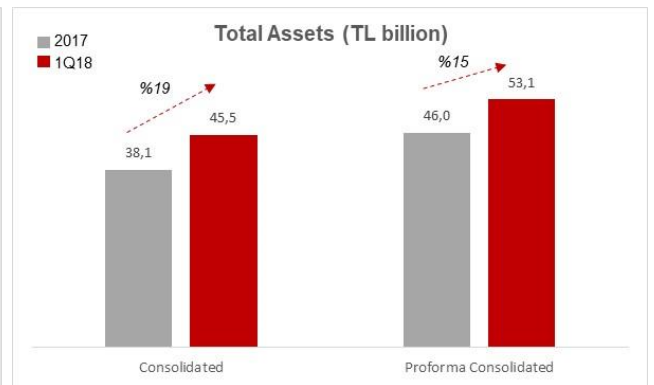
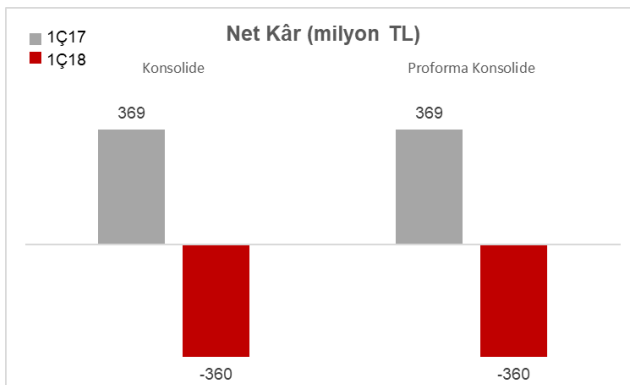
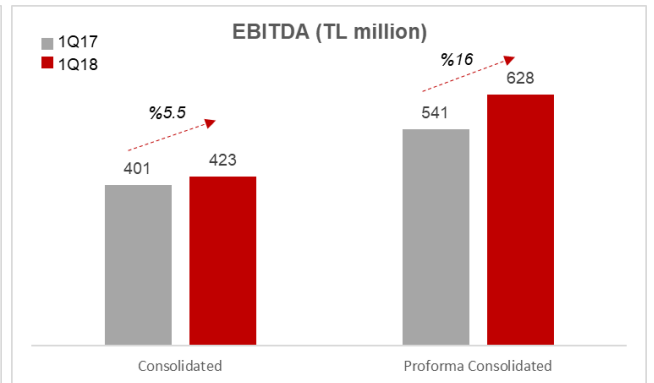
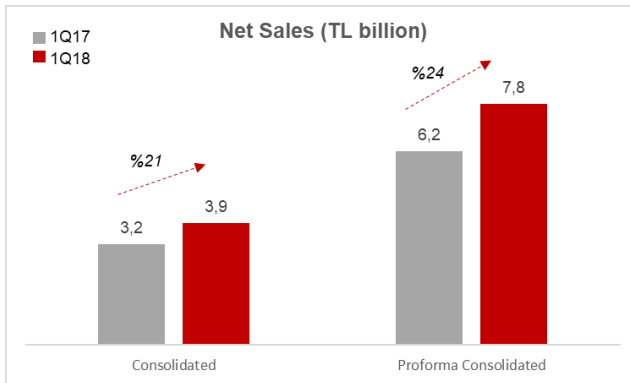


AG ANADOLU GRUBU HOLDİNG A.Ş.
(BİST: AGHOL.IS)

1Q18 Earnings Release, May 8, 2018

1Q18 HIGHLIGHTS

- **Consolidated net sales up by 21% to TL 3.9 billion**
 - Total Proforma* consolidated sales up by 24% to TL 7.8 billion
- **EBITDA increased by 5.5% to TL 423 million, EBITDA margin at 10.8%**
 - Proforma EBITDA at TL 628 million, EBITDA margin at 8.1%
- **Net loss attributable to the parent company at TL 360 million,**
 - Total Proforma net loss attributable to the parent company at TL 360 million
- **Total assets up by 19% to TL 45.5 billion**
 - Total Proforma assets at TL 53.1 billion



*Financial results including Migros as fully consolidated

Beer (TL mn)	1Q17	1Q18	Change	2016	2017	Change
Net Sales	870	899	3,3%	3.370	4.426	31,3%
Gross Profit	391	391	0,0%	1.708	2.143	25,4%
EBITDA	101	33	-67,4%	676	834	23,4%
Net Income	-40	-82	-104,7%	-35	61	a.d.
Total Assets	9.490	15.759	66,1%	8.717	9.699	11,3%
<i>Gross Profit Margin</i>	44,9%	43,5%	-1,4	50,7%	48,4%	-2,3
<i>EBITDA Margin</i>	11,6%	3,7%	-7,9	20,1%	18,8%	-1,2
<i>Net Profit Margin</i>	-4,6%	-9,1%	-4,5	-1,0%	1,4%	2,4
Soft Drinks (TL mn)	1Q17	1Q18	Change	2016	2017	Change
Net Sales	1.556	1.866	19,9%	7.050	8.521	20,9%
Gross Profit	481	614	27,5%	2.392	2.901	21,3%
EBITDA	194	282	45,7%	1.093	1.379	26,2%
Net Income	-86	-46	46,5%	-28	238	a.d.
Total Assets	11.116	14.550	30,9%	10.456	13.394	28,1%
<i>Gross Profit Margin</i>	30,9%	32,9%	2,0	33,9%	34,0%	0,1
<i>EBITDA Margin</i>	12,4%	15,1%	2,7	15,5%	16,2%	0,7
<i>Net Profit Margin</i>	-5,5%	-2,5%	3,1	-0,4%	2,8%	3,2
Automotive (TL mn)	1Q17	1Q18	Change	2016	2017	Change
Net Sales	543	829	52,7%	2.821	3.372	19,5%
Gross Profit	107	156	45,6%	423	560	32,3%
EBITDA	67	79	17,5%	260	365	40,4%
Net Income	-57	-94	-65,3%	-152	-161	-6,1%
Total Assets	3.719	4.210	13,2%	3.572	4.232	18,5%
<i>Gross Profit Margin</i>	19,8%	18,9%	-0,9	15,0%	16,6%	1,6
<i>EBITDA Margin</i>	12,4%	9,6%	-2,9	9,2%	10,8%	1,6
<i>Net Profit Margin</i>	-10,5%	-11,3%	-0,9	-5,4%	-4,8%	0,6
Retail (TL mn)	1Q17	1Q18	Change	2016	2017	Change
Net Sales	266	309	16,0%	866	1.008	16,4%
Gross Profit	66	67	1,2%	184	218	18,2%
EBITDA	33	30	-9,1%	74	91	22,4%
Net Income	12	1	-88,9%	-11	9	a.d.
Total Assets	719	710	-1,2%	536	592	10,5%
<i>Gross Profit Margin</i>	24,7%	21,6%	-3,2	21,3%	21,6%	0,3
<i>EBITDA Margin</i>	12,2%	9,6%	-2,7	8,6%	9,0%	0,4
<i>Net Profit Margin</i>	4,6%	0,4%	-4,2	-1,3%	0,8%	2,1
Other (TL mn)	1Q17	1Q18	Change	2016	2017	Change
Net Sales	57	69	21,6%	206	239	15,9%
Gross Profit	28	44	55,3%	81	116	44,1%
EBITDA	6	-1	a.d.	-32	2	a.d.
Net Income	457	-217	a.d.	-200	-52	73,9%
Total Assets	5.682	5.244	-7,7%	4.824	4.722	-2,1%
<i>Gross Profit Margin</i>	49,4%	63,1%	13,7	39,2%	48,7%	9,5
<i>EBITDA Margin</i>	10,4%	-0,9%	-11,3	-15,3%	0,7%	15,9
<i>Net Profit Margin</i>	a.d.	a.d.	a.d.	-96,9%	-21,8%	75,1
Consolidated (TL mn)	1Q17	1Q18	Change	2016	2017	Change
Net Sales	3.241	3.924	21,0%	14.150	17.378	22,8%
Gross Profit	1.039	1.237	19,0%	4.663	5.801	24,4%
EBITDA	401	423	5,5%	2.072	2.670	28,9%
Net Income	369	-360	a.d.	-376	-130	65,4%
Total Assets	35.447	45.487	28,3%	32.987	38.067	15,4%
<i>Gross Profit Margin</i>	32,1%	31,5%	-0,5	33,0%	33,4%	0,4
<i>EBITDA Margin</i>	12,4%	10,8%	-1,6	14,6%	15,4%	0,7
<i>Net Profit Margin</i>	11,4%	-9,2%	-20,6	-2,7%	-0,7%	1,9
Migros (TL mn)	1Q17	1Q18	Change	2016	2017	Change
Net Sales	3.114	3.940	26,5%	11.059	15.344	38,7%
Gross Profit	817	1.077	31,8%	2.953	4.082	38,3%
EBITDA	156	211	35,5%	677	872	28,7%
Net Income	907	-238	a.d.	-300	513	a.d.
Total Assets	8.561	9.791	14,4%	6.277	10.303	64,1%
<i>Gross Profit Margin</i>	26,2%	27,3%	1,1	26,7%	26,6%	-0,1
<i>EBITDA Margin</i>	5,0%	5,4%	0,4	6,1%	5,7%	-0,4
<i>Net Profit Margin</i>	29,1%	-6,1%	a.d.	-2,7%	3,3%	6,1
Proforma Consolidated (TL mn)	1Q17	1Q18	Change	2016	2017	Change
Net Sales	6.246	7.753	24,1%	24.793	32.196	29,9%
Gross Profit	1.826	2.303	26,1%	7.595	9.836	29,5%
EBITDA	541	628	16,1%	2.733	3.507	28,3%
Net Income	369	-360	a.d.	-376	-130	65,4%
Total Assets	42.471	53.083	25,0%	38.217	46.036	20,5%
<i>Gross Profit Margin</i>	29,2%	29,7%	0,5	30,6%	30,5%	-0,1
<i>EBITDA Margin</i>	8,7%	8,1%	-0,6	11,0%	10,9%	-0,1
<i>Net Profit Margin</i>	5,9%	-4,6%	-10,6	-1,5%	-0,4%	1,1

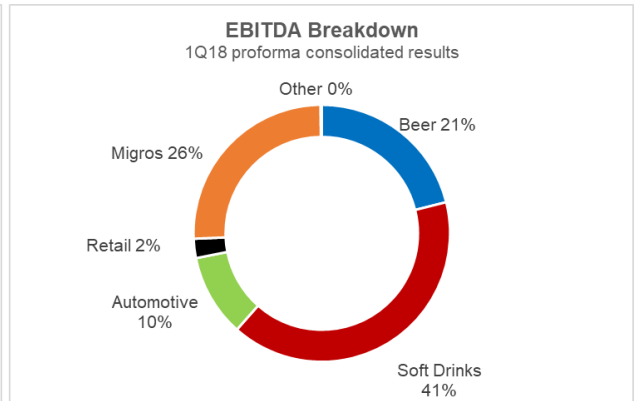
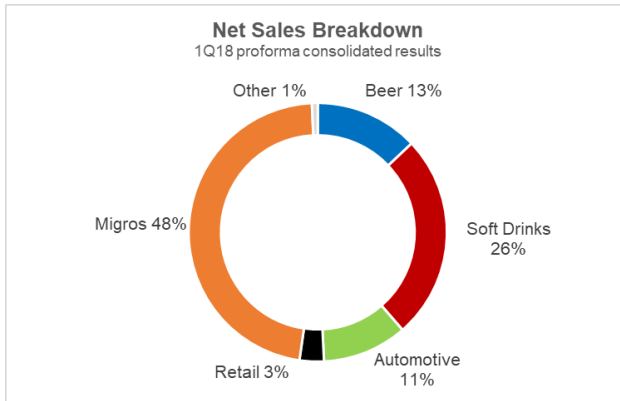
Net income is presented as net income attributable to shareholders. Net profit margin is calculated on net income attributable to shareholders

CONSOLIDATED FINANCIAL PERFORMANCE

Consolidated (TL mn)	1Q17	1Q18	Change
Net Sales	3.241	3.924	21,0%
Gross Profit	1.039	1.237	19,0%
EBITDA	401	423	5,5%
Net Income	369	-360	a.d.
Total Assets	35.447	45.487	28,3%
<i>Gross Profit Margin</i>	32,1%	31,5%	-0,5
<i>EBITDA Margin</i>	12,4%	10,8%	-1,6
<i>Net Profit Margin</i>	11,4%	-9,2%	-20,6

Proforma Consolidated (TL mn)	1Q17	1Q18	Change
Net Sales	6.246	7.753	24,1%
Gross Profit	1.826	2.303	26,1%
EBITDA	541	628	16,1%
Net Income	369	-360	a.d.
Total Assets	42.471	53.083	25,0%
<i>Gross Profit Margin</i>	29,2%	29,7%	0,5
<i>EBITDA Margin</i>	8,7%	8,1%	-0,6
<i>Net Profit Margin</i>	5,9%	-4,6%	-10,6

- In the first quarter of 2018 **consolidated net sales** increased by 21% y-o-y and reached TL 3.9 billion. **Proforma consolidated net sales** was recorded at TL 7.8 billion, implying a robust 24% yearly growth.
- All segments contributed well to our stellar proforma consolidated revenue growth. When looking at the **segmental revenues**, soft drinks, Migros and automotive segment which have relatively a lower share in total sales of the Holding, are the leading segments of 1Q18 with annual top-line growths of 20%, 27% and 53%, respectively. On the other hand, retail recorded 16% and beer posted 3% yearly revenue increases. Finally revenues of real estate and energy segments that are gathered under other segment were up by 22% compared to the same period of last year.
- **Consolidated EBITDA** of the Holding increased by 5.5% to TL 423 million, corresponding to 1.6ppt decrease in **EBITDA margin** of 10.8% in 1Q18. **Proforma consolidated EBITDA** increased by 16.1% y-o-y to TL 628 million. Improvement in operational profitability of soft drinks, Migros and automotive segments supported EBITDA growth. Share of soft drinks segment in consolidated proforma EBITDA significantly improved by 9ppt to 45% in 1Q18. Also, increasing share of Migros was eye-catching at 34%, implying a growth of 5ppt.
- Anadolu Grubu Holding disclosed TL360 million **net loss attributable to parent company** in 1Q18 compared to net income of TL369 million in the same period last year. Despite the impact of several one-off items such as re-launch of Adel brand and ABI merger at the beer segment, operational profitability has increased; yet bottom-line profitability has been affected by the FX losses due to FX borrowings in 1Q18.
- On the balance sheet side, our **total consolidated assets** increased by 19% y-o-y reaching to TL45 billion and **proforma consolidated assets** even exceeded TL53 billion. Asset growth of beer at 62% due to the completion of collaboration with AB Inbev in Russia and Ukraine and retail segment at 20% have contributed positively on the total asset growth.



Breakdown graphics are presented based on 12M trailing data.
Sum of segmental percentages may exceed 100% due to eliminations

As end of 1Q18 (Euro mn)	Consolidated Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Bira	675	309	366	2,2
Meşrubat	1.296	828	468	1,6
Otomotiv	676	47	629	8,1
Perakende	63	8	55	3,1
Diğer (Holding dahil)	481	28	452	a.d.
<i> Holding borç</i>	255	12	243	a.d.
Konsolide	3.191	1.220	1.971	3,6
Migros	809	246	563	3,0
Proforma Konsolide	3.999	1.466	2.534	3,4

As end of 2017 (Euro mn)	Consolidated Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Bira	558	356	202	1,1
Meşrubat	1.327	862	465	1,5
Otomotiv	712	42	670	8,3
Perakende	47	12	35	1,7
Diğer (Holding dahil)	482	37	445	a.d.
<i> Holding borç</i>	253	16	237	a.d.
Konsolide	3.125	1.308	1.817	3,1
Migros	866	361	506	2,6
Proforma Konsolide	3.992	1.669	2.323	3,0

BEER SEGMENT

Beer (TL mn)	1Q17	1Q18	Change
Volume (mhl)	4,3	4,1	-6,1%
Net Sales	870	899	3,3%
Gross Profit	391	391	0,0%
EBITDA	101	33	-67,4%
EBITDA (BNRI)	102	70	-31,0%
Net Income	-40	-82	-104,7%
Total Assets	9.490	15.759	66,1%
<i>Gross Profit Margin</i>	<i>44,9%</i>	<i>43,5%</i>	<i>-1,4</i>
<i>EBITDA Margin</i>	<i>11,6%</i>	<i>7,8%</i>	<i>-3,8</i>
<i>Net Profit Margin</i>	<i>-4,6%</i>	<i>-9,2%</i>	<i>-4,6</i>

- At the end of the first quarter, which is slowest quarter of the year for beer operations, **sales volumes** declined by 6.1% to 4.1 million hectoliters. Domestic sales volumes were reported at around 1.0 mhl, down by 11.9% in 1Q18 versus the same quarter of previous year. The major reason behind lower volumes was stock optimization of dealers in line with the commitment to deliver fresher beer to the customers. EBI's consolidated sales volume was 3.0mhl in 1Q18, down by 3.9% y-o-y. Although Kazakhstan and Georgia performed strongly, Russian beer sales declined y-o-y both due to destocking of distributors and strong base of last year 1Q.
- Despite the deterioration of sales volumes both in Turkey and internationally, price increases, efficient cost management, positive translation impact and positive change in country mix led to a y-o-y increase of 3.3% in **sales revenues** to TL 899 million. Gross profit margin of domestic sales remained flat despite higher malt prices and weaker TL in the period backed by hedging initiatives and price increases as well as tight cost management. On the international front, higher fixed costs due to lower volumes as well as the product and channel mix resulted in contraction of gross margin by 2.6ppt. Total **gross profit margin** of beer segment decreased by 1.4 ppt in 1Q18 vs. 1Q17.
- EBITDA (BNRI)** emerged at TL 70 million in 1Q18. One-off integration expenses in Russia, due to the completion of the merger of Efes Russian operations, was not included in the EBITDA (BNRI) calculation, which stands out to be the main reason of the difference between EBITDA and EBITDA (BNRI).
- Lower sales volumes both in domestic and international markets, higher fixed selling and marketing expenses per unit due to lower volumes, channel and product mix as well as fixed costs as a result of lower volumes in Russia put further pressure on the margins, and **EBITDA (BNRI)** margin deteriorated by 3.8ppt y-o-y.
- Beer segment posted TL82 million **net loss** in the first three months of 2018 due to weak operating profitability and non-cash FX losses in domestic market and lower FX gains and operational profitability compared to the same period of last year.

SOFT DRINKS SEGMENT

Soft Drinks (TL mn)	1Q17	1Q18	Change
Volume (mn u/c)	232	262	12,4%
Net Sales	1.556	1.866	19,9%
Gross Profit	481	614	27,5%
EBITDA	194	282	45,7%
Net Income	-86	-46	46,5%
Total Assets	11.116	14.550	30,9%
<i>Gross Profit Margin</i>	30,9%	32,9%	2,0
<i>EBITDA Margin</i>	12,4%	15,1%	2,7
<i>Net Profit Margin</i>	-5,5%	-2,5%	3,1

- **Consolidated sales volume** increased by 12.4% in 1Q18, reaching 262 million uc. The growth was broad-based, with the contribution of all regions. Turkey operations delivered another quarter of quality growth, with a 14.0% increase in volume, coupled with favorable category and packaging mix. In Turkey, the sparkling category grew by 12.9%, the highest quarterly growth since 2015. On the other hand, international operations delivered 10.8% volume growth, with accelerating performance across all regions and growth in all categories.
- **Net sales revenue** increased by 19.9% to TL 1.9 billion, mainly driven by Turkey and Central Asia. **In Turkey**, net sales revenue was up by 24.3%, driven by growth in the sparkling category and price increases taken to mitigate the impact of the recent special consumption tax. Net sales revenue per unit case maintained its momentum, recording 9.1% growth, as the revenue growth management initiatives continued to improve the package and category mix. **In international operations**, net sales revenue increased by 16.2% y-o-y. Strong volume growth and pricing in Central Asia were the most significant drivers of the top-line in 1Q18.
- **Gross margin** of soft drinks segment improved by 2 ppt to 32.9%, with raw material costs as a percentage of revenue declining on a consolidated basis, mainly stemming from international operations. Significant expansion in international operations' gross margin more than offset the lower gross margin of Turkey operations. In international operations, gross margin expansion is backed by higher net sales revenue per unit case and decreasing costs per unit case.
- **EBIT margin** improved by 3.5 ppt to 7.9%, attributable to significant margin improvement in both Turkey and international operations. Ongoing focus on tight opex management resulted in 1.5 ppt reduction in comparable operating expenses as a percentage of revenue, compared to 1Q17. **EBITDA margin** expanded by 2.7ppt to 15.1%, reflecting better operating profitability both in Turkey and international operations.
- **Net loss** declined to TL 46 million in 1Q18 from TL 86 million in 1Q17, mainly stemming from strong operational profitability despite higher financial expenses.

AUTOMOTIVE SEGMENT

Automotive (TL mn)	1Q17	1Q18	Change
Net Sales	543	829	52,7%
Gross Profit	107	156	45,6%
EBITDA	67	79	17,5%
Net Income	-57	-94	-65,3%
Total Assets	3.719	4.210	13,2%
<i>Gross Profit Margin</i>	19,8%	18,9%	-0,9
<i>EBITDA Margin</i>	12,4%	9,6%	-2,9
<i>Net Profit Margin</i>	-10,5%	-11,3%	-0,9

- Automotive segment recorded TL829 million **net sales revenue** in 1Q18 corresponding to yearly growth of 52.7%. While Çelik Motor constituted 61% of automotive sales revenues, remaining shares were 34% of Anadolu Isuzu and 5% of Anadolu Motor.
- While gross profit of Çelik Motor and Anadolu Isuzu increased y-o-y by 40% and 75%, respectively, gross profit margin of the automotive segment declined by 0.9 ppt to 18.9%. Despite the 0.4 ppt expansion in the gross margin of Anadolu Isuzu, the 1.1ppt contraction in the gross margin of Çelik Motor was the main factor behind this margin contraction.
- EBIT** of the automotive segment increased by 12% y-o-y in 1Q18 reaching TL 49 million. Çelik Motor, having the highest share in the segment in terms of operational profitability, posted an EBIT of TL 42 million. On the other hand, two remaining companies Anadolu Isuzu and Anadolu Motor, which have posted negative EBIT figures back in 1Q17 disclosed positive EBIT of TL 5.6 and TL 1.1 million, respectively, in this quarter.
- While **EBITDA** increased by 17.5% to TL 79 mn, **EBITDA margin** contracted by 2.9ppt to 9.6% in 1Q18 vs. 12.4% of 1Q17.
- Total net debt** of automotive segment stood at TL 3 billion. Çelik Motor financials are impacted by the currency fluctuations, as the company has 86% of total net debt of the segment in hard currencies. In the first three months of 2018, TL depreciation against Euro stood at 3%, increasing financial expenses and negatively affecting bottom-line.

RETAIL SEGMENT

Retail (TL mn)	1Q17	1Q18	Change
Net Sales	266	309	16,0%
Gross Profit	66	67	1,2%
EBITDA	33	30	-9,1%
Net Income	12	1	-88,9%
Total Assets	719	710	-1,2%
<i>Gross Profit Margin</i>	24,7%	21,6%	-3,2
<i>EBITDA Margin</i>	12,2%	9,6%	-2,7
<i>Net Profit Margin</i>	4,6%	0,4%	-4,2

- Retail segment posted TL 309 million **net sales revenues** in 1Q18, implying a 16% yearly increase. McDonalds stands out to be the fastest growing company of the segment in terms of sales with a

yearly top-line growth of 23% constituting 43% of segment sales. On the other hand, Adel and tourism company Efestur, have 43% and 6% shares in total sales respectively.

- **Gross profit margin** of the segment declined by 3.2 ppt to 21.6% in 1Q18. Although gross margin of Adel has increased by 0.7 ppt in 1Q18, lower gross profit margin of McDonalds more than offset this expansion. Despite having relatively lower share in the segment, Efestur continued its profitable operations in this quarter as well and contributed positively to the financials.
- Retail segment **EBITDA** decreased by 9% y-o-y in 1Q18 to TL 30 million. Due to increased operational expenses in relation to one-off costs related with re-launch of Adel brand together with the rise in sales and marketing expenses of McDonalds, **EBITDA margin** of the segment declined to 9.6% in 1Q18.
- All companies operating under retail segment have local currency borrowings. Retail segment has a net debt of TL268 million as of end March, 2018.
- Bottom-line is impacted mainly by the one-off costs related with the re-launch of Adel brand.

OTHER

Other (TL mn)	1Q17	1Q18	Change
Net Sales	57	69	21,6%
Gross Profit	28	44	55,3%
EBITDA	6	-1	a.d.
Net Income	457	-217	147,5%
Total Assets	5.682	5.244	-7,7%
<i>Gross Profit Margin</i>	<i>49,4%</i>	<i>63,1%</i>	<i>13,7</i>
<i>EBITDA Margin</i>	<i>10,4%</i>	<i>-0,9%</i>	<i>-11,3</i>
<i>Net Profit Margin</i>	<i>a.d.</i>	<i>a.d.</i>	<i>a.d.</i>

- Energy and real estate companies are consolidated under other segment. Attributable to the TL 13 million sales from AND Kozyatagi project, total **net sales revenues** rose by 21.6% y-o-y to TL 69 million in 1Q18.
- AND Kozyatağı, which has a total leasable area of 31.5K sqm after the sale indicated above, has an occupancy rate of around 75% as of 1Q18-end. Meanwhile, the pre-sales rate of AND Pastel residential project, which is being developed in Istanbul Kartal, was at 56% for the same period. Delivery of the residential units will commence in June 2018 and December 2018.
- Aslancık is consolidated via equity pick up method and generated a turnover of TL18 million in 1Q18.
- Paravani HEPP generated TL16 million revenues in 1Q18, up by 13%. The electricity produced at Paravani HEPP is sold in Turkey and Georgia.
- Due to equity consolidation method used for Migros, its contribution is booked under “other gains from investments accounted through equity” in the other segment. Migros recorded TL238 million net loss in 2017. Other segment has a total net loss of TL 217 million in 1Q18.

MİGROS

Migros (TL mn)	1Q17	1Q18	Change
Net Sales	3.114	3.940	26,5%
Gross Profit	817	1.077	31,8%
EBITDA	156	211	35,5%
Net Income	907	-238	a.d.
Total Assets	8.561	9.791	14,4%
<i>Gross Profit Margin</i>	<i>26,2%</i>	<i>27,3%</i>	<i>1,1</i>
<i>EBITDA Margin</i>	<i>5,0%</i>	<i>5,4%</i>	<i>0,4</i>
<i>Net Profit Margin</i>	<i>29,1%</i>	<i>-6,1%</i>	<i>a.d.</i>

- Migros' **net sales revenue** rose by 26.5% and reached TL 3.9 billion in 1Q18. Strong sales growth momentum of Migros continued in the first quarter of 2018, despite a high base of record growth achieved last year. Domestic growth performance of Migros excluding Kipa is indicative of continuous market share gains, which is verified by Nielsen data on FMCG sales in both organised and unorganised markets.
- The consolidated gross profit of Migros rose by 31.8% in 1Q18 corresponding a **gross margin** of 27.3%.
- The consolidated **EBITDA** increased by 35.5% to TL211 million, implying an EBITDA margin of 5.4% in 1Q18. Three months impact of Kipa consolidation has been negative on operational profitability as expected, nevertheless increase in gross profitability and decrease in operational expenses have balanced this effect.
- The Company's operational profitability is undermined by mostly non-cash FX losses and one-off charges resulting in a consolidated **net loss** of TL 238m in 1Q18.
- Migros' **total assets** grew by 14.4% and reached TL 9.8 billion as of 1Q18-end.

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Summary Consolidated Balance Sheet

TL million

	31.12.2017	31.03.2018
Cash and equivalents	5.800	5.912
Financial instruments	108	26
Trade receivables	2.309	2.810
Inventories	2.122	2.988
Other current assets	1.741	1.793
Current Assets	12.080	13.529
Financial instruments	0	0
Investments accounted through equity method	2.333	2.218
Investment properties	308	303
Tangible assets	8.357	9.645
Intangible assets	12.340	16.676
-Goodwill	1.835	5.806
-Other intangible assets	10.505	10.870
Other non-current assets	2.649	3.116
Non-Current Assets	25.987	31.958
Total Assets	38.067	45.487
Short term borrowings	1.489	2.321
Short term portion of long term borrowings	4.190	4.728
Trade payables	2.232	3.718
Deferred income	481	544
Other current liabilities	1.160	1.325
Current Liabilities	9.552	12.636
Long term borrowings	8.434	8.482
Deferred income	22	30
Other non-current liabilities	2.632	2.673
Non-Current Liabilities	11.088	11.185
Total Liabilities	20.640	23.821
Equity	17.427	21.666
Non-controlling interests	11.676	15.751
Equity of the parent	5.751	5.915
Total Liabilities & Equity	38.067	45.487

AG ANADOLU GRUBU HOLDİNG A.Ş.		
Summary Consolidated Income Statement		
TL million		
	31.03.2017	31.03.2018
Revenues	3.241	3.924
Cost of sales (-)	(2.202)	(2.687)
Gross Profit	1.039	1.237
Operating expenses (-)	(931)	(1.074)
Other operations income/(expense)	18	(42)
Gain/(Loss) from investments accounted through equity method	440	(140)
Operating Income/(Loss) (EBIT)	566	(19)
Income /(expense) from investment operations	19	(5)
Financial income/(expense)	(310)	(461)
Income/(Loss) Before Tax from Continuing Operations	275	(485)
Tax income/(expense)	(6)	31
Net Income/(Loss)	269	(454)
Net Income/(Loss)		
Non-controlling interests	(100)	(94)
Equity holders of the parent	369	(360)

REPORTING ADJUSTMENTS

- As approved at the extraordinary general meeting held on December 26, 2017 and registered on December 27, 2017, all the assets and liabilities of Özilhan Sınai Yatırım A.Ş. and Anadolu Endüstri Holding A.Ş. were merged with Yazıcılar Holding A.Ş. and entity name has been changed to AG Anadolu Grubu Holding A.Ş. following the merger.
- In-line with the reporting standards, consolidated comparative financial statements have been revised as if the merger have been completed at the beginning of the reporting period and presented accordingly.
- Due to the new structure of the Holding, participation rates have all changed and additionally the consolidation methods of some group companies have also been changed. Anadolu Efes and Anadolu Isuzu, which were consolidated on equity basis previously, are now fully consolidated.
- Although our stake in Migros is 50%, it is still consolidated on equity method basis due to the provisions of the shareholder agreement with Moonlight Capital S.A. Migros will be fully consolidated latest by June 2019, when the agreement will expire. In this context, our **consolidated financial results are presented** together with our **proforma consolidated results** which include Migros as fully consolidated.

Participation rates & methods*

	Reporting before the merger		Reporting after the merger		
	Stake held (%)	Consolidation Method	Stake held (%)	Consolidation Method	Segment
Anadolu Efes	27.66	Equity	43.05	Full	Beer and Soft Drinks
Migros	34.00	Equity	50.00	Equity**	Migros
Anadolu Isuzu	37.57	Equity	55.40	Full	Automotive
Adel Kalemcilik	38.68	Full	56.89	Full	Retail
Çelik Motor	68.00	Full	100.0	Full	Automotive
Anadolu Restoran	68.00	Full	100.0	Full	Retail
Anadolu Motor	67.93	Full	100.0	Full	Automotive
Aslancık HES	22.67	Equity	33.33	Equity	Other
Anadolu Kafkasya***	60.65	Full	89.19	Full	Other
Real Estate Companies	68.00	Full	100.0	Full	Other

*Full list is at the 1st footnote of financial statements.

**To be fully consolidated starting with June 2019, latest.

***Anadolu Kafkasya owns 90% of GUE located in Georgia and 100% of other project company.

SUMMARY INFORMATION ABOUT OTHER NON-PUBLIC GROUP COMPANIES

TL mn	Net Sales		EBITDA		Net Income		Net Debt	
	1Q17	1Q18	1Q17	1Q18	1Q17	1Q18	2017	1Q18
McDonalds	129	159	-2	-4	-10	-19	89	107
Anadolu Motor	36	43	1	3	-5	-3	105	124
Efestur	12	18	0	1	0	1	-2	-2
AND Anadolu Gayrimenkul	6	24	0	15	-13	-3	273	270
GUE	14	16	11	13	36	32	420	434
Aslancık Elektrik	20	18	10	9	-13	-23	439	483

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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