Earnings Release

Istanbul, 26 February 2020

Quality Growth Momentum Maintained

4Q19 Highlights

- Sales volume up 0.8%
- Net sales revenue up 10.9%
- FX-neutral NSR up 13.7%
- EBITDA up 68.6%
- EBITDA margin up 416 bps
- Net income of TL 0.6 mn

FY19 Highlights

- Sales volume up 0.1%
- Net sales revenue up 15.3%
- FX-neutral NSR up 11.9%
- EBITDA up 19.0%
- EBITDA margin up 58 bps
- EPS up 3x to TL 3.80

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FY19 Results Webcast;

16:00 Istanbul/ 13:00 London / 08:00 New York

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Burak Basarir, CEO of Coca-Cola Icecek, 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."

Key Income Statement Figures and Ratios

Consolidated (million TL)	4Q18	4Q19	Change %	2018	2019	Change %
Volume (million uc)	229	230	0.8%	1,315	1,316	0.1%
Net Sales	2,001	2,220	10.9%	10,623	12,245	15.3%
Gross Profit	573	771	34.4%	3,527	4,207	19.3%
EBIT	(13)	86	n.m.	1,269	1,521	19.9%
EBIT (Exc. other)	(30)	65	n.m.	1,229	1,605	30.5%
EBITDA	160	270	68.6%	1,919	2,283	19.0%
EBITDA (Exc. other)	142	249	75.2%	1,883	2,339	24.2%
Profit / (Loss) Before Tax	130	3	(98.1%)	546	1,189	117.8%
Net Income/(Loss)	156	1	(99.6%)	321	966	200.7%
Gross Profit Margin	28.6%	34.7%		33.2%	34.4%	
EBIT Margin	(0.6%)	3.9%		11.9%	12.4%	
EBIT Margin (Exc. other)	(1.5%)	2.9%		11.6%	13.1%	
EBITDA Margin	8.0%	12.1%		18.1%	18.6%	
EBITDA Margin (Exc. other)	7.1%	11.2%		17.7%	19.1%	
Net Income / (Loss) Margin	7.8%	0.0%		3.0%	7.9%	

Turkey (million TL)	4Q18	4Q19	Change %	2018	2019	Change %
Volume (million uc)	120	126	4.9%	650	662	1.8%
Net Sales	884	1,079	22.0%	4,690	5,756	22.7%
Gross Profit	298	377	26.4%	1,799	2,349	30.6%
EBIT	(17)	(26)	55.1%	890	1,170	31.5%
EBIT (Exc. other)	(35)	(23)	32.8%	488	764	56.5%
EBITDA	28	44	55.8%	1,088	1,426	31.1%
EBITDA (Exc. other)	15	46	215.4%	699	1,012	44.8%
Net Income/(Loss)	347	(103)	n.m.	30	788	2517.1%
Gross Profit Margin	33.7%	34.9%		38.4%	40.8%	
EBIT Margin	(1.9%)	(2.4%)		19.0%	20.3%	
EBIT Margin (Exc. other)	(4.0%)	(2.2%)		10.4%	13.3%	
EBITDA Margin	3.2%	4.1%		23.2%	24.8%	
EBITDA Margin (Exc. other)	1.7%	4.3%		14.9%	17.6%	
Net Income / (Loss) Margin	39.3%	(9.6%)		0.6%	13.7%	

International (million TL)	4Q18	4Q19	Change %	2018	2019	Change %
Volume (million uc)	108	104	(3.6%)	664	654	(1.5%)
Net Sales	1,118	1,141	2.1%	5,935	6,493	9.4%
Gross Profit	276	394	42.8%	1,728	1,857	7.5%
EBIT	8	112	1321.0%	714	710	(0.6%)
EBIT (Exc. other)	(7)	72	n.m.	685	770	12.4%
EBITDA	134	227	69.3%	1,171	1,217	4.0%
EBITDA (Exc. other)	115	186	61.9%	1,129	1,257	11.4%
Net Income/(Loss)	(26)	40	n.m.	363	412	13.5%
Gross Profit Margin	24.7%	34.5%		29.1%	28.6%	
EBIT Margin	0.7%	9.8%		12.0%	10.9%	
EBIT Margin (Exc. other)	(0.7%)	6.3%		11.5%	11.9%	
EBITDA Margin	12.0%	19.8%		19.7%	18.8%	
EBITDA Margin (Exc. other)	10.3%	16.3%		19.0%	19.4%	
Net Income / (Loss) Margin	(2.3%)	3.5%		6.1%	6.3%	

Note: 2018 financials were restated due to TFRS 15 “Revenue from Contracts with Customers” and TFRS 16 “Leases” standards.

Operational Overview

Sales Volume

In **FY19**, consolidated sales volume increased by 0.1% to 1,316 million UC, exceeding our guidance of a slight decline. The core business recorded a growth of 0.6% in FY19 compared to the previous year (throughout this announcement, “core business” will relate to CCI’s business excluding non-ready-to-drink (‘NRTD’) Tea distribution). Yearly growth was led by Kazakhstan, Turkey and Azerbaijan operations despite the slowdown in Pakistan and continued production stoppage in Turkmenistan. Excluding Turkmenistan, consolidated core business sales volume was up by 1.4% in FY19. The Sparkling category (up 0.3%) and Stills (up 5.1%) were primary drivers of growth while Water and NRTD Tea categories contracted by 0.1% and 4.9%, respectively. Ice Tea recorded growth in all the markets where it is sold while sparkling grew in all markets except for Pakistan, Jordan and Turkmenistan. The share of Turkey operation within total sales volume was 50% in FY19 compared to 49% in FY18.

In **4Q19**, consolidated sales volume rose by 0.8% to 230 million UC, led by Sparkling (up 4.9%) and Stills (up 14.5%) while Water and NRTD Tea categories declined by 13.0% and 9.2%, respectively. Growth in the core business was 2.4% in the period.

	Growth (YoY)		Growth (YoY)		Breakdown	
	4Q18	**4Q19**	**2018**	**2019**	**2018**	**2019**
Sparkling	(2.2%)	4.9%	6.8%	0.3%	70.8%	70.9%
Stills (excluding water)	(4.9%)	14.5%	11.6%	5.1%	6.6%	6.9%
Water	7.0%	(13.0%)	6.0%	(0.1%)	13.9%	13.9%
Core Business	**(0.9%)**	**2.4%**	**7.0%**	**0.6%**	**91.3%**	**91.7%**
Tea (NRTD)	11.5%	(9.2%)	(1.2%)	(4.9%)	8.7%	8.3%
Total	**0.6%**	**0.8%**	**6.3%**	**0.1%**	**100%**	**100%**

Note: Totals may not add up due to rounding differences.

Turkey:

In **FY19**, Turkey operations delivered 1.8% volume growth bringing full-year sales volume to 662 million UC. All categories posted growth except for NRTD Tea and juice. Core business volume growth was 3.2% in the period.

The Sparkling category grew by 3.8%, cycling 5.7% growth in 2018, recording the highest volume ever. The share of immediate consumption (‘IC’) packages in the Sparkling category maintained its upward trend, reaching 25% in FY19 compared to 23% in FY18, while the number of transactions outpaced the volume growth with 9% increase. Continued media investments and successful market execution supported volume growth. On-premise channel was the main contributor to volume growth throughout 2019, driven by new accounts.

Low/No calorie segment grew by 5.9% while the share of Low/No calorie in the Sparkling volume continued to increase. The Stills category delivered 3.1% growth with Ice Tea being the main driver of volume with 11.5% growth, cycling 20.0% growth in 2018. The Water category volume increased by 1.6% in 2019, with a rising share of IC packages. NRTD Tea category volume declined by 5.0% in the period.

In **4Q19**, volume was up by 4.9% to 126 million UC, fueled by favourable weather conditions. Core business volume grew by 9.7% in the quarter on year on year basis. The Sparkling category grew by 15.8% while Low/No calorie delivered 31.1% growth. The Stills category volume increased by 12.9% in the quarter with significant contribution coming from 49.9% growth in Ice Tea while Water and NRTD Tea categories decreased by 7.2% and 9.4%, respectively.

International:

In **FY19**, our international operations' volume was down by 1.5% to 654 million UC, which was primarily attributable to the slowdown in Pakistan and continued production stoppage in Turkmenistan.

In Pakistan, volume declined by 7.8% in 2019, cycling 7.3% growth in FY18. Weak macroeconomic conditions and tough competitive environment hurt volume performance throughout the year. The Sparkling category contracted by 7.4% in 2019, reflecting the overall industry decline. Trademark Coca-Cola outperformed its segment on the back of higher brand love score, while all our sparkling brands continued to decline.

Across the Middle East, volume declined by 1.7%. Iraq posted a 0.8% growth driven by the 3.7% growth in the Sparkling category while the Water category volume declined by 7.4%.

Central Asia registered 9.0% growth, with all markets except for Turkmenistan delivering double-digit growth. Kazakhstan posted 13.9% growth, along with share gains in all categories. Strong consumer activations, cooler placements and successful market execution supported growth throughout 2019. Azerbaijan, posted 20.5% growth, with trademark Coca-Cola registering 34% growth. Turkmenistan made a negligible volume contribution as production stopped in early 2019 due to continued issues about currency convertibility, causing interruptions in production. Excluding Turkmenistan, growth in Central Asia was 14.4% vs prior year.

In **4Q19**, international operations registered 104 million UC volume with a 3.6% year-on-year contraction.

Pakistan volume was down by 15.2% in 4Q19, due to continued slowdown in the overall industry, price increases taken in the third quarter as well as destocking at distributors at year-end.

Across the Middle East, volume contracted by 3.3%. Sales volume in Iraq was down by 4.8%, reflecting the political unrest in the country, while sparkling category grew by 5.7%. Jordan registered 7.3% growth, supported by new cooler placements.

Central Asia registered 11.1% volume growth led by double-digit growth in Kazakhstan, Azerbaijan and Tajikistan markets. During the quarter, Kazakhstan posted 16.2% growth, cycling 6.7% growth in 4Q18. New year consumer promotions and successful consumer activities contributed to the growth in the region.

Financial Overview

In FY19

- **Consolidated Net Sales Revenue ("NSR")** rose by 15.3%, driven by strong double-digit growth in Turkey while International operations also had a positive contribution on an FX neutral basis. Slowdown in Pakistan and production stoppage in Turkmenistan were the primary reasons for the relatively softer international performance. On an FX-neutral (1) basis, consolidated NSR was up by 11.9%.

  In Turkey, NSR was up by 22.7%, on the back of increase in list prices and positive mix impact. NSR per unit case grew by 20.5%, driven by list price adjustments, strong growth in on-premise channel and higher IC share in total sales mix. Excluding NRTD Tea, NSR growth was 23.6%.

  In our International operations, NSR increased by 9.4%, translating into 3.3% growth on an FX-neutral basis. NSR per unit case was up by 5.0% on an FX-neutral basis, mainly driven by NSR per unit case growth in Central Asia and Pakistan.

	Net Sales Revenue (TL m)		NSR per UC (TL)	
	2019	**YoY Change**	**2019**	**YoY Change**
Turkey	5,756	22.7%	8.69	20.5%
International	6,493	9.4%	9.92	11.1%
International (FX Neutral)(1)	6,133	3.3%	9.37	5.0%
Consolidated	12,245	15.3%	9.30	15.1%
Consolidated (FX Neutral)(1)	11,885	11.9%	9.03	11.8%

(1) FX-Neutral: Using constant FX rates when converting country P&L's to TL.

- **Consolidated gross margin** increased by 115 bps to 34.4% which was mainly attributable to gross margin improvement in Turkey operation. During 2019, USD 150 million of cash at hand was designated at a USD/TRY rate of 3.95 against raw material purchases of Turkey operation. The positive impact of cash designation on gross margin on consolidated level was 203 bps in 2019 vs. 157 bps in 2018. Excluding the impact of cash designation, gross margin improved by 69 bps in 2019, on a comparable basis.

  As of 1.1.2020, CCI terminated cash designation practice for raw material procurements and instead any gain/loss incurred from foreign currency cash at hand will be classified below EBIT line under FX gain/loss. Please refer to the table on Page 7 for FY2019 financial figures without the impact of cash designation for a comparable analysis going forward.

- In Turkey, gross margin was up by 245 bps to 40.8%. Price increases, favorable mix impact, savings at procurement and the positive impact of cash designation resulted in expansion in gross profit margin.
- In our International operations, gross margin declined by 52 bps to 28.6%. Lower margin was mainly attributable to higher fixed costs in Pakistan due to softer volumes as well as lack of Turkmenistan's contribution due to production stoppage.
- **Consolidated EBIT margin** increased by 48 bps to 12.4%, benefiting from higher profitability of Turkey operation.
- **Consolidated EBITDA margin** increased by 58 bps to 18.6 % in 2019. Turkey operation's EBITDA margin, excluding other income/(expense), improved by 268 bps to 17.6% benefiting from higher gross profitability. EBITDA margin of International operations contracted by 98 bps to 18.8%, reflecting lower profitability in Pakistan and Turkmenistan. Excluding other income/expense international EBITDA margin improved sligtly by 35 bps.

Below you may find the proforma highlighted figures for consolidated CCI and Turkey operations which are prepared as if no cash designation was deployed in 2019. The benefit of lower designated USDTRY rate, as explained on Page 6, is assumed to be recorded below EBIT line under financial income/expense and not under cost of goods sold.

	CCI Consolidated		**CCI Turkey**	
TL mn	2019 Reported	2019 Proforma	2019 Reported	2019 Proforma
Net Sales Revenue	12,245	12,245	5,756	5,756
Gross Profit	4,207	3,957	2,349	2,100
Gross Profit Margin	34.4%	32.3%	40.8%	36.5%
EBITDA	2,283	2,034	1,426	1,177
EBITDA Margin	18.6%	16.6%	24.8%	20.5%

- **Net financial expense,** including lease payables related to TFRS 16, was TL 334.9 million in 2019 vs. TL 712.5 million in 2018, benefiting from lower FX losses as well as lower net interest cost due to stabilization in the Turkish financial markets.

Financial Income / (Expense) (TL million)	**4Q18**	**4Q19**	**2018**	**2019**
Interest income	61	43	216	149
Interest expense (-)	(72)	(74)	(392)	(317)
Other financial FX gain / (loss)	(76)	82	1,351	134
Realized FX gain / (loss) - Borrowings	(1,964)	0	(2,328)	(120)
Unrealized FX gain / (loss) - Borrowings	2,194	(136)	441	(180)
Financial Income / (Expense) Net	**143**	**(85)**	**(713)**	**(335)**

- **Non-controlling interest** (minority interest) was TL 23.5 million in 2019 compared to negative TL 30.2 million in 2018, which was attributable to Turkmenistan and Pakistan operations.

- **Net income** was TL 965.8 million in 2019 vs. TL 321.2 million in 2018 on the back of higher EBIT and lower net financial expenses.

- **Free cash flow** increased by 48.6% to TL 1,079.4 million in 2019, denoting the highest amount CCI has ever recorded. The improvement was mainly attributable to higher operating cash flow, tight working capital management as well as lower capital expenditure.

- **CapEx** was TL 766.0 million in 2019, translating into 6.3% of net sales revenue. 38% of the total capital expenditure was related to Turkey operation while 62% was related to International operations in 2019.

In 4Q19

- **Net sales revenue ("NSR")** rose by 10.9%, driven by Turkey operations. On an FX-neutral (1) basis, consolidated NSR was up by 13.7%.
- In Turkey, NSR was up by 22.0%, on the back of increase in list prices. NSR per unit case grew by 16.2%, driven by list price adjustments, strong growth in on-premise channel and higher IC share in total sales mix.
- In our International operations, NSR increased by 2.1%, translating into 7.0% growth on an FX-neutral basis. NSR per unit case was up by 11.1% on an FX-neutral basis, mainly driven by NSR per unit case growth in Central Asia, Pakistan and Middle East.

	Net Sales Revenue (TL m)		NSR per UC (TL)	
	4Q19	**YoY Change**	**4Q19**	**YoY Change**
Turkey	1,079	22.0%	8.56	16.2%
International	1,141	2.1%	10.93	6.0%
International (FX Neutral)(1)	1,196	7.0%	11.45	11.1%
Consolidated	2,220	10.9%	9.63	9.9%
Consolidated (FX Neutral)(1)	2,275	13.7%	9.87	12.7%

(1) FX-Neutral: Using constant FX rates when converting country P&L's to TL.

- **Gross margin** increased by 607 bps to 34.7%. The improvement in gross margin in the 4th quarter was broadbased with all countries expanding their margins due to procurement savings and some by top line growth.
- In **Turkey**, gross margin was up by 120 bps to 34.9%, benefiting from increasing NSR per unit case and cash designation. The positive impact of cash designation on gross margin was 444 bps in 4Q19 vs. 160 bps in 4Q18.
- In our **International** operations, gross margin increased by 983 bps to 34.5%, which was mostly attributable to lower raw material purchases as a percentage of NSR in Pakistan, Kazakhstan and Iraq operation.
- **EBIT margin** turned positive to 3.9%, mainly benefiting from higher gross margin in international operations.
- **EBITDA margin** increased by 416 bps to 12.1% in 4Q19. Turkey operation's EBITDA margin, excluding other income/(expense), improved by 263 bps to 4.3% while EBITDA

margin of International operations increased by 602 bps to 16.3%, reflecting higher gross profitability.

- **Net Income** was TL 0.6 million in 4Q19 vs TL 155.8 million in 4Q18, where the latter was positively impacted by the FX gain realized due to appreciation of TRY vs USD by year end 2018 vs September 2018.

- **Consolidated debt** including lease payables related to TFRS 16 was USD 924.5 million as of 31.12.2019, compared to USD 970.2 million at year-end 2018. Consolidated cash was USD 493.7 million by the end of 2019 vs. USD 439.3 million at year-end 2018. Overall, net debt decreased to USD 430.7 million from USD 531.0 million at year-end 2018.

Financial Leverage Ratios[(1)]	2019	2018
Net Debt / EBITDA	1.12	1.46
Debt Ratio (Total Fin. Debt / Total Assets)	34%	36%
Fin. Debt-to-Equity Ratio	75%	79%

(1) Including lease payables related to IFRS 16

- As of 31 December 2019, including the USD 150 million of hedging transaction, 68% of our consolidated financial debt was in USD, 18% in EUR, 11% in TL and the remaining 3% in other currencies.

- The average duration of the consolidated debt portfolio was 3.3 years and the maturity profile was as follows:

Maturity Date	2020	2021	2022	2023	2024
% of total debt	27%	2%	2%	16%	53%

Note: Totals may not add up due to rounding differences

Accounting Principles

The consolidated financial statements and disclosures have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting in Capital Markets. In accordance with article 5 of the CMB Accounting Standards, companies should apply Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS" / "TFRS") and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority ("POA").

As of December 31, 2019, the list of CCI's subsidiaries and joint ventures are as follows:

Subsidiaries and Joint Ventures	Country	Consolidation Method
Coca-Cola Satış ve Dağıtım A.Ş.	Turkey	Full Consolidation
Mahmudiye Kaynak Suyu Limited Şirketi	Turkey	Full Consolidation
J.V. Coca-Cola Almaty Bottlers LLP	Kazakhstan	Full Consolidation
Azerbaijan Coca-Cola Bottlers LLC	Azerbaijan	Full Consolidation
Coca-Cola Bishkek Bottlers Closed J. S. Co.	Kyrgyzstan	Full Consolidation
CCI International Holland B.V.	Holland	Full Consolidation
Tonus Turkish-Kazakh Joint Venture LLP	Kazakhstan	Full Consolidation
The Coca-Cola Bottling Company of Jordan Ltd.	Jordan	Full Consolidation
Turkmenistan Coca-Cola Bottlers	Turkmenistan	Full Consolidation
Sardkar for Beverage Industry/Ltd	Iraq	Full Consolidation
Waha Beverages B.V.	Holland	Full Consolidation
Coca-Cola Beverages Tajikistan LLC	Tajikistan	Full Consolidation
Al Waha for Soft Drinks, Juices, Min.Water, Plastics and Plastic Caps Prod. LLC	Iraq	Full Consolidation
Coca-Cola Beverages Pakistan Ltd.	Pakistan	Full Consolidation
Syrian Soft Drink Sales and Distribution LLC	Syria	Equity Method

EBITDA Reconciliation

The Company's "Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)" definition and calculation is defined as; "Profit/(loss) from operations" plus relevant non-cash expenses including depreciation and amortization, provision for employee benefits like retirement and vacation pay (provision for management bonus not included) and other non-cash expenses like negative goodwill and value increase due to change in scope of consolidation. As of December 31, 2018, and 2019, reconciliation of EBITDA to profit / (loss) from operations is explained in the following table:

EBITDA (TL million)	4Q18	4Q19	2018	2019
Profit / (loss) from operations	(13)	86	1,269	1,521
Depreciation and amortization	160	168	599	645
Provision for employee benefits	3	-2	20	40
Foreign exchange gain / (loss) under other operating income / (expense)	1	(0)	(3)	27
Right of use asset amortization	8	18	35	49
EBITDA	**160**	**270**	**1,919**	**2,283**

Foreign Currency Translations

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recorded in the consolidated income statement of the relevant period, as foreign currency loss or gain. Foreign currency translation rates announced by the Central Bank of the Republic of Turkey used by the Group's subsidiaries in Turkey. USD amounts presented in the balance sheet are translated into TL with the official TL exchange rate for purchases of USD on December 31, 2019, USD 1,00 (full) = TL 5.9402 (December 31, 2018; USD 1,00 (full) = TL 5.2609). Furthermore, USD amounts in the income statement have been translated into TL, at the average TL exchange rate for purchases of USD for the period is USD 1,00 (full) = TL 5.6712 (January 1 – December 31, 2018; USD 1,00 (full) = TL 4,8301).

Exchange Rates	**4Q18**	**4Q19**	**2018**	**2019**
Average USD/TL	5.5447	5.7819	4.8301	5.6712
End of Period USD/TL	5.2609	5.9402	5.2609	5.9402

The assets and liabilities of subsidiaries and joint ventures operating in foreign countries are translated at the rate of exchange ruling at the balance sheet date and the income statements of foreign subsidiaries and joint ventures are translated at average exchange rates. Differences that occur by the usage of closing and average exchange rates are followed under currency translation differences classified under equity.

2020 Guidance

- **Sales Volume:**
  - 3-4% growth on a consolidated basis
  - Flattish in Turkey
  - Mid single digit growth in International segment
- **Net revenue growth:**

  15-18% growth on a consolidated basis (FX-neutral[1])
- **EBITDA Margin:**

  Circa 100 bps improvement without the impact of cash designation and slight decline on a reported basis
- **Capex/Sales:**

  6-8%of consolidated net sales revenue

As announced on Jan 21st 2020, CCI started preliminary discussions with The Coca-Cola Company to revisit the sales and distribution model of Doğadan brand, the non-ready to drink tea in CCI's portfolio. Discussion are still continuing. Our 2020 guidance is focused on our core business figures,excluding the NRTD tea. For comparability purposes below are the 2019 financial figures to be used as the base for the above 2020 guidance:

2019A excluding NARTD Tea	
Consolidated Sales Volume (m u/c)	1,207
Turkey Sales Volume (m u/c)	554
International Sales Volume (m u/c)	654
Net Sales Revenue (m TL)	12,008
EBITDA Margin	19.0%
EBITDA Margin excluding NARTD tea+cash designation	16.9%

The business outlook of the Company is subject to the risks which are stated in the annual report and financial reports.

[1] FX-neutral: Using constant FX rates when converting country financial statements to TL.

Consolidated Income Statement

	Audited					
	1 January - 31 December			1 October - 31 December		
(TL million)	**2018[1]**	**2019**	**Change (%)**	**2018[1]**	**2019**	**Change (%)**
Sales Volume (UC millions)	**1,315**	**1,316**	**0.1%**	**229**	**231**	**0.8%**
Revenue	10,623	12,245	15.3%	2,001	2,220	10.9%
Cost of Sales	(7,096)	(8,038)	13.3%	(1,428)	(1,449)	1.5%
Gross Profit from Operations	**3,527**	**4,207**	**19.3%**	**573**	**771**	**34.4%**
Distribution, Selling and Marketing Expenses	(1,857)	(2,075)	11.8%	(477)	(590)	23.6%
General and Administrative Expenses	(441)	(526)	19.4%	(126)	(115)	(8.3%)
Other Operating Income	137	128	(6.6%)	0	75	23950.3%
Other Operating Expense	(97)	(211)	116.8%	16	(54)	n.m.
Profit/(Loss) from Operations	**1,269**	**1,521**	**19.9%**	**(13)**	**86**	**(762.9%)**
Gain/(Loss) From Investing Activities	(9)	3	n.m.	1	2	149.3%
Gain/(Loss) from Associates	(1)	(0)	59.0%	(1)	(0)	n.m.
Profit/(Loss) Before Financial Income/(Expense)	**1,258**	**1,524**	**21.1%**	**(13)**	**88**	**(779.9%)**
Financial Income	1,886	436	(76.9%)	195	125	(36.1%)
Financial Expenses	(2,598)	(771)	(70.3%)	(52)	(210)	302.4%
Profit/(Loss) Before Tax	**546**	**1,189**	**117.8%**	**130**	**3**	**(98.1%)**
Deferred Tax Income/(Expense)	(27)	34	n.m.	(57)	(42)	(25.9%)
Current Period Tax Expense	(167)	(281)	68.0%	32	29	(10.7%)
Net Income/(Loss) Before Minority	**351**	**942**	**168.1%**	**105**	**(11)**	**n.m.**
Minority Interest	(30)	24	n.m.	51	12	(76.9%)
Net Income/(Loss) After Minority	**321**	**966**	**200.7%**	**156**	**1**	**(99.6%)**
EBITDA	**1,919**	**2,283**	**19.0%**	**160**	**270**	**68.6%**

[1] Financials were restated. Details about the restatement were explained in the footnote 2 of the financial statements.
Totals may not foot due to rounding differences.

Turkey Income Statement

	Audited					
	1 January - 31 December			1 October - 31 December		
(TL million)	**2018 [1]**	**2019**	**Change (%)**	**2018 [1]**	**2019**	**Change (%)**
Sales Volume (UC millions)	**650**	**662**	**1.8%**	**120**	**126**	**4.9%**
Revenue	4,690	5,756	22.7%	884	1,079	22.0%
Cost of Sales	(2,891)	(3,407)	17.8%	(586)	(703)	19.8%
Gross Profit from Operations	**1,799**	**2,349**	**30.6%**	**298**	**377**	**26.4%**
Distribution, Selling and Marketing Expenses	(1,078)	(1,264)	17.2%	(274)	(330)	20.4%
General and Administrative Expenses	(233)	(321)	38.0%	(59)	(70)	18.8%
Other Operating Income	438	456	4.0%	(9)	23	n.m.
Other Operating Expense	(37)	(50)	35.3%	27	(26)	n.m.
Profit/(Loss) from Operations	**890**	**1,170**	**31.5%**	**(17)**	**(26)**	**55.1%**
Gain/(Loss) From Investing Activities	(1)	(7)	997.6%	(2)	(7)	398.8%
Profit/(Loss) Before Financial Income / (Expense)	**889**	**1,163**	**30.8%**	**(18)**	**(34)**	**83.2%**
Financial Income	1,855	412	(77.8%)	184	122	(33.7%)
Financial Expenses	(2,750)	(781)	(71.6%)	221	(236)	n.m.
Profit/(Loss) Before Tax	**(5)**	**794**	**n.m.**	**387**	**(148)**	**n.m.**
Deferred Tax Income/(Expense)	(6)	92	n.m.	(40)	(22)	(45.5%)
Current Period Tax Expense	41	(98)	n.m.	0	66	44560.1%
Net Income/(Loss)	**30**	**788**	2517.1%	**347**	**(103)**	**n.m.**
EBITDA	**1,088**	**1,426**	**31.1%**	**28**	**44**	**55.8%**

[1] Financials were restated. Details about the restatement were explained in the footnote 2 of the financial statements.
Totals may not foot due to rounding differences.

International Income Statement

	Audited					
	1 January - 31 December			1 October - 31 December		
(TL million)	**2018[1]**	**2019**	**Change (%)**	**2018[1]**	**2019**	**Change (%)**
Sales Volume (UC millions)	**664**	**654**	**(1.5%)**	**108**	**104**	**(3.6%)**
Revenue	5,935	6,493	9.4%	1,118	1,141	2.1%
Cost of Sales	(4,207)	(4,635)	10.2%	(842)	(747)	(11.2%)
Gross Profit from Operations	**1,728**	**1,857**	**7.5%**	**276**	**394**	**42.8%**
Distribution, Selling and Marketing Expenses	(778)	(812)	4.3%	(203)	(261)	28.1%
General and Administrative Expenses	(265)	(275)	3.8%	(80)	(61)	(23.3%)
Other Operating Income	90	102	12.8%	26	68	164.7%
Other Operating Expense	(61)	(162)	166.0%	(10)	(28)	170.3%
Profit/ (Loss) from Operations	**714**	**710**	**(0.6%)**	**8**	**112**	**1321.0%**
Gain/(Loss) From Investing Activities	(9)	(5)	(47.6%)	2	(5)	n.m.
Gain/ (Loss) from Associates	(1)	(0)	59.0%	(1)	(0)	83.2%
Profit/(Loss) Before Financial Income/(Expense)	**705**	**705**	**0.1%**	**9**	**107**	**1025.5%**
Financial Income	61	44	(27.6%)	16	8	(53.6%)
Financial Expenses	(248)	(184)	(25.9%)	(74)	(41)	(44.8%)
Profit/(Loss) Before Tax	**517**	**565**	**9.3%**	**(48)**	**73**	**n.m.**
Deferred Tax Income/(Expense)	(22)	(54)	142.1%	(16)	(21)	34.4%
Current Period Tax Expense	(108)	(122)	13.4%	(13)	(24)	86.9%
Net Income/(Loss) Before Minority	**387**	**389**	**0.4%**	**(76)**	**29**	**n.m.**
Minority Interest	(24)	24	n.m.	51	11	(78.4%)
Net Income/(Loss) After Minority	**363**	**412**	**13.5%**	**(26)**	**40**	**n.m.**
EBITDA	**1,171**	**1,217**	**4.0%**	**134**	**227**	**69.3%**

[1] Financials were restated. Details about the restatement were explained in the footnote 2 of the financial statements.
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Consolidated Balance Sheet

(TL million)	Restated 31 December 2018	Audited 31 December 2019
Current Assets	**4,537**	**5,465**
Cash and Cash Equivalents	2,290	2,823
Investments in Securities	21	110
Derivative Financial Instruments	0	3
Trade Receivables	624	700
Due from related parties	127	210
Other Receivables	32	27
Inventories	804	872
Prepaid Expenses	191	231
Tax Related Current Assets	150	208
Other Current Assets	298	283
Non-Current Assets	**9,617**	**10,495**
Other Non-Current Asset	1	0
Other Receivables	38	39
Right of Use Asset	131	194
Property, Plant and Equipment	6,489	6,899
Intangible Assets	1,869	2,174
Goodwill	819	844
Prepaid Expenses	258	243
Deferred Tax Asset	11	101
Total Assets	**14,155**	**15,960**
Current Liabilities	**2,696**	**3,536**
Short-term Borrowings	210	445
Current Portion of Long-term Borrowings	706	996
Financial lease payables	29	52
Trade Payables	966	1,044
Due to Related Parties	328	437
Payables Related to Employee Benefits	35	45
Other Payables	288	373
Provision for Corporate Tax	11	20
Provision for Employee Benefits	58	59
Other Current Liabilities	64	65
Non-Current Liabilities	**5,035**	**5,054**
Financial lease payables	136	173
Long-term Borrowings	4,023	3,825
Trade Payables & Due to Related Parties	47	66
Provision for Employee Benefits	83	118
Deferred Tax Liability	549	662
Other Non-Current Liabilities	198	209
Equity of the Parent	**5,599**	**6,515**
Minority Interest	826	854
Total Liabilities	**14,155**	**15,960**

Consolidated Cash Flow

(TL million)	Audited Period-End 2018[1]	2019
Cash Flow from Operating Activities		
IBT Adjusted for Non-cash items	1,981	2,347
Interest Paid	(389)	(315)
Interest Received	216	149
Change in Tax Assets and Liabilities	(87)	(274)
Employee Termination Benefits, Vacation Pay, Management Bonus payments	(85)	(85)
Operating Cash Flow	**1,636**	**1,822**
Change in Operating Assets & Liabilities	1	55
Net Cash Provided by Operating Activities	**1,636**	**1,877**
Purchase of Property, Plant & Equipment	(858)	(766)
Other Net Cash Provided by/(Used in) Investing Activities	**27**	**(64)**
Change in ST & LT Loans	(3,408)	(185)
Dividends paid (including non-controlling interest)	(230)	(300)
Cash Flow Hedge Reserve	122	(154)
Finance Lease Payables	(52)	(32)
Net Cash Provided by/(Used in) Financing Activities	**(3,568)**	**(670)**
Currency Translation on Cash & Cash Equivalents	1,351	82
Currency Translation on Intercompany Borrowings	245	51
Currency Translation Differences	(419)	22
Net Change in Cash & Cash Equivalents	**(1,585)**	**533**
Cash & Cash Equivalents at the beginning of the period	3,875	2,290
Cash & Cash Equivalents at the end of the period	**2,290**	**2,823**
Free Cash Flow	**727**	**1,079**

[1] Financials were restated. Details about the restatement were explained in the footnote 2 of the financial statements. Totals may not foot due to rounding differences.

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Company Profile

CCI is a multinational beverage company which operates in Turkey, Pakistan, Kazakhstan, Azerbaijan, Kyrgyzstan, Turkmenistan, Jordan, Iraq, Syria and Tajikistan. As one of the key bottlers of the Coca-Cola system, CCI produces, distributes and sells sparkling and still beverages of The Coca-Cola Company.

CCI employs close to 8500 people and has a total of 26 plants in 10 countries, offering a wide range of beverages to a consumer base of 400 million people. In addition to sparkling beverages, the product portfolio includes juices, waters, sports and energy drinks, teas and iced teas.

CCI's shares are traded on the Istanbul Stock Exchange (BIST) under the symbol "CCOLA.IS", and Eurobond is traded in the Irish Stock Exchange, under the symbol "CCOLAT":

Reuters: CCOLA.IS

Bloomberg: CCOLA.TI

Eurobond: CCOLAT

Special Note Regarding Forward-Looking Statements