

ANADOLU EFES (BIST: AEFES. IS) 1Q2018 EARNINGS RELEASE

Istanbul, May 7, 2018

1Q2018 HIGHLIGHTS

Consolidated sales volume up 7.9% to 18.9 mhl

Consolidated net sales revenue up 14.0% to TL 2,764.1 million

Consolidated EBITDA Before Non-Recurring Items (BNRI) up 19.2% to TL 352.0 million

Consolidated Free Cash Flow was TL -168.2 million in 1Q2018 versus TL -94.6 million in 1Q2017

AEFES Consolidated (TL mn)	1Q2017	1Q2018	% change
Volume (mhl)	17.5	18.9	7.9%
Net Sales	2,425.7	2,764.1	14.0%
Gross Profit	869.6	1,003.3	15.4%
EBIT (BNRI)	60.3	102.2	69.3%
EBITDA (BNRI)	295.2	352.0	19.2%
Net Income/(Loss)*	-84.9	-106.2	-25.1%
			Change (bps)
Gross Profit Margin	35.8%	36.3%	45
EBIT (BNRI) Margin	2.5%	3.7%	121
EBITDA (BNRI) Margin	12.2%	12.7%	57
Net Income Margin*	-3.5%	-3.8%	-34

* Net income attributable to shareholders

Anadolu Efes' **consolidated sales volume** posted a strong 7.9% growth y-o-y in 1Q2018, with robust contribution from soft drink operations as well as Kazakh and Georgian beer operations. Volumes in this quarter have shown the highest quarterly increase in the last 4 years. On the other hand, beer volumes were under pressure and down by 6.1%, driven by mainly Turkey beer volumes as well as Russia, which is cycling a very strong 1Q2017.

Consolidated net sales revenues increased by 14.0% y-o-y in the first quarter of the year, as a result of higher volumes, price increases in all operations and positive currency translation impact due to weaker TL. Net sales revenue reached TL 2.764,1 million in 1Q2018.

Consolidated EBITDA (BNRI) increased by 19.2% in 1Q2018 to TL 352.0 million with margin improvement of 57 bps vs a year ago and reached 12.7%. The improvement in EBITDA (BNRI) margin is mostly attributable to soft drinks and international beer operations with the exception of Russia and despite negative geographical mix impact. Turkish and Russian beer operational profitability was negatively impacted mainly from lower volumes.

Anadolu Efes recorded a net loss of TL 106.2 million in 1Q2018, due to non-cash FX losses incurred from FX based long-term borrowings on the back of weaker Turkish Lira. Despite the improvement in operating profitability, net FX loss of TL 144.7* million in 1Q2018 led bottomline to turn into negative territory.

As it is the case in the last couple of years, our business tends to generate negative free cash flow in the first quarters of the year due to seasonality. However, as we mentioned in our guidance, we are still committed to generating positive FCF both for our beer business and soft drinks operations for the full year. Anadolu Efes recorded a negative free cash flow of TL 168.2 million in 1Q2018 which was negative TL 94.6 million in 1Q2017. Consolidated net debt to EBITDA (BNRI) was 1.8x as of March 31, 2018. On an organic** basis, net debt to EBITDA (BNRI) was 1.5x.

*As of January 1, 2018, Anadolu Efes designated USD denominated bond issued amounting to USD500 million as a hedging instrument in order to hedge its foreign currency risk arising from the translation of net assets of its subsidiary located in Netherlands, Efes Breweries International (whose main activity is facilitating foreign investments in breweries). The gains and losses on the hedging instrument arising from change in foreign currency valuation relating to the effective portion of the hedge are accounted under Equity in "Gains (Losses) on Hedge" and under "Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations" in Other Comprehensive Income Statement.

**Organic figures reflect the balance sheet of Anadolu Efes before the closing of the transaction with AB InBev's Russia and Ukraine beer businesses as P&L already does not reflect the new structure in 1Q2018.

SUMMARY FINANCIALS

Consolidated (TL mn)	1Q2017	1Q2018	Change %
Volume (mhl)	17.5	18.9	7.9%
Net Sales	2,425.7	2,764.1	14.0%
Gross Profit	869.6	1,003.3	15.4%
EBIT (BNRI)	60.3	102.2	69.3%
EBITDA (BNRI)	295.2	352.0	19.2%
Net Income/(Loss)*	-84.9	-106.2	-25.1%
			Change (bps)
Gross Profit Margin	35.8%	36.3%	45
EBIT (BNRI) Margin	2.5%	3.7%	121
EBITDA (BNRI) Margin	12.2%	12.7%	57
Net Income Margin*	-3.5%	-3.8%	-34
Beer Group (TL mn)	1Q2017	1Q2018	Change %
Volume (mhl)	4.3	4.1	-6.1%
Net Sales	870.1	898.5	3.3%
Gross Profit	390.5	390.6	0.0%
EBIT (BNRI)	-5.2	-43.1	-723.5%
EBITDA (BNRI)	101.5	70.0	-31.0%
Net Income/(Loss)*	-40.0	-81.8	-104.7%
			Change (bps)
Gross Profit Margin	44.9%	43.5%	-142
EBIT (BNRI) Margin	-0.6%	-4.8%	-419
EBITDA (BNRI) Margin	11.7%	7.8%	-387
Net Income Margin*	-4.6%	-9.1%	-451
Turkey Beer (TL mn)	1Q2017	1Q2018	Change %
Volume (mhl)	1.2	1.0	-12.3%
Net Sales	294.8	309.9	5.1%
Gross Profit	160.1	168.4	5.2%
EBIT (BNRI)	16.1	-0.5	-103.2%
EBITDA (BNRI)	58.7	44.9	-23.4%
Net Income/(Loss)*	-59.9	-101.3	-69.1%
			Change (bps)
Gross Profit Margin	54.3%	54.3%	3
EBIT (BNRI) Margin	5.5%	-0.2%	-561
EBITDA (BNRI) Margin	19.9%	14.5%	-540
Net Income Margin*	-20.3%	-32.7%	-1,236
EBI (TL mn)	1Q2017	1Q2018	Change %
Volume (mhl)	3.2	3.0	-3.9%
Net Sales	570.3	582.8	2.2%
Gross Profit	226.1	215.7	-4.6%
EBIT (BNRI)	-9.3	-31.5	-238.6%
EBITDA (BNRI)	54.3	35.4	-34.8%
Net Income/(Loss)*	33.6	-28.3	-184.2%
			Change (bps)
Gross Profit Margin	39.6%	37.0%	-264
EBIT (BNRI) Margin	-1.6%	-5.4%	-377
EBITDA (BNRI) Margin	9.5%	6.1%	-344
Net Income Margin*	5.9%	-4.9%	-1,076
CCI (TL mn)	1Q2017	1Q2018	Change %
Volume (mn u/c)	233.0	261.9	12.4%
Net Sales	1,555.7	1,865.6	19.9%
Gross Profit	481.4	614.0	27.5%
EBIT	69.3	148.3	114.0%
EBITDA	193.6	282.1	45.7%
Net Income/(Loss)*	-86.0	-46.0	46.5%
			Change (bps)
Gross Profit Margin	30.9%	32.9%	197
EBIT Margin	4.5%	7.9%	349
EBITDA Margin	12.4%	15.1%	267
Net Income Margin*	-5.5%	-2.5%	306

* Net income attributable to shareholders

MANAGEMENT COMMENTS

“We managed to benefit from our diversified structure and growth in soft drinks mitigated challenges faced in beer segment through the quarter. Therefore we have recorded a strong consolidated volume growth of 7.9% in the first quarter of the year and moreover consolidated net sales revenue grew ahead of volumes and reached TL 2.8 billion with a 14% growth year-on-year. Our focus on value generation through effective pricing, optimization of channel and SKU mixes and premiumization resulted in this strong topline growth. Strong performance of soft drink operations also mitigated the weaker beer profitability and resulted in margin expansion on a consolidated basis at gross profit, EBIT and EBITDA levels “commented Mr. Gavin Hudson, Anadolu Efes CEO and Beer Group President.

Nevertheless, it still was a tough quarter for the beer segment. Volumes declined in the seasonally smallest quarter. Beer group volumes were down by 6%, yet due to efficient revenue management, we managed to grow revenues by 3% year-on-year. Lower volumes, price increases in certain cost items as well as channel and product mix resulted in lower margins year on year.

Although the first quarter is the smallest quarter of the year, it still hints the challenges ahead. Continued economic, political and geopolitical challenges in our operating geography continue to have negative impact on consumer sentiment. We are cautiously keeping our 2018 guidance at this point since first quarter is the smallest quarter of the year. The performance in international operations was in line with our expectations, Turkey was weaker than we expected, but we’d rather see the second quarter to have a clearer picture of the year ahead.

We are particularly pleased to complete the collaboration with AB InBev in Russia and Ukraine within 1Q2018, a bit earlier than our initial guidance of first half. We see this collaboration as a milestone event for Anadolu Efes, as we now built a very strong number two player in Russia, which is one of the world’s largest beer markets. We will not only be looking at a well-balanced, complementary brand portfolio that will address all important segments of the Russian beer market, but also we will be able to generate cost and expense synergies, which we guided as USD 80-100 million per annum. This collaboration will enable Anadolu Efes to increase its geographical diversification and create potential for further growth.

As always, we remain committed to generating value and maintaining our financial discipline. This discipline is all the more important in such challenging times. Looking beyond 2018, Anadolu Efes has a diversified and strong business model, which will capitalize on the growth potential of our markets, improve revenue management by premiumization, extract efficiencies and tightly manage its balance sheet in order to continue creating long term shareholder value.

OPERATIONAL PERFORMANCE - BEER GROUP

TURKEY BEER OPERATIONS

Turkey Beer (TL mn)	1Q2017	1Q2018	% change
Volume (mhl)	1.2	1.0	-12.3%
Net Sales	294.8	309.9	5.1%
Gross Profit	160.1	168.4	5.2%
EBIT (BNRI)	16.1	-0.5	-103.2%
EBITDA (BNRI)	58.7	44.9	-23.4%
Net Income/(Loss)*	-59.9	-101.3	-69.1%
			Change (bps)
Gross Profit Margin	54.3%	54.3%	3
EBIT (BNRI) Margin	5.5%	-0.2%	-561
EBITDA (BNRI) Margin	19.9%	14.5%	-540
Net Income Margin*	-20.3%	-32.7%	-1,236

* Net income attributable to shareholders

Domestic sales volumes were reported at 0.9mhl, down 11.9% in 1Q2018 versus the same quarter of previous year. The major reason behind lower volumes was stock optimization of dealers in line with our commitment to deliver fresher beer to our consumers. Competitor's continued activities also had a pressure on our volumes in the quarter. Our sell-out volumes' (dealer and distributors' sales to customers) performance was significantly better compared to reported sell-in (factory sales to dealers/distributors) numbers.

Total sales volume of Turkey beer, including exports was 1.0 mhl in 1Q2018. The contraction in export volumes is driven by the optimization in the business which includes changes in our RTM.

In line with our value generating strategy, we increased our prices at the beginning of the year to fully pass the excise hike impact as well as some of the cost inflation. As a result, our **net sales revenue** in Turkey beer operations grew by 5.1% to TL 309.9 million, ahead of volume performance. Growth in net sales price per liter was 20% in the quarter.

Backed by our hedging initiatives and price increases as well as tight cost management, we were able to increase our **gross profit** by 5.2% to TL168.4 million and maintain our gross profit margin flat despite higher malt prices and weaker TL in the period.

Operating expense margin was up compared to last year on the back of higher fixed selling and marketing expenses per unit due to lower volumes which led operating level to be at breakeven. **EBITDA** was realized TL 44.9 million in 1Q2018 with an EBITDA margin of 14.5%, weaker than last year.

Turkey beer operations recorded a net loss of TL 101.3 million in 1Q2018, due to weak operating profitability and non-cash FX losses recorded on hard currency borrowings as a result of devaluation of TL against hard currencies in the first quarter compared to 2017-end.

INTERNATIONAL BEER OPERATIONS

International Beer (TL mn)	1Q2017	1Q2018	% change
Volume (mhl)	3.2	3.0	-3.9%
Net Sales	570.3	582.8	2.2%
Gross Profit	226.1	215.7	-4.6%
EBIT (BNRI)	-9.3	-31.5	-238.6%
EBITDA (BNRI)	54.3	35.4	-34.8%
Net Income/(Loss)*	33.6	-28.3	-184.2%
			Change (bps)
Gross Profit Margin	39.6%	37.0%	-264
EBIT (BNRI) Margin	-1.6%	-5.4%	-377
EBITDA (BNRI) Margin	9.5%	6.1%	-344
Net Income Margin*	5.9%	-4.9%	-1,076

* Net income attributable to shareholders

EBI's **consolidated sales volume** was 3.0mhl in 1Q2018, down 3.9% y-o-y. Although Kazakhstan and Georgia performed strongly, Russian beer sales declined year-on-year due to destocking of distributors, which is in line with expectations. The very strong base of last year 1Q resulted in a decline in Russian beer market. Our sales were also similarly impacted however we were able to gain market share in the period. The key reasons for the increase in market share were growing share in key retailers as well as ongoing marketing and promo support. The weak first quarter is in line with our full year guidance of a flattish beer market in Russia in 2018.

Net sales revenue of EBI grew by 2.2% in 1Q2018 y-o-y, benefitting from price increases, positive translation impact and positive change in country mix. Topline was realized at TL 582.8 million in the period vs TL 570.3 million a year ago.

Gross profit decreased by 4.6% to TL 215.7 million in 1Q2018 on a yearly basis. Higher fixed costs due to lower volumes as well as the product and channel mix resulted in lower gross margin realizing at 37.0%, down 264 bps.

Although other international operations' operational profitability, mainly in Kazakhstan, improved significantly benefitting from higher volumes, EBI's consolidated **EBITDA (BNRI)** declined by 34.8% to TL 35.4 million with a margin of 6.1% in 1Q2018, down 344 bps y-o-y. The decline in consolidated profitability was due to negative channel and product mix as well as fixed costs as a result of lower volumes in Russia. The intense focus on integration in Russia had also some impact on profitability softness in the quarter.

EBI recorded TL 28.3 million net loss in 1Q2018 vs TL 33.6 million net profit in 1Q2017 due to lower fx gains compared to last year and lower operational profitability y-o-y.

IMPACT OF RECENT TRANSACTION IN RUSSIA & UKRAINE ON BEER GROUP FINANCIALS

Since deal has been closed on March 29, 2018, AB InBev's Russian and Ukrainian beer businesses are not included in 1Q2018 P&L while balance sheet reflects the whole business as of 31.03.2018.

Below you may find the proforma numbers of the beer group which are prepared as if both businesses were operating together with Anadolu Efes' Russian operations starting from January 1st 2016 and 2017. The numbers are unaudited and does not include any potential synergies.

2016	Beer Group Reported	Beer Group Proforma
Sales Volume (mhl)	19.9	33.6
Net Sales Revenue (m TL)	3,370.1	5,136.6
EBITDA BNRI (m TL)	679.1	888.5
EBITDA BNRI Margin (%)	20.1%	17.3%

2017	Beer Group Reported	Beer Group Proforma
Sales Volume (mhl)	21.1	33.9
Net Sales Revenue (m TL)	4,425.9	6,810.6
EBITDA BNRI (m TL)	849.2	1,062.5
EBITDA BNRI Margin (%)	19.2%	15.6%

OPERATIONAL PERFORMANCE - SOFT DRINK GROUP

MANAGEMENT COMMENTS

Burak Basarir, Chief Executive Officer of Coca-Cola İcecek, commented: “We have had a solid start to the year, with accelerated performance in all of our regions. We are pleased that robust volume also translated into healthy revenue growth and margin expansion through rigorous market execution and improving efficiency.

In Turkey we continued to build on our momentum with double-digit volume growth, growing transactions ahead of volume and EBIT ahead of net revenue. Successful execution of revenue growth management initiatives continued to drive an increasing share of immediate consumption ("IC") packages as well as improvement in our net revenue per case in the first quarter of the year.

In Pakistan, volume growth was back on track with sustained improvement in operating profitability. We completed the first phase of our RTM 2.0 project which contributed to improving distribution and commercial efficiency, paving the way for a healthier, more sustainable operating model. We recently inaugurated a new greenfield plant in Faisalabad and are now poised to capture further growth opportunities in the country. In Iraq, volume growth came from a better operating environment and improving market execution.

Coca-Cola İcecek (TL mn)	1Q2017	1Q2018	% change
Volume (mn u/c)	233.0	261.9	12.4%
Net Sales	1,555.7	1,865.6	19.9%
Gross Profit	481.4	614.0	27.5%
EBIT	69.3	148.3	114.0%
EBITDA	193.6	282.1	45.7%
Net Income/(Loss)*	-86.0	-46.0	46.5%
			Change (bps)
Gross Profit Margin	30.9%	32.9%	197
EBIT Margin	4.5%	7.9%	349
EBITDA Margin	12.4%	15.1%	267
Net Income Margin*	-5.5%	-2.5%	306

* Net income attributable to shareholders

In Central Asia, volume growth accelerated to double-digit, while our largest markets, Kazakhstan and Azerbaijan, delivered strong volumes coupled with improving margins. We are pleased to report more than doubling of our operating profitability across the overall region.

Following the encouraging results of the first quarter, we are on track to drive profitable growth for the rest of the year and deliver on our guidance. We maintain our commitment to growing shareholder value, and our General Assembly approved a record high dividend of 200 million TL to be paid starting from May 25, 2018. We will continue to invest in our business, enhance our commercial capabilities and further improve efficiency going forward.”

In 1Q2018, consolidated sales volume increased by 12.4% in the quarter, reaching 261.9 million UC. The growth was broad-based, with the contribution of all regions. Among categories, Sparkling (up 11.5%), Stills (up 21.4%) and non-ready-to-drink ("NRTD") Tea (up 21.4%) posted double-digit volume growth while Water (up 6.0%) growth turned positive in the quarter. The share of Turkey operations within total sales volume was 52% in 1Q2018 compared to 51% in 1Q2017.

In 1Q2018, Turkey operations delivered another quarter of quality growth, with a 14.0% increase in volume, coupled with favorable category and packaging mix. All categories registered volume growth in 1Q2018, fueled by successful marketing activities, increasing cooler investment and supportive weather conditions. The Sparkling category grew by 12.9%, the highest quarterly volume growth since 2015. Both future consumption ("FC") and immediate consumption ("IC") packages drove this growth, with the latter accelerating to 30% in 1Q2018. The share of IC packages in the Sparkling category increased by almost three percentage points compared to 1Q2017, while the number of

transactions grew by 21%, outpacing volume growth. Successful launches of 'No Sugar' and 'Fanta C' contributed to strong volume delivery in the category, with the Low/No Calorie segment registering more than 50% growth. The Stills category grew by 13.8%, mainly led by 58.3% in Ice Tea. The relaunch of the Fuse Tea brand, combined with successful promotions, led the growth while Juice also maintained its momentum. The Water category turned positive in 1Q2018, posting a healthy 7.9% volume growth with packaging mix continuing to evolve in favor of IC packages, consistent with our focus on improving the profitability of this category. NRTD Tea registered 21.2% volume growth in 1Q2018, cycling 24.8% growth in 1Q2017.

In 1Q2018, international operations delivered 10.8% volume growth, with accelerating performance across all regions and growth in all categories. In Pakistan, volume increased by 7.1%, mainly driven by the Sparkling category, supported by successful new package launches such as 350 ml Coca-Cola. Sprite outperformed the overall category with growth in the mid-teens in 1Q2018. Across the Middle East, volume grew by 8.2%. Iraq posted 9.2%, mainly driven by a double-digit increase in the Sparkling category. New flavors of Fanta also contributed to this growth. Jordan recorded 2.8% growth, despite the weak operating environment and a slowdown in overall consumer spending. Central Asia operations grew by 18.7% in 1Q2018, with all markets, except for Turkmenistan, continuing to post double-digit volume growth. Kazakhstan, our largest market in the region, posted 23.3% growth, led by high-teen growth and the highest ever volume and value share in Sparkling. Azerbaijan recorded the highest volume growth in the region, with 42.4% and reached record high first quarter volume, supported by improving market execution and favorable weather conditions.

In 1Q2018, consolidated net sales revenue ("NSR") increased by 19.9%, mainly driven by Turkey and Central Asia. On an FX-neutral(1) basis, consolidated NSR was up by 19.2%, on the back of increasing volume, pricing and positive sales mix. **In Turkey, NSR** was up by 24.3%, driven by the growth in the Sparkling category and price increases taken to mitigate the impact of the recent special consumption tax*. NSR per unit case maintained its momentum, recording 9.1% growth, as our revenue growth management initiatives continued to improve the package and category mix. **In our International operations, NSR** increased by 16.2% or 14.9% on an FX-neutral basis. Strong volume growth and pricing in Central Asia were the most significant drivers of the top-line in 1Q2018, while NSR per unit case was up by 3.7% on an FX-neutral basis.

In 1Q2018, consolidated gross margin improved by 197 bps to 32.9%, with raw material costs as a percentage of revenue declining on a consolidated basis, mainly stemming from international operations. Significant expansion in international operations' gross margin more than offset the lower gross margin in Turkey operations. Turkey's NSR per unit case growth moderated the adverse impacts of higher packaging costs to a large extent, while gross margin contracted by 113 bps to 38.5%. In our International operations, gross margin increased by 421 bps to 27.9% on the back of higher NSR per unit case and decreasing costs per unit case, supported by lower sugar/sweetener costs.

In 1Q2018, EBIT margin improved by 349 bps to 7.9%, attributable to significant margin improvement in both Turkey and International operations. Our ongoing focus on tight opex management resulted in a 150 bps reduction in comparable operating expenses as a percentage of revenue, compared to the same period of 2017. 89 bps decline in SD&M expenses/NSR and 91 bps decline in G&A expenses/NSR contributed to EBIT margin expansion, coupled with improving gross margin. **EBITDA margin** expanded by 267 bps to 15.1% in 1Q2018, reflecting better operating profitability both in Turkey and International operations.

Net loss declined to TL 46 million in 1Q2018 from TL 86 million in 1Q2017. This decrease mainly stemmed from strong operating profitability despite higher financial expenses.

Free cash flow was TL 8.4 million in 1Q2018. Higher cash from operating activities resulted in positive free cash flow despite higher capital expenditure.

Net Debt/EBITDA** ratio was 1.55x in 1Q2018.

(1) FX-Neutral: Using constant FX rates when converting country P&L's to TL.

**A special consumption tax (SCT) of 10% has been levied on flavoured & plain sparkling, nectars, juice drinks and other flavoured soft drinks, effective 1 January 2018 onwards.

**Excluding the refinanced Eurobond

CONSOLIDATED FINANCIAL PERFORMANCE

EBITDA (TL mn)	1Q2017	1Q2018
Profit/loss from Operations	59.7	65.0
Depreciation and amortization	231.1	238.1
Provision for retirement pay liability	5.5	5.2
Provision for vacation pay liability	8.4	9.4
Foreign exchange gain/loss from operating activities	-11.0	-3.5
Rediscount interest income/expense from operating activities	0.0	-0.2
Other	0.9	1.0
EBITDA	294.6	314.9
EBITDA (BNRI*)	295.2	352.0

* Non-recurring items amounted to TRL 37.1 million in 1Q2018 and TRL 0.6 million in 1Q2017

Financial Income / (Expense) Breakdown (TL mn)	1Q2017	1Q2018
Interest income	27.6	61.7
Interest expense	-60.9	-109.0
Foreign exchange gain / (loss)	-121.7	-143.7
Other financial expenses (net)	-8.0	-7.3
Gain/ (loss) on derivative transactions	0.3	0.0
Net Financial Income / (Expense)	-162.7	-198.3

Anadolu Efes Free Cash Flow (TL mn)	1Q2017	1Q2018
EBITDA	294.6	314.9
Change in Working Capital	-159.4	-178.8
Income Taxes & Employee Benefits Paid	-46.7	-56.1
CAPEX, net	-199.5	-288.6
Net Financial Income / (Expense)	34.1	21.5
FCF	-76.8	-187.0
Other investing activities (Acq., Disp., Min. Buy-Out and SC Increases)	-17.8	18.8
FCF (after investing activities)	-94.6	-168.2

As of 1Q2018 (Reported)	Consolidated Gross Debt	Cash & Cash Equivalents	Net Cash/(Debt) Position
AEFES Consolidated (TL mn)	9,593.4	5,531.8	-4,061.6
Beer Group (TL mn)	3,285.4	1,503.4	-1,782.0
Turkey Beer (TL mn)	2,520.7	331.2	-2,189.5
EBI (TL mn)	753.9	1,168.3	414.4
CCI (TL mn)	6,308.0	4,028.3	2,279.6

Net Debt / EBITDA (BNRI) (Reported)	1Q2017	1Q2018
Anadolu Efes Consolidated	2.1	1.8
Beer Group	1.8	2.2

As of 1Q2018 (Organic)	Consolidated Gross Debt	Cash & Cash Equivalents	Net Cash/(Debt) Position
AEFES Consolidated (TL mn)	9,011.3	5,514.0	-3,497.3
Beer Group (TL mn)	2,703.3	1,485.6	-1,217.7
Turkey Beer (TL mn)	2,520.7	331.2	-2,189.5
EBI (TL mn)	171.8	1,150.5	978.7
CCI (TL mn)	6,308.0	4,028.3	2,279.6

Net Debt / EBITDA (BNRI) (Organic)	1Q2018
Anadolu Efes Consolidated	1.5
Beer Group	1.5

OUTLOOK

We are cautiously keeping our 2018 guidance at this point since first quarter is the smallest quarter of the year.

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** mainly due to improved margins in **beer operations**

Capex:

As a percentage of sales high single digits **on a consolidated basis**

FCF:

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

FORESEEABLE RISKS FOR 2018

Financial Markets Related: 2018 will continue to be a challenging year for Emerging Markets. Apart from specific country/region economic or political issues, increasing interest rates and recovery of growth in developed markets put pressure on emerging countries' economic activities and their local currencies. In addition, specific events/political tension may also bring additional volatility. Company has been taking actions to mitigate financial markets related risk as much as possible and manage volatility to some extent. With an accumulated experience of operating in highly volatile markets for long years, we have a successful track record of managing and mitigating risks.

Procurement Related: A significant portion of our cost of sales relates to raw and packaging materials and many of these raw materials are commodities, or are priced based on commodity prices. The supply and price of raw materials used by us can fluctuate as a result of a number of factors. This risk is mitigated by our long term supply contracts and using of available hedging mechanisms to a meaningful extent.

Political Environment Related: Some of Anadolu Efes' operating markets have been under political tension for some time both in beer and soft drink sides. Any further escalation of this tension may negatively impact our performance.

Consumption Related: With all sales generated from emerging and frontier markets, political or economic instability could deteriorate consumer sentiment.

PLEASE CLICK TO ACCESS ALL TABLES IN EXCEL FORMAT

ANADOLU EFES		
Consolidated Income Statements For the Three-Month Period Ended 31.03.2017 and 31.03.2018		
Prepared in accordance with IFRS as per CMB Regulations		
(TL mn)		
	2017/03	2018/03
SALES VOLUME (mhl)	17.5	18.9
SALES REVENUE	2,425.7	2,764.1
Cost of Sales (-)	-1,556.1	-1,760.8
GROSS PROFIT FROM OPERATIONS	869.6	1,003.3
Selling, Distribution and Marketing Expenses (-)	-595.5	-676.7
General and Administrative Expenses (-)	-233.7	-278.1
Other Operating Income /Expense (net)	19.4	16.5
PROFIT FROM OPERATIONS (BNRI)*	60.3	102.2
Income /Expense From Investing Activities (net)	-3.9	-5.2
Income / (Loss) from Associates	-1.7	-9.0
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	54.2	50.8
Financial Income / Expense (net)	-162.7	-198.3
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	-108.5	-147.5
Continuing Operations Tax Income/(Expense)		
- Current Period Tax Expense (-) / Income	-45.9	-60.2
- Deferred Tax Expense (-) / Income	7.2	60.0
INCOME/(LOSS) FOR THE PERIOD	-147.2	-147.6
Attributable to:		
Non-Controlling Interest	-62.3	-41.5
EQUITY HOLDERS OF THE PARENT	-84.9	-106.2
EBITDA (BNRI)*	295.2	352.0

*Non-recurring items amounted to TL 0.6 million in 1Q2017 and TL 37.1 million in 1Q2018

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

ANADOLU EFES
Consolidated Balance Sheets as of 31.12.2017 and 31.03.2018
Prepared In Accordance with IFRS as per CMB Regulations
(TL mn)

	2017/12	2018/03
Cash & Cash Equivalents	5,409.6	5,523.5
Financial Investments	88.6	8.3
Derivative Instruments	0.2	1.0
Trade Receivables from Third Parties	1,372.6	1,815.4
from Related Parties	158.1	165.3
Other Receivables	103.4	55.7
Inventories	1,179.2	1,882.9
Other Current Assets	886.4	1,019.1
Total Current Assets	9,198.0	10,471.2
Other Receivables	22.3	42.7
Financial Investments	0.8	0.8
Investments in Associates	46.3	37.3
Property, Plant and Equipment (incl. inv properties)	7,587.1	8,832.7
Other Intangible Assets	10,403.3	10,764.2
Goodwill	1,840.8	5,812.0
Deferred Tax Assets	307.4	725.4
Other Non-Current Assets	284.8	327.5
Total Non-Current Assets	20,492.9	26,542.7
Total Assets	29,690.9	37,013.9
	2017/12	2018/03
Current portion of long term borrowings	2,956.1	3,316.3
Short-term Borrowings	89.4	603.5
Derivative Instruments	0.0	1.2
Current Trade Payables to Third Parties	1,624.0	2,885.9
to Related Parties	52.4	260.9
Other Current Payables	851.1	972.4
Provision for Corporate Tax	6.5	10.5
Provisions	115.4	134.0
Other Liabilities	123.9	165.2
Total Current Liabilities	5,818.8	8,350.0
Long-term Borrowings	5,464.0	5,673.6
Non Current Trade Payables	35.2	37.3
Other Non Current Payables	347.2	348.3
Deferred Tax Liability	1,908.1	1,945.3
Other Non Current Liabilities	290.8	289.8
Total Non-Current Liabilities	8,045.2	8,294.3
Total Equity	15,826.9	20,369.6
Total Liabilities and Shareholders' Equity	29,690.9	37,013.9

Note 1: "Financial Investments" in Current Assets includes the time deposits with a original maturity more than three months.

BEER GROUP

Highlighted Income Statements For the Three-Month Period Ended 31.03.2017 and 31.03.2018

Prepared in accordance with IFRS as per CMB Regulations

(TL mn)

	2017/03	2018/03
SALES VOLUME (mhl)	4.3	4.1
SALES REVENUE	870.1	898.5
GROSS PROFIT FROM OPERATIONS	390.5	390.6
PROFIT FROM OPERATIONS (BNRI)*	-5.2	-43.1
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	-7.3	-91.5
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	-46.1	-113.4
INCOME/(LOSS) FOR THE PERIOD	-40.1	-82.0
EQUITY HOLDERS OF THE PARENT	-40.0	-81.8
EBITDA (BNRI)*	101.5	70.0

*Non-recurring items amounted to TL 0.6 million in 1Q2017 and TL 37.1 million in 1Q2018

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

BEER GROUP

Consolidated Balance Sheets as of 31.12.2017 and 31.03.2018

Prepared In Accordance with IFRS as per CMB Regulations

(TL mn)

	2017/12	2018/03
Cash & Cash Equivalents	1,534.9	1,503.4
Financial Investments	71.4	0.0
Derivative Instruments	0.0	1.0
Trade Receivables	856.0	1,080.0
Other Receivables	63.1	21.8
Inventories	615.4	891.9
Other Current Assets	352.5	467.3
Total Current Assets	3,493.3	3,965.5
Investments in Associates	643.8	634.9
Property, Plant and Equipment (incl. inv properties)	2,092.7	3,121.1
Other Intangible Assets	1,965.7	2,139.8
Goodwill	1,102.7	5,085.1
Other Non-Current Assets	400.6	812.8
Total Non-Current Assets	6,205.5	11,793.7
Total Assets	9,698.8	15,759.2
Current portion of long term borrowings	237.7	438.8
Short-term Borrowings	11.1	463.7
Current Trade Payables	721.4	1,643.2
Other Current Payables	618.5	642.3
Provisions	49.4	66.9
Other Liabilities	53.4	92.4
Total Current Liabilities	1,691.4	3,347.3
Long-term Borrowings	2,270.0	2,383.0
Other Non Current Payables	347.2	348.3
Deferred Tax Liability	305.1	321.1
Other Non Current Liabilities	101.0	93.0
Total Non-Current Liabilities	3,023.3	3,145.4
Total Equity	4,984.1	9,266.5
Total Liabilities and Shareholders' Equity	9,698.8	15,759.2

TURKEY BEER OPERATIONS

Highlighted Income Statement Items For Three-Month Period Ended 31.03.2017 and 31.03.2018
Prepared In Accordance with IFRS as per CMB Regulations
(TL mn)

	2017/03	2018/03
SALES VOLUME (mhl)	1.2	1.0
NET SALES	294.8	309.9
GROSS PROFIT FROM OPERATIONS	160.1	168.4
PROFIT FROM OPERATIONS (BNRI)*	16.1	-0.5
Income / Expense from Investing Activities (net)	0.8	2.0
Financial Income / Expense (net)	-94.0	-139.0
CONTINUING OPERATIONS PROFIT BEFORE TAX	-77.1	-137.5
Tax income / (expense)	17.3	36.2
PROFIT FOR THE YEAR	-59.9	-101.3
EBITDA (BNRI)*	58.7	44.9

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

INTERNATIONAL BEER OPERATIONS (EBI)

Highlighted Income Statement Items For Three-Month Period Ended 31.03.2017 and 31.03.2018
Prepared In Accordance with IFRS as per CMB Regulations
(TL mn)

	2017/03	2018/03
SALES VOLUME (mhl)	3.2	3.0
NET SALES	570.3	582.8
GROSS PROFIT	226.1	215.7
PROFIT FROM OPERATIONS (BNRI)*	-9.3	-31.5
Income / Expense from Investing Activities (net)	-0.6	-3.4
Financial Income / Expense (net)	55.2	28.6
(LOSS)/PROFIT BEFORE TAX	44.7	-43.2
Tax income / (expense)	-11.1	14.8
(LOSS)/PROFIT AFTER TAX	33.5	-28.4
Attributable to		
Minority Interest	-0.1	-0.1
Equity Holders of the Parent Company	33.6	-28.3
EBITDA (BNRI)*	54.3	35.4

*Non-recurring items amounted to TL 0.6 million in 1Q2017 and TL 37.0 million in 1Q2018.

Note 1: EBITDA comprises of Profit from Operations, depreciation and other relevant non-cash items up to Profit From Operations.

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

SOFT DRINK OPERATIONS (CCI)
 Highlighted Income Statement Items For Three-Month Period Ended
 31.03.2017 and 31.03.2018
 Prepared In Accordance with IFRS as per CMB Regulations
 (TL mn)

	2017/03	2018/03
SALES VOLUME (mn u/c)	233.0	261.9
NET SALES	1,555.7	1,865.6
COST OF SALES	-1,074.3	-1,251.6
GROSS PROFIT	481.4	614.0
Operating Expenses	-424.8	-476.0
Other Operating Income / (Expense) (net)	12.7	10.2
EBIT	69.3	148.3
Gain / (Loss) from Associates	0.0	-0.1
Income / (Expense) from Investing Activities, net	-3.6	-2.8
Financial Income / (Expense), net	-123.9	-176.4
INCOME BEFORE MINORITY INTEREST & TAX	-58.2	-31.0
Tax income / (expense)	-45.5	-32.2
INCOME BEFORE MINORITY INTEREST	-103.8	-63.2
Attributable to,		
Minority Interest	-17.7	-17.3
Net Income attributable to Shareholders	-86.0	-46.0
EBITDA	193.6	282.1

Note 1: EBITDA comprises of profit from operations, depreciation and other relevant non-cash items up to EBIT.

Note 2: Figures for CCI are obtained from consolidated financial results prepared in accordance with IFRS as per CMB regulations.

SOFT DRINK OPERATIONS (CCI)
 Highlighted Balance Sheet Items as of 31.12.2016 and 31.12.2017
 Prepared In Accordance with IFRS as per CMB Regulations
 (TL mn)

	2017/12	2018/03
Cash and Cash Equivalents	3,874.7	4,020.1
Financial Investments	17.2	8.3
Derivative Instruments	0.2	0.0
Trade Receivables and due from related parties	675.2	900.8
Inventory (net)	563.8	991.0
Other Receivables	40.3	34.5
Other Current Assets	533.9	551.9
Total Current Assets	5,705.3	6,506.6
Property, Plant and Equipment	5,258.0	5,476.0
Intangible Assets (including goodwill)	2,226.5	2,294.1
Other Non- Current Assets	204.4	273.3
Total Non-current Assets	7,688.9	8,043.4
Total Assets	13,394.2	14,549.9
Short-term Borrowings	78.3	79.9
Current Portion of Long-term Borrowings	2,718.4	2,716.8
Trade Payables	955.6	1,504.3
Other Payables	232.4	329.9
Provision for Corporate Tax	4.8	8.1
Short Term Provisions	66.1	67.1
Employee Benefits Payable	39.6	31.8
Other Current Liabilities	32.4	265.2
Total Current Liabilities	4,127.6	5,003.2
Long-term Borrowings	3,194.0	3,290.7
Non -Current Trade Payables	35.2	37.3
Non Current Provisions	72.3	73.9
Deffered Tax Liabilities	407.9	429.7
Other Non- Current Liabilities	117.6	123.1
Total Non-Current Liabilities	3,827.0	3,954.6
Total Equity	5,439.6	5,592.2
Total Liabilities and Shareholders' Equity	13,394.2	14,549.9

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

ABOUT ANADOLU EFES

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes), together with its subsidiaries and affiliates produces and markets beer, malt and soft drinks across a geography including Turkey, Russia, the CIS countries, Central Asia and the Middle East with total employees of 13,632, including both beer & soft drink operations. Anadolu Efes, listed at Borsa İstanbul (AEFES.IS), is an operational entity under which the Turkey beer operations are managed, as well as a holding entity which is the 100% shareholder of EBI that manages international beer operations, and is the largest shareholder of CCI, that manages the soft drink business in Turkey and international markets.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document 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.

ACCOUNTING PRINCIPLES

The consolidated financial statements of Anadolu Efes are prepared in accordance with International Financial Reporting Standards ("IFRS") as per regulations of the Capital Markets Board of Turkey ("CMB").

The attached financial statements in this announcement comprise the income statements for the period ended 31.03.2017 and 31.03.2018 as well as the balance sheets as of 31.12.2017 and 31.03.2018. Figures in 1Q2017 and 1Q2018 are presented in the reporting currencies of each business division.

Anadolu Efes and its subsidiaries in which Anadolu Efes holds the majority stake; including Efes Pazarlama (marketing, sales & distribution of beer products in Turkey) and EBI (international beer operations), are fully consolidated in the financials. According to the Shareholder's Agreement regarding the governance of CCI, in which Anadolu Efes holds 50.3% stake, Anadolu Efes also fully consolidates CCI.

BEER OPERATIONS' 1Q2018 RESULTS PRESENTATION & WEBCAST

Anadolu Efes - Beer Operations' 1Q2018 Results Presentation will be held on Tuesday 8th of May 2018 at 16:30 (Istanbul) 14:30 (London) 9:30 (New York).

Audio Conference:

UK Dial-in: +44 207 194 37 59/ 0 800 376 61 83

USA Dial-in: 844 286 0643

TR Dial-in: +90 212 375 51 27

Russia Dial-in: +7 495 646 93 15

Confirmation Code: 28811983#

(Participants will have to quote the above code when dialing into the conference)

Webcast:

<http://edge.media-server.com/m/p/kxohbwjg>

Replay: On demand webcast will be available on the above link for 12 months

A copy of the presentation will be available prior to the conference call from our website at www.anadoluefes.com.

ENQUIRIES

For financial reports and further information regarding Anadolu Efes, please visit our website at <http://www.anadoluefes.com/> or you may contact;

Mrs. Çiçek Uşaklıgil Özgüneş
(Investor Relations and Treasury Director)
tel: +90 216 586 80 37
facsimile: +90 216 389 58 63
e-mail: cicek.usakligil@anadoluefes.com

Mrs. Aslı Kılıç Demirel
(Investor Relations Manager)
tel: +90 216 586 80 72
facsimile: +90 216 389 58 63
e-mail: asli.kilic@anadoluefes.com