

ANADOLU EFES

FY2019 EARNINGS RELEASE

Istanbul, February 27, 2020

4Q2019 HIGHLIGHTS

- **Consolidated sales volume** up 2.4% to 21.7 mhl
- **Consolidated net sales revenue** up 17.5% to TL 5,082.4 million
- **Consolidated EBITDA Before Non-Recurring Items (BNRI)** up 47.1% to TL 861.8 million (excluding the impact of IFRS 16, EBITDA (BNRI) grew by 40.1% to TL 821.0 million)

FY2019 HIGHLIGHTS

- **Consolidated sales volume** up 1.9% on a proforma basis to 110.9 mhl
- **Consolidated net sales revenue** up 21.7% on a proforma basis to TL 23,313.8 million
- **Consolidated EBITDA Before Non-Recurring Items (BNRI)** up 35.5% on a proforma basis to TL 4,050.6 million (excluding the impact of IFRS 16, EBITDA (BNRI) grew by 31.2% to TL 3,921.6 million)
- **Consolidated Free Cash Flow** was TL 2,335.4 million

Unless stated otherwise, the figures from hereon are based on proforma numbers (including the ABI merger in Russia & Ukraine for 1Q2018) and excluding IFRS16 impact for FY2019.

MANAGEMENT COMMENTS

“I am very pleased with our superior operational and financial performance in FY2019, where in every quarter we have been able to grow EBITDA ahead of revenue and revenue ahead of volume and as a result, we managed to deliver robust topline growth and margin expansion. We also recorded an all-time low core working capital and a very strong free cash flow on a beer group basis” **commented Mr. Can Çaka, Anadolu Efes CEO and Beer Group President.**

2019 has been a very robust year in terms of the performances of our international beer operations, where we have been or have managed to become the market leader in every operation. In Russia and Ukraine, we were able to outperform the market while extracting synergies ahead of our targets. We were not only able to grow our presence in these markets, but also increased our focus on revitalizing our core mainstream brands which contributed to our topline performance, yielding very strong growth. Moreover, synergies and operating leverage nourished profitability margin and therefore, supported the free cash flow generation for the whole Group. Our strong market positions in Kazakhstan, Moldova and Georgia continued in 2019, while these markets maintained their positive contribution to our operational profitability.

In Turkey, we have witnessed the lowest consumer confidence levels of the past decade, driven by macro dynamics which impacted the whole FMCG sector negatively. Beer sector was further impacted by the high pricing environment. In these tough circumstances, there had been several initiatives that we have launched in our Turkey beer operations. Accordingly, we were able to expand our premium category in the period. We also continued investing in our brands through increased marketing activities which also helped us to restore our touch with our consumers. Although, we expect the macro environment to be more stable in 2020, beer market will still be under pressure primarily due to high prices which impacts affordability.

For our soft drinks operations, the performance in domestic operations as well as in CIS countries compensated the lower volumes in Pakistan, yielding a slight volume growth.

As we always underline, the diversification of our brand portfolio, with strong local and international brands is an important driver for our business. Considering our healthy results in FY2019, looking ahead, I am pretty confident to deliver in line with our long-term commitment to have healthy topline growth with robust profitability and maximizing free cash flow as a result of disciplined balance sheet management.

SUMMARY FINANCIALS

Consolidated (TL mn)	4Q2018 Proforma & Restated	4Q2019	Proforma Change	4Q2019 (excl. IFRS16)	Proforma Change (excl. IFRS 16)
Volume (mhl)	21.2	21.7	2.4%	21.7	2.4%
Net Sales	4,325.6	5,082.4	17.5%	5,082.4	17.5%
Gross Profit	1,469.5	1,996.4	35.9%	1,996.2	35.8%
EBIT (BNRI)	120.6	409.8	239.7%	400.3	231.9%
EBITDA (BNRI)	585.9	861.8	47.1%	821.0	40.1%
Net Income/(Loss)**	117.5	183.3	56.0%	188.0	60.1%
			Change (bps)		Change (bps)
Gross Profit Margin	34.0%	39.3%	531	39.3%	531
EBIT (BNRI) Margin	2.8%	8.1%	527	7.9%	509
EBITDA (BNRI) Margin	13.5%	17.0%	341	16.2%	261
Net Income Margin**	2.7%	3.6%	89	3.7%	98

Beer Group (TL mn)	4Q2018 Proforma & Restated	4Q2019	Proforma Change	4Q2019 (excl. IFRS16)	Proforma Change (excl. IFRS 16)
Volume (mhl)	8.2	8.6	4.8%	8.6	4.8%
Net Sales	2,324.4	2,862.7	23.2%	2,862.7	23.2%
Gross Profit	897.8	1,234.8	37.5%	1,234.7	37.5%
EBIT (BNRI)	141.4	326.4	130.8%	320.3	126.5%
EBITDA (BNRI)	438.8	592.1	35.0%	572.5	30.5%
Net Income/(Loss)**	55.4	188.8	240.7%	192.0	246.4%
			Change (bps)		Change (bps)
Gross Profit Margin	38.6%	43.1%	451	43.1%	450
EBIT (BNRI) Margin	6.1%	11.4%	532	11.2%	510
EBITDA (BNRI) Margin	18.9%	20.7%	181	20.0%	112
Net Income Margin**	2.4%	6.6%	421	6.7%	432

Turkey Beer (TL mn)	4Q2018 Reclassified***	4Q2019	Change	4Q2019 (excl. IFRS16)	Proforma Change (excl. IFRS 16)
Volume (mhl)	1.4	1.3	-7.1%	1.3	-7.1%
Net Sales	526.5	593.9	12.8%	593.9	12.8%
Gross Profit	302.4	337.3	11.5%	337.3	11.5%
EBIT (BNRI)	57.7	53.3	-7.5%	49.0	-15.0%
EBITDA (BNRI)	107.3	118.1	10.0%	107.1	-0.2%
			Change (bps)		Change (bps)
Gross Profit Margin	57.4%	56.8%	-64	56.8%	-64
EBIT (BNRI) Margin	11.0%	9.0%	-198	8.3%	-270
EBITDA (BNRI) Margin	20.4%	19.9%	-51	18.0%	-235

EBI (TL mn)	4Q2018 Proforma & Restated	4Q2019	Proforma Change	4Q2019 (excl. IFRS16)	Proforma Change
Volume (mhl)	6.8	7.3	7.2%	7.3	7.2%
Net Sales	1,788.4	2,258.8	26.3%	2,258.8	26.3%
Gross Profit	584.7	885.4	51.4%	885.2	51.4%
EBIT (BNRI)	107.5	309.6	187.9%	307.8	186.2%
EBITDA (BNRI)	354.2	509.5	43.8%	500.8	41.4%
			Change (bps)		Change (bps)
Gross Profit Margin	32.7%	39.2%	651	39.2%	650
EBIT (BNRI) Margin	6.0%	13.7%	769	13.6%	762
EBITDA (BNRI) Margin	19.8%	22.6%	275	22.2%	237

CCI (TL mn)	4Q2018	4Q2019	Change
Volume (mn u/c)	228.5	230.0	0.8%
Net Sales	2,001.4	2,219.8	10.9%
Gross Profit	573.3	770.7	34.4%
EBIT	-13.0	86.2	n.m.
EBITDA	159.9	269.6	68.6%
Net Income/(Loss)**	155.8	0.6	-99.6%
			Change (bps)
Gross Profit Margin	28.6%	34.7%	607
EBIT Margin	-0.6%	3.9%	453
EBITDA Margin	8.0%	12.1%	416
Net Income Margin**	7.8%	0.0%	-776

** Net income attributable to shareholders

***In 2018, there has been a reallocation of certain "other income/expense" items within Beer Group without affecting consolidated profitability. Therefore, 4Q2018 numbers are reclassified accordingly.

SUMMARY FINANCIALS

Consolidated (TL mn)	FY2018 Proforma & Restated	FY2019	Proforma Change	FY2019 (excl. IFRS16)	Proforma Change (excl. IFRS 16)
Volume (mhl)	108.8	110.9	1.9%	110.9	1.9%
Net Sales	19,164.4	23,313.8	21.7%	23,313.8	21.7%
Gross Profit	6,777.8	8,782.0	29.6%	8,781.5	29.6%
EBIT (BNRI)	1,256.5	2,245.9	78.7%	2,213.7	76.2%
EBITDA (BNRI)	2,990.0	4,050.6	35.5%	3,921.6	31.2%
Net Income/(Loss)**	-124.0	1,021.5	n.m.	1,034.1	n.m.
			Change (bps)		Change (bps)
Gross Profit Margin	35.4%	37.7%	230	37.7%	230
EBIT (BNRI) Margin	6.6%	9.6%	308	9.5%	294
EBITDA (BNRI) Margin	15.6%	17.4%	177	16.8%	122
Net Income Margin**	-0.6%	4.4%	503	4.4%	508

Beer Group (TL mn)	FY2018 Proforma & Restated	FY2019	Proforma Change	FY2019 (excl. IFRS16)	Proforma Change (excl. IFRS 16)
Volume (mhl)	34.2	36.2	5.9%	36.2	5.9%
Net Sales	8,541.4	11,069.0	29.6%	11,069.0	29.6%
Gross Profit	3,256.2	4,582.8	40.7%	4,582.6	40.7%
EBIT (BNRI)	15.0	736.9	4801.8%	722.1	4703.6%
EBITDA (BNRI)	1,119.5	1,767.9	57.9%	1,705.6	52.4%
Net Income/(Loss)**	-171.1	702.5	n.m.	713.7	n.m.
			Change (bps)		Change (bps)
Gross Profit Margin	38.1%	41.4%	328	41.4%	328
EBIT (BNRI) Margin	0.2%	6.7%	648	6.5%	635
EBITDA (BNRI) Margin	13.1%	16.0%	287	15.4%	230
Net Income Margin**	-2.0%	6.3%	835	6.4%	845

Turkey Beer (TL mn)	FY2018 Reclassified***	FY2019	Change	FY2019 (excl. IFRS16)	Proforma Change (excl. IFRS 16)
Volume (mhl)	5.7	5.4	-5.2%	5.4	-5.2%
Net Sales	1,869.5	2,254.5	20.6%	2,254.5	20.6%
Gross Profit	1,053.9	1,222.0	16.0%	1,222.0	16.0%
EBIT (BNRI)	200.5	155.5	-22.5%	147.0	-26.7%
EBITDA (BNRI)	397.3	391.0	-1.6%	358.9	-9.7%
			Change (bps)		Change (bps)
Gross Profit Margin	56.4%	54.2%	-217	54.2%	-217
EBIT (BNRI) Margin	10.7%	6.9%	-383	6.5%	-421
EBITDA (BNRI) Margin	21.2%	17.3%	-391	15.9%	-533

EBI (TL mn)	FY2018 Proforma & Restated	FY2019	Proforma Change	FY2019 (excl. IFRS16)	Proforma Change
Volume (mhl)	28.5	30.8	8.1%	30.8	8.1%
Net Sales	6,632.6	8,765.2	32.2%	8,765.2	32.2%
Gross Profit	2,162.5	3,305.1	52.8%	3,305.0	52.8%
EBIT (BNRI)	-142.3	640.5	n.m.	634.3	n.m.
EBITDA (BNRI)	762.1	1,432.7	88.0%	1,402.5	84.0%
			Change (bps)		Change (bps)
Gross Profit Margin	32.6%	37.7%	510	37.7%	510
EBIT (BNRI) Margin	-2.1%	7.3%	945	7.2%	938
EBITDA (BNRI) Margin	11.5%	16.3%	486	16.0%	451

CCI (TL mn)	FY2018	FY2019	Change
Volume (mn u/c)	1,314.9	1,316.3	0.1%
Net Sales	10,623.4	12,245.0	15.3%
Gross Profit	3,527.1	4,206.6	19.3%
EBIT	1,268.5	1,521.2	19.9%
EBITDA	1,919.0	2,282.7	19.0%
Net Income/(Loss)**	321.2	965.8	200.7%
			Change (bps)
Gross Profit Margin	33.2%	34.4%	115
EBIT Margin	11.9%	12.4%	48
EBITDA Margin	18.1%	18.6%	58
Net Income Margin**	3.0%	7.9%	486

*2018 Proforma figures assume realization of ABI Efes JV as of January 1st 2018 (instead of actual April 1st). Therefore proforma 2018 restated results include 12 months of operation of combined business. In addition to actual results, FY2018 figures also include the incremental depreciation charge in FY2019 which is a result of the revaluation of fixed assets following the merger in Russia & Ukraine as required by IFRS 3.

** Net income attributable to shareholders

***In 2018, there has been a reallocation of certain "other income/expense" items within Beer Group without affecting consolidated profitability. Therefore, FY2018 numbers are reclassified accordingly.

Within the scope of IFRS 15 "Revenue from Customer Contracts" standard, service fees received from customers which were previously recognized in sales and marketing expense are now recorded under sales discount account. In order to give consistent and like-for-like figures, FY2018 are restated as well.

In FY2018, in CCI, service fees received from customers amounting to 141 million TL are now classified as sales discounts rather than sales and marketing expenses. Likewise, in beer group, service fees received from customers amounting to 310 million TL in FY2018 on a proforma basis are now classified as sales discounts rather than sales and marketing expenses.

OPERATIONAL PERFORMANCE – ANADOLU EFES CONSOLIDATED

AEFES Consolidated (TL mn)	Proforma & Restated*					Proforma & Restated*				
	4Q2018	4Q2019	% change	4Q2019 (excl. IFRS 16)	% change (excl. IFRS 16)	FY2018	FY2019	% change	FY2019 (excl. IFRS 16)	% change (excl. IFRS 16)
Volume (mhl)	21.2	21.7	2.4%	21.7	2.4%	108.8	110.9	1.9%	110.9	1.9%
Net Sales	4,325.6	5,082.4	17.5%	5,082.4	17.5%	19,164.4	23,313.8	21.7%	23,313.8	21.7%
Gross Profit	1,469.5	1,996.4	35.9%	1,996.2	35.8%	6,777.8	8,782.0	29.6%	8,781.5	29.6%
EBIT (BNRI)	120.6	409.8	239.7%	400.3	231.9%	1,256.5	2,245.9	78.7%	2,213.7	76.2%
EBITDA (BNRI)	585.9	861.8	47.1%	821.0	40.1%	2,990.0	4,050.6	35.5%	3,921.6	31.2%
Net Income/(Loss)**	117.5	183.3	56.0%	188.0	60.1%	-124.0	1,021.5	n.m.	1,034.1	n.m.
			Change (bps)		Change (bps)			Change (bps)		Change (bps)
Gross Profit Margin	34.0%	39.3%	531	39.3%	531	35.4%	37.7%	230.2	37.7%	230
EBIT (BNRI) Margin	2.8%	8.1%	527	7.9%	509	6.6%	9.6%	307.7	9.5%	294
EBITDA (BNRI) Margin	13.5%	17.0%	341.3	16.2%	261	15.6%	17.4%	177.2	16.8%	122
Net Income Margin**	2.7%	3.6%	89	3.7%	98	-0.6%	4.4%	503	4.4%	508

*2018 Proforma figures assume realization of ABI Efes IV as of January 1st 2018 (instead of actual April 1st). Therefore proforma 2018 restated results include 9 months of operation of combined business. In addition to actual results, FY2018 figures also include the incremental depreciation charge in FY2019 which is a result of the revaluation of fixed assets following the merger in Russia & Ukraine as required by IFRS 3.

**Net income attributable to shareholders

Anadolu Efes' **consolidated sales volume** recorded 2.4% growth in the last quarter of the year, mainly led by the robust performance in international beer operations, which posted a y-o-y growth of 7.2% in 4Q2019 as well as solid volume growth delivered in Turkey soft drink operations. Accordingly, in FY2019, Anadolu Efes' consolidated sales volume reached 110.9 mhl with 1.9% y-o-y increase, in line with our guidance of low-to-mid single digit growth.

Consolidated net sales revenue was up by 17.5% to 5,082.4 million in 4Q2019 versus the same period of last year. In FY2019, sales revenue reached TL 23,313.8 million with 21.7% y-o-y increase, outperforming volume growth in line with our guidance. This is as a result of higher average prices per hl which is driven by favorable mix and price increases in all business units together with higher volumes in international beer.

Consolidated EBITDA (BNRI) reached TL 821.0 million in 4Q2019 with a y-o-y increase of 40.1% and a margin improvement of 261 bps, thanks to the robust operational performance in international beer and soft drinks in the period. Accordingly, in FY2019, EBITDA (BNRI) reached TL 3,921.6 million with an increase of 31.2%. EBITDA margin expanded by 122 bps to 16.8% in FY2019, outperforming our flat margin guidance.

Anadolu Efes recorded TL 188.0 million **net income** in 4Q2019 compared to TL 117.5 million in 4Q2018. Anadolu Efes' bottomline is positively impacted by the improvement in absolute operational profitability as well as one-off gains such as the sale of Istanbul Brewery land in Turkey. Net financial expenses in FY2019 was TL 710.9 million compared to TL 305.7 million a year ago. This was mainly driven by higher interest expenses due to the restructuring of the debt in Russian beer operations. Net income reached TL 1,034.1 million in FY2019 with a significant improvement from a net loss of TL 124.0 million in FY2018.

Anadolu Efes' recorded very strong **Free Cash Flow** in FY2019. Free cash flow reached TL 2,335.4 million, benefitting from higher operational profitability, significant improvement in working capital in all business lines, prudent capex spending as well as one-off items like the sale of idle assets. As a result, consolidated **Net Debt to EBITDA (BNRI)** was recorded at 1.0x as of December 31, 2019.

OPERATIONAL PERFORMANCE - BEER GROUP

TURKEY BEER OPERATIONS

Turkey Beer (TL mn)	Reclassified*				Reclassified*					
	4Q2018	4Q2019	% change	4Q2019 (excl. IFRS 16)	% change (excl. IFRS 16)	FY2018	FY2019	% change	FY2019 (excl. IFRS 16)	% change (excl. IFRS 16)
Volume (mhl)	1.4	1.3	-7.1%	1.3	-7.1%	5.7	5.4	-5.2%	5.4	-5.2%
Net Sales	526.5	593.9	12.8%	593.9	12.8%	1,869.5	2,254.5	20.6%	2,254.5	20.6%
Gross Profit	302.4	337.3	11.5%	337.3	11.5%	1,053.9	1,222.0	16.0%	1,222.0	16.0%
EBIT (BNRI)	57.7	53.3	-7.5%	49.0	-15.0%	200.5	155.5	-22.5%	147.0	-26.7%
EBITDA (BNRI)	107.3	118.1	10.0%	107.1	-0.2%	397.3	391.0	-1.6%	358.9	-9.7%
			Change (bps)		Change (bps)			Change (bps)		Change (bps)
Gross Profit Margin	57.4%	56.8%	-64	56.8%	-64	56.4%	54.2%	-217	54.2%	-217
EBIT (BNRI) Margin	11.0%	9.0%	-198	8.3%	-270	10.7%	6.9%	-383	6.5%	-421
EBITDA (BNRI) Margin	20.4%	19.9%	-51	18.0%	-235	21.2%	17.3%	-391	15.9%	-533

*In 2018, there has been a reallocation of certain "other income/expense" items within Beer Group without affecting consolidated profitability. Therefore, 4Q2018 and FY2018 numbers are reclassified accordingly.

Turkey beer total sales volume was realized at 1.3 mhl in 4Q2019, down 7.1% compared to 4Q2018. As a result, Turkey beer total sales volume; including exports, was at 5.4 mhl in FY2019, down 5.2% y-o-y, in line with our expectation of mid-single digit decline.

All FMCG sectors continued to be under the pressure in the quarter, negatively impacted by the weak demand driven by macro dynamics and the low consumer confidence. The beer market is estimated to have declined mid-single digit in FY2019, higher than the contraction in overall FMCG due to low affordability.

Turkey beer operation's net sales revenue per hl was up by 21% y-o-y in 4Q2019, as a result of price increases made through the year. Despite volume decline, net sales revenue increased by 12.8% and reached TL 593.9 million in the quarter taking full year net sales revenues up to TL 2,254.5 million with an y-o-y increase of 20.6%.

Turkey beer operation's gross profit increased by 11.5% to TL 337.3 million in 4Q2019 with a margin of 56.8%. Higher raw material prices especially in barley, higher packaging costs mostly driven by mix as well as the increase in energy prices were the main reasons of the rise in cost of sales during the year. Even though ca. 90% of the FX exposure in Turkey's P&L was hedged at lower rates than the spot, higher hedge rates year on year also had some negative impact. Gross profit in FY2019 increased by 16.0% y-o-y to TL 1,222.0 million, with a margin of 54.2%, down 217 bps.

In addition to the increase in cost of sales, the increase in operating expenses in 4Q2019 versus the same period of last year was 16.3%. The increase was mostly driven from sales and marketing expenses related to higher investments in brands and portfolio including events and festivals in order to increase our touch with consumers. As a result, in 4Q2019, EBITDA was TL 107.1 million with a margin of 18.0%. In FY2019, EBITDA was recorded TL 358.9 million yielding an EBITDA margin of 15.9%.

INTERNATIONAL BEER OPERATIONS

International Beer (TL mn)	Proforma & Restated*					Proforma & Restated*				
	4Q2018	4Q2019	% change	4Q2019 (excl. IFRS 16)	% change (excl. IFRS 16)	FY2018	FY2019	% change	FY2019 (excl. IFRS 16)	% change (excl. IFRS 16)
Volume (mhl)	6.8	7.3	7.2%	7.3	7.2%	28.5	30.8	8.1%	30.8	8.1%
Net Sales	1,788.4	2,258.8	26.3%	2,258.8	26.3%	6,632.6	8,765.2	32.2%	8,765.2	32.2%
Gross Profit	584.7	885.4	51.4%	885.2	51.4%	2,162.5	3,305.1	52.8%	3,305.0	52.8%
EBIT (BNRI)	107.5	309.6	187.9%	307.8	186.2%	-142.3	640.5	n.m.	634.3	n.m.
EBITDA (BNRI)	354.2	509.5	43.8%	500.8	41.4%	762.1	1,432.7	88.0%	1,402.5	84.0%
			Change (bps)		Change (bps)			Change (bps)		Change (bps)
Gross Profit Margin	32.7%	39.2%	651	39.2%	650	32.6%	37.7%	510	37.7%	510
EBIT (BNRI) Margin	6.0%	13.7%	769	13.6%	762	-2.1%	7.3%	945	7.2%	938
EBITDA (BNRI) Margin	19.8%	22.6%	275	22.2%	237	11.5%	16.3%	486	16.0%	451

*2018 Proforma figures assume realization of ABI Efes JV as of January 1st 2018 (instead of actual April 1st). Therefore proforma 2018 restated results include 12 months of operation of combined business. In addition to actual results, FY2018 figures also include the incremental depreciation charge in FY2019 which is a result of the revaluation of fixed assets following the merger in Russia & Ukraine as required by IFRS 3.

International Beer Operation's consolidated sales volume reached 7.3 mhl in 4Q2019, with a y-o-y increase of 7.2%. The robust performance in the quarter is attributable to Russia and Ukraine where Georgia also positively contributed to the growth in 4Q. Accordingly, in FY2019, international beer operation's sales volume grew by 8.1% to 30.8 mhl.

Russian beer market was almost flat in FY2019 compared to a year ago. Despite a challenging 3rd quarter in the market, beer volumes slightly recovered and posted growth in the 4th quarter. In FY2019, our growth on a y-o-y basis was high-single digit in Russia, leading to market share gains. Our strong performance in Russia is attributable not only to successful integration of the JV after closing, but also to our focus on net revenue growth.

Ukrainian beer industry was almost flat meanwhile we outperformed the market and grew by low-double digits in FY2019. Successful launch of Efes brands, such as Bely Medved, Staryi Melnyk iz Dizhky and Velkopopovický Kozel assisted in the market outperformance during the year.

The market in **Kazakhstan** in FY2019 is estimated to be flat. We were able to deliver almost flat volumes with sustained market share, despite macro challenges as well as increased competition in the market. Visibility activations in all sales channels, new launches together with special packages offered to consumers with extended quality focus helped our performance during the year. In our **other international beer operations**, the markets are estimated to be up by low-single digits, where we continued our leadership with high brand focus, new launches especially in core brands and higher penetration.

Net sales revenue of international beer operations increased by 26.3% in 4Q2019 and reached TL 2,258.8 million. Higher prices per hl in all operations driven by price increases, premiumization as well as, positive translation impact and higher volumes led net sales revenue to rise by 32.2% to TL 8,765.2 million in FY2019.

International beer operation's **gross profit** was up by 51.4% to TL 885.2 million in 4Q2019, benefitting from operating leverage with strong volume growth, with positive brand mix and synergy generation. As a result, in FY2019, gross profit rose by 52.8% and reached TL 3,305.0 million with 37.7% margin, up 510 bps y-o-y.

International beer operation's consolidated **EBITDA (BNRI)** was TL 500.8 million in 4Q2019 and TL 1,402.5 million in FY2019 with respective EBITDA (BNRI) margins of 22.2% and 16.0%. EBI's EBITDA margin was positively impacted by the improvement in gross margin, synergies generated in operating expenses as well as savings in G&A.

OPERATIONAL PERFORMANCE - SOFT DRINK GROUP

MANAGEMENT COMMENTS

Burak Basarir, CEO of Coca-Cola İçecek, commented: “We are pleased to maintain our quality growth algorithm in the third consecutive year, despite significant headwinds in our largest markets. We continued to grow and maintain market share in the majority of our markets with our strong portfolio of brands and excellence in execution. Coca-Cola brand grew by 3% and the share of immediate consumption (‘IC’) packages increased further on a consolidated basis. Our revenue growth management initiatives continue to deliver solid results enhancing our value generation. Having delivered our guidance with double-digit revenue growth and EBITDA margin expansion, a record high free cash flow also marked the year 2019.

Turkey operation performed better than our expectations despite weak consumer confidence throughout the year and adverse weather conditions in the high season. Increasing portfolio availability in growing channels enabled us to deliver volume growth in a challenging market. Our core business performed well as the Sparkling category continued to grow with increasing share of IC packages. We recorded another year of quality growth in Turkey through price and sales mix initiatives.

Pakistan, our second largest market, remained under pressure due to weak macroeconomic backdrop. Slowdown in overall Sparkling market and higher cost of doing business had an adverse impact on financial performance in 2019. Nevertheless, we remain focused on improving our commercial capabilities and increased our sparkling market share in a declining market. We plan to further implement our revenue growth management initiatives in the country to drive profitability, going forward.

In the Middle East, Iraq operation was able to deliver growth despite the political unrest in the last quarter which led to some slowdown. New production lines in Hilla plant, our focus on core sparkling category and route-to-market restructuring supported our performance in the country.

Central Asia operations delivered another year of strong performance. All markets delivered double-digit growth except for Turkmenistan where currency conversion problem persists. Value share gains in all markets and strong volume growth also translated into a solid financial performance in the region.

The solid results despite all the challenges reflect the fundamental changes we are making in our business with a lot of focus on portfolio architecture, data-led insights and increased efficiency at all levels.

Consumers are at the heart of our business and we prioritize meeting consumer demands with great agility while not neglecting the social and environmental sustainability of our business. Looking ahead at 2020, we plan to maintain our quality growth algorithm through healthy topline growth and disciplined cost management. We will continue to focus on strong balance sheet and free cash flow generation while improving return on invested capital. We do realize that our operating environment will continue to be open to new risks and further volatilities, however we are taking precautions to be as efficient, as effective and as prudent as possible with increased immunity to weather challenges.”

Coca-Cola İçecek (TL mn)	4Q2018	4Q2019	% change	FY2018	FY2019	% change
Volume (mn u/c)	228.5	230.0	0.8%	1,314.9	1,316.3	0.1%
Net Sales	2,001.4	2,219.8	10.9%	10,623.4	12,245.0	15.3%
Gross Profit	573.3	770.7	34.4%	3,527.1	4,206.6	19.3%
EBIT	-13.0	86.2	n.m.	1,268.5	1,521.2	19.9%
EBITDA	159.9	269.6	68.6%	1,919.0	2,282.7	19.0%
Net Income/(Loss)*	155.8	0.6	-99.6%	321.2	965.8	200.7%
			Change (bps)			Change (bps)
Gross Profit Margin	28.6%	34.7%	607	33.2%	34.4%	115
EBIT Margin	-0.6%	3.9%	453	11.9%	12.4%	48
EBITDA Margin	8.0%	12.1%	416	18.1%	18.6%	58
Net Income Margin*	7.8%	0.0%	-776	3.0%	7.9%	486

* Net income attributable to shareholders

For the full text of Coca-Cola İçecek’s FY2019 Earnings Release, please refer to the link below:
www.cci.com.tr/en/investor-relations/financial-information/financial-results

OUTLOOK

For comparability purposes 2019 figures to be used as the base for 2020 guidance is excluding NARTD Tea as for CCI and Anadolu Efes consolidated.

AEFES Consolidated	FY2019 Reported	FY2019 wo NRTD Tea	CCI	FY2019 Reported	FY2019 wo NRTD Tea
Volume mhl	110.9	104.7	Volume m u/c	1,316	1,207
Net Revenue	23,314	23,077	Net Revenue	12,245	12,008
EBITDA (BNRI)	4,051	4,047	EBITDA (BNRI)	2,283	2,279
EBITDA (BNRI) Margin	17.4%	17.5%	EBITDA (BNRI) Margin	18.6%	19.0%

Consolidated sales volume is expected to grow by low-to-mid-single digit

Total Beer volume is to grow by low-to-mid single digit

Turkey beer sales volume is expected to be flat

Russian beer sales volume is estimated to grow by low-to-mid single digit while outperforming the market. The competitive environment became tougher within the last year and we expect this trend to continue.

International beer sales volume is expected to grow by low-to-mid single digit with the positive contribution of all international operations

Consolidated Soft Drinks sales volume: 3-4% growth

Turkey soft drinks: Flattish

International soft drinks: Mid-single digit growth

Consolidated Net Sales Revenue is expected to grow low-teens on FX-Neutral basis, supported by all business lines

Total Beer revenue is expected to grow by low-teens on FX-Neutral basis, benefitting from both Turkey and international beer

Turkey Beer Revenue is expected to grow by high-teens attributable to favorable product mix and price increases

International Beer Revenue is expected to increase by low-teens on FX-Neutral basis, driven by higher volume growth, price increases and portfolio mix

Total Soft Drinks: 15-18% growth on a consolidated basis (FX-neutral)

Consolidated EBITDA Margin is expected to be flat

Total Beer EBITDA margin is expected to be flat or to slightly improve

Turkey Beer EBITDA margin is expected to be flat or to slightly decline due to the lack of price increase at the beginning of the year where the impact of cost inflation to be covered with a lag.

International Beer EBITDA margin is expected to improve which is predominantly attributable to the margin improvement in Russia and Ukraine where we will benefit from scale and portfolio

Total Soft Drinks EBITDA margin: Circa 100 bps improvement without the impact of cash designation and slight decline on a reported basis

Capex: As a percentage of sales, high single digits on a consolidated basis

FCF: Continue to deliver strong FCF in both beer and soft drinks, yet lower compared to 2019 due to the cycling effects of a very strong base.

*2020 outlook reflects management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties including but not limited to macro-economic, financial, geopolitical and political risks, which could materially impact the Company's actual performance.

ANADOLU EFES CONSOLIDATED FINANCIAL PERFORMANCE

EBITDA (TL mn)	FY2018 Proforma Restated	FY2019
Profit/loss from Operations	1,165.3	2,233.7
Depreciation and amortization	1,637.4	1,743.3
Provision for retirement pay liability	36.6	53.7
Provision for vacation pay liability	14.1	13.9
Foreign exchange gain/loss from operating activities	38.1	-8.5
Rediscount interest income/expense from operating activities	1.6	-2.8
Other	5.7	5.2
EBITDA	2,898.8	4,038.5
EBITDA (BNRI*)	2,990.0	4,050.6

* Non-recurring items amounted to TRL 91.2 million in FY2018 and TRL 12.1 million in FY2019

Financial Income / (Expense) Breakdown (TL mn)	FY2018	FY2019
Interest income	296.0	275.6
Interest expense	-559.8	-589.8
Foreign exchange gain /(loss)	-681.9	-141.3
Other financial expenses (net)	-42.6	-101.3
Gain/(loss) on derivative transactions	29.7	-295.5
Net Financial Income /(Expense)	-958.6	-852.2

Free Cash Flow (TL mn)	FY2018	FY2019
EBITDA	2,954.8	4,038.5
Change in Working Capital	150.7	841.1
Income Taxes & Employee Benefits Paid	-239.7	-527.7
CAPEX, net	-1,493.3	-1,412.0
Net Financial Income /(Expense)	-318.8	-604.4
FCF	1,053.7	2,335.4
Other investing activities (Acquisitions, Disposals, Minority Buy-Out and Share Capital Increases)	131.4	-114.2
FCF (after investing activities)	1,185.1	2,221.2

	Consolidated Gross Debt	Cash & Cash Equivalents	Net Cash/(Debt) Position
AEFES Consolidated (TL mn)	10,103.8	6,195.0	-3,908.8
Beer Group (TL mn)	4,837.0	3,262.2	-1,574.7
Turkey Beer (TL mn)	3,637.8	1,032.0	-2,605.8
EBI (TL mn)	1,199.2	2,214.0	1,014.8
CCI (TL mn)	5,266.9	2,932.8	-2,334.1
Net Debt / EBITDA (BNRI)	FY2018 Proforma Restated	FY2019	
Anadolu Efes Consolidated	1.5	1.0	
Beer Group	1.6	0.9	

ANADOLU EFES

Consolidated Income Statements For the Twelve-Months Period Ended 31.12.2018 and 31.12.2019

Prepared in accordance with IFRS as per CMB Regulations

(TL mn)

	Proforma & Restated	
	2018/12	2019/12
SALES VOLUME (mhl)	108.8	110.9
SALES REVENUE	19,164.4	23,313.9
Cost of Sales (-)	-12,386.7	-14,531.8
GROSS PROFIT FROM OPERATIONS	6,777.8	8,782.0
Selling, Distribution and Marketing Expenses (-)	-4,108.3	-4,930.4
General and Administrative Expenses (-)	-1,671.0	-1,770.7
Other Operating Income /Expense (net)	166.9	152.8
EBIT (BNRI)*	1,256.5	2,245.9
Income /Expense From Investing Activities (net)	42.6	687.6
Income / (Loss) from Associates	-81.1	-123.7
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	1,126.9	2,797.6
Financial Income / Expense (net)	-987.7	-852.2
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	139.2	1,945.5
Continuing Operations Tax Income/(Expense)		
- Current Period Tax Expense (-) / Income	-233.2	-450.7
- Deferred Tax Expense (-) / Income	-32.2	-198.8
INCOME/(LOSS) FOR THE PERIOD	-126.2	1,295.9
Attributable to:		
Non-Controlling Interest	-2.2	274.4
EQUITY HOLDERS OF THE PARENT	-124.0	1,021.5
EBITDA (BNRI)*	2,990.0	4,050.6

*Non-recurring items amounted to TL 91.2 million in FY2018 and TL 12.1 million in FY2019.

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

ANADOLU EFES
Consolidated Balance Sheets as of 31.12.2018 and 31.12.2019
Prepared In Accordance with IFRS as per CMB Regulations
(TL mn)

	Restated*	
	2018/12	2019/12
Cash & Cash Equivalents	4,770.1	5,814.7
Financial Investments	21.2	380.3
Derivative Instruments	0.0	3.5
Trade Receivables from Third Parties	2,183.8	2,436.4
from Related Parties	230.0	290.8
Other Receivables	102.0	165.7
Inventories	1,943.1	2,257.5
Other Current Assets	1,104.6	1,335.1
TOTAL CURRENT ASSETS	10,354.7	12,684.0
Other Receivables	52.9	76.7
Financial Investments	0.8	0.8
Investments in Associates	71.2	62.0
Property, Plant and Equipment (incl. inv properties)	10,866.8	12,151.7
Other Intangible Assets	14,343.5	16,302.8
Goodwill	2,613.0	3,221.4
Deferred Tax Assets	675.4	694.5
Non current derivative financial instruments (asset)	47.0	0.0
Other Non-Current Assets	409.9	762.7
TOTAL NON-CURRENT ASSETS	29,080.5	33,272.5
TOTAL ASSETS	39,435.3	45,956.5
	Restated	
	2018/12	2019/12
Current portion of long term borrowings	1,522.6	1,408.6
Short-term Borrowings	830.7	757.3
Current portion of term lease obligations (IFRS 16)	1.8	130.7
Derivative Instruments	29.8	13.4
Current Trade Payables to Third Parties	3,318.0	4,807.4
to Related Parties	282.6	486.3
Other Current Payables	1,472.4	1,423.1
Provision for Corporate Tax	17.1	29.7
Provisions	194.8	174.1
Other Liabilities	235.9	338.9
TOTAL CURRENT LIABILITIES	7,905.8	9,569.5
Long-term Borrowings	6,871.2	7,938.0
Long term lease obligations (IFRS 16)	2.3	315.5
Non Current Trade Payables	44.2	10.9
Other Non Current Payables	391.4	473.5
Deferred Tax Liability	2,741.6	3,073.3
Other Non Current Liabilities	350.7	402.4
TOTAL NON-CURRENT LIABILITIES	10,401.4	12,213.4
TOTAL EQUITY	21,128.1	24,173.5
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	39,435.3	45,956.5

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

* In the scope of TFRS 3 "Business Combinations", it is permitted to finalize fair value appraisal of the identifiable assets, liabilities and contingent liabilities of the acquired companies in a time period of one year. Fair value appraisal process has been finalized as of March 31, 2019 for the business combination recognized as of March 31, 2018. Accordingly, consolidated financial statements as of December 31, 2018 which has been prepared by recognizing provisional goodwill has been restated. According to the restatement, fair value of the "Inventory", "Property, Plant and Equipment", "Intangible Assets", "Deferred Tax Asset", "Other Liabilities" and "Deferred Tax Liabilities" has been changed. The abovementioned items and "Currency Translation Differences", "Current Period Net Profit or Losses" and "Non-Controlling Interests" has been restated in the consolidated financial statements as of December 31, 2018.

BEER GROUP

Consolidated Income Statements For the Twelve-Months Period Ended 31.12.2018 and 31.12.2019
Prepared in accordance with IFRS as per CMB Regulations
(TL mn)

	Proforma & Restated 2018/12	2019/12
Sales Volume (mhl)	34.2	36.2
Sales Revenue	8,541.4	11,069.0
Cost of Sales (-)	-5,285.2	-6,486.2
Gross Profit From Operations	3,256.2	4,582.8
EBIT (BNRI)*	15.0	736.9
Operating Profit Before Finance Income/(Expense)	6.3	1,462.4
Profit Before Tax From Continuing Operations	-292.6	945.0
Income/(Loss) For The Period	-364.7	534.6
Equity Holders Of The Parent	-171.1	702.5
EBITDA (BNRI)*	1,119.5	1,767.9

*Non-recurring items amounted to TL 91.2 million in FY2018 and TL 12.1 million in FY2019.

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

TURKEY BEER OPERATIONS

Consolidated Income Statements For the Twelve-Months Period Ended 31.12.2018 and 31.12.2019
Prepared in accordance with IFRS as per CMB Regulations
(TL mn)

	Reclassified 2018/12	2019/12
Sales Volume (mhl)	5.7	5.4
Sales Revenue	1,869.5	2,254.5
Gross Profit From Operations	1,053.9	1,222.0
EBIT (BNRI)*	199.8	155.5
EBITDA (BNRI)*	396.5	391.0

*In 2018, there has been a reallocation of certain "other income/expense" items within Beer Group without affecting consolidated profitability. Therefore FY2018 numbers are reclassified accordingly.

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

INTERNATIONAL BEER OPERATIONS (EBI)

Consolidated Income Statements For the Twelve-Months Period Ended 31.12.2018 and 31.12.2019
Prepared in accordance with IFRS as per CMB Regulations
(TL mn)

	Proforma & Restated 2018/12	2019/12
Sales Volume (mhl)	28.5	30.8
Sales Revenue	6,632.6	8,765.2
Gross Profit From Operations	2,162.5	3,305.1
EBIT (BNRI)*	-142.3	640.5
EBITDA (BNRI)*	762.1	1,432.7

*Non-recurring items amounted to TL 90.8 million in FY2018 and TL 12.1 million in FY2019.

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

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

BEER GROUP

Consolidated Balance Sheets as of 31.12.2018 and 31.12.2019

Prepared In Accordance with IFRS as per CMB Regulations

(TL mn)

	Restated*	
	2018/12	2019/12
Cash & Cash Equivalents	2,480.3	2,991.9
Financial Investments	0.0	270.3
Derivative Instruments	0.0	0.0
Trade Receivables	1,663.9	1,818.0
Other Receivables	70.9	138.6
Inventories	1,139.3	1,386.0
Other Current Assets	465.2	614.7
TOTAL CURRENT ASSETS	5,819.6	7,219.5
Trade Receivables	1.4	1.6
Financial Investments	0.8	0.8
Investments in Associates	668.7	659.5
Property, Plant and Equipment (incl. inv properties)	4,138.3	5,025.1
Other Intangible Assets	5,065.7	6,325.9
Goodwill	1,774.9	2,358.8
Deferred Tax Assets	656.9	583.3
Other Non-Current Assets	211.2	361.4
TOTAL NON-CURRENT ASSETS	12,517.9	15,316.5
TOTAL ASSETS	18,337.5	22,536.1
Current portion of long term borrowings	816.2	412.3
Short-term Borrowings	620.3	311.9
Current portion of term lease obligations (IFRS 16)	0.0	89.8
Current Trade Payables	2,307.6	3,812.9
Other Current Payables	1,184.2	1,049.6
Provision for Corporate Tax	6.1	9.5
Provisions	136.6	115.6
Other Liabilities	168.0	242.6
TOTAL CURRENT LIABILITIES	5,239.1	6,044.2
Long-term Borrowings	2,848.7	4,112.8
Long term lease obligations (IFRS 16)	0.0	161.3
Other Non Current Payables	381.5	412.4
Deferred Tax Liability	1,000.1	1,223.3
Other Non Current Liabilities	77.2	80.4
TOTAL NON-CURRENT LIABILITIES	4,307.5	5,990.2
TOTAL EQUITY	8,790.9	10,501.7
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	18,337.5	22,536.1

* In the scope of TFRS 3 "Business Combinations", it is permitted to finalize fair value appraisal of the identifiable assets, liabilities and contingent liabilities of the acquired companies in a time period of one year. Fair value appraisal process has been finalized as of March 31, 2019 for the business combination recognized as of March 31, 2018. Accordingly, consolidated financial statements as of December 31, 2018 which has been prepared by recognizing provisional goodwill has been restated. According to the restatement, fair value of the "Inventory", "Property, Plant and Equipment", "Intangible Assets", "Deferred Tax Asset", "Other Liabilities" and "Deferred Tax Liabilities" has been changed. The abovementioned items and "Currency Translation Differences", "Current Period Net Profit or Losses" and "Non-Controlling Interests" has been restated in the consolidated financial statements as of December 31, 2018.

SOFT DRINK OPERATIONS (CCI)

Consolidated Income Statements For the Twelve-Months Period Ended 31.12.2018 and 31.12.2019

Prepared in accordance with IFRS as per CMB Regulations

(TL mn)

	2018/12*	2019/12
SALES VOLUME (UC millions)	1,314.9	1,316.3
SALES REVENUE	10,623.4	12,245.0
Cost of Sales (-)	-7,096.3	-8,038.4
GROSS PROFIT FROM OPERATIONS	3,527.1	4,206.6
Selling, Distribution and Marketing Expenses (-)	-1,856.7	-2,075.3
General and Administrative Expenses (-)	-440.9	-526.5
Other Operating Income /Expense (net)	39.1	-83.7
EBIT	1,268.5	1,521.2
Income /Expense From Investing Activities (net)	-9.3	3.0
Income / (Loss) from Associates	-0.9	-0.4
OPERATING PROFIT BEFORE FINANCE INCOME/(EXPENSE)	1,258.4	1,523.8
Financial Income	1,885.5	436.1
Financial Expenses	-2,598.0	-771.0
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	545.9	1,188.9
-Deferred Tax Income/(Expense)	-27.2	34.3
-Current Period Tax Expense	-167.3	-281.0
INCOME/(LOSS) FOR THE PERIOD	351.4	942.2
Non-Controlling Interest	-30.2	23.5
EQUITY HOLDERS OF THE PARENT	321.2	965.8
EBITDA	1,919.0	2,013.1

SOFT DRINK OPERATIONS (CCI)

Consolidated Balance Sheets as of 31.12.2018 and 31.12.2019

Prepared In Accordance with IFRS as per CMB Regulations

(TL mn)

	Restated*	
	2018/12	2019/12
Cash and Cash Equivalents	2,289.7	2,822.8
Investments in Securities	21.2	110.0
Derivative Financial Instruments	0.0	2.8
Trade Receivables	624.0	699.8
Due from related parties	126.6	209.8
Other Receivables	32.3	27.1
Inventories	804.0	871.6
Prepaid Expenses	191.1	231.0
Tax Related Current Assets	150.2	207.5
Other Current Assets	298.1	282.7
TOTAL CURRENT ASSETS	4,537.2	5,464.9
Other Non-Current Asset	0.6	0.0
Other Receivables	38.0	38.5
Right of Use Asset	131.4	194.4
Property, Plant and Equipment	6,489.1	6,899.2
Intangible Assets	1,869.4	2,174.4
Goodwill	819.4	843.8
Prepaid Expenses	258.5	243.4
Deferred Tax Asset	10.9	101.1
TOTAL NON-CURRENT ASSETS	9,617.4	10,494.8
TOTAL ASSETS	14,154.6	15,959.8
	Restated*	
	2018/12	2019/12
Short-term Borrowings	210.4	445.4
Current Portion of Long-term Borrowings	706.4	996.3
Financial lease payables	29.0	51.5
Trade Payables	966.2	1,044.1
Due to Related Parties	328.1	437.1
Payables Related to Employee Benefits	34.7	44.5
Other Payables	288.1	373.3
Provision for Corporate Tax	10.9	20.2
Provision for Employee Benefits	58.3	58.5
Other Current Liabilities	63.6	65.1
TOTAL CURRENT LIABILITIES	2,696.0	3,536.1
Financial lease payables	136.0	173.1
Long-term Borrowings	4,022.5	3,825.2
Trade Payables & Due to Related Parties	47.0	66.2
Provision for Employee Benefits	82.5	118.4
Deferred Tax Liability	548.7	662.2
Other Non-Current Liabilities	198.0	209.2
Equity of the Parent	5,598.5	6,515.0
Minority Interest	825.5	854.3
TOTAL NON-CURRENT LIABILITIES	5,034.0	5,054.3
TOTAL EQUITY	6,424.6	7,369.4
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	14,154.6	15,959.8

* Details about the restatement were explained in the footnote 2 of the financial statements.

ABOUT ANADOLU EFES

Anadolu Efes Biracılık ve Malt Sanayii A.Ş. (Anadolu Efes), together with its subsidiaries and affiliates produces and markets beer, malt and soft drinks across a geography including Turkey, Russia, the CIS countries, Central Asia and the Middle East with total employees of 17,138, including both beer & soft drink operations. Anadolu Efes, listed at Borsa İstanbul (AEFES.IS), is an operational entity under which the Turkey beer operations are managed, as well as a holding entity which is the 100% shareholder of EBI that manages international beer operations, and is the largest shareholder of CCI, that manages the soft drink business in Turkey and international markets.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

ACCOUNTING PRINCIPLES

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

The attached financial statements in this announcement comprise the income statements for the period ended 31.12.2018 and 31.12.2019 as well as the balance sheets as of 31.12.2018 and 31.12.2019. Figures in FY2018 and FY2019 are presented in the reporting currencies of each business division.

For comparison purposes in this release we included "Proforma" figures for FY2018, which assumed the combined operation in Russia and Ukraine would become operational on January 1st 2018.

Similarly, after the merger in Russia and Ukraine, fixed assets in these operations were revalued as per IFRS 3 requirements. Post this revaluation, additional depreciation charges occurred, of which TL 230.9 million was one-off in FY2019. However, in order to provide a better comparison for the operation's real performance, we have restated the FY2018 Gross Profit, EBIT (BNRI) and Net Income accordingly as well.

Due to adoption of IFRS 16 "Lease" starting from 01.01.2019 with simplified approach, FY2018 figures has not been restated, as permitted under the simplified transition approach. Therefore, in this release we are using the FY2019 excluding IFRS 16 adjustments making them comparable with FY2018 figures.

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

BEER OPERATIONS' FY2019 RESULTS PRESENTATION & WEBCAST

Anadolu Efes - Beer Operations' FY2019 Results Presentation will be held on Friday 28th of February 2020 at 16:30 (Istanbul) 13:30 (London) 08:30 (New York).

Audio Conference:

UK Dial-in: +44 207 194 37 59
USA Dial-in: +1 646 722 49 16
TR Dial-in: +90 212 375 51 27
Russia Dial-in: +7 495 646 93 15

Confirmation Code: 32128302#

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

Webcast:

<https://event.onlineseminarsolutions.com/wcc/r/2183902-1/DDB56616F988D199159F6750B3E2A2A4?partnerref=rss-events>

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

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

ENQUIRIES

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

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