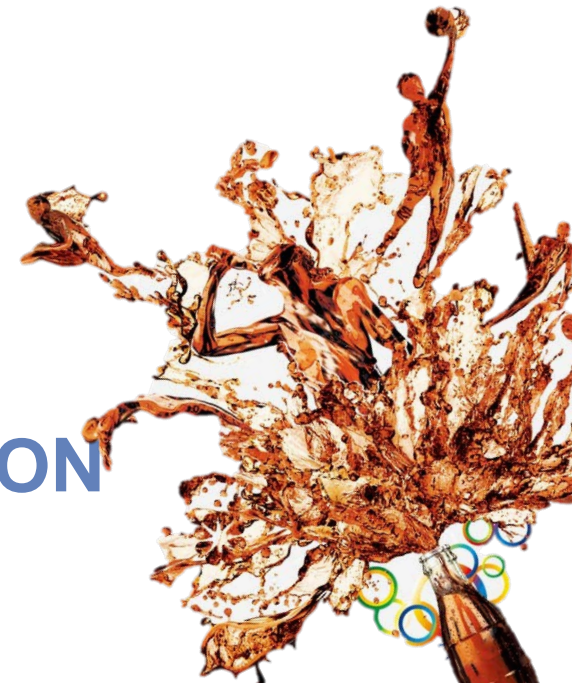




ANADOLU EFES

9M2018 CONFERENCE CALL PRESENTATION
07.11.2018



Forward-Looking Statements



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



GENERAL OVERVIEW & OPERATING ENVIRONMENT



Gavin Hudson

CEO & Beer Group President

3Q2018 Highlights

THROUGHOUT THIS PRESENTATION 'PROFORMA' MEANS FIGURES INCLUDING ABI RUSSIA AND ABI UKRAINE STARTING FROM APRIL 1ST.

- ✓ **Volume growth of 2.7% y-o-y, on a proforma basis,**
 - Positive contribution from all business lines, especially Turkey beer
- ✓ **Revenue increase of 38.8% y-o-y, on a proforma basis, attributable to**
 - Higher volumes
 - Price increases
 - Positive currency translation impact
- ✓ **EBITDA (BNRI) expansion of 37.6% on a proforma basis,**
 - Flattish margin
- ✓ **Net loss of TL35.8 million, due to non-cash FX losses**
- ✓ **In 9M2018,**
 - Free Cash Flow of TL1.4 billion
 - Consolidated net debt to EBITDA (BNRI) → 1.6x.



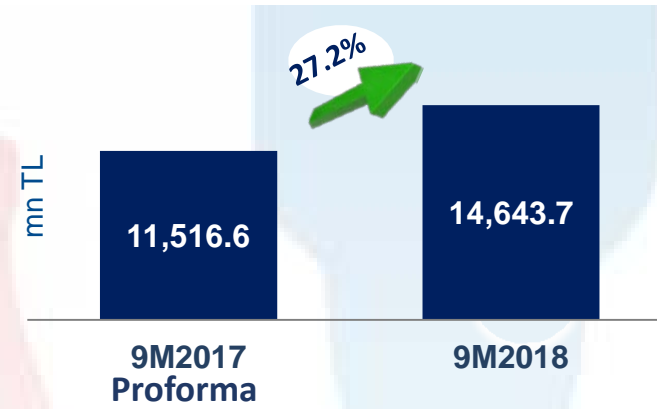
Solid 9M2018 Consolidated Performance



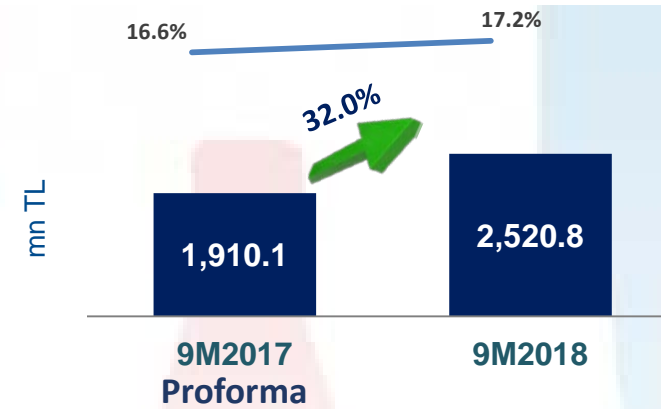
SALES VOLUME



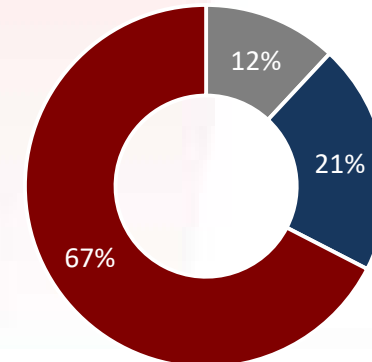
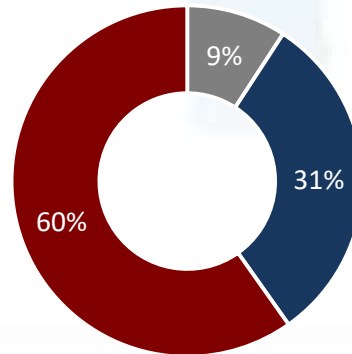
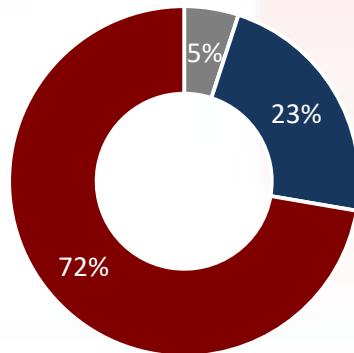
NET SALES REVENUE



EBITDA (BNRI) & EBITDA (BNRI) Margin



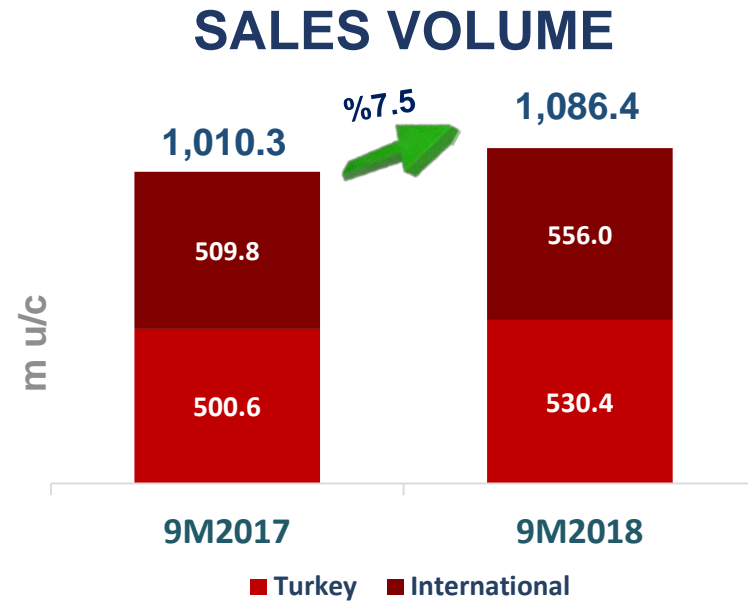
BREAKDOWN*



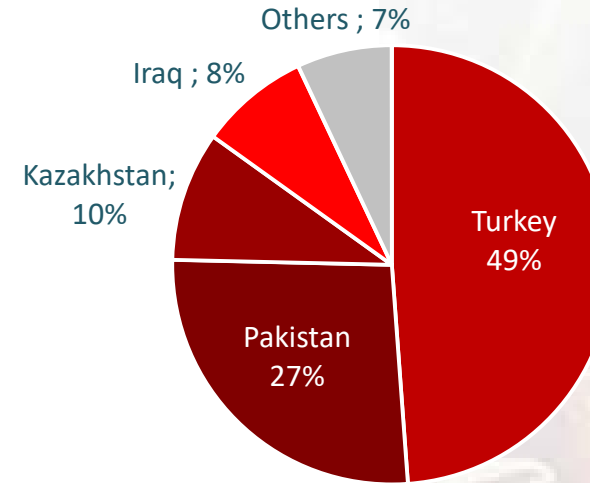
*Breakdowns are on a combined basis

■ Turkey Beer ■ International Beer ■ Soft Drinks

Soft Drinks Volume Development



9M2018 Volume Breakdown by Country*



*Breakdown is on a combined basis



Consolidated sales volume growth of 2.9% in 3Q2018;

- ✓ Growth led by International operations, especially Central Asia



Turkey volumes were flat in 3Q; excluding NRTD Tea, volume was up by 1.5%

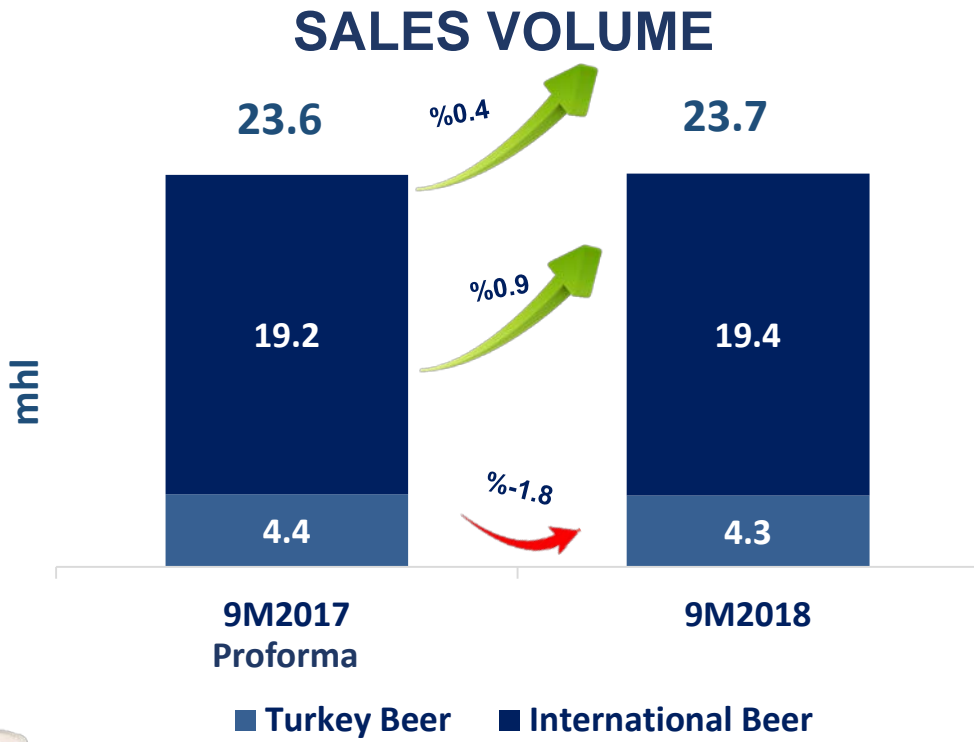
- ✓ Increasing cooler investments, effective trade promotions management & effective pricing strategy
- ✓ Higher number of tourist arrivals and favorable weather conditions



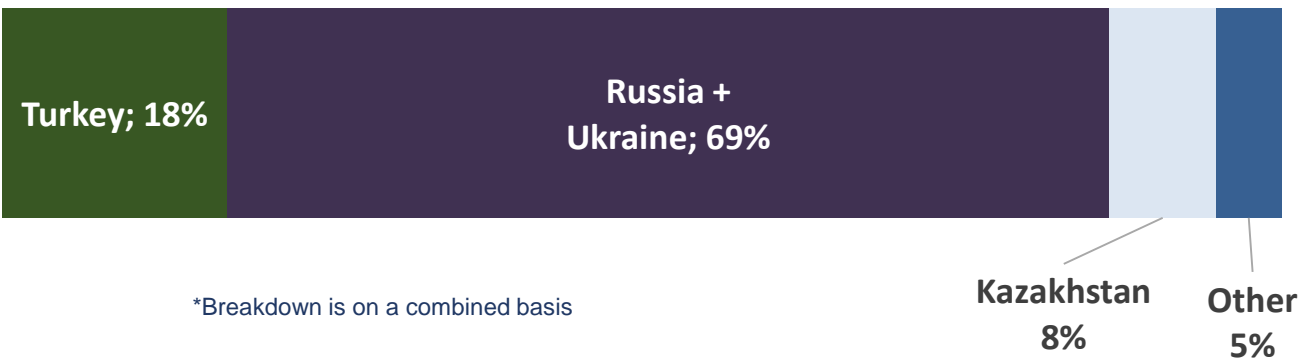
International operations delivered 6.3% volume growth in 3Q2018;

- ✓ Pakistan up 5.0%, Middle East down 3.3%, Central Asia up 15.5%

Beer Volume Development



9M2018 Volume Breakdown By Country*



Total beer group sales volume was up by 2.1% in 3Q2018



Solid growth in international operations mostly in Russia & Ukraine

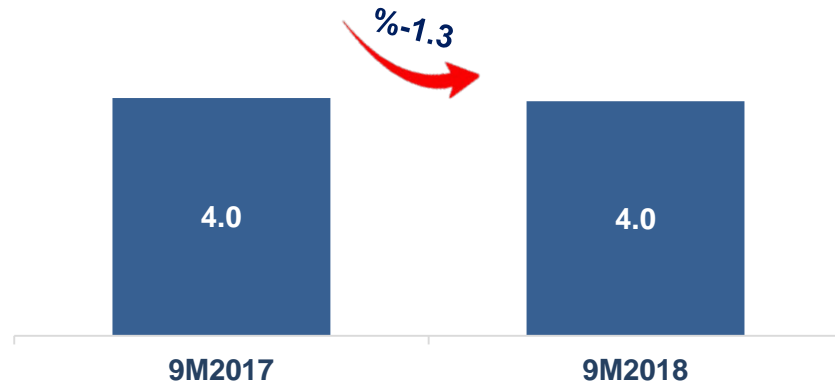


Very good performance in Turkey compared to first 2 quarters of the year

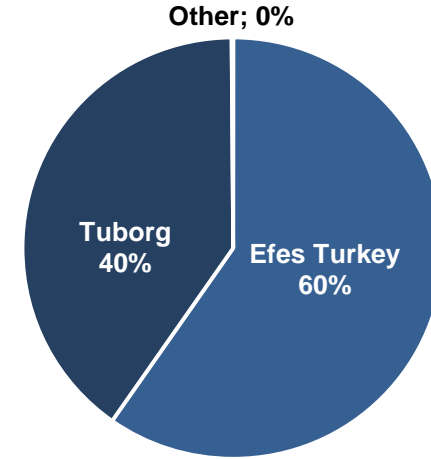
Turkey Beer Operations



DOMESTIC SALES VOLUME



MARKET SHARE*



■ Efes Turkey ■ Tuborg ■ Other



Highest volume growth rate in 3Q since 4Q2014, with 6.7% increase



Good weather conditions



Higher number of tourists with favorable tourist mix



Ramadan shift to 2Q



Stable market share since mid-2Q



Focus on brand & portfolio expansion as well as freshness

International Beer Operations



SALES VOLUME



EBI volumes up 1.1% in 3Q2018, y-o-y



Combined business is operating well on track & encouraging YTD performance



Synergies already started being extracted



Russia beer market volumes supported by strong volumes during World Cup & favorable weather



Flat market share @ around 27%



Kazakhstan inline with business plan, Ukraine better than expected

FINANCIAL OVERVIEW



Onur Çevikel

Group CFO

Anadolu Efes Consolidated Performance – 9M2018



(TL mn)	ANADOLU EFES CONSOLIDATED		
	9M2017 Proforma	9M2018	Change (%)
Volume (mhl)	80.9	85.3	5.4%
Net Sales	11,516.6	14,643.7	27.2%
Gross Profit	4,519.5	5,725.4	26.7%
EBIT (BNRI)	1,070.6	1,522.0	42.2%
EBITDA (BNRI)	1,910.1	2,520.8	32.0%
Net Income*	314.9	-51.1	-116.2%
Margins			Change (bps)
Gross Profit	39.2%	39.1%	-15
EBIT (BNRI)	9.3%	10.4%	110
EBITDA (BNRI)	16.6%	17.2%	63
Net Income*	2.7%	-0.3%	-308

*Net income attributable to shareholders

Beer Group Performance – 9M2018

(TL mn)	TURKEY BEER		INTERNATIONAL BEER		BEER GROUP	
	9M2018	vs 9M2017	9M2018	vs Proforma 9M2017	9M2018	vs Proforma 9M2017
Volume (mhl)	4.3	-1.8%	19.4	0.9%	23.7	0.4%
Net Sales	1,343.0	17.2%	4,532.6	30.2%	5,905.3	26.9%
Gross Profit	751.4	12.5%	1877.4	26.8%	2658.8	22.7%
EBIT (BNRI)	157.9	11.1%	137.2	-1.9%	259.7	3.7%
EBITDA (BNRI)	305.0	11.7%	525.5	14.7%	797.4	13.7%
Net Income*	-1,051.2	-3347.8%	-3.2	-102.6%	-36.1	-124.0%
Margins		Change (bps)		Change (bps)		Change (bps)
Gross Profit	55.9%	-231	41.4%	-109	45.0%	-154
EBIT (BNRI)	11.8%	-64	3.0%	-99	4.4%	-98
EBITDA (BNRI)	22.7%	-110	11.6%	-157	13.5%	-157
Net Income*	-78.3%	-8,109	-0.1%	-364	-0.6%	-385

*Net income attributable to shareholders

Beer Group Free Cash Flow – 9M2018



Beer Group Free Cash Flow (TL mn)	9M2018
EBITDA	713.5
Change in Working Capital	410.8
Income Taxes & Employee Benefits Paid	-73.5
CAPEX, net	-425.9
Net Financial Income /(Expense)	31.6
FCF	656.5
Other investing activities (Acq., Disp., Min. Buy-Out and SC Increases)	202.9
FCF (after investing activities)	859.5



Actively Managing Headwinds...



Hedging short term FX exposures

80% coverage in Turkey for 4Q2018

Proactively hedging 2019 exposure for all countries



Forward contracts to hedge commodities



Net Investment Hedge

Since Jan 1, 2018 → USD 500 million

Since April 1, 2018 → EUR 100 million



No hard currency debt repayment for Beer Group in the next 4 quarters

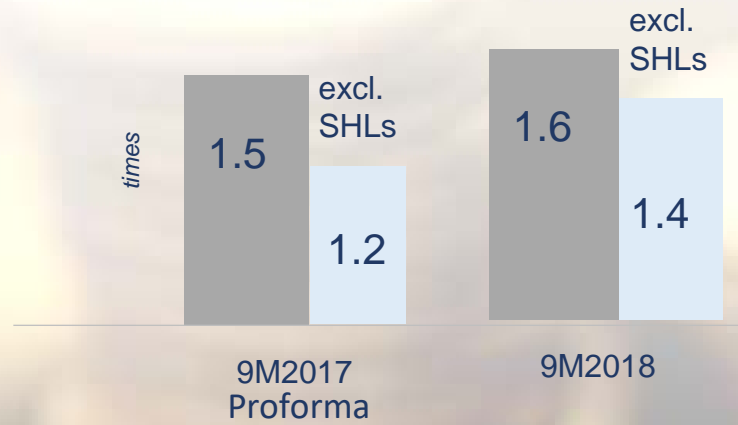
These represent beer group hedging activities. CCI also implements similar measures



Balance Sheet Flexibility

Net Leverage Ratio: Net Debt / EBITDA (BNRI)

Anadolu Efes Consolidated



73% of cash is hold as hard currency

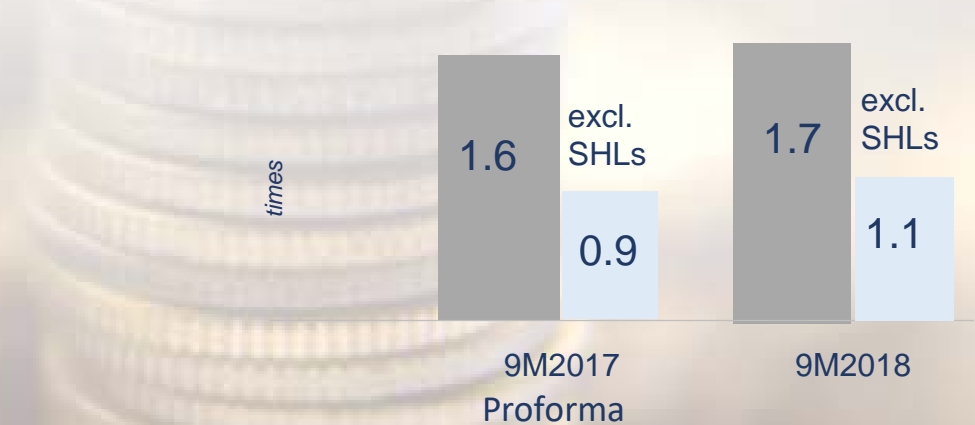


87% of debt is in hard currency



83% of debt has fixed interest

Beer Group



63% of cash is hold as hard currency



80% of debt is in hard currency



81% of debt has fixed interest

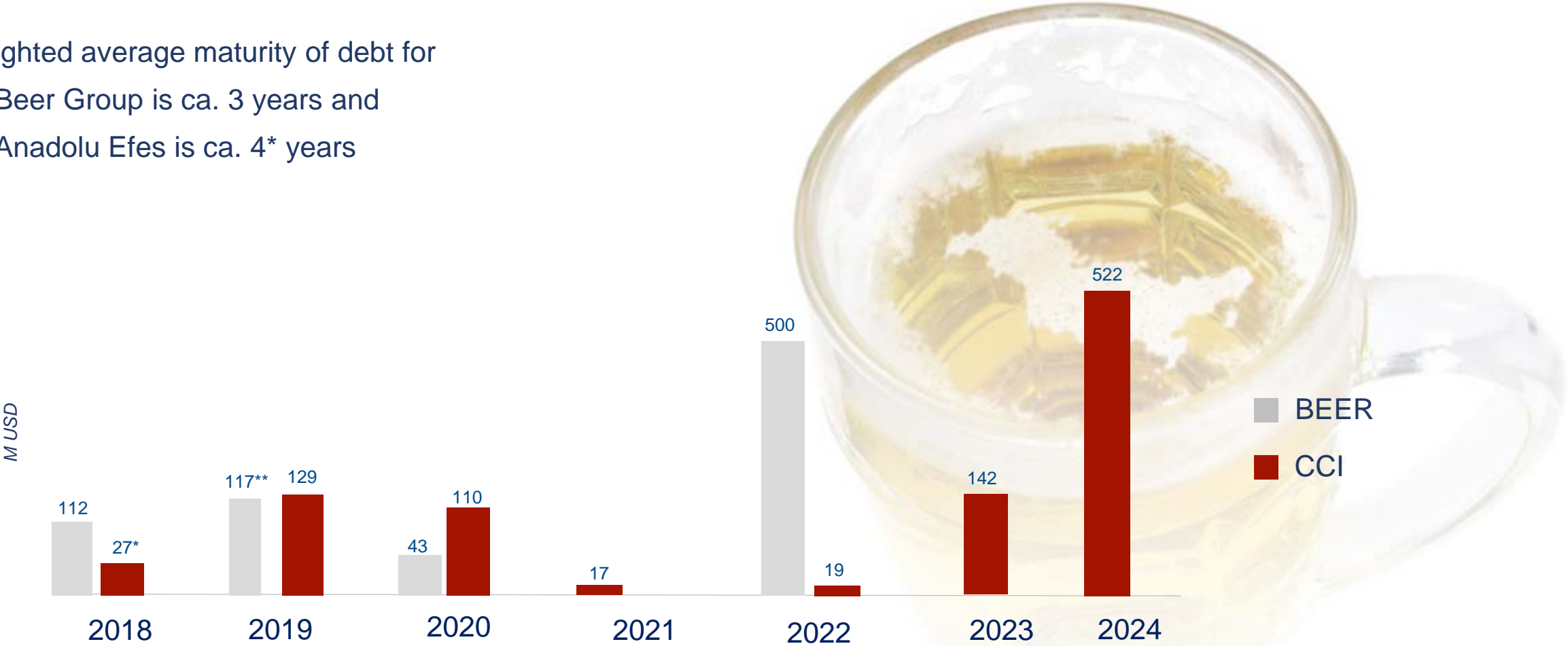
Strong Liquidity Profile



Easily manageable debt repayment schedule



Weighted average maturity of debt for Beer Group is ca. 3 years and Anadolu Efes is ca. 4* years



Figures represent principal amounts
 *Excluding CCI's early refinance of USD 500 mn Eurobond
 ** Excluding shareholder loans

Anadolu Efes Consolidated Financial Income/(Expense) – 9M2018



Financial Income / (Expense) Breakdown (TL mn)	9M2017 Proforma	9M2018
Interest income	79.4	208.8
Interest expense	-179.5	-430.7
Foreign exchange gain /(loss)	-192.3	-789.2
Other financial expenses (net)	-17.2	-34.2
Gain/(loss) on derivative transactions	0.0	16.3
Net Financial Income /(Expense)	-309.7	-1,029.1

Anadolu Efes Consolidated Free Cash Flow – 9M2018

Anadolu Efes Free Cash Flow (TL mn)	9M2018
EBITDA	2,437.0
Change in Working Capital	215.9
Income Taxes & Employee Benefits Paid	-98.0
CAPEX, net	-1,033.8
Net Financial Income /(Expense)	-113.7
FCF	1,407.3
Other investing activities (Acq., Disp., Min. Buy-Out and SC Increases)	202.9
FCF (after investing activities)	1,610.2

Financial Priorities



Efficiency improvements via savings



Managing impact of F/X volatility on operations



Grow consolidated cash flows through;

- Focus on WC optimization
- Optimized capex policy
- Sticking to tight BS management



Deleveraging with commitment to Credit Ratings

CLOSING REMARKS



Gavin Hudson

CEO & Beer Group President

Long-term Key Priorities

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



Capitalizing on our strong brand portfolios



Achieving optimal brand & SKU mix



Excelling in execution



Focusing on quality market share



Strong cash flow generation with special focus on optimizing WC



Accelerate revenue and margin growth



Winning at the point of sales



Sales force effectiveness

2018 Guidance



Our 2018 guidance reflects proforma financials as if both businesses were operating together with Anadolu Efes' Russian operations starting from April 1st 2017 and 2018. Below, we provide 2017 proforma financials which is the base for our 2018 full year guidance.

2017 Proforma (9-month ABI Impact)	Beer Group	Anadolu Efes
Sales Volume (mhl)	31.5	101.7
Net Sales Revenue (m TL)	6,362.9	14,883.9
EBITDA BNRI (m TL)	1,067.8	2,446.5
EBITDA BNRI Margin (%)	16.8%	16.4%



Sales Volume:

Low-to-mid single digit growth **on a consolidated basis**



Total Beer: Low-single digit decline on a proforma basis



Turkish beer market: Flattish-to-low single digit growth

Turkey own beer: Low-single digit decline



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**



Total Beer: Mid to high teens growth on a proforma basis, solid local currency revenue growth for **EBI** & low-teens growth for **Turkey Beer**



Soft Drinks: 10%-12% on a consolidated basis (FX-neutral)

EBITDA :



Low teens growth in EBITDA with a slight decline in margin **on a consolidated basis**



Mid-to-high single digit growth in EBITDA with margin decline **for beer group**



Slight improvement in EBITDA margin **for soft drinks**

Capex:



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

FCF:



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

Q&A SESSION



Gavin Hudson

CEO & Beer Group President



Onur Çevikel

Group CFO



APPENDIX



Gross & Net Debt



Anadolu Efes Consolidated

9M2017	9M2018	
8,146.5	13,857.8	TOTAL FINANCIAL DEBT (m TL)
5,086.7	8,926.0	TOTAL CASH & EQUIVALENTS (m TL)
3,059.8	4,931.9	NET DEBT (m TL)
861.4	823.3	NET DEBT (m USD)

Beer Group

9M2017	9M2018	
2,541.5	5,331.1	TOTAL FINANCIAL DEBT (m TL)
1,412.5	3,425.3	TOTAL CASH & EQUIVALENTS (m TL)
1,129.0	1,905.9	NET DEBT (m TL)
317.8	318.2	NET DEBT (m USD)

Turkey Beer

9M2017	9M2018	
2,289.0	4,372.0	TOTAL FINANCIAL DEBT (m TL)
313.3	655.5	TOTAL CASH & EQUIVALENTS (m TL)
1,975.7	3,716.5	NET DEBT (m TL)
556.2	620.4	NET DEBT (m USD)

EBI

9M2017	9M2018	
243.2	943.7	TOTAL FINANCIAL DEBT (m TL)
1,094.2	2,765.0	TOTAL CASH & EQUIVALENTS (m TL)
(851.0)	(1,821.3)	NET DEBT (m TL)
(239.6)	(304.1)	NET DEBT (m USD)

FX Rates



		9M2017	9M2018	Δ%
USD/TL	AVG	3.59	4.60	28.1%
	PE	3.55	5.99	68.6%
EUR/TL	AVG	4.00	5.47	37.0%
	PE	4.19	6.95	65.8%
TL/RUB	AVG	16.23	13.35	-17.8%
	PE	16.33	10.95	-33.0%
TL/KZT	AVG	89.96	73.10	-18.7%
	PE	96.05	60.61	-36.9%
TL/UAH	AVG	7.36	5.86	-20.5%
	PE	7.47	4.72	-36.7%
TL/MDL	AVG	5.25	3.63	-30.9%
	PE	4.96	2.82	-43.2%
TL/GEL	AVG	0.69	0.54	-21.7%
	PE	0.70	0.44	-37.4%