



**ANADOLU
EFES**

INVESTOR PRESENTATION

Post 9M2016 Financials

Forward-Looking Statements

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

ANADOLU
EFES | LIVING THE VALUES!



PASSIONATE
& PROUD



PROFESSIONAL



ENTREPRENEURIAL

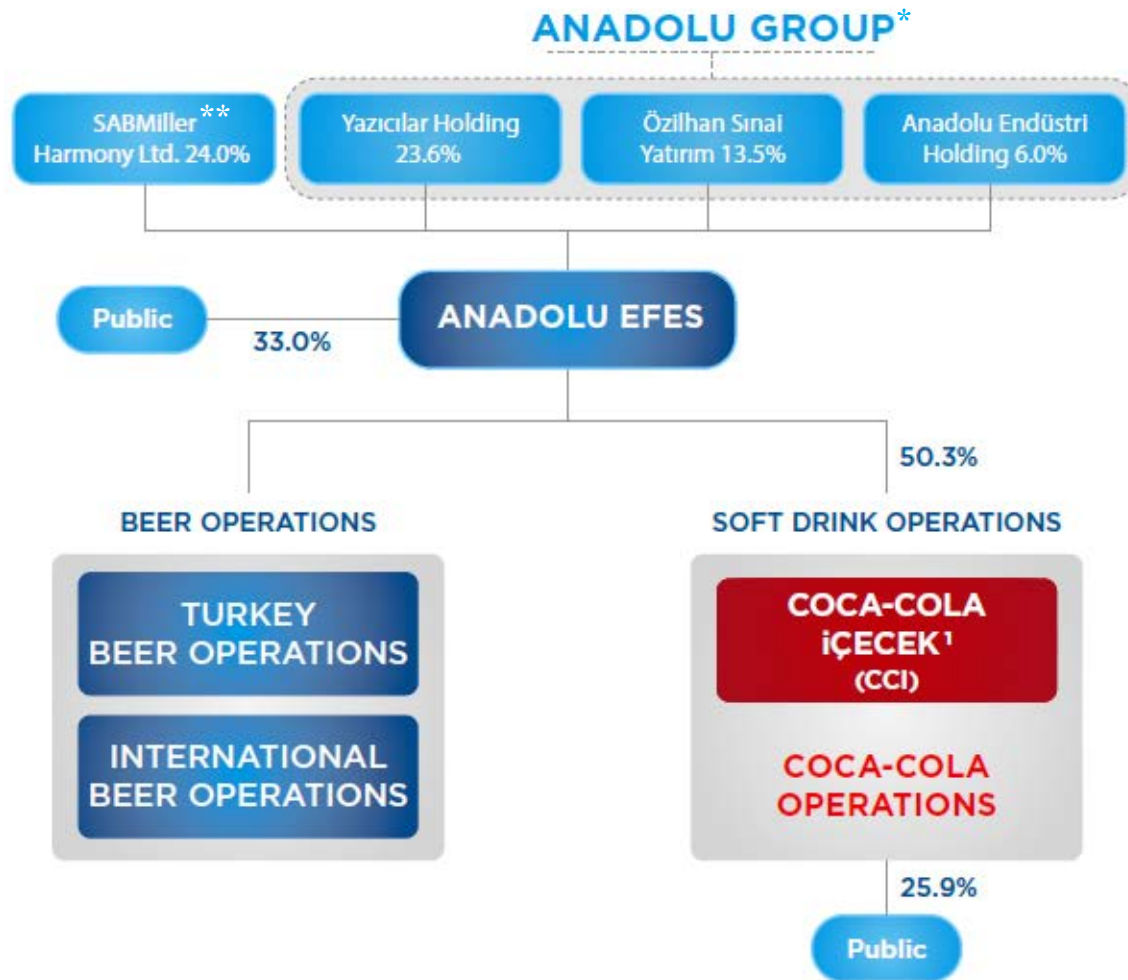


COLLABORATIVE



SUSTAINABLE

Anadolu Efes - Ownership Structure



• *Only the major subsidiaries of the Group are presented

• ** AB Inbev acquired SABMiller plc and became the new indirect shareholder in Anadolu Efes through SABMiller Harmony Ltd., as of October 12, 2016

1) 20% held by TCCC (The Coca-Cola Export Cooperation) and 4% by Özgörkey Holding

Anadolu Efes at a Glance*

Serving more than 670 mn people

16 countries; 15 Breweries & 25 Bottling Plants

- Europe's **6th** largest brewer
- World's **12th** largest brewer
- **5th** largest Coca-Cola bottler in the Cola system

World class brand portfolio in beer & soft drinks

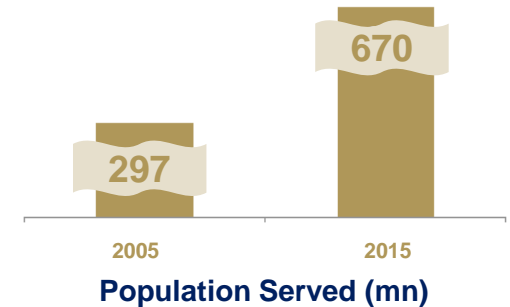
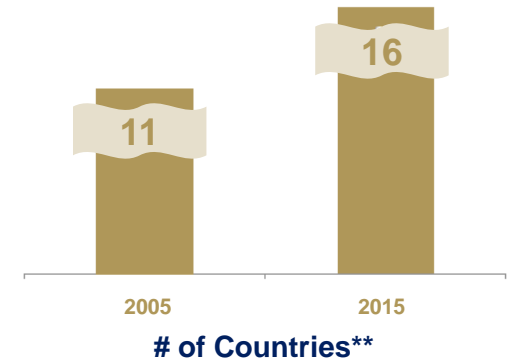
Synergies with the world's giants - **SABMiller**

& The Coca-Cola Company

Operating in markets with significant growth potential

Total consolidated sales volume of **8.6 bn lt** in 2015

TL10.2 bn net sales revenue & **TL 1.8 bn** EBITDA

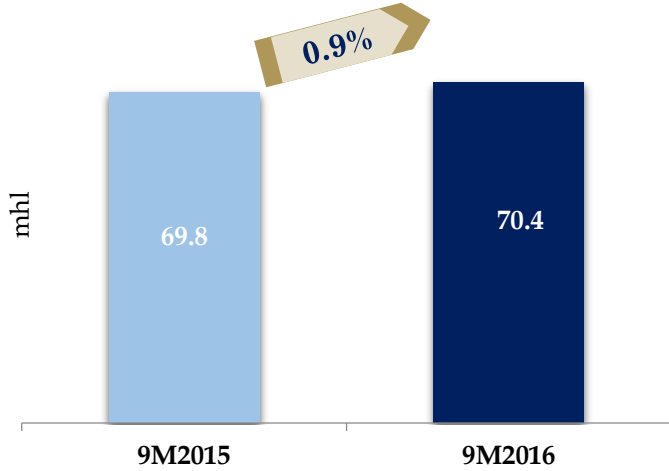


* as of 2015

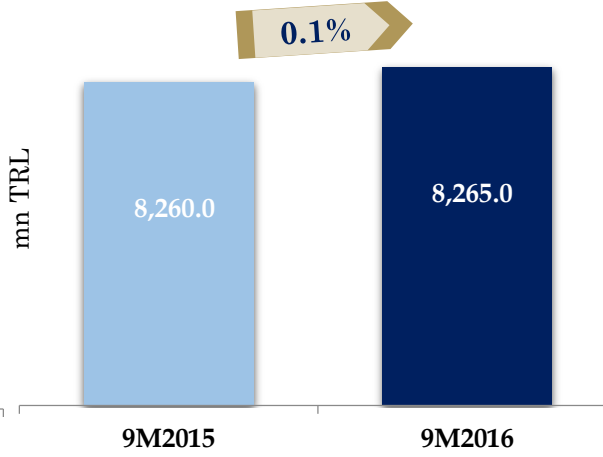
** only includes countries where we have production or sales & distribution network

Consolidated Performance – 9M2016

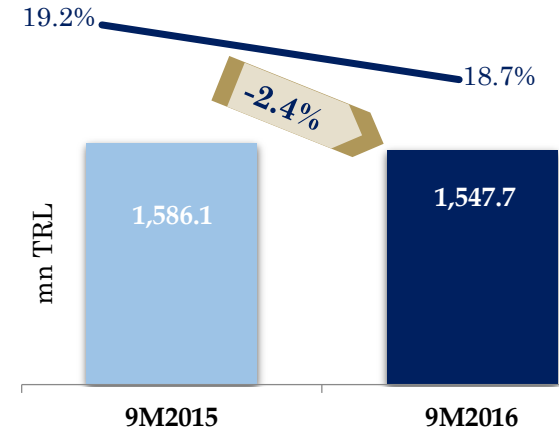
SALES VOLUME



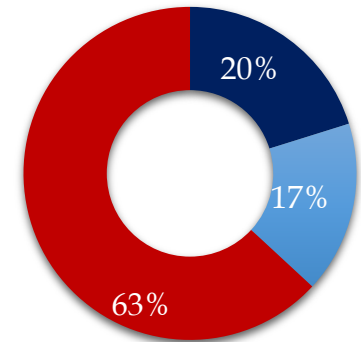
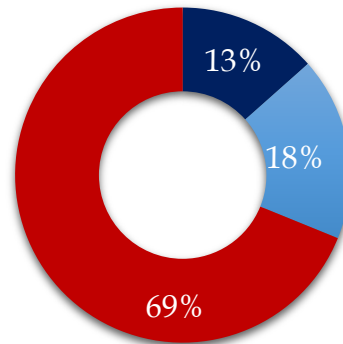
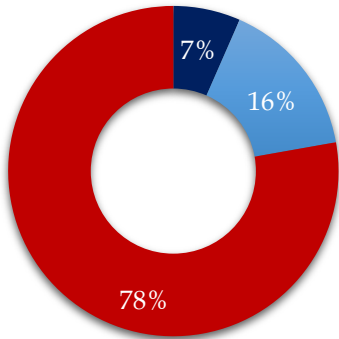
NET SALES REVENUE



EBITDA (BNRI)* & EBITDA (BNRI) MARGIN



BREAKDOWN**



■ Turkey Beer ■ International Beer ■ Soft Drinks

*Numbers may not add up to 100% due to rounding

* BNRI means Before Non Recurring Items **Breakdowns are on a combined basis

Volume up 2.5% in 3Q2016 vs. 3Q2015

- Improvement in beer volumes both in Turkey & Russia in the 3Q vs. 1H2016
- 1.7% volume growth in soft drink business

Revenue up 0.1%, slightly underperforming volumes;

- Despite local currency price increases in all segments
- Due to y-o-y devaluations of local currencies of some international markets against TL

EBITDA (BNRI) margin was 18.7%, slightly below 9M2015, in line with our guidance

- Higher raw material prices, F/X pressure, increase in fixed costs

Significant improvement in bottomline;

- Net profit of TL 364.2 mn vs. a loss of TL 179.2 mn in 9M2015

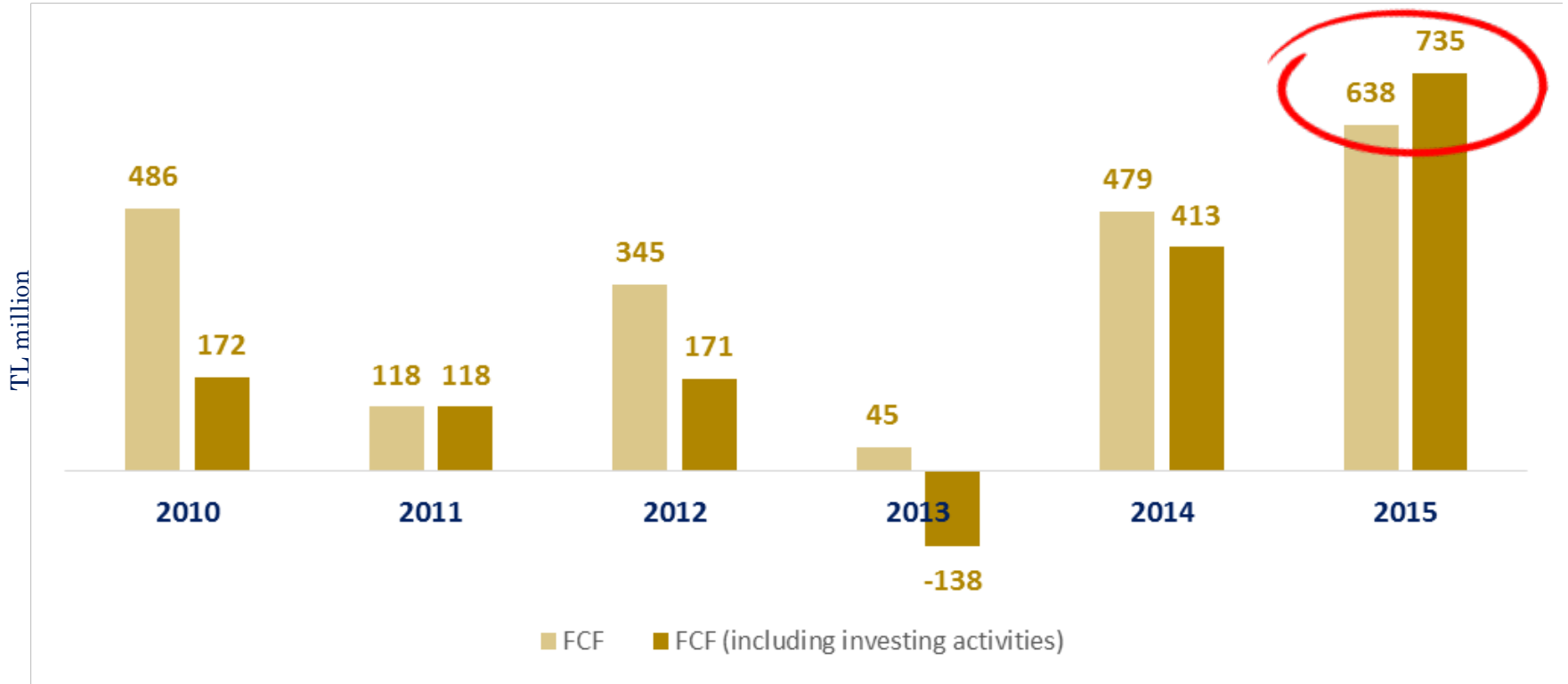
Positive FCF of TL 723.2 million in 9M2016 vs TL 566.3 million in 9M2015

Consolidated net debt to EBITDA (BNRI) was 1.8x



- *Balanced* Beer & Soft Drink Operations
- *Strategic Partnership* with SABM & TCCC
- *Expertise & Know-how* in driving cost efficiencies
- *Strong* regional player powered by proven local know-how

Solid Cash Flow Generation



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

Beer

- capitalizing on our strong brand portfolios
- to achieve optimal brand & SKU mix
- excelling in execution
- focus on quality market share
- strong cash flow generation with special focus on optimizing working capital

Soft Drinks

- Accelerate revenue and margin growth
- Winning at the point of sales
- Sales force effectiveness



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BEER OPERATIONS



39.5mhl of total beer capacity

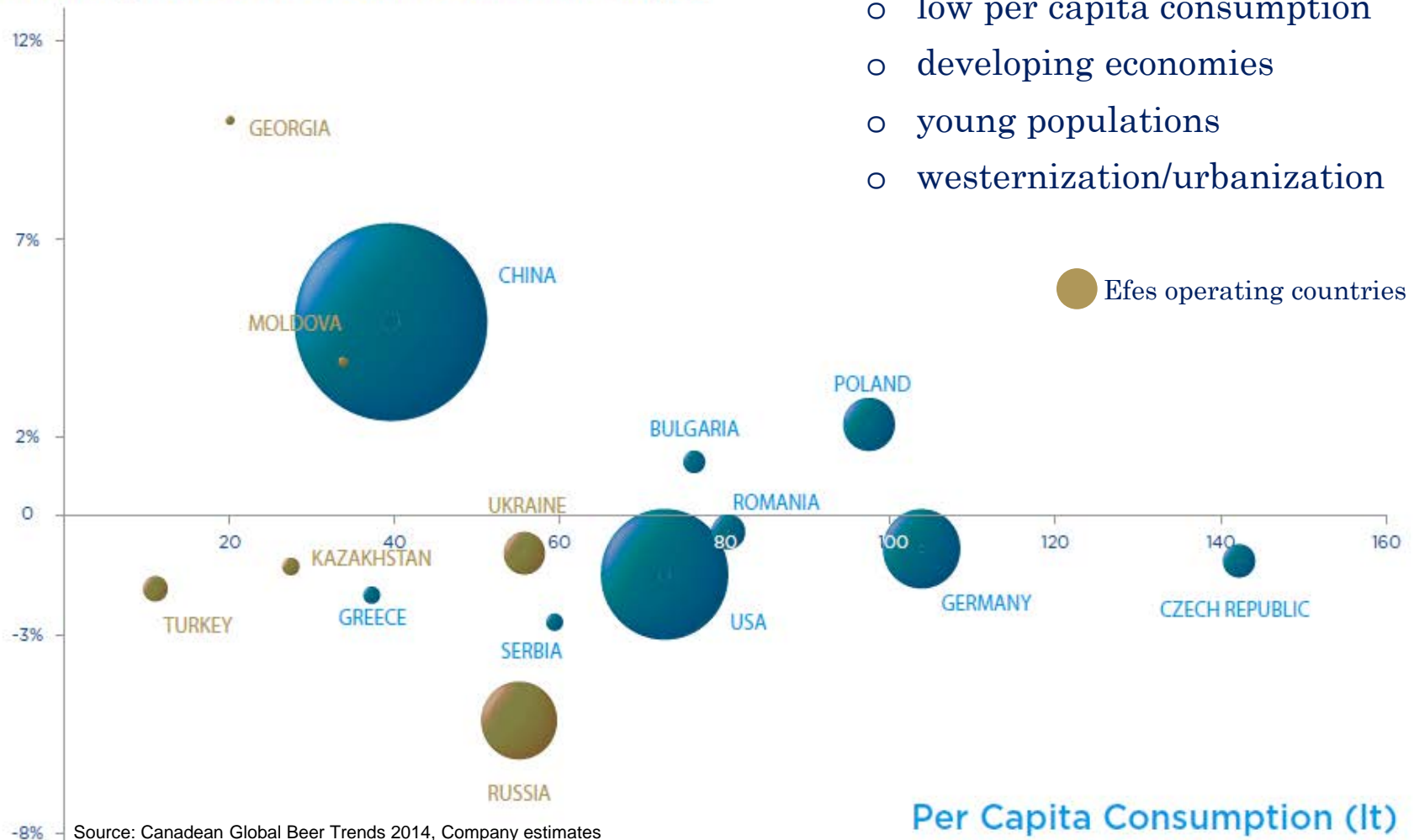
* Value share **Nielsen, 2015

Markets with low per cap consumption but high potential

Operating markets with growth potential characterized by;

- low per capita consumption
- developing economies
- young populations
- westernization/urbanization

Per Capita CAGR Growth 2009-2014 (%)



Source: Canadean Global Beer Trends 2014, Company estimates
Note: Bubbles represent market size



BRANDS

Provide choice and innovation to consumers:
Grow brand love

EXECUTION

Excel in customer collaboration, availability and point of sale activation

EFFICIENCY

Build competitive advantage through lean and efficient operations

RELATIONS

Focus on employees, customers, regulators, community and environment

- Low per capita consumption of 11 liters offering a growth potential
- Expected compounded annual growth rate of 2%* between 2016-2020
- Growing population with 1.3% annual growth rate
 - ✓ 32% is below age 18
- Returnable market enabling higher operational profitability
 - ✓ Bottles & kegs amount to more than half of total beer market

Vertically integrated *Market Leader* with;

- 4 Breweries - **9.5mhl** total brewing capacity
- 2 Malteries & 1 Hops Processing Facility
- **67%** market share*
- **100%** brand awareness for «Efes Pilsen»
- **Rich portfolio** of local, imported & licensed brands covering all segments
- **# 1** in consumer spending in Food & Beverage category – **9.4%** in 2015**
- **99%** penetration in Turkey**
- **164** Dealers & **24** Distributors

- World's 4th largest beer market with total consumption of **~69mhl**

- Expected compounded annual growth rate of **3%*** between 2016-2020

- Dominated by multinationals;

 - Top 4 accounting for **~75%** of the market

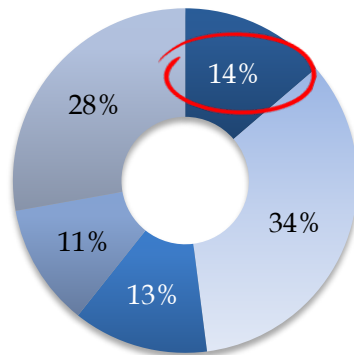
- Share of Modern Trade above **60%** - more than **doubled** in the last few years



#2 player with;

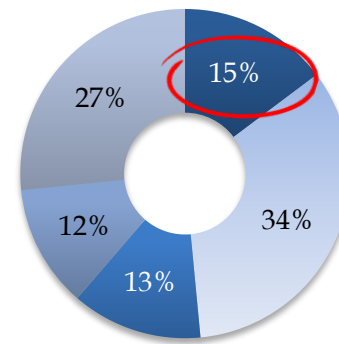
- 6 Breweries – *30mhl* total brewing capacity
- 4 Malteries & 1 Preform Plant
- AEFES' largest beer market;
 - ✓ 52% of total beer volumes from Russia
- 15% market share* - #1 position in Premium category

Volume Share**



■ Efes RUSSIA ■ Carlsberg ■ Inbev ■ Heineken ■ Other

Value Share**



■ Efes RUSSIA ■ Carlsberg ■ Inbev ■ Heineken ■ Other

- Numbers may not add up to 100% due to rounding

*value share **Nielsen Urban Russia, Cities 10000+, Off-Trade, YTD Sep 16

Other International Beer Operations


Market leader in;

- ✓ Kazakhstan
- ✓ Georgia
- ✓ Moldova

Expected compounded annual growth rate of **2%*** between 2016-2020 in *Kazakshstan*



Commitment to Environment



ENERGY AND EMISSIONS MANAGEMENT

10%+10%

Compared to 2008, we consumed **10% less energy** and generated **10% fewer emissions per unit product**.
Between 2008-2013, the amount of energy we saved is equal to **the yearly consumption of 200,000 households**.



OPERATIONAL RELIABILITY

22 thousand hours

In 2013, we provided a total of more than **22,000 hours of occupational health and safety training** to our employees
We recycled **94.6%** of solid waste and by-products generated during the production of beer and malt.



WATER MANAGEMENT

67 thousand households

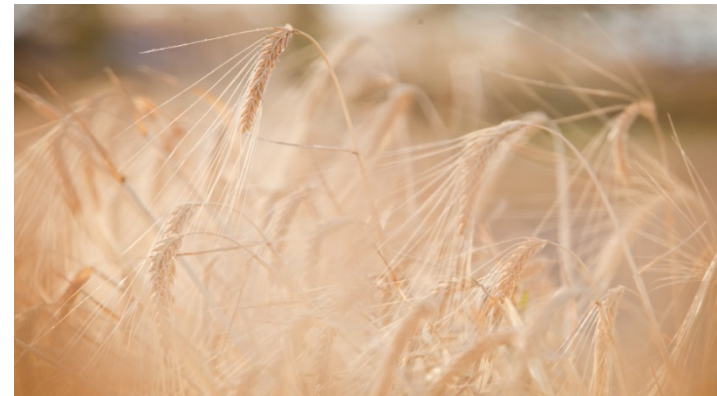
Compared to 2008, we consumed **19% less water** in beer production and **24% less water** in malt production.
Between 2008-2013, the amount of water **we saved is equal to the yearly consumption of 67,000 households**.



PACKAGING MANAGEMENT

178 Great Wall of China

Compared to 2012, the weight of one-way packaging waste reclaimed is **increased by 22%**. Between 2008-2013, preference of returnable bottles resulted in saving enough glass bottles to create a line stretching **178 times longer than Great Wall of China**.



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Coca-Cola İçecek

SOFT DRINK OPERATIONS

CCI at a Glance



Market leader in **Turkey** with **64%** & **Kazakhstan** with **50%** market share



#2 in **Iraq** with **31%** & **Pakistan** with **36%** market share



25 Bottling Plants in **10** Countries



5th largest Coca-Cola bottler in Cola system



Annual capacity of **1.4bn uc**



1.2bn uc sales volume



28bn annual servings

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50.3%

Coca-Cola

20.1%

Özgörkey
Holding

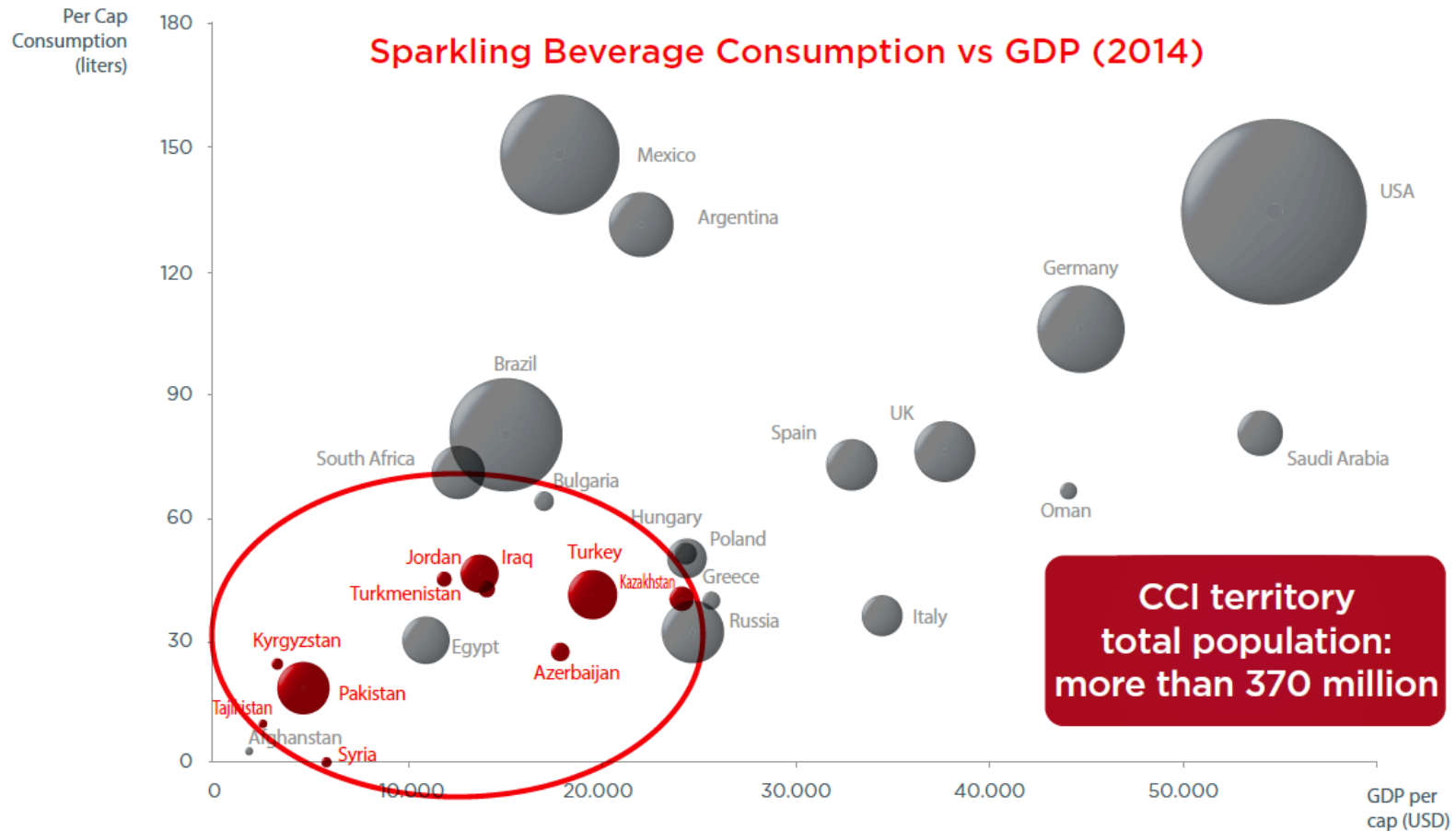
3.7%

Public

25.9%

Coca-Cola İçecek





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
 <ul style="list-style-type: none">• Winning At The Point of Sales• Sales Force Effectiveness - SFE• Revenue Growth Management - OBPPC				

Strong Brand Portfolio

BRAND & FLAVOR EXPANSION

	2006	2015
Brands	17	30
Flavors	44	148

PACKAGE INNOVATION

Differentiated package segmentation
across channels, customers &
consumers



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FINANCIALS AND OUTLOOK

Financial Highlights

	Turkey Beer (TL mn)		International Beer (USD mn)		Soft Drinks (TL mn)	
	9M2016 vs 9M2015		9M2016 vs 9M2015		9M2016 vs 9M2015	
Volume (mhl)	4.6	-10.8%	11.0	-3.0%	965.1*	2.8%
Net Sales	1,108.1	-5.3%	497.9	-18.4%	5,675.1	4.1%
Gross Profit	655.8	-9.8%	228.2	-22.5%	1,979.2	1.5%
EBIT (BNRI)	195.7	-27.3%	41.0	4.7%	663.7	1.9%
EBITDA (BNRI)	318.5	-16.0%	90.0	-16.6%	996.5	4.8%
Net Income**	86.8	168.0%	56.0	390.6%	331.7	193.8%
Margins	Change (bps)		Change (bps)		Change (bps)	
Gross Profit	59.2%	-297	45.8%	-244	34.9%	-89
EBIT (BNRI)	17.7%	-536	8.2%	181	11.7%	-26
EBITDA (BNRI)	28.7%	-367	18.1%	39	17.6%	11
Net Income**	7.8%	1,874	11.3%	1,441	5.8%	377

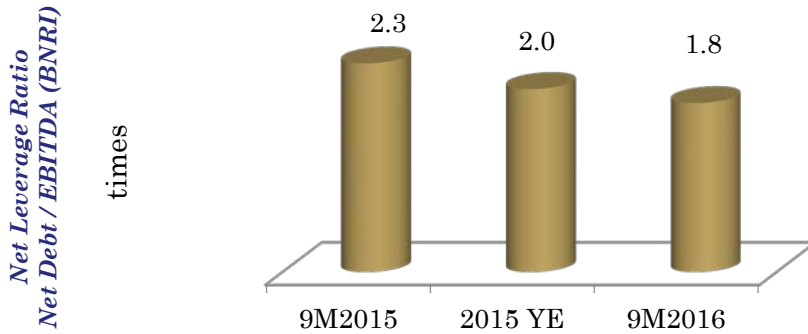
*million unit case

**Net income attributable to shareholders

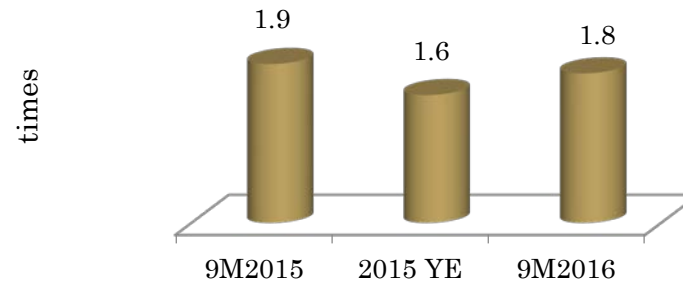
Balance Sheet Flexibility

9M2016 Net Leverage Ratios are within comfortable area.

Anadolu Efes Consolidated



Beer Group



AEFES		9M2015	9M2016
TOTAL FINANCIAL DEBT	<i>m TL</i>	5,838	5,418
TOTAL CASH & EQUIVALENTS	<i>m TL</i>	1,859	2,264
NET DEBT	<i>m TL</i>	3,979	3,154
NET DEBT	<i>m USD</i>	1,308	1,053

BEER		9M2015	9M2016
TOTAL FINANCIAL DEBT	<i>m TL</i>	2,283	2,179
TOTAL CASH & EQUIVALENTS	<i>m TL</i>	834	1,023
NET DEBT	<i>m TL</i>	1,449	1,156
NET DEBT	<i>m USD</i>	476	386

76% of cash is hold as hard currency

97% of debt is in hard currency

77% of cash is hold as hard currency

96 % of debt is in hard currency

Borrowing Mix & Liquidity Profile

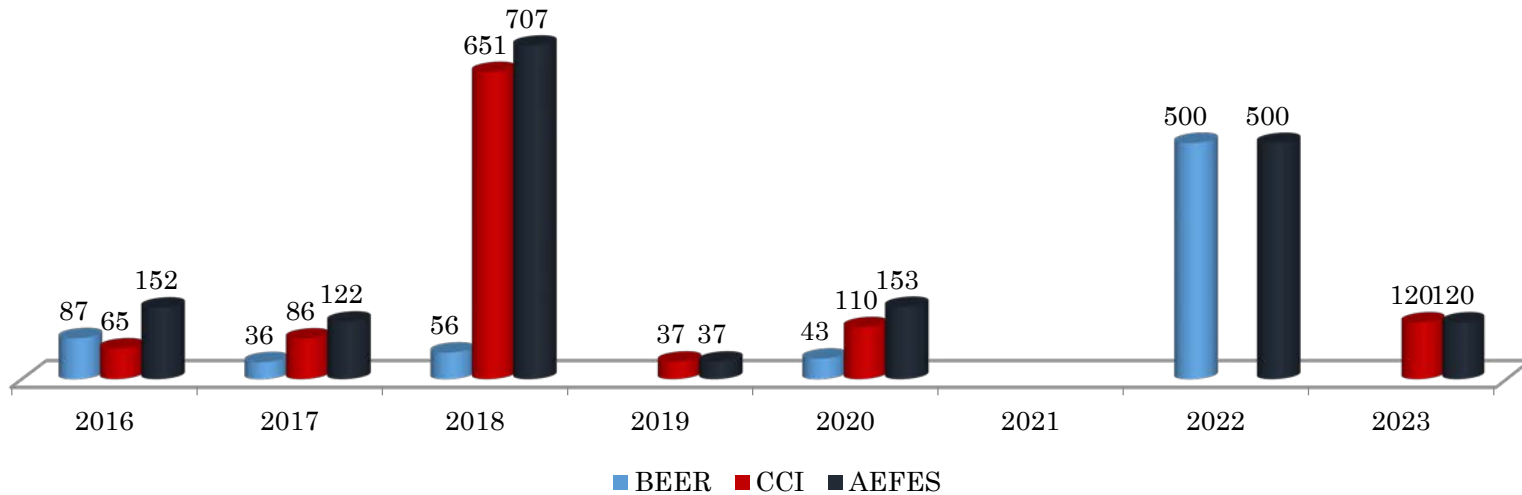
Easily manageable debt repayment schedule

Average maturity of debt for;

- Beer Group is app. **4.6 years** and
- Anadolu Efes is app. **3.3 years**



Maturity
Schedule*

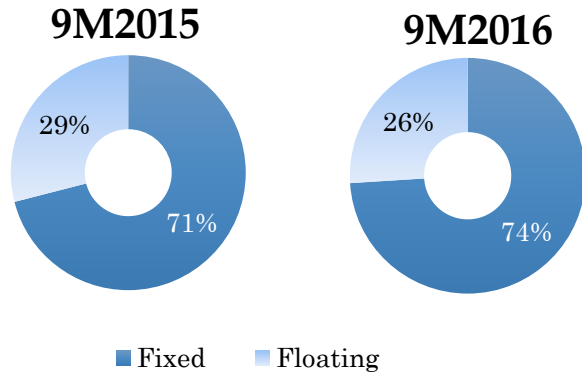


*Only principal amounts

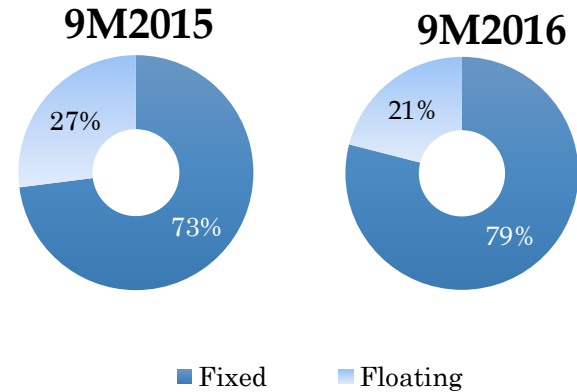
Interest Breakdown

Significant portion of debt is fixed, minimized interest rate risk

Anadolu Efes



Beer Group



Beer Group 2016 Guidance

- **Turkey beer market** decline mid-single digit
- **Efes Turkey volume** decline mid-to-high single digit
- **Russian beer market** decline low-to-mid-single digit
- **EFES RUS volume** outperform the market
- **Total beer volume** decline at a rate of low-single digits
- **Revenue** lower decline compared to volume decline
- **EBITDA Margin** slightly lower
- **FCF** cycling a very strong base, continue to deliver strong free cash flow, albeit at a slower pace



Soft Drink Operations 2016 Guidance

- **Turkey volume** grow low single digit
- **International volume** grow low-mid single digits
- **Consolidated volume** grow at low-mid single digits
- **Net sales revenue** ahead of volume growth
- **EBITDA margin** flat
- **FCF** significant positive FCF



- **Sales volumes** grow low-single digit
- **Sales revenues** grow mid-single digits
- **EBITDA (BNRI)** grow in abs. terms
- **EBITDA (BNRI) margin** flattish to slightly lower margin
- **Capex/net sales** high-single digit
- **FCF** higher in absolute terms

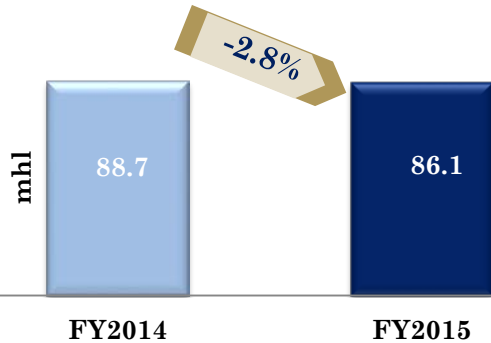


- Sustain consolidated cash flows through;
 - focus on working capital optimization
 - optimized capex policy
 - sticking to tight balance sheet management
- Deleveraging
- Efficiency improvements via savings
- Managing impact of F/X volatility on operations
- Commitment to Investment Grade Ratings

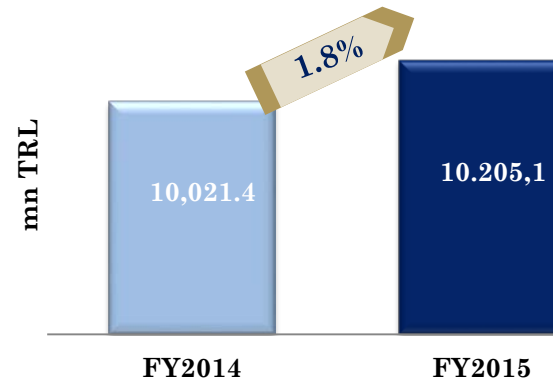


Consolidated Performance - FY2015

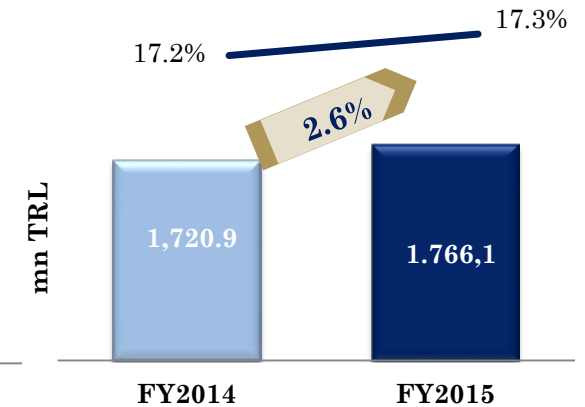
SALES VOLUME



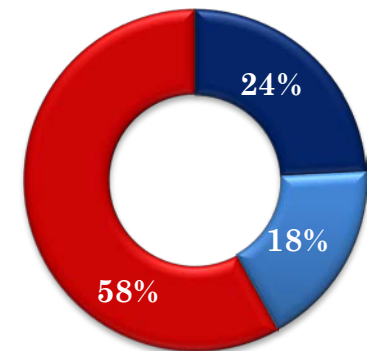
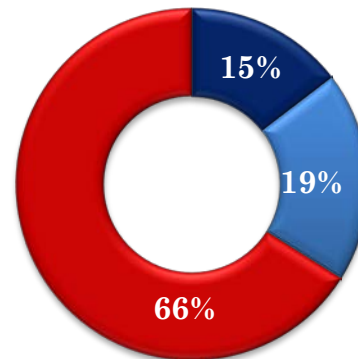
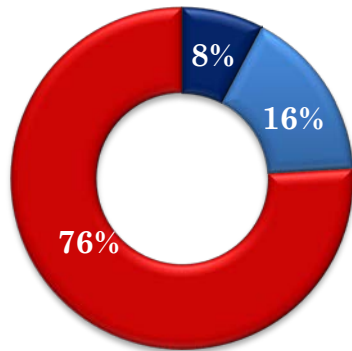
NET SALES REVENUE



EBITDA (BNRI) & EBITDA (BNRI) MARGIN



BREAKDOWN



■ Turkey Beer ■ International Beer ■ Soft Drinks

*Numbers may not add up to 100% due to rounding

* BNRI means Before Non Recurring Items

*FY2014 numbers are restated

*Breakdowns are on a combined basis

Financial Highlights – FY2015

	Turkey Beer		International Beer		CCI	
	(mn TL)		(mn USD)		(mn TL)	
	FY2015	vs FY2014	FY2015	vs FY2014	FY2015	vs FY2014
Volume (mhl)	6.6	-6.3%	14.1	-19.0%	1,151.9**	1.9%
Net Sales	1,484.8	-0.3%	725.1	-37.3%	6,723.9	12.3%
Gross Profit	908.1	-3.6%	345.7	-35.4%	2,334.4	7.0%
EBIT (BNRI)	291.5	-15.1%	31.2	33.8%	631.9	0.5%
EBITDA (BNRI)	437.9	-9.4%	118.5	-24.6%	1,051.4	9.3%
Net Income/(Loss)*	-49.1	-121.0%	-49.7	86.2%	117.2	-62.9%
Margins						
Gross Profit	61.2%	-209	47.7%	136	34.7%	-173
EBIT (BNRI)	19.6%	-344	4.3%	229	9.4%	-110
EBITDA (BNRI)	29.5%	-299	16.3%	274	15.6%	-43
Net Income Margin*	-3.3%	-1897	-6.9%	2434	1.7%	-353

* Net income attributable to shareholders

** million unit case