.965.619
Cash and Cash Equivalents	6	**1.746.369**	1.394.649
Financial Investments	7	**562.985**	170.746
Trade Receivables			
- Trade Receivables from Related Parties	34	**6.213**	175
- Trade Receivables from Third Parties	10	**888.315**	632.994
Other Receivables from Third Parties	11	**47.523**	16.629
Inventories	12	**1.004.016**	551.128
Prepaid Expenses	13	**430.509**	152.544
Prepaid Income Tax		**74.556**	23.404
Other Current Assets	22	**198.641**	23.350
Non-Current Assets		**17.407.857**	7.415.937
Financial Investments		**786**	786
Other Receivables from Third Parties	11	**5.566**	1.028
Investments in Associates	14	**62.755**	1.215.786
Investment Property	15	**117.135**	-
Property, Plant and Equipment	16	**5.759.638**	2.582.438
Intangible Assets			
- Goodwill	18	**2.453.049**	1.783.196
- Other Intangible Assets	17	**8.636.751**	1.632.100
Prepaid Expenses	13	**222.670**	113.789
Deferred Tax Asset	32	**132.529**	74.285
Other Non-Current Assets	22	**16.978**	12.529
TOTAL ASSETS		**22.366.984**	10.381.556

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

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Statement of Financial Position as at December 31, 2013 ...continued

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

		Audited	
			Restated-Note 2
	Notes	2013	2012
LIABILITIES			
Current Liabilities		**3.147.302**	1.714.006
Short-term Borrowings	8	**303.369**	306.350
Short-term Portion of Long-term Borrowings	8	**1.437.073**	443.306
Trade Payables			
- Trade Payables to Related Parties	34	**27.630**	23.064
- Trade Payables to Third Parties	10	**773.687**	324.148
Employee Benefits Payable	21	**53.612**	23.665
Other Payables to Third Parties	11	**414.449**	427.452
Derivative Instruments	9	**479**	-
Deferred Income	13	**50.654**	19.140
Provision for Income Tax		**6.753**	15.521
Short-term Provisions			
- Short-term Provision for Employee Benefits	21	**67.786**	49.636
- Other Short-term Provisions		**5.396**	4.864
Other Current Liabilities	22	**6.414**	76.860
Non-Current Liabilities		**5.757.756**	1.895.156
Long-term Borrowings	8	**3.535.490**	1.302.407
Trade Payables to Third Parties		**2.895**	-
Other Payables to Third Parties	11	**210.821**	198.337
Deferred Income	13	**3.643**	-
Long-term Provision for Employee Benefits	21	**88.319**	51.344
Deferred Tax Liability	32	**1.730.612**	332.880
Other Non-Current Liabilities	22	**185.976**	10.188
Equity		**13.461.926**	6.772.394
Equity Attributable to Equity Holders of the Parent		**9.571.651**	6.702.765
Issued Capital	23	**592.105**	592.105
Inflation Adjustment to Issued Capital	23	**63.583**	63.583
Share Premium/Discount	23	**3.137.684**	3.137.684
Other Reserves		**(235.742)**	(10.653)
Cumulative Other Comprehensive Income / Expense not to be Classified to Profit and Loss			
- Revaluation and Re-measurement Loss	23	**(5.398)**	(7.152)
Cumulative Other Comprehensive Income / Expense to be Classified to Profit and Loss			
- Currency Translation Differences	23	**968.155**	141.456
- Hedge Gain / Loss	23	**(304)**	113
- Revaluation and Reclassification Gain	23	**(10.008)**	55.875
Restricted Reserves	23	**249.541**	209.644
Accumulated Profit	23	**2.203.115**	1.910.299
Net Income		**2.608.920**	609.811
Non-Controlling Interests	4	**3.890.275**	69.629
TOTAL LIABILITIES		**22.366.984**	10.381.556

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

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Income Statement for the Year Ended December 31, 2013

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

	Notes	Audited 2013	Restated-Note 2 2012
Revenue	2,5, 24	**9.195.773**	4.319.725
Cost of Sales (-)	2,24	**(5.200.108)**	(1.978.969)
GROSS PROFIT		**3.995.665**	2.340.756
General and Administrative Expenses (-)	25	**(797.048)**	(533.704)
Marketing Expenses (-)	25	**(2.461.797)**	(1.266.846)
Other Operating Income	27	**79.155**	55.812
Other Operating Expenses (-)	27	**(72.121)**	(55.668)
PROFIT FROM OPERATIONS		**743.854**	540.350
Income from Investing Activities	28	**2.801.995**	8.177
Expenses from Investing Activities (-)	29	**(84.161)**	(12.505)
(Loss) / Income from Associates	14	**(9.821)**	183.699
OPERATING PROFIT BEFORE FINANCE INCOME / (EXPENSE)		**3.451.867**	719.721
Finance Income	30	**406.981**	192.792
Finance Expenses (-)	31	**(956.405)**	(156.502)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**2.902.443**	756.011
Continuing Operations Tax Income / Expense			
- Current Period Tax Expense (-)	32	**(104.161)**	(144.697)
- Deferred Tax Income	32	**54.708**	19.480
INCOME FOR THE PERIOD		**2.852.990**	630.794
Profit for the Period Attributable to			
- Non-Controlling Interest	4	**244.070**	20.983
- Equity Holders of the Parent		**2.608.920**	609.811
Earnings Per Share (Full TRL)	33	**4,4062**	1,0765

The Group and the Coca-Cola Export Corporation (TCCEC) which owns the 20,09% of Coca-Cola İçecek A.Ş. (CCİ), have decided to modify provisions of CCİ's Articles of Association in particular those described as "major decisions" with the execution of the Shareholder's Agreement. As a result of such amendment, TCCEC will have certain protective rights on such major decisions in accordance with the Shareholder's Agreement (Note 3).

In addition, with the approval of amendment of Shareholders' Agreement of Coca-Cola Beverage Pakistan Ltd. (CCBPL) at CCİ Board of Director decision, the control power of CCBPL which has been jointly controlled has been transferred to CCİ. Consequently, with effect from January 1, 2013 CCBPL has been consolidated to the financial statements of CCİ which have been prepared in accordance with IFRS (Note 3).

In accordance with IFRS, these transactions, which in fact do not include any consideration transferred, are accounted for as a business combination. With the change in scope of consolidation, the gain amounting to TRL2.722.194 occurred from the difference between the fair value and carrying value of CCİ and CCBPL net assets, and also the currency translation differences, minority put option liability reserve, cash flow hedge reserve, actuarial gain / (loss) and other reserves attributable to previously held shares is recognized in the interim income statement under "income from investing activities".

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

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Statement of Comprehensive Income for the Year Ended December 31, 2013

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

	Audited	
		Restated Note-2
	2013	2012
PROFIT FOR THE PERIOD	**2.852.990**	630.794
OTHER COMPREHENSIVE INCOME		
Not to be Classified to Profit and Loss		
Actuarial Loss from Defined Benefit Plans	**(3.368)**	(3.677)
Other Comprehensive Income from Associates not to be Classified to Profit and Loss	**-**	(1.666)
Taxation on Other Comprehensive Income not to be Classified to Profit and Loss		
- Deferred Tax Expense (-) / Income	**674**	1.069
To be Classified to Profit and Loss		
Currency Translation Differences	**1.231.176**	(152.823)
Available for Sale Financial Investments Revaluation and / or Reclassification (Loss) / Gain	**(63.158)**	22.938
Cash Flow Hedge (Loss) / Gain	**(754)**	-
Other Comprehensive Income from Associates to be Classified to Profit and Loss	**-**	32.508
Other Comprehensive Income to be Classified to Profit and Loss	**(10.006)**	-
Taxation on Other Comprehensive Income to be Classified to Profit and Loss		
- Deferred Tax Expense (-) / Income	**3.309**	(2.756)
OTHER COMPREHENSIVE INCOME / LOSS	**1.157.873**	(104.407)
TOTAL COMPREHENSIVE INCOME	**4.010.863**	526.387
Total Comprehensive Income Attributable to		
- Non-Controlling Interest	**567.413**	16.960
- Equity Holders of the Parent	**3.443.450**	509.427

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

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Statement of Changes in Equity for the Year Ended December 31, 2013

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

				Cumulative Other Comprehensive Income / Expense not to be Classified to Profit and Loss	Cumulative Other Comprehensive Income / Expense to be Classified to Profit and Loss		
	Issued Capital	Inflation Adjustment to Issued Capital	Share Premium/ Discount	Revaluation and Remeasurement Gain / (Loss)	Currency Translation Differences	Hedge Gain / (Loss)	Revaluation and Reclassification Gain / (Loss)
Balance as of January 1, 2012 (Beginning) (Previously Reported)	450.000	63.583	-	-	289.853	-	12.739
Restatement due to change in IFRS 11 (Note 2)	-	-	-	-	-	-	-
Restatement due to change in IAS 19 (Note 2)	-	-	-	(2.874)	-	-	-
Balances as of January 1, 2012 (Beginning) (Restated)	450.000	63.583	-	(2.874)	289.853	-	12.739
Transfers	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	(4.278)	(148.397)	113	52.178
Capital Increase (Note 3)	142.105	-	3.137.684	-	-	-	-
Dividends	-	-	-	-	-	-	-
Transactions with Non-Controlling Interests	-	-	-	-	-	-	(9.042)
Increase / decrease due to other changes	-	-	-	-	-	-	-
Balance as of December 31, 2012 (Ending)	592.105	63.583	3.137.684	(7.152)	141.456	113	55.875
Balance as of January 1, 2013 (Beginning) (Previously Reported)	**592.105**	**63.583**	**3.137.684**	**-**	**141.456**	**113**	**55.875**
Restatement due to change in IFRS 11 (Note 2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Restatement due to change in IAS 19 (Note 2)	-	-	-	**(7.152)**	**-**	**-**	**-**
Balances as of January 1, 2013 (Beginning) (Restated)	**592.105**	**63.583**	**3.137.684**	**(7.152)**	**141.456**	**113**	**55.875**
Transfers	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Comprehensive Income	**-**	**-**	**-**	**(238)**	**905.079**	**(304)**	**(70.007)**
Dividends	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Change in non-controlling interest due to purchase of non-controlling interest (Note 3)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers due to Change in Scope of Consolidation (*)	**-**	**-**	**-**	**1.992**	**(78.380)**	**(113)**	**4.124**
Change in Non-Controlling Interests due to Change in Scope of Consolidation (**)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as of December 31, 2013 (Ending)	**592.105**	**63.583**	**3.137.684**	**(5.398)**	**968.155**	**(304)**	**(10.008)**

(*) The transfers reflect transferred amounts to the statement of income which are previously recognized in other comprehensive income as a result, effective from January 1, 2013 CCİ and CCBPL, previously accounted by using equity method is included in scope of consolidation.

(**) The change represents changes in non-controlling interests resulting from including CCİ and CCBPL in consolidation as of January 1, 2013.

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

		Accumulated Profit				
Other Reserves	**Restricted Reserves**	**Accumulated Profit / (Loss)**	**Net Income**	**Equity Attributable to Equity Holders of the Parent**	**Non- Controlling Interests**	**Equity**
(10.653)	176.995	1.820.233	341.175	3.143.925	62.959	3.206.884
-	-	-	-	-	(10.098)	(10.098)
-	-	-	2.215	(659)	-	(659)
(10.653)	176.995	1.820.233	343.390	3.143.266	52.861	3.196.127
-	32.649	89.717	(122.366)	-	-	-
-	-	-	609.811	509.427	16.960	526.387
-	-	-	-	3.279.789	-	3.279.789
-	-	-	(221.024)	(221.024)	(211)	(221.235)
-	-	349	-	(8.693)	-	(8.693)
-	-	-	-	-	19	19
(10.653)	209.644	1.910.299	609.811	6.702.765	69.629	6.772.394
(10.653)	**209.644**	**1.908.080**	**606.870**	**6.704.757**	**82.034**	**6.786.791**
-	**-**	**-**	**-**	**-**	**(12.405)**	**(12.405)**
-	**-**	**2.219**	**2.941**	**(1.992)**	**-**	**(1.992)**
(10.653)	**209.644**	**1.910.299**	**609.811**	**6.702.765**	**69.629**	**6.772.394**
-	**39.897**	**292.816**	**(332.713)**	**-**	**-**	**-**
		-	**2.608.920**	**3.443.450**	**567.413**	**4.010.863**
-	**-**	**-**	**(277.098)**	**(277.098)**	**(40.064)**	**(317.162)**
(225.089)	**-**	**-**	**-**	**(225.089)**	**(65.807)**	**(290.896)**
-	**-**	**-**	**-**	**(72.377)**	**-**	**(72.377)**
-	**-**	**-**	**-**	**-**	**3.359.104**	**3.359.104**
(235.742)	**249.541**	**2.203.115**	**2.608.920**	**9.571.651**	**3.890.275**	**13.461.926**

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Statement of Cash Flows for the Year Ended December 31, 2013

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

		Audited	
			(Restated - Note 2)
	Notes	**2013**	2012
A. CASH FLOWS FROM OPERATING ACTIVITIES		**1.263.694**	589.897
Profit for the Period		**2.852.990**	630.794
Adjustments Related to Reconciliation of Profit for the Period			
Depreciation and Amortization	2, 5, 16, 17, 26	**711.713**	349.723
Provision / (Reversal of Provision) for Inventory Obsolescence, net	2, 5, 12	**4.698**	(2.704)
Impairment / (Reversal of Impairment) on Property, Plant And Equipment, net	2,5, 16, 28, 29	**75.326**	-
Impairment / (Reversal of Impairment) on Intangibles, net	2,5, 17, 28, 29	**1.226**	-
Provision / (Reversal of Provision) for Doubtful Receivables, net	2, 5, 10	**2.290**	(413)
Provision for Retirement Pay Liability	2, 5, 21, 24, 25	**16.714**	12.900
Provision for Vacation Pay Liability	2, 5	**11.941**	2.807
Provision for Long Term Incentive Plan		**10.493**	5.955
Borrowing Expenses	31	**661**	111
Put Option Liability Valuation	28	**-**	(3.405)
Equity Loss / (Income) from Associates	14	**9.821**	(183.699)
Gain on Sale of Subsidiaries	28, 29	**(74.566)**	11.093
Income Recognized due to Change in Scope of Consolidation	5, 28	**(2.722.194)**	-
Interest Income and Expense Adjustment	30, 31	**79.974**	(3.486)
Unrealized Foreign Exchange Loss		**610.173**	(38.876)
Tax Income / Expense Adjustment	32	**49.453**	125.217
Gain / Loss from Sales of Non-Current Assets	28,29	**2.395**	(3.360)
Change in Working Capital			
Adjustments Related to Increase / Decrease in Inventory		**(97.893)**	(57.304)
Adjustments Related to Increase / Decrease in Trade Receivables		**(53.434)**	(118.518)
Adjustments Related to Increase / Decrease in Other Operating Receivables		**(10.911)**	(7.681)
Adjustments Related to Increase / Decrease in Trade Payables		**58.848**	(63.746)
Adjustments Related to Increase / Decrease in Other Operating Payables		**(114.693)**	112.214
Other Adjustments Related to Increase / Decrease in Working Capital		**22.477**	(30.254)
Vacation Pay, Retirement Pay Liability And Long Term Incentive Plan Paid	21	**(30.065)**	(10.094)
Other Reconciling Adjustments		**(579)**	(422)
Taxes Paid		**(153.164)**	(136.955)

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

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Consolidated Statement of Cash Flows for the Year Ended December 31, 2013 ...continued

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

		Audited	
			(Restated - Note 2)
		2013	2012
B. CASH FLOWS FROM INVESTING ACTIVITIES		**(842.826)**	(371.078)
Cash Inflow from Sale of Tangible and Intangible Assets		**23.773**	12.970
Cash Outflow from Purchase of Tangible and Intangible Assets		**(1.174.551)**	(336.705)
Cash inflow from the sale of other subsidiaries or share of funds or debt instruments		**92.197**	7.139
Dividends Received	14	**-**	30.169
Acquisition of subsidiary, net of cash acquired	3	**-**	(75.887)
Capital Increase in Investment Associates	14	**(37.201)**	(8.764)
Capital Increase from Non-Controlling Interests		**53.627**	-
Cash Outflow from Acquisition of Non-Controlling Interests, net	3	**(290.896)**	-
Cash Inflow due to Change in Scope of Consolidation	3	**490.225**	-
C. CASH FLOWS FROM FINANCING ACTIVITIES		**(192.685)**	543.872
Cash Inflow from Borrowings		**2.889.437**	2.266.090
Cash Outflows from Repayment of Borrowings		**(2.341.738)**	(1.437.521)
Dividends Paid	23	**(277.098)**	(221.024)
Dividends Paid to Non-Controlling Interests	4	**(40.064)**	(211)
Interest Received		**67.587**	49.101
Interest Paid		**(135.881)**	(43.348)
Change in Time Deposits With Maturity More Than Three Months		**(354.928)**	(69.215)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES (A+B+C)		**228.183**	762.691
D. EFFECT OF CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		**122.396**	(27.096)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**350.579**	735.595
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	**1.386.630**	651.035
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)		**1.737.209**	1.386.630

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Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Notes to the Consolidated Financial Statements as at December 31, 2013

(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. (Anadolu Efes, the Company) was established in İstanbul in 1966. Certain shares of Anadolu Efes are listed on the Borsa İstanbul ("BIST").

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

The Company, its subsidiaries and joint ventures will be referred to as the "Group". The average number of permanent personnel employed in the Group is 19.852 (December 31, 2012 Restated - 9.005).

The consolidated financial statements of the Group approved by the Board of Directors of the Company and signed by the Chief Financial Officer and Finance Director were issued on March 7, 2014. General Assembly and specified regulatory bodies have the right to make amendments to 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 trademark. The Group owns and operates eighteen breweries (five in Turkey, eight in Russia and five in other countries), seven malt production facilities (two in Turkey, five in Russia) and also nine facilities in Turkey, fourteen facilities in other countries for sparkling and still beverages production. The changes in activities of the Group after balance sheet date are explained in Note 37.

The Group also has joint control over Anadolu Etap Tarım ve Gıda Ürünleri San. ve Tic. A.Ş. (Anadolu Etap), which undertakes production and sales of fruit juice concentrates and purees in Turkey. The Group also has joint control over Syrian Soft Drink Sales & Dist. LLC which undertakes distribution and sales of sparkling and still beverages in Syria.

List of Shareholders

As of December 31, 2013 and December 31, 2012, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	December 31, 2013		December 31, 2012	
	Amount	**%**	Amount	%
Yazıcılar Holding A.Ş.	**139.787**	**23,61**	139.787	23,61
Özilhan Sınai Yatırım A.Ş.	**79.813**	**13,48**	79.813	13,48
Anadolu Endüstri Holding A.Ş. (AEH)	**35.292**	**5,96**	35.292	5,96
SABMiller Anadolu Efes Limited (SABMiller AEL)	**142.105**	**24,00**	142.105	24,00
Publicly traded and other	**195.108**	**32,95**	195.108	32,95
	592.105	**100,00**	592.105	100,00

Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Notes to the Consolidated Financial Statements as at December 31, 2013

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

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

Capital structure of AEH, the shareholder of the Company, comprises of Yazıcılar Holding A.Ş. (68%) and Özilhan Sınai Yatırım A.Ş. (32%); consequently, as of December 31, 2013 Yazıcılar Holding A.Ş. and Özilhan Sınai Yatırım A.Ş. together with SABMiller AEL represent directly and indirectly more than half of the voting rights of the Company according to the shareholder agreement.

List of Subsidiaries

The subsidiaries included in the consolidation and their effective shareholding rates at December 31, 2013 and December 31, 2012 are as follows:

Subsidiary	Country	Principal Activity	Segment	Effective Shareholding and Voting Rights %	
				2013	2012
Efes Breweries International N.V. (EBI)	The Netherlands	Facilitating foreign investments in breweries	International Beer	**100,00**	100,00
CJSC Moscow-Efes Brewery (Efes Moscow) (1)	Russia	Production and marketing of beer	International Beer	**99,93**	90,96
CJSC Knyaz Rurik (Knyaz Rurik)	Russia	Investment company of EBI	International Beer	**100,00**	99,95
CJSC Mutena Maltery (Mutena Maltery)	Russia	Production of malt	International Beer	**100,00**	99,95
CJSC Vostok Solod (2)	Russia	Production of malt	International Beer	**99,93**	90,96
OOO T'sentralny Torgovy Dom (2) (3)	Russia	Sales company	International Beer	**-**	90,96
LLC Moskovskii Torgovyii Dom (2)	Russia	Sales company	International Beer	**99,93**	90,96
CJSC SABMiller RUS (SABM RUS) (1)	Russia	Production and marketing of beer	International Beer	**-**	100,00
J.S.C. Efes Kazakhstan Brewery (Efes Kazakhstan) (4)	Kazakhstan	Production and marketing of beer	International Beer	**100,00**	72,00
Dinal LLP (Dinal) (3)	Kazakhstan	Distribution of beer	International Beer	**-**	72,00
Efes Vitanta Moldova Brewery S.A. (Efes Moldova)	Moldova	Production and marketing of beer, low alcoholic and non-alcoholic drinks	International Beer	**96,83**	96,83
Euro-Asien Brauerein Holding GmbH (Euro-Asien)	Germany	Investment company of EBI	International Beer	**100,00**	100,00
J.S.C. Lomisi (Efes Georgia)	Georgia	Production, marketing and sales of beer and carbonated soft drink	International Beer	**100,00**	100,00
PJSC Efes Ukraine (Efes Ukraine)	Ukraine	Production and marketing of beer	International Beer	**99,94**	99,94
Central Asian Beverages B.V. (Central Asian)	The Netherlands	Investment company of EBI	International Beer	**100,00**	100,00

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

List of Subsidiaries (continued)

				Effective Shareholding and Voting Rights %	
Subsidiary	**Country**	**Principal Activity**	**Segment**	**2013**	2012
Efes Trade BY FLLC (Efes Belarus)	Belarus	Market development	International Beer	**100,00**	100,00
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 SanayiTicaret 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	**99,82**	99,82
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
Efes Deutschland GmbH (Efes Germany)	Germany	Marketing and distribution of beer	Other	**100,00**	100,00
Coca-Cola İçecek A.Ş. (CCİ) (6) (7)	Turkey	Production, bottling of Coca-Cola products	Soft Drinks	**50,26**	50,26
Coca-Cola Satış Dağıtım A.Ş. (CCSD) (7)	Turkey	Distribution and selling of Coca-Cola, Doğadan and Mahmudiye products	Soft Drinks	**50,25**	50,25
Mahmudiye Kaynak Suyu Ltd. Şti. (Mahmudiye) (7)	Turkey	Filling and selling of natural spring water	Soft Drinks	**50,25**	50,25
Efes Sınai Dış Ticaret A.Ş. (EST) (7)	Turkey	Foreign trade	Soft Drinks	**50,35**	50,35
J.V. Coca-Cola Almaty Bottlers Limited Liability Partnership (Almaty CC) (7) (8)	Kazakhstan	Production, bottling, distribution and selling of Coca-Cola and distributions of Efes products	Soft Drinks	**50,26**	50,24
Tonus Joint Stock Company (Tonus) (7)	Kazakhstan	Investment company of CCİ	Soft Drinks	**49,87**	49,87
Azerbaijan Coca-Cola Bottlers LLC (Azerbaijan CC) (7)	Azerbaijan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**50,19**	50,19

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

List of Subsidiaries (continued)

Subsidiary	Country	Principal Activity	Segment	Effective Shareholding and Voting Rights % 2013	2012
Coca-Cola Bishkek Bottlers Closed Joint Stock Company (Bishkek CC) (7)	Kyrgyzstan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**50,26**	50,26
CCİ International Holland B.V. (CCİ Holland) (7)	The Netherlands	Investment company of CCİ	Soft Drinks	**50,26**	50,26
CC for Beverage Industry Limited (CCBL) (7)	Iraq	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**50,26**	50,26
The Coca-Cola Bottling Company of Jordan Ltd. (Jordan CC) (7)	Jordan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**45,23**	45,23
Coca-Cola Beverages Pakistan Ltd (CCBPL) (7) (9)	Pakistan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**24,91**	24,82
Türkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC) (7)	Turkmenistan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**29,90**	29,90
Waha Beverages B.V (7)	The Netherlands	Investment company of CCİ	Soft Drinks	**38,39**	38,39
Al Waha for Soft Drinks, Juices, Mineral Water,Plastics, and Plastic Caps Production LLC (Al Waha) (7)	Iraq	Production, distribution, bottling and selling of Coca-Cola products	Soft Drinks	**32,64**	32,64
Coca-Cola Beverages Tajikistan Limited Liability Company (Coca-Cola Tajikistan) (7)	Tajikistan	Production, distribution, bottling and selling of Coca-Cola products	Soft Drinks	**50,26**	50,26

(1) In January 2013, EBI has purchased 8,76% Efes Moscow shares from European Bank for Reconstruction and Development (EBRD) as a result of realization of the previously granted put option liability to EBRD by EBI. As a result of the acquisition, the Group's effective shareholding rate in Efes Moscow has increased to 99,93% (Note 3b). In October 2013, merger of SABM RUS with Efes Moscow has been completed in accordance with the restructuring of the Efes Beer Group Companies.

(2) Subsidiaries of Efes Moscow.

(3) OOO T'sentralny Torgovy Dom has been closed in May 2013 and Dinal LLP has been liquidated in May 2013.

(4) On January 2013, EBI has purchased 28% of Efes Kazakhstan's minority shares from Heineken International B.V. As a result of the acquisition, the Group's effective shareholding rate in Efes Kazakhstan has increased to 100% (Note 3a).

(5) The Company's beer operations in Turkey form the Turkey Beer Operations together with Ef-Pa and Tarbes.

(6) Shares of CCİ are currently traded on BIST.

(7) The Company and The Coca-Cola Export Corporation (TCCEC) which owns 20,09% shares of CCİ, decided to change some of the provisions defined as the "important decisions" in the Association Agreement which is effective from January 1, 2013. As a result of this change, in accordance with the Shareholders' Agreement, TCCEC will have certain protective rights on major decisions. As a result, with effect from January 1, 2013, Anadolu Efes gained control over CCİ and started to include CCİ and its subsidiaries in consolidation scope (Note 3c).

(8) In March 2013, transfer of 4,85% of Almaty CC shares owned by Tonus to CCİ was completed and CCİ's ownership in Almaty CC was increased to 100% resulting an increase in Group's indirect shareholding rate to 50,26%.

(9) The Shareholders' Agreement of CCBPL, which had approved by the decision of CCİ Board of Directors, has been amended and control power of jointly controlled CCBPL has been transferred to CCİ. As a result, effective from January 1, 2013; CCİ started to include CCBPL in consolidation (Note 3d).

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

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

Certain countries, in which consolidated subsidiaries and joint ventures operate, have undergone substantial political and economic changes in recent years. Accordingly, such markets do not possess well-developed business infrastructures and the Group's 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 commercial activities of subsidiaries and joint ventures.

NOTE 2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Preparation and Presentation of Consolidated Financial Statements

The consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, consolidated financial statements are prepared in accordance with the Turkish Accounting Standards issued by Public Oversight Accounting and Auditing Standards Authority ("POAASA"). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards ("TFRS") and its addendum and interpretations ("IFRIC").

The consolidated financial statements of the Group are prepared as per the CMB announcement of 7 June 2013 relating to financial statements presentations. Comparative figures are reclassified, where necessary, to conform to changes in the presentation of the current year's consolidated financial statements.

In accordance with the CMB resolution issued on 17 March 2005, listed companies operating in Turkey are not subject to inflation accounting effective from 1 January 2005. Therefore, the consolidated financial statements of the Group have been prepared accordingly.

The Company and its Turkish subsidiaries, associates and joint ventures maintain their books of accounts and prepare their statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and principles issued by CMB. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These consolidated financial statements have been prepared under historical cost conventions except for financial assets and financial liabilities which are carried at fair value. The consolidated financial statements are based on the statutory records, which are maintained under historical cost conventions, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with TAS.

2.2 Functional and Reporting Currency

Functional and reporting currency of the Company and its subsidiaries, joint ventures located in Turkey is Turkish Lira. 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 carry out their transactions mostly in Euro (EURO) or US Dollars (USD) more than in any other currency, those foreign subsidiaries or joint ventures have adopted EURO or USD as their functional currencies

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

2.2 Functional and Reporting Currency (continued)

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

		Functional Currency	
Subsidiary or Joint Venture	**Local Currency**	**2013**	2012
EBI	EURO	**USD**	USD
Efes Moscow	Russian Ruble (RUR)	**RUR**	RUR
Knyaz Rurik	RUR	**RUR**	RUR
Mutena Maltery	RUR	**RUR**	RUR
Efes Kazakhstan	Kazakh Tenge (KZT)	**KZT**	KZT
Efes Vitanta	Moldovan Leu (MDL)	**MDL**	MDL
Efes Georgia	Georgian Lari (GEL)	**GEL**	GEL
Efes Ukraine	Ukraine Hryvnya (UAH)	**UAH**	UAH
AETMC	EURO	**EURO**	EURO
EHTMC	EURO	**EURO**	EURO
Efes Germany	EURO	**EURO**	EURO
CCİ Holland	EURO	**USD**	USD
Almaty CC	KZT	**USD**	USD
Azerbaijan CC	Azerbaijani Manat (AZM)	**USD**	USD
Bishkek CC	Kyrgyz Som (KGS)	**USD**	USD
CCBPL	Pakistan Rupee (PKR)	**PKR**	PKR
CCBL	Iraqi Dinar (IQD)	**USD**	USD
Al Waha	Iraqi Dinar (IQD)	**USD**	USD
Jordan CC	Jordan Dinar (JOD)	**USD**	USD
Turkmenistan CC	Turkmenistan Manat (TMT)	**USD**	USD
Coca-Cola Tajikistan	Somoni (TJS)	**USD**	USD

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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

Revised and amended standards and interpretations that are effective after January 1, 2013:

- IFRS 1 (amendment), "First time adoption, on government loans", is effective for annual periods beginning on or after January 1, 2013 and earlier application is permitted. The amendment introduces how the first time adopters shall account the government loans at a below market rate of interest.
- IFRS 7 (amendment) "Financial Instruments: Disclosures-Offsetting Financial Assets and Financial Liabilities" (effective for annual periods beginning on or after January 1, 2013 and interim periods within those annual periods). The purpose of the amendment is to increase comparability between companies reporting under IFRS and US GAAP by improving disclosure explanations.
- IFRS 10 "Consolidated Financial Statements" (effective for annual periods beginning on or after January 1, 2013): A new definition of control is introduced, which is used to determine which entities are consolidated. This is a principle based standard and require preparers of financial statements to exercise significant judgment.
- IFRS 11 "Joint Arrangements" (effective for annual periods beginning on or after January 1, 2013): IFRS 11 focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. Proportional consolidation of joint arrangements is no longer permitted. The standard is applied using a modified retrospective approach. Impact on the Group's financial position and performance of the standard is stated at Note 2.30.
- IFRS 12, "Disclosures of Interests in Other Entities", is effective for annual periods beginning on or after January 1, 2013. IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.
- IAS 27 "Separate Financial Statements" (effective for annual periods beginning on or after January 1, 2013): In addition to control description disclosed in IFRS 10, previously in IAS 27, provides information about the separate financial statements.
- IAS 28 "Investments in Associates and Joint Ventures" (effective for annual periods beginning on or after January 1, 2013): This standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

IFRS 10, IFRS 11 and IFRS 12, IAS 27 and IAS 28 make up a package of five new and revised standards which must be adopted simultaneously. Earlier application is permitted The amendment also provides additional transition relief in IFRS 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosure related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for the periods before IFRS 12 is applied.

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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)

Revised and amended standards and interpretations that are effective after January 1, 2013: (continued)

- IFRS 13, "Fair value measurement" aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs.
- IAS 1 (amendment), "Presentation of financial statements, regarding other comprehensive income" (effective for annual periods beginning on or after July 1, 2012). The main change resulting from these amendments is a requirement for entities to the group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.
- IAS 19 (amendment) "Employee Benefits" (effective for annual periods beginning on or after January 1, 2013). IAS 19 has been amended to remove the corridor mechanism and to make the distinction between short-term and other long-term employee benefits based on expected timing of settlement rather than employee entitlement. The revised standard is applied retrospectively with a few exceptions. Early adoption is permitted. Impact on the Group's financial position and performance of the standard is stated in Note 2.30.
- IFRIC 20, 'Stripping costs in the production phase of a surface mine' is effective for annual periods beginning on or after January 1, 2013. This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities reporting under IFRS to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body.
- Improvements made to IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34 in 2011 are effective for the periods beginning on or after January 1, 2013.

Revised and amended standards and interpretations that are effective after January 1, 2014 but not early adopted by the Group

- IFRS 9 'Financial instruments' - classification and measurement; is effective for annual periods beginning on or after January 1, 2015. This standard on classification and measurement of financial assets and financial liabilities will replace IAS 39, 'Financial instruments: Recognition and measurement'. IFRS 9 has two measurement categories: amortised cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. For liabilities, the standard retains most of the IAS 39 requirements. These include amortised-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. This change will mainly affect financial institutions.

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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)

Revised and amended standards and interpretations that are effective after January 1, 2014 but not early adopted by the Group (continued)

- Amendments to IFRS 9, 'Financial instruments', regarding general hedge. These amendments to IFRS 9, 'Financial instruments', bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements.
- IFRS 10, (amendment) "Consolidated Financial Statements", IFRS 12 and IAS 27 for "Investment Entities" is effective for annual periods beginning on or after January 1, 2014. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. The amendments give an exception to entities that meet an "investment entity" definition and which display particular characteristics. Changes have also been made IFRS 12 to introduce disclosures that an investment entity needs to make.
- Amendment to IAS 19 regarding defined benefit plans; is effective for annual periods beginning on or after 1 July 2014. These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.
- IAS 32 (amendment), ''Financial instruments: Presentation'', on offsetting financial assets and financial liabilities", is effective for annual periods beginning on or after January 1, 2014. The amendment updates the application guidance in IAS 32, 'Financial instruments: Presentation', to clarify some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.
- IAS 36 (amendment), "Impairment of assets'' on recoverable amount disclosures for non-financial assets This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13.
- IAS 39 (amendment) "Financial Instruments: Recognition and Measurement - Novation of derivatives" is effective for annual periods beginning on or after January 1, 2014. This amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument to a central counterparty meets specified criteria.
- IFRIC 21, 'Levies' sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognised.
- In the scope of IFRS improvements, amendments on IFRS 1,2,3,8,9,13 and IAS 16, 39, 40 during 2010-2013 is effected for annual periods beginning on or after I July 2014.

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

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.

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 the 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 CMB Financial Reporting Standards.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated by 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 with equity method starting from January 1, 2013 according to IFRS 11.

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

The acquisition method of accounting is used for business combinations. 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 cash in hand, bank deposits and short-term investments, which can easily be converted into cash for a certain amount, has high liquidity with original maturities of 3 months or less. The deposits with the original maturities more than 3 months are classified to financial investments. The amounts paid under reverse repurchase agreements are included in the cash and cash equivalents.

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

2.8 Trade Receivables and Provisions for Doubtful Receivables

Trade receivables that are originated by the Group by the way of providing goods or services are generally collected in 5 to 90 day terms. Trade receivables are recognized and carried at discounted amount if they bear significant interest less an allowance for any uncollectible amounts. The provisions for doubtful receivables are set aside when there is objective evidence that a receivable cannot be collected and is charged as an expense in the consolidated financial statements. The provision is the difference between the carrying amount and the recoverable amount, being all cash flows, including amounts recoverable from guarantees and collaterals.

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 who are principle owners, management and members of the Group's board of directors and their families. Amounts 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 are valued at the lower of cost and net realizable value. 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 the 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.

2.11 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.

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

2.11 Financial Investments (continued)

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 classified as available-for-sale are measured at fair value. For investments 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 negative or positive 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. Negative valuation differences that are exceeding previously recorded value increases are reflected to income statement.

Investments classified as available-for-sale investments, that do not have a quoted market price on 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 in the accounts at the date of obligation of the Group for purchasing or selling the asset.

2.12 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 by the 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

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

2.12 Property, Plant and Equipment (continued)

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 28).

The Group management accounts returnable bottles under property, plant and equipment. Deposit obligations relating to such returnable bottles are reflected in other payables. The Group carries the liabilities related to returnable packages of Turkey Beer operation in the consolidated balance sheet, until the return of these packages from points of sales. 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.

2.13 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.

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

2.13 Intangible Assets (continued)

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 amortized. The brands are tested for impairment annually.

b) Bottlers and Distribution Agreement

Bottlers and distribution agreements include

i) Bottlers and distribution agreements that are signed with the Coca-Cola Company identified in the financial statements of the subsidiaries acquired through change in scope of consolidation in 2013.

ii) "Distribution Agreements" that are signed with SABMiller Group Companies identified in the fair value financial statements of the subsidiaries acquired by EBI in 2012.

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) License Agreements

License and distribution agreements includes, the agreements that are signed with SABMiller Group Companies, identified in the fair value financial statements of subsidiaries acquired in 2012 in the scope of consolidation. 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. License and distribution agreements are tested for impairment annually.

d) Rights

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

e) 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.

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

2.14 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 that 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 and the fair value of the non-controlling interest in the acquiree.

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 (gain from bargain purchase).

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 gain from bargain purchase is directly accounted to the financial statements.

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 of 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.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

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

2.14 Business Combinations and Goodwill (continued)

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.

2.15 Trade Payables

Trade payables are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. Such financial liabilities are initially recognised at fair value and represented by the original invoice amount. After initial recognition, trade payables are measured at amortised cost using the effective interest rate method. The Group's trade payables are due within twelve months after the financial statement date, therefore classified under current liabilities.

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. The Group recognizes operating lease payments as an expense in the income statement on a straight-line basis over the lease term.

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.

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

2.17 Current Income Tax and Deferred Tax (continued)

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 of the probability 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 on 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 Plans

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.

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

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.

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 recorded in the consolidated income statement of the relevant 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, 2013	2,1343	2,9365
December 31, 2012	1,7826	2,3517

The assets and liabilities of subsidiaries and joint ventures operating in foreign countries 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 are accounted to equity as "currency translation differences".

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

2.20 Foreign Currency Translations (continued)

Goodwill and fair value adjustments arising from 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.

2.24 Revenue

Revenue is recognized to the extent of probability 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 recoded as expensed at the date they are incurred.

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

2.26 Segment Reporting

The Group management monitors the operating results of its three business units separately for the purpose of making decisions about 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 with respect to 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.

2.29 Hedge Accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment that is attributable to a particular risk and could affect profit or loss (except for foreign currency risk)
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment that could affect profit or loss
- Net investment hedges when hedging the exposure relating to the net investment in foreign operations.

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

2.29 Hedge Accounting (continued)

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

For fair value hedges, the change in the fair value of a hedging instrument is recognized in the statement of consolidated income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the statement of consolidated income as part of financial income and expense.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of consolidated income as part of financial income and expense. Amounts recognized as other comprehensive income are transferred to the statement of consolidated income when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast purchase occurs.

For net investment hedges, gains and losses on the hedging instrument relating to the effective portion of the foreign currency hedge of net investments in foreign operations are recognized as other comprehensive income while any gains and losses relating to the ineffective portion are recognized in income statement. The gain or loss on the hedging instrument that has been recognized in equity is transferred to income statement on the disposal of the foreign operation.

Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized as other comprehensive income are transferred to the statement of consolidated income when sales occur.

CCİ uses aluminum swap contracts in order to offset the possible losses that may arise from anticipated purchases of cans which are subject to aluminum price volatility and designates these aluminum swap transactions as hedging instruments for cash flow hedge relation against high probable future outflows as the hedged item.

Other derivatives not designated for hedge accounting

Other derivatives not designated for hedge accounting are recognized initially at fair value; attributable transaction costs are recognized in statement of consolidated income when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes in the fair value of such derivatives are recognized in the consolidated income statement as part of finance income and costs.

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

2.30 Comparative Information and Restatements on Prior Period Financial Statements

Prior period financial statements of The Group are revised in accordance with the revised IAS 19 "Employee Benefits" (IAS 19) and IFRS 11 "Joint Arrangements" (IFRS 11) which are effective from January 1, 2013.

The Group applied reclassification adjustments in prior and current financial tables prepared in line with CMB's Communiqué based on the meeting held on June 7, 2013, numbered 20/670.

Implementations of standards are required to be retrospective and details of restatement of interim condensed consolidated financial statements are described below:

IFRS 11 Effect

IAS 19 has been revised with effect from January 1, 2013. Accordingly, actuarial gains / losses related with employee benefits should be reflected in other comprehensive income.

Group recognized actuarial gains/losses related to provisions for employee benefits in the income statement until December 31, 2012. Group applied the changes in the accounting policy related to revision of the standard retrospectively and accordingly, actuarial gains/loss from defined benefit plans that are disclosed in previous consolidated financial statements and notes are removed from consolidated income statements and re-arranged by reflecting to the actuarial gain / (loss).

IFRS 11 Effect

IFRS 11 has been effective from January 1, 2013. Accordingly, IAS 31 "Shares in Joint Ventures" standard has been removed and jointly controlled entities are required to be accounted with equity method.

Group has consolidated its joint ventures using the proportionate consolidation method until the December 31, 2012. Anadolu Etap, CCİ and its subsidiaries are jointly controlled entities of the Group as of December 31, 2012. In accordance with the related standard, prior period financial statements are restated by accounting Anadolu Etap and CCİ and its subsidiaries using the equity method.

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

2.30 Comparative Information and Restatements on Prior Period Financial Statements (continued)

Communiqué on Financial Reporting in Capital Market Numbered II-14.1 Effect

The reclassifications applied to the December 31, 2012 financial position and income statement are described below:

- TRL43.863 amounted "Advances Given to Suppliers" included in Other Current and Non-Current Assets have been reclassified to Prepaid Expenses.
- TRL222.470 amounted "Prepayments" included in Other Current and Non-Current Assets have been reclassified to Prepaid Expenses.
- TRL23.404 amounted "Prepaid Taxes" included in Other Current Assets have been reclassified to Prepaid Income Tax.
- TRL443.306 amounted "Short-term Portion of Long Term Borrowings" included in Short Term Borrowings has been reclassified as a separate Statement of Financial Position item. TRL10.341 amounted "Wages and Salaries Payable" has been reclassified as a separate Statement of Financial Position item.
- TRL49.636 amounted "Vacation Pay Liability and Management Bonus Accrual" has been reclassified as a separate Statement of Financial Position item as "Short Term Provision for Employee Benefits"
- TRL19.140 amounted "Advances Received" included in Other Current Liabilities has been reclassified to Deferred Income.
- TRL75.879 and TRL33.214 amounted "Expense Accruals" included in Other Current Liabilities has been reclassified to "Payables to Non-Related Parties" and offset with "Receivables from Third Parties" respectively.
- TRL13.324 amounted "Withholding Taxes" in Other Current Liabilities has been reclassified as a separate Statement of Financial Position item as "Short Term Provision for Employee Benefits"
- TRL4.722 and TRL (1.412) amounted "Fixed Asset Sales Gain / Loss" included in Other Operating Income / Expense have been reclassified to Income / Expense from Investing Activities.
- TRL24.778 and TRL (22.973) amounted "Foreign Exchange Gain / Losses from trade receivables and payables" included in Finance Income / Loss have been reclassified to Other Operating Income / Loss.
- TRL1.973 and TRL (518) amounted "Rediscount Income / Expense from trade receivables and payables" included in Finance Income / Loss have been reclassified to Other Operating Income / Loss.
- TRL3.405 amounted "Put option liability valuation" and TRL (11.093) amounted "Loss from sale of investment associate" included in Other Operating Income / Expense have been reclassified to Income / Expense from Investing Activities.

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

2.30 Comparative Information and Restatements on Prior Period Financial Statements (continued)

Reconciliation of previously reported financial statements of December 31, 2012 restated as of December 31, 2013 are as follows:

31 December 2012	Previously Reported	Effect of Joint Ventures	Equity Method Investments	Eliminations	Effect of IAS 19	Classifications per Communiqué II-14.2	Restated
Current Assets	3.801.475	(802.642)	-	-	-	(33.214)	2.965.619
Non- Current Assets	7.843.328	(1.643.177)	1.217.778	-	(1.992)	-	7.415.937
TOTAL ASSETS	**11.644.803**	**(2.445.819)**	**1.217.778**	**-**	**(1.992)**	**(33.214)**	**10.381.556**
Short Term Liabilities	2.119.407	(372.187)	-	-	-	(33.214)	1.714.006
Long Term Liabilities	2.738.605	(843.449)	-	-	-	-	1.895.156
Equity	6.786.791	(1.230.183)	1.217.778	-	(1.992)	-	6.772.394
TOTAL LIABILITIES	**11.644.803**	**(2.445.819)**	**1.217.778**	**-**	**(1.992)**	**(33.214)**	**10.381.556**

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

2.30 Comparative Information and Restatements on Prior Period Financial Statements (continued)

	Previously Reported	Effect of Joint Ventures	Equity Method Investments	Eliminations	Effect of IAS 19	Classifications per Communiqué II-14.2	Restated
January 1 - December 31, 2012							
Revenue	6.416.835	(2.097.366)	-	256	-	-	4.319.725
Cost of Sales (-)	(3.278.167)	1.298.452	-	(559)	1.305	-	(1.978.969)
Gross Profit/Loss	**3.138.668**	**(798.914)**	**-**	**(303)**	**1.305**	**-**	**2.340.756**
Operating Expenses (-)	(2.372.984)	562.315	-	303	2.372	7.588	(1.800.406)
Profit/Loss From Operations	**765.684**	**(236.599)**	**-**	**-**	**3.677**	**7.588**	**540.350**
Income from Investing Activities	-	-	-	-	-	8.177	8.177
Expenses from Investing Activities	-	-	-	-	-	(12.505)	(12.505)
Income / Loss from Associates	(5.991)	-	189.690	-	-	-	183.699
Operating Profit Before Finance Expense	**759.693**	**(236.599)**	**189.690**	**-**	**3.677**	**3.260**	**719.721**
Finance Income	316.001	(96.458)	-	-	-	(26.751)	192.792
Finance Expenses (-)	(271.955)	91.962	-	-	-	23.491	(156.502)
Profit/Loss Before Tax From Continuing Operations	**803.739**	**(241.095)**	**189.690**	**-**	**3.677**	**-**	**756.011**
Continuing Operations Tax Income/Expense	(173.471)	48.990	-	-	(736)	-	(125.217)
Profit/Loss For The Period From Continuing Operations	**630.268**	**(192.105)**	**189.690**	**-**	**2.941**	**-**	**630.794**
- Non-Controlling Interest	23.398	(2.415)	-	-	-	-	20.983
- Equity Holders of the Parent	606.870	(189.690)	189.690	-	2.941	-	609.811

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

2.30 Comparative Information and Restatements on Prior Period Financial Statements (continued)

	Previously Reported	Effect of Joint Ventures	Equity Method Investments	Eliminations	Effect of IAS 19	Classifications per Communiqué II-14.2	Restated
January 1 - December 31, 2012							
EBITDA	1.255.302	(346.989)	-	-	-	-	908.313
Depreciation and amortization expenses	(450.577)	100.854	-	-	-	-	(349.723)
Provision for retirement pay liability	(19.769)	4.159	-	-	2.710	-	(12.900)
Loss from sale of investment associate	(11.093)	-	-	-	-	11.093	-
Provision of vacation pay liability	(4.449)	1.642	-	-	-	-	(2.807)
Provision/ (reversal of provision) for inventory, net	1.643	1.061	-	-	-	-	2.704
Provision / (reversal of provision) for doubtful receivables, net	(224)	637	-	-	-	-	413
Impairment/ (reversal of impairment) on property, plant and equipment	(1.941)	1.941	-	-	-	-	-
Put option liability valuation	3.405	-	-	-	-	(3.405)	-
Foreign exchange gain/loss from operating activities	-	-	-	-	-	1.805	1.805
Fixed asset sales gain/loss	-	-	-	-	-	(3.360)	(3.360)
Other	(6.613)	96	-	-	967	1.455	(4.095)
Profıt/Loss From Operations	**765.684**	**(236.599)**			**3.677**	**7.588**	**540.350**
Income from Investing Activities	-	-	-	-	-	8.177	8.177
Expenses from Investing Activities (-)	-	-	-	-	-	(12.505)	(12.505)
Income / Loss from Associates	(5.991)	-	189.690	-	-	-	183.699
Operating Profit/Loss Before Finance Expense	**759.693**	**(236.599)**	**189.690**	**-**	**3.677**	**3.260**	**719.721**
Finance Income	316.001	(96.458)	-	-	-	(26.751)	192.792
Finance Expense (-)	(271.955)	91.962	-	-	-	23.491	(156.502)
Profit/Loss Before Tax From Continuing Operations	**803.739**	**(241.095)**	**189.690**		**3.677**	**-**	**756.011**

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

2.31 Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect 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 12).

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, 2013, 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 and approved by Board of Directors are used. Approved free cash flows before tax 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, gross domestic product (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% - 3,00% (December 31, 2012 - 1,00 % - 3,00 %) and after tax discount rate is between 7,7% and 12,1% (December 31, 2012 - 6,7% - 13,9%). Based on the Group's sensitivity analysis, adjusting the post-tax weighted average cost of capital by 0.5% up-ward or adjusting the perpetuity growth rate by 0,5% down-ward in the recoverable amount calculation will not result any impairment loss.

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

2.31 Use of Estimates (continued)

d) The liability for the put option that has been measured by applying different valuation techniques and assumptions has been presented in "other current liabilities" and "other non-current liabilities" in the consolidated balance sheet based on their remaining maturities (Note 22).

e) The discount rates related with retirement pay liability are actuarial assumptions determined with future salary increase and the employee's turnover rates (Note 21).

f) 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, 2013, 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 32).

NOTE 3. BUSINESS COMBINATIONS

Transactions Related with 2013

a) Termination of Shareholder Status with Heineken in Kazakhstan

The transfer of the 28% shares and the consequent payment by EBI to Heineken has been completed in January 2013. USD165.395 payment equivalent of TRL290.896 made by EBI has been covered by the Group's existing cash sources. As a result of the acquisition, the Group's effective shareholding rate in Efes Kazakhstan has increased to 100%.

The difference between the purchase consideration and the carrying amount of the shares purchased amounting to TRL225.089 is accounted for in "Other Reserves" under equity in the consolidated statement of financial position.

b) EBRD Put Option

In January 2013, EBI acquired 8,76% shares of Efes Moscow for USD43 million from European Bank of Reconstruction and Development (EBRD) as a result of the realization of put option held by EBRD. Following the completion of the transaction, EBI's effective shareholding rate has increased to 99,73%. At the same time, EBI and EBRD entered into a loan agreement of which proceeds were utilized to pay the purchase consideration by EBI. Pursuant to the Share Purchase and Sale Agreement between EBI and EBRD, EBRD transferred its 8,76% stake in Efes Moscow to EBI, while the value of the shares were converted into a 7-year loan at EBI level with a nominal value of USD43 million, with interest rates of Libor+2,5% for the first 2 years and Libor+2,0% for the remaining 5 years. Anadolu Efes is the "Sponsor" of the loan.

c) Shareholders' Agreement regarding governance of CCİ

The Group and TCCEC which owns the 20,09% of CCİ has signed Shareholder Agreement related with the management of CCİ. Anadolu Efes and TCCEC have decided to modify provisions of CCİ's Articles of Association in particular those described as "major decisions". As a result of such amendment, TCCEC will have certain protective rights on such major decisions in accordance with the Shareholders Agreement.

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NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2013 (continued)

c) Shareholders' Agreement regarding governance of CCİ (continued)

The Company has gained control power over the CCİ with the Association Agreement, which is effective as of January 1, 2013. Consequently, effective from January 1, 2013, Anadolu Efes is started to include CCİ in consolidation, whereas CCİ has been consolidated into Anadolu Efes' financial results by using proportionate consolidation method with effective shareholding rate of 50,26% until December 31, 2012.

	Fair value	Net book value
Cash and cash equivalents	490.225	488.968
Trade and other receivables	307.771	308.996
Inventories	348.218	290.161
Other assets	537.677	624.209
Property, plant and equipment	2.509.905	1.700.443
Intangible assets	6.434.886	410.177
Financial liabilities	(1.822.514)	(1.534.849)
Trade payables	(294.585)	(310.841)
Other liabilities	(362.482)	(239.148)
Deferred tax liability	(1.349.187)	(84.776)
Non- controlling interests	(207.100)	(24.684)
Fair value of the net assets acquired	**6.592.814**	**1.628.656**
Fair value of already held shares prior to obtaining control power	3.573.347	3.573.347
Group's share in net assets	(3.313.231)	(818.485)
Goodwill arising from acquisition	**260.116**	**2.754.863**

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NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2013 (continued)

c) Shareholders' Agreement regarding governance of CCİ (continued)

Fair value gain of the carrying amount of net assets on financial statements as of the date the Company gains control power on CCİ is as follows:

	CCİ
Carrying amount of net the assets	1.885.447
Ownership rate of the Group which the control is changed	%50,26
Fair value of already held shares prior to obtaining control power	3.573.347
Net assets acquired by the Group	(947.537)
Goodwill arising from previous years acquisitions of CCİ shares	(235.602)
Carrying amount of CCİ on Group financial statements (Note 9)	(1.183.139)
Fair value difference resulted from control power change	**2.390.208**
Other comprehensive income recognized in the income statement due to acquisition of subsidiary	90.354
Value increase recognized as an income due to acquisition of subsidiary	**2.480.562**

d) Amended Shareholders' Agreement regarding governance of CCBPL

CCİ owns 49,39% of CCBPL, operating in Pakistan. Atlantic Industries, a wholly owned subsidiary of TCCC, also owns a 49,39% stake and a local shareholder, the Packages Group, owns 1,22% of CCBPL. It was decided to amend CCBPL's Shareholders Agreement and the amendment process was completed in March 2013. As a result of such amendment which is effective from January 1, 2013, control power of CCBPL was transferred to CCİ and CCBPL is included in CCİ financial statements by using consolidation method.

Fair value difference amounting TRL259.612 attributable to the already held shares prior to obtaining control over CCİ is accounted under the "other operating income" in consolidated financial statements. In accordance with IFRS 3, foreign currency translation differences which are amounting to TRL (17.980) attributable to previously held shares, are accounted as "income from investing activities" (Note 28).

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NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2013 (continued)

d) Amended Shareholders' Agreement regarding governance of CCBPL (continued)

Fair value gain of the carrying amount of net assets on financial statements as of the date CCİ gains control power on CCBPL is as follows:

	Fair value	**Net Book Value**
Cash and cash equivalents	570	570
Trade and other receivables	20.233	20.233
Inventories	57.656	57.656
Other current assets	38.595	38.595
Property, plant and equipment	500.275	457.804
Intangible assets	178.948	107.127
Other non-current assets	16.495	16.495
Financial liabilities	(287.665)	(287.665)
Trade payables	(9.198)	(9.198)
Due to related parties	(6.007)	(6.007)
Other payables	(36.265)	(36.265)
Deferred tax liability	(91.900)	(14.406)
Other liabilities	(21.002)	(21.002)
Goodwill recognized during acquisition of CCBPL shares at prior years	2.795	2.795
Value of net assets	**363.530**	**326.732**
Ownership rate of CCİ which the control is changed	%49,39	%49,39
Total value of net assets owned by CCİ	179.548	161.373
Total value of net assets accounted as the shares of Non-controlling interest	183.982	165.359
Total value of net assets	**363.530**	**326.732**
Fair value of shares of CCBPL owned by the Group	420.985	420.985
Less: Total value of net assets owned by CCİ before re-measurement	(179.548)	(161.373)
Increase in provisional fair value due to acquisition of subsidiary	**241.437**	**259.612**
Less: Currency translation difference recognized in the Income statement due to acquisition of subsidiary	-	(17.980)
Value increase recognized as an income due to acquisition of subsidiary		**241.632**

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NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2012

a) Strategic Alliance with SABMiller

On March 6, 2012 after the required approval from the Competition Board related to the alliance with SABMiller, SABMiller's all beer operations in Ukraine and Russia are transferred to EBI, whose 100% shares are owned by Anadolu Efes, and Euro-Asien Brauereien Holding GmbH (Euro-Asien), whose 100% shares are owned by EBI. Anadolu Efes already owned operations in Russia and the operations transferred from SABMiller are combined and started to operate immediately.

Within the scope of this transaction, EBI and Euro Asien's share capitals were increased and Anadolu Efes Board of Directors resolved to participate in the capital increase of EBI by full USD1.859 million, as USD358,8 million in cash and USD1.500 million via loan notes. Euro Asien's capital increased USD118 million by EBI.

EBI and Euro Asien fulfilled the commitment of USD1.757 million, equivalent of TRL3.103.044, including post acquisition costs and SABMiller Russian brands amounting to USD86,4 million, equivalent of TRL152.453, in exchange for the transfer of SABMiller's Russia operations. Additionally, EBI fulfilled the commitment of USD75 million, equivalent of TRL132.338 for the acquisition of 99,91% shares of Efes Ukraine. Efes Ukraine's shareholder loan amounting to TRL175.760 has been settled with the acquisition.

In addition, on March 6, 2012, Anadolu Efes Board of Directors decided to increase the Company's issued capital to TRL592.105, while the shareholders' right to purchase new shares has been restricted. The newly issued 142.105.263 bearer shares, which are above the nominal values, were allocated on the name of SABMiller Anadolu Efes Limited (SABMiller AEL), a subsidiary of SABMiller. In return of this capital increase, SABMiller AEL fulfilled its capital and premium commitment amounting to TRL3.279.789 at March 6, 2012 and issued shares has been transferred to SABMiller AEL in İstanbul Stock Exchange Wholesale Market at March 14, 2012. All share transfers planned in accordance with the strategic alliance have been completed as of this date.

LLC SABMiller RUS (SABM RUS) and PJSC Efes Ukraine (Efes Ukraine) are included in consolidation by using the consolidation method after the Group acquired SABMiller's beer operations in Russia by 100% and beer operations in Ukraine by 99,91% on March 2012. TRL3.235.382 has been attributed for the transfer of SABM RUS, Efes Ukraine, for the brands purchased from SABMiller Group companies and call option of the shares of IBT LLP, resident in Kazakhstan as a part of acquisition and past acquisition costs.

TRL3.279.789 amounted capital increase in Anadolu Efes and TRL3.413.889 amounted acquisition cost have been offset with the cash inflow from purchased companies in interim consolidated cash flow statement and net value is presented.

In accordance with IFRS 3 "Business Combinations", difference between the total consideration of business combination and the Group's share in the fair value of acquiree's net assets and acquisition cost amounting to TRL1.213.199 is recorded as goodwill as of December 31, 2012 in the consolidated statement of financial position (Note 18).

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NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2012 (continued)

a) Strategic Alliance with SABMiller (continued)

The fair value of the net assets of SABM RUS and Efes Ukraine derived from the financial statements as of the acquisition date are as follows:

	SABM RUS	MBU
Cash and cash equivalents	41.787	16.426
Trade and other receivables	101.942	10.626
Due from related parties	3.263	-
Inventories	75.411	13.484
Other current assets	37.270	3.266
Property, plant and equipment	834.370	162.006
Intangible assets	1.443.289	32.380
Financial liabilities	(30.475)	(175.760)
Trade payables	(119.811)	(8.254)
Due to related parties	(10.961)	(3.146)
Other liabilities	(69.206)	(13.128)
Deferred tax liability	(305.366)	(17.211)
Fair value of the net assets acquired	**2.001.513**	**20.689**
Total consideration	3.103.044	132.338
Group's share in net assets	(2.001.513)	(20.670)
Goodwill arising from acquisition	**1.101.531**	**111.668**
Total consideration	3.103.044	132.338
Cash in the subsidiary acquired (-)	(41.787)	(16.426)
Net consideration related with acquisition	**3.061.257**	**115.912**

Acquisition, transaction and integration costs amounting to TRL40.609 have been recognized as operating expense in the interim consolidated income statement for period ended December 31, 2012.

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NOTE 4. INFORMATION ABOUT MATERIAL NON-CONTROLLING INTERESTS IN SUBSIDIARIES

The Company has control over CCİ while it has 50,26% ownership interest in CCİ. CCİ is included in consolidation by using the full consolidation method and equity and net income attributable to non-controlling interests is recorded as "non-controlling interests" in statement of financial position and profit and loss statement.

Non-controlling interest reflected to profit and loss statement in the period is amounting to TRL244.070 (31 December 2012 - TRL20.983), of which TRL230.528 (31 December 2012 - None) is related with net income of CCİ attributable to non-controlling interests.

Non-controlling interest reflected to statement of financial position at the end of the period is amounting to TRL3.890.275 (31 December 2012 - TRL69.629), of which TRL3.590.263 (31 December 2012 - None) is related with equity of CCİ attributable to non-controlling interests.

In 2013, dividend payment amounting to TRL40.064 (31 December 2012 - TRL211), has been made to non-controlling interests. TRL39.859 (31 December 2012 - None), of this amount has been made by CCİ.

The Group management has identified CCİ as a separate operating segment. Summarized information on statement of financial position and profit and loss statement is given as "Soft Drinks" segment in Note 5 "Segment Information".

Summarized statement of cash flows of CCİ is given below:

	2013	2012
Net cash generated from operating activities	**660.365**	507.510
Net cash used in investing activities	**(1.080.112)**	(572.262)
Net cash generated from financing activities	**774.517**	44.932
Currency translation adjustment	**73.026**	(12.881)
Net increase / (decrease) in cash and cash equivalents	**427.796**	(32.701)

NOTE 5. SEGMENT INFORMATION

The 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.

As of December 31, 2012, the information provided does not include the effects of restatement described in detail in Note 2, and is consistent with the amounts reported in prior periods.

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NOTE 5. SEGMENT INFORMATION (continued)

The Group's segment reporting in accordance with IFRS 8 is disclosed as follows:

	Turkey Beer	International Beer	Soft Drinks	Other[1] and Eliminations	Total
January 1 - December 31, 2013					
Revenues	1.517.477	2.475.301	5.186.445	33.159	9.212.382
Inter-segment revenues	(13.005)	(1.132)	(85)	(2.387)	(16.609)
Total Revenues	**1.504.472**	**2.474.169**	**5.186.360**	**30.772**	**9.195.773**
EBITDA	**419.730**	**241.203**	**892.055**	**(58.301)**	**1.494.687**
Profit / (loss) for the period	**129.617**	**(162.535)**	**260.532**	**2.625.376**	**2.852.990**
Capital expenditures	**161.436**	**302.204**	**704.032**	**7.583**	**1.175.255**

January 1 - December 31, 2012					
Revenues	1.604.676	2.698.867	2.076.736	66.252	6.446.531
Inter-segment revenues	(11.960)	(220)	(48)	(17.469)	(29.697)
Total Revenues	1.592.716	2.698.647	2.076.688	48.783	6.416.834
EBITDA	550.526	426.056	346.008	(67.288)	1.255.302
Profit / (loss) for the period	382.651	125.746	193.450	(71.579)	630.268
Capital expenditures	115.027	240.683	184.198	6.559	546.467

[1] *Includes other subsidiaries included in the consolidation of the Group, headquarters expenses and TRL2,7 billion of fair value difference arising from CCİ and CCBPL.*

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NOTE 5. SEGMENT INFORMATION (continued)

	Turkey Beer	International Beer	Soft Drink	Other [1] and Eliminations	Total
December 31, 2013					
Segment assets	**7.756.508**	**7.173.873**	**7.005.772**	**430.831**	**22.366.984**
Segment liabilities	**2.305.316**	**1.284.611**	**4.134.427**	**1.180.704**	**8.905.058**
Other information					
Investment in associates	**-**	**-**	**-**	**62.755**	**62.755**
December 31, 2012					
Segment assets	7.848.999	6.853.293	2.144.106	(5.201.595)	11.644.803
Segment liabilities	2.172.425	1.496.798	1.182.172	6.617	4.858.012
Other information					
Investment in associates	-	-	-	-	-

[1] *Includes other subsidiaries included in the consolidation of the Group.*

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NOTE 5. SEGMENT INFORMATION (continued)

Reconciliation of EBITDA to the consolidated profit before tax and its components as of December 31, 2013 and 2012 are as follows:

	2013	2012
EBITDA	**1.494.687**	1.255.302
Depreciation and amortization expenses	**(711.713)**	(450.577)
Provision for retirement pay liability	**(16.714)**	(19.769)
Put option liability valuation	**-**	3.405
Provision for vacation pay liability	**(11.941)**	(4.449)
(Provision) / reversal of provision for inventory, net	**(4.698)**	1.643
(Provision) / reversal of provision for doubtful receivables, net	**(2.290)**	(224)
Impairment / (reversal of impairment) on property, plant and equipment, net	**(76.552)**	(1.941)
Foreign exchange gain/loss from operating activities	**(8.396)**	-
Rediscount interest income/expense from operating activities	**(1.473)**	-
Income recognized due to change in scope of consolidation	**2.722.194**	-
Fixed asset gain/loss	**2.395**	-
Loss from Investment Associates	**(9.821)**	(5.991)
Gain on sale of subsidiaries	**74.566**	(11.093)
Other	**1.623**	(6.613)
Operating Profit Before Finance Expenses	**3.451.867**	759.693
Finance Income	**406.981**	316.001
Finance Expenses (-)	**(956.405)**	(271.955)
Profit Before Tax From Continuing Operations	**2.902.443**	803.739

NOTE 6. CASH AND CASH EQUIVALENTS

	2013	2012
Cash on hand	**4.696**	254
Bank accounts		
- Time deposits	**1.559.266**	1.309.152
- Demand deposits	**173.247**	77.224
Cash and cash equivalents in cash flow statement	**1.737.209**	1.386.630
Interest income accrual	**9.160**	8.019
	1.746.369	1.394.649

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NOTE 6. CASH AND CASH EQUIVALENTS (continued)

As of December 31, 2013, annual interest rates of the TRL denominated time deposits vary between 4,5% and 10,1% (December 31, 2012 Restated - 3,8% - 8,3%) and annual interest rates of the USD, EURO denominated and other time deposits vary between 0,2% and 5,0% (December 31, 2012 Restated - 0,3% - 10,0%). As of December 31, 2013, cash deposit amounting to TRL4.425 is pledged as collateral by the Group (December 31, 2012 - TRL3.874).

NOTE 7. FINANCIAL INVESTMENTS

Short-term Financial Investments

	2013	2012
Time deposits with maturity more than three months	**562.985**	90.241
Available for sale assets	**-**	78.955
Investment funds	**-**	1.550
	562.985	170.746

Time deposits with maturities over three months are denominated in USD and AZM (December 31, 2012 - USD). They were made for periods varying between 91 to 181 days (December 31, 2012 - for 3 to 12 months) and interest rate varies between 3,35% and 6,00% (December 31, 2012 - 3,60%).

The shareholding rate of the Group in Alternatifbank A.Ş. (Abank), which is accounted for in assets available for sale, is 7,46% as of December 31,2012 and shares of Abank are traded on BIST. In March 2013, the negotiations between AEH and Özilhan Sınai, and the Commercial Bank of Qatar (CBQ), regarding the sale of AEH's majority stake in Abank have been resulted in an agreement. In this respect, parties have signed a share purchase agreement to sell Abank shares, representing 70,84% of the total share capital of Abank, owned by AEH, its subsidiaries that are shareholders of Abank and Özilhan Sınai to CBQ, subject to obtaining the required permissions from regulatory authorities in Qatar and Turkey. In July 2013, all required permissions have been obtained. In accordance with the share purchase agreement, Group, holding a 7,46% stake in Abank, has transferred its 31.331.487,70 shares to CBQ. According to the agreement, sales price is 7,46% of the transaction value that is two times of the total equity attributable to equity holders of the parent of Abank in the consolidated financial statements.

As a result of the sale of the share, the Company accounted TRL72.880 income under "Income from Investing Activities" on the consolidated income statement (Note 28).

As a result of the sale of available for sale assets, the Company accounted TRL1.686 income under "Income from Investing Activities" on the consolidated income statement (Note 28).

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NOTE 8. SHORT AND LONG TERM BORROWINGS

As of December 31, 2013, total borrowings consist of principal (finance lease obligations included) amounting to TRL5.249.671 (December 31, 2012 Restated - TRL2.048.301) and interest expense accrual amounting to TRL26.261 (December 31, 2012 Restated - TRL3.762). As of December 31, 2013 and 2012, total amount of borrowings and the effective interest rates are as follows:

		2013	
Short-term	**Amount**	**Fixed rate**	**Floating rate**
Borrowings			
TRL denominated borrowings	3.760	-	-
Foreign currency denominated borrowings (USD)	141.828	5,00%	Libor+1,00% - Libor +1,20%
Foreign currency denominated borrowings (Other)	157.781	9,37%	Kibor + 0,40% - Kibor + 0,80%
	303.369		
Short-term portion of long term borrowings			
TRL denominated borrowings	15.460	9,75% - 10,00%	-
Foreign currency denominated borrowings (USD)	1.279.607	1,95% - 4,75%	Libor + 1,40% - Libor + 3,50%
Foreign currency denominated borrowings (EURO)	142.006	3,25%-	Euribor + 1,80% - Euribor+ 2,65%
Foreign currency denominated borrowings (Other)	-	-	-
	1.437.073		
	1.740.442		
Long-term			
Borrowings			
TRL denominated borrowings	15.000	10,00%	-
Foreign currency denominated borrowings (USD)	3.226.849	3,38% - 4,75%	Libor + 2,00 %- Libor + 3,50 %
Foreign currency denominated borrowings (EURO)	293.641	-	Euribor+ 2,35% - Euribor + 2,65%
	3.535.490		
	5.275.932		

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	2012		
	Amount	Fixed rate	Floating rate
	100.275	6,56%	-
	206.075	-	Libor+1,5% - 3,88%
	-	-	
	306.350		
	-	-	-
	431.188	3,38%	Libor+1,60% - 3,50%
	3.535	3,40%	-
	8.583	8,11%	-
	443.306		
	749.656	**-**	**-**
		-	
	-	-	-
	1.302.407	3,38%	Libor + 1,00% - 3,50%
	-	-	-
	1.302.407		
	2.052.063		

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NOTE 8. SHORT AND LONG TERM BORROWINGS (continued)

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

	2013	2012
2014	**-**	349.363
2015	**239.102**	80.574
2016	**348.532**	-
2017 and thereafter	**2.947.856**	872.470
	3.535.490	1.302.407

As of December 31, 2013, TRL 33.769 (December 31, 2012 Restated - None) of the total borrowings are secured by the Group related with CCİ, its subsidiaries and joint ventures with property, plant and equipment pledge amounting to TRL61.707 (December 31, 2012 - None).

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, 2013 and 2012, the costs of the property plant and equipment obtained by finance lease are TRL76.425 and TRL39.740, respectively whereas net book values are TRL1.987 and TRL130, respectively.

Lessee - Operating Lease

The Group has operational leasing agreements with Çelik Motor Ticaret A.Ş. a related party of the Group.

NOTE 9. DERIVATIVE FINANCIAL INSTRUMENTS

As of December 31, 2013 CCİ has 4 aluminum swap transactions with a nominal value of 5.800 tones. The total of these aluminum swap contracts are designated as hedging instruments as of June 18, 2013, July 15, 2013, July 16, 2013 and November 28, 2013 in cash flow hedges related to forecasted cash flow, for the high probability purchases of production material exposed to commodity price risk (Note 35).

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NOTE 8. SHORT AND LONG TERM BORROWINGS (continued)

The change in fair value of hedges is effective and recognized in consolidated comprehensive income..

	2013		2012	
	Nominal Value	**Fair Value Asset / (Liability)**	Nominal Value	Fair Value Asset/ (Liability)
Commodity swap contracts	**23.303**	**(479)**	**-**	**-**
	23.303	**(479)**	**-**	**-**

NOTE 10. TRADE RECEIVABLES AND PAYABLES

a) Short Term Trade Receivables

	2013	2012
Trade receivables	**885.518**	626.706
Notes and cheques receivables	**30.677**	14.836
Provision for doubtful receivables (-)	**(27.880)**	(8.548)
	888.315	632.994

The movement of provision for doubtful accounts as of December 31, 2013 and 2012 is as follows:

	2013	2012
Balance at January 1	**8.548**	6.875
Current year provision	**4.346**	918
Provisions no longer required	**(2.056)**	(1.331)
Write-offs from doubtful receivables	**(219)**	(277)
Recognized due to change in scope of consolidation	**15.724**	-
Addition through subsidiary acquired	**-**	2.481
Currency translation differences	**1.537**	(118)
Balance at December 31	**27.880**	8.548

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NOTE 10. TRADE RECEIVABLES AND PAYABLES (continued)

b) Short-Term Trade Payables

	2013	2012
Trade payables	**722.100**	248.273
Accrued Expenses	**51.587**	75.875
	773.687	324.148

NOTE 11. OTHER RECEIVABLES AND PAYABLES

a) Other Current Receivables

	2013	2012
Receivables from tax office	**11.677**	-
Due from personnel	**9.581**	3.669
Other	**26.265**	12.960
	47.523	16.629

b) Other Non-Current Receivables

	2013	2012
Deposits and guarantees given	**4.479**	249
Other	**1.087**	779
	5.566	1.028

c) Other Current Payables

	2013	2012
Taxes other than on income	**308.025**	393.089
Deposits and guarantees taken	**97.941**	27.530
Other	**8.483**	6.833
	414.449	427.452

d) Other Non-Current Payables

As of December 31, 2013, other non-current payables consists of deposits and guarantees taken amounting to TRL210.821 (December 31, 2012 - 198.337).

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NOTE 12. INVENTORIES

	2013	2012
Finished and trade goods	**235.007**	134.015
Work-in-process	**96.027**	65.944
Raw materials	**432.841**	180.924
Packaging materials	**88.064**	25.411
Supplies	**79.703**	69.205
Bottles and cases	**41.284**	56.367
Other	**38.713**	20.567
Reserve for obsolescence (-)	**(7.623)**	(1.305)
	1.004.016	551.128

The movement of reserve for obsolescence as of December 31, 2013 and 2012 is as below:

	2013	2012
Balance at January 1	**1.305**	4.045
Current year provision	**5.186**	70
Provisions no longer required	**(488)**	(2.774)
Addition through subsidiary acquired	**-**	54
Disposals through liquidation and inventories written-off	**(3.392)**	-
Change in scope of consolidation	**4.300**	-
Currency translation differences	**712**	(90)
Balance at December 31	**7.623**	1.305

NOTE 13. PREPAID EXPENSES

a) Short Term Prepaid Expenses

	2013	2012
Prepayments	**240.868**	118.730
Advances given to suppliers	**189.641**	33.814
	430.509	152.544

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NOTE 13. PREPAID EXPENSES (continued)

b) Long Term Prepaid Expenses

	2013	2012
Prepayments	**163.617**	103.736
Advances given to suppliers	**59.053**	10.053
	222.670	113.789

c) Short Term Deferred Income

	2013	2012
Advances taken	**44.565**	19.140
Deferred income	**6.089**	-
	50.654	19.140

d) Long Term Deferred Income

	2013	2012
Deferred income	**3.643**	-
	3.643	-

NOTE 14. INVESTMENTS IN ASSOCIATES

	2013		2012	
	Ownership	**Amount**	Ownership	Amount
Anadolu Etap	**33,00%**	**62.755**	33,33%	32.647
CCİ [(1)]	**-**	-	50,26%	1.183.139
SSDSD [(2) (3)]	**25,13%**	**-**	25,13%	-
		62.755		1.215.786

[(1)] CCİ, which has been accounted by using the equity method in 2012 restated financial statements in accordance with IFRS 11, has been started to be included in consolidation in 2013 with the amended Shareholders' Agreement (Note 3).

[(2)] As stated above, as a result of consolidation of CCİ in 2013, SSDSD, which has been accounted by using equity method in CCİ financial statements, started to be accounted as investment in associates.

[(3)] Since SSDSD generated loss amounted to TRL2.728 as of December 31, 2013, this amount is net-off with trade receivables from SSDSD in consolidated financial statements.

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NOTE 14. INVESTMENTS IN ASSOCIATES (continued)

Total assets and liabilities as of December 31, 2013 and 2012 and profit/(loss) for the period of investment in associates as of December 31, 2013 and 2012 in Group's financial statements are as follows:

	Anadolu Etap		CCİ		SSDSD		Central Europe Beverages	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
Total Assets	**141.606**	66.107	**-**	2.377.720	**1.982**	-	-	-
Total Liabilities	**78.851**	33.460	**-**	1.194.581	**4.520**	-	-	-
Net Assets	**62.755**	32.647	**-**	1.183.139	**(2.538)**	-	-	-

	Anadolu Etap		CCİ		SSDSD		Central Europe Beverages	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
Profit/(Loss) for the period	**(7.093)**	(1.345)	**-**	191.035	**(2.728)**	**-**	**-**	(5.991)

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NOTE 14. INVESTMENTS IN ASSOCIATES (continued)

The movement of investments in associates as of December 31, 2013 and 2012 are as follows:

	2013	2012
Balance at January 1	**1.215.786**	1.107.830
Income / Loss from associates	**(9.821)**	183.699
Disposal of investment in associate	**-**	(12.058)
Amount recognized due to change in scope of consolidation[1]	**2.390.208**	-
Disposals of investments in associates as a result of changes in scope of consolidation [2]	**(3.573.347)**	-
Additions to investments in associates as a result of changes in scope of consolidation[3]	**436**	-
Fair value loss of minority share put option liability	**-**	(8.821)
Cash flow hedge reserve	**-**	113
Currency translation differences	**(246)**	(32.367)
Unrealized losses under IAS 28	**2.538**	-
Fair value gain/loss	**-**	(1.333)
Capital increase/advance [4]	**37.201**	8.764
Change in non-controlling interests	-	128
Dividends received	-	(30.169)
Balance at December 31	**62.755**	1.215.786

(1) The amount consists of fair value difference attributable to the already held shares prior to obtaining control over CCİ (Note 3).

(2) The amount consists of disposal of investments in associates resulted from including CCİ in consolidation scope in 2013 (Note 3c).

(3) As stated above, as a result of consolidation of CCİ in 2013, SSDSD, which has been accounted by using equity method in CCİ financial statements, started to be accounted as an investment in associates in Group's financial statements.

(4) Capital increase and capital advance provided to Anadolu Etap

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NOTE 15. INVESTMENT PROPERTIES

	Land and land improvements	Buildings	Construction in progress	Total
Cost				
Balance at January 1	-	-	-	**-**
Transfers from property, plant and equipment	15.928	163.756	7.899	**187.583**
Balance at December 31	**15.928**	**163.756**	**7.899**	**187.583**
Accumulated depreciation (-)				
Balance at January 1	-	-	**-**	**-**
Transfers from property, plant and equipment	-	70.448	-	**70.448**
Balance at December 31	**-**	**70.448**	**-**	**70.448**
Net book value	**15.928**	**93.308**	**7.899**	**117.135**

In the scope of production network optimisation program in Moscow, the Group has decided to cease production of beer and malt in Moscow in Russia. Accordingly, as of December 31, 2013 amounting to TRL187.583 property, plant and equipment are reclassified as investment properties (December 31, 2012 - None).

The fair value of investment property is assumed to approximate its carrying value.

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NOTE 16. PROPERTY, PLANT AND EQUIPMENT

For the year ended December 31, 2013, the movements of property, plant and equipment are as follows:

Cost	2012	Additions	Disposals	Addition Through Change in Scope of Consolidation
Land and land improvements	141.640	8.253	(2.954)	307.117
Buildings	967.768	16.079	(773)	582.776
Machinery and equipment	2.727.954	205.433	(58.833)	977.916
Vehicles	82.795	28.443	(22.263)	45.952
Other tangibles	1.055.945	392.793	(110.178)	530.920
Leasehold improvements	5.226	11.525	(1.117)	(543)
Construction in progress	128.149	474.521	(997)	65.767
	5.109.477	**1.137.047**	**(197.115)**	**2.509.905**
Accumulated depreciation (-)	**2012**	**Additions**	**Disposals**	**Addition Through Change in Scope of Consolidation**
Land and land improvements	31.768	9.563	(292)	-
Buildings	286.195	60.375	(185)	-
Machinery and equipment	1.548.729	354.673	(53.550)	-
Vehicles	43.677	22.491	(16.805)	-
Other tangibles	613.321	257.607	(99.002)	-
Leasehold improvements	3.349	1.368	(1.113)	-
Construction in progress				
	2.527.039	**706.077**	**(170.947)**	**-**
Net book value	**2.582.438**			

(*) *There are transfers to intangible assets in 2013 amounting to TRL1.985.*

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Investment properties	Currency translation differences	Impairment / (Impairment reversal), net	Transfers(*)	2013
(15.928)	27.693	-	(11.632)	454.189
(163.756)	143.986	-	40.825	1.586.905
-	371.600	-	193.802	4.417.872
-	22.294	-	6.236	163.457
-	136.541	-	38.291	2.044.312
-	231	-	6.669	21.991
(7.899)	24.529	-	(276.176)	407.894
(187.583)	**726.874**	**-**	**(1.985)**	**9.096.620**

Investment properties	Currency translation differences	Impairment / (Impairment reversal), net	Transfers(*)	2013
-	2.986	7.048	5.955	57.028
(70.448)	28.597	1.631	792	306.957
-	164.124	55.329	(6.494)	2.062.811
-	12.083	600	-	62.046
-	61.993	10.718	(253)	844.384
-	152	-	-	3.756
(70.448)	**269.935**	**75.326**	**-**	**3.336.982**
				5.759.638

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NOTE 16. PROPERTY, PLANT AND EQUIPMENT (continued)

For the year ended December 31, 2012, the movements of property, plant and equipment are as follows:

Cost	**2011**	**Additions**	**Disposals**
Land and land improvements	121.248	14.591	(120)
Buildings	715.992	10.159	(332)
Machinery and equipment	2.171.906	79.048	(20.819)
Vehicles	60.196	10.353	(6.268)
Furniture and fixtures	778.511	136.807	(27.047)
Leasehold improvements	4.519	31	-
Construction in progress	38.461	96.764	(70)
	3.890.833	**347.753**	**(54.656)**

Accumulated Depreciation (-)	**2011**	**Additions**	**Disposals**
Land and land improvements	29.836	2.225	(111)
Buildings	257.660	29.800	(118)
Machinery and equipment	1.382.505	189.799	(16.892)
Vehicles	37.552	10.941	(4.321)
Furniture and fixtures	531.551	111.449	(23.603)
Leasehold improvements	2.564	785	-
	2.241.668	**344.999**	**(45.045)**
Net book value	**1.649.165**		

(*) *There are transfers to intangible assets in 2012 amounting to TRL439.*

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Addition Through Business Combination	Foreign Currency Translation	Transfers(*)	2012
4.985	314	622	141.640
251.780	(13.687)	3.856	967.768
500.657	(36.355)	33.517	2.727.954
20.392	(1.878)	-	82.795
167.478	(17.807)	18.003	1.055.945
-	(29)	705	5.226
51.084	(948)	(57.142)	128.149
996.376	**(70.390)**	**(439)**	**5.109.477**

Addition Through Business Combination	Foreign Currency Translation	Impairment / (Impairment reversal), net	2012
-	(182)	-	31.768
-	(1.147)	-	286.195
-	(6.683)	-	1.548.729
-	(495)	-	43.677
-	(6.076)	-	613.321
-	-	-	3.349
-	**(14.583)**	**-**	**2.527.039**
			2.582.438

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NOTE 17. OTHER INTANGIBLE ASSETS

For the year ended December 31, 2013, the movements of other intangible assets are as follows:

Cost	2012	Additions	Disposals
Bottling contracts	-	-	-
Licence agreements	1.226.281	-	-
Brands	385.742	6.446	-
Rights	15.232	1.640	-
Other intangible assets	32.991	30.122	(299)
	1.660.246	**38.208**	**(299)**

Accumulated amortization (-)	2012	Additions	Disposals
Bottling contracts	-	-	-
Licence agreements	-	-	-
Brands	-	-	-
Rights	10.974	4.900	-
Other intangible assets	17.172	12.923	(299)
	28.146	17.823	(299)
Net book value	**1.632.100**		

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Addition Through Change in Scope of Consolidation	Currency translation differences	Impairment / (Impairment reversal), net	Transfers	2013
6.401.133	349.346	-	-	6.750.479
-	138.969	-	-	1.365.250
-	57.600	(1.226)	-	448.562
17.535	36	-	1.985	36.428
16.218	5.830	-	-	84.862
6.434.886	**551.781**	**(1.226)**	**1.985**	**8.685.581**

Addition Through Change in Scope of Consolidation	Currency translation differences	Impairment / (Impairment reversal), net	Transfers	2013
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	3	-	-	15.877
-	3.157	-	-	32.953
-	3.160	-	-	48.830
				8.636.751

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NOTE 17. OTHER INTANGIBLE ASSETS (continued)

For the year ended December 31, 2012, the movements of other intangible assets are as follows:

Cost	2011	Additions	Disposals
Bottling contracts	-	-	-
Licence agreements	-	-	-
Brands	191.173	-	-
Rights	13.321	1.488	-
Other intangible assets	19.808	7.325	(310)
	224.302	**8.813**	**(310)**

Accumulated amortization (-)	2011	Additions	Disposals
Bottling contracts	-	-	-
Licence agreements	-	-	-
Brands	-	-	-
Rights	9.890	1.088	-
Other intangible assets	14.013	3.636	(310)
	23.903	4.724	(310)
Net book value	**200.399**		

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Addition Through Change in Scope of Consolidation	Currency translation differences	Transfers	2012
1.271.868	(45.587)	-	1.226.281
-	-	-	-
197.190	(2.621)	-	385.742
-	(16)	439	15.232
6.611	(443)		32.991
1.475.669	**(48.667)**	**439**	**1.660.246**

Addition Through Change in Scope of Consolidation	Currency translation differences	Impairment / (Impairment reversal), net	2012
-	-	-	-
-	-	-	-
-	-	-	-
-	(4)	-	10.974
-	(167)	-	17.172
-	(171)	-	28.146
			1.632.100

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NOTE 18. GOODWILL

Movement of the goodwill during the period is as follows:

	2013	2012
At January 1	**1.783.196**	613.140
Additions (Note 3)	**-**	1.213.199
Recognized due to change in scope of consolidation (Note 3)	**389.189**	-
Put option fair value change	**-**	(2.891)
Currency translation differences	**280.664**	(40.252)
At December 31	**2.453.049**	1.783.196

As of December 31, 2013 and 2012, operating segment distributions of goodwill are presented below:

	Turkey Beer	**International Beer**	**Soft Drinks**	**Other**	**Total**
2013	**50.099**	**1.938.972**	**463.978**	**-**	**2.453.049**
2012	50.099	1.733.097	-	-	1.783.196

NOTE 19. GOVERNMENT INCENTIVES AND GRANTS

As of December 31, 2013, the Group used an incentive for its investment amounting to TRL64.657 (December 31,2012 - TRL69.243) on Bursa mineral water and Elazığ, Köyceğiz, Çorlu, Ankara and Mersin production lines by generating a total tax advantage of TRL13.994 (December 31, 2012 - TRL13.126). The tax advantage amounting to TRL67 was recognized during 2013 (December 31, 2012 - TRL877).

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NOTE 20. COMMITMENTS AND CONTINGENCIES

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

As of December 31, 2013 and 2012 guarantees, pledges and mortgages (GPMs) given in favor of the parent company and subsidiaries included in full consolidation are as follows:

	December 31, 2013								
	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 UAH**	**Original Currency Thousand PKR**	**Other Foreign Currency TRL Equivalent**
A. GPMs given on behalf of the Company's legal personality	**409.772**	**300.122**	**6.879**	**1.771**	**-**	**11.524**	**79.436**	**2.927.984**	**8.312**
B. GPMs given in favor of subsidiaries included in full consolidation (1)	**604.795**	**-**	**231.323**	**13.520**	**-**	**-**	**-**	**3.513.025**	**-**
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	**1.014.567**	**300.122**	**238.202**	**15.291**	**-**	**11.524**	**79.436**	**6.441.009**	**8.312**
Ratio of other GPMs over the Company's equity (%)	-	-	-	-	-	-	-	-	-

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NOTE 20. COMMITMENTS AND CONTINGENCIES (continued)

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

	December 31, 2012						
	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 UAH
A. GPMs given on behalf of the Company's legal personality	106.639	12.431	3.029	8.544	-	1.110.984	15.740
B. GPMs given in favor of subsidiaries included in full consolidation (1)	520.710	-	287.278	-	728.000	-	-
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	627.349	12.431	290.307	8.544	728.000	1.110.984	15.740
Ratio of other GPMs over the Company's equity (%)	-	-	-	-	-	-	-

[1] *Comprises the GPMs given in favor of subsidiaries included in full consolidation for their borrowings.*

CCİ, Its Subsidiaries and Joint Ventures

a) Put Options

According to the put option that has been granted to Day Investments Ltd. by CCİ, Day Investments Ltd. will have right to sell its shares in Turkmenistan CC to CCİ at the price of USD2.360 thousand. The Group's portion of the liability for the put option amounting to TRL5.037 has been presented in "other current liabilities" (December 31, 2012 Restated - None).

According to the put option signed with European Refreshment (ER), ER has an option to sell (and CCİ will have an obligation to buy) its remaining 23,60% participatory shares in Waha B.V. The Group's share of the put option liability amounting to TRL113.040 is recorded under "other long term liabilities" (December 31, 2012 Restated – None).

According to shareholders agreement signed with NKG, NKG has an option to sell (and Waha B.V. will have an obligation to buy) its remaining 15% participatory shares in Al Waha and Waha B.V. has an option to buy (and NKG will have an obligation to sell) NKG's 15% participatory shares in Al Waha with an amount of USD26 million. The Group's share of the liability from this buying obligation is amounting to TRL55.492 and was recorded to "other non-current liabilities" based on the Group's share in the consolidated balance sheet (December 31, 2012 Restated - None).

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NOTE 20. COMMITMENTS AND CONTINGENCIES (continued)

CCİ, Its Subsidiaries and Joint Ventures (continued)

b) Murabaha

During 2012 CCBPL and Standard Chartered Bank (SCB) have made murabaha facility agreement. Based on this agreement, SCB and CCBPL agree that they shall enter into a series of sugar and resin purchase transactions from time to time on the dates and in the amounts to be agreed between them subject to the terms of this agreement. As of December 31, 2013, CCBPL has TRL129.919 sugar and resin purchase commitment from SCB until the end of December 31, 2013 and expense accrual of TRL1.859 payable for the profit share of SCB was reflected in the financial statements.

Operational Lease

As of December 31, 2013, the Group's contingent liability, for the following years resulting from the non-cancellable operational lease agreements is amounting to TRL40.479 (December 31, 2012 Restated - TRL13.200).

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 21. EMPLOYEE BENEFITS

a) Employee Benefits Obligations

As of December 31, 2013 and 2012, employee benefits obligations are as follows:

	2013	2012
Payables to personnel	**23.997**	10.341
Social securities liabilities	**16.557**	13.324
Other	**13.058**	-
	53.612	23.665

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NOTE 21. EMPLOYEE BENEFITS (continued)

b) Short Term Provision for Employee Benefits

As of December 31, 2013 and 2012, short term provision for employee benefits are as follows:

	2013	2012
Provision for vacation pay liability	**45.264**	21.154
Management bonus accruals	**12.238**	28.482
Other	**10.284**	-
	67.786	49.636

As of December 31, 2013 and 2012, the movement of provision for vacation pay liability is as below:

	2013	2012
Balance at January 1	**21.154**	17.016
Payments	**(2.623)**	(1.105)
Current year provision	**11.941**	2.808
Recognized due to change in scope of consolidation	**11.740**	-
Addition through subsidiary acquired	**-**	2.529
Currency translation differences	**3.052**	(94)
	45.264	21.154

As of December 31, 2013 and 2012, the movement of management bonus accruals is as below:

	2013	2012
Balance at January 1	**28.482**	3.345
Payments	**(62.806)**	(20.619)
Current year provision	**33.331**	45.929
Recognized due to change in scope of consolidation	**10.264**	-
Currency translation differences	**2.967**	(173)
	12.238	28.482

c) Long Term Provision for Employee Benefits

	2013	2012
Employment termination benefits	**79.616**	38.503
Long term incentive plans	**8.703**	12.841
	88.319	51.344

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NOTE 21. EMPLOYEE BENEFITS (continued)

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, 2013 is subject to a ceiling of full TRL3.254 (December 31, 2012 - full TRL3.034) (Retirement pay liability ceiling has been increased to full TRL3.438 as of January 1, 2014). In the consolidated financial statements as of December 31, 2013 and 2012, 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. Accordingly, net discount rates determined by considering expected payment dates are in a range between 3,76% and 3,80% (December 31, 2012: 2,21%-2,75%)

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

	2013	2012
Balance at January 1	**38.503**	28.559
Payments	**(8.833)**	(5.666)
Interest cost	**3.853**	2.178
Current year provision	**12.861**	11.993
Recognized due to change in scope of consolidation	**30.796**	-
Actuarial loss / (gain)	**2.436**	1.439
	79.616	38.503

Movement of provision for long-term incentive plan represented in the consolidated financial statements is as follows:

	2013	2012
Balance at January 1	**12.841**	10.209
Payments	**(18.609)**	(3.323)
Interest cost	**1.285**	783
Current year provision	**9.208**	5.172
Recognized due to change in scope of consolidation	**2.017**	-
Actuarial loss / (gain)	**1.961**	-
	8.703	12.841

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NOTE 22. OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	2013	2012
Value Added Tax (VAT) deductible or to be transferred	**196.689**	22.897
Other	**1.952**	453
	198.641	23.350

b) Other Non-Current Assets

	2013	2012
Deferred VAT and other taxes	**16.697**	9.607
Other	**281**	2.922
	16.978	12.529

c) Other Current Liabilities

	2013	2012
Expense accruals	**-**	54
Put option liability (Note 20)	**5.037**	76.652
Other	**1.377**	154
	6.414	76.860

d) Other Non-Current Liabilities

	2013	2012
Put option liability (Note 20)	**168.532**	-
Deferred VAT and other taxes	**16.601**	9.538
Other	**843**	650
	185.976	10.188

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NOTE 23. EQUITY

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

	2013	2012
Common shares 1 full TRL per value		
Authorized capital	**900.000**	900.000
Issued capital	**592.105**	592.105

As of December 31, 2013 and 2012, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	2013		2012	
	Amount	**%**	Amount	%
Yazıcılar Holding A.Ş.	**139.787**	**23,61**	139.787	23,61
Özilhan Sınai Yatırım A.Ş.	**79.813**	**13,48**	79.813	13,48
Anadolu Endüstri Holding A.Ş. (AEH)	**35.292**	**5,96**	35.292	5,96
SABMiller AEL	**142.105**	**24,00**	142.105	24,00
Publicly traded and other	**195.108**	**32,95**	195.108	32,95
Issued capital	**592.105**	**100,00**	592.105	100,00
Inflation correction adjustment	**63.583**		63.583	
	655.688		655.688	

As of December 31, 2013 and 2012, there is no 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 5% of the paid in capital is deducted from the distributable profit.

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.

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NOTE 23. EQUITY (continued)

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

Quoted companies are subject to dividend requirements regulated by the CMB as follows: Based on the CMB Decree 1/6, dated January 9, 2009, 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.

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. 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 TRL863.616 as of December 31, 2013 (December 31, 2012 - TRL1.165.090).

Anadolu Efes distributed dividend in 2013, related with the year ended as of December 31, 2012, for a gross amount of full TRL0,45 per share, amounting to a total of TRL277.098 including the payments to founders and members of board of directors (2012 - gross amount full TRL0,45 per share, total amount TRL221.024 including the payments to founders and member of board of directors).

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NOTE 23. EQUITY (continued)

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

For December 31, 2013 and 2012, nominal amounts, equity restatement differences and restated value of equity are as follows:

December 31, 2013	Nominal Amount	Equity Restatement Differences	Restated Amount
Issued capital	592.105	63.583	655.688
Legal reserves	249.541	74.697	324.238
Extraordinary reserves	435.771	26.091	461.862
	1.277.417	**164.371**	**1.441.788**
Share Premium/Discount			**3.137.684**
Cumulative Other Comprehensive Income / Expense not to be Classified to Profit and Loss			**-**
- Revaluation and Remeasurement Gain / Loss			**(5.398)**
Cumulative Other Comprehensive Income / Expense to be Classified to Profit and Loss			**-**
- Currency Translation Differences			**968.155**
- Hedge Loss			**(304)**
- Revaluation and Reclassification Gain			**(10.008)**
Other Reserves			**(235.742)**
Accumulated profit (Including net income)			**4.275.476**
Equity attributable to equity holders of the parent			**9.571.651**

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NOTE 23. EQUITY (continued)

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

December 31, 2012	Nominal Amount	Equity Restatement Differences	Restated Amount
Issued capital	592.105	63.583	655.688
Legal reserves	209.644	74.697	284.341
Extraordinary reserves	466.134	26.091	492.225
	1.267.883	**164.371**	**1.432.254**
Share Premium/Discount			**3.137.684**
Cumulative Other Comprehensive Income / Expense not to be Classified to Profit and Loss			**-**
- Revaluation and Remeasurement Gain / Loss			**(7.152)**
Cumulative Other Comprehensive Income / Expense may be Classified to Profit and Loss			**-**
- Currency Translation Differences			**141.456**
- Hedge Gain / Loss			**113**
- Revaluation and Reclassification Gain			**55.875**
Other Reserves			**(10.653)**
Accumulated profit (Including net income)			**1.953.188**
Equity attributable to equity holders of the parent			**6.702.765**

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NOTE 24. SALES AND COST OF SALES

Revenues	**2013**	2012
Domestic revenues	**4.412.306**	1.592.667
Foreign revenues	**4.783.467**	2.727.058
Total sales, net	**9.195.773**	4.319.725
Cost of Sales (-)		
Net change in inventory	**4.124.002**	1.415.598
Depreciation and amortization expense on PP&E and intangible assets	**354.132**	173.187
Personnel expenses	**281.036**	138.676
Utility expenses	**198.618**	117.019
Provision for retirement pay liability	**4.210**	3.032
Other expenses	**238.110**	131.457
Total cost of sales	**5.200.108**	1.978.969
Gross Operating Profit	**3.995.665**	2.340.756

Between dates January 1- December 31, 2013 and 2012, the amount of excise tax accrued over beer sales by the Group in Turkey are TRL2.216.751 and TRL2.290.464 respectively.

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NOTE 25. OPERATING EXPENSES

a) General and Administrative Expenses

	2013	2012
Personnel expenses	**367.200**	214.880
Service rendered from outside	**149.574**	145.978
Depreciation and amortization expense on PP&E and intangible assets	**49.767**	23.944
Taxation (other than on income) expenses	**35.870**	30.826
Utilities and communication expenses	**21.864**	10.199
Meeting and travel expenses	**17.338**	4.870
Insurance expenses	**12.952**	10.179
Provision for vacation pay liability	**9.932**	2.808
Provision for retirement pay liability	**6.407**	8.243
Repair and maintenance expenses	**6.387**	3.754
Other expenses	**119.757**	78.023
	797.048	533.704

b) Selling, Distribution and Marketing Expenses

	2013	2012
Advertising, selling and marketing expenses	**1.008.841**	550.320
Personnel expenses	**486.883**	235.450
Transportation and distribution expenses	**421.051**	238.153
Depreciation and amortization expense on PP&E and intangible assets	**306.716**	152.592
Utilities and communication expenses	**48.799**	11.889
Rent expenses	**29.884**	2.852
Repair and maintenance expenses	**18.875**	1.640
Provision for retirement pay liability	**6.097**	1.625
Other expenses	**134.651**	72.325
	2.461.797	1.266.846

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NOTE 26. EXPENSES BY NATURE

a) Depreciation and Amortization Expenses

	2013	2012
Cost of sales	**(354.132)**	(173.187)
Marketing, selling and distribution expenses	**(306.716)**	(152.592)
General and administration expenses	**(49.767)**	(23.944)
Inventories	**(12.187)**	-
Other operating expenses	**(1.098)**	-
	(723.900)	(349.723)

b) Personnel Expenses

	2013	2012
Cost of sales	**(281.036)**	(138.676)
Marketing, selling and distribution expenses	**(486.883)**	(235.450)
General and administration expenses	**(367.200)**	(214.880)
	(1.135.119)	(589.006)

NOTE 27. OTHER OPERATING INCOME / EXPENSES

a) Other Operating Income

	2013	2012
Foreign exchange gains arising from operating activities	**24.629**	24.778
Income from scrap and other materials	**17.189**	2.753
Insurance compensation income	**3.279**	770
Rent income	**1.272**	4.160
Credit finance income arising from trading activities	**522**	1.973
Other income	**32.264**	21.378
	79.155	55.812

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NOTE 27. OTHER OPERATING INCOME / EXPENSES (continued)

b) Other Operating Expenses

	2013	2012
Foreign exchange losses arising from operating activities	**(33.025)**	(22.973)
Donations	**(6.323)**	(19.545)
Credit finance charges arising from trading activities	**(1.995)**	(518)
Other expenses	**(30.778)**	(12.632)
	(72.121)	(55.668)

NOTE 28. INCOME FROM INVESTING ACTIVITIES

	2013	2012
Income recognized due to change in scope of consolidation	**2.722.194**	-
Fair value gain of put option liability	**-**	3.405
Gain on sale of financial investments (Note 7)	**74.566**	-
Gain on sale of fixed assets	**3.330**	4.772
Reversal of impairment on property, plant and equipment (Note 16, 17)	**1.884**	-
Other	**21**	-
	2.801.995	8.177

NOTE 29. EXPENSE FROM INVESTING ACTIVITIES

	2013	2012
Provision for impairment on fixed assets (Note 16, 17)	**(78.436)**	(1.412)
Loss on sale of fixed assets	**(5.725)**	-
Loss from the disposal of investment in associates	**-**	(11.093)
	(84.161)	(12.505)

NOTE 30. FINANCE INCOME

	2013	2012
Foreign exhange gain	**340.161**	139.802
Interest income	**66.820**	52.990
	406.981	192.792

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NOTE 31. FINANCE EXPENSE

	2013	2012
Foreign exchange loss	**(797.956)**	(103.890)
Interest expense	**(146.794)**	(49.504)
Borrowing costs	**(661)**	(111)
Other financial expenses	**(10.994)**	(2.997)
	(956.405)	(156.502)

NOTE 32. TAX ASSETS AND LIABILITIES

The corporation tax rate for the fiscal year is 20% in Turkey (2012 - 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% (2012 - 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, 2013 and 2012 are as follows:

	2013	2012
Current period tax expense	**(104.161)**	(144.697)
Deferred tax income / (expense), net	**54.708**	19.480
	(49.453)	(125.217)

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NOTE 32. TAX ASSETS AND LIABILITIES (continued)

As of December 31, 2013 and 2012, 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:

	2013	2012
Consolidated profit before tax	**2.902.443**	756.011
Effect of associate income net off tax	**9.821**	(183.699)
Taxable profit	**2.912.264**	572.312
Enacted tax rate	**%20**	%20
Tax calculated at the parent company tax rate	**(582.453)**	(114.462)
Tax effect of non-deductible expenses	**(29)**	(11.601)
Tax effect of gain recognized due to the change in scope of consolidation	**544.443**	-
Tax effect of income excluded from tax bases	**9.438**	2.439
Effect of different tax rates	**(909)**	1.278
Other	**(19.943)**	(2.871)
	(49.453)	(125.217)

As of December 31, 2013 and 2012 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	Asset		**Liability**		**Net**	
	2013	2012	**2013**	2012	**2013**	2012
Trade receivables and payables	**-**	-	**(16.291)**	-	**(16.291)**	-
PP&E and intangible assets	**-**	-	**(1.966.338)**	(444.334)	**(1.966.338)**	(444.334)
Inventories	**25.380**	16.061	**-**	-	**25.380**	16.061
Carry forward losses	**221.370**	86.030	**-**	-	**221.370**	86.030
Retirement pay liability and other employee benefits	**16.687**	13.240	**-**	-	**16.687**	13.240
Other provisions	**76.752**	37.928	**-**	-	**76.752**	37.928
Other (*)	**44.357**	32.480		-	**44.357**	32.480
	384.546	185.739	**(1.982.629)**	(444.334)	**(1.598.083)**	(258.595)

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

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NOTE 32. TAX ASSETS AND LIABILITIES (continued)

As of December 31, 2013 and 2012, the movement of deferred tax liability is as follows:

	2013	2012
Balance at January 1	**(258.595)**	36.121
Recorded to the consolidated income statement	**54.708**	19.480
Recognized in other comprehensive income (Note 7)	**2.585**	(1.992)
Recognized due to the change in scope of consolidation (Note 3)	**(1.349.187)**	(322.577)
Foreign currency differences	**(47.594)**	10.373
Balance at December 31	**(1.598.083)**	(258.595)

As a result of the Group management's assessment that sufficient taxable income will be generated and such carried losses will be utilized in 9 years period, deferred tax asset amounting to TRL207.486 has been recognized.

NOTE 33. EARNINGS PER SHARE

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

Weighted average number of shares represents the number of shares as a result of capital increase and adjusted number of shares at the beginning period multiplied with the time-weighting factor. Time weighting factor is calculated by dividing the number of days that the shares are available by the total number of days of the period.

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

	2013	2012
Net income	**2.608.920**	609.811
Weighted average number of shares	**592.105.263**	566.479.724
Earnings per share (full TRL)	**4,4062**	1,0765

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NOTE 34. RELATED PARTY BALANCES AND TRANSACTIONS

a) Balances with Related Parties

Bank and Available-For-Sale Securities Balances with Related Parties

	2013	2012
Alternatifbank [1]	**255.794**	171.118
Alternatif Yatırım A.Ş. [1]	**-**	1.551
	255.794	172.669

As of December 31, 2013, maturities of time deposits on Alternatifbank are less than three months and the weighted average interest rates for TRL denominated time deposits is 8,66% (December 31, 2012 - 8,03%) and USD denominated time deposits is 3,20% (December 31, 2012 Restated - None)

Short-term Financial Liabilities

	2013	2012
Alternatifbank [1]	-	169
	-	169

[1] *Related party of AEH (a shareholder)*

Due from Related Parties

	2013	2012
AEH.	**4.587**	-
SSDSD	**1.513**	-
Efes Turizm İşletmeleri A.Ş.	**45**	80
SABMiller Group Companies[5]	**41**	36
Anadolu Efes Spor Klübü	**4**	39
Other	**23**	20
	6.213	175

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NOTE 34. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

a) Balances with Related Parties (continued)

Due to Related Parties (continued)

	2013	2012
SABMiller Group Companies(5)	**18.434**	17.547
Oyex Handels GmbH (4)	**2.972**	2.776
Çelik Motor Ticaret A.Ş. (4)	**2.970**	22
Anadolu Bilişim Hizmetleri A.Ş. (2) (4)	**1.767**	1.583
AEH (1) (3)	**1.111**	905
Efes Turizm İşletmeleri A.Ş. (4)	**338**	150
Other	**38**	81
	27.630	23.064

The Group has 577 TL and 1.881 TL due to AEH within short term and long term deferred revenue, respectively.

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NOTE 34. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Transactions with Related Parties

Purchases of Goods, Services and Donations

	Nature of transaction	2013	2012
Anadolu Efes Spor Kulübü	Service	**61.215**	66.200
SABMiller Group Companies [5]	Service and purchase of trade goods	**49.872**	37.460
Çelik Motor Ticaret A.Ş. [4]	Vehicle leasing	**26.948**	8.371
AEH [3]	Consultancy service	**21.578**	15.507
Anadolu Bilişim Hizmetleri A.Ş. [2] [4]	Information service	**13.898**	9.293
Efes Turizm İşletmeleri A.Ş. [4]	Travel and accommodation	**11.322**	8.088
AEH Münih [4]	Purchase of materials and fixed assets	**8.345**	5.317
Oyex Handels GmbH [4]	Purchase of materials and fixed assets	**7.266**	53.642
Anadolu Vakfı	Donations	**5.892**	19.290
Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. [1]	Rent expense	**648**	976
Arge Danışmanlık A.Ş	Consultancy service	**597**	231
Ahmet Boyacıoğlu	Consultancy service	**292**	271
Mehmet Cem Kozlu	Consultancy service	**189**	175
Cansen ve Cansen Danışmanlık ve Ticaret Ltd. Şti	Consultancy service	**80**	74
Other		**602**	750
		208.744	225.645

[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] Related parties of SABMiller AEL (a shareholder)

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NOTE 34. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Transactions with Related Parties (continued)

Finance Income / (Expenses), Net

	Nature of transaction	**2013**	2012
Alternatifbank [1] [2]	Interest income / (expense), net	**7.041**	21.100
		7.041	21.100

Other Income / (Expenses), Net

	Nature of transaction	**2013**	2012
SABMiller Group Companies [3]	Other income	**155**	34
Alternatifbank [1] [2]	Rent income	**113**	109
Çelik Motor Ticaret A.Ş. [2]	Other income	**84**	-
Efes Pilsen Spor Klübü	Other income	**72**	80
AEH	Other income	**45**	3
Anadolu Bilişim Hizmetleri A.Ş. [1] [2] [4]	Rent income	**8**	33
Other		**40**	-
		517	259

[1] *Financial investment of the Group, available for sale*
[2] *Related party of AEH (a shareholder)*
[3] *Related parties of SABMiller AEL (a shareholder)*
[4] *Non-current financial investment of the Group*

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NOTE 34. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Transactions with Related Parties (continued)

Director's remuneration

As of December 31, 2013 and 2012, total benefits to Anadolu Efes Board of Directors are TRL277 and TRL172, respectively. Additionally, dividends amounting to TRL13.154 were paid to Board of Directors of Anadolu Efes as of December 31, 2012. Remuneration and similar benefits received by total executive members of the Board of Directors and executive directors as of December 31, 2013 and 2012 are as follows:

	2013	2012
Short-term employee benefits	**27.967**	10.260
Post-employment benefits	**-**	-
Other long term benefits	**5.627**	119
Termination benefits	**-**	-
Share-based payments	**-**	-
	33.594	10.379

NOTE 35. 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.

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.

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NOTE 35. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

a) Interest Rate Risk (continued)

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

	2013	2012
Financial instruments with fixed interest rate		
Financial assets		
Financial assets at fair value through profit or loss	**2.131.411**	1.407.412
Financial liabilities	**3.149.442**	998.796
Financial instruments with floating interest rate		
Financial liabilities	**2.390.763**	1.053.267

At December 31, 2013, 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, 2014 which is the following reporting period, would be:

	2013	2012
Change in USD denominated borrowing interest rate	**4.215**	2.423
Change in EURO denominated borrowing interest rate	**984**	-
Change in Other denominated borrowing interest rate	**238**	-
Total	**5.437**	2.423

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NOTE 35. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

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. Net foreign currency exposure for the consolidated Group companies as of December 31, 2013 and December 31, 2012 are presented below:

Foreign Currency Position Table

2013

	Total TRL Equivalent (Functional Currency)	Thousand USD
1. Trade Receivables and Due from Related Parties	39.000	4.683
2a. Monetary Financial Assets (Cash and cash equivalents included)	865.229	277.258
2b. Non- monetary Financial Assets	-	-
3. Other Current Assets and Receivables	41.821	1
4. Current Assets	**946.050**	**281.942**
5. Trade Receivables and Due from Related Parties	-	-
6a. Monetary Financial Assets	-	-
6b. Non-monetary Financial Assets	-	-
7. Other	1.789	1
8. Non-Current Assets	**1.789**	**1**
9. Total Assets	**947.839**	**281.943**
10.Trade Payables and Due to Related Parties	(114.998)	(29.811)
11.Short- term Borrowings and Current Portion of Long- term Borrowings	(1.274.301)	(532.594)
12a. Monetary Other Liabilities	(27.162)	(2.360)
12b. Non-monetary Other Liabilities	-	-
13. Current Liabilities	**(1.416.461)**	**(564.765)**
14. Trade Payables and Due to Related Parties	-	-
15. Long-Term Borrowings	(3.298.114)	(1.407.705)
16 a. Monetary Other Liabilities	(168.533)	(78.964)
16 b. Non-monetary Other Liabilities	-	-
17. Non-Current Liabilities	**(3.466.647)**	**(1.486.669)**
18. Total Liabilities	**(4.883.108)**	**(2.051.434)**
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position	**-**	**-**
19a. Total Hedged Assets	**-**	**-**
19b. Total Hedged Liabilities	**-**	**-**
20. Net Foreign Currency Asset / (Liability) Position	**(3.935.269)**	**(1.769.491)**
21. Monetary Items Net Foreign Currency Asset / (Liability) Position	**(3.978.879)**	**(1.769.493)**
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	**-**	**-**
23. Total value of Hedged Foreign Currency Assets	**-**	**-**

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TRL Equivalent	Thousand EURO	TRL Equivalent	Other Foreign Currency TRL Equivalent
9.995	752	2.209	26.796
591.751	73.082	214.605	58.873
-	-	-	-
3	1.046	3.072	38.746
601.749	**74.880**	**219.886**	**124.415**
-	-	-	-
-	-	-	-
-	-	-	-
2	-	-	1.787
2	**-**	**-**	**1.787**
601.751	**74.880**	**219.886**	**126.202**
(63.625)	(13.336)	(39.162)	(12.211)
(1.136.715)	(46.854)	(137.586)	-
(5.038)	(130)	(382)	(21.742)
-	-	-	-
(1.205.378)	**(60.320)**	**(177.130)**	**(33.953)**
-	-	-	-
(3.004.464)	(100.000)	(293.650)	-
(168.533)	-	-	-
-	-	-	-
(3.172.997)	**(100.000)**	**(293.650)**	**-**
(4.378.375)	**(160.320)**	**(470.780)**	**(33.953)**
-	**-**	**-**	**-**
-	**-**	**-**	**-**
-	**-**	**-**	**-**
(3.776.624)	**(85.440)**	**(250.894)**	**92.249**
(3.776.629)	**(86.486)**	**(253.966)**	**51.716**
-	**-**	**-**	**-**
-	**-**	**-**	**-**

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NOTE 35. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

b) Foreign Currency Risk (continued)

Foreign Currency Position Table

2012

	Total TRL Equivalent (Functional Currency)	**Thousand USD**
1. Trade Receivables and Due from Related Parties	9.647	3.884
2a. Monetary Financial Assets (Cash and cash equivalents included)	660.344	360.269
2b. Non- monetary Financial Assets	-	-
3. Other Current Assets and Receivables	-	-
4. Current Assets	**669.991**	**364.153**
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	**669.991**	**364.153**
10.Trade Payables and Due to Related Parties	(60.362)	(15.927)
11.Short- term Borrowings and Current Portion of Long- term Borrowings	(475.973)	(267.011)
12a. Monetary Other Liabilities	(565)	-
12b. Non-monetary Other Liabilities	(2)	-
13. Current Liabilities	**(536.902)**	**(282.938)**
14. Trade Payables and Due to Related Parties	-	-
15. Long-Term Borrowings	(1.248.516)	(700.390)
16 a. Monetary Other Liabilities	-	-
16 b. Non-monetary Other Liabilities	-	-
17. Non-Current Liabilities	**(1.248.516)**	**(700.390)**
18. Total Liabilities	**(1.785.418)**	**(983.328)**
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position	**-**	**-**
19a. Total Hedged Assets	**-**	**-**
19b. Total Hedged Liabilities	**-**	**-**
20. Net Foreign Currency Asset / (Liability) Position	**(1.115.427)**	**(619.175)**
21. Monetary Items Net Foreign Currency Asset / (Liability) Position	**(1.115.425)**	**(619.175)**
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	**-**	**-**
23. Total value of Hedged Foreign Currency Assets	**-**	**-**

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TRL Equivalent	**Thousand EURO**	**TRL Equivalent**	**Other Foreign Currency TRL Equivalent**
6.923	662	1.558	1.166
642.216	5.993	14.094	4.034
-	-	-	-
-	-	-	-
649.139	**6.655**	**15.652**	**5.200**
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	**-**	**-**	**-**
649.139	**6.655**	**15.652**	**5.200**
(28.391)	(10.754)	(25.290)	(6.681)
(475.973)	-	-	-
-	(241)	(567)	2
-	**-**	**-**	(2)
(504.364)	**(10.995)**	**(25.857)**	**(6.681)**
-	-	-	-
(1.248.516)	-	-	-
-	-	-	-
-	-	-	-
(1.248.516)	**-**	**-**	**-**
(1.752.880)	**(10.995)**	**(25.857)**	**(6.681)**
-	**-**	**-**	**-**
-	**-**	**-**	**-**
-	**-**	**-**	**-**
(1.103.741)	**(4.340)**	**(10.205)**	**(1.481)**
(1.103.741)	**(4.340)**	**(10.205)**	**(1.479)**
-	**-**	**-**	**-**
-	**-**	**-**	**-**

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NOTE 35. 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, 2013 and 2012 is as follows:

	2013	2012
Total Export	**184.134**	156.655
Total Import	**1.463.657**	475.457

The following table demonstrates the sensitivity analysis of foreign currency as of December 31, 2013 and 2012:

Foreign Currency Position Sensitivity Analysis				
	2013			
	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 USD by 10%:				
USD denominated net asset / (liability)	(377.662)	377.662	588.612	(588.612)
USD denominated hedging instruments (-)	-	-	-	-
Net effect in USD	**(377.662)**	**377.662**	**588.612**	**(588.612)**
Increase / decrease in EURO by 10%:				
EURO denominated net asset / (liability)	(25.089)	25.089	2.714	(2.714)
EURO denominated hedging instruments (-)	-		-	-
Net effect in EURO	**(25.089)**	**25.089**	**2.714**	**(2.714)**
Increase / decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset / (liability)	9.225	(9.225)	-	-
Other foreign currency hedging instruments (-)	-			
Net effect in other foreign currency	**9.225**	**(9.225)**	**-**	**-**
TOTAL	**(393.526)**	**393.526**	**591.326**	**(591.326)**

(*) *Effect of change in exchange rate of USD TRY and EUR TRY.*

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NOTE 35. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

b) Foreign Currency Risk (continued)

Foreign Currency Position Sensitivity Analysis				
	2012			
	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 USD by 10%:				
USD denominated net asset / (liability)	(110.374)	110.374	528.201	(528.201)
USD denominated hedging instruments (-)	-	-	-	-
Net effect in USD	(110.374)	110.374	528.201	(528.201)
Increase / decrease in EURO by 10%:				
EURO denominated net asset / (liability)	(1.021)	1.021	2.117	(2.117)
EURO denominated hedging instruments (-)	-	-	-	-
Net effect in EURO	(1.021)	1.021	2.117	(2.117)
Increase / decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset / (liability)	(148)	148	-	-
Other foreign currency hedging instruments (-)	-	-	-	-
Net effect in other foreign currency	(148)	148	-	-
TOTAL	(111.543)	111.543	530.318	(530.318)

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NOTE 35. 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, 2013 and 2012;

2013 Contractual maturities	**Carrying value**	**Contractual 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	5.275.932	5.765.809	920.533	930.200	2.731.268	1.183.808
Trade payable and due to related parties	752.625	752.625	692.093	57.228	3.304	-
Liability for put option	173.569	173.569	-	5.037	168.532	-
Total	**6.202.126**	**6.692.003**	**1.612.626**	**992.465**	**2.903.104**	**1.183.808**

2012 Contractual maturities	Carrying value	Contractual 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	2.052.063	2.092.069	446.214	317.291	437.264	891.300
Trade payable and due to related parties	271.337	271.337	244.451	26.886	-	-
Liability for put option	76.652	76.652	76.652	-	-	-
Total	2.400.052	2.440.058	767.317	344.177	437.264	891.300

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NOTE 35. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

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.

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NOTE 35. 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, 2013 and 2012 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)	**6.213**	**888.315**	**-**	**53.089**	**2.304.658**	**-**	**338.190**
- Maximum credit risk secured by guarantees	-	475.010	-	-	-	-	-
			-				
A. Net carrying amount of financial assets that are neither past due nor impaired	6.213	747.045	-	53.089	2.304.658	-	-
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	-	139.661	-	-	-	-	-
- Under guarantee	-	33.621	-	-	-	-	-
D. Net carrying amount of financial assets impaired	-	1.609	-	-	-	-	-
- past due (gross carrying value)	-	29.489	-	-	-	-	-
- impaired (-)	-	(27.880)	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	1.609	-	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	-	-	-	-	-	-
E. Off- balance sheet items which include credit risk	-	-	-	-	-	-	338.190

Current Year	**Trade Receivables**	**Other Receivables**	**Deposits**	**Derivative Instruments**	**Other**
Past due between 1-30 days	**77.219**	**-**	**-**	**-**	**-**
Past due between 1-3 months	**44.465**	**-**	**-**	**-**	**-**
Past due between 3-12 months	**9.636**	**-**	**-**	**-**	**-**
Past due for more than 1 year	**8.341**	**-**	**-**	**-**	**-**

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NOTE 35. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

e) Credit Risk (continued)

	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)	175	632.994	-	17.657	1.484.636	-	-
- Maximum credit risk secured by guarantees	-	394.970	-	-	-	-	-
A. Net carrying amount of financial assets that are neither past due nor impaired	114	556.119	-	17.657	1.484.636	-	-
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	61	75.390	-	-	-	-	-
- Under guarantee	-	9.585	-	-	-	-	-
D. Net carrying amount of financial assets impaired	-	1.485	-	-	-	-	-
- past due (gross carrying value)	-	10.033	-	-	-	-	-
- impaired (-)	-	(8.548)	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	1.485	-	-	-	-	-
- not past due (gross carrying value)	-	-	-	-	-	-	-
- impaired (-)	-	-	-	-	-	-	-
- Net carrying amount of financial assets under guarantee	-	-	-	-	-	-	-
E. Off- balance sheet items which include credit risk	-	-	-	-	-	-	-

Prior Year	Trade Receivables	Other Receivables	Deposits	Derivative Instruments	Other
Past due between 1-30 days	41.798	-		-	-
Past due between 1-3 months	8.808	-	-	-	-
Past due between 3-12 months	1.934	-	-	-	-
Past due for more than 1 year	3.172	-	-	-	-

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NOTE 35. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

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. The Group periodically measures Net Debt to EBITDA ratio to maintain capital risk management. Net Debt is calculated by deducting cash and cash equivalents from total borrowings.

NOTE 36. 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:

a) 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.

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NOTE 36. FINANCIAL INSTRUMENTS (continued)

Fair Value (continued)

b) 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 including direct or indirect observable inputs

Level 3: Valuation techniques not containing observable market inputs**.**

Current Year	**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value			
Share certificates	**-**	**-**	**-**
Investment funds	**-**	**-**	**-**
Financial liabilities at fair value			
Interest rate swap	**-**	**479**	**-**
Options (Note 22)	**-**	**-**	**113.039**

Prior Year	Level 1	Level 2	Level 3
Financial assets at fair value			
Share certificates	78.955	-	-
Investment funds	1.550	-	-
Financial liabilities at fair value			
Interest rate swap	-	-	-
Options (Note 22)	-	-	76.652

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NOTE 36. 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

CCİ has a risk management strategy regarding commodity price risk and its mitigation based on a 12-month anticipated purchase of can, the Company hedges the purchase price using commodity (aluminum) swap contracts. As of December 31, 2013 the Company has 4 aluminum swap transactions with a nominal value of TRL23.303 and 5.800 tones. Those aluminum swap contracts are designated as hedging instruments as of June 18, 2013, July 15, 2013, July 16, 2013 and November 28, 2013 respectively, in cash flow hedges related to forecasted cash flow, for the high probability purchases of production material exposed to commodity price risk The Group's share in fair value of aforementioned aluminum swap contracts amounting to TRL479 is recognized as "Derivative Financial Instruments" in other current liabilities and the effective portion of changes in fair value of hedges is recognized in interim consolidated statement of comprehensive income.

NOTE 37. SUBSEQUENT EVENTS

a) The Group has decided to suspend its brewing and maltery operations in Moscow on January 1, 2014, and suspend brewing operations in Rostov as of the first quarter of 2014. Accordingly, the number of breweries the Group owns and operates has become sixteen (five in Turkey, six in Russia and five in other countries) and the number of malteries the Group owns and operates has become six (two in Turkey, four in Russia).

b) The purchase of remaining 15,00% shares with a buying option in Al Waha, was completed by Waha B.V., a 76.40% subsidiary of CCİ, as of January 14, 2014. The payment of total purchase price of USD26.000.000 was completed following the finalization of the ongoing capital increase process in Waha B.V. in the Netherlands. Following the share capital increase, CCİ's direct share in Waha B.V. increased from 76,40% to 80,03% (The Group's share has been increased from 38,39% to 40,22%) and accordingly indirect share in Al Waha increased from 64,94% to 80,03% (The Group's share has been increased from 32,64% to 40,22%).

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi Changes in the Articles of Association in 2013

OLD VERSION	NEW VERSION
1. FIRST PART FOUNDATION, FOUNDERS, TITLE, OBJECTIVES, HEAD OFFICE, TERM	
FOUNDATION	**FOUNDATION**
Article 1: The founders who are identified below with their names and residence address have founded a Joint-Stock Company in accordance with the provisions of the Turkish Commercial Code pertaining to instantaneous foundation of joint-stock companies, and subject to the provisions of this Articles of Association and the Turkish Commercial Code.	**Article 1:** The founders who are identified below with their names and residence address have founded a Joint-Stock Company in accordance with the provisions of the Turkish Commercial Code pertaining to instantaneous foundation of joint-stock companies, and subject to the provisions of this Articles of Association and the Turkish Commercial Code.
FOUNDERS	**FOUNDERS**
Article 2: Founders of the Company who have signed this Articles of Association are the following persons: 1) Çelik Montaj Ticaret ve Sanayii A.Ş., Sirkeci, Emirler Sokak 3/1, Istanbul, being a company duly organized and registered in accordance with the laws of the Republic of Turkey; 2) Kamil Yazıcı, Sirkeci, Emirler Sokak 3/1, Istanbul, a citizen of the Republic of Turkey; 3) İzzet Özilhan, Sirkeci, Emirler Sokak 3/1, Istanbul, a citizen of the Republic of Turkey; 4) Nuri Yazıcı, Sirkeci, Emirler Sokak 3/1, Istanbul, a citizen of the Republic of Turkey; 5) Mustafa Yazıcı, Sirkeci, Emirler Sokak 3/1, Istanbul, a citizen of the Republic of Turkey; 6) İhsan Kent, Galata, Karamustafapaşa Cad. 203 Tahir Han Kat 5, Istanbul, a citizen of the Republic of Turkey; and 7) Aydın Kent, Galata, Karamustafapaşa Cad. 203 Tahir Han Kat 5, Istanbul, a citizen of the Republic of Turkey.	**Article 2:** Founders of the Company who have signed this Articles of Association are the following persons: 1) Çelik Montaj Ticaret ve Sanayii A.Ş., Sirkeci, Emirler Sokak 3/1, Istanbul, being a company duly organized and registered in accordance with the laws of the Republic of Turkey; 2) Kamil Yazıcı, Sirkeci, Emirler Sokak 3/1, Istanbul, a citizen of the Republic of Turkey; 3) İzzet Özilhan, Sirkeci, Emirler Sokak 3/1, Istanbul, a citizen of the Republic of Turkey; 4) Nuri Yazıcı, Sirkeci, Emirler Sokak 3/1, Istanbul, a citizen of the Republic of Turkey; 5) Mustafa Yazıcı, Sirkeci, Emirler Sokak 3/1, Istanbul, a citizen of the Republic of Turkey; 6) İhsan Kent, Galata, Karamustafapaşa Cad. 203 Tahir Han Kat 5, Istanbul, a citizen of the Republic of Turkey; and 7) Aydın Kent, Galata, Karamustafapaşa Cad. 203 Tahir Han Kat 5, Istanbul, a citizen of the Republic of Turkey.
TITLE	**COMPANY'S TITLE**
Article 3: Title of the Company is "Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi", which will hereafter be shortly referred to as the "Company".	**Article 3:** Title of the Company is **"ANADOLU EFES BİRACILIK VE MALT SANAYİ ANONİM ŞİRKETİ**, which will hereafter be shortly referred to as the "Company".
OBJECTIVES AND SCOPE OF BUSINESS	**OBJECTIVES AND SCOPE OF BUSINESS**
Article 4: The Company has been founded for the following purposes: (a) To manufacture malt and beer, and to this end, to produce, manufacture and sell beer yeast, malt extract, pulp, carbon dioxide, ice and other beverages, edible barley and other by-products, and plastic beer and beverage crates and other plastic materials and items, and to import and export all and any commercial and industrial products and materials in strict compliance with the applicable laws and regulations. (b) To establish, own, lease and operate factories and plants for the above outlined purposes. (c) To establish, own, lease and operate cold stores and to engage in storage and warehousing business. (d) To open and operate stores, shops and sales outlets for sale of its products, and promote and advertise its products. The Company may establish new companies or acquire shares in the existing companies, local or foreign, in relation with or helpful to realize its scope of business or operating in other fields of business. The Company may purchase, hire, lease, sell or otherwise dispose of all types of real estate, securities and ships, for its own needs and business within its objectives and scope of business. Without operating as a brokerage and securities portfolio management businesses, the Company may purchase and sell or otherwise trade all types of stock certificates, bonds, debentures and other securities, and may pledge or otherwise encumber them.	**Article 4:** The objectives and fields of business of the Company are mainly as follows: (a) To manufacture and sell malt and beer, and in connection with such manufacturing, to produce, manufacture and sell beer yeast, malt extract, pulp, carbon dioxide, ice and all other beverages, edible barley and other secondary products, and plastic beer and beverage crates and other plastic materials and items, and to import and export all and any commercial and industrial products and materials in strict compliance with the applicable laws and regulations. (b) To establish, own, lease and operate factories and plants for the above outlined purposes. (c) To establish, own, lease and operate cold stores and to engage in storage and warehousing business. (d) To open and operate stores, shops and sales outlets for the sale of its products, and promote and advertise its products. Without prejudice to the Article 21/1 of the Capital Markets Law no 6362, the Company may establish new companies or acquire shares in the existing companies, local or foreign, in relation with or helpful to realize its scope of business or operating in other fields of business. The Company may conduct consulting activities related to its sector.

Subject to special situations, with making the required disclosures upon the demand of the Capital Markets Board in order to inform its investors, the Company may establish mortgages on its own real estates and ships as a security for repayment of its own debts or the debts of third persons, accept mortgages to secure its receivables, and likewise, the Company may pledge its personal properties as a security for repayment of its own debts or the debts of third persons, and may restrict its properties with commercial enterprise pledges, and may accept pledges in favor of the Company. The Company may give or receive all types of cash or non-cash guarantees and sureties in favor of third parties. The Company may further give or receive all types of personal guarantees or guarantees in kind, and may take all actions in relation therewith, for the purpose of securitization and collection of its receivables, claims and rights. Regulations laid down by the Capital Markets Board shall be primarily complied with in connection with any suretyship and guarantees to be granted or pledges including mortgages to be instituted by the Company in favor of third persons. May operate in compliance with the applicable rules and regulations governing the electricity market, mainly with the intention of supplying the electricity and thermal energy for its own requirements under an auto-producer licence, to build a production plant, to produce electricity and thermal energy, in case of surplus production, within the framework of the afore mentioned rules and regulations, to sell the produced electricity and thermal energy and/or capacity to other corporate persons or free consumers holding a license and it may, as long as it does not involve commercial purposes, to procure every kind of equipment and fuel for the electricity production plant. If at any time it is deemed useful for the Company to enter into any sector or industry other than the above listed fields of business, the Company may engage in such other fields of business by a decision of its General Assembly of Shareholders upon a proposal of the Board of Directors. However, such a decision requires an amendment to this Articles of Association and it is subject to approval, registration and announcement pursuant to the relevant provisions of the Turkish Commercial Code and the Capital Market Law.	In connection with its scope of business, the Company may purchase, hire, lease, sell or otherwise dispose of all types of real estate, securities and ships. Without involving in investment services and activities, the Company may purchase and sell or otherwise trade all types of share certificates, bonds, debentures and other securities, and may pledge or otherwise encumber them. Provided that material disclosures as stipulated by the Capital Markets Board for special cases are made to inform investors as a requirement of the Company's business, the Company can establish pledge and mortgage over its immovable and movable property in favor of its own legal entity and its subsidiaries which are included in its financial statements within the scope of full consolidation and in favor of other third persons for the purpose of conducting its ordinary commercial activities. The Company can obtain pledge and mortgage in favor of itself, can establish other rights in rem, can establish commercial enterprise pledge over such movable property in order to secure its receivables. However, regulations laid down by the Capital Markets Board will be primarily complied with in connection with any suretyship and guarantees to be granted or pledges including mortgages to be instituted by the Company under its name and in favor of third persons. May operate in compliance with the applicable rules and regulations governing the electricity market, mainly with the intention of supplying the electricity and thermal energy for its own requirements under an auto-producer licence, to build a production plant, to produce electricity and thermal energy, in case of surplus production, within the framework of the afore mentioned rules and regulations, to sell the produced electricity and thermal energy and/or capacity to other corporate persons or free consumers holding a license and it may, as long as it does not involve commercial purposes, to procure every kind of equipment and fuel for the electricity and thermal energy production plant. In case of any changes in objectives and scope of business of the company, required permissions should be obtained from the Ministry of Customs and Trade and the Capital Markets Board.
HEAD OFFICE	**HEAD OFFICE**
Article 5: Head office of the Company is in Istanbul. The Company may, in its sole discretion and whenever deemed necessary, open branch offices, offices and representation offices in both Turkey and foreign countries, by a decision of the Board of Directors, and in compliance with the applicable laws and regulations.	**Article 5:** Head office of the Company is in Istanbul at the Bahçelievler district. Full address of its head office is Bahçelievler Mahallesi, Şehit İbrahim Koparır Caddesi, No: 4, Bahçelievler, Istanbul.
	In case of an address change, the new address will be registered with the Trade Registry Office, announced in the Turkish Trade Registry Gazette, and will be notified to the Ministry of Customs and Trade and the Capital Markets Board. Notices served to the registered and announced address are deemed to have been actually served to the Company. Failure to obtain the registration and announcement of the new address within due time duly constitutes a lawful ground for terminating the Company. The Company may open branch offices, offices and representation offices in and/outside the country subject to a decision of the Board of Directors, and in compliance with the applicable laws and regulations.
TERM	**TERM OF THE COMPANY**
Article 6: The Company has been founded for an unlimited term.	**Article 6:** The Company has been founded for an unlimited term.

2. SECOND PART **CAPITAL, CAPITAL PAYMENTS METHOD AND CONDITIONS, INCREASE AND REDUCTION OF CAPITAL, SHARE CERTIFICATES**	
CAPITAL	**CAPITAL**
Article 7: The Company has accepted the registered capital system in accordance with the provisions of the 2499 Capital Market Law, and has shifted to this system by a permission, ref. 308, dated 25.06.1992, of the Capital Markets Board. Registered capital of the Company is TL 900,000,000.- (nine hundred million Turkish Liras). Company's issued capital of TL 592,105,263 (five hundred ninety two million one hundred five thousand two hundred sixty three Turkish Liras) is fully paid free of collusion. Issued capital of TL 592,105,263 is divided into 592,105,263 bearer shares each with TL 1 nominal value. Shares representing the capital are monitored on registered basis as per registry principles. In capital increases, with the exemption of cases, existing shareholders shall participate pro rata to their shares in the capital. In capital increases realized by internal sources and funds of the Company, new shares shall be allocated to the existing shareholders pro rata to their shares in the capital. In conformity with the relevant provisions of the Capital Market Law, between the years 2012-2016, if required, the Company is authorized to increase its issued capital by issuing new bearer shares up to the registered capital ceiling, to restrict the shareholder's right to purchase new shares and to issue new shares which are above the nominal values. The Company uses its authorization in accordance with the principle of equal treatment of shareholders. The permission by the Capital Markets Board for the registered capital ceiling is valid for the years between 2012-2016 (five years). Even if the previously set capital ceiling is not reached as the end of year 2016, in order for the Board of Directors to increase capital, a new permission for a registered capital ceiling, either at the previously permitted amount or for a higher amount, should be taken from the Capital Markets Board as per a decision of the General Assembly. If the authorization of the Capital Markets Board is not obtained, then the Company will be excluded from the registered capital system.	**Article 7:** The Company has accepted the registered capital system in accordance with the provisions of the 2499 Capital Market Law, and has shifted to this system by a permission, ref. 308, dated 25.06.1992, of the Capital Markets Board.. The Company has a registered capital ceiling of TL 900,000,000.-(nine hundred million Turkish Liras). Company's issued capital is TL 592,105,263 (five hundred ninety two million one hundred five thousand two hundred sixty three Turkish Liras) and the issued capital has fully been paid in cash free of any collusion. Company's capital is comprised of 592,105,263 shares each with a nominal value of 1 (one) TL. 142,105,263 of the shares are owned by SABMiller Harmony Limited and are registered shares, while 450,000,000 of the shares are bearer shares. New shares cannot be issued unless the price of the issued shares is paid by being fully sold. Shares representing the capital are monitored on registered basis in accordance with registry principles. Except for the cases specified below, each shareholder is entitled to claim new shares issued, pro rata their shares in the capital. In capital increases realized through shareholder's equity, new shares will be allocated to the existing shareholders pro rata their shares in the capital. In conformity with the relevant provisions of the Capital Market Law, if required, the Company is authorized to increase its issued capital by issuing new shares up to the registered capital ceiling, to restrict the shareholder's right to purchase new shares and to issue new shares which are above the nominal values. Right to purchase new shares can not be used in a way that will cause inequalities between shareholders. The permission by the Capital Markets Board for the registered capital ceiling is valid for the years between 2012-2016 (five years). Even if the previously set capital ceiling is not reached as the end of year 2016, in order for the Board of Directors to increase capital, a new permission for a registered capital ceiling, either at the previously permitted amount or for a higher amount, should be taken from the Capital Markets Board as per a decision of the General Assembly. If the authorization of the Capital Markets Board is not obtained, then the Company will be excluded from the registered capital system. Capital of the company can be increased or decreased in accordance with the Turkish Commercial Code and Capital Markets regulations when necessary.

Article 8: Repealed.	Repealed.
Article 9: The Company may, by and pursuant to the decisions of the Board of Directors, print the share certificates in the form of denominations representing more than one share.	Repealed.
FINAL FOUNDATION DATE	
Article 10: The Company will be deemed to have been founded finally as of the date of approval of its Articles of Association by the Ministry of Commerce and by the competent Commercial Court, and upon registration thereof in the Trade Registry and announcement in the Trade Registry Gazette.	Repealed
ISSUANCE OF SHARE CERTIFICATES	
Article 11: Repealed.	Repealed.
INDIVISIBILITY OF SHARE CERTIFICATES	**INDIVISIBILITY OF SHARE CERTIFICATES**
Article 12: Share certificates are indivisible for the Company. Accordingly, if a share is co-owned by more than one shareholder, the co-owners of such share may use and enforce their shareholding rights only through a joint representative. If they fail to appoint a joint representative, notices sent by the Company to any one of them will be valid and will be deemed to have been duly served on all of the co-owners. Voting rights associated to a share certificate with usufruct rights will be used by the usufructuary.	**Article 8:** Share certificates are indivisible for the Company. If a share is co-owned by more than one shareholder, such co-owners may appoint a representative from among themselves or a third party to exercise their shareholding rights at the General Assembly. Voting rights associated to a share certificate with usufruct rights will be used by the usufructuary.
LIABILITY OF THE SHAREHOLDERS	**LIABILITY OF SHAREHOLDERS**
Article 13: Shareholders will be held liable only to the extent of the value of the shares held by them. They cannot be held liable for any debts above the total amount of their cash subscriptions assumed as of the date of signature of this Articles of Association.	**Article 9:** Shareholders will be held liable towards the Company only to the extent of the shares they have subscribed. Except for exclusions set out in the applicable law, they cannot be held liable for any debts above the total value of their share subscriptions or for any debt other than premiums exceeding the nominal value of the share.
Article 14: By owning a share certificate, the shareholder is considered to have accepted all terms and conditions of this Articles of Association and to have consented to all decisions of the General Assembly of Shareholders.	Repealed.
REDEEMABLE STOCK	**REDEEMABLE STOCKS**
Article 15: In accordance with the Merger Agreement, to the holders of the Founder Shares, existing prior to merger, in the capital of the transferor companies Ege Biracılık ve Malt Sanayii Anonim Şirketi and Güney Biracılık ve Malt Sanayii Anonim Şirketi, a total of 9920 registered redeemable stock have been allocated and issued in return for their existing founder shares. The holders of shall not have the rights to be elected to the Board of Directors, to attend the meetings of the General Assembly of Shareholders, to vote therein, or to object against the decisions taken in the meetings of the General Assembly of Shareholders or against the rates and amounts of optional and legal reserve funds, provisions or extraordinary reserves decided to be set aside. The holders of redeemable stock will be entitled to a part of the dividends decided to be distributed pursuant to paragraph (2/c) of Article 62 of this Articles of Association. Rate of dividends allocated and distributed to the holders of redeemable stock may not be changed even in the case of increase of capital. In the case of dissolution and liquidation of the Company, the holders of redeemable stock will be entitled to a part of the proceeds of liquidation at the same rate.	**Article 10:** In accordance with the Merger Agreement executed in 2000, to the holders of the Founder Shares, existing prior to merger, in the capital of Ege Biracılık ve Malt Sanayii Anonim Şirketi and Güney Biracılık ve Malt Sanayii Anonim Şirketi, a total of 9920 registered redeemable stock have been issued in return for their existing founder shares. The holders of redeemable stocks will not have shareholding rights including the right of appointment to the Board of Directors, right of attendance to the General Assembly meetings and right of vote therein, or to object against the resolutions passed at General Assembly meetings, or against statutory and voluntary reserve funds to be set aside by the Company, provisions, and the ratios and amounts of extraordinary reserves. The holders of redeemable stocks will be entitled to a part of the profit resolved to be distributed pursuant to subparagraph c under paragraph 2 of Article 45 of this Articles of Association. Rate of dividends reserved to the holders of redeemable stocks may not be changed even in the case of capital increase. In the case of dissolution and liquidation of the Company, the holders of redeemable stock will be entitled to a part of the proceeds of liquidation at the same rate.

CAPITAL INCREASE	
Article 16: Repealed.	Repealed.
CAPITAL DECREASE	
Article 17: The General Assembly of Shareholders may decide to decrease the share capital in accordance with the provisions of Articles 396, 397 and 398 of the Turkish Commercial Code.	Repealed.
ISSUANCE OF BONDS AND OTHER DEBT INSTRUMENTS	**ISSUANCE OF BONDS AND OTHER DEBT INSTRUMENTS**
Article 18: The Board of Directors is authorized to issue, domestic or international, all types of bonds, commercial paper, profit and loss sharing certificates, participating or non-participating debt instruments or convertible bonds and all other capital market instruments including the ones designed with a discount mechanism, within the framework of the principles set out by Turkish Commercial Code, Capital Market Law and other relevant applicable regulation.	**Article 11:** The Board of Directors is authorized to issue, domestic or international, all types of bonds, commercial paper, profit and loss sharing certificates, participating or non-participating debt instruments or convertible bonds and all other capital market instruments including the ones designed with a discount mechanism, within the framework of the principles set out by Turkish Commercial Code, Capital Market Law and other relevant applicable regulation.
LOSS OF SHARE CERTIFICATES AND BONDS	
Article 19: In the case of loss of the share certificates or bonds of the Company, the pertinent provisions of the Turkish Commercial Code will be applied.	Repealed.
3. THIRD PART	
MANAGEMENT AND ORGANIZATION OF THE COMPANY	
BOARD OF DIRECTORS	**BOARD OF DIRECTORS**
Article 20: The Company will be managed and directed by a Board of Directors consisting of minimum 7 and maximum 13 members.	**Article 12:** The Company will be managed and directed by a Board of Directors consisting of minimum 7 and maximum 13 members to be elected by the General Assembly in accordance with the appropriate provisions of the Turkish Commercial Code and Capital Markets Law.
	TERM OF OFFICE OF THE BOARD OF DIRECTORS
Article 21: Maximum term of office of the Directors is three years. Any Director whose term of office is over may be re-elected. Even if their term of office is over, the Directors will continue to hold office in the Board of Directors until the next meeting of the General Assembly of Shareholders.	**Article 13:** Maximum term of office of the Directors is three (3) years. Any Director whose term of office is over may be re-elected. Even if the term of office of Directors is over, the Directors will continue to hold office until the upcoming General Assembly meeting pursuant to the appropriate provisions of the Turkish Commercial Code.
COLLATERAL	
Article 22: Each Director is obliged to deposit to the Company share certificates worth at least 1% of the share capital. If 1% of the share capital is greater than TL 5,000, it is not obligatory to deposit share certificates in excess of the said limit. The share certificates deposited as above will stand as a pledge for the liabilities of the Director until release of the Director by a decision of the General Assembly of Shareholders, and may not be transferred to third persons, and may not be taken back from the Company. These qualification shares may, with a prior consent of the Board of Directors, be deposited by a third person in the name of the Director.	Repealed.
BOARD MEETINGS	**BOARD MEETINGS**
Article 23: The Board of Directors will itself determine its meeting procedures and rules, and will meet if and when deemed necessary in the course of the Company business. But in any case, will meet at least once a month. Decisions of the Board of Directors may be taken only in presence of simple majority of the full number of Directors and by affirmative vote of simple majority of the Directors present in the meeting.	**Article 14:** The Board of Directors will convene if and when required in the course of the Company's business. For convention of the Board, simple majority of all Directors should be represented in the meeting. Resolutions may be passed through the simple majority of all Directors. Directors may not vote in the name of each other or may not attend meetings by proxy.

Directors may vote in the name of each other only by proxy voting. In the case of equality of votes, the subject matter of voting will be postponed to the next meeting of the Board of Directors. If a decision cannot be taken in the following meeting, the motion will be deemed to have been refused. The Board of Directors will regularly keep the records of its meetings through a secretary to be appointed from among its own members or from outside. The meeting minutes will be signed by all of the Directors present in the meeting. In the case of opposition, the causes of opposition will also be recorded in the minutes and signed by the opponents. Unless one of the Directors requests a meeting, decisions of the Board of Directors may also be taken by obtaining written consents of all of the Directors for a motion presented by a Director on a certain subject matter.	In the case of equality of votes, the subject matter of voting will be postponed to the upcoming meeting. In case of a recurrent equality of votes in the next meeting, the agenda item will be deemed to have been rejected. Unless one of the Director requests a meeting, decisions of the Board of Directors may also be taken by obtaining written consents of the simple majority of all Directors for a proposal issued in the form of a resolution presented by a Director on a certain subject matter. The validity of such resolution to be so passed essentially requires the submittal of the same proposal to all Directors. Consents of Directors do not necessarily need to be presented on the same document, yet all documents containing the counter signatures should be attached to the Board's resolution book or transformed into a resolution containing the signatures of all affirmants that will further be registered into the resolution book.
Validity of the Board decisions is subject to being recorded in the decisions book and duly signed by the Directors. Each Director may request the Chairman in writing to call the Board of Directors for a meeting.	Validity of the Board decisions is subject to being recorded in the decisions book and duly signed by the Directors. Each Director may request from the Chairman in writing to call the Board of Directors for a meeting.
VACANCIES IN THE BOARD OF DIRECTORS	**VACANCIES IN THE BOARD OF DIRECTORS**
Article 24: In the case of vacancy or vacancies in the Board of Directors due to death or resignation of one or more of the Directors or for any other reason whatsoever, the Board of Directors will temporarily appoint new member(s) bearing the required qualifications, and will present such appointment to the approval of next meeting of the General Assembly of Shareholders. Directors appointed as above will take office until the next meeting of the General Assembly of Shareholders.	**Article 15:** In the case of vacancy in the Board of Directors for any reason, the Board of Directors will temporarily appoint a new member bearing the required legal qualifications as a Director, and will submit such appointment to the approval of the upcoming General Assembly meeting. Directors appointed as above will take office until the upcoming General Assembly meeting where approval is sought by election, and complete the remaining term of office of his/her predecessor.
CHAIRMAN AND VICE CHAIRMAN	**ALLOCATION OF DUTIES**
Article 25: The Board of Directors will every year elect one chairman and one vice chairman from among its own members. One of the Directors will be temporarily elected by the Board of Directors to chair the meetings held in absence of both the chairman and the vice chairman. Chairman of the Board of Directors is entrusted with the task of chairing the meetings of the Board of Directors and ensuring that the Board meetings and discussions are held regularly and are recorded in the minutes.	**Article 16:** The Board of Directors will every year elect, from among its own members, one chairman and one vice chairman to represent the chairman in his absence. The Board of Directors may establish committees and commissions in which Board members are present, in order to monitor the execution of the business, to prepare reports to be presented to the Board, to have its decisions executed or for the purpose of internal audit. During the establishment of these committees and commissions, determination of their duties and working principles, the provisions of the Turkish Commercial Code, the Capital Markets Law, regulations of the Capital Markets Board regarding corporate governance and other relevant legislation will be complied with. In this respect, the Board of Directors will establish the Committee for Early Detection of Risk for risks that might endanger the existence, development and perpetuation of the company and to implement measures required against risks determined as well as the management of risks.
	DISMISSAL
Article 26: Directors may, even if they are appointed by this Articles of Association, be dismissed by a decision of the General Assembly of Shareholders. Dismissed Directors will not have a right of claim against the Company.	**Article 17:** Directors may, if specifically brought to the agenda or otherwise in case of a fair ground, be dismissed at any time by a resolution of the General Assembly.
	REMUNERATION OF DIRECTORS
Article 27: The Directors will be paid remuneration per meeting in an amount to be determined by the General Assembly of Shareholders, if decided so by the General Assembly of Shareholders. This remuneration may be paid per meeting or as a fixed amount per month or as a combination thereof. The Directors appointed by this Articles of Association will not be paid any remuneration until the first meeting of the General Assembly of Shareholders.	**Article 18:** The Directors may be paid attendance fee and/or remuneration, the value of which is to be designated through the resolution of the General Assembly, and pursuant to the appropriate principles of the Capital Markets Board.

POWERS AND DUTIES OF THE BOARD OF DIRECTORS	POWERS AND DUTIES OF THE BOARD OF DIRECTORS
Article 28: The Board of Directors is responsible for management and representation of the Company to shareholders and third persons. The Board of Directors is entitled to manage the affairs and properties of the Company and to carry out all and any business operations and legal transactions for the objectives and within the fields of business of the Company and to use the name of the Company. All and any matters which are not clearly excluded from the authorization of the Board of Directors by the laws or this Articles of Association and which do not require a decision of the General Assembly of Shareholders will be under the responsibility of the Board of Directors. Accordingly, the duties and functions of the Board of Directors are: (1) to determine which management duties and functions will be delegated to the managers of the Company; (2) to appoint the officers and managers of the Company, to determine wages, fees, bonus premiums and other benefits of the Company officers and managers, to sign employment contracts with them, and if required, to terminate employment contracts and dismiss them; (3) to negotiate and execute all types of contracts as and when deemed necessary for achievement of objectives of the Company; to place purchase orders; to take all and any actions in connection therewith; to decide the method of use of the surplus cash not required for the Company operations; to hire and lease real estates; to establish and annul or remove mortgages on the real estates; and to purchase or otherwise take possession of real estates in the name of the Company without a prior decision of the General Assembly of Shareholders and to accept mortgages established by third persons in favor of the Company and to annul or remove such mortgages and to represent the Company in and before land registries and other authorities in relation with the above purposes; (4) to sell the properties and real estates of the Company by a decision of the General Assembly of Shareholders and likewise, to issue bonds by a decision of the General Assembly of Shareholders; (5) to prepare and revise Company's expense budgets and to manage and administer the Company staff; (6) to determine the authorized signatories of the Company and to issue signature circulars for registration of their sample signatures; (7) to issue a yearly report indicating the financial, economic and general situation of the Company and the results of the Company operations and the progress of achievement of the objectives of the Company, for submission to the General Assembly of Shareholders together with the yearly balance sheet of the Company; (8) to ensure that all legal books of the Company are duly kept; to prepare the inventory book records, balance sheet and profit & loss statement, and to make them available for examination by the shareholders, no later than fifteen days prior to the scheduled date of the annual ordinary meetings of the General Assembly of Shareholders, together with its yearly activity report and its proposal as to distribution of net profit, and the yearly report issued by auditors;	**Article 19:** The Board of Directors is entitled to pass resolutions on any and all procedures and transactions required to realize the operations of the Company except for matters entrusted to the authority of the General Assembly pursuant to the applicable law and this Articles of Association.

(9) to determine and decide the fees, awards, premiums and other amounts to be paid to the executive directors, managers, officers and employees of the Company in return for certain services and achievements, and to be debited to the general expenses of the Company; and (10) to determine the dividends payable by the Company, and to determine the amounts of ordinary and extraordinary reserves and provisions and redemption and replacement funds to be set aside from the dividends, and thus, to decide the profits to be distributed and to propose the same to the General Assembly of Shareholders, and to call the General Assembly of Shareholders for ordinary and extraordinary meetings, and to determine and announce the agenda of such meetings. The above list of powers and duties is not restrictive. The Board of Directors is authorized to engage in all operations not prohibited by the applicable laws. The Board of Directors may either use its powers directly or may distribute its management and representation powers among its members or may authorize all or some of its members to represent the Company.	
	MANAGEMENT AND REPRESENTATIVE AUTHORITY OF THE BOARD
Article 29: In order to be valid and binding to the Company, all and any documents issued in the name of the Company must have been signed under the title of the Company by the authorized signatories appointed by the Board of Directors. Such authorized signatories shall be registered in the Trade Registry and announced in the Trade Registry Gazette. The Company will be represented and bound jointly by any two of the Directors appointed by this Articles of Association under the title of the Company.	**Article 20:** The Board is empowered, in accordance with an internal directive to be issued pursuant to Article 367 of the Turkish Commercial Code, to delegate management fully or partially to one or several Directors or Company executives. The authority to represent the Company is vested in the Board, provided that such authority be principally exercised by two signatories acting jointly. The Board can also give representative authority to Company executives in accordance with the Article 370 of the Turkish Commercial Code. At least one Board member is required to have representative authority. The Board designates individuals granted with signatory power on behalf of the Company's corporate entity subject to the exercise of such power by signing under the Company's common seal, and further causes the registration and announcement of the notary-attested copy of the resolution specifying the duly authorized representatives of the Company and the form of their representation in the Turkish Registry. The provisions of Articles 371, 374 and 375 of the Turkish Commercial Code are reserved.
Article 30: The Directors are liable and obliged to show care and diligence expected from an agent or proxy in management of the Company operations.	Repealed.
	PROHIBITION TO PARTICIPATE IN NEGOTIATIONS
Article 31: The Directors may not participate in discussions of any matter which is related to their own personal interests or the interests of their ascendants and descendants or spouse or relatives by blood or by marriage up to (including) third degree, and in the case of such a discussion, the related Director is obliged to inform the Board of Directors and have it recorded in the minutes of that meeting. If a Director acts in violation of these provisions, that Director is liable to indemnify and hold the Company harmless from all and any losses and damages incurred by the Company due to such dealing or transaction.	**Article 21:** The Directors may not participate in negotiations where the personal non-Company interests of themselves or the personal non-Company interests of their ascendants and descendants or spouses or relatives by blood or by marriage up to (including) third degree conflict with Company's interest. Such prohibition is also enforced in cases where non-participation of Directors in negotiations is a requirement of good faith. In the event of disputable circumstances, the Board will be the final decision-making authority. The Director concerned may not attend the decisive voting. Even if conflict of interest is not known to the Board, the Director concerned should make the due disclosure and comply with such prohibition. The reason for non-participation in negotiations due to prohibition and relevant procedures will be indicated in the Board resolution.

MANAGERS	
Article 32: The executive affairs and operations of the Company may be delegated to manager or managers to be elected from among the Directors or shareholders or from outside by a decision of the Board of Directors. Appointment and dismissal of managers will be registered and announced by the Board of Directors. A manager may be appointed for a term of office in excess of the term of office of the appointing Board of Directors. Managers may at any time be dismissed, like the Directors. A manager appointed from among the shareholders will not have a right of claim on the ground of dismissal without just cause. Managers may not delegate their managerial duties to third persons, but may authorize third persons to perform certain dealings and transactions.	Repealed.
COMPLIANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES	**COMPLIANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES**
Article 32A: Corporate Governance Principles which the Capital Markets Board requires to be implemented shall be complied with. Any transactions and board of directors' resolutions that are carried out and adopted without compliance with these compulsory principles shall be null and void and shall be deemed contrary to the articles of association. In transactions that are considered as material according to the Corporate Governance Principles and in all kinds of related party transactions of the company as well as in any transactions involving guarantees, pledges and mortgages established provided to third parties, corporate governance regulations issued by the Capital Markets Board shall be complied with. The number, qualifications, criteria, election, terms of office, working principles, scope of duties and similar matters regarding independent members assigned to the Board of Directors shall be determined according to the Turkish Commercial Code, Capital Market Law, regulations issued by the Capital Markets Board with respect to Corporate Governance and provisions of other relevant legislation.	**Article 22:** Corporate Governance Principles which the Capital Markets Board requires to be implemented will be complied with. Any transactions and Board of Directors' resolutions that are carried out and adopted without compliance with these compulsory principles will be null and void and will be deemed contrary to the articles of association. In transactions that are considered as material according to the Corporate Governance Principles and in all kinds of related party transactions of the company as well as in any transactions involving guarantees, pledges and mortgages established provided to third parties, corporate governance regulations issued by the Capital Markets Board will be complied with. The number, qualifications, criteria, election, terms of office, working principles, scope of duties and similar matters regarding independent members assigned to the Board of Directors will be determined according to the Turkish Commercial Code, Capital Market Law, regulations issued by the Capital Markets Board with respect to Corporate Governance and provisions of other relevant legislation.

4. FOURTH PART	
STATUTORY AUDITORS	**AUDITORS AND THEIR DUTIES**
Article 33: The General Assembly of Shareholders will appoint one or more, but not more than three, statutory auditors from among the shareholders or from outside. Statutory auditors will perform the duties specified in this Articles of Association and the related provisions of the Turkish Commercial Code. Mr. Hasan Karaağaç and Mr. Abdullah Tekeç have been appointed as the initial statutory auditors. These statutory auditors will take office until the first yearly meeting of the General Assembly of Shareholders. In the case of a statutory auditor resigns for any reason whatsoever, the other statutory auditor will individually take office until the first yearly meeting of the General Assembly of Shareholders. If one statutory auditor is appointed, that statutory auditor or if more than one statutory auditors are appointed, one more than half of the full number of statutory auditors must be a citizen of the Republic of Turkey. Maximum term of office of the statutory auditors is three years. Any statutory auditor whose term of office is over may be re-elected. Statutory auditors can not at the same time be elected to the Board of Directors. Directors whose term of office is over may be elected as the statutory auditors of the Company, only after they are released by a decision of the General Assembly of Shareholders. Appointment and dismissal of the statutory auditors will be immediately registered in the Trade Registry and announced by the Board of Directors pursuant to Article 37 of the Turkish Commercial Code. Statutory auditors may at any time be dismissed by a decision of the General Assembly of Shareholders. Statutory auditors will not have a right of claim due to dismissal. If one of the statutory auditors leaves for any reason whatsoever, a reserve statutory auditor may be appointed in his place. If more than one statutory auditors are appointed, and a reserve statutory auditor is not appointed, and one of the statutory auditors leaves for any reason whatsoever, the other statutory auditors will elect a person in his place to take office until the next meeting of the General Assembly of Shareholders. If only one statutory auditor is appointed, and a reserve statutory auditor is not appointed, and that one statutory auditor leaves for any reason whatsoever, the competent court having jurisdiction in the place of the head office of the Company will appoint a statutory auditor to take office until the next meeting of the General Assembly of Shareholders upon demand of any individual shareholder or any Director or the Board of Directors.	**Article 23:** To the extent mandatorily required by the Turkish Commercial Code and other related legislation, in accordance with the Turkish Commercial Code and the Capital Market Law, the General Assembly will elect an auditor before the end of each fiscal year and in any case before the expiry of the fiscal year during which the auditor would serve. After the election, the Board will immediately register the appointment of the auditor in the Trade Registry and further announce it in the Turkish Trade Registry Gazette and the Company's web site. The auditors have the liability to satisfy the duties assigned by the Turkish Commercial Code, Capital Market Law and other appropriate legislation within the limits defined by the law.

DUTIES OF STATUTORY AUDITORS	
Article 34: The statutory auditors are liable to inspect and audit the general accounts and books of the Company. Specifically, duties of the statutory auditors are: (1) to determine the format of balance sheet in collaboration with the Board of Directors of the Company; (2) to examine the Company books at least once in six months in order to get information about the Company operations and affairs and to ensure that all required records are kept regularly; (3) to conduct spot and frequent inspections and audits in the Company's cash account, not being less than once every quarter; (4) to inspect the Company books at least once a month, and to check physical existence of all kinds of negotiable instruments and securities delivered to the Company as pledge or guarantee or for safekeeping purposes, and to ensure that all required records are kept regularly; (5) to check compliance of the conditions in this Articles of Association for participation of the shareholders in the meetings of the General Assembly of Shareholders (6) to audit the Company balance sheets and profit & loss accounts; (7) to supervise the liquidation proceedings; (8) in the case of failure of the Board of Directors, to call the General Assembly of Shareholders for ordinary and extraordinary meetings; (9) to attend the meetings of the General Assembly of Shareholders; (10) to check compliance of the Directors with the laws and this Articles of Association; and (11) at the end of every year, to present a report to the General Assembly of Shareholders about their opinions and comments on the balance sheet and other financial statements issued by the Board of Directors and on the proposal of the Board of Directors as to distribution of profit, and other related documentation about the situation and operations of the Company. The statutory auditors are obliged to report to the Board of Directors and in significant cases, to the General Assembly of Shareholders, all and any deficiencies, corruptions and other breaches of the laws and this Articles of Association which may come to their knowledge during performance of their audit duties hereunder. The statutory auditors are obliged to call the General Assembly of Shareholders for an extraordinary meeting in the case of emergency.	Repealed.

Article 35: Each shareholder has the right to apply to the statutory auditors for complaints about the directors or managers of the Company. The statutory auditors are obliged to investigate such complaints. If the complaint is justified, the statutory auditors will include it in their yearly report. If the complainants hold at least one-tenth of the share capital, the statutory auditors are obliged to include their comments and opinions about the complaint in their yearly report, and if deemed necessary, to immediately call the General Assembly of Shareholders for an extraordinary meeting. The complainants who apply to the statutory auditors as above are obliged to deposit their share certificates corresponding to one-tenth of the share capital in a bank for pledge purposes. These share certificates will be kept in custody by the bank until the end of the next meeting of the General Assembly of Shareholders.	Repealed.
Article 36: The statutory auditors may attend the meetings of the Board of Directors, but may not participate in discussions or vote therein, and they may have their proposals and motions included in the agenda of the Board meetings or of the extraordinary meetings of the General Assembly of Shareholders	Repealed.
Article 37: The statutory auditors are liable not to disclose any information obtained during performance of their duties to the individual shareholders or third persons. The statutory auditors will be jointly and severally liable for all and any damages caused by non-performance or poor performance of their duties vested by the laws or this Articles of Association, unless they prove to have no fault therein. This liability shall be governed by the provisions of Articles 309 and 341 of the Turkish Commercial Code.	Repealed.
AUDIT FEE	
Article 38: The statutory auditors will be paid a monthly or yearly fee to be determined by the General Assembly of Shareholders. No fee shall be paid until the first yearly meeting of the General Assembly of Shareholders to the statutory auditors elected by this Articles of Association.	Repealed.
5. FIFTH PART	
GENERAL ASSEMBLY OF SHAREHOLDERS	**GENERAL ASSEMBLY**
Article 39: The shareholders of the Company will meet as the General Assembly of Shareholders at least once a year. The General Assembly of Shareholders convened in accordance with the applicable laws and this Articles of Association will represent all of the shareholders. Decisions taken in a duly convened meeting of the General Assembly of Shareholders will be valid and binding to the opponents thereof and to the shareholders not present in the meeting. The General Assembly of Shareholders will meet ordinarily or extraordinarily. Ordinary meetings of the General Assembly of Shareholders will be held at least once a year and within three months following the end of each accounting period upon a call of the Board of Directors. In these meetings, the yearly operations and results of the Company will be discussed and the required decisions will be taken. Extraordinary meetings of the General Assembly of Shareholders will be held at any time deemed necessary in the course of the Company business operations, in accordance with the pertinent provisions of the Turkish Commercial Code and this Articles of Association.	**Article 24:** The shareholders exercise their legal rights relating to the Company's affairs at the General Assembly. The General Assembly convenes ordinarily or extraordinarily. Ordinary General Assembly meetings are held within three (3) months following the end of each accounting period. In these meetings, the shareholders discuss the assignment of Company organs, financial statements, Board's annual report, mode of utilizing the operating profits, designating the ratios of profits and dividends to be distributed, discharge of Directors as well as other matters relevant to the Company's operating periods and other essential matters; whereby resolutions are passed accordingly. Extraordinary meetings of the General Assembly of Shareholders will be held at any time deemed necessary or mandatory and urgent in the course of the Company business operations, in accordance with the pertinent provisions of the Turkish Commercial Code and Capital Market Law.

	VENUE OF MEETINGS
Article 40: The General Assembly of Shareholders will meet at the head offices of the Company or at other place in the city of the head offices of the Company.	**Article 25:** The General Assembly will meet at the jurisdiction where the head office of the Company is situated, or at a convenient place in the city of the head office of the Company.
ELECTRONIC ATTENDANCE TO GENERAL ASSEMBLY MEETINGS	**ELECTRONIC ATTENDANCE TO GENERAL ASSEMBLY MEETINGS**
Article 40/A: Entitled parties who have right to attend to General Meetings of the Company may also attend to the meetings via electronic means in accordance with the article of the 1527 Turkish Commercial Code. In line with the Regulation for the General Assemblies on Electronic Platform at Joint Stock Companies, the Company may set up an electronic general meeting system or it can buy the services of such systems from special service providers, which allows entitled parties to attend to general meetings via electronic means, to state their opinions, to propose and to vote. In accordance with this provision of Articles of Association, it will be ensured in all general meeting to be held for the entitled parties and their representatives to exercise their rights mentioned in the provisions of the Regulation.	**Article 26:** Entitled parties who have right to attend to General Meetings of the Company may also attend to the meetings via electronic means in accordance with the article of the 1527 Turkish Commercial Code. In line with the Regulation for the General Assemblies on Electronic Platform at Joint Stock Companies, the Company may set up an electronic general meeting system or it can buy the services of such systems from special service providers, which allows entitled parties to attend to general meetings via electronic means, to state their opinions, to propose and to vote. In accordance with this provision of Articles of Association, it will be ensured in all general meeting to be held for the entitled parties and their representatives to exercise their rights mentioned in the provisions of the Regulation.
	INVITATION TO MEETINGS
Article 41: Both ordinary and extraordinary meetings of the General Assembly of Shareholders will be announced in the newspaper specified in Article 37 of the Turkish Commercial Code and in a newspaper being published in the city of the head offices of the Company, no later than three weeks prior to the date of meeting, excluding the announcement and meeting days. All communication instruments, including electronic communication, shall be used in meeting announcements. These announcements will indicate the meeting date, time and place and the agenda containing the topics to be discussed therein. The meeting date and agenda will be separately notified via registered mail to the holders of registered shares which are not traded continously in the stock exchange and other organized markets. Agenda for the ordinary annual meetings of the General Assembly of Shareholders will contain not only the topics listed in Article 369 of the Turkish Commercial Code, but also other topics deemed necessary by the Board of Directors, and it will also be stated in the meeting call that the Company balance sheet, profit & loss statement, proposal as to distribution of net profit, and audit report will be made available for inspection by the shareholders within three weeks prior to the date of meeting. Topics not listed in the agenda may not be discussed in the meeting. Upon demand, based on justifiable causes, of the shareholders holding at least onetwentienth of the paid-in capital of the Company, the Board of Directors is obliged to include the requested topics in the agenda of the meeting of the General Assembly of Shareholders. However, such demand is required to be made before the meeting call to the shareholders.	**Article 27:** Invitation to General Assembly meetings is announced on the Company's corporate web site, in a newspaper issued at the place where the Company's head office is situated, in the Turkish Trade Registry Gazette, on the Public Disclosures Platform, and other bulletins released at such other locations designated by the Capital Markets regulations. Such invitations are made at least three (3) weeks prior to the date of meeting excluding the actual date of announcement and actual date of meeting. All communication instruments, including electronic communication, will be used in meeting announcements. Relevant articles of the Turkish Commercial Code and Capital Markets regulations shall apply on the authority to call a General Assembly meeting. Agenda relating to the General Assembly meetings shall be set by the entity calling the General Assembly to meeting. Except for exclusions set out in the provisions of the applicable law and the "Regulation on the Principles and Procedures of the Joint Stock Companies and Representatives of the Customs and Trade Ministry to Be Present in the Meetings", matters not covered by the agenda may not be discussed and resolved upon at the General Assembly. The shareholders holding at least one twentienth of the paid-in capital of the Company may request in writing from the Board of Directors to include into the agenda matters for which resolution is sought at the General Assembly. Such request for the inclusion of matters into the agenda should be received by the Board of Directors before the deposit of the announcement fee for publishing such announcement in the Turkish Trade Registry Gazette. Any request for the inclusion of a matter into the agenda should be made via notary public.
	MINISTRY REPRESENTATIVE
Article 42: Both ordinary and extraordinary meetings of the General Assembly of Shareholders will be notified, and a copy of the agenda and the supporting documents will be delivered, to the Ministry of Commerce no later than twenty days prior to the date of meeting. A commissar from the Ministry of Commerce will attend all meetings of the General Assembly of Shareholders.	**Article 28:** Ordinary and extraordinary General Assembly meetings of the Company will be communicated in writing to the Ministry of Customs and Trade prior to the date of meeting, and one copy of each of the agenda documents will be attached to such communication. All General Assembly meetings of the Company are attended by the Ministry Representative as well. The process is governed by the principles and procedures set out in the "Regulation on the Principles and Procedures of the Joint Stock Companies and Representatives of the Customs and Trade Ministry to Be Present in the Meetings".

QUORUM	**MEETING AND DECISION QUORUM**
Article 43: Unless otherwise clearly provided in the Turkish Commercial Code, Capital Market Law and regulations which the Capital Markets Board requires to be implemented and this Articles of Association, both ordinary and extraordinary meetings of the General Assembly of Shareholders may be held only if shareholders holding at least oneforth of the share capital are present in person or represented by proxy therein. If the meeting quorum is not reached in the first meeting, the shareholders will be called for a second meeting upon a call to be made three weeks in advance. The General Assembly of Shareholders is authorized to discuss its agenda in the second meeting, irrespective of the percentage of capital represented by the shareholders present therein. In order to be valid, all decisions of the General Assembly of Shareholders must have been taken by affirmative vote of simple majority of the votes used in person or by proxy.	**Article 29:** Unless otherwise a more stringent quorum is stipulated in the Turkish Commercial Code, Capital Market Law, regulations stipulated to be enforced by the Capital Markets Board, and this Articles of Association, General Assembly meetings may be held only if shareholders holding at least one forth of the share capital are present in person or by proxy therein. Such quorum should be maintained throughout the meeting. Measures relating to the maintenance of the quorum are taken by the chairmanship council of the General Assembly. If the meeting quorum cannot be reached or maintained at the first meeting, no quorum will be sought for the second meeting. Resolutions are passed by majority of votes of those being present at the meeting.
	MEETING AND DECISION QUORUM FOR AMMENDMENTS TO THE ARTICLES OF ASSOCIATION
	Article 30: Pursuant to obtaining permissions from Capital Markets Board and Ministry of Customs and Trade, ammendments to the Articles of Association are resolved at the General Assembly which has been called for a meeting in accordance with the Law and provisions of the Articles of Association, in the framework of the relevant regulations and provisions of the Articles of Association. Article 29 of the Capital Markets Law and Article 421 of the Turkish Commercial Code are complied with regarding the meeting and decision quorums for ammendments to the Articles of Assocation.
VOTING RIGHT	**VOTING RIGHT**
Article 44: In both ordinary and extraordinary meetings of the General Assembly of Shareholders, irrespective of the group of shares, the shareholders shall have one vote for each share they hold.	**Article 31:** The shareholders will have one vote for each share they hold. Voting rights of each shareholder will be calculated by proportioning the total nominal values of the shares that the shareholder holds to the total nominal value of the Company's capital.
	RIGHT TO ATTEND THE GENERAL ASSEMBLY
Article 45: Meetings to be convened for discussion of the proposed amendments to this Articles of Association shall be governed by the provisions of Article 388 of the Turkish Commercial Code.	**Article 32:** All shareholders listed in the "List of Individuals Eligible to Attend the General Assembly" issued by the Board of Directors are entitled to attend the General Assembly meeting. To exercise his/her shareholding rights, such shareholders may either attend the General Assembly meeting principally or be represented at the meeting by a third party whether the latter is a shareholder or not. The form and substance of powers of attorneys will be prescribed by the Board of Directors on the basis of the Capital Markets Board's regulations for voting by proxy. The representative so assigned to the meeting will comply with the instructions of the principal shareholder whom he/she represents at the meeting. Violation of such instructions will not invalidate the vote.
	RIGHT OF INFORMATION AND REVIEW
Article 46: In the meetings of the General Assembly of Shareholders, the shareholders may be represented by proxy. A proxy who himself is a shareholder of the Company will be entitled to vote for both his own shares and the shares of his principal. Form of the power of attorney will be determined by the Board of Directors by taking into consideration the rules and regulations of the Capital Markets Board pertaining to voting by proxy.	**Article 33:** Financial statements, consolidated financial statements, Board's annual report, audit reports and Board's proposal for dividend distribution will be made available at the Company's head office and branch offices at least 3 (three) weeks prior to the actual date of General Assembly meeting, for the review of shareholders.

	HOLDING THE MEETINGS
Article 47: For the purpose of determination of quorum, the holders of bearer share certificates who intend to attend the meeting of the General Assembly of Shareholders will, no later than one week prior to the date of meeting, should deliver their share certificates or the supporting documents to the head offices of the Company or to a place of deposit that may be decided by the Board of Directors, and will receive entrance cards showing the quantity and numbers of their share certificates. If the necessary quorum is not reached in the first meeting, unless otherwise decided, these entrance cards will be valid also for the second meeting.	**Article 34:** The Board of Directors will issue the list showing the shareholders eligible to attend the General Assembly and who hold the registered shares pursuant to the appropriate article of the Capital Markets Board, in alignment with the "list of shareholders" to be supplied by the Central Registry Agency. Once signed by the shareholders present or their proxies at the General Assembly meeting, the chairman of the assembly and the Ministerial representative, such list shall be named "list of attendance to the General Assembly". Resolutions passed by the General Assembly shall also apply to shareholders not present at the meeting, or shareholders that have casted negative votes.
Article 48: A list showing the names and the number of shares held by the shareholders who will attend the meeting of the General Assembly of Shareholders will be issued and approved by the Board of Directors and will be posted at a place easily visible by the shareholders before the meeting and a copy thereof will be delivered to the secretary of the General Assembly meeting.	Repealed.
	CHAIRMANSHIP COUNCIL
Article 49: Repealed.	**Article 35:** The General Assembly meetings are chaired by a chairman to be elected by the General Assembly. Such chairman assigns the clerk to be in charge of writing down the meeting minutes, and the vote collecting officer, if deemed necessary, to constitute the chairmanship council. When necessary, a vice chairman may also be elected.
	MEETING MINUTES
Article 50: A person elected by the General Assembly of Shareholders will chair the meetings of the General Assembly of Shareholders. Duty of the meeting chairman is to ensure that the meeting is held regularly and orderly and the meeting records are kept in accordance with the applicable laws and this Articles of Association. Two shareholders present in the meeting of the General Assembly of Shareholders will be entrusted with the task of collecting votes. A list showing the name and address of, and the number of shares and voting rights held by, the shareholders or their proxies present in the meeting of the General Assembly of Shareholders will be issued and approved by the present shareholders or proxies, and this list will be attached to the meeting minutes.	**Article 36:** In General Assembly meetings, meeting minutes are issued pursuant to the Turkish Commercial Code and Article 422 of the "Regulation on the Principles and Procedures of the Joint Stock Companies and Representatives of the Customs and Trade Ministry to Be Present in the Meetings". For such minutes to be effective, they should be signed by the chairmanship council of the meeting and by the Ministry representative. It will be the responsibility of the Board of Directors to immediately submit to the Trade Registry Office one notary-attested copy of the meeting minutes, and further to obtain the registration and announcement of the items of the minutes requiring registration and announcement. Such minutes will also immediately be posted on the Company's corporate website.
	INTERNAL DIRECTIVE
Article 51: Discussions in and decisions taken by the General Assembly of Shareholders, and the causes of opposition of the opponents, will be recorded in the meeting minutes. The meeting minutes will be signed by the meeting chairman, vote-collectors and secretary, and the documents proving that the meeting call is duly sent will be attached to the meeting minutes. The Board of Directors is liable to register a certified copy of the meeting minutes in the Trade Registry within fifteen days. The copies of these meeting minutes may be signed by the authorized signatories of the Company for submission to the courts or other official authorities.	**Article 37:** Matters relating to General Assembly meetings not governed by this Articles of Association will be regulated and enforced by virtue of an internal directive to be enacted by the Board of Directors pursuant to the Turkish Commercial Code and Capital Markets regulations or subject to full compliance with this Articles of Association, and in particular accordance with the 2nd paragraph under Article 419 of the Turkish Commercial Code and The Regulation on the Principles and Procedures of the Joint Stock Companies and Representatives of the Customs and Trade Ministry to Be Present in the Meetings".
Article 52: All and any matters not specifically dealt with in this Part will be decided and regulated by the Board of Directors, in strict compliance with the applicable laws and this Articles of Association.	Repealed.

POWERS AND DUTIES OF THE GENERAL ASSEMBLY OF SHAREHOLDERS	**DUTIES OF THE GENERAL ASSEMBLY**
Article 53: (1) To take decisions on all matters which are not included in the powers of the Board of Directors; (2) To give permission to the Board of Directors on special issues, and to determine the conditions thereof, and to determine the method of management of the Company affairs; (3) To approve or disapprove the balance sheets, profit & loss statements, inventory books and other reports and financial statements to be issued by the Board of Directors or the statutory auditors about the Company business operations, or upon discussion thereon, to decide re-issue and restatement of such reports; and to release the Directors and the statutory auditors or to hold them liable; and to decide on depreciation method; and to set aside ordinary or extraordinary reserves, replacement funds, and provisions for redemption of share certificates and replacement of them by redeemable stock, and other funds or reserves, and to exclude such funds and reserves from the distributable profit, and thus, to determine the net distributable profit of the Company and the method of allocation and distribution thereof, and to carry forward a part thereof to the next year; and to appoint, dismiss or replace the Directors and the statutory auditors; and to determine remuneration, fees, wages and allowances payable to the Directors and the statutory auditors; (4) To give or refuse permission on the matters for which the Directors are liable to get a permission of the General Assembly of Shareholders; (5) To decide on issue of the capital market instruments in accordance with the applicable laws, and to determine the rights associated to and the conditions of such instruments, and to authorize the Board of Directors in connection therewith; (6) To amend provisions of this Articles of Association in strict compliance with the pertinent provisions of the laws and this Articles of Association, and to decide reduction of capital and to dissolve the Company by a decision taken by affirmative vote of the majority as envisaged in the laws; and to perform other duties and functions vested to the General Assembly of Shareholders by the Turkish Commercial Code; and (7) To take decisions on the topics of its agenda relating to management of the Company or implementation of this Articles of Association. These powers are not restrictive.	**Article 38:** The General Assembly adopts resolutions in cases explicitly specified in the Turkish Commercial Code, the Capital Market Law and other appropriate legislation, and in this Articles of Association.
Article 54: A decision of the General Assembly of Shareholders relating to approval of the balance sheet stands for release of the Board of Directors, statutory auditors and managers of the Company.	Repealed.
	DEPRIVATION OF VOTE
Article 55: The shareholders can not vote on the matters and topics which they are personally interested in. However, shareholders nominated to the Board of Directors may vote for elections to the Board of Directors.	**Article 39:** The shareholders may not vote in the course of negotiations regarding a personal business or procedure between themselves, their spouses, ascendants and descendants or unlimited companies where they act as shareholders or capital companies controlled by them on one side and the Company on other side, or any litigation held by a jurisdictional body or arbitration. The Directors and other executive signatories of the Company may not exercise principally or by proxy their voting rights vested in them by the shares held thereby in resolutions relating to the discharge of Directors.

	POSTPONING THE MEETING
Article 56: Discussions on approval of balance sheet will be postponed by one month upon a decision of majority of the present shareholders or upon written demand of shareholders representing at least one-tenth of the share capital of the Company. In this case, the subsequent meeting will also be duly announced. In the second meeting of the General Assembly of Shareholders, a demand for postponement of discussions to the subsequent meeting will be valid and accepted only if an objection has already been raised against some certain accounts of the balance sheet, and adequate explanations have not been given about these accounts.	**Article 40:** Discussions on financial statements and other associated matters may be postponed by one month upon demand of shareholders representing at least one-twentieth of the Company's capital. In this case, the meeting will be postponed by one month later by the assembly chairman without the need to a specific resolution of the General Assembly. All objections raised by the holders of minority interests on financial statements should be handled at the upcoming meeting and written down in meeting minutes. Postponement will be communicated to shareholders by announcement in accordance with Article 27 of this Articles of Association. For the upcoming meeting, the General Assembly will be called to convention in accordance with the procedure set out in the Turkish Commercial Code and Capital Markets regulations.
	CANCELLATION OF GENERAL ASSEMBLY RESOLUTIONS
Article 57: Decisions of the General Assembly of Shareholders may be objected within three months following the date of decision. This objection will be made to the Commercial Court having jurisdiction in the city of the head offices of the Company. The shareholders who attend the meeting and raise an opposition to the decision and record the causes of opposition in the meeting minutes or who are prevented to vote in accordance with the applicable laws and this Articles of Association or who allege that the meeting call has not been duly made or the agenda of the meeting has not been duly announced or delivered, and the Board of Directors, and if the enforcement of the subject decision leads to personal liability of the Directors or the statutory auditors, the Directors and the statutory auditors will have a right of objection against the decisions of the General Assembly of Shareholders. If an objection is proven to be in bad faith, the objectors will be held jointly and severally liable for all direct and indirect damages caused by such objection. A copy of the final judgment of the competent court taken upon an objection will be immediately registered and announced by the Board of Directors.	**Article 41:** An action for nullity may be initiated before the commercial court of first instance at the jurisdiction where the Company's head office is situated, against a General Assembly resolution that violates the Law, this Articles of Association and bona fide rules, within three months following the date of such resolution in accordance with the appropriate provisions of the Turkish Commercial Code.
Article 58: If a decision of the General Assembly of Shareholders relating to amendments in this Articles of Association breaches the rights of the holders of a certain group of shares or of preference shares, such decision will not be valid and enforceable unless and until it is duly approved in writing and by a majority decision taken in a special meeting of the holders of that group of shares or of preference shares, as detailed in Article 389 of the Turkish Commercial Code.	Repealed.
	VOTING PROCEDURE
Article 59: Votes are used by show of hands in the meetings of the General Assembly of Shareholders. However, balloting is essential upon written demand of shareholders holding at least one-tenth of the capital represented by the shareholders present in the meeting.	**Article 42:** During the meetings of the General Assembly, provisions of the Turkish Commercial Code, Capital Markets Law and other relevant regulations are complied with regarding the voting procedure.
6. SIXTH PART	
ACCOUNTING PERIOD, BALANCE SHEET, PROFIT AND LOSS STATEMENTS, YEARLY REPORT	
FISCAL YEAR	**FISCAL YEAR**
Article 60: Fiscal year of the Company starts in the first day of January and ends in the last day of December, except for the first fiscal year which starts as of the final date of foundation of the Company and ends in the last day of December of that year.	**Article 43:** Fiscal year of the Company starts in the first day of January and ends in the last day of December.

BALANCE SHEET AND FINANCIAL STATEMENTS	**FINANCIAL STATEMENTS AND ANNUAL REPORT**
Article 61: At the end of each accounting period, a balance sheet and a profit & loss statement indicating the general situation of the Company, and an inventory book indicating the balances of the assets and liabilities of the balance sheet will be issued. Financial statements and reports required by the Capital Markets Board and in the case of the Company being subject to independent audit, the independent audit report will be sent to the Board and separately publicized in accordance with the procedures and principles determined by the Board.	**Article 44:** The Board shall prepare and submit to the General Assembly the financial statements, annexes thereto and the annual report of the Board for the previous fiscal year as required in the Turkish Accounting Standards within three months of the fiscal period following the balance sheet day. The provisions of the Turkish Commercial Code and regulations of the Capital Markets Board shall be complied with in the preparation of the financial table and reports as well as the independent audit report in case the Company is subject to independent audit.
NET PROFIT, RESERVES AND ALLOWANCE	**NET PERIOD PROFIT, RESERVES AND PROVISIONS**
Article 62:	**Article 45:**
1. NET PROFIT OF THE COMPANY:	**1. COMPANY'S NET PERIOD PROFIT:**
a) Net profit of the Company is the gross profit of ordinary activities of the Company plus extraordinary income and profits minus all ordinary and extraordinary expenses, losses, donations, grants, corporate tax and other taxes and funds payable by the Company in relation with its operations. b) Out of the profit before corporate tax and other taxes and funds levied on and payable by the Company, a minimum portion of 2% will be donated to Anadolu Education and Welfare Foundation, as long as it is tax exempt, without prejudice to the first dividends to be distributed to the shareholders.For an amendment in this clause, shareholders representing at least 95% of the share capital must be present in a meeting of the General Assembly of Shareholders and must vote for such amendment. The donations and grants under this clause will be governed by the provisions of the Capital Market laws and regulations pertaining to disclosures to public.	a) The Company's net period profit is the proceeds derived from the operations of the Company plus other income and profits minus all expenses and all other costs, donations, grants, corporation tax and other taxes and funds payable by the Company in relation to such operations as well as losses from previous years. b) Out of the profit before corporate tax and other taxes and funds levied on the Company, a minimum portion of 2% will be donated to Anadolu Education and Welfare Foundation, as long as it is tax exempt, without prejudice to the dividend stipulated to be paid by the Capital Markets Board. For an amendment in this clause, shareholders representing at least 95% of the Company's share capital must be present in a meeting of the General Assembly of Shareholders and must vote for such amendment. c) The limit of the donations and grants shall not exceed the 5% of the profit for the relevant period calculated according to Tax Law, that is permitted to be deducted from the corporate tax basis, taking into account the minimum rate determined in sub article (b) of this Article. All donations are required to be disclosed to the information of the shareholders in the General Assembly, grants shall not be against Capital Markets regulations regarding profit shifting, required public announcements must be made and donations made during the year shall not hinder the objectives and scope of business of the company. The donations and grants under this clause will be governed by the provisions of the Capital Market law and regulations pertaining to disclosures to public.
2. DISTRIBUTION OF NET PROFIT:	**2. DISTRIBUTION OF NET PERIOD PROFIT:**
Net profit calculated as specified in paragraph 1(a) here above will be distributed as follows: a) From the amount also including the donations and grants mentioned in paragraphs 1(a) and 1(b) here above, 5% legal reserve fund will be set aside until it reaches 1/5th of the paid capital pursuant to Article 466 of the Turkish Commercial Code. b) From the amount equal to the balance of profit plus the donations and grants mentioned in paragraphs 1(a) and 1(b), a first dividend will be set aside for distribution to the shareholders at the rate and in the amount to be determined by the Capital Markets Board.	Net period profit calculated as specified in paragraph 1(a) above will be distributed as follows in the following sequence: a) 5% legal reserve fund will be set aside until it reaches twenty percent of the paid-in capital pursuant to Article 519 of the Turkish Commercial Code. b) It shall be subject to the resolution of the General Assembly to distribute to shareholders a first dividend out of the amount equal to the balance of profit plus the donations and grants mentioned in paragraphs 1(a), 1(b) and 1(c) at the ratio and in the amount to be determined in accordance with the provisions of the Capital Markets Board regulations and the applicable legislation. General and particular regulations and resolutions of the Capital Markets Board in this respect shall be complied with.

c) From the amount equal to the net profit minus the amount referred to in paragraph (a) here above and an amount of 10% of the issued capital, 2% will be set aside for distribution to the holders of Redeemable stock pro rata their shares, without prejudice to the first dividends payable to the shareholders. Provided, however, that the profit shares payable to the holders of Redeemable stock may not be more than 10% of the amount remaining after deduction of 5% legal reserves and of first dividends from the net profit. d) The General Assembly of Shareholders will decide by majority vote to retain the balance of the profit as extraordinary reserve funds or to distribute the same to the shareholders as second dividends. e) One-tenth of the amount remaining after deduction of profit shares equal to 5% of the paid-in capital from the amount decided to be distributed to the shareholders and other persons entitled to profit shares pursuant to the 3rd sub-paragraph, paragraph 2, Article 466 of the Turkish Commercial Code will be set aside as second rank of legal reserve funds. f) Unless and until the reserve funds specified by the laws and the first dividends distributable to shareholders pursuant to this Articles of Association are set aside from the net profit, it may not be decided to set aside other reserve funds or to carry the profit forward to the next year or to distribute profit shares to the officers, employees and workers of the Company, and unless and until first dividends are duly paid, it may not be decided to pay profit shares to the holders of Redeemable stock, officers, employees and workers of the Company.	c) Out of the amount equal to the net period profit minus the amount referred to in paragraph (a) here above and an amount of 10% of the issued capital, 2% will be paid to the holders of redeemable stocks pro rata their shares. However dividends payable to the holders of redeemable stocks may not exceed 10% of the amount remaining after deduction of 5% general legal reserves and of dividends set aside from the net profit for the period pursuant to paragraph 2(b). d) The General Assembly may unanimously decide to retain the balance of the profit as free reserve funds or to distribute the same to the shareholders as dividend. In distributing dividends out of free reserve funds, Article 509 of the Turkish Commercial Code shall be observed. e) 10 percent of the amount remaining after deduction, from the total amount to be distributed to dividend beneficiaries pursuant to sub-paragraph c under paragraph 2 of Article 519 of the Turkish Commercial Code, of a sum equal to 5% of the paid-in capital will be added to general legal reserve fund. f) Unless reserve funds specified by the laws and dividends distributable to shareholders pursuant to this Articles of Association and further stipulated by the Capital Markets Board are set aside, no other reserve fund may be set aside, or the profit may not be carried forward to the next year, or no dividend may be distributed to the holders of redeemable stocks, officers, employees and workers of the Company; and unless an established dividend is allocated, no profit share may be paid to the foregoing individuals. g) Dividend distribution is made equally to all of the shares existing as of the distribution date without taking into consideration their issuing or acquisition dates. The dividend distribution decision made by the General Assembly in accordance with this Articles of Association cannot be retrieved. h) In setting aside reserve funds and provisions therefor, appropriate provisions of Article 519 and 520 of the Turkish Commercial Code, the Turkish Accounting Standards, the Capital Markets Law and other appropriate legislation shall be complied with.
	METHOD AND TIME OF PROFIT DISTRIBUTION
Article 63: Method and time of distribution of profit decided to be distributed as above will be decided by the General Assembly of Shareholders upon a proposal of the Board of Directors, notwithstanding the pertinent provisions of the Capital Market laws and regulations.	**Article 46:** Method and time of distribution of profit decided to be distributed as above will be decided by the General Assembly of Shareholders upon a proposal of the Board of Directors, notwithstanding the pertinent provisions of the Capital Market laws and regulations.
SETTLEMENT OF LOSS	**SETTLEMENT OF LOSS**
Article 64: Upon reduction of capital due to settlement of losses shown in the balance sheet, the capital loss will be recovered from the balance of ordinary and additional reserve funds. If the balance of ordinary and additional reserve funds is not sufficient, the loss will be carried forward to the next year, and dividend may not be distributed unless and until the loss is fully recovered.	**Article 47:** Losses shown in the balance sheet, will be recovered from the balance of general legal and free reserve funds. If such balance does not suffice, the loss will be carried forward to the next year, and dividend may not be distributed unless and until the loss is fully recovered.
RESERVES AND PROVISIONS	
Article 65: Reserve funds and provisions shall be governed by the provisions of Article 466 of the Turkish Commercial Code and the fiscal laws, the Capital Market Law and other pertinent laws and regulations.	Repealed.

7. SEVENTH PART	
DISSOLUTION AND LIQUIDATION OF THE COMPANY	**TERMINATION AND LIQUIDATION**
Article 66: The Board of Directors may call the General Assembly of Shareholders for a meeting in order to decide on dissolution and liquidation of the Company for any reason whatsoever. The Company may at any time be dissolved without being subject to the legal reasons, if that meeting of the General Assembly of Shareholders is attended by shareholders representing at least three-forth of the share capital in person or by proxy, and if at least two-third of the present shareholders vote for dissolution.	**Article 48:** Appropriate provisions of the Turkish Commercial Code shall apply to the termination and liquidation of the Company.
Article 67: The Company may be dissolved for any one of the reasons listed in Article 434 of the Turkish Commercial Court or by a final court judgment or by a decision of the General Assembly of Shareholders taken in accordance with the related laws.	Repealed.
Article 68: In the case of dissolution or winding up of the Company for any reason other than bankruptcy, the General Assembly of Shareholders will appoint liquidators or will authorize the Board of Directors on liquidation.	Repealed.
Article 69: Form of liquidation, method of liquidation proceedings, and powers and duties of the liquidators will be decided by the General Assembly of Shareholders. These decisions will be duly registered and announced.	Repealed.
Article 70: If more than one liquidator is appointed, they may authorize one of them for some certain proceedings. The liquidators will be authorized to conduct and complete the ongoing affairs and transactions of the Company, but may not initiate new dealings or transactions not required for liquidation of the Company. If new statutory auditors are not elected after the decision of liquidation, the existing statutory auditor(s) will remain in office during the process of liquidation. The liquidators may transfer all or some of the rights and funds of the Company dissolved upon a decision of the General Assembly of Shareholders, to another company as consideration for participation therein. The General Assembly of Shareholders may at any time and in its sole discretion dismiss the liquidators or reduce the number of liquidators.	Repealed.
Article 71: During the process of liquidation of the Company, in order to be valid and binding on the Company, all types of documents and notes issued in the name of the Company will have to be signed by the liquidators as "the Liquidators of Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi in the process of liquidation".	Repealed.
Article 72: The Company will be liquidated in accordance with the pertinent provisions of the Turkish Commercial Code. The amount remaining after full payment of all outstanding debts of the Company and full reimbursement of the capital payments of the shareholders of the Company, will be distributed to all of the shareholders pro rata their capital shares.	Repealed.

8. EIGHTH PART	
MISCELLANEOUS ARTICLES	**LEGAL PROVISIONS**
Article 73: All and any matters on which this Articles of Association remains silent will be governed by and subject to the pertinent provisions of the Turkish Commercial Code, the Capital Market Law and other applicable laws and regulations.	**Article 49:** Matters not covered by this Articles of Association will be governed by the appropriate provisions of the Turkish Commercial Code, Capital Market Law and the appropriate legislation.
Article 74: All and any disputes that may arise between the Company and the shareholders in respect of the Company affairs and operations either before or during liquidation of the Company will be in the jurisdiction of the competent court in the city of head offices of the Company. The disputes which arise among the shareholders in respect of the Company affairs and operations and which may affect the rights of the Company will also be in the jurisdiction of the competent court in the city of head offices of the Company. Upon occurrence of such a dispute, the shareholders who apply to the court are obliged to designate a legal domicile and notice address in the city of head offices of the Company for all and any legal notices and writs in connection therewith.	Repealed.
Article 75: The costs of foundation incurred by the founders prior to the date of final foundation of the Company, and the costs of foundation and organization incurred by the Board of Directors after the date of final foundation, and the costs incurred for starting of business operations of the Company will be debited to the Company expense accounts.	Repealed.
Article 76: Upon occurrence of a breach of the laws and this Articles of Association which requires dissolution of the Company, the Ministry of Commerce may bring forward a law suit for dissolution of the Company.	Repealed.
Article 77: The contents of this Articles of Association have been fully read, understood, accepted and undersigned by the founders.	Repealed.

	ANNOUNCEMENTS RELATING TO THE COMPANY
Article 78: Announcements relating to the Company will, without prejudice to the provisions of the 4th paragraph of Article 37 of the Turkish Commercial Code, and the Capital Market Law and the circulars of the Capital Markets Board, be placed in a newspaper being published in the city of head offices of the Company. If no newspaper is being published in that city, announcements will be placed in a newspaper being published in the closest city. However, calls for meetings of the General Assembly of Shareholders will be published no later than three weeks in advance, except for the announcement and meeting days, pursuant to the provisions of Article 368 of the Turkish Commercial Code and Capital Market Law and regulations which the Capital Markets Board requires to be implemented. Announcements relating to reduction of capital or liquidation of the Company shall be governed by the provisions of Articles 397 and 438 of the Turkish Commercial Code.	**Article 50:** Announcements relating to the Company will be posted on the Company's corporate web site, in a newspaper circulated at the place where the Company's head office is situated, and in the Turkish Trade Registry Gazette. Appropriate provisions of the Capital Market Law and the Capital Markets Board's regulations are reserved.

Glossary

1 hectoliter: 100 liters

1 unit case: 5,678 liters

BNRI: Before non-recurring items

BIST: Borsa İstanbul (İstanbul Stock Exchange)

EBITDA: Earnings Before Interest, Taxes Depreciation and Amortization

HOD: A rigid container with a 20-liter capacity

SCT: Special Consumption Tax

CMB: Capital Markets Board

TCCC: The Coca-Cola Company

IFRS: International Financial Reporting Standards

Coca-Cola System: TCCC and all of its international bottling partners

Sparkling beverage: Non-alcoholic beverages produced in a variety of flavors and containing different flavoring additives. The sparkling beverage category does not include plain waters, flavored waters, fruit juices, fruit-flavored beverages, sports drinks, teas, or coffees.

Still beverage: All non-sparkling and non-alcoholic beverages such as plain waters, flavored waters, fruit juices, fruit-flavored beverages, sports drinks, teas, and coffees

Bottler: Any company that obtains concentrates, various beverages, and/or syrups from TCCC, readies them for consumption as non-alcoholic beverages, and markets and distributes them to customers

Bottler agreement: Any contract between TCCC and a bottler that governs the parties' respective production, packaging, distribution, and selling rights and obligations with respect to TCCC products within a designated territory

Concentrate: Any product which TCCC makes or has made for it and which TCCC sells to bottlers so that they may produce non-alcoholic beverages by adding water and/or flavorings to it

Customer: Any store, retail point of sale, restaurant, chain store, or other form of business enterprise that sells our products to its own customers

PET: A polyester (polyethylene terephthalate) used in the manufacture of beverage bottles

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