



ANADOLU GROUP

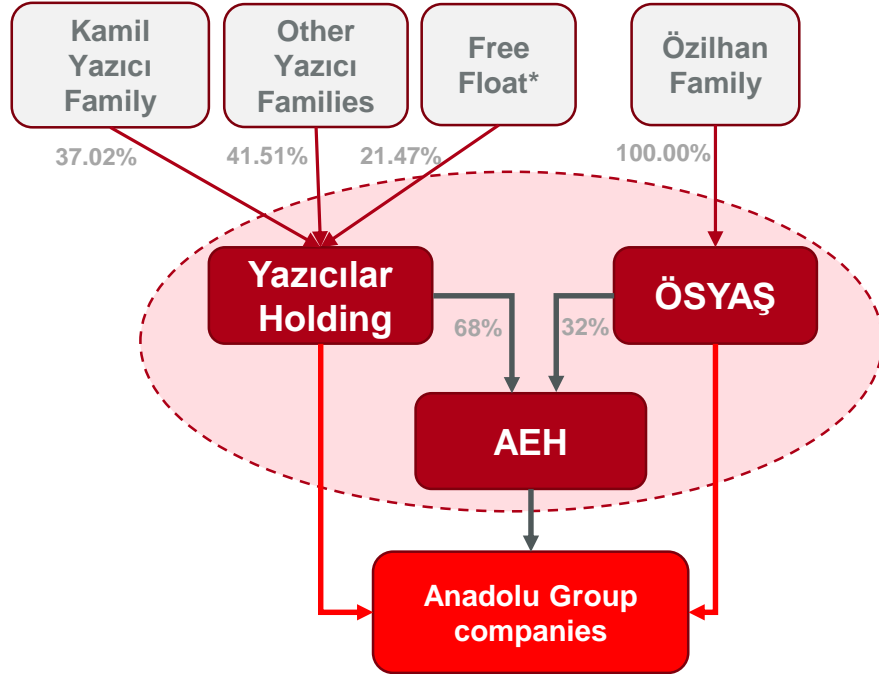
The star that links Anatolia to the world and the world to Anatolia

Anadolu Group Holding
FY2017 Earnings Presentation

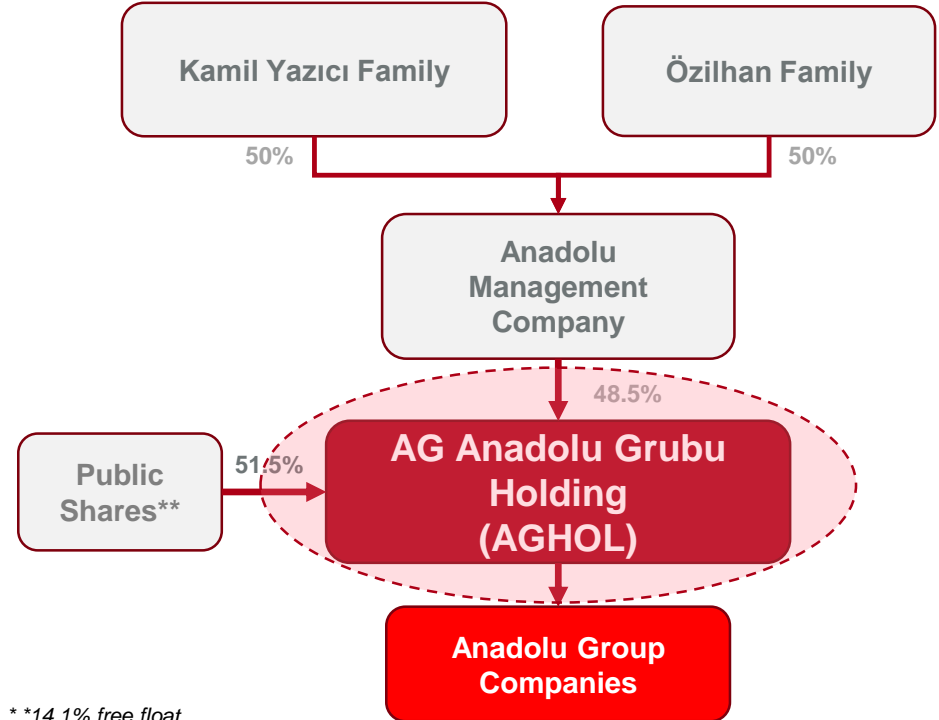
March 13, 2018

The Merger

Pre-merger



Post-merger



*Free float is presented based on non-family held public shares.

**14.1% free float

The Participation Rates & Method

	Pre-merger Consolidation method	Stake held by AGHOL, %	Current Consolidation method	Proforma* Consolidation method
Anadolu Efes	Equity	43.05	Full	Full
Migros	Equity	50.00	Equity	Full
Anadolu Isuzu	Equity	55.40	Full	Full
Adel Kalemcilik	Full	56.89	Full	Full
Çelik Motor	Full	100.0	Full	Full
Anadolu Restoran	Full	100.0	Full	Full
Anadolu Motor	Full	100.0	Full	Full
Efestur	Full	100.0	Full	Full
Aslancık HEPP	Equity	33.33	Equity	Equity
Anadolu Kafkasya**	Full	89.19	Full	Full
Real Estate Companies	Full	100.00	Full	Full

*Proforma results include Migros as fully consolidated latest by June 2019.

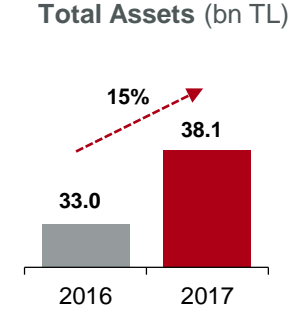
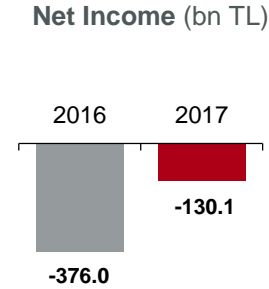
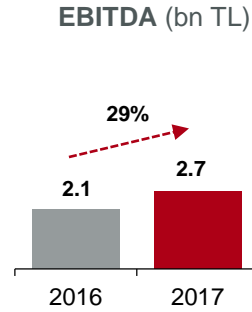
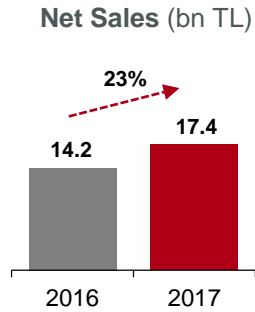
**Anadolu Kafkasya holds 90% of our energy company GUE and 100% of other project company

Major Highlights of the FY2017 Financial Results

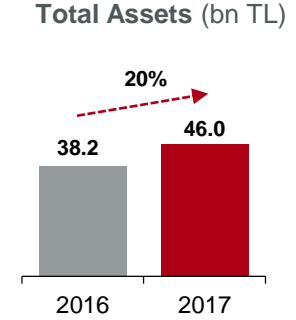
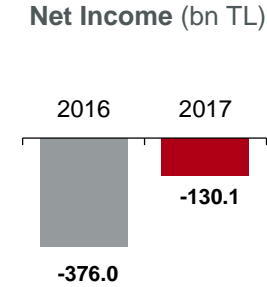
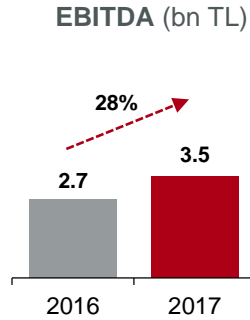
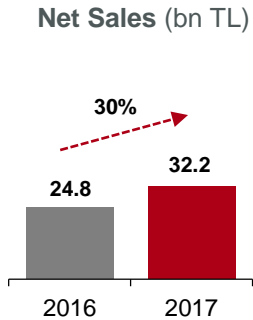
- **Strong top-line performance in all segments**
 - Consolidated net sales up by 23% to TL17.4 billion
 - *Total Proforma* consolidated sales up by 30% to TL32.2 billion*
- **EBITDA growth even exceeding revenue growth**
 - EBITDA increased by 29% to TL2.7 billion, EBITDA margin at 15.4%
 - Proforma EBITDA at TL3.5 billion, EBITDA margin at 10.9%
- **Net debt/EBITDA declined to 3.07x in 2017 vs. 3.34x of last year**
 - Net debt stood at TL8.2 billion as end of 2017
- **Total assets up by 15% to TL38.2 billion**
 - Total Proforma assets at TL46.0 billion, implying 20% growth

Major Financial Indicators

Consolidated results



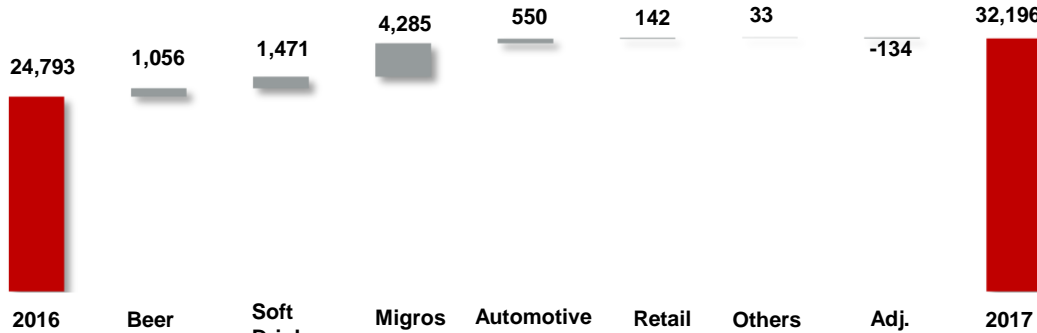
Consolidated proforma results*



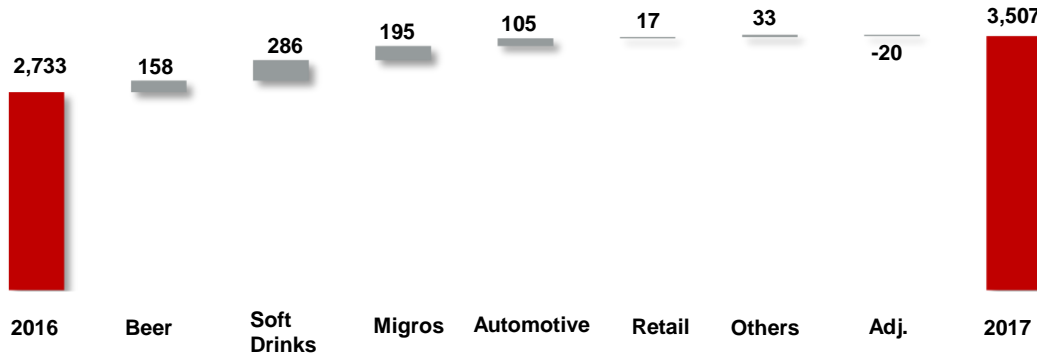
* Proforma results include Migros as consolidated

Segmental Sales and EBITDA Contribution

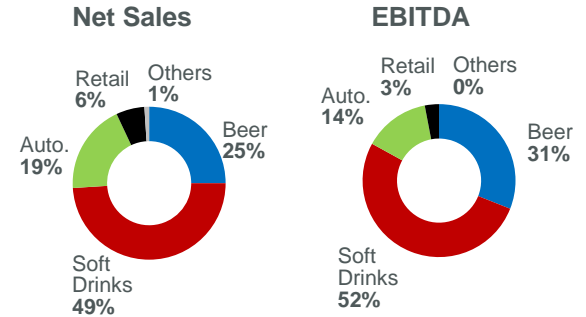
Net Sales, proforma (mn TL)



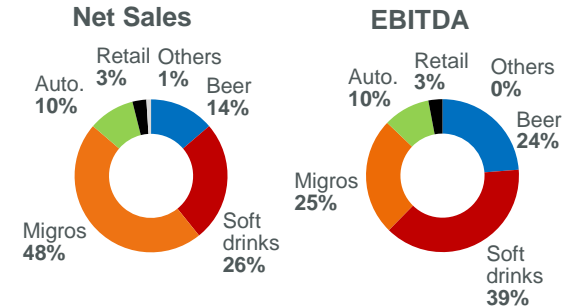
EBITDA, proforma (mn TL)



Segmental Breakdown



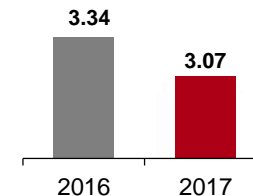
Segmental Breakdown, proforma



Consolidated and Segmental Indebtedness

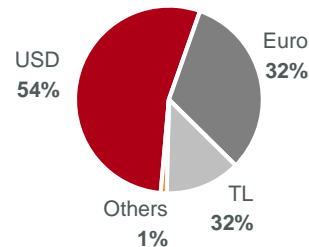
As of 2017-end (TL mn)	Total Consolidated Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	2,519	1,606	913	1.1
Soft Drinks	5,991	3,892	2,099	1.5
Automotive	3,214	190	3,025	8.3
Retail	213	55	158	1.7
Others (incl. Holding)	2,176	165	2,011	n.m.
<i>Holding net debt</i>	<i>1,143</i>	<i>74</i>	<i>1,069</i>	<i>n.m.</i>
Consolidated	14,113	5,908	8,204	3.1
Migros	3,912	1,628	2,284	2.6
Proforma Consolidated	18,025	7,536	10,489	3.0

Consolidated Net Debt / EBITDA (x)

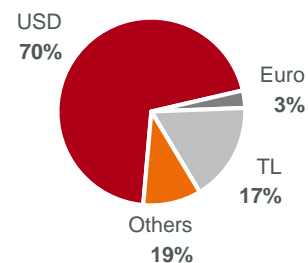


- Net debt increased to TL1bn, due to financing for the purchase of additional 10% Migros shares and FX appreciation
- Net debt /EBITDA decreased to 3.07x on the back of stellar EBITDA growth

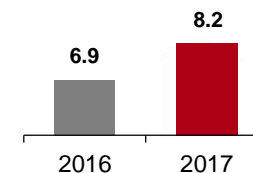
Breakdown of Net Debt



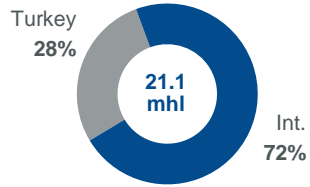
Breakdown of Net Cash



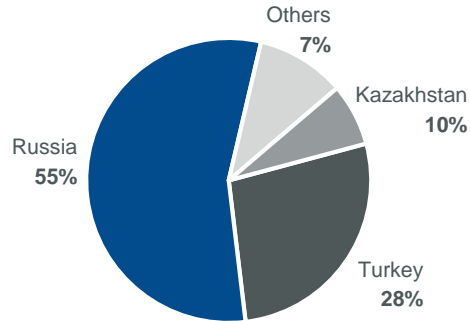
Consolidated Net Debt (bn TL)



Beer Sales Volume (2017)

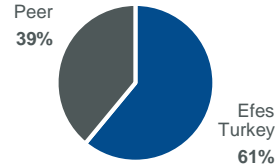


Volume Breakdown by Country

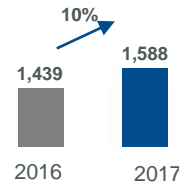


Domestic Beer Operations

Market Shares

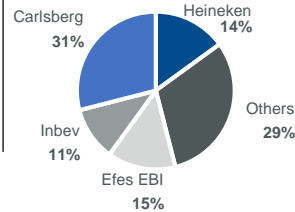


Sales (mn TL)

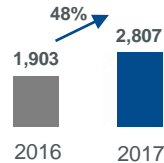


Int. Beer Operations

Russia Market Shares

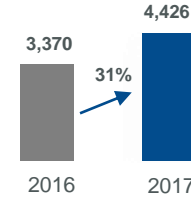


Sales (mn TL)

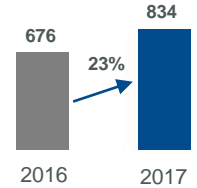


Beer Segment Performance

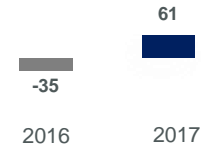
Net Sales (mn TL)



EBITDA (mn TL)



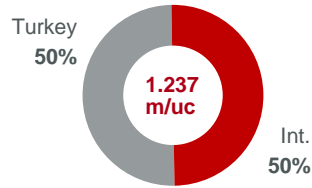
Net Income (mn TL)



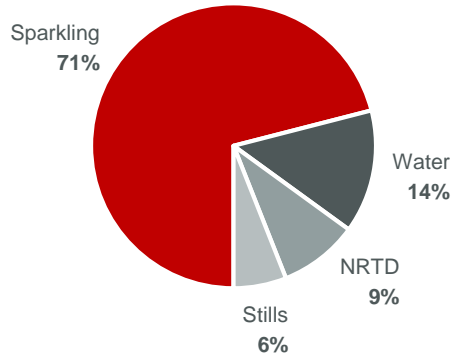
Main Highlights:

- Full year beer sales volume exceeded 21 mhl, implying 6% yearly growth.
- Revenue growth was significantly ahead of that of volume, top-line growth of 31% y-o-y.
- Strong EBITDA growth year on year.
- Beer segment bottom-line turned positive at TL61mn.

Soft Drinks Sales Volume (2017)

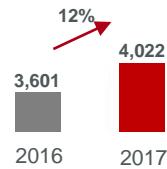


2017 Volume Breakdown

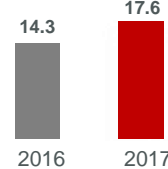


Domestic Soft Drink Operations

Sales (mn TL)

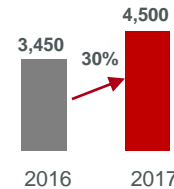


EBITDA Margin (%)

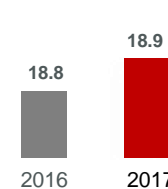


Int. Soft Drink Operations

Sales (mn TL)

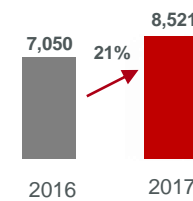


EBITDA Margin (%)

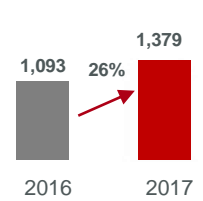


Soft Drinks Segment Performance

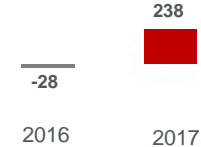
Net Sales (mn TL)



EBITDA (mn TL)



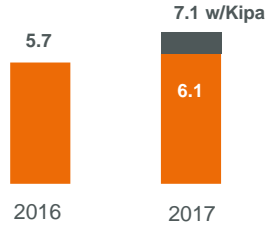
Net Income (mn TL)



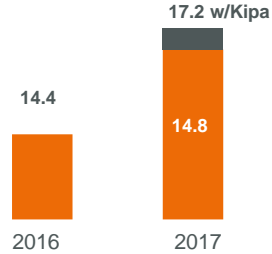
Main Highlights:

- Volume growth of sparkling category turned positive after 5 years.
- Highest consolidated Net Revenue, EBIT & EBITDA growth of the past 5 years.
- Consolidated EBITDA margin expansion of 0.7ppt to 16.2%
- Net income was TL238 million in 2017, thanks to higher operating profit and lower net financial expenses

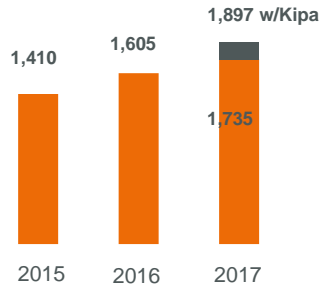
Total FMCG Market Shares (%)



Modern FMCG Market Shares (%)



Number of Stores (%)

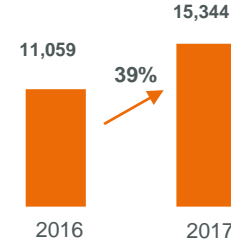


Main Highlights:

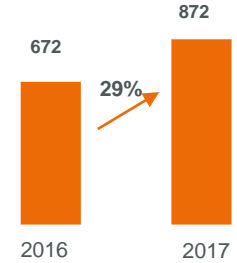
- Gain in traffic from all consumer segments
- Migros is reaching out to more households than ever before
- 193 new store openings in 2017
- Consolidated sales more than doubled in 4 years
- Net debt/EBITDA continues to improve despite additional financing for Kipa acquisition & hard currency appreciation

Migros Performance

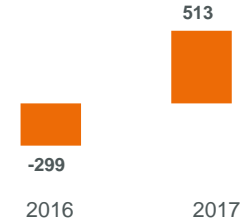
Net Sales (mn TL)



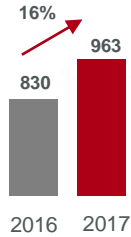
EBITDA (mn TL)



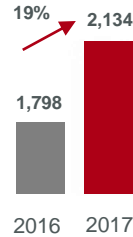
Net Income (mn TL)



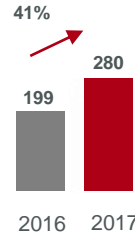
Isuzu Net Sales (TL mn)



Çelik Motor Net Sales (TL mn)

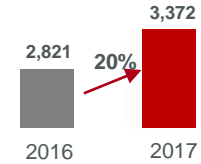


Anadolu Motor Net Sales (TL mn)

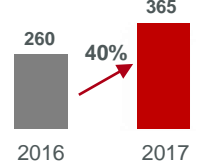


Automotive Segment Performance

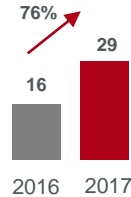
Net Sales (mn TL)



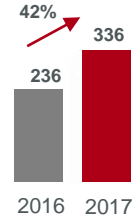
EBITDA (bn TL)



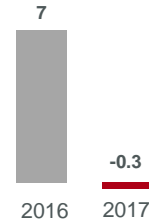
Isuzu EBITDA (TL mn)



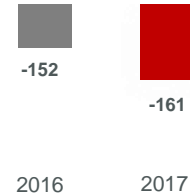
Çelik Motor EBITDA (TL mn)



Anadolu Motor EBITDA (TL mn)



Net Income (mn TL)

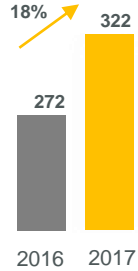


Main Highlights:

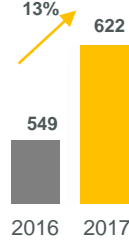
- Significant operational improvement; **EBITDA** increase of 40%
- Negative bottom-line due to the nature of business; increasing fleet of Çelik Motor



Adel Net Sales (TL mn)



McDonald's Net Sales (TL mn)

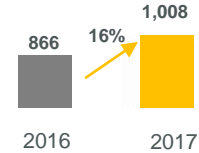


Main Highlights:

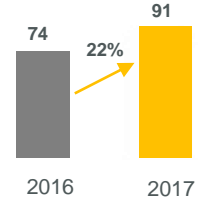
- Adel increased share of exports in sales
- McDonald's doubled its EBITDA growth due to successful execution efforts
- Net profit of the segment at TL9 mn in 2017
- 100% TL denominated borrowings

Retail Segment Performance

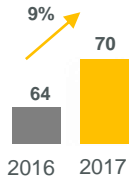
Net Sales (bn TL)



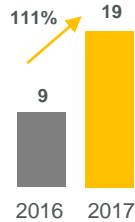
EBITDA (bn TL)



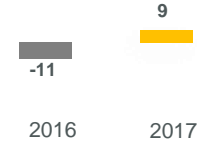
Adel EBITDA (TL mn)



McDonald's EBITDA (TL mn)



Net Income (mn TL)



Others

Others (TL mn)	2016	2017	Change
Net Sales	206	239	15.9%
Gross Profit	81	116	44.1%
EBITDA	-32	2	n.m.
Net Income	-200	-52	73.9%
Total Assets	4,824	4,722	-2.1%
Gross Profit Margin	39.2%	48.7%	9.5
EBITDA Margin	-15.3%	0.7%	16.0
Ne Profit Margin	-96.9%	-21.8%	n.m.

- **Energy and real estate** companies are under consolidated under the other segment.
- **Net sales revenues** rose by 16% y-o-y, due to increase in the rental revenues of the real estate companies.
- AND Kozyatağı has a leaseable area of 35K sqm with **77% occupancy rate** as end of 2017. Pre-sales of AND Pastel residential project which is developed in Istanbul Kartal continued in 2017 and **55% of the pre-sales was completed** as of 2017-end. Delivery of the residential units will commence on June 2018 and December 2018.
- **Gross profit margin** expanded by 9.5%, which is attributable to the stellar performance of the real estate revenues.

The star that links Anatolia to the world and the world to Anatolia



Thank you...

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- I. Summary Financials
- II. Segmental Financial Data

Summary Financials

TL, million	Consolidated		Change	Proforma Consolidated		Change
	2016	2017		2016	2017	
Net Sales	14.150	17.378	23%	24.793	32.196	30%
EBITDA	2.072	2.670	29%	2.733	3.507	28%
PBT	-358	157	-144%	-434	409	-194%
Net Income**	-376	-130	-65%	-376	-130	-65%
Total Assets	32.987	38.067	15%	38.217	46.036	20%
Equity	16.694	17.427	4%	15.944	16.916	6%
Equity attributable to Parent	5.710	5.751	1%	5.710	5.751	1%
Net Debt	6.922	8.204	19%	8.729	10.489	20%
Total Liabilities/Total Equity	0,98	1,18	20%	1,40	1,72	0,32
ST Liabilities/LT Liabilities	0,54	0,86	30%	0,67	1,05	0,38
Net Debt/EBITDA	3,34	3,07	-30%	3,19	2,99	-20%
ROIC***				7,0%	8,4%	
EBITDA Margin	14,6%	15,4%	0,7	11,0%	10,9%	-0,1
PBT Margin	-2,5%	0,9%	3,4	-1,7%	1,3%	3,0
Net Profit Margin (Parent.)	-2,7%	-0,7%	3,4	-1,5%	-0,4%	1,1

**Migros fully consolidated results

**Net income attributable to parent

*** ROIC: Return on invested capital

Segmental Financial Data

TL, million	Beer	Soft Drinks	Automotive	Retail	Other	Consolidated	Migros	Proforma Consolidated
Net SALES	4.426	8.521	3.372	1.008	239	17.378	15.344	32.196
<i>y-o-y</i>	31%	21%	20%	16%	16%	23%	39%	30%
Gross Profit	2.143	2.901	560	218	116	5.801	4.082	9.836
<i>y-o-y</i>	25%	21%	32%	18%	44%	24%	38%	30%
Operating Profit	362	874	263	57	138	1.679	303	1.767
<i>y-o-y</i>	24%	37%	61%	43%	<i>n.m.</i>	87%	<i>a.d.</i>	30%
EBITDA	834	1.379	365	91	2	2.670	872	3.507
<i>y-o-y</i>	23%	26%	40%	22%	<i>n.m.</i>	29%	29%	28%
PBT	102	421	-236	17	-107	157	603	409
<i>y-o-y</i>	691%	495%	21%	846%	-51%	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
Net Income	61	238	-161	9	-52	-130	513	-130
<i>y-o-y</i>	<i>n.m.</i>	<i>n.m.</i>	6%	<i>n.m.</i>	<i>n.m.</i>	-65%	<i>n.m.</i>	-65%
Net Debt	913	2.099	3.025	158	2.011	8.204	2.284	10.489
<i>y-o-y</i>	<i>a.d.</i>	-8%	32%	8%	90%	19%	26%	20%
<i>Gross Margin</i>	48,4%	34,0%	16,6%	21,6%	48,7%	33,4%	26,6%	30,5%
<i>EBITDA Margin</i>	18,8%	16,2%	10,8%	9,0%	0,7%	15,4%	5,7%	10,9%
<i>Net Margin</i>	1,4%	3,3%	-4,6%	0,8%	-21,7%	0,6%	3,3%	0,9%