



ANADOLU EFES

INVESTOR PRESENTATION

Post FY2017 Financials

FORWARD-LOOKING STATEMENTS

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



LIVING THE VALUES!



PASSIONATE
& PROUD



PROFESSIONAL



ENTREPRENEURIAL

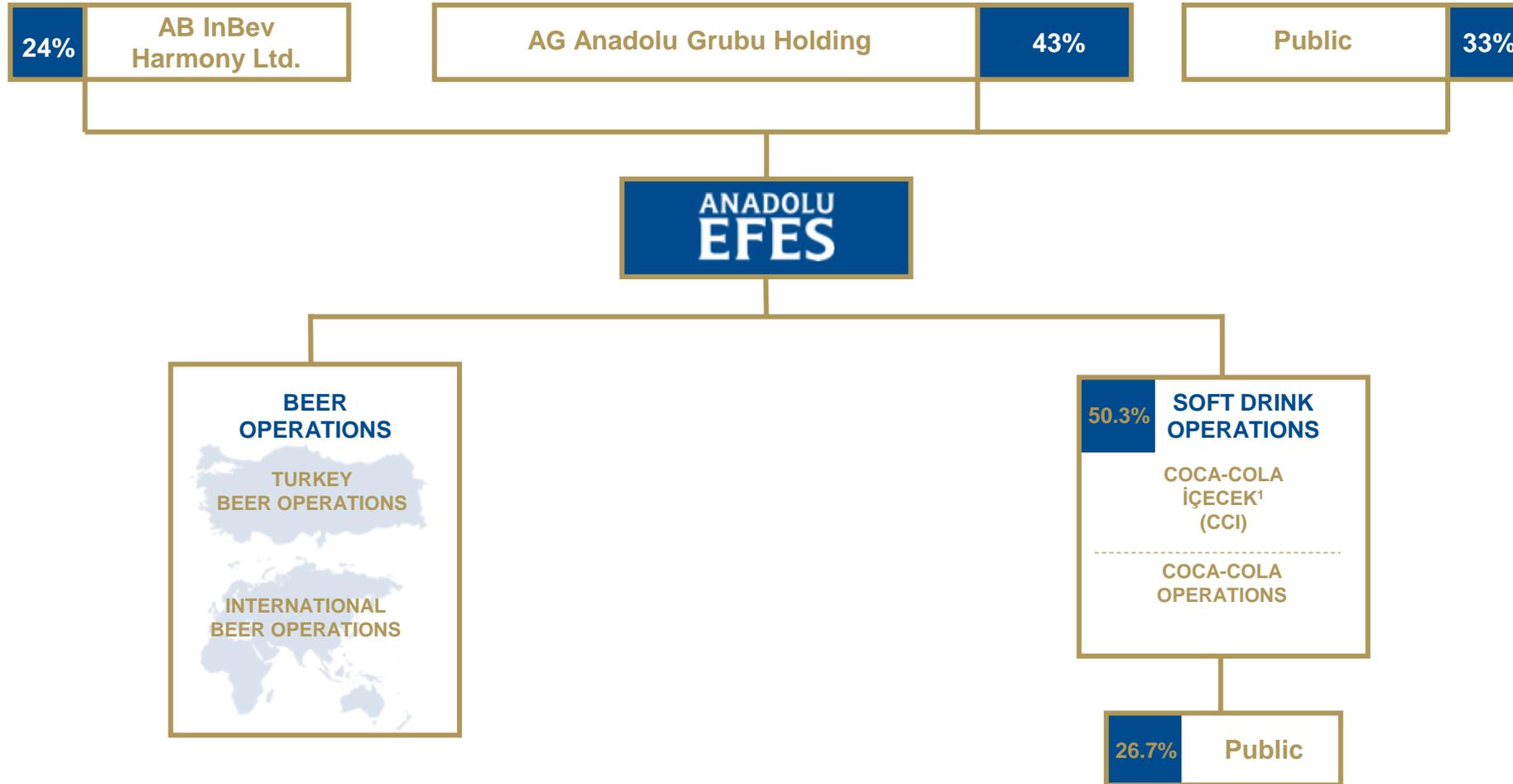


COLLABORATIVE

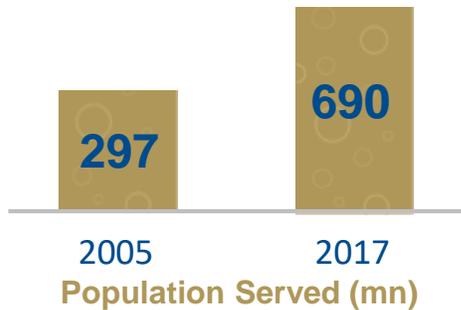
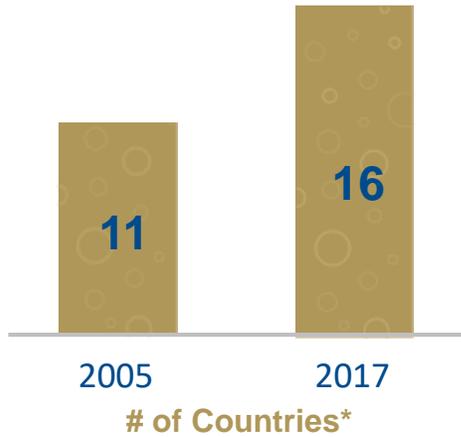


SUSTAINABLE

ANADOLU EFES - OWNERSHIP STRUCTURE



ANADOLU EFES AT A GLANCE



Serving more than **690 mn** people



16 countries; 14 Breweries & 25 Bottling Plants

- Europe's **5th** largest brewer
- World's **15th** largest brewer
- **6th** largest Coca-Cola bottler in the Cola system



World class brand portfolio in beer & soft drinks



Strategic partnerships with world giants – AB InBev & The Coca-Cola Company



Operating in markets with significant growth potential



Total consolidated sales volume of 9.1 bn lt in 2017



TL12.9 bn net sales revenue & TL 2.2 bn EBITDA in 2017



Highlights of 2017



Solid volume growth through strong performance of international beer operations and soft drinks

- ✓ up 3.8% in 4Q2017 y-o-y
- ✓ up 4.4% in FY2017



Efficient revenue management enabling revenue growth ahead of volume

- ✓ up 28.0% in 4Q2017 y-o-y, highest quarterly growth since 2012
- ✓ 24.2% in FY2017



Strong EBITDA growth year on year

- ✓ 476 bps margin expansion in 4Q by strong contribution of all segments
- ✓ 17.2% FY2017 EBITDA margin (vs 17.0% in 2016)



Another year of improved balance sheet health



All time high consolidated FCF performance



Significant reduction in Net Leverage Ratio

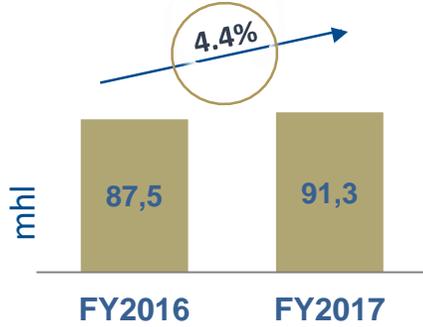


Delivered our Guidance at all levels

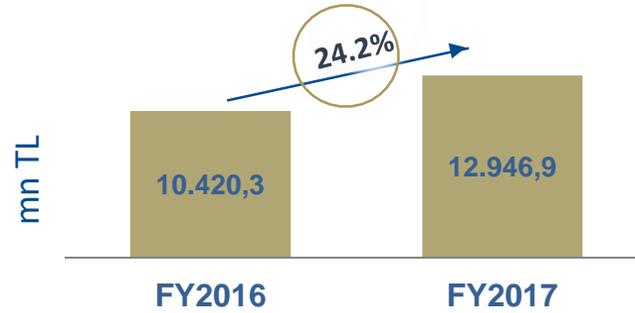


Consolidated Performance – FY2017

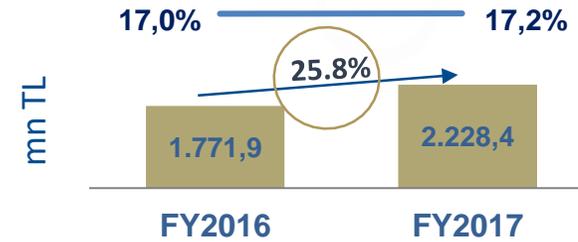
SALES VOLUME



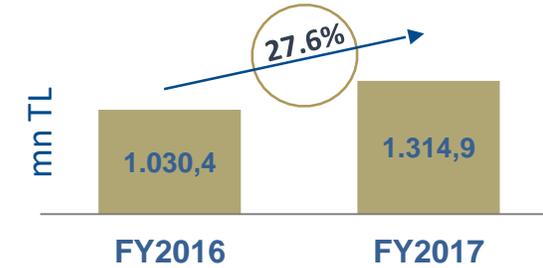
NET SALES REVENUE



EBITDA (BNRI) & EBITDA (BNRI) Margin

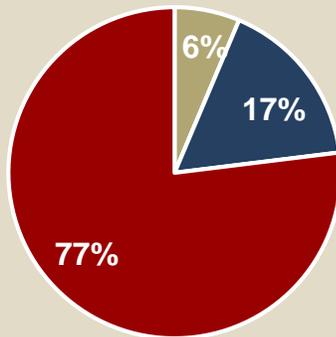


FREE CASH FLOW

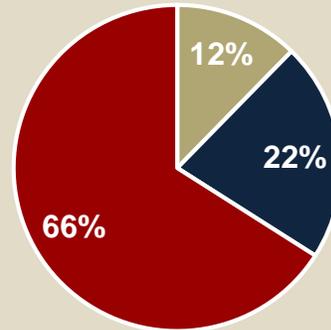


BREAKDOWN*

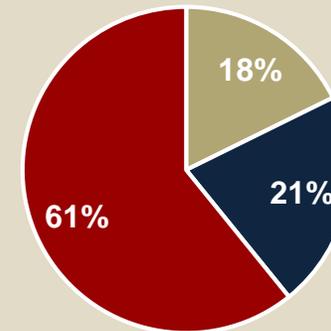
SALES VOLUME



NET SALES REVENUE



EBITDA (BNRI)



■ Turkey Beer ■ International Beer ■ Soft Drinks

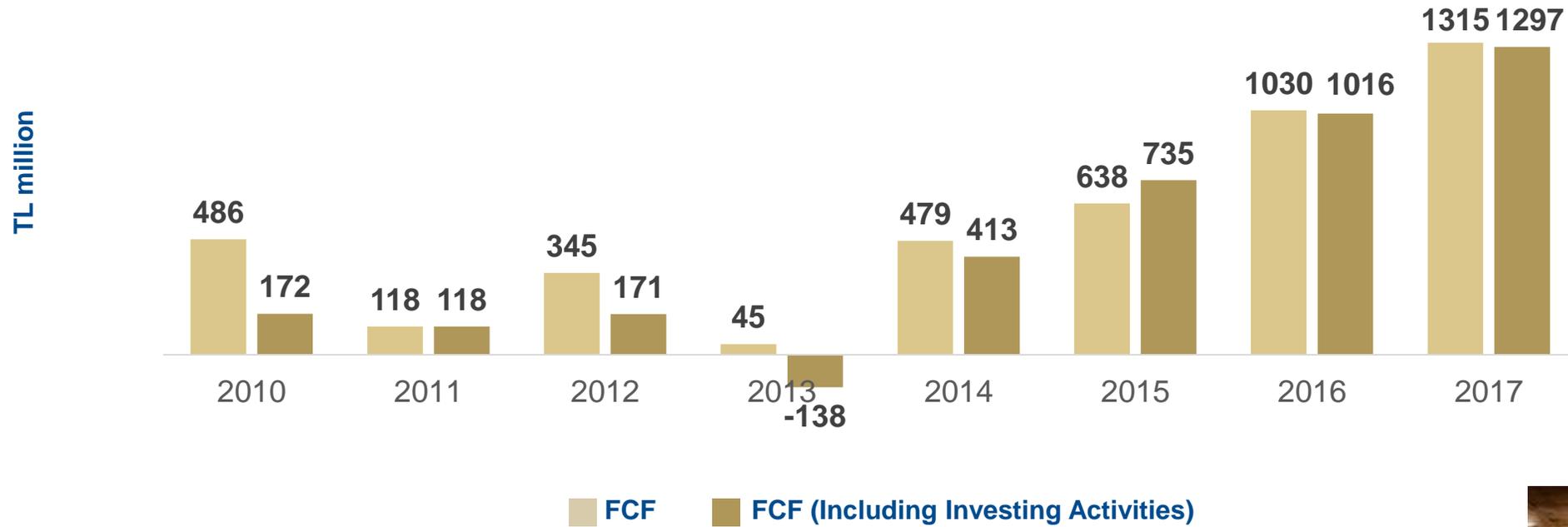
*Breakdowns are on a combined basis

STRONG COMPETITIVE ADVANTAGES

- **Balanced Beer & Soft Drink Operations**
- **Strategic Partnership** with AB InBev & TCCC
- **Expertise & Know-how** in driving cost efficiencies
- **Strong** regional player powered by proven local know-how



SOLID CASH FLOW GENERATION



LONG TERM KEY PRIORITIES

Continue to generate value by margin improvement and FCF generation through our priorities

Beer



- Capitalizing on our strong brand portfolios
- Achieving optimal brand & SKU mix
- Excelling in execution
- Focusing on quality market share
- Strong cash flow generation with special focus on optimizing working capital

Soft Drink



- Accelerate revenue and margin growth
- Winning at the point of sales
- Sales force effectiveness



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BEEER

OPERATIONS



BEER OPERATIONS

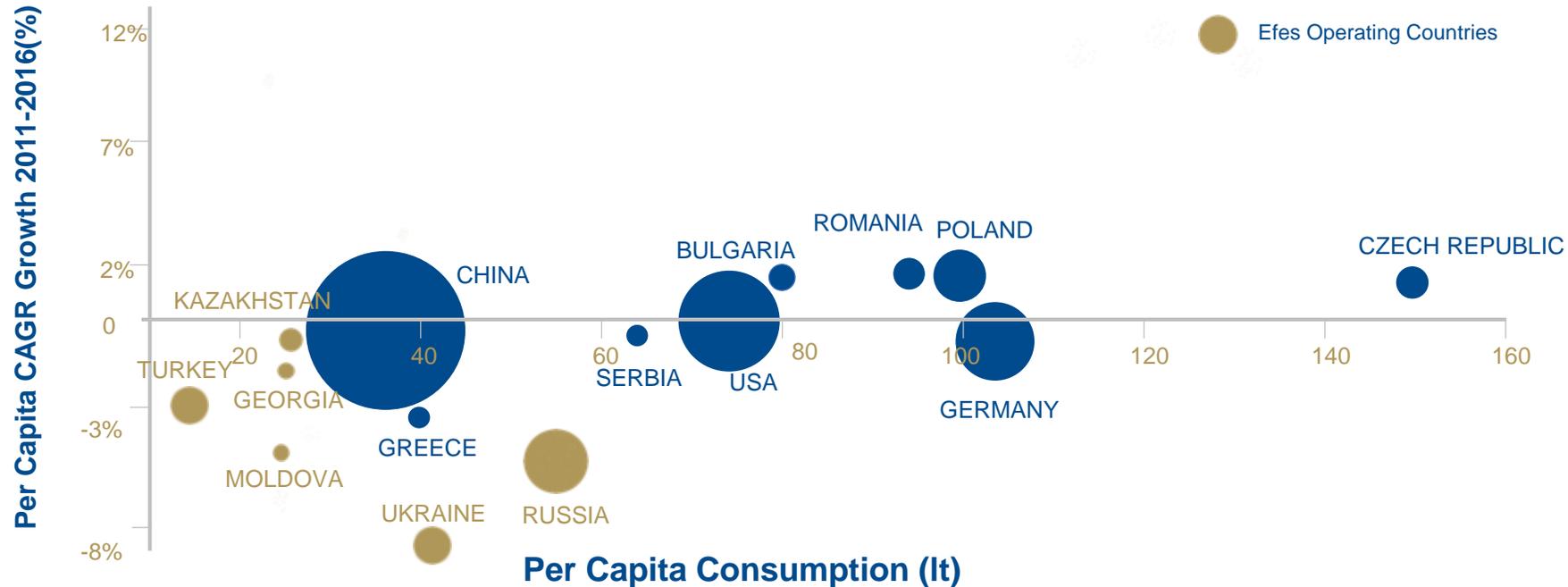


* Volume share, Nielsen, FY2017
** Company estimates
*** Gamma Retail Audit

MARKETS WITH LOW PER CAPITA CONSUMPTION AND HIGH GROWTH POTENTIAL

Operating markets with growth potential characterized by

- ✓ low per capita consumption
- ✓ young populations
- ✓ developing economies
- ✓ westernization/urbanization



Source: Canadean Global Beer Trends 2016, Company Estimates
 Note: Bubbles represent market size

B BRANDS E XECUTION E FFICIENCY R ELATIONS

-  Provide choice and innovation to consumers:
Grow brand love
-  Excell in **customer collaboration**
availability and point of sale activation
-  Build competitive advantage through **lean and**
efficient operations
-  Focus on **employees, customers, regulators,**
community and environment

TURKISH BEER MARKET

- ◉ Low per capita consumption of 11 liters* offering a growth potential
- ◉ Growing population with 1.2% annual growth rate in 2017
 - ✓ 47% is below age 30
- ◉ Returnable market enabling higher operational profitability
 - ✓ Bottles & kegs amount to more than half of total beer market

Low per capita consumption of 11 liters offering a growth potential

- ◉ **3** Breweries & **2** Malteries & **1** Hops Processing Facility
- ◉ **61%** market share*
- ◉ **100%** brand awareness for “**Efes Pilsen**”
- ◉ Rich portfolio of local, imported & licensed brands covering all segments
- ◉ # 1 in consumer spending in Food & Beverage category – 7.0% in 2017**
- ◉ **99%** penetration in Turkey**
- ◉ **153** Dealers & **25** Distributors



RUSSIAN BEER MARKET

- ◉ World's 5th largest beer market with total consumption of **~80 mhl**
- ◉ Expected compounded annual growth rate of **2%*** between 2017-2021
- ◉ Dominated by multinational brewers
 - ✓ Top 4 accounting for ~ more than **70%** of the market
- ◉ Share of Modern Trade above **60%** - more than doubled in the last few years



EFES RUSSIA

#2 player with;

- 6 Breweries – 20.0 mhl total brewing capacity
- 3 Malteries & 1 Preform Plant
- AEFES' largest beer market;
55% of total beer volumes from Russia in FY2017
- 15% overall market share*
- #1 position in Premium category



*volume share **Nielsen Urban Russia, Cities 10000+, Off-Trade, YTD December 2017

OTHER INTERNATIONAL BEER OPERATIONS

- ◉ Market leader in
 - ✓ Kazakhstan
 - ✓ Georgia
 - ✓ Moldova



COMMITMENT TO ENVIRONMENT



ENERGY AND EMISSIONS MANAGEMENT

15%+14%

Compared to 2008, we consumed **15% less energy** and generated **14% fewer emissions per unit product**.



OPERATIONAL RELIABILITY

50 Thousand Person Hours

In 2016, we provided a total of more than **49.898 person hours of occupational health and safety training** to our employees.



WATER MANAGEMENT

36% Decrease in Total Water Consumption

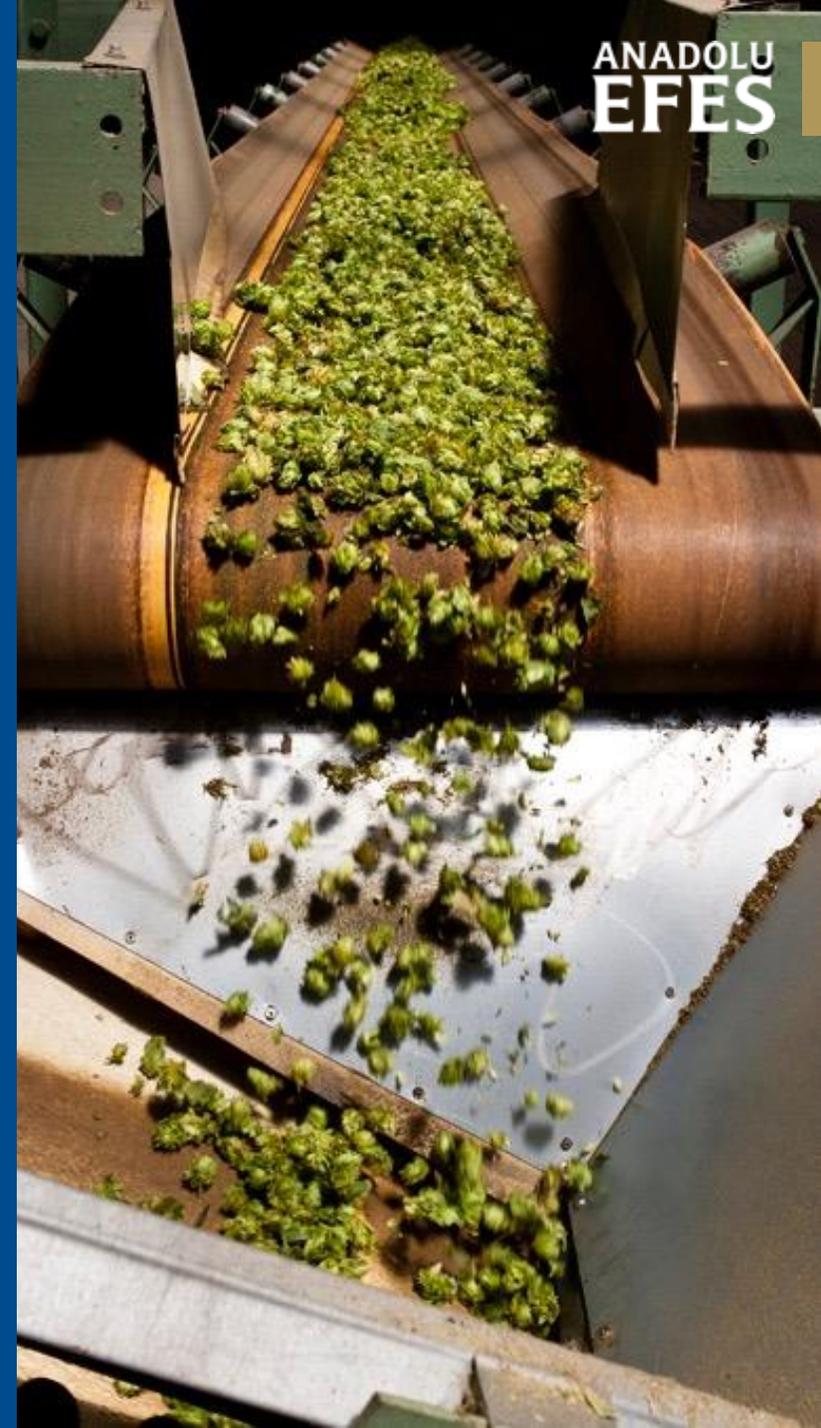
Compared to 2008, we consumed **23% less water in beer production** and **21% less water in malt production**.



PACKAGING MANAGEMENT

98% Waste Recovery

Compared to the previous year, in 2016, the returnable glass bottle rate increased to **15.1% from 14.9%**, and aluminum cans to **21.8% from 21.6%**. Steel keg and returnable glass bottle rate increased to **23.1%**.



Coca-Cola
İçecek

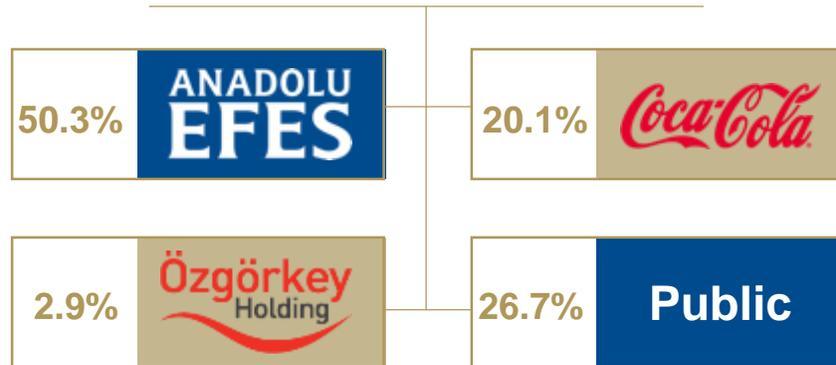


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CCI AT A GLANCE

- **Market leader** in Turkey with 63% & Kazakhstan with 49% market share
- **#2 in** Pakistan with 37% market share & **#2 in** Iraq
- 25 Bottling Plants in 10 Countries
- 6th largest Coca-Cola bottler in Cola system
- Annual capacity of 1.5 bn uc
- 1.2bn uc sales volume

Coca-Cola İçecek



SOFT DRINKS BUSINESS STRATEGIC PRIORITIES



1 Accelerate **Revenue** and **Margin Growth**



2 Grow **Sparkling** Category and Per Caps



3 Selectively **Expand** Profitable **Still** Portfolio



4 Continue to Build and Enhance Our **Reputation**



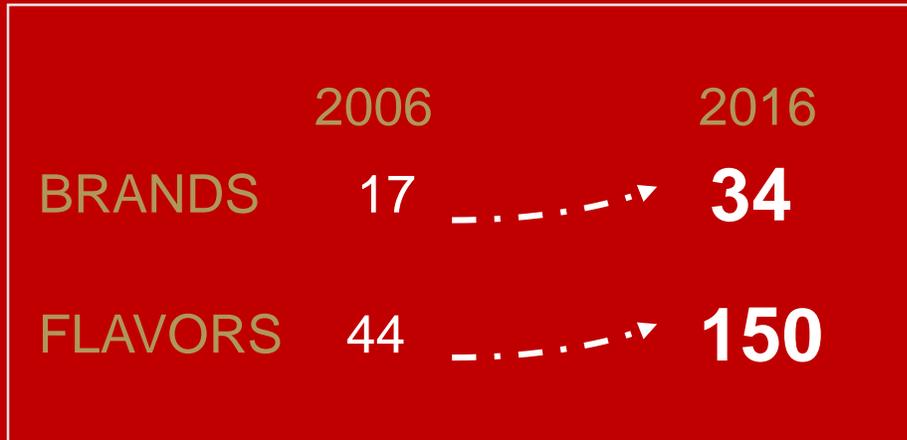
5 Build a **World Class Organisation**



Coca-Cola İçecek

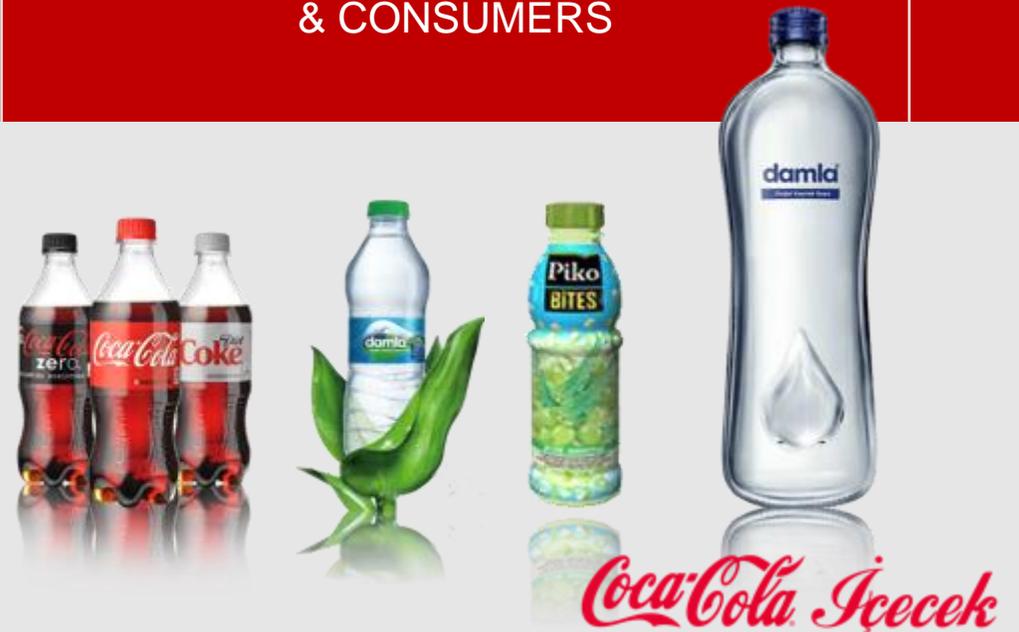
STRONG BRAND PORTFOLIO

BRAND & FLAVOR EXPANSION

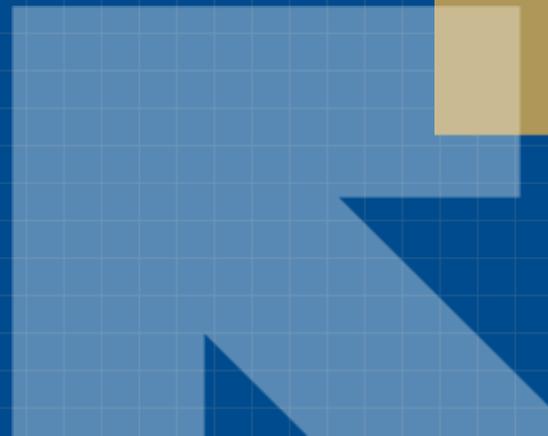
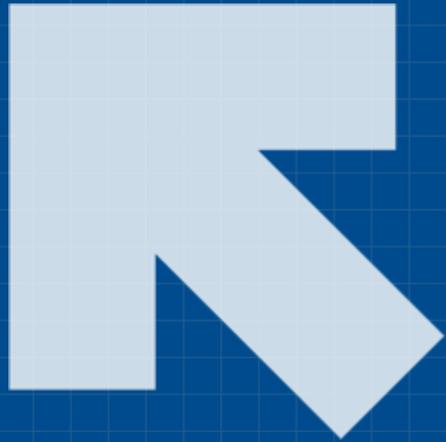


PACKAGE INNOVATION

DIFFERENTIATED
PACKAGE SEGMENTATION
ACROSS CHANNELS, CUSTOMERS
& CONSUMERS



FINANCIALS AND OUTLOOK



FINANCIAL HIGHLIGHTS

	TURKEY BEER (TL mn)		INTERNATIONAL BEER (TL mn)		CCI (TL mn)	
	FY2017	vs FY2016	FY2017	vs FY2016	FY2017	vs FY2016
Volume (mhl)	5.8	(3.2%)	15.2	9.3%	1,237.5*	4.1%
Net Sales	1,588.4	10.4%	2,806.8	47.5%	8,521.1	20.9%
Gross Profit	940.5	10.2%	1,177.7	41.7%	2,901.3	21.3%
EBIT (BNRI)	228.5	(7.3%)	220.4	71.4%	874.0	36.4%
EBITDA (BNRI)	401.1	(1.8%)	487.4	49.8%	1,378.7	26.2%
Net Income**	(8.2)	(93.6%)	98.7	(38.0%)	237.6	n.m.
Margins	Change (bps)		Change (bps)			
Gross Profit	59.2%	(12)	42.0%	(171)	34.0%	11
EBIT (BNRI)	14.4%	(276)	7.9%	110	10.3%	117
EBITDA (BNRI)	25.3%	(313)	17.4%	27	16.2%	68
Net Income**	(0.5%)	845	3.5%	(485)	2.8%	319

* mn u/c

**Net income attributable to shareholders

GROSS & NET DEBT

Anadolu Efes Consolidated

FY2016	FY2017	
6,183.3	8,509.5	TOTAL FINANCIAL DEBT (m TL)
2,756.3	5,498.2	TOTAL CASH & EQUIVALENTS (m TL)
3,427.0	3,011.3	NET DEBT (m TL)
973.8	798.3	NET DEBT (m USD)

Turkey Beer

FY2016	FY2017	
2,137.1	2,346.2	TOTAL FINANCIAL DEBT (m TL)
384.1	387.5	TOTAL CASH & EQUIVALENTS (m TL)
1,753.0	1,958.7	NET DEBT (m TL)
498.1	519.3	NET DEBT (m USD)

Beer Group

FY2016	FY2017	
2,413.1	2,518.8	TOTAL FINANCIAL DEBT (m TL)
1,279.2	1,606.3	TOTAL CASH & EQUIVALENTS (m TL)
1,134.0	912.5	NET DEBT (m TL)
322.2	241.9	NET DEBT (m USD)

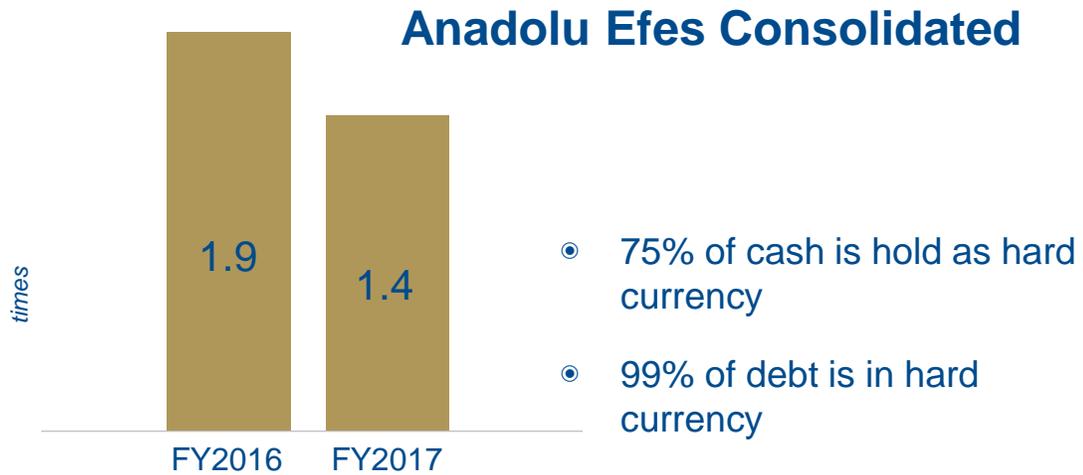
EBI

FY2016	FY2017	
267.5	162.6	TOTAL FINANCIAL DEBT (m TL)
857.1	1,212.7	TOTAL CASH & EQUIVALENTS (m TL)
(589.7)	(1,050.0)	NET DEBT (m TL)
(167.6)	(278.4)	NET DEBT (m USD)

BALANCE SHEET FLEXIBILITY

- Significant FCF generation enabled substantial decrease in net indebtedness
- FY2017 Net Leverage Ratios are within comfortable area

Net Leverage Ratio: Net Debt / EBITDA (BNRI)



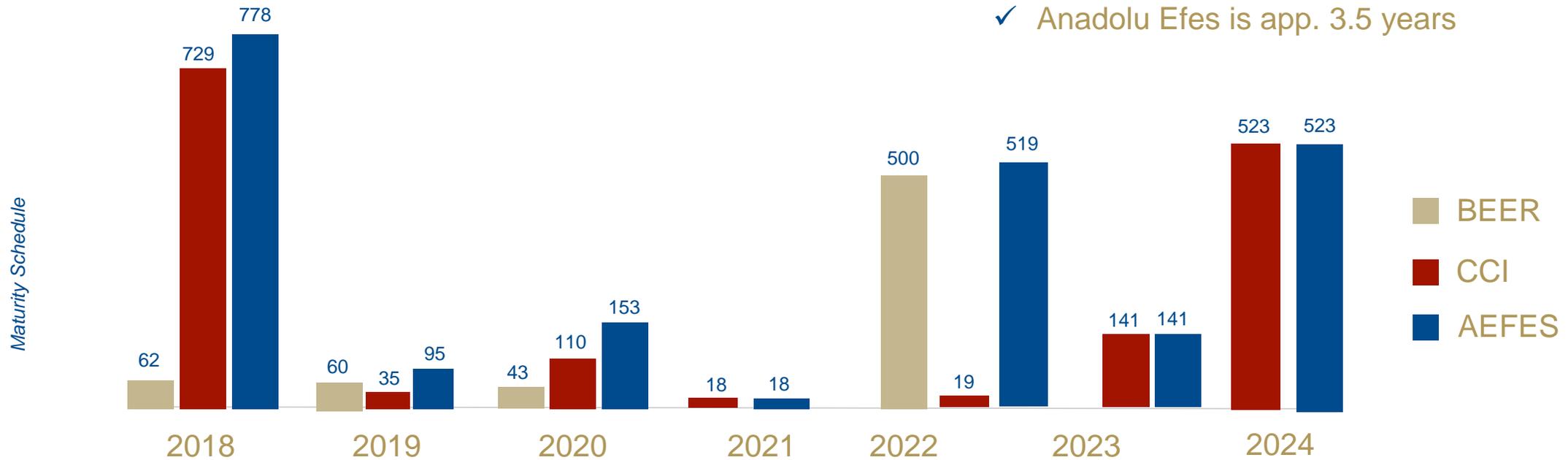
BORROWING MIX & LIQUIDITY PROFILE

- Easily manageable debt repayment schedule

- Weighted average maturity of debt for

- ✓ Beer Group is app. 4.0 years and

- ✓ Anadolu Efes is app. 3.5 years



*Figures represent principal amounts

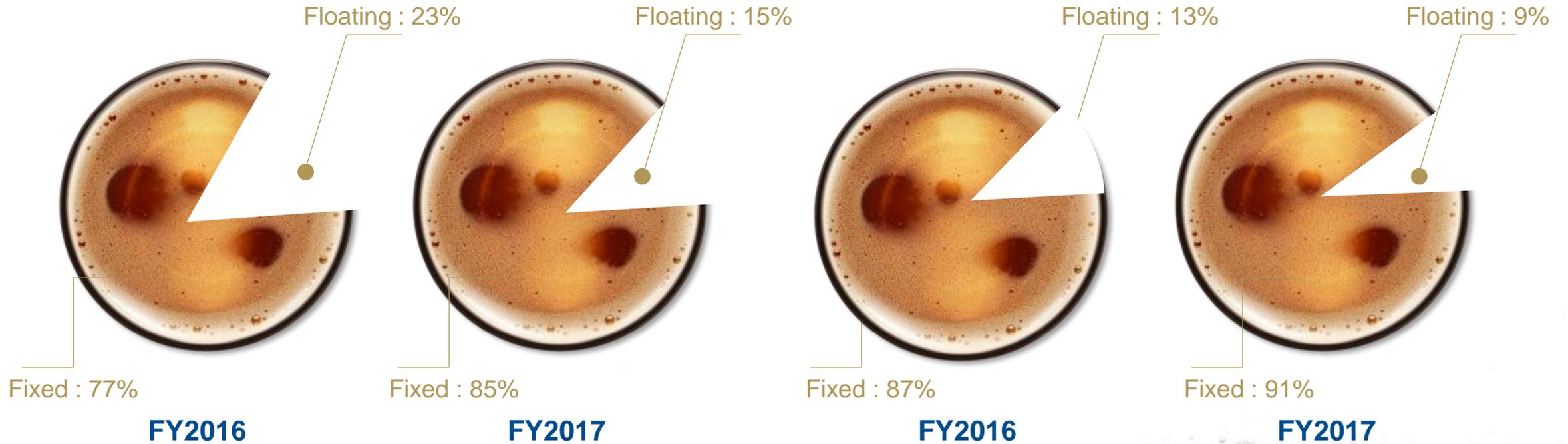


INTEREST BREAKDOWN

- Significant portion of debt is fixed, minimized interest rate risk

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BEER GROUP



2018 GUIDANCE

Sales Volume:

Mid-single digits growth on a consolidated basis

Total Beer: Flattish to low single digit growth

Turkish beer market: Flattish- to low single digit growth

Turkey own beer: In line with market

Russian beer market: Flattish

Russian own beer: In line with market

Consolidated Soft Drinks: 4%-6% growth

Turkey soft drinks: 2%-4% growth

International soft drinks: 8%-10% growth

Revenue:

Outperform sales volume **in all business lines**

EBITDA Margin:

Slightly higher **on a consolidated basis**

- Margin improvement **for beer group**
- Slight improvement in EBITDA margin **for soft drinks**

Capex: As a percentage of net sales at high single digits **on a consolidated basis**

FCF: Positive FCF in **both beer and soft drinks**

FINANCIAL PRIORITIES

- Sustain consolidated cash flows through;
 - ✓ focus on working capital optimization
 - ✓ optimized capex policy
 - ✓ sticking to tight balance sheet management
- Deleveraging
- Efficiency improvements via savings
- Managing impact of F/X volatility on operations
- Commitment to Investment Grade Ratings



FINANCIAL HIGHLIGHTS - FY2016

	TURKEY BEER (TL mn)		INTERNATIONAL BEER (USD mn)		CCI (TL mn)	
	FY2016	vs FY2015	FY2016	vs FY2015	FY2016	vs FY2015
Volume (mhl)	6.0	-9.9%	13.9	-0.9%	1,189.1*	3.2%
Net Sales	1,438.6	-3.1%	630.6	-13.0%	7,050.2	4.9%
Gross Profit	853.5	-6.0%	275.4	-20.3%	2,392.5	2.5%
EBIT (BNRI)	246.6	-15.4%	42.6	36.4%	640.7	0.2%
EBITDA (BNRI)	408.3	-6.8%	107.8	-9.0%	1,092.9	3.9%
Net Income**	-129.0	-162.9%	52.8	n.m.	-28.4	n.m.
Margins		Change (bps)		Change (bps)		Change (bps)
Gross Profit	59.3%	-183	43.7%	-401	33.9%	-78
EBIT (BNRI)	17.1%	-249	6.8%	245	9.1%	-42
EBITDA (BNRI)	28.4%	-111	17.1%	75	15.5%	-14
Net Income**	-9.0%	-566	8.4%	1,523	-0.4%	-215

* mn unit case

** Net income attributable to shareholders