Convenience Translation of Financial Statements
Originally Issued in Turkish

Anadolu Efes Biracılık ve Malt Sanayii Anonim Şirketi

Interim Condensed Consolidated Financial Statements as of March 31, 2013

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CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
As at March 31, 2013
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

			Audited
		Unaudited	Restated - Note 2
	Notes	**March 31, 2013**	December 31, 2012
ASSETS			
Current Assets		**4.118.839**	2.998.833
Cash and Cash Equivalents	5	**1.027.574**	1.394.649
Financial Investments		**238.683**	170.746
Trade Receivables		**1.186.089**	666.204
Due from Related Parties	20	**627**	175
Other Receivables	7	**55.120**	16.629
Inventories		**1.028.007**	551.128
Other Current Assets	14	**582.739**	199.302
Non-Current Assets		**12.216.777**	7.415.937
Other Receivables	7	**3.785**	1.028
Financial Investments		**786**	786
Investments In Associates and Joint Ventures	8	**40.599**	1.215.786
Property, Plant and Equipment	9	**4.789.752**	2.582.438
Intangible Assets	10	**2.279.723**	1.632.100
Goodwill	11	**4.790.655**	1.783.196
Deferred Tax Asset	18	**92.454**	74.285
Other Non-Current Assets	14	**219.023**	126.318
TOTAL ASSETS		**16.335.616**	10.414.770
LIABILITIES			
Current Liabilities		**3.622.759**	1.747.220
Borrowings	6	**2.013.477**	749.656
Derivative Financial Instruments		**860**	-
Trade Payables		**641.918**	248.273
Due to Related Parties	20	**78.442**	23.064
Other Payables	7	**590.269**	440.776
Provision for Corporate Tax		**12.343**	15.521
Provisions		**83.671**	54.500
Other Current Liabilities	14	**201.779**	215.430
Non-Current Liabilities		**2.464.623**	1.895.156
Borrowings	6	**1.634.604**	1.302.407
Other Payables	7	**202.648**	198.337
Provision for Employee Benefits		**86.619**	51.344
Deferred Tax Liability	18	**397.920**	332.880
Other Non-Current Liabilities	14	**142.832**	10.188
Equity		**10.248.234**	6.772.394
Equity Attributable to Equity Holders of the Parent		**8.988.797**	6.702.765
Issued Capital	12	**592.105**	592.105
Inflation Adjustment to Issued Capital	12	**63.583**	63.583
Share Premium	12	**3.137.684**	3.137.684
Value Increase Fund	12	**64.579**	60.000
Currency Translation Differences	12	**51.646**	141.456
Restricted Reserves Allocated from Net Income	12	**209.644**	209.644
Other Reserves	12	**(235.742)**	(5.736)
Actuarial Gain / (Loss)	12	**(5.732)**	(7.152)
Hedge Reserve	12	**(913)**	113
Minority Put Option Revaluation Fund	12	**-**	(9.042)
Accumulated Profits		**2.520.110**	1.910.299
Net Income		**2.591.833**	609.811
Non-controlling Interests		**1.259.437**	69.629
TOTAL LIABILITIES		**16.335.616**	10.414.770

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, 2013
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

		Unaudited	
			Restated – Note 2
	Notes	**March 31, 2013**	March 31, 2012
Continuing Operations			
Sales	2,4	**1.698.106**	772.590
Cost of Sales (-)		**(964.232)**	(365.268)
Gross Profit From Operations		**733.874**	407.322
Marketing, Selling and Distribution Expenses (-)		**(498.240)**	(230.883)
General and Administration Expenses (-)		**(181.179)**	(127.438)
Other Operating Income	15	**2.731.212**	7.545
Other Operating Expenses (-)	15	**(7.201)**	(5.213)
Profit From Operations		**2.778.466**	51.333
Equity Income / (Loss)	8	**(1.484)**	22.065
Financial Income	16	**84.256**	100.935
Financial Expenses (-)	17	**(133.150)**	(42.501)
Profit Before Tax From Continuing Operations		**2.728.088**	131.832
Continuing Operations Tax Income / (Expense)			
Current Period Tax Expense (-)		**(27.657)**	(27.116)
Deferred Tax Income		**18.702**	1.376
Profit For The Period		**2.719.133**	106.092
Attributable to:			
Non-controlling interests		**127.300**	3.120
Equity holders of the parent		**2.591.833**	102.972
Earnings per share (Full TRL)	19	**4,3773**	0,2106

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

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

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

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

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the three-month period ended March 31, 2013
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

		Unaudited	
			Restated – Note 2
	Notes	**March 31, 2013**	March 31, 2012
Profit for the period		**2.719.133**	106.092
Other Comprehensive Income:			
Items may be classified to income statement in a future time :			
Currency Translation Differences		**(11.070)**	(38.321)
Value Increase / (Decrease) in Available for Sale Securities		4.820	4.473
Tax Effect		(241)	(224)
Value Increase / (Decrease) in Available for Sale Securities, (Net of Taxes)		**4.579**	4.249
Cash Flow Hedge Reserve		(1.141)	-
Tax Effect		228	-
Cash Flow Hedge Reserve, (Net of Taxes)		**(913)**	-
Actuarial Gain / (Loss)		(716)	(752)
Tax Effect		143	150
Actuarial Gain / (Loss), (Net of Taxes)		**(573)**	(602)
Other Comprehensive Income, (Net of Taxes)		**(7.977)**	(34.674)
Total Comprehensive Income		**2.711.156**	71.418
Attributable to			
Non-Controlling Interests		**127.660**	121
Equity Holders of the Parent		**2.583.496**	71.297

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, 2013
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

	Share Capital	Inflation Adjustment to Issued Capital	Share Premium	Currency Translation Difference	Restricted Reserves Allocated From Net Income	Other Funds and Reserves (Note 12)	Net Income	Accumulated Profits	Equity Attributable to Equity Holders of the Parent	Non-Controlling Interests	Total Equity
Balance at December 31, 2011 Restated	**450.000**	**63.583**	**-**	**289.853**	**176.995**	**(788)**	**343.390**	**1.820.229**	**3.143.262**	**52.861**	**3.196.123**
Other comprehensive income	-	-	-	(35.322)	-	3.647	-	-	(31.675)	(2.999)	(34.674)
Profit for the period	-	-	-	-	-	-	102.972	-	102.972	3.120	106.092
Total comprehensive income	-	-	-	(35.322)	-	3.647	102.972	-	71.297	121	71.418
Transfer of previous year net income to the accumulated profits	-	-	-	-	-	-	(343.390)	343.390	-	-	-
Addition through subsisidiary acquired (Note 3)	-	-	-	-	-	-	-	-	-	19	19
Share Capital Increase (Note 3)	142.105	-	3.137.684	-	-	-	-	-	3.279.789	-	3.279.789
Change in non-controlling interests (Note 3)	-	-	-	-	-	-	-	221	221	-	221
Balance at March 31, 2012 Restated	**592.105**	**63.583**	**3.137.684**	**254.531**	**176.995**	**2.859**	**102.972**	**2.163.840**	**6.494.569**	**53.001**	**6.547.570**
Balance at December 31, 2012 Restated	**592.105**	**63.583**	**3.137.684**	**141.456**	**209.644**	**38.183**	**609.811**	**1.910.299**	**6.702.765**	**69.629**	**6.772.394**
Other comprehensive income	**-**	**-**	**-**	**(11.430)**	**-**	**3.093**	**-**	**-**	**(8.337)**	**360**	**(7.977)**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**2.591.833**	**-**	**2.591.833**	**127.300**	**2.719.133**
Total comprehensive income	**-**	**-**	**-**	**(11.430)**	**-**	**3.093**	**2.591.833**	**-**	**2.583.496**	**127.660**	**2.711.156**
Transfer of previous year net income to the accumulated profits	**-**	**-**	**-**	**-**	**-**	**-**	**(609.811)**	**609.811**	**-**	**-**	**-**
Transfers (Note 3) *	**-**	**-**	**-**	**(78.380)**	**-**	**6.005**	**-**	**-**	**(72.375)**	**-**	**(72.375)**
Change in non-controlling interests due to change in scope of consolidation (**)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.127.955**	**1.127.955**
Change in non-controlling interests (Note 3)	**-**	**-**	**-**	**-**	**-**	**(225.089)**	**-**	**-**	**(225.089)**	**(65.807)**	**(290.896)**
Balance at March 31, 2013	**592.105**	**63.583**	**3.137.684**	**51.646**	**209.644**	**(177.808)**	**2.591.833**	**2.520.110**	**8.988.797**	**1.259.437**	**10.248.234**

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

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

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

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
For the three-month period ended March 31, 2013
(Currency– Unless otherwise indicated thousands of Turkish Lira (TRL))

		Unaudited	
			Restated – Note 2
	Notes	**March 31, 2013**	March 31, 2012
Cash flows from operating activities			
Net profit before minority interest, income tax and monetary gain		**2.728.088**	131.832
Adjustments for:			
Depreciation and amortization expenses	2, 4	**153.908**	78.302
(Gain)/loss on sale of property, plant and equipment and intangible assets, net	15	**916**	(2.497)
Provision for retirement pay liability	2, 4	**6.365**	1.529
Provision for vacation pay liability	2, 4	**7.089**	3.496
Provision /(reversal of provision) for inventory obsolescence, net	2, 4	**1.761**	(156)
Provision/(reversal of provision) for doubtful receivables, net	2, 4	**190**	(1.228)
Provision /(reversal of provision) for long term incentive plan		**(2.952)**	678
Impairment/(reversal of impairment) on property, plant and equipment, net	4,15	**495**	-
Foreign exchange (gain) /loss raised from loans, net		**41.376**	(53.358)
Interest expense	17	**35.108**	10.913
Interest income	16	**(18.511)**	(14.453)
(Gain)/loss from derivative financial instruments, net	16,17	**-**	(399)
Syndication loan (income)/expense	17	**167**	-
Fair value increase related to change in scope of consolidation	3,4,15	**(2.722.195)**	-
Equity (income)/loss of associates	8	**1.484**	(22.065)
Other (income) / expense, net		**202**	233
Operating profit before changes in operating assets and liabilities		**233.492**	132.827
Change in trade receivables		**(208.214)**	(125.212)
Change in due from related parties		**(452)**	33
Change in inventories		**(128.198)**	(33.312)
Change in other assets, other liabilities and provisions		**(7.135)**	39.735
Change in trade payables		**93.038**	80.878
Change in due to related parties		**(3.752)**	5.899
Vacation pay, retirement pay liability and long term incentive plan paid		**(6.941)**	(2.505)
Taxes paid		**(26.341)**	(8.425)
Cash flows from/(used in) operating activities		**(54.503)**	89.918
Investing activities			
Purchase of property, plant and equipment and intangible assets		**(201.828)**	(77.306)
Proceeds from sale of property, plant and equipment and intangible assets		**5.028**	3.869
Capital increase in joint ventures	8	**(9.000)**	-
Net cash outflow from purchase of minority shares	3	**(290.896)**	-
Net cash used in investing activities		**(496.696)**	(73.437)
Financing activities			
Proceeds from short-term and long-term debt		**315.292**	483.491
Repayment of short-term and long-term debt		**(679.396)**	(232.132)
Interest paid		**(23.134)**	(8.627)
Interest received		**18.493**	13.620
Change in time deposits with maturity more than three months		**54.457**	20.807
Cash flows from financing activities		**(314.288)**	277.159
Currency translation differences on cash transactions		**8.127**	(13.836)
Net increase / (decrease) in cash and cash equivalents		**(865.487)**	293.640
Cash and cash equivalents at the beginning of the period	**5**	**1.386.630**	651.035
Cash flows from change in scope of consolidation		**489.539**	-
Cash and cash equivalents at the end of the period	**5**	**1.018.809**	930.839

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

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

NOTE 1. GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES

General

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes, the Company) was established in İstanbul in 1966. Certain shares of Anadolu Efes are listed on the Borsa İstanbul ("BIST").

The registered office of the Company is located at the address "Bahçelievler Mahallesi Şehit İbrahim Koparır Caddesi No: 4 Bahçelievler – İstanbul".

The Company, its subsidiaries and joint ventures will be referred to as the "Group". The average number of permanent personnel employed in the Group is 19.852 (December 31, 2012 Restated – 9.005).

The consolidated financial statements of the Group approved by the Board of Directors of the Company and signed by the Chief Financial Officer and Finance Director were issued on May 8, 2013. General Assembly and specified regulatory bodies have the right to make amendments to statutory financial statements after issue.

Nature of Activities of the Group

The operations of the Group consist of production, bottling, selling and distribution of beer under a number of trademarks and also production, bottling, selling and distribution of sparkling and still beverages with The Coca-Cola Company trademark. The Group owns and operates eighteen breweries (five in Turkey, eight in Russia and five in other countries), seven malt production facilities (two in Turkey, five in Russia) and also eight facilities in Turkey, fourteen facilities in other countries for sparkling and still beverages production.

The Group also has joint control over Anadolu Etap Tarım ve Gıda Ürünleri San. ve Tic. A.Ş. (Anadolu Etap), which undertakes production and sales of fruit juice concentrates and purees in Turkey.

List of Shareholders

As of March 31, 2013 and December 31, 2012, the composition of shareholders and their respective percentage of ownership can be summarized as follows:

	March 31, 2013		December 31, 2012	
	Amount	**%**	Amount	%
Yazıcılar Holding A.Ş.	**139.787**	**23,61**	139.787	23,61
Özilhan Sınai Yatırım A.Ş.	**79.813**	**13,48**	79.813	13,48
Anadolu Endüstri Holding A.Ş. (AEH)	**35.292**	**5,96**	35.292	5,96
SABMiller Anadolu Efes Limited (SABMiller AEL)	**142.105**	**24,00**	142.105	24,00
Publicly traded and other	**195.108**	**32,95**	195.108	32,95
	592.105	**100,00**	592.105	100,00

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, 2013 Yazıcılar Holding A.Ş. and Özilhan Sınai Yatırım A.Ş. together with SABMiller AEL represent directly and indirectly more than half of the voting rights of the Company according to the shareholder agreement.

(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, 2013 and December 31, 2012 are as follows:

Subsidiary	Country	Principal Activity	Segment	Effective Shareholding and Voting Rights % March 31, 2013	December 31, 2012
Efes Breweries International N.V. (EBI)	The Netherlands	Facilitating foreign investments in breweries	International Beer	**100,00**	100,00
ZAO Moscow-Efes Brewery (Efes Moscow) (1)	Russia	Production and marketing of beer	International Beer	**99,73**	90,96
OAO Knyaz Rurik (Knyaz Rurik)	Russia	Investment company of EBI	International Beer	**99,95**	99,95
ZAO Mutena Maltery (Mutena Maltery)	Russia	Production of malt	International Beer	**99,95**	99,95
OOO Vostok Solod (2)	Russia	Production of malt	International Beer	**99,73**	90,96
OOO T'sentralny Torgovy Dom (2)	Russia	Sales company	International Beer	**99,73**	90,96
ZAO Moskovskii Torgovyii Dom (2)	Russia	Sales company	International Beer	**99,73**	90,96
CJSC SABMiller RUS (SABM RUS)	Russia	Production and marketing of beer	International Beer	**100,00**	100,00
J.S.C. Efes Kazakhstan Brewery (Efes Kazakhstan) (3)	Kazakhstan	Production and marketing of beer	International Beer	**100,00**	72,00
Dinal LLP (Dinal)	Kazakhstan	Distribution of beer	International Beer	**100,00**	72,00
Efes Vitanta Moldova Brewery S.A. (Efes Moldova)	Moldova	Production and marketing of beer, low	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	International Beer	**100,00**	100,00
PJSC Efes Ukraine (Efes Ukraine)	Ukraine	Production and marketing of beer	International Beer	**99,94**	99,94
Central Asian Beverages B.V. (Central Asian)	The Netherlands	Investment company of EBI	International Beer	**100,00**	100,00
Efes Trade BY FLLC (Efes Belarus)	Belarus	Market development	International Beer	**100,00**	100,00
Efes Pazarlama ve Dağıtım Ticaret A.Ş. (Ef-Pa) (4)	Turkey	Marketing and distribution company of the	Turkey Beer	**100,00**	100,00
Tarbes Tarım Ürünleri ve Besicilik Sanayi (4)	Turkey	Providing hops (major ingredient of beer) to	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	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) (5) (6)	Turkey	Production, bottling of Coca-Cola products	Soft Drinks	**50,26**	50,26
Coca-Cola Satış Dağıtım A.Ş. (CCSD) (6)	Turkey	Distribution and selling of Coca-Cola,	Soft Drinks	**50,25**	50,25
Mahmudiye Kaynak Suyu Ltd. Şti. (Mahmudiye) (6)	Turkey	Filling and selling of natural spring water	Soft Drinks	**50,25**	50,25
Efes Sınai Dış Ticaret A.Ş. (EST) (6)	Turkey	Foreign trade	Soft Drinks	**50,35**	50,35
J.V. Coca-Cola Almaty Bottlers Limited Liability Partnership (Almaty CC) (6) (7)	Kazakhstan	Production, bottling, distribution and selling of Coca-Cola and distributions of Efes products	Soft Drinks	**50,26**	50,24
Tonus Joint Stock Company (Tonus) (6)	Kazakhstan	Investment company of CCİ	Soft Drinks	**49,87**	49,87
Azerbaijan Coca-Cola Bottlers LLC (Azerbaijan CC) (6)	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) (6)	Kirghizistan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**50,26**	50,26
CCI International Holland B.V. (CCI Holland) (6)	The Netherlands	Investment company of CCİ	Soft Drinks	**50,26**	50,26
CC for Beverage Industry Limited (CCBL) (6)	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) (6)	Jordan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**45,23**	45,23
Coca-Cola Beverages Pakistan Ltd (CCBPL) (6) (8)	Pakistan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**24,82**	24,82
Türkmenistan Coca-Cola Bottlers Ltd. (Turkmenistan CC) (6)	Turkmenistan	Production, bottling, distribution and selling of Coca-Cola products	Soft Drinks	**29,90**	29,90
Waha Beverages B.V (6)	The Netherlands	Investment company of CCİ	Soft Drinks	**38,39**	38,39
Al Waha for Soft Drinks, Juices, Mineral Water, Plastics, and Plastic Caps Production LLC (Al Waha) (6)	Iraq	Production, distribution, bottling and selling of Coca-Cola products	Soft Drinks	**32,64**	32,64
Coca-Cola Beverages Tajikistan Limited Liability Company (Coca Cola Tajikistan) (6)	Tajikistan	Production, distribution, bottling and selling of Coca-Cola products	Soft Drinks	**50,26**	50,26

(1) On January 2013 , EBI has purchased 8,76% Efes Moscow shares from European Bank for Reconstruction and Development (EBRD) as a result of realization of the previously granted put option liability to EBRD by EBI. As a result of the acquisition, the Group's effective shareholding rate in Efes Moscow has increased to 99,73% (Note 3b).
(2) Subsidiaries of Efes Moscow.
(3) On January 2013, EBI has purchased 28% of Efes Kazakhstan's minority shares from Heineken International B.V.. As a result of the acqusition, the Group's effective shareholding rate in Efes Kazakhstan has increased to 100% (Note 3a).
(4) The Company's beer operations in Turkey form the Turkey Beer Operations together with Ef-Pa and Tarbes.
(5) Shares of CCİ are currently traded on BIST.
(6) The Company and The Coca Cola Export Corporation (TCCEC) which owns 20,09% shares of CCI, decided to change some of the provisions defined as the "important decisions" in the Association Agreement which is effective from January 1, 2013. As a result of this change, in accordance with the Shareholders' Agreement, TCCEC will have certain protective rights on major decisions. As a result, with effect from 1 January 2013, Anadolu Efes gained control over CCI and started to include CCI and its subsidiaries in full consolidation scope (Note 3c).
(7) In March 2013,share transfer of 4,85% Almaty CC shares owned by Tonus to CCI was completed and CCI's ownership in Almaty CC has been increased to 100% resulting an increase in Group's indirect shareholding rate to 50,26%.
(8) The Shareholders Agreement of CCBPL, which had approved by the decision of CCI Board of Directors, has been amended and control power of jointly controlled CCBPL has been transferred to CCİ. As a result, effective from 1 January 2013; CCI started to include CCBPL in full consolidation (Note 3d).

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" Serial XI, No:29 (Communiqué), promulgated in the Official Gazette dated April 9, 2008, effective from January 1, 2008, listed companies are required to prepare their financial statements in conformity with International Accounting/Financial Reporting Standards (IAS/IFRS) 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 accordance with the Communiqué, the entities are allowed to prepare a complete or condensed set of interim financial statements in accordance with IAS 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 13, 21).

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, 2013 may not necessarily constitute an indicator for the results to be expected for the overall fiscal year.

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

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, 2013 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, 2012 except for the below mentioned revised and amended IFRS that are effective after January 1, 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, 2012.

Adoption of new and revised International Financial Reporting Standards

Revised and amended standards and interpretations that are effective after January 1, 2013:

- IFRS 1 (amendment), "First time adoption, on government loans", is effective for annual periods beginning on or after January 1, 2013 and earlier application is permitted. The amendment introduces how the first time adopters shall account the government loans at a below market rate of interest.

- IFRS 7 (Amendment) "Financial Instruments: Disclosures-Offsetting Financial Assets and Financial Liabilities" (to be retrospectively applied for annual periods beginning on or after January 1, 2013 and interim periods within those annual periods). New disclosures would provide users of financial statements with information that is useful in.

- IFRS 10 "Consolidated Financial Statements" (effective for annual periods beginning on or after January 1, 2013): This new Standard may be adopted early, but IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities should be also adopted early. IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. A new definition of control is introduced, which is used to determine which entities are consolidated. This is a principle based standard and require preparers of financial statements to exercise significant judgment. The standard is applied on a modified retrospective approach.

- IFRS 11 "Joint Arrangements" (effective for annual periods beginning on or after January 1, 2013): IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. Proportional consolidation of joint ventures is no longer allowed. The standard is applied using a modified retrospective approach. Impact on the Group's financial position and performance of the standard is stated at Note 2.5.

- IFRS 12 "Disclosure of Interests in Other Entities" (effective for annual periods beginning on or after January 1, 2013): IFRS 12 is applied on a modified retrospective basis. IFRS 12 includes all of the disclosures that were previously in IAS 27 Consolidated and Separate Financial Statements related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 Interests in Joint Ventures and IAS 28 Investment in Associates. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities.

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

2.4 Changes in Accounting Policies (continued)

Adoption of new and revised International Financial Reporting Standards (continued)

Revised and amended standards and interpretations that are effective after January 1, 2013 (continued):

- IAS 27 "Separate Financial Statements" (effective for annual periods beginning on or after January 1, 2013): As a consequential amendment to IFRS 10 and IFRS 12, the IASB also amended IAS 27, which is now limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. Transitional requirement of this amendment is similar to IFRS 10.

- IAS 28 "Investments in Associates and Joint Ventures" (effective for annual periods beginning on or after January 1, 2013): This standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

  IFRS 10, IFRS 11 and IFRS 12, IAS 27 "Separate Financial Statements" and IAS 28 "Associates and joint ventures" make up a package of five new and revised standards which must be adopted simultaneously. Earlier application is permitted The amendment also provides additional transition relief in IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosure related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for the periods before IFRS 12 is applied.

- IFRS 13, "Fair value measurement", is effective for annual periods beginning on or after January 1, 2013. The standard aims to improve consistency and reduce complexityby providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use acress IFRSs.

- IAS 1 (amendment), "Presentation of financial statements", regarding other comprehensive income is effective for annual periods beginning on or after July 1, 2012. The main change resulting from these amendments is a requirement for entities to the group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. The revised standard will be applied retrospectively.

- IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after January 1, 2013). IAS 19 has been amended to remove the corridor mechanism and to make the distinction between short-term and other long-term employee benefits based on expected timing of settlement rather than employee entitlement. The revised standard is applied retrospectively with a few exceptions. Early adoption is permitted.

- IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine" (effective for annual periods beginning on or after January 1, 2013): Entities will be required to apply its requirements for production phase stripping costs incurred from the start of the earliest comparative period presented. The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods.

- Improvements made to IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34 in 2011 are effective for the periods beginning on or after January 1, 2013.

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

2.4 Changes in Accounting Policies (continued)

Adoption of new and revised International Financial Reporting Standards (continued)

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

- IFRS 9, "Financial instruments: Classification and Measurement", is effective for annual periods beginning on or after January 1, 2015. The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments.

- 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.

- IAS 32 (amendment), "'Financial instruments: Presentation', on offsetting financial assets and financial liabilities", is effective for annual periods beginning on or after 1 January 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.

2.5 Comparative Information and Restatement of Prior Period Financial Statements

Prior period financial statements of The Group are revised in accordance with the revised IAS 19 "Employee Benefits" (IAS 19) and IFRS 11 "Joint Arrangements" (IFRS 11) which are effective from 1 January 2013. Implementations of both standards are required to be retrospective and details of restatement of interim condensed consolidated financial statements are described below:

<u>IAS 19 Effect</u>

IAS 19 has been revised with effect from 1 January 2013. Accordingly, actuarial gains / losses related with employee benefits should be reflected in other comprehensive income.

Group recognized actuarial gains/losses related to provisions for employee benefits in the income statement until 31 December 2012. Group applied the changes in the accounting policy related to revision of the standard retrospectively and reported actuarial gains/losses are removed from consolidated financial statements retrospectively and reflected to the actuarial gain/(loss).

<u>IFRS 11 Effect</u>

IFRS 11 has been effective from 1 January 2013. Accordingly, jointly controlled entities are required to be accounted with equity method.

Group has consolidated its joint ventures using the proportionate consolidation method until the December 31, 2012. Anadolu Etap, CCİ and its subsidiaries are jointly controlled entities of the Group. In accordance with the standard, prior period financial statements are restated by reflecting the effect of accounting Anadolu Etap and CCI and its subsidiaries using the equity method.

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

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

2.5 Comparative Information and Restatement of Prior Period Financial Statements (continued)

Reconciliation of previously reported financial statements of December 31, 2012 and March 31, 2012 restated as of March 31, 2013 are as follows:

31 December 2012	Previously Reported	Effect of Joint Ventures	Equity Method Investments	Eliminations	Effect of IAS 19	Restated
Current Assets	3.801.475	(802.642)	-	-	-	2.998.833
Non- Current Assets	7.843.328	(1.643.177)	1.217.778	-	(1.992)	7.415.937
TOTAL ASSETS	**11.644.803**	**(2.445.819)**	**1.217.778**	**-**	**(1.992)**	**10.414.770**
Short Term Liabilities	2.119.407	(372.187)	-	-	-	1.747.220
Long Term Liabilities	2.738.605	(843.449)	-	-	-	1.895.156
Equity	6.786.791	(1.230.183)	1.217.778	-	(1.992)	6.772.394
TOTAL LIABILITIES	**11.644.803**	**(2.445.819)**	**1.217.778**	**-**	**(1.992)**	**10.414.770**

31 March 2012	Previously Reported	Effect of Joint Ventures	Equity Method Investments	Eliminations	Effect of IAS 19	Restated
Sales	1.119.566	(347.048)	-	72	-	772.590
Cost of Sales (-)	(591.321)	226.713	-	(406)	(254)	(365.268)
Gross Profit From Operations	**528.245**	**(120.335)**	**-**	**(334)**	**(254)**	**407.322**
Operating Expenses	(461.553)	104.224	-	334	1.006	(355.989)
Operating Profit	**66.692**	**(16.111)**	**-**	**-**	**752**	**51.333**
Shares of Equity Method Investment Profits	(2.508)	-	24.573	-	-	22.065
Financial Income	147.539	(46.604)	-	-	-	100.935
Financial Expenses (-)	(72.463)	29.962	-	-	-	(42.501)
Profit Before Tax From Continuing Operations	**139.260**	**(32.753)**	**24.573**	**-**	**752**	**131.832**
Continuing Operations Tax Income / (Expense)						
Current Period Tax Expense (-)	(37.724)	10.608	-	-	-	(27.116)
Deferred Tax Income	4.090	(2.564)	-	-	(150)	1.376
Profit For The Year	**105.626**	**(24.709)**	**24.573**	**-**	**602**	**106.092**
Attributable to:						
Non- recurring Interests	3.256	(136)	-	-	-	3.120
Equity holders of the parent	102.370	(24.573)	24.573	-	602	102.972

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

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

2.5 Comparative Information and Restatement of Prior Period Financial Statements (continued)

31 March 2012	Previously Reported	Effect of Joint Ventures	Equity Method Investments	Eliminations	Effect of IAS 19	Restated
EBITDA	176.052	(41.868)	-	-	-	134.184
Depreciation and amortisation expenses	(101.133)	22.831	-	-	-	(78.302)
Provision for retirement pay liability	(2.670)	1.134	-	-	7	(1.529)
Provision of paid leave	(4.622)	1.126	-	-	-	(3.496)
Impairment / (reversal of impairment) on property, plant and equipment	(48)	48	-	-	-	-
Provision / (reversal of provision) for doubtful receivables, net	1.210	18	-	-	-	1.228
Provision/(reversal of provision) for inventory, net	(285)	441	-	-	-	156
Other	(1.812)	159	-	-	745	(908)
Operating Profit	**66.692**	**(16.111)**	**-**	**-**	**752**	**51.333**
Shares of Equity Method Investment Profits	(2.508)	-	24.573	-	-	22.065
Financial Income	147.539	(46.604)	-	-	-	100.935
Financial Expenses (-)	(72.463)	29.962	-	-	-	(42.501)
Profit Before Tax From Continuing Operations	**139.260**	**(32.753)**	**24.573**	**-**	**752**	**131.832**

NOTE 3. BUSINESS COMBINATIONS

Transactions Related with 2013

a) Termination of Shareholder Status with Heineken in Kazakhstan

The transfer of the 28% shares and the consequent payment by EBI to Heineken has been completed at January 2013. USD165 million payment 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 paid purchase price and the minority interest amount on Group financials related to Kazakhstan amounting to TRL225.089 is accounted as "Other Reserves" under shareholders equity at interim condensed statement of financial position.

b) EBRD Put Option

In January 2013, EBI acquired 8,76% shares of Efes Moscow for USD43 million from European Bank of Reconstruction and Development (EBRD) as a result of the realization of put option held by EBRD. Following the completion of the transaction, EBI's effective shareholding rate has increased to 99,73%. At the same time, EBI and EBRD entered into a loan agreement of which proceeds were utilized to pay the purchase consideration by EBI. Pursuant to the Share Purchase and Sale Agreement between EBI and EBRD, EBRD transferred its 8,76% stake in Efes Moscow to EBI, while the value of the shares were converted into a 7-year loan at EBI level with a nominal value of USD43 million, with interest rates of Libor+2,5% for the first 2 years and Libor+2,0% for the remaining 5 years. Anadolu Efes is the "Sponsor" of the loan.

(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 CCI

The Group and the Coca Cola Export Corporation (TCCEC) which owns the 20,09% of CCI has signed Shareholder Agreement related with the management of CCI. Anadolu Efes and TCCEC have decided to modify provisions of CCI'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, with effect from January 1, 2013, Anadolu Efes is started to include CCI in full consolidation, whereas CCI has been consolidated into Anadolu Efes' financial results by using proportionate consolidation method with effective shareholding rate of 50,26% until December 31, 2012.

In accordance with IFRS 3, Fair value difference amounting TRL2.390.208 attributable to the already held shares prior to obtaining control over CCI is accounted under the "other operating income" on consolidated financial statements. In accordance with IFRS 3, foreign currency translation differences, minority put option liability reserve, cash flow hedge reserve and other reserves which are amounting to TRL90.354 attributable to previously held shares, are accounted as "other operating income" (Note 15).

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:

	CCI
Carrying amount of net assets	1.885.447
Ownership rate of the Group which the control power 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 financials (Note 8)	(1.183.139)
Fair value difference resulted from control power change	**2.390.208**

Since fair value appraisal of the identifiable assets, liabilities and contingent liabilities of CCI is in progress, the Group has accounted the acquisition based on the carrying values of identifiable assets, liabilities and contingent liabilities on CCI financials of the acquisition date. The difference between fair value of CCI and carrying values of identifiable assets, liabilities and contingent liabilities amounting to TRL2.754.863 temporarily accounted as goodwill as of March 31, 2013 in the interim condensed consolidated financial statements (Note 11).

	CCI
Consideration transformed	-
Non-controlling interest	937.906
Fair value of the previously held interest	3.573.347
Provisional amount of identifiable assets, liabilities and contingent liabilities	(1.756.390)
Goodwill	**2.754.863**

(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

CCI 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 CCI and CCBPL is included in CCI financials by using full consolidation method.

In accordance with IFRS 3, Fair value difference amounting TRL259.612 attributable to the already held shares prior to obtaining control over CCI is accounted under the "other operating income" on consolidated financial statements. In accordance with IFRS 3, foreign currency translation differences which is amounting to TRL(17.980) attributable to previously held shares, are accounted as "other operating income" (Note 15).

Fair value gain of the carrying amount of net assets on financial statements as of the date the Company gains control power on CCBPL is as follows:

	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**

Since fair value appraisal of the identifiable assets, liabilities and contingent liabilities of CCBPL is in progress, the Group has accounted the acquisition based on the carrying values of identifiable assets, liabilities and contingent liabilities on CCBPL financials of the acquisition date. The difference between fair value of CCBPL and carrying values of identifiable assets, liabilities and contingent liabilities amounting to TRL259.612 temporarily accounted as goodwill as of March 31, 2013 in the interim condensed consolidated financial statements (Note 11).

	CCBPL
Purchase consideration	-
Non-controlling interests	165.359
Fair value of already held shares prior to obtaining control power	420.985
Provisional amount of identifiable assets, liabilities and contingent liabilities	(326.732)
Goodwill	**259.612**

NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2012

a) Strategic Alliance with SABMiller

On March 6, 2012 after the required approval from the Competition Board related to the alliance with SABMiller, SABMiller's all beer operations in Ukraine and Russia are transferred to EBI, whose 100% shares are owned by Anadolu Efes, and Euro-Asien Brauereien Holding GmbH (Euro-Asien), whose 100% shares are owned by EBI. Anadolu Efes already owned operations in Russia and the operations transferred from SABMiller are combined and started to operate immediately.

Within the scope of this transaction, EBI and Euro Asien's share capitals were increased and Anadolu Efes Board of Directors resolved to participate in the capital increase of EBI by full USD1.859 million, as USD358,8 million in cash and USD1.500 million via loan notes. Euro Asien's capital increased USD118 million by EBI.

EBI and Euro Asien fulfilled the commitment of USD1.757 million, equivalent of TRL3.103.044, including post acquisition costs and SABMiller Russian brands amounting to USD86,4 million, equivalent of TRL152.453, in exchange for the transfer of SABMiller's Russia operations. Additionaly, EBI fulfilled the commitment of USD75 million, equivalent of TRL132.338 for the acquisation of 99,91% shares of Efes Ukraine. Efes Ukraine's shareholder loan amounting to TRL175.760 has been settled with the acquisition.

On March 6, 2012, it has been resolved to increase the Company's issued capital to TRL592.105, while the shareholders' right to purchase new shares has been restricted. The newly issued 142.105.263 bearer shares, which are above the nominal values, were allocated on the name of SABMiller Anadolu Efes Limited (SABMiller AEL), a subsidiary of SABMiller. In return of this capital increase, SABMiller AEL fulfilled its capital and premium commitment amounting to TRL3.279.789 at March 6, 2012 and issued shares has been transferred to SABMiller AEL in İstanbul Stock Exchange Wholesale Market at March 14, 2012. All share transfers planned in accordance with the strategic alliance have been completed as of this date.

SABM RUS and Efes Ukraine are included in consolidation by using the full consolidation method after the Group acquired SABMiller's beer operations in Russia by 100% and beer operations in Ukraine by 99,91% on March 2012. TRL3.235.382 has been attributed for the transfer of SABM RUS, Efes Ukraine, for the brands purchased from SABMiller Group companies and call option of the shares of IBT LLP, resident in Kazakhstan as a part of acquisition and past acqusition costs.

In accordance with IFRS 3 "Business Combinations", difference between the total consideration of business combination and the Group's share in the fair value of acquiree's net assets and acquisition cost amounting to TRL1.213.199 is recorded as goodwill as of December 31,2012 in the consolidated statement of financial position.

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

NOTE 3. BUSINESS COMBINATIONS (continued)

Transactions Related with 2012 (continued)

a) Strategic Alliance with SABMiller (continued)

The carrying value of the net assets of SABM RUS and Efes Ukraine derived from the financial statements as of the acquisition date are as follows:

	SABM RUS	Efes Ukraine
Cash and cash equivalents	41.787	16.426
Trade and other receivables	101.942	10.626
Due from related parties	3.263	-
Inventories	75.411	13.484
Other assets	37.270	3.266
Property, plant and equipment	834.370	162.006
Intangible assets	1.443.289	32.380
Financial liabilities	(30.475)	(175.760)
Trade payables	(119.811)	(8.254)
Due to related parties	(10.961)	(3.146)
Other liabilities	(69.206)	(13.128)
Deferred tax liability	(305.366)	(17.211)
Carrying value of net assets acquired	**2.001.513**	**20.689**
Total consideration	3.103.044	132.338
Group's share in net assets	(2.001.513)	(20.670)
Goodwill arising from acquisition	**1.101.531**	**111.668**
Total consideration	3.103.044	132.338
Cash in the subsidiary acquired	(41.787)	(16.426)
Net consideration related with acquisition	**3.061.257**	**115.912**

Acquisition, transaction and integration costs amounting to TRL24.294 have been recognized as operating expense in the interim condensed consolidated income statement for the three-month period ended March 31, 2012.

a) Disposals of Waha B.V. Shares

In February 2012, CCI has announced a Share Purchase Agreement has been signed between Waha B.V. and the current shareholders of Al Waha for Soft Drinks, Mineral Water and Juices LLC (Al Waha), who are domiciled in Iraq, for the acquisition of 85% of the share capital of Al Waha by Waha B.V. On the other hand, 23,60% shares of Waha B.V., which was established with initial share capital of EURO18.000 in the Netherlands for the purpose of making investments in Southern Iraq and being a 100% subsidiary of CCI, was sold for purchase price of EURO4.248 to European Refreshments (ER), a 100% subsidiary of The Coca-Cola Company. The Group's share of the difference between the nominal sales price of the shares disposed and the net liablity; amounting to TRL221 has been recorded under equity as change in minority shares.

(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 CCI.

Segment performance is evaluated based on profit from operations before depreciation, amortization and non-cash expenses (EBITDA). EBITDA has been determined as the optimum indicator by the Group management for the evaluation of the performance of the operating segments by considering the comparability with the entities in the same business.

As of 31 March 2012 and 31 December 2012, the information provided does not include the effects of restatement described in detail in Note 2, and is consistent with the amounts reported in prior periods.

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

	Turkey Beer	International Beer	Soft Drink	Other[1] and Eliminations	Total
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 Sales	**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	**56.163**	**(69.209)**	**265.507**	**2.466.672**	**2.719.133**
Capital expenditures (Note 9, 10)	**44.125**	**66.888**	**96.577**	**92**	**207.682**
March 31, 2012					
Revenues	337.161	433.041	343.789	12.889	1.126.880
Inter-segment revenues	(2.344)	(68)	(4)	(4.898)	(7.314)
Total Sales	334.817	432.973	343.785	7.991	1.119.566
EBITDA	117.597	46.215	41.505	(29.265)	176.052
Profit / (loss) for the period	98.603	14.228	24.987	(32.192)	105.626
Capital expenditures	26.303	50.855	26.502	685	104.345
March 31, 2013					
Segment assets	**7.694.816**	**6.515.548**	**5.090.672**	**(2.965.420)**	**16.335.616**
Segment liabilities	**1.971.952**	**1.429.386**	**2.717.623**	**(31.579)**	**6.087.382**
Other disclosures					
Investments in associates	**-**	**-**	**-**	**40.599**	**40.599**
December 31, 2012					
Segment assets	7.848.999	6.853.293	2.144.106	(5.201.595)	11.644.803
Segment liabilities	2.172.425	1.496.798	1.182.172	6.617	4.858.012
Other disclosures					
Investments in associates	-	-	-	-	-

(1) Includes other subsidiaries included in the consolidation of the Group and headquarters expenses.

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

NOTE 4. SEGMENT INFORMATION (continued)

Reconciliation of EBITDA to the consolidated profit before tax and its components as of March 31, 2013 and 2012 are as follows:

	March 31, 2013	March 31, 2012
EBITDA	**219.883**	176.052
Depreciation and amortization expenses	**(153.908)**	(101.133)
Provision for vacation pay liability	**(6.365)**	(2.670)
Provision for retirement pay liability	**(7.089)**	(4.622)
Impairment / (reversal of impairment) on property, plant and equipment,net	**(495)**	(48)
(Provision) / reversal of provision for doubtful receivables, net	**(190)**	1.210
(Provision) / reversal of provision for inventory, net	**(1.761)**	(285)
Fair value increase related to change in scope of consolidation	**2.722.194**	-
Other	**6.197**	(1.812)
Profit from Operations	**2.778.466**	66.692
Loss from Associates	**(1.484)**	(2.508)
Financial Income	**84.256**	147.539
Financial Expense (-)	**(133.150)**	(72.463)
Profit Before Tax from Continuing Operations	**2.728.088**	139.260

NOTE 5. CASH AND CASH EQUIVALENTS

	March 31, 2013	December 31, 2012
Cash on hand	**10.712**	254
Bank accounts		
- Time deposits	**837.537**	1.309.152
- Demand deposits	**170.436**	77.224
Other	**124**	-
Cash and cash equivalents in cash flow statement	**1.018.809**	1.386.630
Interest income accrual	**8.765**	8.019
	1.027.574	1.394.649

As of March 31, 2013 annual interest rates of the TRL denominated time deposits vary between 3,8% and 7,9% (December 31, 2012 Restated - 3,8% - 8,3%) and annual interest rates of the USD, EURO denominated and other time deposits vary between 0,2% and 10,0% (December 31, 2012 Restated – 0,3% - 10,0%). As of March 31, 2013, cash deposit amounting to TRL3.925 is pledged as collateral by the Group (December 31, 2012 – TRL3.874).

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

NOTE 6. BORROWINGS

As of March 31, 2013, total borrowings consist of principal (finance lease obligations included) amounting to TRL3.623.939 (December 31, 2012 Restated – TRL2.048.301) and interest expense accrual amounting to TRL24.142 (December 31, 2012 Restated – TRL3.672). As of March 31, 2013 and December 31, 2012, total amount of borrowings and the effective interest rates are as follows:

	March 31, 2013			December 31, 2012		
Short-term	**Amount**	**Fixed rate**	**Floating rate**	**Amount**	**Fixed rate**	**Floating rate**
Borrowings						
TRL denominated borrowings	3.098	-	-	100.275	6,56%	-
Foreign currency denominated borrowings (USD)	203.396	2,20% - 2,50%	Libor + 2,00% - 3,88%	206.075	-	Libor+1,5% - 3,88%
Foreign currency denominated borrowings (Other)	193.254	8,35% - 9,37%	Kibor + 0,40% - 0,50%	-	-	-
	399.748			306.350		
Short-term portion of long term borrowings						
TRL denominated borrowings	444	9,75% - 10,00%	-	-	-	-
Foreign currency denominated borrowings (USD)	1.493.209	3,38%	Libor + 1,00%- 3,50%	431.188	3,38%	Libor+1,60% - 3,50%
Foreign currency denominated borrowings (EURO)	111.298	3,40%	Euribor + 1,80 %	3.535	3,40%	-
Foreign currency denominated borrowings (Other)	8.778	8,11%	-	8.583	8,11%	-
	1.613.729			443.306		
	2.013.477	-		749.656	-	-
Long-term						
Borrowings						
TRL denominated borrowings	30.000	9,75% - 10,00%	-	-	-	-
Foreign currency denominated borrowings (USD)	1.604.604	3,38%	Libor + 1,00% - 3,50%	1.302.407	3,38%	Libor + 1,00% - 3,50%
	1.634.604			1.302.407		
	3.648.081			2.052.063		

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

NOTE 6. BORROWINGS (continued)

Repayments of long-term borrowings are scheduled as follows (excluding finance lease obligation):

	31 March 2013	31 December 2012
2014	**533.144**	349.363
2015	**132.410**	80.574
2016	**5.168**	-
2017 and thereafter	**963.882**	872.470
	1.634.604	1.302.407

As of March 31, 2013, TRL45.512 (December 31, 2012 Restated – None) of the total borrowings that are secured by the Group related with CCI, its subsidiaries and joint ventures consist of certain property, plant and equipment amounting to TRL87.389 (December 31, 2012 Restated – None).

Lessee - Finance Lease

Properties leased by the Group include buildings, machinery and equipment, motor vehicles and furniture and fixtures. The most significant obligations assumed under the lease terms, other than rental payments, are the upkeep of the facilities, insurance and property taxes. Lease terms generally range from 3 to 25 years with options to renew at varying terms.

As of March 31, 2013 and December 31, 2012, the costs of the property plant and equipment obtained by finance lease are TRL78.466 and TRL39.740 (Restated), respectively whereas net book values are TRL3.188 and TRL130, (Restated) respectively.

Lessee - Operating Lease

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

NOTE 7. OTHER RECEIVABLES AND PAYABLES

a) Other Current Receivables

	March 31, 2013	December 31, 2012
Receivables from tax office	**10.592**	-
Due from personnel	**7.486**	3.669
Other	**37.042**	12.960
	55.120	16.629

b) Other Non-Current Receivables

	March 31, 2013	December 31, 2012
Deposits and guarantees given	**3.047**	249
Other	**738**	779
	3.785	1.028

c) Other Current Payables

	March 31, 2013	December 31, 2012
Taxes other than on income	**396.167**	406.413
Deposits and guarantees taken	**106.251**	27.530
Payables for goods in transit	**59.772**	-
Other	**28.079**	6.833
	590.269	440.776

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

NOTE 7. OTHER RECEIVABLES AND PAYABLES (continued)

d) Other Non-Current Payables

	March 31, 2013	December 31, 2012
Deposits and guarantees taken	**202.648**	198.337

NOT 8. INVESTMENTS IN ASSOCIATES

	March 31, 2013		December 31, 2012	
	Ownership	**Amount**	Ownership	Amount
Anadolu Etap	**33,33%**	**40.584**	33,33%	32.647
Coca Cola İçecek (CCI) (1)	**-**	**-**	50,26%	1.183.139
Syrian Soft Drink Sales & Dist. LLC (SSDSD) (2)	**25,13%**	**15**	-	-
Total		**40.599**		1.215.786

(1) CCI, which has been accounted by using the equity method in 2012 restated financial statements in accordance with IFRS 11, has been started to be included in full consolidation in 2013 with the amended Shareholders' Agreement (Note 3).
(2) As stated above, as a result of full consolidation of CCI in 2013, SSDSD, which has been accounted by using equity method in CCI financials, started to be accounted as investment in associates.

Total assets and liabilities as of March 31, 2013 and December 31, 2012 and profit/(loss) for the period of investment in associates as of March 31, 2013 and March 31, 2012 in Group's financials are as follows:

	Anadolu Etap		**CCİ**		**SSDSD**		**Central Europe Beverages**	
	31 March 2013	31 December 2012	**31 March 2013**	31 December 2012	**31 March 2013**	31 December 2012	**31 March 2013**	31 December 2012
Total Assets	**82.363**	66.107	**-**	2.377.720	**4.807**	-	**-**	-
Total Liabilities	**41.779**	33.460	**-**	1.194.581	**4.792**	-	**-**	-
Net Assets	**40.584**	32.647	**-**	1.183.139	**15**	-	**-**	-

	Anadolu Etap		**CCİ**		**SSDSD**		**Central Europe Beverages**	
	31 March 2013	31 March 2012	**31 March 2013**	31 March 2012	**31 March 2013**	31 March 2012	**31 March 2013**	31 March 2012
Profit/(Loss) for the period	**(1.063)**	(278)	**-**	24.851	**(421)**	-	**-**	(2.508)

The movement of investments in associates as of 31 March 2013 and 2012 are as follows:

	31 Mart 2013	31 Mart 2012
Balance at January 1	**1.215.786**	1.107.830
Profit / Loss from associates	**(1.484)**	22.065
Amount recognized due to change in scope of consolidation(1)	**2.390.208**	-
Disposals of investments in associates as a result of changes in scope of consolidation (2)	**(3.573.347)**	-
Additions to investments in associates as a result of changes in scope of consolidation(3)	**436**	-
Currency translation differences	**-**	(30.048)
Capital advance(4)	**9.000**	
Change in minority interest shares	**-**	221
Balance at March 31	**40.599**	1.100.068

(1) The amount consists of fair value difference attributable to the already held shares prior to obtaining control over CCI (Note 3).
(2) The amount consists of disposal of investments in associates resulted from including CCI in full consolidation scope in 2013 (Note 3).
(3) As stated above, as a result of full consolidation of CCI in 2013, SSDSD, which has been accounted by using equity method in CCI financials, started to be accounted as an investment in associates in Group's financials.
(4) Capital advance provided to Anadolu Etap.

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

NOTE 9. PROPERTY, PLANT AND EQUIPMENT

For the three-month periods ended March 31, 2013 and 2012, the additions and disposals on property, plant and equipment are as follows:

	Additions	Addition Through Business Combination	Addition Through change in Scope of Consolidation	Transfers(*)	Disposals (net)
March 31, 2013					
Land and land improvements	**878**	**-**	**218.700**	**110**	**-**
Buildings	**1.686**	**-**	**397.530**	**12.318**	**-**
Machinery and equipment	**36.531**	**-**	**921.052**	**32.928**	**(1.566)**
Vehicles	**4.408**	**-**	**42.490**	**173**	**(1.093)**
Furniture and fixtures	**84.476**	**-**	**514.871**	**9.252**	**(3.283)**
Leasehold improvements	**-**	**-**	**(1.663)**	**-**	**-**
Construction in progress	**76.058**	**-**	**65.451**	**(54.781)**	**(2)**
	204.037	**-**	**2.158.431**	**-**	**(5.944)**
March 31, 2012					
Land and land improvements	32	4.985	-	477	-
Buildings	146	251.780	-	601	-
Machinery and equipment	6.129	500.657	-	11.829	(711)
Vehicles	1.250	20.392	-	188	(415)
Furniture and fixtures	41.728	167.479	-	11.315	(244)
Leasehold improvements	11	-	-	-	-
Construction in progress	27.213	51.083	-	(25.383)	(2)
	76.509	996.376	-	(973)	(1.372)

(*) There are no transfers to intangible assets in 2013 (2012 – TRL973).

NOTE 10. INTANGIBLE ASSETS

For the three-month periods ended March 31, 2013 and 2012, additions on intangible assets are as follows:

	Additions	Addition Through Business Combination	Addition Through change in Scope of Consolidation	Transfers(*)	Disposals (net)
31 Mart 2013					
Rights	**23**	**-**	**17.535**	**-**	**-**
Bottling contracts	**-**	**-**	**612.791**	**-**	**-**
Other intangible assets	**3.622**	**-**	**16.366**	**-**	**-**
	3.645	**-**	**646.692**	**-**	**-**
March 31, 2012					
Licence and distribution agreements	-	1.271.869	-	-	-
Brands	-	197.190	-	-	-
Other intangible assets	797	6.610	-	973	-
	797	1.475.669	-	973	-

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

NOTE 11. GOODWILL

For the three-month period ended March 31, 2013 and 2012, movements of the goodwill are as follows:

	March 31, 2013	March 31, 2012
At January 1	**1.783.196**	613.140
Additions (Note 3)	**-**	1.213.199
Amount recognized due to change in scope of consolidation (Note 3)	**3.014.475**	-
Currency translation differences	**(7.016)**	120
At March 31	**4.790.655**	1.826.459

NOTE 12. 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 12. EQUITY (continued)

For March 31, 2013 and December 31, 2012, nominal amounts, equity restatement differences and restated value of equity are as follows:

March 31, 2013	**Nominal Amount**	**Equity Restatement Differences**	**Restated Amount**
Issued capital	**592.105**	**63.583**	**655.688**
Legal reserves	**209.644**	**74.697**	**284.341**
Extraordinary reserves	**466.134**	**26.091**	**492.225**
	1.267.883	**164.371**	**1.432.254**
Share premium			**3.137.684**
Value increase funds			**64.579**
Currency translation differences			**51.646**
Other reserves			**(235.742)**
Cash flow hedge reserve			**(913)**
Actuarial Gain / (Loss)			**(5.732)**
Accumulated profits (Including net income)			**4.545.021**
Equity attributable to equity holders of the parent			**8.988.797**

December 31, 2012	Nominal Amount	Equity Restatement Differences	Restated Amount
Issued capital	592.105	63.583	655.688
Legal reserves	209.644	74.697	284.341
Extraordinary reserves	466.134	26.091	492.225
	1.267.883	164.371	1.432.254
Share premium			3.137.684
Value increase funds			60.000
Currency translation differences			141.456
Other reserves			(5.736)
Cash flow hedge reserve			113
Minority Put Option Liability Reserve			(9.042)
Actuarial Gain / (Loss)			(7.152)
Accumulated profits (Including net income)			1.953.188
Equity attributable to equity holders of the parent			6.702.765

	Fair Value Reserve	**Other Reserves**	**Cash Flow Hedge Reserve**	**Minority Put Option Liability Reserve**	**Actuarial Gain / (Loss)**	**Total Other Funds and Reserves**
Balance at December 31, 2011 - Restated	**7.822**	**(5.736)**	**-**	**-**	**(2.874)**	**(788)**
Other comprehensive income	4.249	-	-	-	(602)	3.647
Balance at March 31, 2012 - Restated	**12.071**	**(5.736)**	**-**	**-**	**(3.476)**	**2.859**
Balance at December 31, 2012 - Restated	**60.000**	**(5.736)**	**113**	**(9.042)**	**(7.152)**	**38.183**
Other comprehensive income	**4.579**	**-**	**(913)**	**-**	**(573)**	**3.093**
Transfers (Note 3) (*)	**-**	**(4.917)**	**(113)**	**9.042**	**1.993**	**6.005**
Changes in npn controlling interests (Note 3)	**-**	**(225.089)**	**-**	**-**	**-**	**(225.089)**
Balance at March 31, 2013	**64.579**	**(235.742)**	**(913)**	**-**	**(5.732)**	**(177.808)**

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

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

NOTE 13. COMMITMENTS AND CONTINGENCIES

Parent Company (Anadolu Efes) and Subsidiaries Included in Full Consolidation

As of March 31, 2013 and December 31, 2012 guarantees, pledges and mortgages (GPMs) given in favor of the parent company and subsidiaries included in full consolidation are as follows:

	31 Mart 2013								
	Total TRL Equivalent	**Original Currency TRL**	**Original Currency Thousand USD**	**Original Currency Thousand EUR**	**Original Currency Thousand KZT**	**Original Currency Thousand RUR**	**Original Currency Thousand UAH**	**Original Currency Thousand PKR**	**Other Currency TRL Equivalent**
A. GPMs given on behalf of the Company's legal personality	456.482	230.518	6.183	14.907	-	622.905	248.122	4.396.000	6.796
B. GPMs given in favor of subsidiaries included in full consolidation (1)	1.005.017	-	501.481	1.427	728.000	-	-	4.661.448	-
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	1.461.499	230.518	507.664	16.334	728.000	622.905	248.122	9.057.448	6.796
Ratio of other GPMs over the Company's equity (%)		-	-	-		-	-	-	-

	December 31, 2012						
	Total TRL Equivalent	Original Currency TRL	Original Currency Thousand USD	Original Currency Thousand EUR	Original Currency Thousand KZT	Original Currency Thousand RUR	Orijinal Para Birimi Bin UAH
A. GPMs given on behalf of the Company's legal personality	106.639	12.431	3.029	8.544	-	1.110.984	15.740
B. GPMs given in favor of subsidiaries included in full consolidation (1)	520.710	-	287.278	-	728.000	-	-
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-
D. Other GPMs	-	-	-	-	-	-	-
i. GPMs given in favor of parent company	-	-	-	-	-	-	-
ii. GPMs given in favor of group companies not in the scope of B and C above	-	-	-	-	-	-	-
iii. GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-
Total	627.349	12.431	290.307	8.544	728.000	1.110.984	15.740
Ratio of other GPMs over the Company's equity (%)	-	-	-	-	-	-	-

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

EBI and Its Subsidiaries

Put Option

The put option granted to European Bank for Reconstruction and Development (EBRD) by EBI that may be exercisable between the 7th and the 10th anniversaries of the date of EBRD's first subscription in the share capital of Efes Moscow has been restructured and the exercisable period of the put option has been revised as between 2011 and 2015. By such put option, EBRD will be entitled to sell its Efes Moscow shares to EBI at an option price determined by an independent valuation. At January 2013, since EBRD preferred to use put option, EBI buy-out 8,76% of Efes Moscow shares at a price of USD43 million (Note 3). As of 31 December 2012, TRL76.652 put option liability was accounted as "other current liabilities".

NOTE 13. COMMITMENTS AND CONTINGENCIES (continued)

CCI, Its Subsidiaries and Joint Ventures

a) Put Option

A put option has been granted to Day Investments Ltd. by CCİ that may be exercisable in 2012. By such option, Day Investments Ltd. will have right to sell its shares in Turkmenistan CC to CCİ at the price of USD2.360 thousand. Liability for the put option amounting to TRL4.269 has been presented in "other current liabilities" (December 31, 2012 Restated – None).

According to the put option signed with European Refreshments (ER), ER has an option to sell (and CCI will have an obligation to buy) its remaining 23,60% participatory shares in Waha B.V. Accordingly, put option liability amounting to TRL80.392 recorded under "other non-current liabilities" account (31 December 2012 Restated - None).

According to put and call options signed with NKG (shareholders of Al Waha), NKG has an option to sell (and Waha B.V. has an obligation to buy) its remaining 15% participatory shares in Al Waha and Waha B.V. has an option to buy (and NKG has an obligation to sell) NKG's 15% participatory shares in Al Waha with an amount of USD26 million. Accordingly, put option liability amounting to TRL42.128 recorded under "other non-current liabilities" account (31 December 2012 Restated - None).

b) Letters of Guarantee

As of March 31, 2013, CCI's letters of guarantee given to various enterprises are amounting to TRL222.690 (December 31, 2012 Restated – None).

c) 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, 2013, CCBPL has TRL59.326 sugar purchase commitment from the Bank until the end of May 2013 and expense accrual of TRL608 payable for the profit share of the Bank was reflected in the financial statements.

Operational Lease

As of March 31, 2013, Group's contingent liability for the following periods resulting from the non-cancellable operational lease agreements is amounting to TRL32.397 (December 31, 2012 Restated – TRL13.200).

Tax and Legal Matters

Legislation and regulations regarding taxation and foreign currency transactions in most of the territories in which the Group operates out of Turkey continue to evolve as a result of the transformation from command to market-oriented economy managed by the government. The various legislation and regulations are not always clearly written and the interpretation related with the implementation of these regulations is subject to the opinions of the local, regional and national tax authorities, the Central Bank and Ministry of Finance. Tax declarations, together with other legal compliance areas (as examples, customs and currency control) are subject to review and investigation by a number of authorities, who are enabled by law to impose significant fines, penalties and interest charges. These facts create tax risks in the territories in which the Group operates substantially more so than typically found in countries with more developed tax systems.

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

NOTE 14. OTHER ASSETS AND LIABILITIES

a) Other Current Assets

	March 31, 2013	December 31, 2012
Prepayments	**247.138**	118.734
Advances given to suppliers	**111.324**	33.814
Value Added Tax (VAT) deductible or VAT to be transferred	**160.167**	22.897
Prepaid taxes	**61.904**	23.404
Other	**2.206**	453
	582.739	199.302

b) Other Non-Current Assets

	March 31, 2013	December 31, 2012
Prepayments	**158.611**	103.736
Advances given to suppliers	**37.108**	10.053
Deferred VAT and other taxes	**20.297**	9.607
Other	**3.007**	2.922
	219.023	126.318

c) Other Current Liabilities

	March 31, 2013	December 31, 2012
Liability for put option (Note 13)	**4.269**	76.652
Expense accruals	**150.518**	109.143
Advances taken	**17.804**	19.140
Due to personnel	**27.200**	10.341
Other	**1.988**	154
	201.779	215.430

d) Other Non-Current Liabilities

	March 31, 2013	December 31, 2012
Liability for put option (Note 13)	**122.520**	-
Deferred VAT and other taxes	**19.853**	9.538
Other	**459**	650
	142.832	10.188

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

NOTE 15. OTHER OPERATING INCOME / EXPENSES

a) Other Operating Income

	March 31, 2013	March 31, 2012
Income recognized due to change in scope of consolidation (Note 3)	**2.722.194**	-
Income from scrap and other materials	**2.483**	370
Insurance compensation income	**924**	174
Gain on sale of fixed assets	**525**	2.687
Rent income	**394**	930
Other income	**4.692**	3.384
	2.731.212	7.545

b) Other Operating Expenses

	March 31, 2013	March 31, 2012
Donations	**(1.728)**	(4.086)
Loss from fixed assets sales	**(1.441)**	(190)
Impairment loss on fixed assets	**(495)**	-
Other expenses	**(3.537)**	(937)
	(7.201)	(5.213)

NOTE 16. FINANCIAL INCOME

	March 31, 2013	March 31, 2012
Foreign exchange gain	**65.745**	86.083
Interest income	**18.511**	14.453
Gain from derivative financial instruments	**-**	399
	84.256	100.935

NOTE 17. FINANCIAL EXPENSES

	March 31, 2013	March 31, 2012
Foreign exchange loss	**(95.916)**	(30.745)
Interest expense	**(35.108)**	(10.913)
Borrowing costs	**(167)**	-
Other financial expenses	**(1.959)**	(843)
	(133.150)	(42.501)

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

NOTE 18. INCOME TAXES, DEFERRED TAX ASSETS AND LIABILITIES

The corporation tax rate for the fiscal year is 20% in Turkey (2012 - 20%). Corporate tax returns are required to be filed until the twenty fifth of the fourth month following the fiscal year end and paid in full until the end of the same month. The tax legislation provides for a provisional tax of 20% (2012 – 20%) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the fiscal year.

According to the Turkish Tax Law, corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years. In Turkey, the tax legislation does not permit to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

As of March 31, 2013 and December 31, 2012 consolidated deferred tax assets and liabilities calculated by using effective tax rates are summarized as below:

	Assets		**Liabilities**		**Net**	
	March 31, 2013	December 31, 2012	**March 31, 2013**	December 31, 2012	**March 31, 2013**	December 31, 2012
PPE and intangible assets	-	-	**(604.408)**	(444.334)	**(604.408)**	(444.334)
Inventories	**30.908**	16.061	**-**	-	**30.908**	16.061
Carry forward losses	**164.646**	86.030	**-**	-	**164.646**	86.030
Retirement pay liability and other employee benefits	**17.222**	13.240	**-**	-	**17.222**	13.240
Provision for other liabilities	**42.432**	37.928	**-**	-	**42.432**	37.928
Other (*)	**43.734**	32.480	**-**	-	**43.734**	32.480
	298.942	185.739	**(604.408)**	(444.334)	**(305.466)**	(258.595)

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

NOTE 19. 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:

	March 31, 2013	March 31, 2012
Net income	**2.591.833**	102.972
Weighted average number of shares	**592.105.263**	489.039.907
Earnings per share (full TRL)	**4,3773**	0,2106

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 20. RELATED PARTY BALANCES AND TRANSACTIONS

a) Balances with Related Parties

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

	March 31, 2013	December 31, 2012
Alternatifbank (2) (4)	**94.272**	171.118
Alternatif Yatırım A.Ş. (4)	**1.665**	1.551
	95.937	172.669

As of March 31, 2013, maturities of time deposits on Alternatifbank are less than three months and the weighted average interest rates for TRL denominated time deposits is 5,95% (December 31, 2012 – 8,03%) and USD denominated time deposits is 2,75% (December 31, 2012 Restated – None)

Short-term Financial Liabilities

	March 31, 2013	December 31, 2012
Alternatifbank (2) (4)	**-**	169
	-	169

Due from Related Parties

	March 31, 2013	December 31, 2012
SABMiller Group Companies (5)	**600**	36
Anadolu Efes Spor Klübü	**7**	39
Anadolu Restoran İşletmeleri Ltd. Şti. (4)	**6**	-
Çelik Motor Ticaret A.Ş. (4)	**3**	-
Efes Turizm İşletmeleri A.Ş.	**-**	80
Other	**11**	20
	627	175

Due to Related Parties

	March 31, 2013	December 31, 2012
Anadolu Efes Spor Kulübü	**59.130**	-
SABMiller Group Companies (5)	**8.690**	17.547
Oyex Handels GmbH (4)	**5.710**	2.776
AEH (1) (3)	**2.572**	905
Çelik Motor Ticaret A.Ş. (4)	**1.123**	22
Efes Turizm İşletmeleri A.Ş. (4)	**509**	150
Anadolu Bilişim Hizmetleri A.Ş. (2) (4)	**480**	1.583
Diğer	**228**	81
	78.442	23.064

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

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

NOTE 20. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

b) Transactions with Related Parties

Purchases of Goods, Services and Donations

	Nature of transaction	March 31, 2013	March 31, 2012
Anadolu Efes Spor Kulübü	Service	**19.710**	17.500
SABMiller Group Companies (5)	Service and purchase of trade goods	**9.863**	5.546
Oyex Handels GmbH (4)	Purchase of materials and fixed asset	**8.642**	7.355
Çelik Motor Ticaret A.Ş. (4)	Vehicle leasing	**5.932**	2.034
AEH (1) (3)	Consultancy service	**5.590**	3.981
AEH Münih (4)	Purchase of materials and fixed asset	**2.722**	2.455
Anadolu Bilişim Hizmetleri A.Ş. (2) (4)	Information services	**2.277**	2.203
Efes Turizm İşletmeleri A.Ş. (4)	Travel and accommodation	**1.911**	2.220
Anadolu Vakfı	Donations	**1.247**	4.060
Anadolu Isuzu Otomotiv San. ve Tic. A.Ş. (1)	Rent expense	**301**	300
Diğer		**140**	163
		58.335	47.817

Financial Income / (Expense), Net

	Nature of Transaction	March 31, 2013	March 31, 2012
Alternatifbank (2) (4)	Interest income / (expense), net	**2.056**	7.961
		2.056	7.961

Other Income / (Expense), Net

	Nature of transaction	March 31, 2013	March 31, 2012
SABMiller Group Companies (5)	Other income	**602**	-
Alternatifbank (2) (4)	Rent income	**33**	32
Çelik Motor Ticaret A.Ş. (4)	Other income	**18**	-
Anadolu Bilişim Hizmetleri A.Ş. (2) (4)	Rent income	**2**	2
Diğer		**21**	20
		676	54

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

Director's remuneration

Remuneration and similar benefits received by total executive members of the Board of Directors and executive directors as of 31 March 2013 and 2012 are as follows:

	March 31, 2013	March 31 , 2012
Short-term employee benefits	**7.372**	2.738
Post-employment benefits	**-**	-
Other long term benefits	**1.478**	-
Termination benefits	**-**	-
Share-based payments	**-**	-
	8.850	2.738

NOTE 21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Group's principal financial instruments comprise bank borrowings, finance leases, cash and short-term deposits. The main purpose of these financial instruments is to raise funds for the Group's operations. Besides, The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments can be identified as foreign currency risk, credit risk, interest rate risk, price risk and liquidity risk. The board/management reviews and agrees policies for managing each of these risks. The Group also monitors the market price risk arising from all financial instruments. Related policies can be summarized as follows:

a) Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Group manages interest rate risk by using natural hedges that arise from offsetting interest rate of assets and liabilities or derivative financial instruments.

Certain parts of the interest rates related to borrowings are based on market interest rates; therefore the Group is exposed to interest rate fluctuations on domestic and international markets. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's debt obligations.

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 21. 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, 2013 and December 31, 2012 are presented below:

Foreign Currency Position Table
March 31, 2013

	Total TRL Equivalent (Functional Currency)	Thousand USD	TRL Equivalent	Thousand Euro	TRL Equivalent	Other Foreign Currency TRL Equivalent
1. Trade Receivables and Due from Related Parties	34.502	5.530	10.002	879	2.038	22.463
2a. Monetary Financial Assets (Cash and cash equivalents included)	619.301	311.390	563.211	6.221	14.427	41.663
2b. Non- monetary Financial Assets						
3. Other Current Assets and Receivables	41.137	422	763	902	2.092	38.282
4. Current Assets	**694.940**	**317.342**	**573.976**	**8.002**	**18.557**	**102.408**
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	43	24	43	-	-	-
8. Non-Current Assets	**43**	**24**	**43**	**-**	**-**	**-**
9. Total Assets	**694.983**	**317.366**	**574.019**	**8.002**	**18.557**	**102.408**
10.Trade Payables and Due to Related Parties	(113.016)	(16.231)	(29.357)	(21.418)	(49.666)	(33.993)
11.Short- term Borrowings and Current Portion of Long- term Borrowings	(1.295.929)	(656.888)	(1.188.114)	(46.494)	(107.815)	-
12a. Monetary Other Liabilities	(19.029)	(2.946)	(5.328)	(166)	(386)	(13.315)
12b. Non-monetary Other Liabilities	(2)	-	-	-	-	(2)
13. Current Liabilities	**(1.427.976)**	**(676.065)**	**(1.222.799)**	**(68.078)**	**(157.867)**	**(47.310)**
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. Long-Term Borrowings	(1.454.647)	(804.250)	(1.454.647)	-	-	-
16 a. Monetary Other Liabilities	(122.520)	(67.739)	(122.520)	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities	**(1.577.167)**	**(871.989)**	**(1.577.167)**	**-**	**-**	**-**
18. Total Liabilities	**(3.005.143)**	**(1.548.054)**	**(2.799.966)**	**(68.078)**	**(157.867)**	**(47.310)**
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	**(2.310.160)**	**(1.230.688)**	**(2.225.947)**	**(60.076)**	**(139.310)**	**55.098**
21. Monetary Items Net Foreign Currency Asset / (Liability) Position	**(2.351.339)**	**(1.231.134)**	**(2.226.753)**	**(60.978)**	**(141.402)**	**16.816**
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, 2012

	Total TRL Equivalent (Functional Currency)	Thousand USD	TRL Equivalent	Thousand Euro	TRL Equivalent	Other Foreign Currency TRL Equivalent
1. Trade Receivables and Due from Related Parties	9.647	3.884	6.923	662	1.558	1.166
2a. Monetary Financial Assets (Cash and cash equivalents included)	660.344	360.269	642.216	5.993	14.094	4.034
2b. Non- monetary Financial Assets	-	-	-	-	-	-
3. Other Current Assets and Receivables	-	-	-	-	-	-
4. Current Assets	**669.991**	**364.153**	**649.139**	**6.655**	**15.652**	**5.200**
5. Trade Receivables and Due from Related Parties	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-
7. Other	-	-	-	-	-	-
8. Non-Current Assets	**-**	**-**	**-**	**-**	**-**	**-**
9. Total Assets	**669.991**	**364.153**	**649.139**	**6.655**	**15.652**	**5.200**
10.Trade Payables and Due to Related Parties	(60.362)	(15.927)	(28.391)	(10.754)	(25.290)	(6.681)
11.Short- term Borrowings and Current Portion of Long- term Borrowings	(475.973)	(267.011)	(475.973)	-	-	-
12a. Monetary Other Liabilities	(565)	-	-	(241)	(567)	2
12b. Non-monetary Other Liabilities	(2)	-	-	-	-	(2)
13. Current Liabilities	**(536.902)**	**(282.938)**	**(504.364)**	**(10.995)**	**(25.857)**	**(6.681)**
14. Trade Payables and Due to Related Parties	-	-	-	-	-	-
15. Long-Term Borrowings	(1.248.516)	(700.390)	(1.248.516)	-	-	-
16 a. Monetary Other Liabilities	-	-	-	-	-	-
16 b. Non-monetary Other Liabilities	-	-	-	-	-	-
17. Non-Current Liabilities	**(1.248.516)**	**(700.390)**	**(1.248.516)**	**-**	**-**	**-**
18. Total Liabilities	**(1.785.418)**	**(983.328)**	**(1.752.880)**	**(10.995)**	**(25.857)**	**(6.681)**
19. Off Statement of Financial Position Derivative Items' Net Asset/(Liability) Position	-	-	-	-	-	-
19a. Total Hedged Assets	-	-	-	-	-	-
19b. Total Hedged Liabilities	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position	**(1.115.427)**	**(619.175)**	**(1.103.741)**	**(4.340)**	**(10.205)**	**(1.481)**
21. Monetary Items Net Foreign Currency Asset / (Liability) Position	**(1.115.425)**	**(619.175)**	**(1.103.741)**	**(4.340)**	**(10.205)**	**(1.479)**
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 21. 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, 2013 and 2012 is as follows:

	March 31, 2013	March 31, 2012
Total export	**31.564**	28.808
Total import	**336.842**	80.659

The following table demonstrates the sensitivity analysis of foreign currency as of March 31, 2013 and 2012:

Foreign Currency Position Sensitivity Analysis				
	March 31, 2013			
	Income / (Loss)		**Equity**	
	Increase of the foreign currency	**Decrease of the foreign currency**	**Increase of the foreign currency**	**Decrease of the foreign currency**
Increase / decrease in USD by 10%:				
USD denominated net asset / (liability)	(222.595)	222.595	507.858	(507.858)
USD denominated hedging instruments(-)	-	-	-	-
Net effect in USD	**(222.595)**	**222.595**	**507.858**	**(507.858)**
Increase / decrease in EURO by 10%:				
EURO denominated net asset / (liability)	(13.931)	13.931	284	(284)
EURO denominated hedging instruments(-)	-	-	-	-
Net effect in EURO	**(13.931)**	**13.931**	**284**	**(284)**
Increase / decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset / (liability)	5.510	(5.510)	-	-
Other foreign currency hedging instruments(-)	-	-	-	-
Net effect in other foreign currency	**5.510**	**(5.510)**	**-**	**-**
TOTAL	**(231.016)**	**231.016**	**508.142**	**(508.142)**

Foreign Currency Position Sensitivity Analysis				
	March 31, 2012			
	Income / (Loss)		Equity	
	Increase of the foreign currency	Decrease of the foreign currency	Increase of the foreign currency	Decrease of the foreign currency
Increase / decrease in USD by 10%:				
USD denominated net asset / (liability)	(60.943)	60.943	479.809	(479.809)
USD denominated hedging instruments(-)	-	-	-	-
Net effect in USD	(60.943)	60.943	479.809	(479.809)
Increase / decrease in EURO by 10%:				
EURO denominated net asset / (liability)	(10.359)	10.359	2.251	(2.251)
EURO denominated hedging instruments(-)	-	-	-	-
Net effect in EURO	(10.359)	10.359	2.251	(2.251)
Increase / decrease in other foreign currencies by 10%:				
Other foreign currency denominated net asset / (liability)	(676)	676	-	-
Other foreign currency hedging instruments(-)	-	-	-	-
Net effect in other foreign currency	(676)	676	-	-
TOTAL	(71.978)	71.978	482.060	(482.060)

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.

NOTE 21. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

d) Price Risk

This is a combination of currency, interest and market risks which the Group manages through natural hedges that arise from offsetting the same currency receivables and payables, interest bearing assets and liabilities. Market risk is closely monitored by the management using the available market information and appropriate valuation methods.

e) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group attempts to control credit risk by limiting transactions with specific counterparties and continually assessing the creditworthiness of the counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location.

The Group seeks to manage its credit risk exposure through diversification of sales activities to avoid undue concentrations of risks with individuals or groups of customers in specific locations or businesses. The Group also obtains guarantees from the customers when appropriate.

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 22. 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.

The financial assets and liabilities which are denominated in foreign currencies are evaluated by the foreign exchange rates prevailing on the date of statement of financial position 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.

NOTE 22. FINANCIAL INSTRUMENTS (continued)

Derivative Financial Instruments, Risk Management Objectives and Policies

Derivative financial instruments are initially measured at cost. After initial recognition, derivatives are measured at fair value

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, 2013 the Company has 4 aluminum swap transactions with a total amount of TRL19.222 and 5.256 tones. Those aluminum swap contracts are designated as hedging instruments as of September 11, 2012, October 10, 2012, October 30, 2012 and March 6, 2013 respectively, in cash flow hedges related to forecasted cash flow, for the high probability purchases of production material exposed to commodity price risk. Fair value of aforementioned aluminum swap contracts amounting to TRL860 is recognized as “Derivative Financial Instruments” in other current assets and the effective portion of changes in fair value of hedges is recognized in interim consolidated statement of comprehensive income.

NOTE 23. SUBSEQUENT EVENTS

In March 2013, in relation to the issuance and sales of bonds,which will be privately placed with the qualified incestors residing abroad, application process is completed. In this context, demand from investors for issued bonds collected all being fixed rate and with semi- annual coupon payments are stated as ; 5-year maturity bond with nominal amount of US$100 million and coupon rate 3,42%, 7-year maturity bond with nominal amount of US$ 80 million and coupon rate 3,85%, 10-year maturity bond with nominal amount of US$120 million and coupon rate 4,44%.

....