ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2014

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ

Interim Condensed Consolidated Financial Statements as of March 31, 2014

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

	Notes	Unaudited March 31, 2014	Audited December 31, 2013
ASSETS			
Current Assets		**4.633.193**	4.959.127
Cash and Cash Equivalents	5	**1.543.207**	1.746.369
Financial Investments	6	-	562.985
Trade Receivables			
- Trade Receivables from Related Parties	23	**5.076**	6.213
- Trade Receivables from Third Parties		**1.215.177**	888.315
Other Receivables from Third Parties	8	**59.957**	47.523
Inventories		**1.116.952**	1.004.016
Prepaid Expenses	16	**403.501**	430.509
Prepaid Income Tax		**59.207**	74.556
Other Current Assets	17	**230.116**	198.641
Non-Current Assets		**17.180.570**	17.407.857
Financial Investments		**768**	786
Other Receivables from Third Parties	8	**6.462**	5.566
Investments in Associates	9	**61.074**	62.755
Investment Property	10	**117.697**	117.135
Property, Plant and Equipment	11	**5.681.209**	5.759.638
Intangible Assets			
- Goodwill	13	**2.330.659**	2.453.049
- Other Intangible Assets	12	**8.595.199**	8.636.751
Prepaid Expenses	16	**212.100**	222.670
Deferred Tax Asset	21	**161.284**	132.529
Other Non-Current Assets	17	**14.118**	16.978
TOTAL ASSETS		**21.813.763**	22.366.984

ANADOLU EFES BİRACILIK VE MALT SANAYİİ ANONİM ŞİRKETİ

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2014

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

	Notes	Unaudited March 31, 2014	Audited December 31, 2013
LIABILITIES			
Current Liabilities		**3.001.697**	3.147.302
Short-term Borrowings	7	**310.449**	303.369
Short-term Portion of Long-term Borrowings	7	**897.790**	1.437.073
Trade Payables			
- Trade Payables to Related Parties	23	**75.322**	27.630
- Trade Payables to Third Parties		**990.062**	773.687
Employee Benefits Payable		**64.735**	53.612
Other Payables to Third Parties	8	**537.051**	414.449
Derivative Instruments		**723**	479
Deferred Income		**30.906**	50.654
Provision for Income Tax		**4.341**	6.753
Short-term Provisions			
- Short-term Provision for Employee Benefits		**77.238**	67.786
- Other Short-term Provisions		**4.952**	5.396
Other Current Liabilities	17	**8.128**	6.414
Non-Current Liabilities		**5.674.937**	5.757.756
Long-term Borrowings	7	**3.535.143**	3.535.490
Trade Payables to Third Parties		**23.228**	2.895
Other Payables to Third Parties	8	**212.480**	210.821
Deferred Income		**3.724**	3.643
Long-term Provision for Employee Benefits		**86.599**	88.319
Deferred Tax Liability	21	**1.701.938**	1.730.612
Other Non-Current Liabilities	17	**111.825**	185.976
Equity		**13.137.129**	13.461.926
Equity Attributable to Equity Holders of the Parent		**9.172.273**	9.571.651
Issued Capital	14	**592.105**	592.105
Inflation Adjustment to Issued Capital	14	**63.583**	63.583
Share Premium/Discount	14	**3.137.684**	3.137.684
Other Reserves	14	**(235.742)**	(235.742)
Cumulative Other Comprehensive Income / Expense Not to be Classified to Profit and Loss			
- Revaluation and Remeasurement Loss	14	**(5.769)**	(5.398)
Cumulative Other Comprehensive Income / Expense To be Classified to Profit and Loss			
- Currency Translation Differences	14	**661.616**	968.155
- Hedge Gain / Loss	14	**(403)**	(304)
- Revaluation and Reclassification Gain	14	**(2.740)**	(10.008)
Restricted Reserves	14	**249.541**	249.541
Accumulated Profit	14	**4.812.035**	2.203.115
Net Income		**(99.637)**	2.608.920
Non-Controlling Interests		**3.964.856**	3.890.275
TOTAL LIABILITIES		**21.813.763**	22.366.984

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

CONSOLIDATED INTERIM INCOME STATEMENT
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

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

		Unaudited	
	Notes	**January 1 - March 31, 2014**	January 1 - March 31, 2013
Revenue	4	**2.016.407**	1.698.106
Cost of Sales (-)		**(1.179.065)**	(964.232)
GROSS PROFIT		**837.342**	733.874
General and Administrative Expenses (-)		**(230.795)**	(181.179)
Marketing Expenses (-)		**(561.353)**	(498.240)
Other Operating Income	18	**29.299**	13.555
Other Operating Expenses (-)	18	**(43.040)**	(10.764)
PROFIT FROM OPERATIONS		**31.453**	57.246
Income from Investing Activities	19	**874**	2.722.719
Expenses from Investing Activities (-)	19	**(982)**	(1.936)
(Loss) / Income from Associates	9	**(1.964)**	(1.484)
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)		**29.381**	2.776.545
Finance Income	20	**333.262**	79.194
Finance Expenses (-)	20	**(480.207)**	(127.651)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		**(117.564)**	2.728.088
Continuing Operations Tax Income / Expense		**16.717**	(8.955)
- Current Period Tax Expense (-)		**(24.874)**	(27.657)
- Deferred Tax Income		**41.591**	18.702
INCOME/(LOSS) FOR THE PERIOD		**(100.847)**	2.719.133
Profit/(Loss) for the Period Attributable to			
- Non Controlling Interest		**(1.210)**	127.300
- Equity Holders of the Parent		**(99.637)**	2.591.833
Earnings Per Share (Full TRL)	22	**(0,1683)**	4,3773

As the details stated in “Note 3 - Transaction Related with 2013” the gain amounting to TRL 2.722.194 is recognized in the interim income statement under “Income from Investing Activities” for the three- month period ended March 31, 2013.

CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014

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

	Unaudited	
	January 1 - March 31, 2014	January 1 - March 31, 2013
PROFIT/(LOSS) FOR THE PERIOD	**(100.847)**	2.719.133
OTHER COMPREHENSIVE INCOME		
Not to be Classified to Profit and Loss		
Actuarial Loss from Defined Benefit Plans	**(464)**	(716)
Taxation on Other Comprehensive Income not to be Classified to Profit and Loss		
- Deferred Tax Income	**93**	143
To be Classified to Profit and Loss		
Currency Translation Differences	**(230.650)**	9.119
Available for Sale Financial Investments Revaluation and/or Reclassification Gain/Loss	**-**	4.820
Cash Flow Hedge Gain/Loss	**(246)**	(1.141)
Other Comprehensive Income to be Classified to Profit and Loss	**7.268**	**-**
Taxation on Other Comprehensive Income to be Classified to Profit and Loss		
- Deferred Tax Expense (-) / Income	**49**	(13)
OTHER COMPREHENSIVE INCOME	**(223.950)**	12.212
TOTAL COMPREHENSIVE INCOME	**(324.797)**	2.731.345
Total Comprehensive Income Attributable to:		
- Non-Controlling Interest	**74.581**	152.995
- Equity Holders of the Parent	**(399.378)**	2.578.350

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

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014

(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					Accumulated Profit				
	Issued Capital	Inflation Adjustrment to Issued Capital	Share Premium/ Discount	Revaluation and Remeasuremnet Gain / Loss	Currency Translation Differences	Hedge Gain / Loss	Revaluation and Reclassification Gain / Loss	Other Reserves	Restricted Reserves	Accumulated Profit / Loss	Net Income	Equity Attiributable to Equity Holders of the Perent	Non-Controlling Interests	Equity
Balance as of January 1, 2013 (Beginning) (Previously Reported)	**592.105**	**63.583**	**3.137.684**	**-**	**141.456**	**113**	**55.875**	**(10.653)**	**209.644**	**1.908.080**	**606.870**	**6.704.757**	**82.034**	**6.786.791**
Restatement due to change in IAS 19	-	-	-	(7.152)	-	-	-	-	-	2.219	2.941	(1.992)	-	(1.992)
Restatement due to change in IFRS 11	-	-	-	-	-	-	-	-	-	-	-	-	(12.405)	(12.405)
Balances as of January 1, 2013 (Beginning) (Restated)	**592.105**	**63.583**	**3.137.684**	**(7.152)**	**141.456**	**113**	**55.875**	**(10.653)**	**209.644**	**1.910.299**	**609.811**	**6.702.765**	**69.629**	**6.772.394**
Transfers	-	-	-	-	-	-	-	-	-	609.811	(609.811)		-	-
Total Comprehensive Income	-	-	-	(573)	(17.030)	(459)	4.579	-	-	-	2.591.833	2.578.350	152.995	2.731.345
Transactions with Non-Controlling Interests	-	-	-	-	-	-	-	(225.089)	-	-	-	(225.089)	(65.807)	(290.896)
Transfers due to Change in Scope of Consolidation (*)	-	-	-	1.993	(78.380)	(113)	4.125	-	-	-	-	(72.375)	-	(72.375)
Change in Non-Controlling Interests due to Change in Scope of Consolidation (**)	-	-	-	-	-	-	-	-	-	-	-	-	3.359.376	3.359.376
Balance as of March 31, 2013 (Ending)	**592.105**	**63.583**	**3.137.684**	**(5.732)**	**46.046**	**(459)**	**64.579**	**(235.742)**	**209.644**	**2.520.110**	**2.591.833**	**8.983.651**	**3.516.193**	**12.499.844**
Balance as of January 1, 2014 (Beginning) (Previously Reported)	**592.105**	**63.583**	**3.137.684**	**(5.398)**	**968.155**	**(304)**	**(10.008)**	**(235.742)**	**249.541**	**2.203.115**	**2.608.920**	**9.571.651**	**3.890.275**	**13.461.926**
Transfers	-	-	-	-	-	-	-	-	-	**2.608.920**	**(2.608.920)**	-	-	-
Total Comprehensive Income	-	-	-	**(371)**	**(306.539)**	**(99)**	**7.268**	-	-	-	**(99.637)**	**(399.378)**	**74.581**	**(324.797)**
Balance as of March 31, 2014 (Ending)	**592.105**	**63.583**	**3.137.684**	**(5.769)**	**661.616**	**(403)**	**(2.740)**	**(235.742)**	**249.541**	**4.812.035**	**(99.637)**	**9.172.273**	**3.964.856**	**13.137.129**

(*) 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.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014

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

		Unaudited	
		January 1 - March 31, 2014	January 1 - March 31, 2013
A. CASH FLOWS FROM OPERATING ACTIVITIES		**178.402**	(54.503)
Profit/(Loss) for the Period		**(100.847)**	2.719.133
Adjustments Related to Reconciliation of Profit for the Period			
Depreciation and Amortization	4	**185.824**	153.908
Provision / (Reversal of Provision) for Inventory Obsolescence, net		**870**	1.761
Impairment / (Reversal of Impairment) on Property, Plant And Equipment, net	19	**687**	495
Provision / (Reversal of Provision) for Doubtful Receivables, net		**(1.615)**	190
Provision for Retirement Pay Liability	4	**4.603**	6.365
Provision for Vacation Pay Liability	4	**5.724**	7.089
Provision for Long Term Incentive Plan		**4.940**	(2.952)
Loss from Sale of Subsidiaries	19	**14**	-
Borrowing Expenses	20	**165**	167
Equity Income / Loss from Associates	9	**1.964**	1.484
Income Recognized due to Change in Scope of Consolidation	19	-	(2.722.194)
Interest Income and Expense Adjustment	20	**29.116**	16.368
Foreign Exchange (Gain)/Loss from Borrowings, net		**160.357**	41.376
Tax Income / Expense Adjustment		**(16.717)**	8.955
Gain / Loss from Sales of Non-Current Assets	19	**(593)**	916
Other Reconciling Adjustments		-	202
Change in Working Capital			
Adjustments Related to Increase / Decrease in Inventory		**(114.114)**	(128.198)
Adjustments Related to Increase / Decrease in Trade Receivables		**(324.349)**	(201.484)
Adjustments Related to Increase / Decrease in Other Operating Receivables		**45.856**	(49.568)
Adjustments Related to Increase / Decrease in Trade Payables		**246.907**	141.724
Adjustments Related to Increase / Decrease in Other Operating Payables		**88.136**	(16.958)
Vacation Pay, Retirement Pay Liability And Long Term Incentive Plan Paid		**(14.314)**	(6.941)
Taxes Paid		**(24.212)**	(26.341)
B. CASH FLOWS FROM INVESTING ACTIVITIES		**(258.466)**	(7.157)
Cash Inflow from Sale of Tangible and Intangible Assets		**5.565**	5.028
Cash Outflow from Purchase of Tangible and Intangible Assets	4	**(208.223)**	(201.828)
Capital Increase in Investment Associates		**-**	(9.000)
Cash Inflow due to Sale of Subsidiaries		**4**	-
Cash Outflow from Purchase of Non-Controlling Interests, net	3	**(55.812)**	(290.896)
Cash Inflow due to Change in Scope of Consolidation		**-**	489.539
C. CASH FLOWS FROM FINANCING ACTIVITIES		**(153.092)**	(314.288)
Cash Inflow from Borrowings		**125.078**	315.292
Cash Outflows from Repayment of Borrowings		**(844.996)**	(679.396)
Interest Received		**25.968**	18.493
Interest Paid		**(20.875)**	(23.134)
Change in Time Deposits With Maturity More Than Three Months		**561.733**	54.457
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES (A+B+C)		**(233.156)**	(375.948)
D. EFFECT OF CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		**30.770**	8.127
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**(202.386)**	(367.821)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**1.737.209**	1.386.630
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	5	**1.534.823**	1.018.809

(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 19.669 (December 31, 2013 - 19.852).

The condensed 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 May 9, 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 sixteen breweries (five in Turkey, six in Russia and five in other countries), six malt production facilities (two in Turkey, four 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 26.

The Group also has joint control over Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş. (Anadolu Etap), which undertakes production and sales of fruit juice concentrates and purees in Turkey. (In January 2014 legal entity name of Anadolu Etap has been changed). The Group also has joint control over Syrian Soft Drink Sales & Dist. LLC (SSDSD) which undertakes distribution and sales of sparkling and still beverages in Syria.

List of Shareholders

As of March 31, 2014 and December 31, 2013 the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	March 31,2014		December 31,2013	
	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 Harmony Ltd. (1)	**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

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 March 31, 2014 Yazıcılar Holding A.Ş. and Özilhan Sınai Yatırım A.Ş. together with SABMiller Harmony Ltd. represent directly and indirectly more than half of the voting rights of the Company according to the shareholder agreement.

(1) Following the transfer of %24 shares of the Company to SABMiller Anadolu Efes Ltd (SABMiller AEL) in the context of strategic alliance with SABMiller in 2012 SABMiller AEL has transfeerred its shareholding in the Company to SABMiller Harmony Ltd.

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

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

List of Subsidiaries

The subsidiaries included in the consolidation and their effective shareholding rates at March 31, 2014 and December 31, 2013 are as follows:

Subsidiary	Country	Principal Activity	Segment	Effective Shareholding And Voting Rights % March 31, 2014	December 31, 2013
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)	Russia	Production and marketing beer	International Beer	99,93	99,93
CJSC Knyaz Rurik (Knyaz Rurik)	Russia	Investment company of EBI	International Beer	100,00	100,00
CJSC Mutena Maltery (Mutena Maltery)	Russia	Production of malt	International Beer	100,00	100,00
CJSC Vostok Solod (1)	Russia	Production of malt	International Beer	99,93	99,93
LLC Moskovskii Torgovyii Dom (1) (2)	Russia	Sales company	International Bee	-	99,93
J.S.C. Efes Kazakhstan Brewery (Efes Kazakhstan)	Kazakhstan	Production and marketing of beer	International Beer	100,00	100,00
Efes Vitanta Moldova Brewery S.A. (Efes Moldova)	Moldova	Production and marketing of beer and low 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 drinks	International Beer	100,00	100,00
PJSC Efes Ukraine (Efes Ukraine)	Ukraine	Production and marketing of beer	International Beer	99,94	99,94
Efes Trade BY FLLC (Efes Belarus)	Belarus	Market development	International Beer	100,00	100,00
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa) (3)	Turkey	Marketing and distribution company of the Group	Turkey Beer	100,00	100,00
Tarbes Tarım Ürünleri ve Besicilik Sanayi Ticaret A.Ş. (Tarbes) (3)	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) (4)	Turkey	Production, bottling of Coca-Cola products	Soft Drinks	50,26	50,26
Coca-Cola Satış Dağıtım A.Ş. (CCSD)	Turkey	Distribution and selling of Coca-Cola, Doğadan and Mahmudiye products	Soft Drinks	50,25	50,25
Mahmudiye Kaynak Suyu Ltd. Şti. (Mahmudiye)	Turkey	Filling and selling of natural spring water	Soft Drinks	50,25	50,25
Efes Sınai Dış Ticaret A.Ş. (EST)	Turkey	Foreign trade	Soft Drinks	50,35	50,35
J.V. Coca-Cola Almaty Bottlers Limited Liability Partnership (Almaty CC)	Kazakhstan	Production, bottling, distribution and selling of Coca Cola and distribution of Efes products	Soft Drinks	50,26	50,26
Tonus Joint Stock Company (Tonus)	Kazakhstan	Investment company of CCİ	Soft Drinks	49,87	49,87
Azerbaijan Coca-Cola Bottlers LLC (Azerbaijan CC)	Azerbaijan	Production, bottling, distribution and selling of Coca Cola products	Soft Drinks	50,19	50,19
Coca-Cola Bishkek Bottlers Closed Joint Stock Company (Bishkek CC)	Kryghyzstan	Production, bottling, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26
CCI International Holland B.V. (CCI Holland	The Netherlands	Investment company of CCİ	Soft Drinks	50,26	50,26
CC for Beverage Industry Limited (CCBL)	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)	Jordan	Production, bottling, distribution and selling of, Coca Cola products	Soft Drinks	45,23	45,23
Coca-Cola Beverages Pakistan Ltd (CCBPL)	Pakistan	Production, bottling, distribution and selling of, Coca Cola products	Soft Drinks	24,91	24,91
Türkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC)	Turkmenistan	Production, bottling, distribution and selling of, Coca Cola products	Soft Drinks	29,90	29,90
Waha Beverages B.V	The Netherlands	CCİ'nin yatırım şirketi	Soft Drinks	40,22	38,39
Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC (Al Waha) (5)	Iraq	Production, bottling, distribution and selling of Coca Cola products	Soft Drinks	40,22	32,64
Coca-Cola Beverages Tajikistan Limited Liability Company (Coca Cola Tajikistan)	Tajikistan	Production, bottling, distribution and selling of Coca Cola products	Soft Drinks	50,26	50,26

(1) Subsidiaries of Efes Moscow.
(2) LLC Moskovskii Torgovyii Dom has been closed in February 2014.
(3) The Company's beer operations in Turkey form the Turkey Beer Operations together with Ef-Pa and Tarbes.
(4) Shares of CCİ are currently traded on BIST.
(5) 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 CCI, 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, CCI'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%).

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

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

In accordance with the CMB's "Communiqué on Financial Reporting in Capital Market" Numbered II-14.1 (Communiqué), promulgated in the Official Gazette numbered 28676 dated June 13, 2013, effective from interim periods beginning after March 31, 2013, listed companies are required to prepare their financial statements in conformity with Turkey Accounting/Financial Reporting Standards (TAS/TFRS) as prescribed in the CMB Communiqué. The financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué.

In the scope of the CMB's "Communiqué on Financial Reporting in Capital Market" Numbered II-14.1 (Communiqué), the Group has prepared interim condensed consolidated financial statements in accordance with TAS 34, "Interim Financial Reporting". The financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué.

In accordance with the TAS, the entities are allowed to prepare a complete or condensed set of interim financial statements in accordance with TAS 34, "Interim Financial Reporting". In this respect, the Group has preferred to prepare condensed consolidated financial statements in the interim periods and prepared the aforementioned condensed consolidated financial statements in compliance with CMB Financial Reporting Standards.

Furthermore, in accordance with the Communiqué and announcements regarding the explanations of the Communiqué, guarantee pledge mortgage table, foreign currency position table, total export and total import amounts and hedging amount of total foreign currency liabilities are presented in the condensed consolidated financial statement disclosures (Note 15, 24).

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

2.2 Seasonality of Operations

Due to higher beverage consumption during the summer season, the interim condensed consolidated financial results may include the effects of the seasonal variations. Therefore, the results of business operations for the first three months up to March 31, 2014 may not necessarily constitute an indicator for the results to be expected for the overall fiscal year.

2.3 Significant Accounting Estimates and Decisions

Preparation of consolidated financial statements requires management to make estimations and assumptions which may affect the reported amounts of assets and liabilities as of the statement of financial position date, the disclosure of contingent assets and liabilities and the reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed considering past experiences, other factors and reasonable expectations about future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results.

2.4 Changes in Accounting Policies

The interim condensed consolidated financial statements of the Group for the period ended March 31, 2014 have been prepared in accordance with the accounting policies consistent with the accounting policies used in the preparation of annual consolidated financial statements for the year ended December 31, 2013. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2013.

Adoption of new and revised International Financial Reporting Standards

Revised and amended standards and interpretations that are effective after January 1, 2014:

- 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.
- 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.

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

Revised and amended standards and interpretations that are effective after January 1, 2014: (continued)

- 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 cash generating units 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, The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognised. The interpretation also reveals that if the obligating event gives rise gradually, levy may be accrued gradually.

Improvements made to IFRS 1,2,3,8,9,13 and IAS 16, IAS 39 and IAS 40 in 2010, 2011, 2012 and 2013 are effective for the periods beginning on or after July 1, 2014.

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

2.5 Comparative Information and Restatement of Prior Period Financial Statements

As mentioned in detail in "Note 3 – Transactions Related with 2013", change in control of CCI and CCBPL was accounted in accordance with IFRS 3 "Business combinations", consequently CCI and CCBPL has been included in full consolidation starting from 1 January 2013.

Since fair value accounting of these purchase transactions were in progress as of March 31, 2013, goodwill accounting which was provisionally recorded to March 31, 2013 interim financial statements is restated and fair value accounting is reflected to prior period financial statements in accordance with IFRS 3 "Business Combinations".

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.

<u>Communiqué on Financial Reporting in Capital Market Numbered II-14.1 Effect</u>

The reclassifications applied to the financial statements are described below:

- "Fixed Asset Sales Gain/Loss" amounting to TRL916 included in Other Operating Income / Expense has been reclassified to Income / Expense from Investing Activities.
- "Impairment on Property Plant and Equipment" amounting to TRL495 included in Other Operating Income / Expense has been reclassified to Income / Expense from Investing Activities.
- "Income recognized due to change in scope of consolidation" amounting to TRL2.722.194 included in Other Operating Income has been reclassified to Income from Investing activates.
- "Foreign Exchange Gain/ Losses from trade receivables and payables" amounting to TRL4.540 and (TRL4.748) included in Finance Income/Expenses have been reclassified to Other Operating Income/Expenses.
- "Rediscount Income/ Expense from trade receivables and payables" amounting to TRL522 and TRL(751) included in Finance Income/Expenses have been reclassified to Other Operating Income/Expenses.

NOTE 3 - BUSINESS COMBINATIONS

Transactions Related with 2014

As of December 31, 2013, according to shareholders agreement signed with NKG, NKG had an option to sell (and Waha B.V. had an obligation to buy) its remaining 15% participatory shares in Al Waha and Waha B.V. had an option to buy (and NKG will had obligation to sell) NKG's 15% participatory shares in Al Waha with an amount of USD26 million. In January 2014, put option has been realized following the payment of TRL55.812 (equivalent of 26 million USD) by CCI with the share transfer.

NOTE 3 - BUSINESS COMBINATIONS (continued)

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 interim condensed statement of financial position at March 31, 2014.

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.

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.

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

NOTE 3 - BUSINESS COMBINATIONS (continued)

Transactions Related with 2013 (continued)

c) Shareholders' Agreement regarding governance of CCİ (continued)

Fair value of the net assets on financial statements prepared as of the purchase date of CCİ is as follows:

	Fair Value
Cash and cash equivalents	490.225
Trade and other receivables	307.771
Inventories	348.218
Other assets	537.677
Property, plant and equipment	2.509.905
Intangible assets	6.434.886
Financial liabilities	(1.822.514)
Trade payables	(294.585)
Other liabilities	(362.482)
Deferred tax liability	(1.349.187)
Non controlling interests	(207.100)
Fair value of the net assets acquired	6.592.814
Fair value of already held shares prior to obtaining control	**3.573.347**
Group's share in net asset	(3.313.231)
Goodwill arising from acquisition	**260.116**

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	(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(Note 19)	**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.

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

NOTE 3 - BUSINESS COMBINATIONS (continued)

Transactions Related with 2013 (continued)

d) Amended Shareholders' Agreement regarding governance of CCBPL (continued)

Fair value difference amounting TRL259.612 attributable to the already held shares prior to obtaining control over CCİ is accounted under the "income from investing activities" in consolidated financial statements (Note 19). 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 19).

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
Cash and cash equivalents	570
Trade and other receivables	20.233
Inventories	57.656
Other current assets	38.595
Property, plant and equipment	500.275
Intangible assets	178.948
Other non current assets	16.495
Financial liabilities	(287.665)
Trade payables	(9.198)
Due to related parties	(6.007)
Other payables	(36.265)
Deferred tax liability	(91.900)
Other liabilities	(21.002)
Goodwill recognized during acquisition of CCBPL shares at prior years	2.795
Fair value of the net assets acquired	363.530
Fair value of shares of CCBPL owned by the CCİ	**420.985**
Less: Total value of net assets owned by CCI before re-measurement	(179.548)
Fair value difference resulted from control power change	**241.437**

	CCBPL
Total Value of Assets	323.937
Ownership rate of CCI which the control power is changed	49,39%
Fair value of already held shares prior to obtaining control power	420.985
Total assets owned by the Group	(159.992)
Goodwill arising from the acquisition of Pakistan shares in previous years	(1.381)
Carrying amount of CCBPL on CCİ financials	(161.373)
Increase in provisional fair value due to acquisition of subsidiary	**259.612**
Other comprehensive income recognized in the income statement due to acquisition of subsidiary	(17.980)
Value increase recognized as an income due to acquisition of subsidiary (Note 19)	**241.632**

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

NOTE 4 - 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.

The Group's segment reporting in accordance with IFRS 8 is disclosed as follows:

January 1 - March 31, 2014	**Turkey Beer**	**International Beer**	**Soft Drinks**	**Other [1] and Eliminations**	**Total**
Revenues	**339.325**	**526.601**	**1.147.864**	**7.006**	**2.020.796**
Inter-segment revenues	**(2.326)**	**(1.302)**	**-**	**(761)**	**(4.389)**
Total Revenues	**336.999**	**525.299**	**1.147.864**	**6.245**	**2.016.407**
EBITDA	**96.210**	**17.037**	**151.134**	**(20.675)**	**243.706**
Profit / (loss) for the period	**17.668**	**(103.437)**	**12.047**	**(27.125)**	**(100.847)**
Capital expenditures (Note 11, 12)	**44.805**	**25.007**	**138.411**	**-**	**208.223**
January 1 - March 31, 2013					
Revenues	354.356	423.539	917.291	7.130	1.702.316
Inter-segment revenues	(2.264)	(128)	(10)	(1.808)	(4.210)
Total Revenues	352.092	423.411	917.281	5.322	1.698.106
EBITDA	102.147	1.153	129.759	(13.176)	219.883
Profit / (loss) for the period	56.306	(69.209)	23.875	2.708.161	2.719.133
Capital expenditures (Note 11,12)	44.125	66.888	96.577	92	207.682

March 31, 2014	**Turkey Beer**	**International Beer**	**Soft Drinks**	**Other (1) and Eliminations**	**Total**
Segment assets	**7.855.985**	**6.782.680**	**6.756.411**	**418.687**	**21.813.763**
Segment liabilities	**2.408.996**	**1.353.706**	**3.775.050**	**1.138.882**	**8.676.634**
Investment in associates	**-**	**-**	**-**	**61.074**	**61.074**
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
Investment in associates	-	-	-	62.755	62.755

(1) Includes other subsidiaries included in the consolidation of the Group, headquarters expenses and non – recurring income amounting to TRL2.722.194 for 2013 as the details are given in “Note 3 - Transactions Related with 2013”.

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

NOTE 4 - SEGMENT INFORMATION (continued)

Reconciliation of EBITDA to the consolidated profit before finance income/expense as of March 31, 2014 and 2013 are as follows:

	January 1 - March 31, 2014	January 1 - March 31, 2013
EBITDA	**243.706**	219.883
Depreciation and amortization expenses	**(185.824)**	(153.908)
Provision for retirement pay liability	**(4.603)**	(6.365)
Provision for vacation pay liability	**(5.724)**	(7.089)
Foreign exchange gain/loss from operating activities	**(14.499)**	(208)
Rediscount interest income/expense from operating activities	**(356)**	(229)
Other	**(1.247)**	5.162
PROFIT/LOSS FROM OPERATIONS	**31.453**	57.246
Income from Investing Activities	**874**	2.722.719
Expense from Investing Activities (-)	**(982)**	(1.936)
Income/(Loss) from Associates	**(1.964)**	(1.484)
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSE	**29.381**	2.776.545

NOTE 5 - CASH AND CASH EQUIVALENTS

	March 31, 2014	December 31, 2013
Cash on hand	**6.987**	4.696
Bank accounts		
- Time deposits	**1.318.407**	1.559.266
- Demand deposits	**209.429**	173.247
Cash and cash equivalents in cash flow statement	**1.534.823**	1.737.209
Interest income accrual	**8.384**	9.160
	1.543.207	1.746.369

As of March 31, 2014, annual interest rates of the TRL denominated time deposits vary between 8,70% and 13,15% (December 31 2013 – 4,5% - 10,1%), and annual interest rates of the USD, EURO denominated and other time deposits vary between 0,2% and 7,5% (December 31, 2013 - 0,2% - 5,0%). As of March 31 2014, cash deposit amounting to TRL4.511 is pledged as collateral by the Group (December 31 2013 – TRL4.425).

NOTE 6 - FINANCIAL INVESTMENTS

Short-term Financial Investments

There is no short term financial instruments as of March 31, 2014 (December 31, 2013 – TRL562.985). They were made for periods varying between 91 to 180 days and USD and AZM denominated time deposits have interest rate between 3,35% and 6,00% .

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

NOTE 7 - SHORT AND LONG TERM BORROWINGS

As of March 31 2014, total borrowings consist of principal (finance lease obligations included) amounting to TRL4.684.104 (December 31 2013 TRL5.249.671) and interest expense accrual amounting to TRL59.278 (December 31 2013 – TRL26.261). As of March 31 2014 and December 31 2013, total amount of borrowings and the effective interest rates are as follows:

	March 31, 2014			December 31, 2013		
Short-term	**Amount**	**Fixed rate**	**Floating rate**	Amount	Fixed rate	Floating rate
Short Term Borrowings						
TRL denominated borrowings	14.483	12,50%	-	3.760	-	-
Foreign currency denominated borrowings (USD)	45.919	1,95% - 5,00%	-	141.828	5,00%	Libor+1,00% –1,20%
Foreign currency denominated borrowings (EUR)	6.677	3,90%	Euribor + 3,25%	-	-	-
Foreign currency denominated borrowings (Other)	243.370	-	Kibor + 0,40%- 0,50%	157.781	9,37%	Kibor + 0,40%- 0,80%
	310.449			303.369		
Short-term portion of long term borrowings						
TRL denominated borrowings	15.444	9,75% - 10,00%	-	15.460	9,75% - 10,00%	-
Foreign currency denominated borrowings (USD)	881.186	3,38% - 4,75%	Libor + 1,00% - 3,50%	1.279.607	1,95% - 4,75%	Libor + 1,40% - 3,50%
Foreign currency denominated borrowings (EURO)	1.160	-	Euribor + 2,35% - 2,65%	142.006	3,25%	Euribor + 1,80% - 2,65%
	897.790			1.437.073		
	1.208.239			1.740.442		
Long-term						
Long Term Borrowings						
TRL denominated borrowings	15.000	10,00%	-	15.000	10,00%	-
Foreign currency denominated borrowings (USD)	3.219.423	3,38% - 4,75%	Libor + 2,00%- 2,50%	3.226.849	3,38% - 4,75%	Libor + 2,00%- 3,50%
Foreign currency denominated borrowings (EURO)	300.720	-	Euribor + 2,35% - 2,65%	293.641	-	Euribor + 2,35% - 2,65%
	3.535.143			3.535.490		
	4.743.382			5.275.932		

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

NOTE 7 - SHORT AND LONG TERM BORROWINGS (continued)

Repayments of long-term borrowings are scheduled as follows:

	March 31, 2014	December 31, 2013
2015	**167.313**	239.102
2016	**353.043**	348.532
2017	**46.067**	48.784
2018 and thereafter	**2.968.720**	2.899.072
	3.535.143	**3.535.490**

As of March 31, 2014, TRL40.003 (December 31 2013 – TRL33.769) of the total borrowings that are secured by the Group related with CCİ, its subsidiaries and joint ventures consist of certain property, plant and equipment amounting to TRL67.458 (December 31 2013 - TRL61.707).

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 March 31, 2014 and December 31, 2013, the costs of the property plant and equipment obtained by finance lease are TRL75.439 and TRL76.425 respectively whereas net book values are TRL1.941 and TRL1.987 respectively.

Lessee - Operating Lease

The Group has operational leasing agreements with Çelik Motor Ticaret A.Ş., a related party of the Group.

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

NOTE 8 - OTHER RECEIVABLES AND PAYABLES

a) Other Current Receivables

	March 31, 2014	December 31, 2013
Receivables from tax office	**12.982**	11.677
Due from personnel	**8.770**	9.581
Other	**38.205**	26.265
	59.957	47.523

b) Other Non-Current Receivables

	March 31, 2014	December 31, 2013
Deposits and guarantees given	**5.296**	4.479
Other	**1.166**	1.087
	6.462	5.566

c) Other Current Payables

	March 31, 2014	December 31, 2013
Taxes other than on income	**410.821**	308.025
Deposits and guarantees taken	**114.187**	97.941
Other	**12.043**	8.483
	537.051	414.449

d) Other Non-Current Payables

As of March 31, 2014, other non current payables consists of deposits and guarantees taken amounting to TRL212.480 (December 31, 2013 – TRL210.821).

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

NOTE 9 - INVESTMENTS IN ASSOCIATES

	March 31, 2014		December 31, 2013	
	Associate rate	**Amount**	Associate rate	Amount
Anadolu Etap	**33,00%**	**61.074**	33,00%	62.755
SSDSD (1)(2)	**25,13%**	**-**	25,13%	-
Total		**61.074**		62.755

Total assets and liabilities as of March 31, 2014 and December 31, 2013 and profit/(loss) for the period of investment in associates as of March 31, 2014 and March 31, 2013 in Group's financial statements are as follows:

	Anadolu Etap		**SSDSD (1)(2)**	
	March 31 2014	December 31 2013	**March 31 2014**	December 31 2013
Total Assets	**140.805**	141.606	**1.825**	1.982
Total Liabilities	**79.731**	78.851	**4.707**	4.520
Net Assets	**61.074**	62.755	**(2.882)**	(2.538)

	Anadolu Etap		**SSDSD (1)(2)**	
	January 1 - March 31 2014	January 1 - March 31 2013	**January 1 - March 31 2014**	January 1 - March 31 2013
Net Profit/(Loss) for the year	**(1.681)**	(1.063)	**(283)**	(421)

The movement of investments in associates as of 31 March 2014 and 2013 are as follows:

	2014	2013
Balance at January 1	**62.755**	1.215.786
Profit / Loss from associates	**(1.964)**	(1.484)
Currency translation differences	**(61)**	-
Amount recognized due to change in scope of consolidation(3)	**-**	2.390.208
Disposals of investments in associates as a result of changes in scope of consolidation (4)	-	(3.573.347)
Unrealized losses under IAS 28	**344**	-
Additions to investments in associates as a result of changes in scope of consolidation(1)	**-**	436
Capital advance(5)	**-**	9.000
Balance at March 31	**61.074**	40.599

(1) SSDSD, which has been accounted by using equity method in CCI financial statements, is accounted as investment in associates in Group's financial statements.
(2) Since SSDSD generated loss amounting to TRL283 as of March 31, 2014, this amount is netted off with trade receivables from SSDSD in consolidated financial statements.
(3) The amount consists of fair value difference attributable to the already held shares prior to obtaining control over CCI (Note 3).
(4) The amount cocsists of disposal of investment in associates resulted from including CCI in full consolidation scope in 2013 (Note 3).
(5) Capital advance provided to Anadolu Etap.

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

NOT 10 - INVESTMENT PROPERTY

For the three-month periods ended March 31, 2014 and 2013, the additions and disposals on investment property are as follows:

March 31, 2014	**Additions**	**Addition Through Change in Scope of Consolidation**	**Transfers (*)**	**Disposals(net)**
Land and land improvements	**-**	**-**	**605**	**-**
Buildings	**-**	**-**	**9.137**	**-**
Leasehold improvements	**-**	**-**	**-**	
Construction in progress	**-**	**-**	**(1.077)**	**-**
	-	**-**	**8.665**	**-**

For the three-month periods ended March 31, 2013, there is not any additions and disposals on investment property.

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

For the three-month periods ended March 31, 2014 and 2013, the additions and disposals on property, plant and equipment are as follows:

March 31 2014	**Additions**	**Addition Through Change in Scope of Consolidation**	**Transfers (*)**	**Disposals(net)**
Land and land improvements	**74**	**-**	**41.295**	**-**
Buildings	**2.904**	**-**	**21.050**	**-**
Machinery and equipment	**32.913**	**-**	**54.927**	**(1.361)**
Vehicles	**1.929**	**-**	**(1.251)**	**(453)**
Furniture and fixtures	**82.049**	**-**	**(30.836)**	**(2.968)**
Leasehold improvements	**10**	**-**	**234**	**-**
Construction in progress	**84.777**	**-**	**(94.084)**	**(193)**
	204.656	**-**	**(8.665)**	**(4.975)**

March 31 2013	Additions	Addition Through Change in Scope of Consolidation	Transfers	Disposals(net)
Land and land improvements	878	307.117	110	-
Buildings	1.686	582.776	12.318	-
Machinery and equipment	36.531	977.916	32.928	(1.566)
Vehicles	4.408	45.952	173	(1.093)
Furniture and fixtures	84.476	530.920	9.252	(3.283)
Leasehold improvements	-	(543)	-	-
Construction in progress	76.058	65.767	(54.781)	(2)
	204.037	2.509.905	-	(5.944)

(*) There are transfers to investment properties in 2014 amounting to TRL8.665.

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

NOTE 12 - OTHER INTANGIBLE ASSETS

For the three-month periods ended March 31, 2014 and 2013, additions on intangible assets are as follows:

March 31 2014	**Additions**	**Addition Through Change in Scope of Consolidation**	**Transfers**	**Disposals(net)**
Rights	**133**	-	-	-
Bottling contracts	**-**	-	-	-
Other	**3.434**	-	-	-
	3.567	-	-	-

March 31 2013	Additions	Addition Through Change in Scope of Consolidation	Transfers	Disposals(net)
Rights	23	17.535	-	-
Bottling contracts	-	6.401.133	-	-
Other	3.622	16.218	-	-
	3.645	6.434.886	-	-

NOTE 13 - GOODWILL

For the three-month period ended March 31, 2014 and 2013, movements of the goodwill are as follows:

	2014	2013
At January 1	**2.453.049**	1.783.196
Amount recognized due to change in scope of consolidation (Note 3)	**-**	389.189
Currency translation differences	**(122.390)**	(3.507)
At March 31	**2.330.659**	2.168.878

NOTE 14 - EQUITY

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

Quoted companies are subject to dividend requirements regulated by the Capital Markets Board of Turkey. 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 shall be subject to distributable dividend computations.

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 used as an internal source for capital increase and used in the distribution of dividends and be netted of against prior years' losses. However, when inflation adjustment to shareholders' equity is used for cash dividend distribution, it is subject to income tax.

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

NOTE 14 - EQUITY (Continued)

For March 31, 2014 and December 31, 2013, nominal amounts, equity restatement differences and restated value of equity are as follows:

March 31, 2014	**Nominal Amount**	**Equity Restatement Differences**	**Restated Amount**
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**
- Revaluation and Remeasurement Gain / Loss			**(5.769)**
Cumulative Other Comprehensive Income / Expense to be Classified to Profit and Loss			
- Currency Translation Differences			**661.616**
- Hedge Loss			**(403)**
- Revaluation and Reclassification Gain			**(2.740)**
Other Reserves			**(235.742)**
Accumulated profit (Including net income)			**4.175.839**
Equity attributable to equity holders of the parent			**9.172.273**

December 31, 2013	Nominal Amount	Equity Restatement Differences	Restated Amount
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

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

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Parent Company (Anadolu Efes) and Subsidiaries Included in Consolidation

As of March 31, 2014 and December 31, 2013 guarantees, pledges and mortgages (GPMs) given in favor of the parent company and subsidiaries included in consolidation are as follows:

	March 31, 2014							
	Total TRL Equivalent	**Original Currency TRL**	**Original Currency Thousand USD**	**Original Currency Thousand EUR**	**Original Currency Thousand RUR**	**Original Currency Thousand UAH**	**Original Currency Thousand PKR**	**Other Currency TRL Equivalent**
A. GPMs given on behalf of the Company's legal personality	**420.986**	**239.424**	**7.576**	**1.743**	**221.835**	**362.561**	**2.906.384**	**8.534**
B. GPMs given in favor of subsidiaries included in consolidation (1)	**604.530**	**-**	**211.773**	**14.230**	**-**	**-**	**4.372.869**	**-**
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	**10.200**	**10.200**	**-**	**-**	**-**	**-**	**-**	**-**
iii. GPMs given in favor of third party companies not in the scope of C above	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**1.035.716**	**249.624**	**219.349**	**15.973**	**221.835**	**362.561**	**7.279.253**	**8.534**

	March 31, 2013							
	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand RUR	Original Currency Thousand UAH	Original Currency Thousand PKR	Other 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 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

(1) Includes the GPMs given in favor of subsidiaries included in consolidation for their borrowings.

NOT 15 - COMMITMENTS AND CONTINGENCIES (continued)

CCİ, Its Subsidiaries and Joint Ventures

a) Put Option

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 TRL5.168 has been presented in "other current liabilities" (December 31, 2013 – TRL5.037).

According to the put option signed with European Refreshment (ER), ER has an option to sell (and CCI will have an obligation to buy) its remaining 20,0% participatory shares in Waha B.V. The Group's share of the put option liability amounting to TRL98.141 is recorded under "other long term liabilities" (December 31, 2013 – TRL113.040).

As of December 31, 2013, according to shareholders agreement signed with NKG, NKG had an option to sell (and Waha B.V. had an obligation to buy) its remaining 15% participatory shares in Al Waha and Waha B.V. had an option to buy (and NKG will had obligation to sell) NKG's 15% participatory shares in Al Waha with an amount of USD26 million. In January 2014, put option has been realized following the payment of the amount related with the share transfer(Note 3).

b) Murabaha

During 2012 CCBPL and Standard Chartered Bank (The Bank) has made murabaha facility agreement. Based on this agreement, The Bank and CCBPL agree that they shall enter into a series of sugar 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 March 31, 2014, CCBPL has thousand USD78.444 sugar and resin purchase commitment from the Bank until the end of December 31, 2013 and expense accrual of thousand USD1.906 payable for the profit share of the Bank was reflected in the financial statements.

Operational Lease

As of March 31, 2014, Group's contingent liability for the following periods resulting from the non-cancellable operational lease agreements is amounting to TRL34.705(December 31 2013 – 40.479 TL).

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.

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

NOTE 16 - PREPAID EXPENSES

a) Short Term Prepaid Expenses

	March 31, 2014	December 31, 2013
Prepayments	**266.028**	240.868
Advances given to suppliers	**137.473**	189.641
	403.501	430.509

b) Long Term Prepaid Expenses

	March 31, 2014	December 31, 2013
Prepayments	**164.619**	163.617
Advances given to suppliers	**47.481**	59.053
	212.100	222.670

NOTE 17 - OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	March 31, 2014	December 31, 2013
Value Added Tax (VAT) deductible or to be transferred	**190.089**	196.689
Other	**40.027**	1.952
	230.116	198.641

b) Other Non Current Assets

	March 31, 2014	December 31, 2013
VAT deductible or to be transferred	**13.909**	16.697
Other	**209**	281
	14.118	16.978

c) Other Current Liabilities

	March 31, 2014	December 31, 2013
Put option liability (Note 15)	**5.168**	5.037
Expense accruals	**2.934**	-
Other	**26**	1.377
	8.128	6.414

d) Other Non Current Liabilities

	March 31, 2014	December 31, 2013
Put option liability (Note 15)	**98.141**	168.532
Deferred VAT and other taxes	**13.089**	16.601
Other	**595**	843
	111.825	185.976

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

NOTE 18 - OTHER OPERATING INCOME / EXPENSES

a) Other Operating Income

	January 1 - March 31, 2014	January 1 - March 31, 2013
Foreign exchange gain from operating activities	**12.743**	4.540
Income from scrap and other materials	**3.450**	2.483
Rediscount income	**1.017**	522
Insurance compensation income	**170**	924
Rent income	**42**	394
Other income	**11.877**	4.692
	29.299	13.555

b) Other Operating Expenses

	January 1 - March 31, 2014	January 1 - March 31, 2013
Foreign exchange loss from operating activities	**(27.242)**	(4.748)
Rediscount expense	**(1.373)**	(751)
Donations	**(660)**	(1.728)
Other expenses	**(13.765)**	(3.537)
	(43.040)	(10.764)

NOTE 19 - INCOME / EXPENSE FROM INVESTING ACTIVITIES

a) Income from Investing Activities

	January 1 - March 31, 2014	January 1 - March 31, 2013
Gain on sale of fixed assets	874	525
Income recognized due to change in scope of consolidation (Note 3)	**-**	2.722.194
	874	2.722.719

b) Expense from Investing Activities

	January 1 - March 31, 2014	January 1 - March 31, 2013
Impairment loss on fixed assets	**(687)**	(495)
Loss on sale of fixed assets	**(281)**	(1.441)
Loss on sale of subsidiary	**(14)**	-
	(982)	(1.936)

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

NOTE 20 - FINANCE INCOME / EXPENSES

a) Finance Income

	January 1 - March 31, 2014	January 1 - March 31, 2013
Foreign exchange gain	**309.328**	61.205
Interest income	**23.934**	17.989
	333.262	79.194

b) Finance Expense

	January 1 - March 31, 2014	January 1 - March 31, 2013
Foreign exchange loss	**(424.763)**	(91.168)
Interest expense	**(53.050)**	(34.357)
Borrowing costs	**(165)**	(167)
Other financial expenses	**(2.229)**	(1.959)
	(480.207)	(127.651)

NOTE 21 – TAX ASSETS AND LIABILITIES

The corporation tax rate for the fiscal year is 20% in Turkey (2013 - 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% (2013 – 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.

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

NOTE 21 - INCOME TAXES, DEFERRED TAX ASSETS AND LIABILITIES (Continued)

As of March 31, 2014 and December 31, 2013 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	Assets		Liabilities		Net	
	March 31 2014	December 31 2013	**March 31 2014**	December 31 2013	**March 31 2014**	December 31 2013
Tangible and intagible assets	**-**	-	**(1.906.366)**	(1.966.338)	**(1.906.366)**	(1.966.338)
Inventories	**22.262**	25.380	**-**	-	**22.262**	25.380
Carry forward losses	**248.694**	221.370	**-**	-	**248.694**	221.370
Retirement pay liability and other employee benefits	**16.698**	16.687	**-**	-	**16.698**	16.687
Provision for other liabilities	**65.379**	76.752	**-**	-	**65.379**	76.752
Other (*)	**30.731**	44.357	**(18.052)**	(16.291)	**12.679**	28.066
	383.764	384.546	**(1.924.418)**	(1.982.629)	**(1.540.654)**	(1.598.083)

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

NOTE 22 - 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.

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

	January 1 - March 31, 2014	January 1 - March 31, 2013
Net income	**(99.637)**	2.591.833
Weighted average number of shares	**592.105.263**	592.105.263
Earnings per share (full TRL)	**(0,1683)**	4,3773

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

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

NOTE 23 - RELATED PARTY BALANCES AND TRANSACTIONS

a) Balances with Related Parties

Bank and Available-For-Sale Securities Balances with Related Parties

As of March 31, 2014, maturities of amounting to TRL223.658 time deposits on Alternatifbank are less than three months and the weighted average interest rate for TRL denominated time deposits is 12,38% (December 31, 2013 – 8,66%) and USD denominated time deposits is 3,24% (December 31, 2013 Restated – 3,20%)

As of March 31, 2014 Group has demand deposits amounting to TRL12.940 on Alternatifbank(3)(4) (December 31, 2013 – TRL9.263).

Short – Term Borrowings

As of March 31, 2014 Group has short term financial liabilities amounting to TRL80 (December 31, 2013 – None).

Due from Related Parties

	March 31, 2014	December 31, 2013
AEH (2)(3)	**3.627**	4.587
SSDSD	**1.238**	1.513
SABMiller Group Companies (5)	**101**	41
Efes Turizm İşletmeleri A.Ş. (3)(4)	**44**	45
Anadolu Efes Spor Kulübü	**-**	4
Other	**66**	23
	5.076	6.213

Due to Related Parties

	March 31, 2014	December 31, 2013
Anadolu Efes Spor Kulübü	**37.493**	-
SABMiller Group Companies (5)	**25.672**	18.434
Oyex Handels GmbH (3)(4)	**8.021**	2.972
Çelik Motor Ticaret A.Ş. (3)(4)	**1.252**	2.970
AEH (2)(3)	**1.103**	1.111
Anadolu Bilişim Hizmetleri A.Ş. (1)(3)(4)	**812**	1.767
AEH Gayrimenkul Yatırımları A.Ş(3)(4)	**527**	-
Efes Turizm İşletmeleri A.Ş. (3)(4)	**395**	338
Other	**47**	38
	75.322	27.630

(1) Non-current financial investment of the Group
(2) The shareholder of the Group
(3) Related party of Yazıcılar Holding A.Ş. (a shareholder)
(4) Related party of AEH (a shareholder)
(5) Related parties of SABMiller Harmony Ltd. (a shareholder)
(6) Related parties of Özilhan Sınai Yatırım A.Ş. (a shareholder)

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

NOTE 23 - RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Transactions with Related Parties

Purchases of Goods, Services and Donations

	Nature of Transaction	January 1- March 31, 2014	January 1 - March 31, 2013
SABMiller Group Companies [5]	Service and purchase of trade goods	**12.521**	9.863
Anadolu Efes Spor Kulübü	Service	**12.501**	19.710
Oyex Handels GmbH [3][4]	Purchase of materials and fixed assets	**7.445**	8.642
Çelik Motor Ticaret A.Ş. [3][4]	Vehicle leasing	**7.388**	5.932
AEH [2][3]	Consultancy service	**5.839**	5.590
AEH Münih [3][4]	Purchase of materials and fixed asset	**3.571**	2.722
Anadolu Bilişim Hizmetleri A.Ş. [1][3][4]	Information services	**2.621**	2.277
Efes Turizm İşletmeleri A.Ş. [3][4]	Travel and accommodation	**2.208**	1.911
Anadolu Vakfı	Donations	**542**	1.247
Arge Danışmanlık A.Ş.	Consultancy service	**119**	115
Ahmet Boyacıoğlu	Consultancy service	**64**	62
Mehmet Cem Kozlu	Consultancy service	**39**	39
Anadolu Isuzu Otomotiv San ve Tic. A.Ş. [3][4][6]	Rent expense	**13**	301
Cansen ve Cansen Danışmanlık ve Ticaret Ltd. Şti.	Consultancy service	**-**	11
Other		**127**	140
		54.998	58.562

Finance Income / (Expenses), Net

	Nature of Transaction	January 1- March 31, 2014	January 1 - March 31, 2013
Alternatifbank [3][4]	Interest income / (expense), net	**2.150**	2.056
		2.150	2.056

Other Income / (Expenses), Net

	Nature of Transaction	January 1- March 31, 2014	January 1 - March 31 2013
AEH[2][3]	Other income	**282**	-
SABMiller Group Companies [5]	Other income	**230**	602
Alternatifbank [3][4]	Rent income	**30**	33
Çelik Motor Ticaret A.Ş. [3][4]	Other income	**6**	18
Anadolu Bilişim Hizmetleri A.Ş. [1][3][4]	Rent income	**2**	2
Other		**16**	21
		566	676

(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 Harmony Ltd. (a shareholder)
(6) Related parties of Özilhan Sınai Yatırım A.Ş. (a shareholder)

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

NOTE 23 - RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Director's Remuneration

As of March 31, 2014 and 2013, total benefits to Anadolu Efes Board of Directors are TRL65 and TRL48, respectively. Remuneration and similar benefits received by total executive members of the Board of Directors and executive directors as of March 31, 2014 and 2013 are as follows:

	January 1 - March 31, 2014	January 1 - March 31, 2013
Short-term employee benefits	**6.351**	7.372
Post-employment benefits	-	-
Other long term benefits	**1.436**	1.478
Termination benefits	**963**	-
Share-based payments	-	-
	8.750	8.850

NOTE 24 - 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.

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..

b) Foreign Currency Risk

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

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

NOTE 24 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

b) Foreign Currency Risk (continued)

Net foreign currency exposure for the consolidated Group companies as of March 31, 2014 and December 31, 2013 are presented below:

Foreign Currency Position Table March 31, 2014

	Total TRL Equivalent (Functional Currency)	**Thousand USD**	**TRL Equivalent**	**Thousand EURO**	**Other TRL Equivalent**	**Foreign Currency TRL Equivalent**
1. Trade Receivables and Due from Related Parties	57.957	4.177	9.147	605	1.819	46.991
2a. Monetary Financial Assets (Cash and cash equivalents included)	850.738	284.973	624.034	55.879	168.039	58.665
2b. Non- monetary Financial Assets	-	-	-	-	-	-
3. Other	35.404	89	194	940	2.826	32.384
4. Current Assets	**944.099**	**289.239**	**633.375**	**57.424**	**172.684**	**138.040**
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	3.350	1	2	368	1.106	2.242
8. Non-Current Assets	**3.350**	**1**	**2**	**368**	**1.106**	**2.242**
9. Total Assets	**947.449**	**289.240**	**633.377**	**57.792**	**173.790**	**140.282**
10. Trade Payables and Due to Related Parties	(144.259)	(28.375)	(62.135)	(17.348)	(52.168)	(29.956)
11. Financial Liabilities	(846.735)	(386.143)	(845.576)	(385)	(1.159)	-
12a. Monetary Other Liabilities	(34.632)	(3.524)	(7.716)	(118)	(355)	(26.561)
12b. Non-monetary Other Liabilities	(356)	-	(1)	(2)	(5)	(350)
13. Current Liabilities	**(1.025.982)**	**(418.042)**	**(915.428)**	**(17.853)**	**(53.687)**	**(56.867)**
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. Long-Term Borrowings	(3.298.162)	(1.368.825)	(2.997.452)	(100.000)	(300.710)	-
16 a. Monetary Other Liabilities	(98.140)	(44.817)	(98.140)	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities	**(3.396.302)**	**(1.413.642)**	**(3.095.592)**	**(100.000)**	**(300.710)**	**-**
18. Total Liabilities	**(4.422.284)**	**(1.831.684)**	**(4.011.020)**	**(117.853)**	**(354.397)**	**(56.867)**
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position	-	-	-	-	-	-
19a. Total Hedged Assets	-	-	-	-	-	-
19bTotal Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position	**(3.474.835)**	**(1.542.444)**	**(3.377.643)**	**(60.061)**	**(180.607)**	**83.415**
21. Monetary Items Net Foreign Currency Asset / (Liability) Position	**(3.513.233)**	**(1.542.534)**	**(3.377.838)**	**(61.367)**	**(184.534)**	**49.139**
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-		-	-	-	-
23. Total value of Hedged Foreign Currency Assets	-		-	-	-	-

Foreign Currency Position Table December 31, 2013

	Total TRL Equivalent (Functional Currency)	**Thousand USD**	**TRL Equivalent**	**Thousand EURO**	**Other TRL Equivalent**	**Foreign Currency TRL Equivalent**
1. Trade Receivables and Due from Related Parties	39.000	4.683	9.995	752	2.209	26.796
2a. Monetary Financial Assets (Cash and cash equivalents included)	865.229	277.258	591.751	73.082	214.605	58.873
2b. Non- monetary Financial Assets	-	-	-	-	-	-
3. Other	41.821	1	3	1.046	3.072	38.746
4. Current Assets	**946.050**	**281.942**	**601.749**	**74.880**	**219.886**	**124.415**
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	1.789	1	2	-	-	1.787
8. Non-Current Assets	**1.789**	**1**	**2**	**-**	**-**	**1.787**
9. Total Assets	**947.839**	**281.943**	**601.751**	**74.880**	**219.886**	**126.202**
10. Trade Payables and Due to Related Parties	(114.998)	(29.811)	(63.625)	(13.336)	(39.162)	(12.211)
11. Financial Liabilities	(1.274.301)	(532.594)	(1.136.715)	(46.854)	(137.586)	-
12a. Monetary Other Liabilities	(27.162)	(2.360)	(5.038)	(130)	(382)	(21.742)
12b. Non-monetary Other Liabilities	-	-	-	-	-	-
13. Current Liabilities	**(1.416.461)**	**(564.765)**	**(1.205.378)**	**(60.320)**	**(177.130)**	**(33.953)**
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. Long-Term Borrowings	(3.298.114)	(1.407.705)	(3.004.464)	(100.000)	(293.650)	-
16 a. Monetary Other Liabilities	(168.533)	(78.964)	(168.533)	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities	**(3.466.647)**	**(1.486.669)**	**(3.172.997)**	**(100.000)**	**(293.650)**	**-**
18. Total Liabilities	**(4.883.108)**	**(2.051.434)**	**(4.378.375)**	**(160.320)**	**(470.780)**	**(33.953)**
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)**	**(3.776.624)**	**(85.440)**	**(250.894)**	**92.249**
21. Monetary Items Net Foreign Currency Asset / (Liability) Position	**(3.978.879)**	**(1.769.493)**	**(3.776.629)**	**(86.486)**	**(253.966)**	**51.716**
22. Total Fair Value of Financial Instruments Used to Manage the Foreign Currency Position	-	-	-	-	-	-
23. Total value of Hedged Foreign Currency Assets	-	-	-	-	-	-

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

NOTE 24 - 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 March 31, 2014 and 2013 is as follows:

	January 1 - March 31, 2014	January 1 - March 31, 2013
Total export	**33.426**	31.564
Total import	**394.569**	336.842

The following table demonstrates the sensitivity analysis of foreign currency as of March 31, 2014 and 2013:

	Foreign Currency Position Sensitivity Analysis			
	March 31, 2014 (*)		March 31, 2013 (*)	
	Income / (Loss)			
	Increase of the foreign currency	**Decrease of the foreign currency**	Increse of the foreign currency	Decrease of the foreign currency
Increase / decrease in USD by 10%:				
USD denominated net asset / (liability)	(337.764)	337.764	(222.595)	222.595
USD denominated hedging instruments(-)	-	-	-	
Net effect in USD	**(337.764)**	**337.764**	(222.595)	222.595
Increase / decrease in EURO by 10%:				
EURO denominated net asset / (liability)	(18.062)	18.062	(13.931)	13.931
EURO denominated hedging instruments(-)	-	-	-	-
Net effect in EURO	**(18.062)**	**18.062**	(13.931)	13.931
Increase / decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset / (liability)	8.342	(8.342)	5.510	(5.510)
Other foreign currency hedging instruments(-)	-	-	-	-
Net effect in other foreign currency	**8.342**	**(8.342)**	5.510	(5.510)
TOTAL	**(347.484)**	**347.484**	(231.016)	231.016

(*) Monetary assets and liabilities eliminated in scope of consolidation are not included.

	Foreign Currency Position Sensitivity Analysis			
	March 31, 2014		March 31, 2013	
	Equity			
	Increase of the foreign currency	**Decrease of the foreign currency**	Increse of the foreign currency	Decrease of the foreign currency
Increase / decrease in USD against TRL by 10%:				
USD denominated net asset / (liability)	542.597	(542.597)	507.858	(507.858)
USD denominated hedging instruments(-)	-	-	-	-
Net effect in USD	**542.597**	**(542.597)**	507.858	(507.858)
Increase / decrease in EURO against TRL by 10%:				
EURO denominated net asset / (liability)	9	(9)	284	(284)
EURO denominated hedging instruments(-)	-	-	-	-
Net effect in EURO	**9**	**(9)**	**284**	**(284)**
TOTAL	**542.606**	**(542.606)**	508.142	(508.142)

NOTE 24 - 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 Group manages liquidty risk through early financing its debt payments which will be due in 2014.

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.

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 25 - FINANCIAL INSTRUMENTS

Fair Values

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.

NOTE 25 - FINANCIAL INSTRUMENTS (continued)

Fair Values (continued)

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 interim condensed 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.

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.

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.

CCI 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 March 31, 2014 the Company has 4 aluminum swap transactions with a nominal value of TRL27.916 and 6.800 tones. Those aluminum swap contracts are designated as hedging instruments as of June 18, 2013, July 15, 2013, July 16, 2013, November 28, 2013 and March 27, 2014 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 TRL(723) 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 26 - SUBSEQUENT EVENTS

The Group has decided to suspend its brewing operations in Kırklareli/Lüleburgaz on May 2, 2014 in the context of previously initiated production network optimization program while sales, distribution and logistic operations of the facility will continue. Accordingly, the number of breweries the Group owns and operates has become fifteen (four in Turkey, six in Russia and five in other countries).