

**ANADOLU  
EFES**  
**Investor  
Presentation**



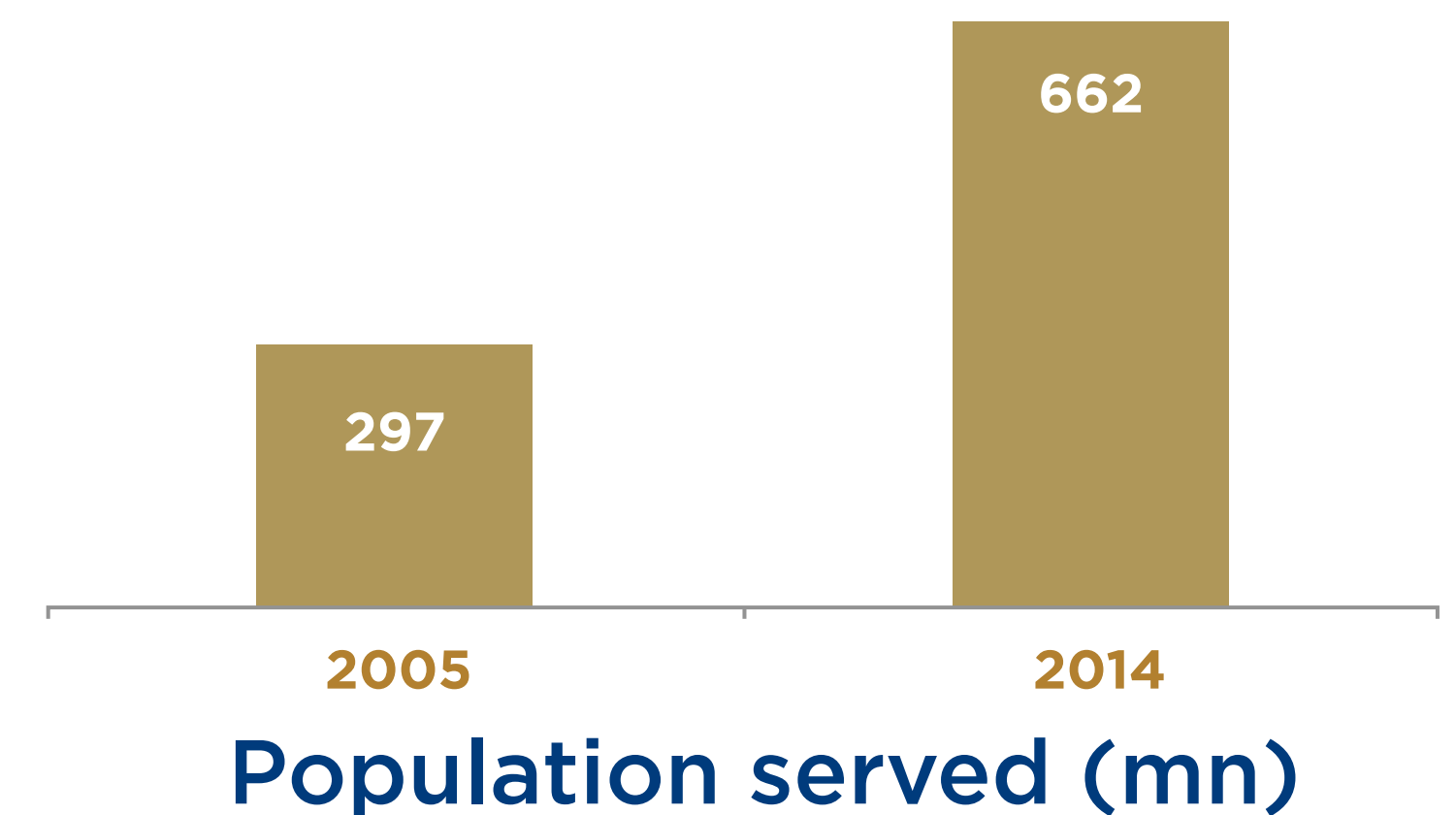
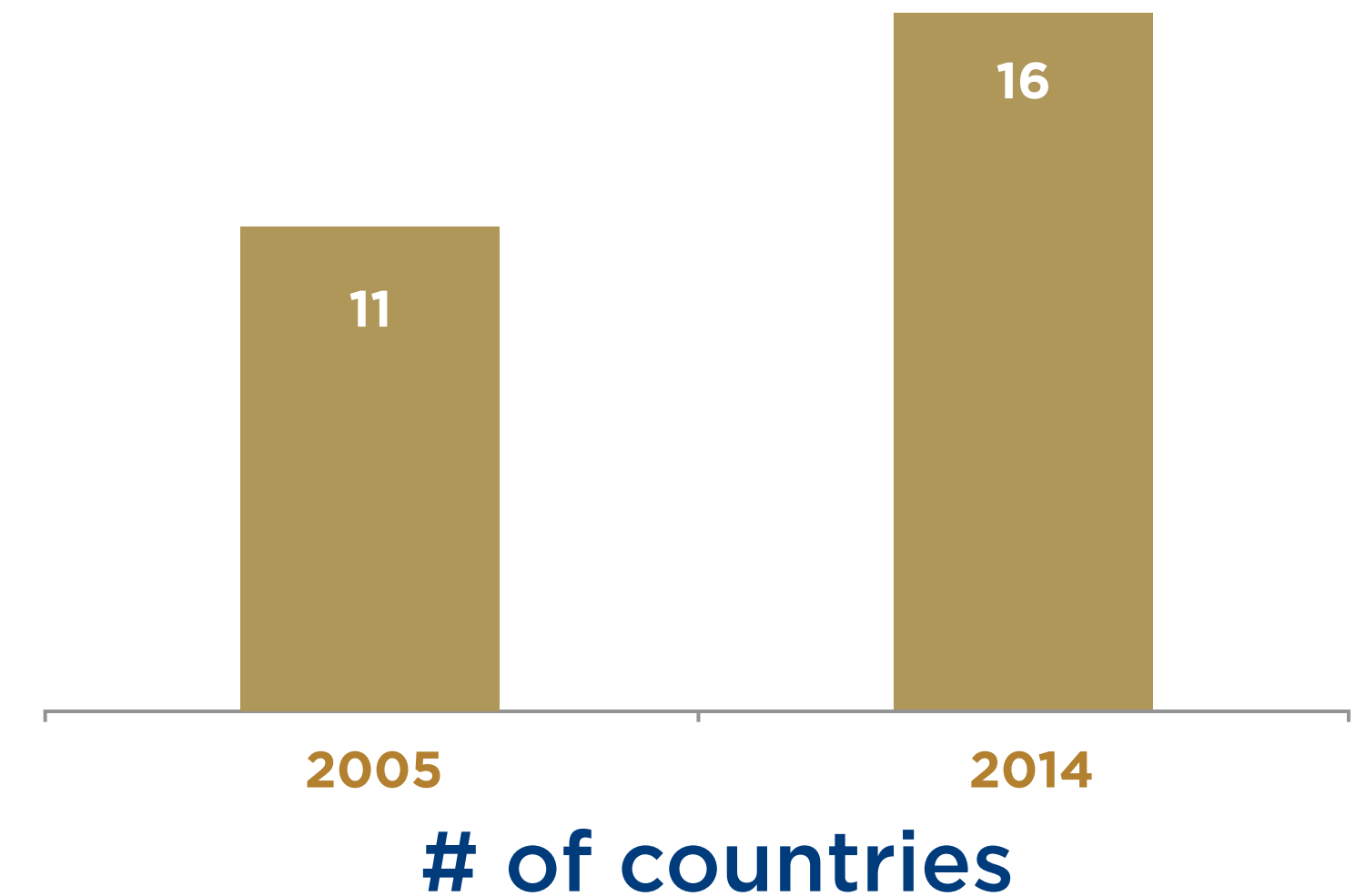
## *Forward - Looking Statements*

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

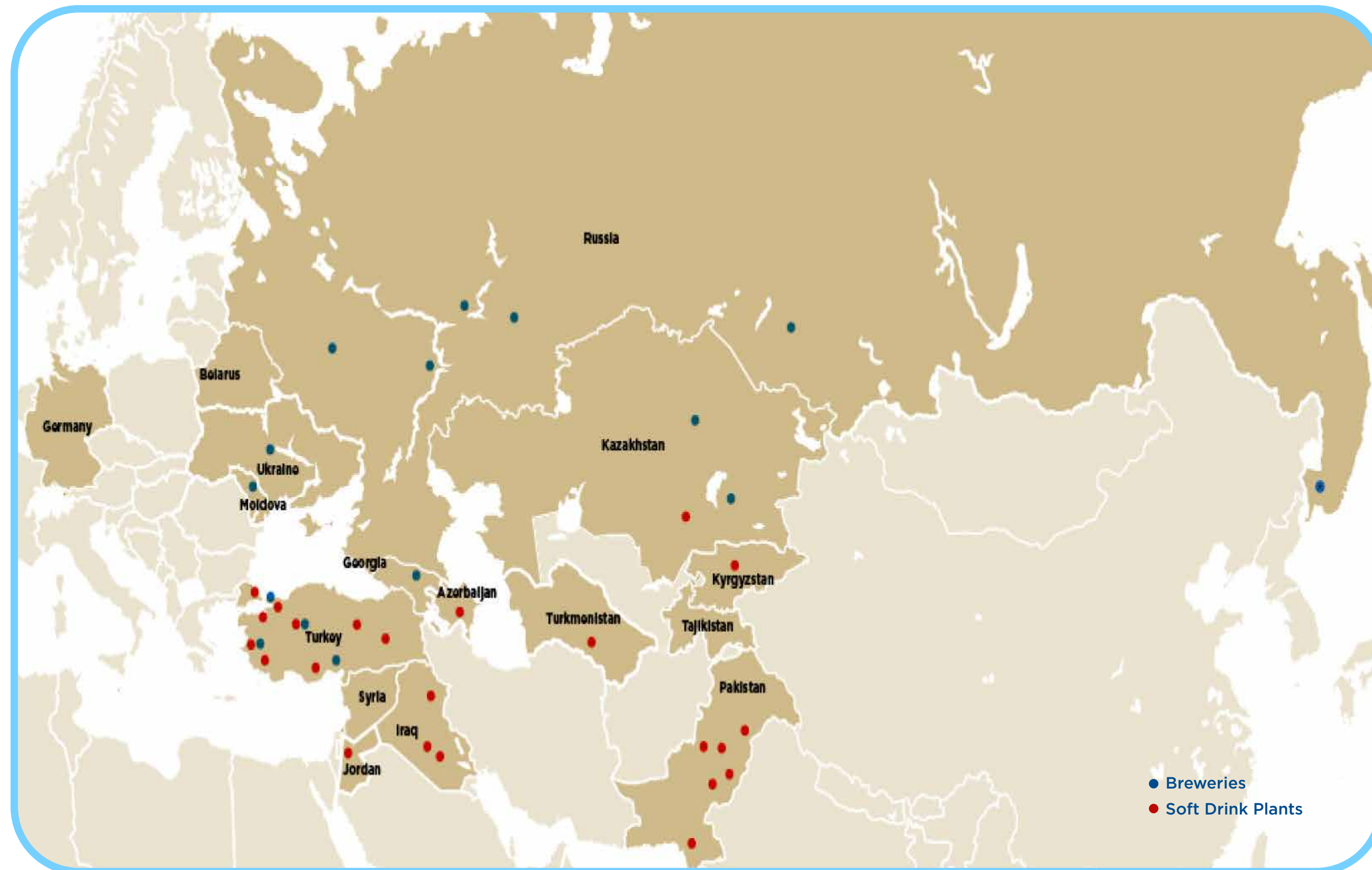
# A Total Beverage Company Refreshing 662m Consumers

- A world class brand portfolio
- Operating in markets with growth potential indicated by low per capita consumption levels
- To a diverse and exciting region with strong GDP growth
- Through an experienced and financially strong organisation
- Synergies with SABM&TCCC

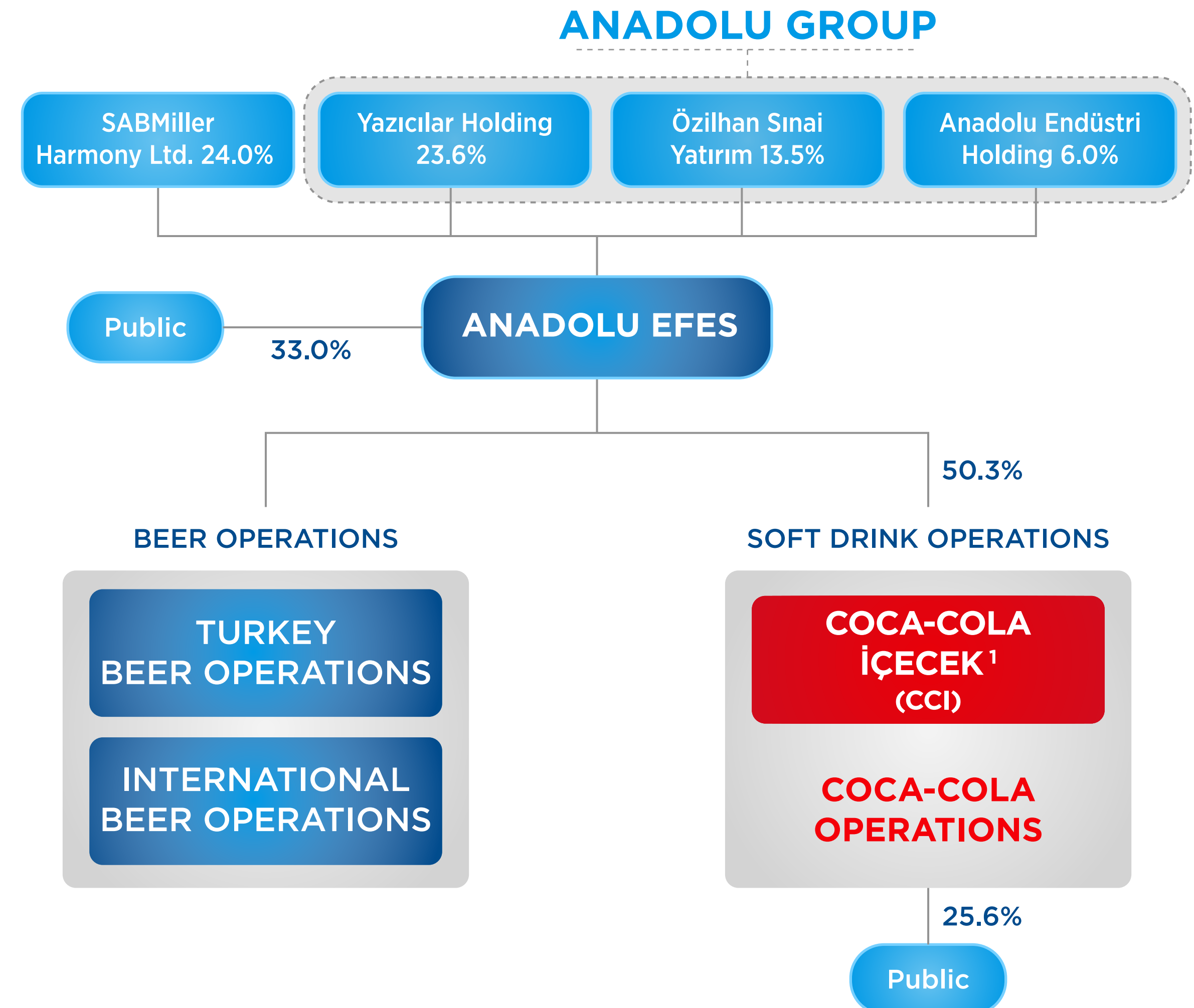


# Operating Geography

Refreshing around 660mn consumers in markets with low per capita consumption...

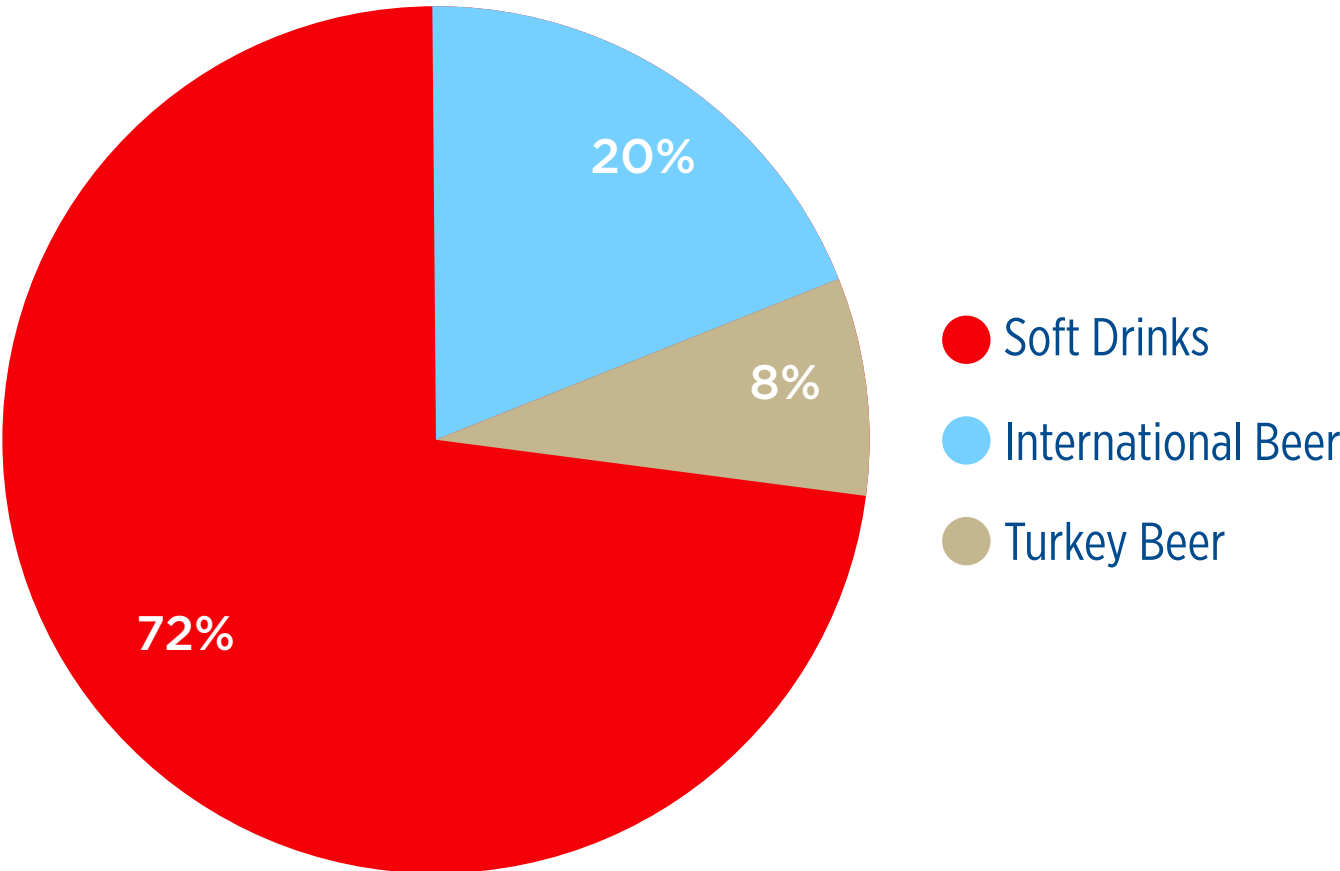


# Ownership Structure

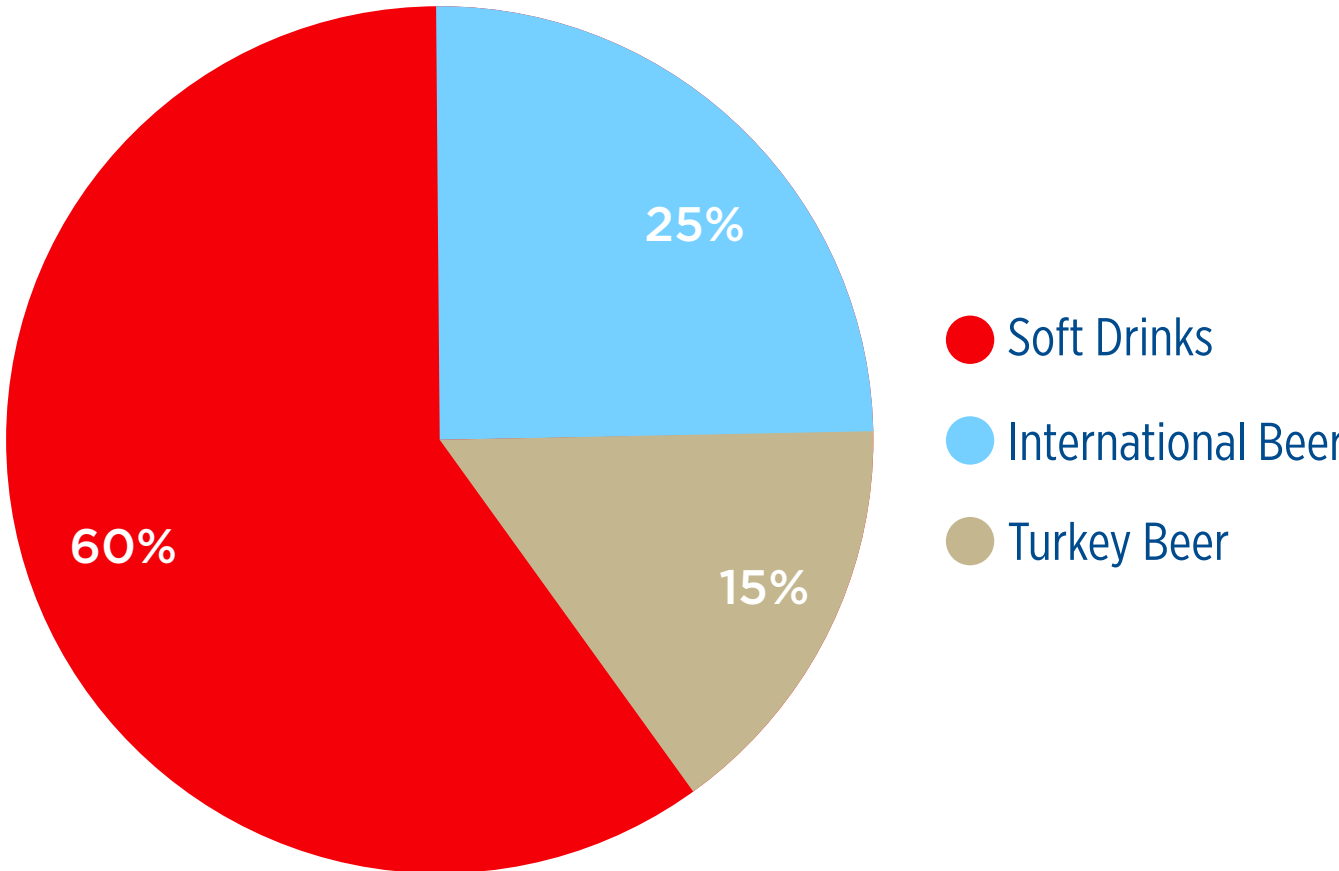


# Strong History Of Growth

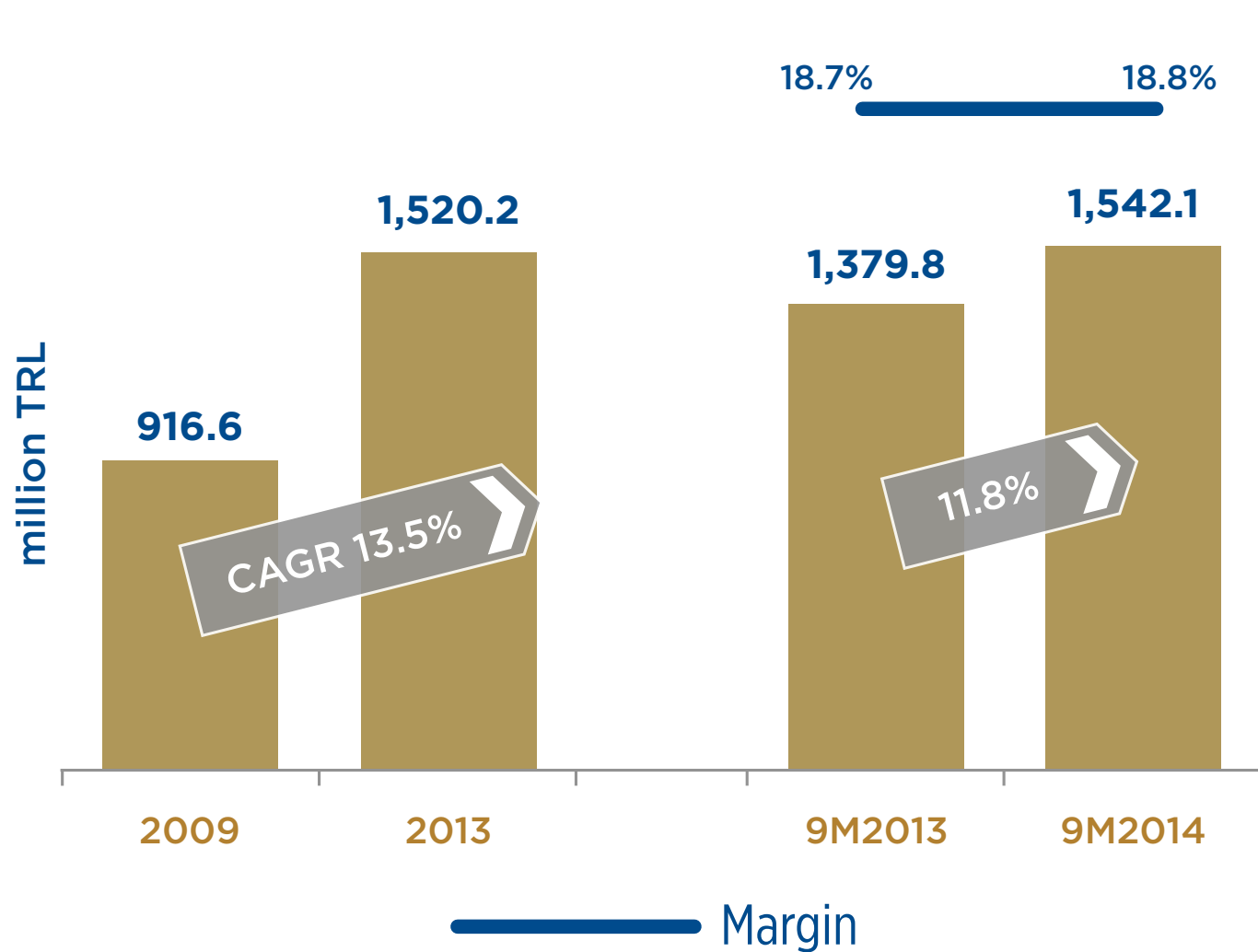
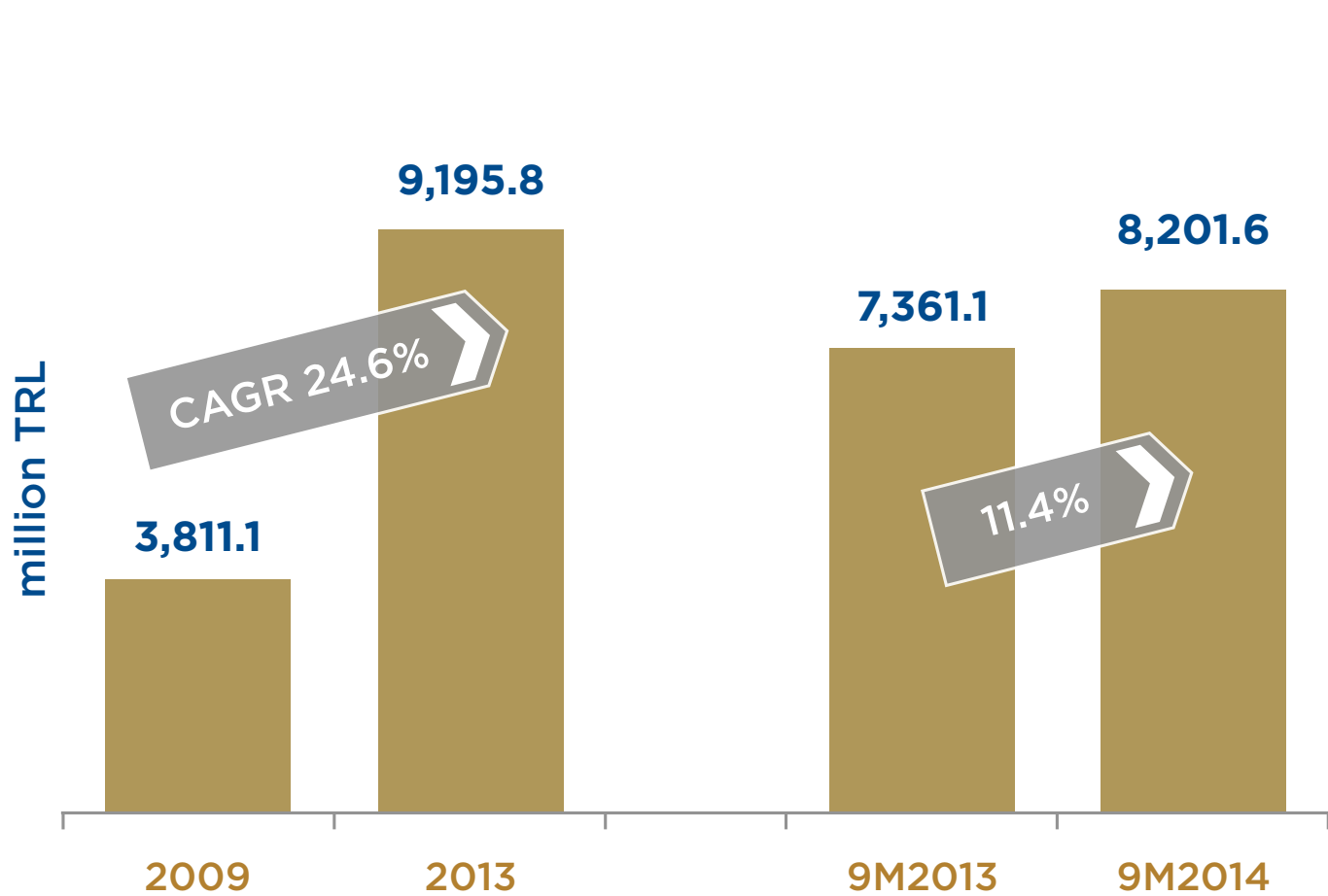
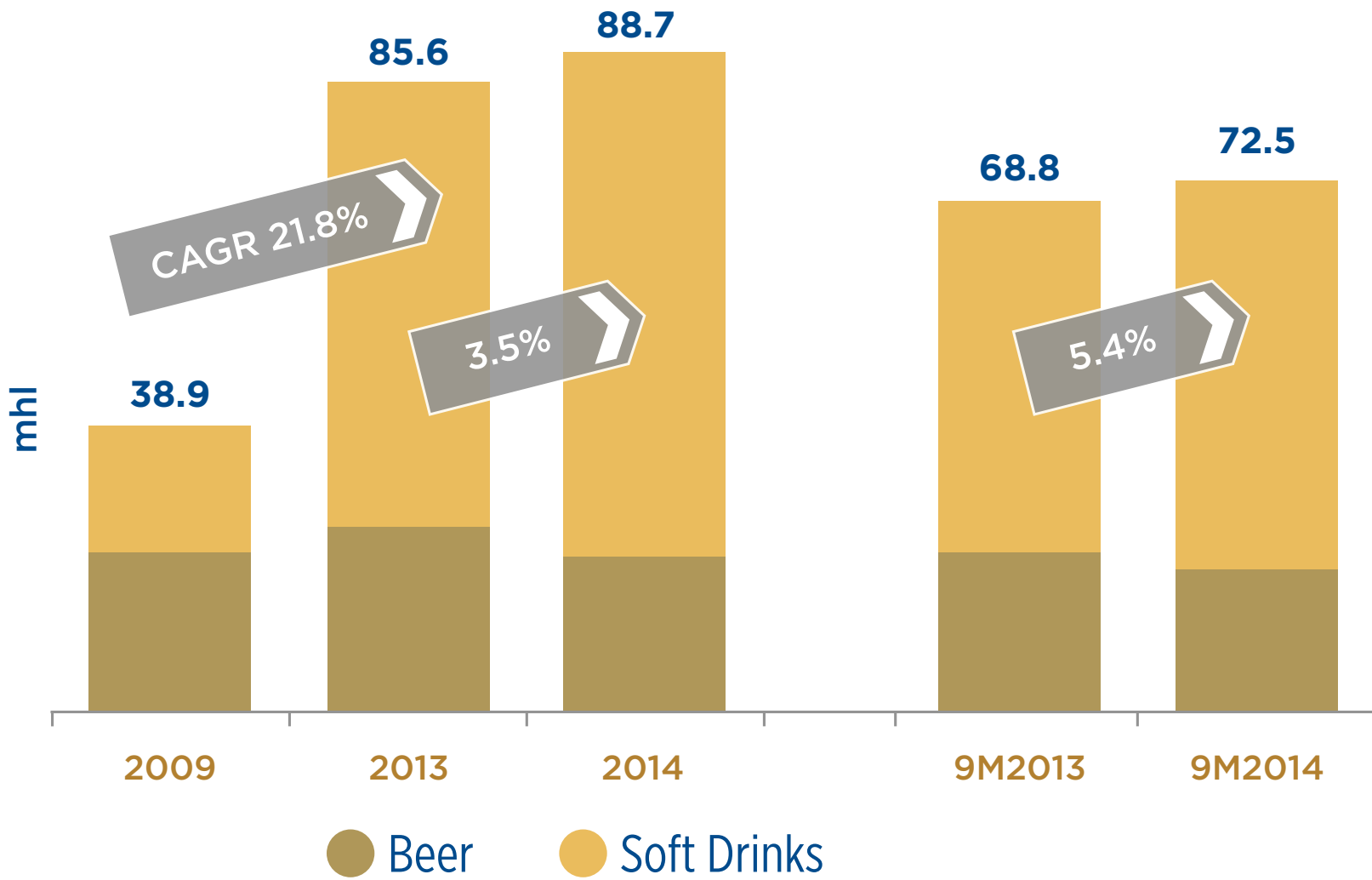
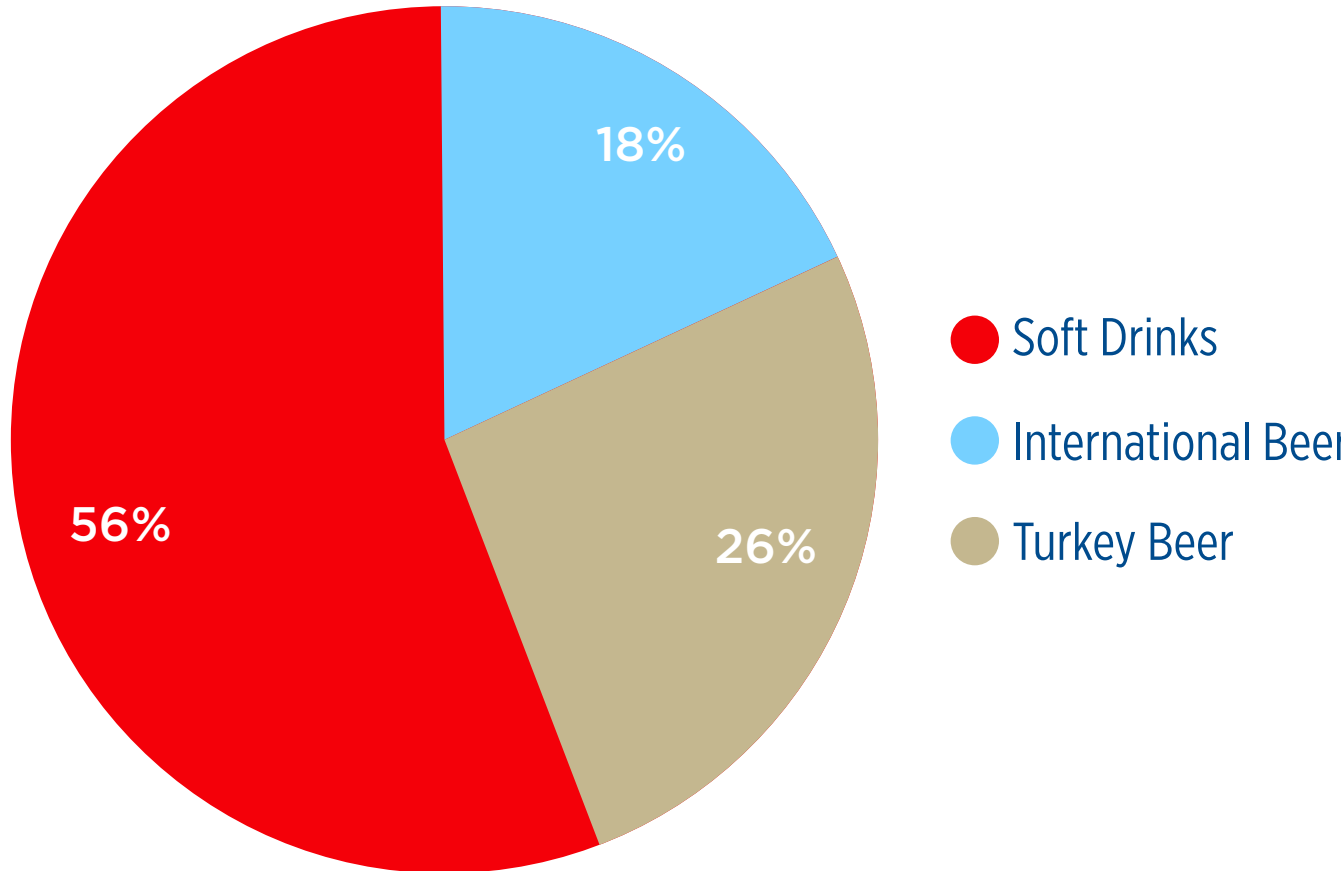
Volume\* - FY2014



Revenue\* - 9M2014



EBITDA\*(BNRI)\*\* - 9M2014



\*On a combined basis  
 \*\*Non-recurring items amounted to TRL12.2 million in 9M2014 and TRL3.7 million in 9M2013.

# Strategy For Sustainable Value Creation

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- Consumer led portfolio strategy-capturing value in soft drinks and beer
- Leverage strategic alliances to expand into new markets, categories and brands
- Operate through two distinct companies to maintain focus, build capability & support investment
- **In beer markets...**
  - Restore margins & shares through continued focus on cost reduction, accelerated capability development & execution of brand/package development strategy
- **In CCI markets...**
  - Drive sparkling category in Turkey, expand margins in Pakistan & Iraq, expand sparkling portfolio, profitable growth in juice/iced tea
- Continued focus on sustainability, capability, development and risk management
- Improve balance sheet health, FCF, working capital management & a diverse funding strategy

## *Strong Competitive Advantages*

Balanced  
Beer and Soft  
Drink Operations

Strategic  
partnership with  
SABM & TCCC

Strong  
regional  
player  
powered by  
proven local  
know-how

Expertise  
and  
know-how in  
driving cost  
efficiencies

# *Solid Performance in a Challenging Year*

- Targets delivered and financial performance improved despite challenging operating environment
- Difficult-to-execute measures taken successfully ➤ More flexible infrastructure after rightsizing (i.e. plant closures, headcount reductions)
- Portfolio expansion by leveraging strategic partnerships with SABM & TCCC
- Accelerated capability development programs
- Successful deleveraging

***Strengthened position to continue sustainable growth***





# Beer Operations

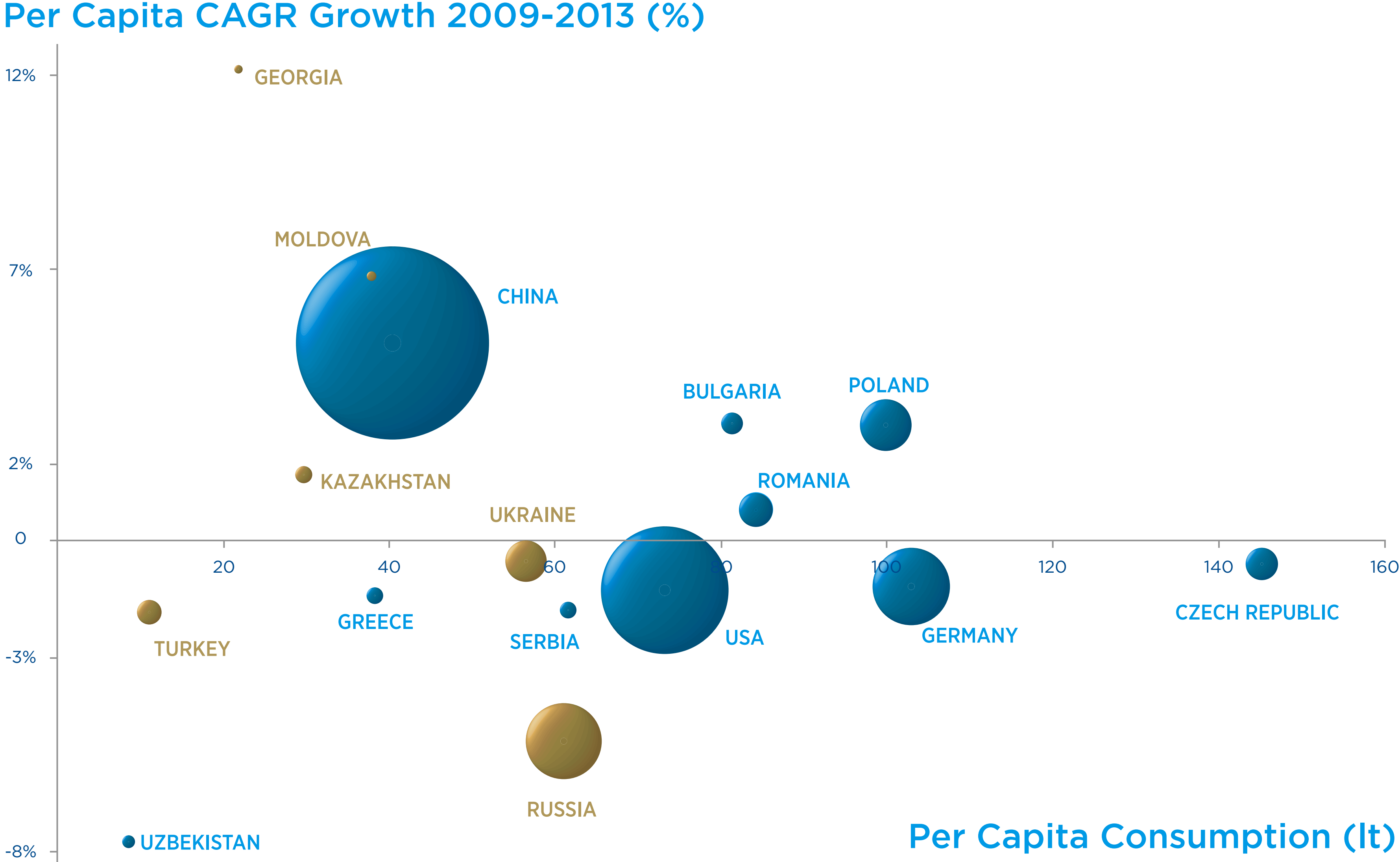


# Leading Brewer in our Region

*Europe's 5th largest and the World's 10th largest brewer in terms of sales volume\* with No.1 position in most of the markets in which we operate*



# Markets with low per capita consumption but high potential



# Beer Strategic Framework to create sustainable value

## **B**RANDS

Provide choice and innovation to consumers:  
Grow brand love

## **E**XECUTION

Excel in customer collaboration, availability and point of sale activation

## **E**FFICIENCY

Build competitive advantage through lean and efficient operations

## **R**ELATIONS

Focus on employees, customers, regulators, community and environment

# Beer Business Strategic Priorities

## Brands

- Drive category growth
- Broader portfolio
- Differentiated package & price offerings
- Affordability

## Execution

- Drive visible availability
- Win at point of sales
- Customer Collaboration

## Efficiency

- Relentlessly drive cost efficiencies
- Utilize technology more
- Increase productivity
- Best-fit RTM solutions

## Relations

- Develop employees & business partners as our ambassadors
- Minimize our impact on environment
- Advocate responsible drinking inline with global industry commitments

**Continue to leverage our strategic partnership with SABM**

## *Turkey - Stronger, Broader Brand Portfolio*

- A multi-brand portfolio approach with;
  - local powerhouse brands
  - premium brands
  - foreign brands
- Revenue management/broader price & packaging alternatives
- Leaner organization following the rightsizing of operations and cost savings
- Improved financial performance despite challenging operating environment

## *Russia - Well-positioned in the World's 4<sup>th</sup> Largest Beer Market*

- Broader premium portfolio to grow value share
- New sales & operating model & RTM projects
- Efficient footprint
- Improved operating results

## *Other Operations - Strongly Positioned in CIS Countries*

- Challenging year in the region marked with economic, political and industry-specific issues
  - crisis&excise tax hike in Ukraine
  - devaluation in Kazakhstan
- Improved market share in most of the operating markets
- Savings in OPEX & other optimization projects successfully initiated
- Targets delivered despite unexpected circumstances



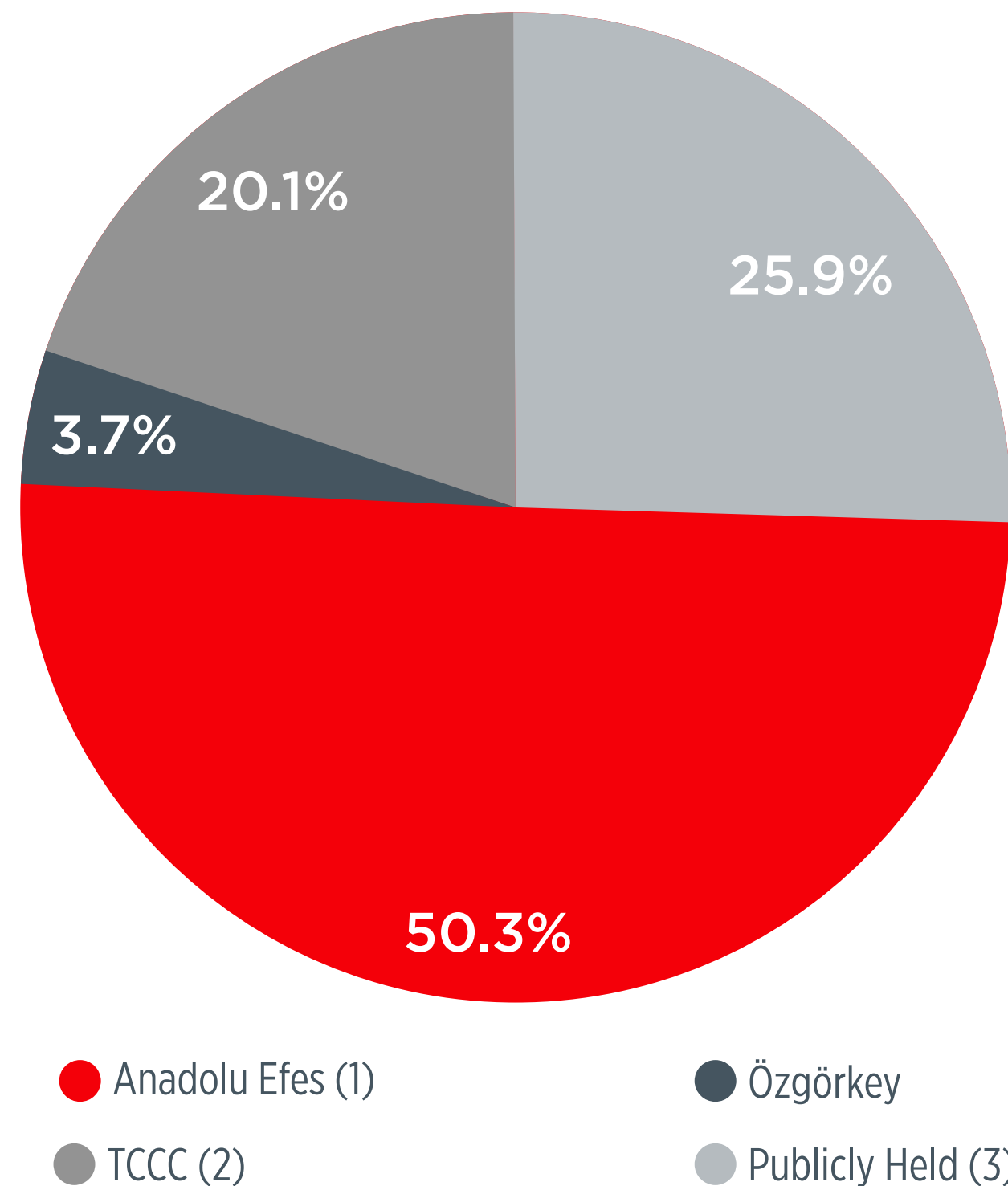
# Soft Drink Operations



## CCI's Operating Geography

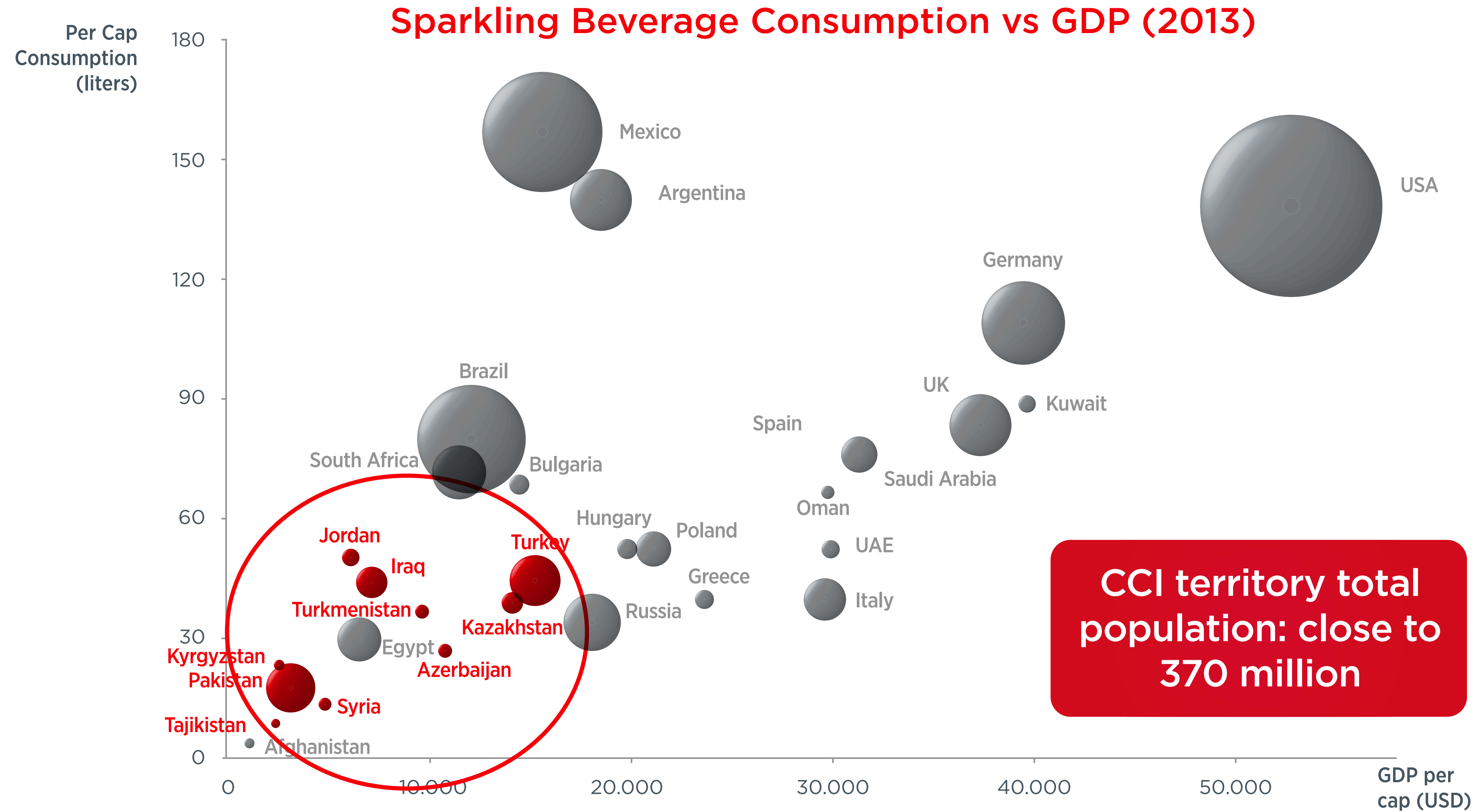


## Shareholder Structure



- Operating in one of the world's most dynamic and exciting markets
- A gateway to Turkey, Pakistan, Central Asia and The Middle East
- Serving close to 370 million people; 60% of population below 30 years of age

# Capitalizing on favorable demand and demographic drivers



# Soft Drinks Business Strategic Priorities

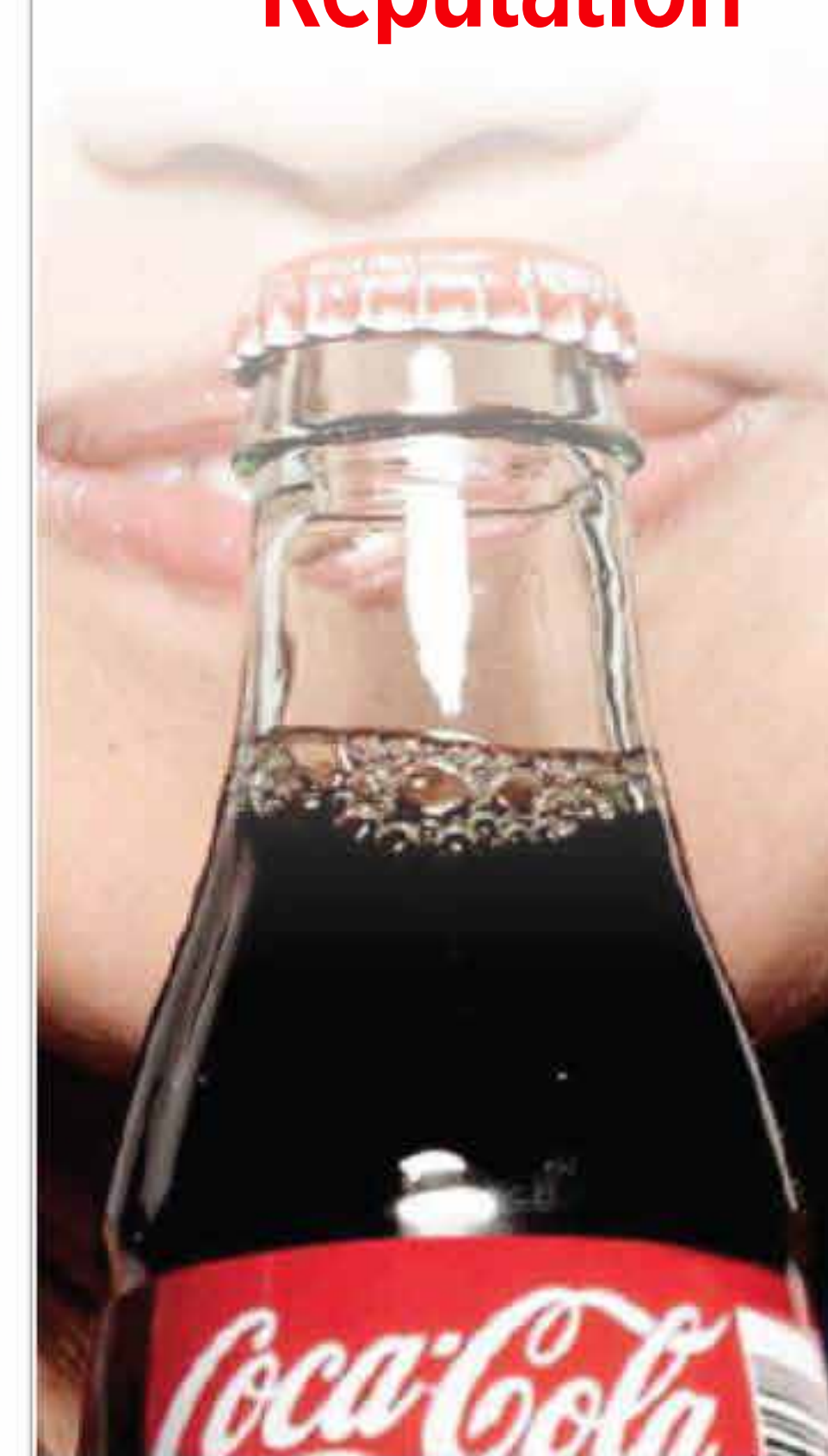
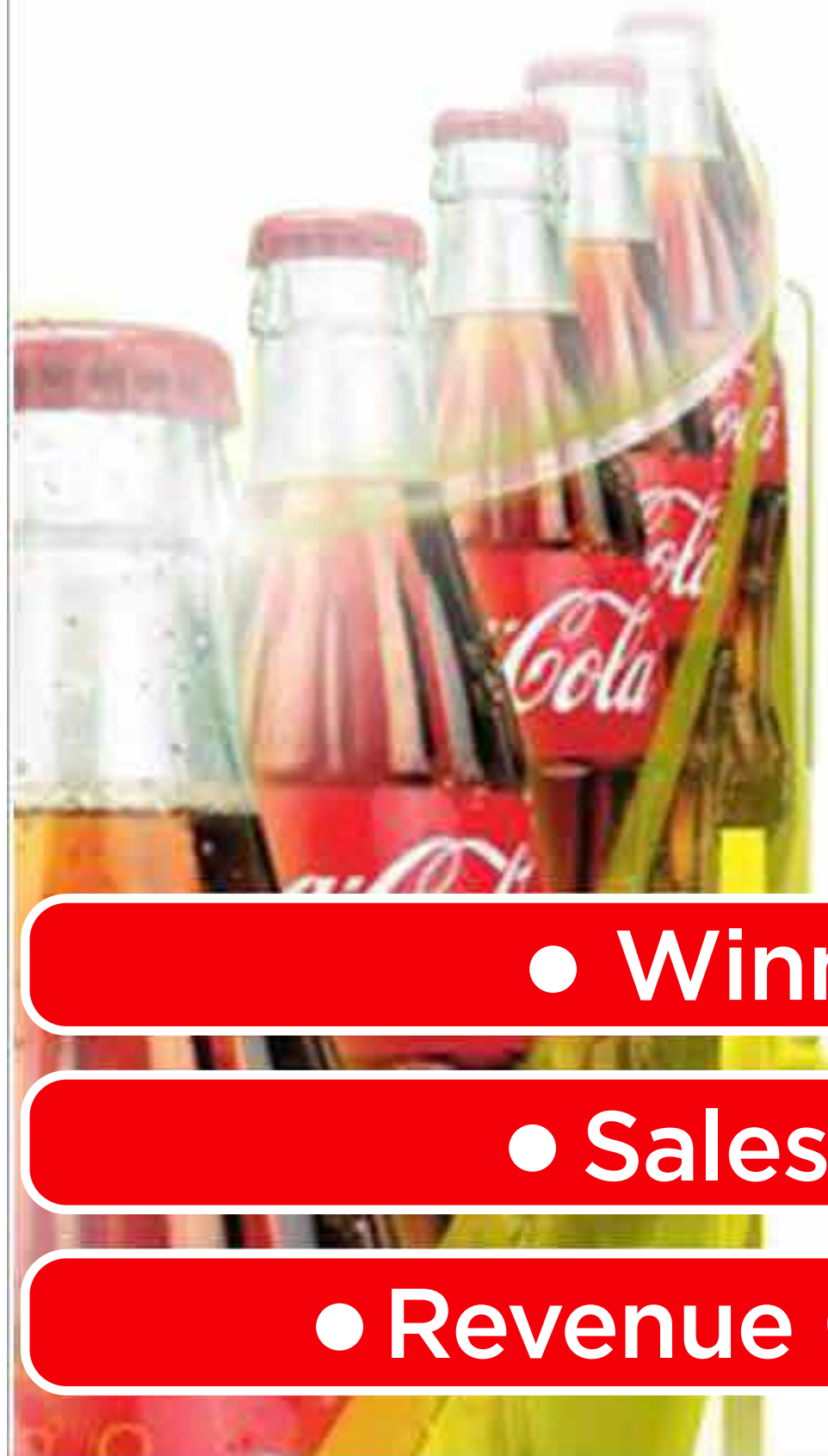
**1 Accelerate Revenue and Margin Growth**

**2 Grow Sparkling Category and Per Caps**

**3 Selectively Expand Profitable Still Portfolio**

**4 Continue to Build and Enhance our Reputation**

**5 Build a World Class Organization**



• Winning At The Point of Sales

• Sales Force Effectiveness - SFE

• Revenue Growth Management - OBPPC

# Focusing on Turning Volume into Value

## Revenue Growth Management



Segmentation



Availability



<< Cold is sold >>

## Productivity



Production

	2006	2013
Turkey	1.74	1.41
Jordan	3.44	1.84
Kazakhstan	2.10	1.65
Azerbaijan	2.10	1.92

Water use ratio  
lt water/lt product

	2006	2013
Turkey	0.27	0.26
Jordan	1.69	0.41
Kazakhstan	0.40	0.43
Azerbaijan	0.28	0.41

Energy use ratio  
MJ lt of product

## Strategic Procurement



Sugar



Resin



Can

## Operating Expenses Management






Selling, Marketing and Distribution Expenses

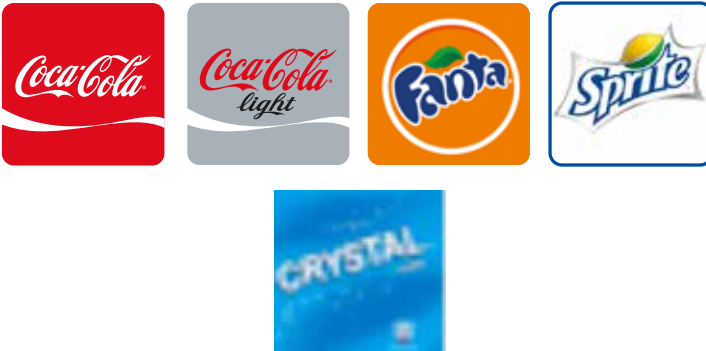




# Strong Brand Positioning and Offering in Our Key Markets




## Turkey

Sparkling	66% #1	
Juice	26% #1	
Water	6% #2	

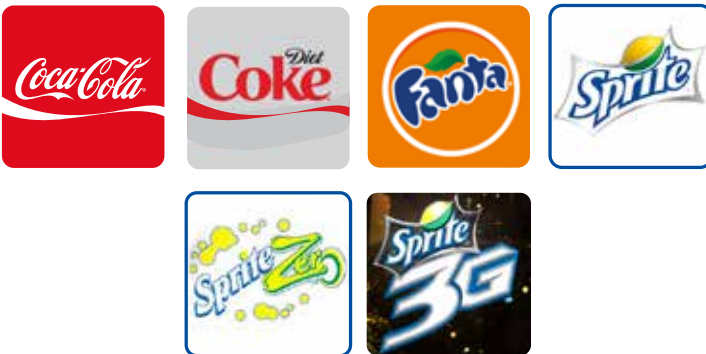


## Iraq

Sparkling	26% #2	
Energy		
Water		

## Kazakhstan

Sparkling	48% #1	
Juice	21% #2	
Water	10% #3	

## Pakistan

Sparkling	30% #2	
Juice	2% #7	
Water	9% #3	

# Financials & Outlook



## TURKEY OPERATIONS

### Volume

- Growth achieved in 3Q2014 continued in 4Q2014
- Full year volumes inline with guidance

### Revenue

- Outperform volume growth due to;
  - Positive mix
  - Higher prices

### Margins

- Cost cutting initiatives
- Flat gross margin
- Improved EBITDA margin

## INTERNATIONAL OPERATIONS

### Volume

- EBI volumes declined mainly due to:
  - weaker volumes in Russia
  - crisis and excise tax hike in Ukraine
  - devaluation in Kazakhstan

### Revenue

- Positive mix impact
- Local price increases
- Higher USD-based per liter prices

### Margins

- Positive mix
- Fixed cost savings
- Network optimization programme
- Higher gross and EBITDA margin



# 9M2014 Overview - Soft Drink Operations

## TURKEY OPERATIONS

### Category Growth

- Number of transactions up
- Sparkling - slight contraction
- Still - high teens
- Water - low single

### Packaging Mix

- Successful new IC package launches
- IC share up

### Pricing

- Price increases on the most selling packages effective from October onwards

### Cost and Opex

- FX impact on packaging material
- Limited impact from sugar price increase

## INTERNATIONAL OPERATIONS

- Pakistan - successful campaigns supported volume growth despite headwinds
- Kazakhstan - strong sparkling growth and market share gains in sparkling, ice tea and juice categories
- Iraq - volume growth in S.Iraq compensated for the contraction in N.Iraq

## BEER OPERATIONS

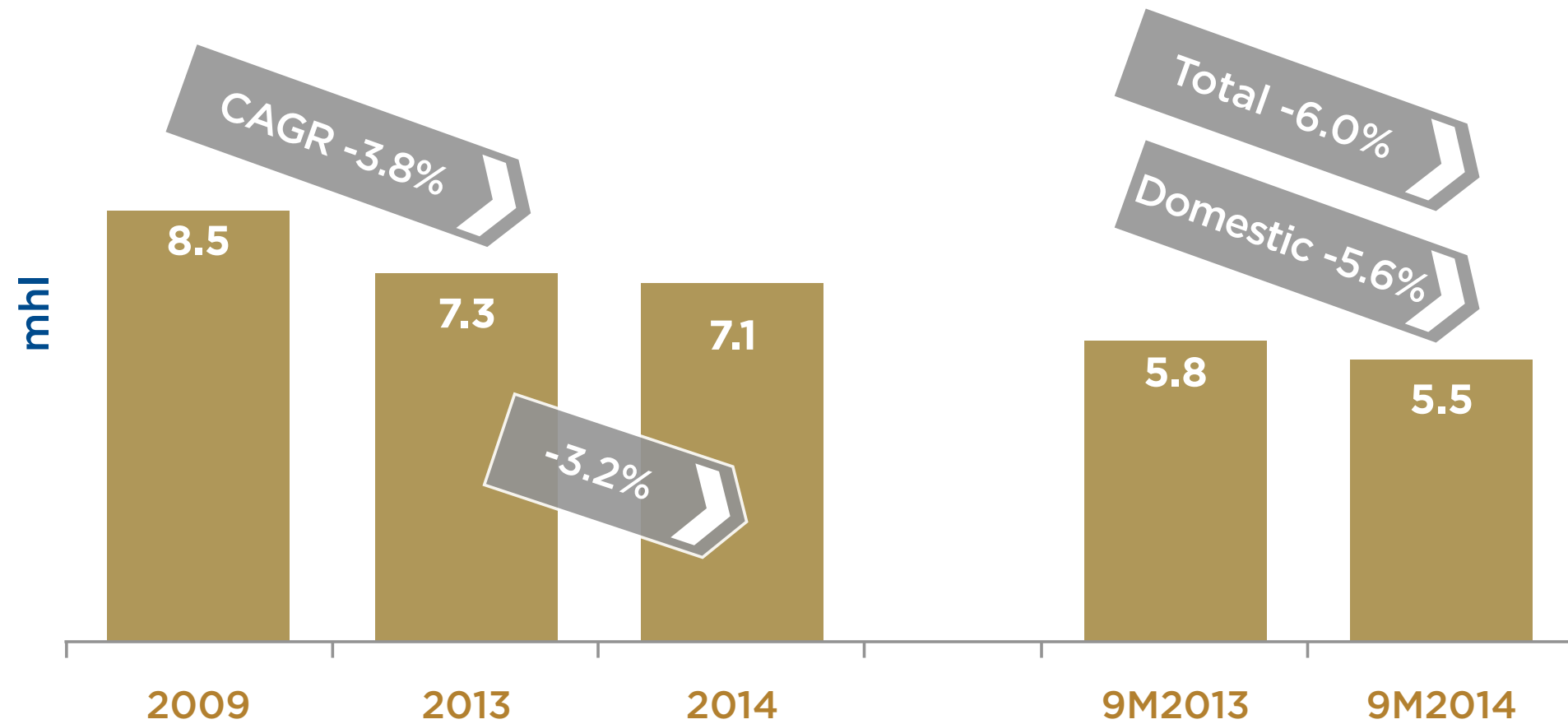
- Turkey Beer Market – Flattish
- Russian Beer Market – Mid-to-high single digit decline
- Efes Turkey Volume – Low-to-mid single digit decline
- Efes Russia Volume – Low-to-mid single digit decline
- Total Beer Volume – Low-to-mid single digit decline
- Sales Revenues – Grow
- EBITDA growth > Revenue growth
- EBITDA margin expansion – Both in Turkey and Russia

## ON A CONSOLIDATED BASIS

- Sales volumes - mid-single digit growth
- Sales revenue growth > volume growth
- EBITDA (BNRI) growth in line with revenue growth

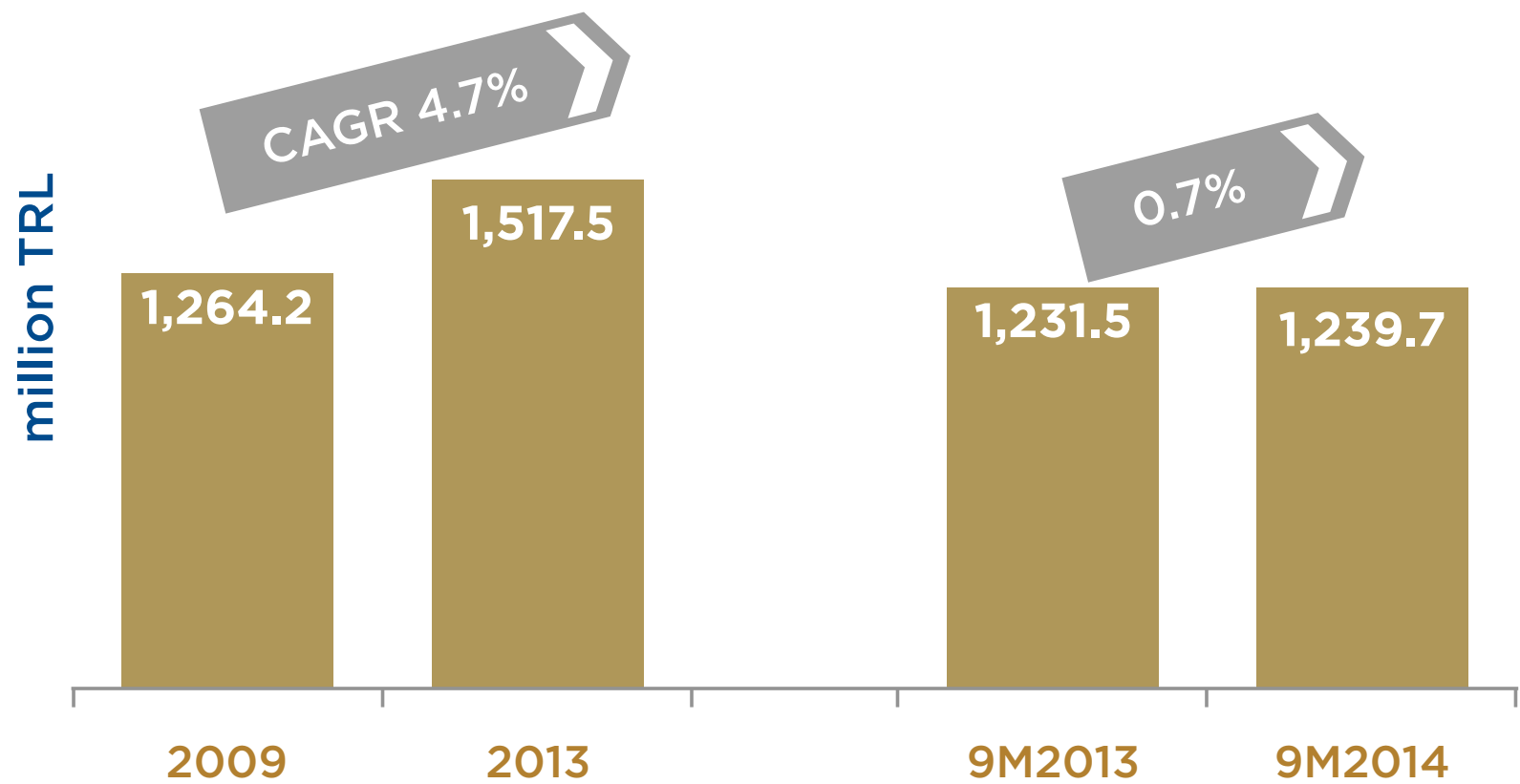
# Turkey Beer Financial Performance

## Volume

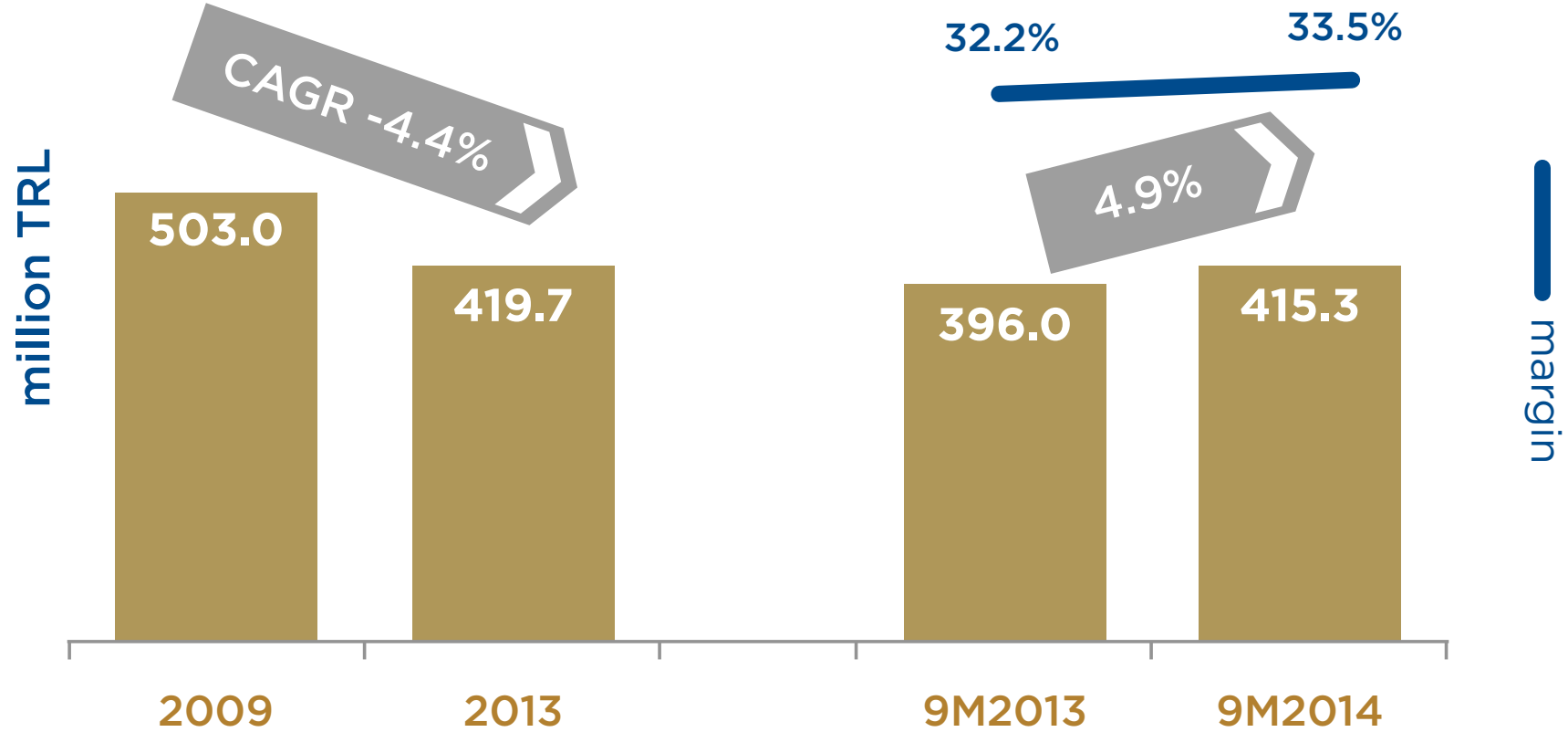


\* Sales volume including exports

## Revenue

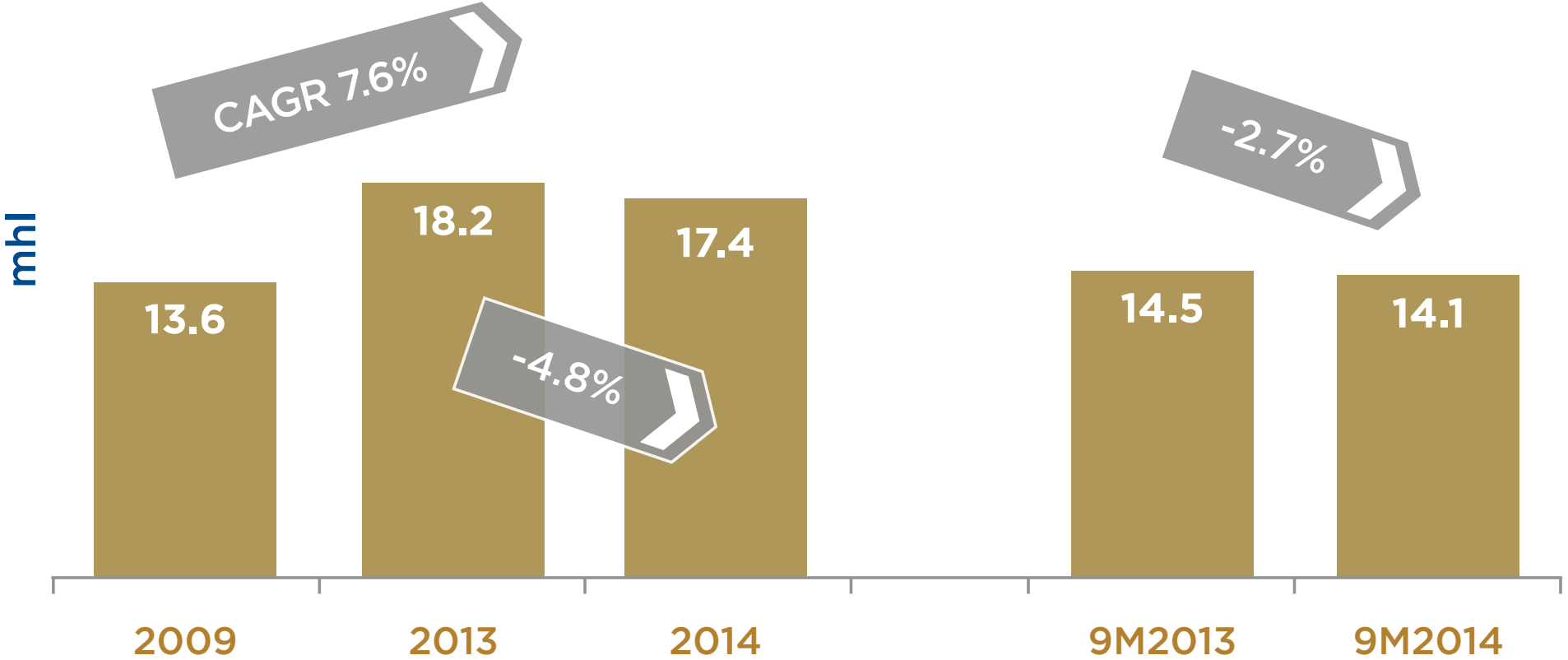


## EBITDA

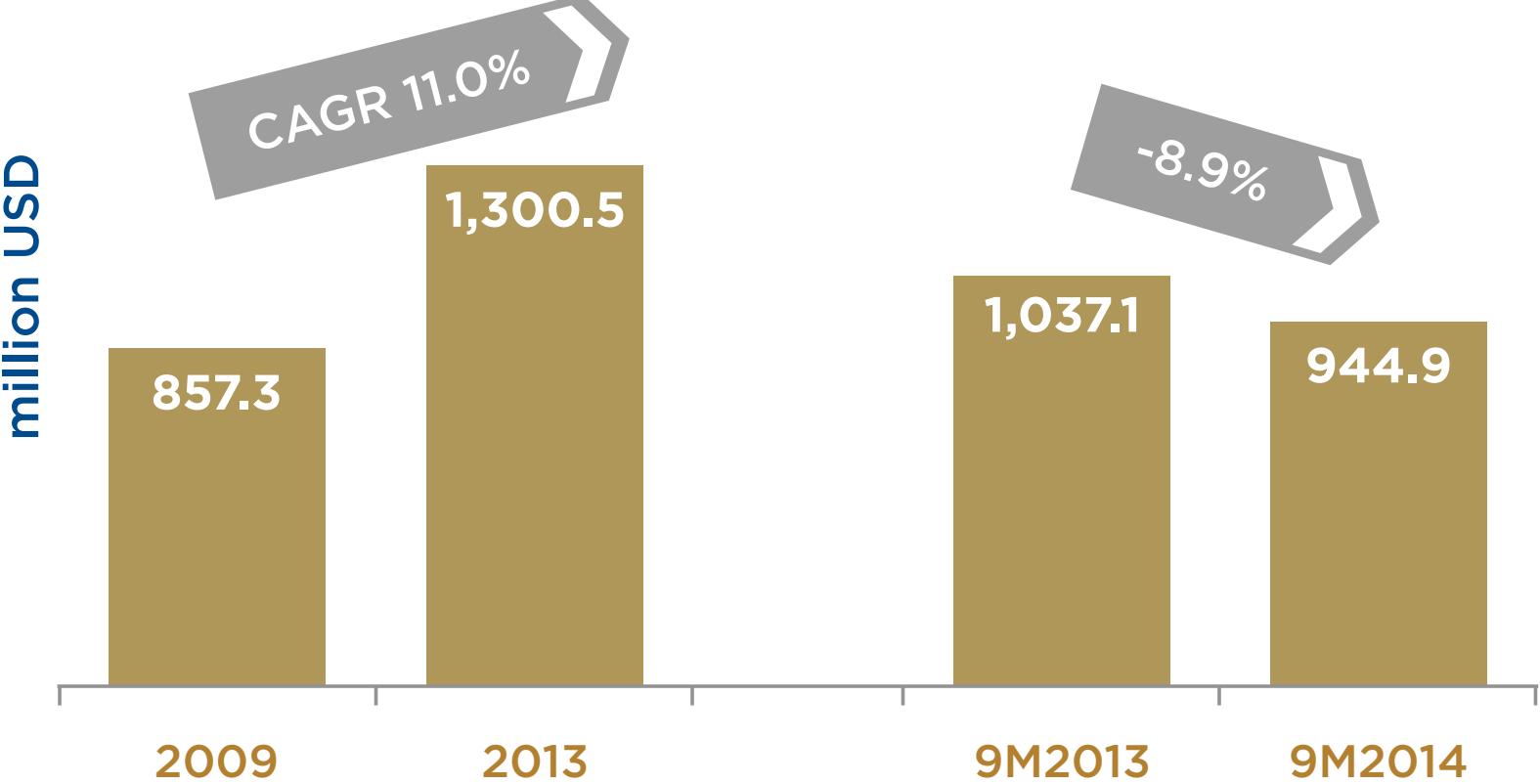


# International Beer Financial Performance

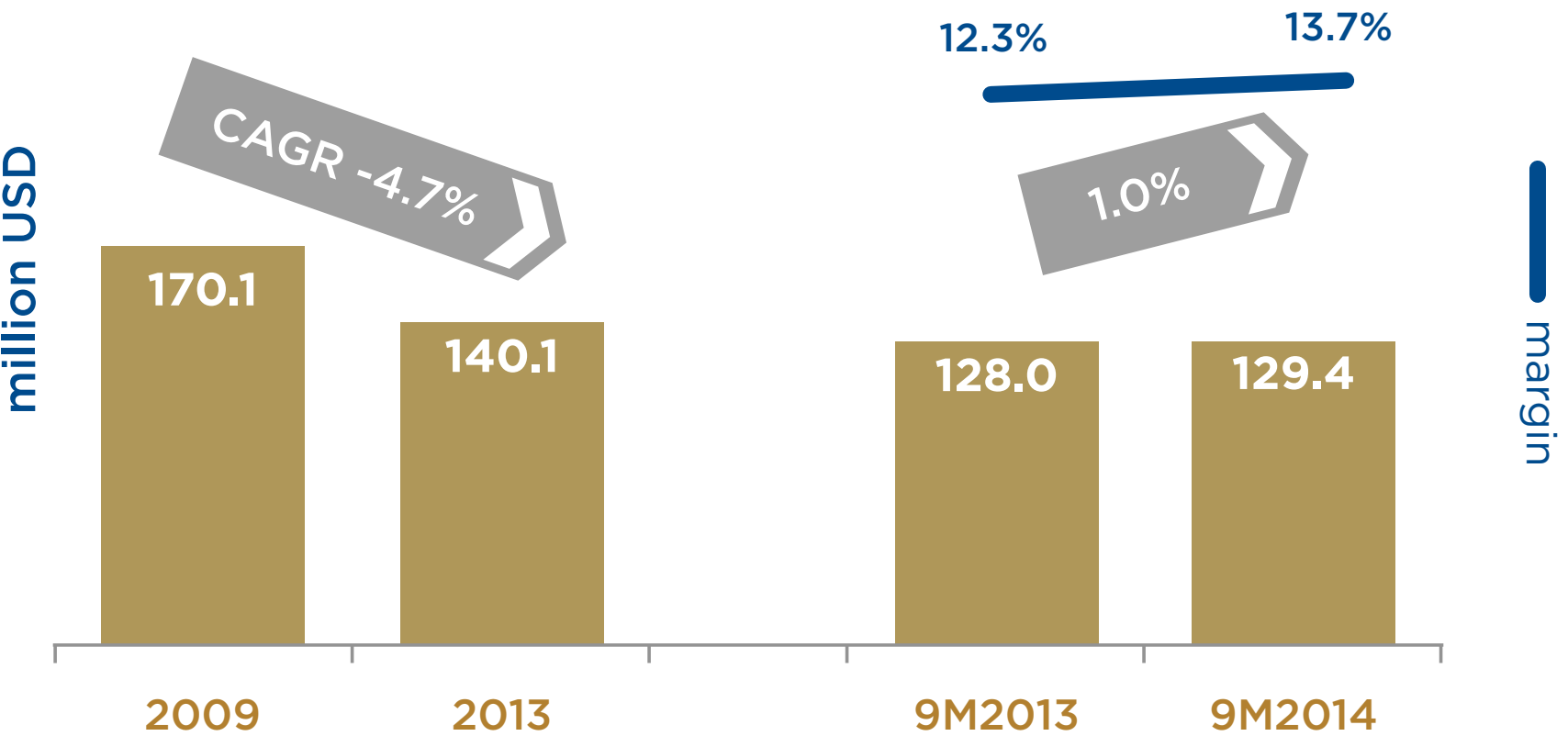
## Volume



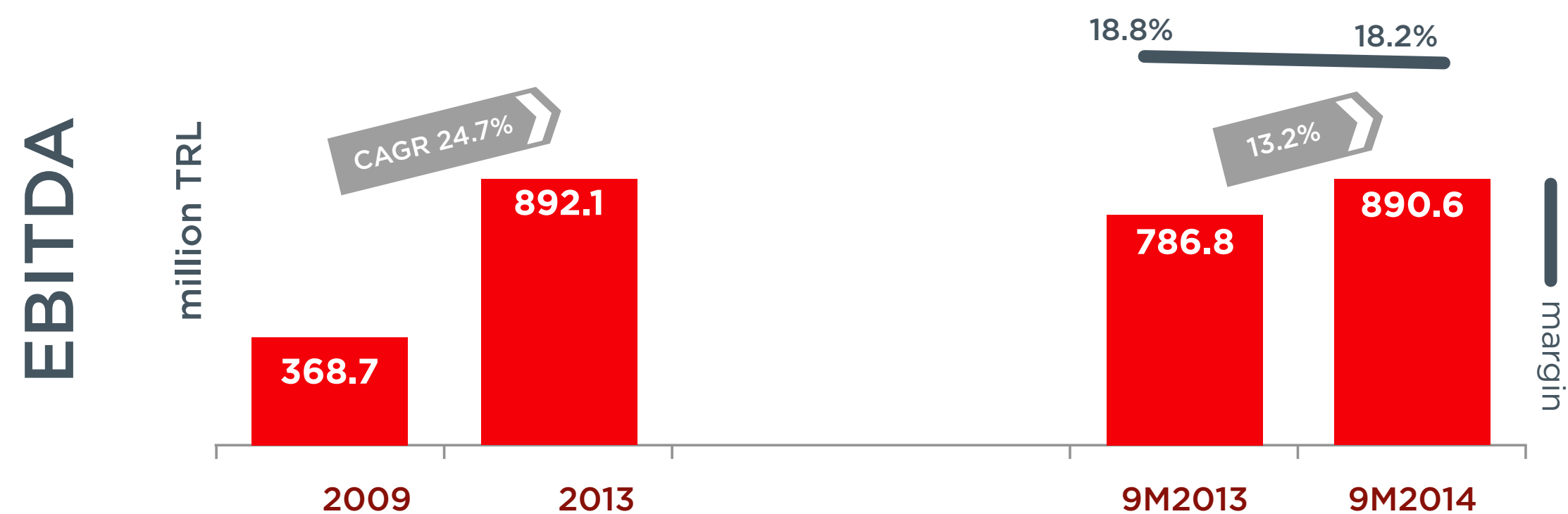
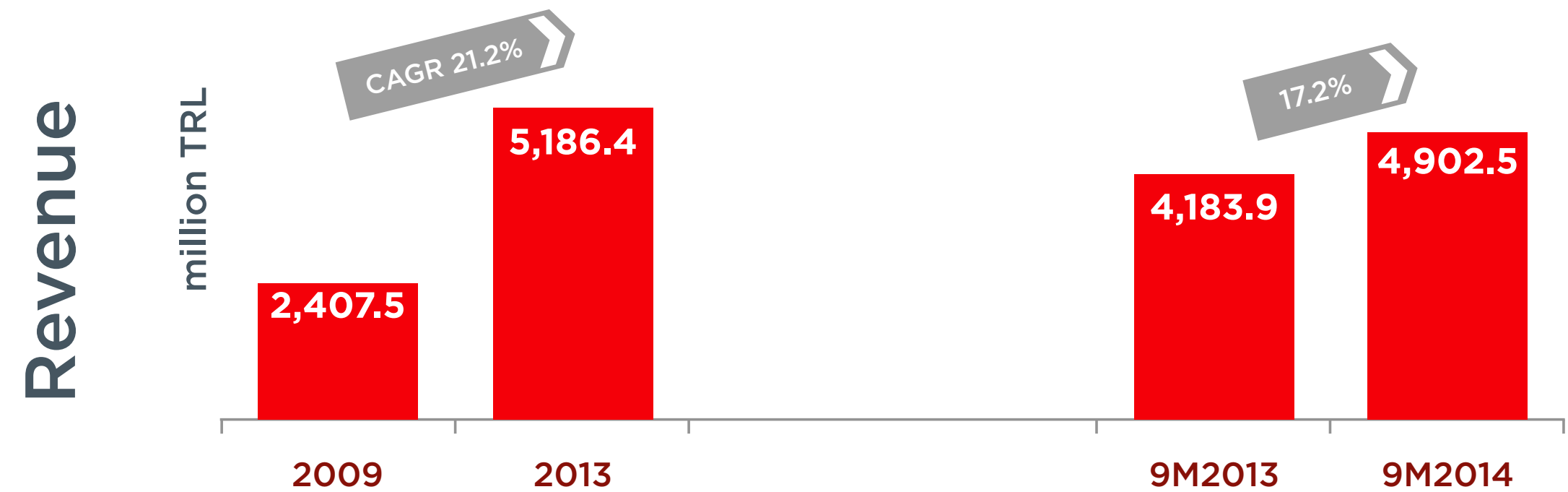
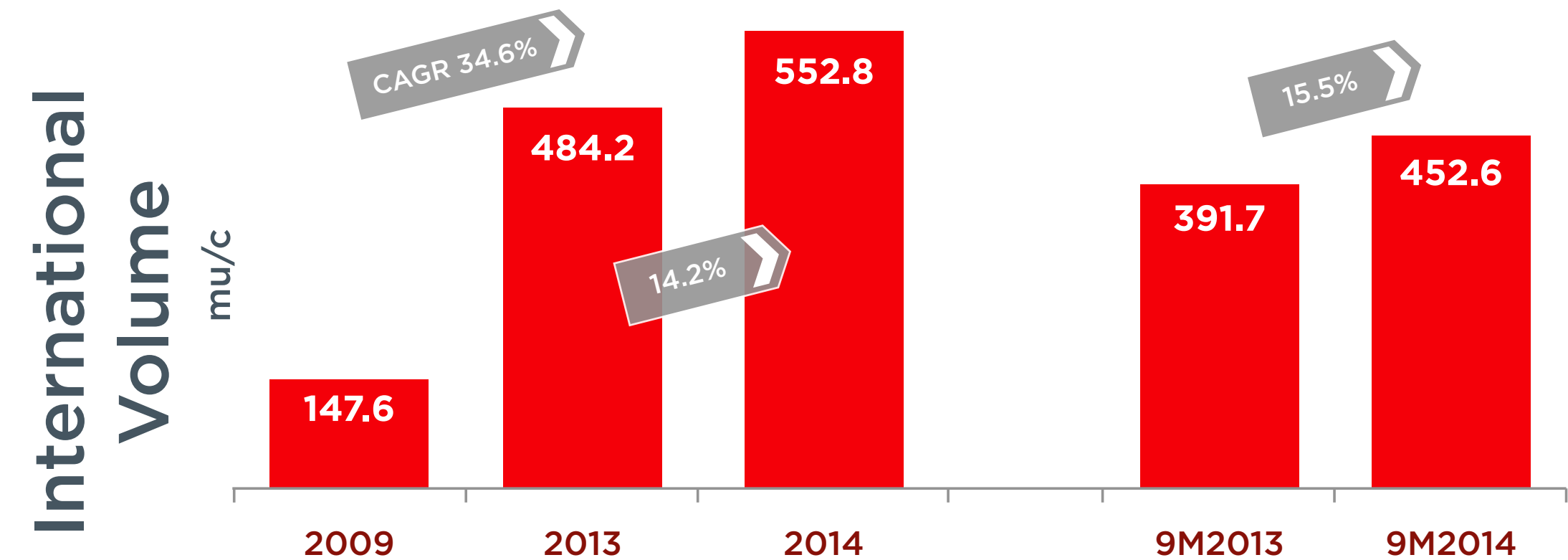
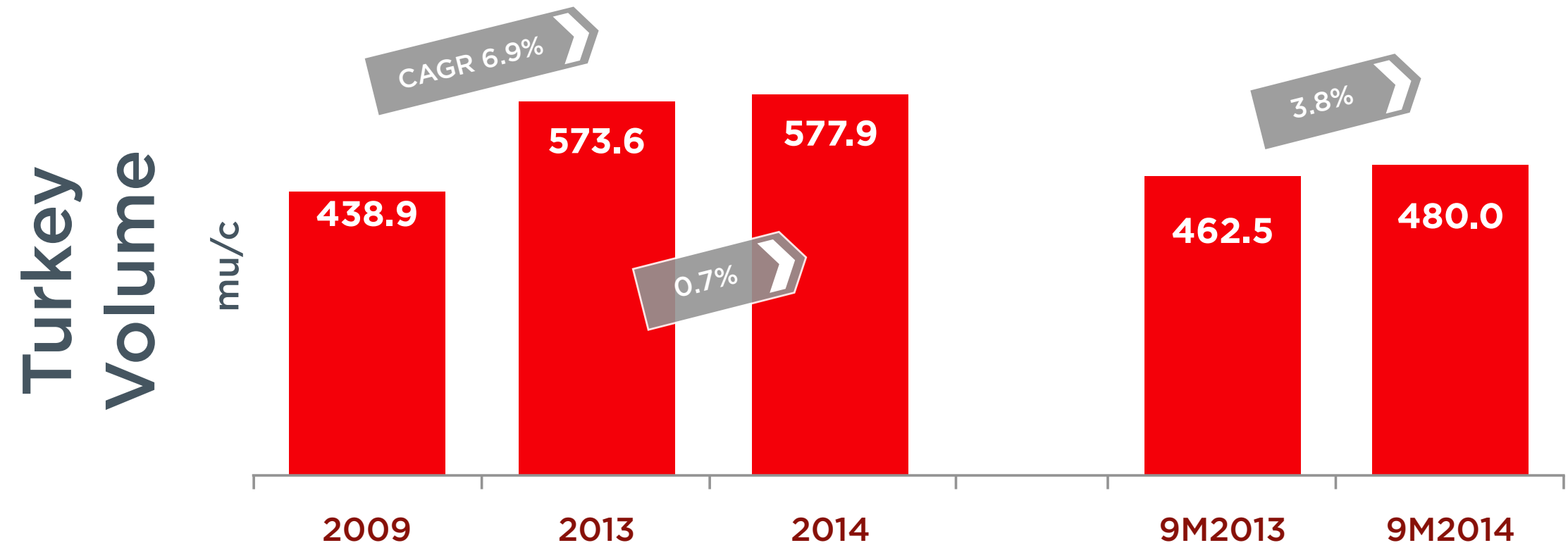
## Revenue



## EBITDA (BNRI)



# Soft Drinks Financial Performance



## 2014 OUTLOOK

- Consolidated - High single-digit volume growth
  - Turkey - Low single-digit volume growth
  - International - mid-teen volume growth
- Net revenue growth > volume growth
- EBITDA margin lower vs. 2013

# ANADOLU EFES

