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

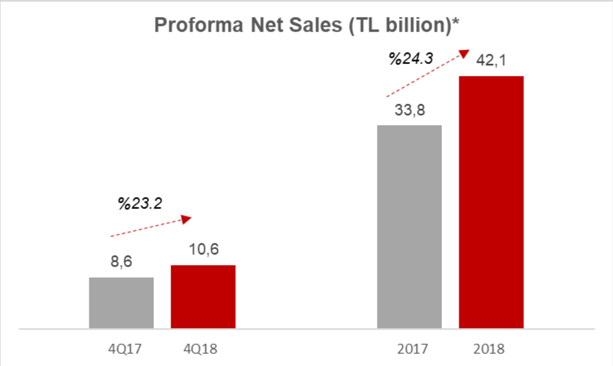
FY2018 & 4Q18 Earnings Release, March 7, 2019

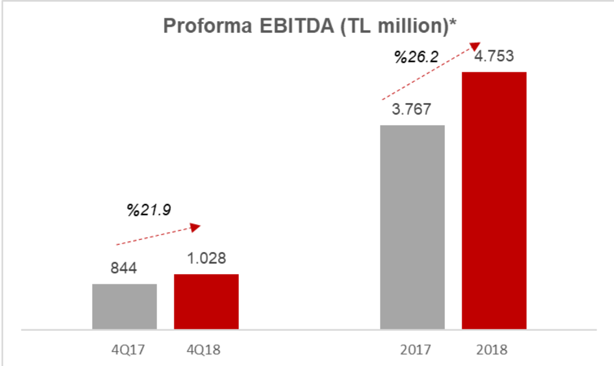
FY2018 PROFORMA* FINANCIAL HIGHLIGHTS:

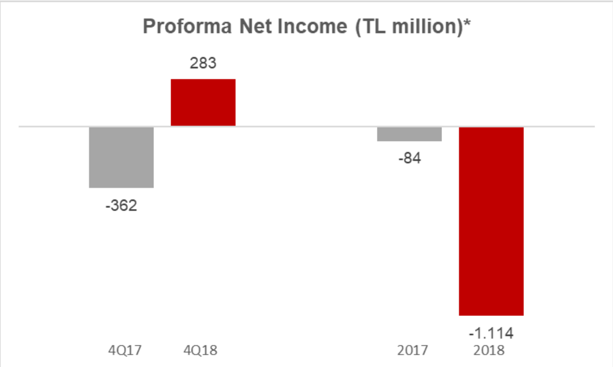
- **Total consolidated sales up by 24% to TL 42.1 billion**
- **EBITDA up by 26% to TL 4.8 billion, proforma EBITDA margin at 11.3%**
- **Net loss attributable to the parent company at TL 1.1 billion,**
- **Total assets up by 22% to TL 56.0 billion**

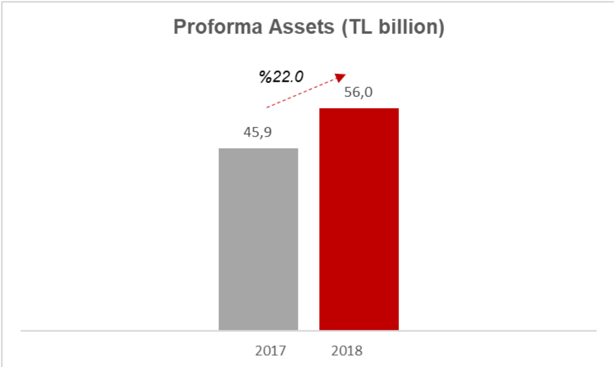
4Q18 PROFORMA FINANCIAL HIGHLIGHTS:

- **Total consolidated sales up by 23% to TL 10.6 billion**
- **EBITDA up by 22% to TL 1.0 billion, proforma EBITDA margin at 9.7%**
- **Net profit attributable to the parent company at TL 283 million**









**Financial results including Migros as fully consolidated. For comparison purposes, Beer group 2017 figures also include ABI Russia and ABI Ukraine effect starting from April 1st. In this context, Holding proforma consolidated results of 4Q17 and 2017 include the aforementioned effect.*

Beer (TL mn)	4Q17*	4Q18	Change	2017*	2018	Change
Net Sales	1.685	2.324	38,0%	6.195	8.067	30,2%
Gross Profit	806	968	20,0%	2.831	3.464	22,3%
EBITDA	403	415	2,8%	1.094	1.128	3,1%
Net Income	-43	86	n.m.	107	50	-53,7%
Gross Profit Margin	47,8%	41,6%	-6,2	45,7%	42,9%	-2,8
EBITDA Margin	23,9%	17,8%	-6,1	17,7%	14,0%	-3,7
Net Profit Margin	-2,6%	3,7%	6,3	1,7%	0,6%	-1,1
Soft Drinks (TL mn)	**4Q17**	**4Q18**	**Change**	**2017**	**2018**	**Change**
Net Sales	1.628	2.001	22,9%	8.392	10.623	26,6%
Gross Profit	518	573	10,6%	2.772	3.527	27,2%
EBITDA	170	147	-13,4%	1.379	1.871	35,7%
Net Income	-149	148	n.m.	238	327	37,5%
Gross Profit Margin	31,8%	28,6%	-3,2	33,0%	33,2%	0,2
EBITDA Margin	10,4%	7,4%	-3,1	16,4%	17,6%	1,2
Net Profit Margin	-9,1%	7,4%	16,5	2,8%	3,1%	0,2
Automotive (TL mn)	**4Q17**	**4Q18**	**Change**	**2017**	**2018**	**Change**
Net Sales	1.184	1.207	1,9%	3.372	3.907	15,9%
Gross Profit	160	146	-8,5%	560	695	24,0%
EBITDA	90	127	41,3%	365	433	18,5%
Net Income	-44	-35	-21,5%	-161	-479	197,3%
Gross Profit Margin	13,5%	12,1%	-1,4	16,6%	17,8%	1,2
EBITDA Margin	7,6%	10,5%	2,9	10,8%	11,1%	0,2
Net Profit Margin	-3,7%	-2,9%	0,9	-4,8%	-12,3%	-7,5
Retail (TL mn)	**4Q17**	**4Q18**	**Change**	**2017**	**2018**	**Change**
Net Sales	199	234	17,8%	1.008	1.200	19,1%
Gross Profit	24	26	10,4%	218	248	13,8%
EBITDA	-11	-8	-31,7%	91	111	22,5%
Net Income	-28	-36	30,2%	9	-11	n.m.
Gross Profit Margin	12,0%	11,2%	-0,8	21,6%	20,7%	-1,0
EBITDA Margin	-5,5%	-3,2%	2,3	9,0%	9,3%	0,3
Net Profit Margin	-13,9%	-15,4%	-1,5	0,8%	-0,9%	-1,7
Other (TL mn)	**4Q17**	**4Q18**	**Change**	**2017**	**2018**	**Change**
Net Sales	72	134	86,7%	239	381	59,3%
Gross Profit	45	39	-13,8%	116	148	26,9%
EBITDA	1	9	n.m.	2	20	n.m.
Net Income	-299	289	n.m.	-52	-690	n.m.
Gross Profit Margin	63,1%	29,1%	-34,0	48,7%	38,8%	-9,9
EBITDA Margin	0,7%	6,4%	5,6	0,7%	5,2%	4,5
Net Profit Margin	a.d.	a.d.	a.d.	a.d.	a.d.	a.d.
Consolidated (TL mn)	**4Q17***	**4Q18**	**Change**	**2017***	**2018**	**Change**
Net Sales	4.712	5.843	24,0%	19.018	23.981	26,1%
Gross Profit	1.515	1.716	13,3%	6.360	7.943	24,9%
EBITDA	653	689	5,6%	2.931	3.562	21,6%
Net Income	-362	283	n.m.	-84	-1.114	n.m.
Gross Profit Margin	32,1%	29,4%	-2,8	33,4%	33,1%	-0,3
EBITDA Margin	13,9%	11,8%	-2,1	15,4%	14,9%	-0,6
Net Profit Margin	-7,7%	4,8%	12,5	-0,4%	-4,6%	-4,2
Migros (TL mn)	**4Q17**	**4Q18**	**Change**	**2017**	**2018**	**Change**
Net Sales	4.022	4.923	22,4%	15.344	18.717	22,0%
Gross Profit	1.080	1.422	31,7%	4.082	5.249	28,6%
EBITDA	226	344	52,0%	872	1.217	39,6%
Net Income	-206	359	n.m.	513	-836	n.m.
Gross Profit Margin	26,8%	28,9%	2,0	26,6%	28,0%	1,4
EBITDA Margin	5,6%	7,0%	1,4	5,7%	6,5%	0,8
Net Profit Margin	-5,1%	7,3%	12,4	3,3%	-4,5%	-7,8
Proforma Consolidated (TL mn)**	**4Q17***	**4Q18**	**Change**	**2017***	**2018**	**Change**
Net Sales	8.616	10.614	23,2%	33.837	42.070	24,3%
Gross Profit	2.583	3.127	21,1%	10.395	13.146	26,5%
EBITDA	844	1.028	21,9%	3.767	4.753	26,2%
Net Income	-362	283	n.m.	-84	-1.114	n.m.
Gross Profit Margin	30,0%	29,5%	-0,5	30,7%	31,2%	0,5
EBITDA Margin	9,8%	9,7%	-0,1	11,1%	11,3%	0,2
Net Profit Margin	-4,2%	2,7%	6,9	-0,2%	-2,6%	-2,4

** For comparison purposes, Beer group 2017 figures also include ABI Russia and ABI Ukraine effect starting from April 1st. In this context, Holding proforma consolidated results of 4Q17 and 2017 include the aforementioned effect*
*** Financial results including Migros as fully consolidated*

ANADOLU GRUBU

MESSAGE FROM OUR CEO MR. HURŞİT ZORLU

"Thanks to our solid and efficient strategic plans, as Anadolu Group Holding, we have managed to achieve significant growth in 2018, despite the economic and politic fluctuations all around the world and Turkey as well. While fast-moving consumer goods market, which constitutes the majority part of our portfolio kept its pace in the first three quarters of the year, we also focused on strengthening our export capabilities through various measures for other businesses in which we operate. 2018 was a year of many challenges; however, we successfully increased our consolidated sales and operational profitability by high-twenties due to the momentum that we have gained throughout the year especially in our beer, soft drinks and retail operations.

Along with our portfolio management strategy, in 2018, we have solidified our #2 position in Russian beer market through the completion of the merger of our Russian and Ukrainian operations. Coca Cola Icecek opened its 26th production plant in Pakistan and also continued its strong operational performance and quality growth both in Turkey and abroad. Following its successful integration with Kipa, Migros acquired Uyum markets in Istanbul and Makro markets in Antalya. Migros kept its growth momentum with focus on competitive pricing, attractive campaigns, fresh product portfolio and high quality service.

As per reduction of debt, which stands out to be one of the major focus areas in our agenda in the mid-term, we have managed to decrease our net debt/EBITDA from 3.0x in 2017 to 2.8x in 2018, thanks to precautions taken by our efficient financial risk management strategies in an environment of high currency depreciation. Due to economic challenges, while we have taken tight measures to decrease amount of absolute debt in some of our companies, we have also increased the share of Turkish Lira denominated debt in our total debt figure to a certain extent.

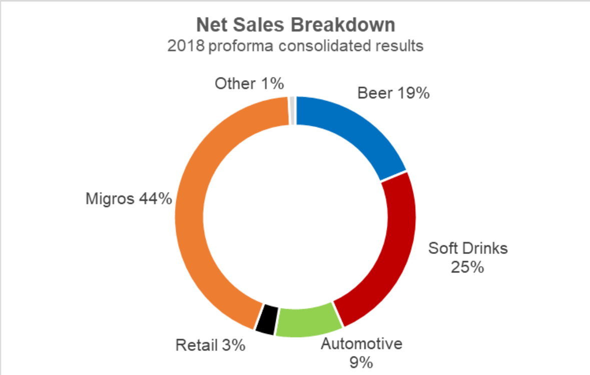
We will continue to manage our businesses in 2019 with a well-planned, visionary and prudent approach, carefully analyzing the changes around us and focusing on sustainable growth model with the priority view of decreasing debt levels and increasing free cash flow generation."

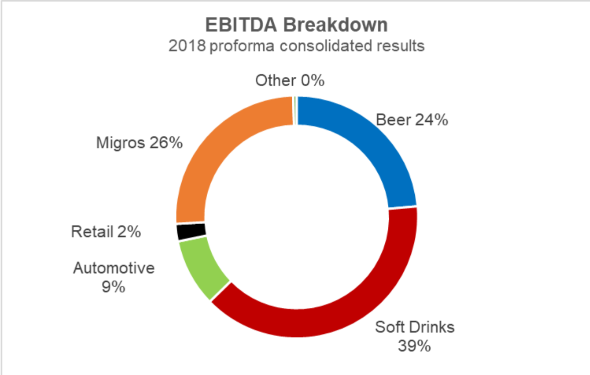
PROFORMA CONSOLIDATED FINANCIAL PERFORMANCE*

Proforma Consolidated (TL mn)	4Q17*	4Q18	*Change*	2017*	2018	*Change*
Net Sales	8.616	10.614	*23,2%*	33.837	42.070	*24,3%*
Gross Profit	2.583	3.127	*21,1%*	10.395	13.146	*26,5%*
EBITDA	844	1.028	*21,9%*	3.767	4.753	*26,2%*
Net Income	-362	283	*n.m.*	-84	-1.114	*n.m.*
Gross Profit Margin	*30,0%*	*29,5%*	*-0,5*	*30,7%*	*31,2%*	*0,5*
EBITDA Margin	*9,8%*	*9,7%*	*-0,1*	*11,1%*	*11,3%*	*0,2*
Net Profit Margin	*-4,2%*	*2,7%*	*6,9*	*-0,2%*	*-2,6%*	*-2,4*

**Financial results including Migros as fully consolidated. For comparison purposes, Beer group 2017 figures also include ABI Russia and ABI Ukraine effect starting from April 1st. In this context, Holding proforma consolidated results of 4Q17 and 2017 include the aforementioned effect.*

- AG Anadolu Grubu Holding ("Anadolu Grubu", "Holding") proforma consolidated revenues were up by 23.2% to TL 10.6 billion in the fourth quarter of 2018 driving the 12-month **net sales** to TL 42.1 billion, up by by 24.3% y-o-y. In the last quarter, while beer segment revenues increased yearly by 38%, followed by soft drinks with 23% and Migros with 22%, retail segment' top-line was up by 18%. On the other hand, automotive and other segments, including energy and real estate businesses, that have relatively lower shares in the portfolio, contributed positively to the top-line growth.





Sum of segmental percentages may exceed 100% due to eliminations.

- **Proforma consolidated EBITDA** of the Holding increased by 21.9% to TL 1.0 billion in 4Q18, thanks to stellar operational profitability of Migros in the last quarter. Thus, 12-month proforma EBITDA reached 4.8 billion TL, implying a 26.2% yearly growth. Improvement in operational profitability of soft drinks and Migros supported EBITDA growth in 2018. While share of soft drinks segment in proforma consolidated EBITDA was at 39%, Migros and beer constituted 26% and 24% shares, respectively. Remaining automotive, retail and other segments had total of 11% share in EBITDA.

- Anadolu Grubu Holding announced TL 283 million **net profit attributable to parent company** in 4Q18 driving the 12-month loss to TL 1.1 billion[1]. In the final quarter of the year, profitability of the beer and soft drinks segment together with Migros, due to stable FX, have contributed positively to the bottom-line. In 2018 as whole, FX losses due to FX borrowings[2] was the main factor affecting the bottom-line negatively in the first three quarters, despite the appreciation of TL in the last quarter.

- Proforma consolidated **net debt/EBITDA** was calculated at 2.8x as of 2018-end vs. 3.5x as of 3Q18-end and 3.0x 2017-end, thanks to the measures taken depending on the size, maturity and type of currency of the debt in every segment, specially automotive side, together with the appreciation of TL against Euro during the last quarter. While automotive segment net debt/EBITDA notably decreased 180 bps to 6.5x as of 2018-end compared to the previous year, Migros net debt/EBITDA declined to 2.3x as of 2018-end vs 2.6x of last year. On the other hand, net debt/EBITDA ratios were at comfortable levels of 1.5x and 1.4x for beer and soft drink segments respectively, ratio for retail segment, which emerges higher during the course of the year due to seasonality effect, stood at 2.2x as of 2018-end.

- While 78% of proforma consolidated net debt of the Holding is in hard currency and remaining 22% portion is in Turkish Lira, 44% of it is short-term and 56% is long-term debt.

- In order to refrain from the operational and financial risks related to currency, our Group companies continued to use hedging instruments in 2018.

- Holding and Group companies continue to divest non-operational assets in line with the strategy of deleveraging the businesses.

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[1] The effective part of the change in the value of the bonds and loans designated as hedging of net investments of Holding, Anadolu Efes and Coca Cola Icecek amounting to TRL 1.520.855 (TRL 1.192.092 - including deferred tax effect) is recognized as " Gains (Losses) on Hedge" under Equity and to "Other Comprehensive Income (Loss) Related with Hedges of Net Investment in Foreign Operations" under Other Comprehensive Income (December, 31 2017: None).

[2] Non-cash FX losses in 2018 due to depreciation of TL amounted to TL 1.2 billion on a consolidated basis and TL 2.1 billion on a proforma consolidated basis.

As end of FY2018 (TL mn)	Consolidated Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	4.285	2.480	1.805	1,5
Soft Drinks	4.943	2.311	2.633	1,4
Automotive	3.066	241	2.825	6,5
Retail	349	106	243	2,2
Other (incl. Holding)	3.010	185	2.825	a.d.
Holding only	*1.645*	*110*	*1.535*	*a.d.*
Consolidated	15.654	5.323	10.330	2,9
Migros	4.570	1.769	2.801	2,3
Proforma Consolidated	**20.224**	**7.092**	**13.131**	**2,8**
Proforma Consolidated (Euro mn)	3.341	1.172	2.169	2,8

As end of FY2017 (TL mn)	Consolidated Total Debt	Cash and Cash Equivalents	Net Debt	Net Debt/EBITDA
Beer	2.519	1.606	913	1,5*
Soft Drinks	5.991	3.892	2.099	1,5
Automotive	3.214	190	3.025	8,3
Retail	213	55	158	1,7
Other (incl. Holding)	2.176	165	2.011	a.d.
Holding only	*1.143*	*74*	*1.069*	*a.d.*
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**
Proforma Consolidated (Euro mn)	3.992	1.669	2.323	3,0

**2017 Net debt/EBITDA ratio was calculated including ABI Russia and ABI Ukraine effect starting from April 1st.*

BEER SEGMENT*

Beer (TL mn)	4Q17*	4Q18	*Change*	2017*	2018	*Change*
Volume (mhl)	7,9	8,2	*3,9%*	31,5	31,8	*1,2%*
Net Sales	1.685	2.324	*38,0%*	6.195	8.067	*30,2%*
Gross Profit	806	968	*20,0%*	2.831	3.464	*22,3%*
EBITDA (BNRI)	412	422	*2,4%*	1.114	1.219	*9,5%*
Net Income	-43	86	*a.d.*	108	50	*-53,7%*
Gross Profit Margin	*47,9%*	*41,6%*	*-6,3*	*45,7%*	*42,9%*	*-2,8*
EBITDA Margin	*24,5%*	*18,1%*	*-6,4*	*18,0%*	*15,1%*	*-2,9*
Net Profit Margin	*-2,6%*	*3,7%*	*6,3*	*1,7%*	*0,6%*	*-1,1*

** For comparison purposes, Beer segment 2017 figures also include ABI Russia and ABI Ukraine effect starting from April 1st.*

- Beer segment **total sales volume** increased by 3.9% to 8.2 million hectoliters in 4Q18, with positive contribution of Russia, Kazakhstan and Moldova driving the 12-month cumulative sales volume to 31.8 million hectoliters, up by 1.2%, compared to the same period of last year. **In Turkey beer**, the growth was impacted by further deteriorating consumer confidence and pricing in the fourth quarter, however double digit growth in export volumes in the last quarter mitigated the decline in domestic operations. Thus, sales volume reached 5.7 million hectoliters in Turkey, which is in line with expectations. **On the international front**, sales volume increased by 5.3% y-o-y in 4Q18 reaching 6.8 million hectoliters with positive contribution of Russia, Kazakhstan and Moldova. Thus, 12-month cumulative sales volume reached 26.1 million hectoliters. Synergy stemming from the merger ABI

Russia and Ukraine operations started to payoff and strong number two position in this market has been maintained. World Cup, as well as favorable weather conditions during summer period in Russia, resulted in better than expected volumes in 2018. Ukraine operations also performed ahead of expectations in 2018.

- Revenue per liter in Turkey beer operations increased driven by the price increases since the beginning of October as well as favorable sales mix and premiumization. Volume growth and price increases together with positive transition impact of EBI also contributed top-line; revenues increased by 38% to TL 2.3 billion in 4Q18 while **12-month cumulative net sales** reached TL 8.1 billion, up by 30.2% vs. last year. Higher utility and packaging costs in addition to increased prices of FX-based raw materials led to a gross margin decline of 284 bps in 2018. The impact of the latter was mitigated to a certain extent by certain hedging intitatives. Gross margin of international operations declined by 231 bps due to changing channel mix and higher packaging costs despite higher prices and volumes. As a result, **gross margin** of the beer segment emerged at 42.9%.

- EBITDA (BNRI) stood at TL 422 million in 4Q18 and TL 1.2 billion, up by 9.5%, in 2018. While international operations' EBITDA (BNRI) improved by 15.2% y-o-y to TL 337 million in 4Q18, EBITDA (BNRI) decreased by 14.9% y-o-y for domestic operations due to the lower volumes and gross margin in the last quarter. EBI's margin performance throughout 2018 was impacted by gross margin as well as merger related expenses in Russia despite the fact that synergies higher than initially anticipated delivered.

- **EBITDA (BNRI) margin** contracted by 290 bps and came to 15.1% in 2018, parallel to the margin deterioration in both Turkey and international operations.

- Beer segment disclosed TL 50 million **net profit** 2018.

SOFT DRINKS SEGMENT

Soft Drinks (TL mn)	4Q17	4Q18	*Change*	2017	2018	*Change*
Volume (mn u/c)	227	229	*0,6%*	1.237	1.315	*6,3%*
Net Sales	1.628	2.001	*22,9%*	8.392	10.623	*26,6%*
Gross Profit	518	573	*10,6%*	2.772	3.527	*27,2%*
EBITDA	170	147	*-13,4%*	1.379	1.871	*35,7%*
Net Income	-149	148	*-199,8%*	238	327	*37,5%*
Gross Profit Margin	*31,8%*	*28,6%*	*-3,2*	*33,0%*	*33,2%*	*0,2*
EBITDA Margin	*10,4%*	*7,4%*	*-3,1*	*16,4%*	*17,6%*	*1,2*
Net Profit Margin	*-9,1%*	*7,4%*	*16,5*	*2,8%*	*3,1%*	*0,2*

- Soft drinks segment **consolidated sales volume** remained almost flat at 229 million u/c in 4Q18, reaching 1.3 billion u/c in 2018, implying an increase of 6.3% y-o-y. 2018 growth represents 77 million u/c incremental volume which was driven by strong performance of sparkling (up 6.8%), stills (up 11.6%) and water (up 6.0%) categories while non-ready-to-drink ("NRTD") Tea was down by 1.2%. **Turkey operations'** sales volume increased by 4.8% to 650 million u/c in 2018, marking the highest annual growth since 2012. The share of immediate consumption packages in sparkling category continued to increase in 2018 reaching 23% from 22% in 2017. On the other hand, **international operations** posted 7.8% yearly volume growth, reaching 664 million u/c primarily driven by Pakistan and Kazakhstan operations.

- **Net sales revenues** rose by 26.6% to TL 10.6 billion in 2018, mainly driven by Turkey operation and positive FX conversion impact of international operations. **In Turkey**, net sales revenues was up by 18.7%, led by price adjustments, better portfolio mix and strong volume growth in the sparkling category. Net sales revenue per unit case grew by 13.3%. **In international operations**, net sales revenue grew by 33.6% y-o-y in 2018, thanks to strong volume growth in Pakistan and Central Asia, while NSR per unit case was flat.

- **Gross margin** improved by 20 bps to 33.2% y-o-y in 2018, while raw material costs as a percentage of revenues was slightly down. Margin improvement was mainly attributable to Turkey operations while margin of international operations remained almost flat. **In Turkey**, the increase in NSR per unit case, effective cost management through hedging, cash designation and product reformulations more than offset the adverse impact of higher raw material prices and FX headwinds. Gross margin expanded by 110 bps to 38.4% in 2018. **In international operations**, gross margin declined by 10 bps to 29.1% while the favorable impact of lower sugar prices was offset by higher prices of packaging materials, especially PET resin.

- **EBIT margin** improved by 140 bps to 11.8%, mainly driven by ongoing focus on opex management. Thus, **EBITDA margin** expanded by 120 bps to 17.6% in 2018 reflecting better operating profitability in both Turkey and international operations. Turkey operation's EBITDA margin was up by 460 bps in 2018, boosted by dividend income from subsidiaries. Excluding the impact of other income Turkey's EBITDA margin was 170 bps higher compared to 2017.

- **Net income** was TL 327 million in 2018 vs. TL 238 million in 2017. Higher operating profitability, lower net FX exposure in balance sheet and positive impact (TL 288 million) of net investment hedging, more than offset the adverse impact of higher net FX losses due to the depreciation of TL against USD.

AUTOMOTIVE SEGMENT

Automotive (TL mn)	4Q17	4Q18	*Change*	2017	2018	*Change*
Net Sales	1.184	1.207	*1,9%*	3.372	3.907	*15,9%*
Gross Profit	160	146	*-8,5%*	560	695	*24,0%*
EBITDA	90	127	*41,3%*	365	433	*18,5%*
Net Income	-44	-35	*-21,5%*	-161	-479	*197,3%*
Gross Profit Margin	*13,5%*	*12,1%*	*-1,4*	*16,6%*	*17,8%*	*1,2*
EBITDA Margin	*7,6%*	*10,5%*	*2,9*	*10,8%*	*11,1%*	*0,2*
Net Profit Margin	*-3,7%*	*-2,9%*	*0,9*	*-4,8%*	*-12,3%*	*-7,5*

- Automotive segment posted TL 1.2 billion **net sales revenue** in 4Q18, up by 1.9% y-o-y driving 12-month top-line to TL 3.9 billion, with a yearly increase of 15.9%. While Çelik Motor constituted 65% of automotive sales revenues, remaining shares were 32% of Anadolu Isuzu and 3% of Anadolu Motor in 2018. Anadolu Isuzu's strategy of developing and diversifying current and potential export destinations resulted in higher export revenues with a share of 41% of total sales and increased its top-line by 23% y-o-y in 2018. Additionally, Anadolu Isuzu's share in total automotive segment sales also rose in 2018 vs. 2017. On the other hand, revenues of Çelik Motor increased by 22% y-o-y in 2018, attributable to the fleet optimization, which accelerated second-hand car sales.

- **Gross profit** of the automotive segment declined by 140 bps to 12.1% in 4Q18 due to both lower margins of Çelik Motor and Anadolu Isuzu. Contrary to the quarterly contraction, gross profit margin of the segment increased by 120 bps to 17.8% annually in 2018.

- Despite the negative impact of depreciation of TL, **net debt/EBITDA** of the segment decreased to 6.5x as of 2018-end compared to 8.3x as of 2017-end, in regard of the precautionary measures taken in accordance with the economic conditions. Due to the nature of its field of activity, Çelik Motor has a relatively highly leveraged business model and carries 77% of the total net debt of the segment (86% in 2017). Çelik Motor continued to optimize fleet size during the last quarter and generated TL 560 million in 4Q18 and TL 1,3 billion in 2018 from second-hand sales. Please note that fleet size of the company stood at 21K as of 2018-end whereas it was 32K as of 2017-end. In order to be more resilient against currency fluctuations, Çelik Motor has also efforts to decrease its Euro debt; the company decreased the ratio of Euro denominated debt in total debt from 59% as of 2017-end to 38% as of 2018-end. Çelik Motor's net debt decreased by TL 408 in 2018 compared to previous year.

RETAIL SEGMENT

Retail (TL mn)	4Q17	4Q18	*Change*	2017	2018	*Change*
Net Sales	199	234	*17,8%*	1.008	1.200	*19,1%*
Gross Profit	24	26	*10,4%*	218	248	*13,8%*
EBITDA	-11	-8	*-31,7%*	91	111	*22,5%*
Net Income	-28	-36	*30,2%*	9	-11	*n.m.*
Gross Profit Margin	*12,0%*	*11,2%*	*-0,8*	*21,6%*	*20,7%*	*-1,0*
EBITDA Margin	*-5,5%*	*-3,2%*	*2,3*	*9,0%*	*9,3%*	*0,3*
Net Profit Margin	*-13,9%*	*-15,4%*	*-1,5*	*0,8%*	*-0,9%*	*-1,7*

- Retail segment posted TL 234 million **net sales revenue** in 4Q18, implying a 17.8% yearly growth and driving 12-month top-line to TL 1.2 billion. In the fourth quarter, McDonald's increased its sales by 23.4% y-o-y and Adel has increased its top-line by 24.4%. While McDonald's had 64% share in total sales in retail segment, Adel and tourism company Efestur, had 32% and 4% shares in total segment' sales, respectively.

- While **gross margin** of segment contracted by 80 bps in 4Q18 compared to the same period of last year, due to the 140 bps decline in McDonald's gross margin, 2018 cumulative gross margin of the segment dropped to 20.7%. Despite having relatively lower share in the segment, Efestur continued its profitable operations in 2018 as well and contributed positively to the financials.

- Due to the seasonality factor in the stationery business, trade receivables increase in interim periods and hence during times of increasing interest rates, high rediscount expenses may put pressure on profitability. However, these inflated trade receivables decrease at the end of the year due to collections. In regard of these fluctuations, while the profitability at Adel was under pressure in the last quarter, 2018 year-end **EBITDA** of the retail segment was realized as TL 111 million, up by 22.5%. EBITDA increase of 50% in McDonald's contributed positively to the segment's profitability.

- **Net debt/EBITDA** ratio of the retail segment stood at 2.2x as of 2018-end. The borrowings of all companies operating under retail segment are in local currency.

OTHER

Other (TL mn)	4Q17	4Q18	*Change*	2017	2018	*Change*
Net Sales	72	134	*86,7%*	239	381	*59,3%*
Gross Profit	45	39	*-13,8%*	116	148	*26,9%*
EBITDA	1	9	*n.m.*	2	20	*n.m.*
Net Income	-299	289	*n.m.*	-52	-690	*n.m.*
Gross Profit Margin	*63,1%*	*29,1%*	*-34,0*	*48,7%*	*38,8%*	*-9,9*
EBITDA Margin	*0,7%*	*6,4%*	*5,6*	*0,7%*	*5,2%*	*4,5*
Net Profit Margin	*a.d.*	*a.d.*	*a.d.*	*a.d.*	*a.d.*	*a.d.*

- Holding, energy and real estate companies consolidated under the other segment. Net sales revenues of the other segment significantly increased by 86.7% to TL 134 million, thanks to TL 72 million deliveries from AND Pastel residential project in the fourth quarter. Accordingly, top-line came to TL 381 million, up by 59.3% in 2018.

- 65% of pre-sales of AND Pastel residential project has been completed as end of 2018. As the deliveries of the pre-sales are realized, gains will be booked under revenues in the related quarter.

- Leasing works continue at AND Kozyatağı, which has a total leasable area of 31.5K sqm and has an occupancy rate of around 70% for the time being.

- Aslancık HEPP, which is consolidated via equity pick up method, generated turnover of TL 114 million in 2018 vs. TL 83 million recorded in 2017

- Paravani HEPP generated TL 19 million revenues in 4Q18, and TL 76 mn revenues in 2018, up by 40.2%. The electricity produced at Paravani HEPP is sold in Turkey and Georgia in accordance with the weather conditions. In 2018, 72% of the electricity produced at Paravani HEPP was sold to 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. Mainly through the impact of the TL 836 billion net loss recorded in Migros in 2018, other segment disclosed a total net loss of TL 690 million in 2018.

MİGROS

Migros (TL mn)	4Ç17	4Q18	*Change*	2017	2018	*Change*
Net Sales	4.022	4.923	*22,4%*	15.344	18.717	*22,0%*
Gross Profit	1.080	1.422	*31,7%*	4.082	5.249	*28,6%*
EBITDA	226	344	*52,0%*	872	1.217	*39,6%*
Net Income	-206	359	*n.m.*	513	-836	*n.m.*
Gross Profit Margin	*26,8%*	*28,9%*	*2,0*	*26,6%*	*28,0%*	*1,4*
EBITDA Margin	*5,6%*	*7,0%*	*1,4*	*5,7%*	*6,5%*	*0,8*
Net Profit Margin	*-5,1%*	*7,3%*	*12,4*	*3,3%*	*-4,5%*	*-7,8*

- Migros's net sales revenues rose by 22.0% and reached TL 18.7 billion in 2018, which validates the continuing top-line growth momentum. The strong sales performance of seasonal stores located in touristic regions contributed the top-line growth together with better than expected performance of subsidiaries in Kazakhstan and Macedonia in 2018.

- The conversion of the Kipa, Uyum and Makro markets into Migros store format has been completed. Number of stores reached 2.103, with the opening of 238 new stores in 2018.

- In regard of the synergies created through acquisitions mentioned above, the consolidated gross profit of Migros rose by 28.6% in 2018 corresponding to a gross margin of 28.0%, up by 140 bps.

- EBITDA increased by 39.6% to TL 1,2 billion, implying an EBITDA margin of 6.5% in 2018. EBITDA growth was even higher at 52.0% y-o-y in the fourth quarter, with a margin of 7.0%.

- Despite the strong operational performance, Migros announced a consolidated net loss of TL 836 million in 2018 due to elevated financial expenses linked to hard currency borrowings.

- Along the plan implemented by the management, while the share of TL-denominated borrowings in total borrowings was increased, the company generated TL 390 million funds through the sale of assets. Migros's net debt/EBITDA ratio emerged at 2.3x, down by 30 bps, as of 2018-end.

AG ANADOLU GRUBU HOLDİNG A.Ş.

Summary Consolidated Balance Sheet
TL million

	31.12.2018	31.12.2017
Cash and equivalents	5.283	5.800
Financial instruments	40	108
Trade receivables	3.019	2.309
Inventories	3.135	2.122
Other current assets	1.953	1.641
Current Assets	**13.430**	**11.980**
Financial instruments	0	0
Investments accounted through equity method	1.921	2.333
Investment properties	296	308
Tangible assets	11.035	8.357
Intangible assets	17.101	12.179
-Goodwill	*5.892*	*1.835*
-Other intangible assets	*11.209*	*10.344*
Other non-current assets	3.118	2.749
Non-Current Assets	**33.471**	**25.926**
Total Assets	**46.901**	**37.906**
Short term borrowings	3.185	1.489
Short term poriton of long term borrowings	3.757	4.190
Trade payables	4.156	2.232
Deferred income	479	481
Other current liabilities	1.906	1.160
Current Liabilities	**13.483**	**9.552**
Long term borrowings	8.712	8.434
Deferred income	28	22
Other non-current liabilities	2.999	2.632
Non-Current Liabilities	**11.739**	**11.088**
Total Liabilities	**25.222**	**20.640**
Equity	**21.679**	**17.266**
Non-controlling interests	16.581	11.584
Equity of the parent	5.098	5.682
Total Liabilities & Equity	**46.901**	**37.906**

AG ANADOLU GRUBU HOLDİNG A.Ş.

Summary Consolidated Income Statement

TL million

	31.12.2018	31.12.2017
Revenues	23.981	17.164
Cost of sales (-)	(16.038)	(11.577)
Gross Profit	**7.943**	**5.587**
Operating expenses (-)	(6.032)	(4.122)
Other operations income/(expense)	59	79
Gain/(Loss) from investments accounted through equity method	(515)	136
Operating Income/(Loss) (EBIT)	**1.455**	**1.680**
Income /(expense) from investment operations	119	(36)
Financial income/(expense)	(2.123)	(1.487)
Income/(Loss) Before Tax from Continuing Operations	**(549)**	**157**
Tax income/(expense)	(325)	(51)
Net Income/(Loss)	**(874)**	**106**
Net Income/(Loss)		
Non-controlling interests	240	236
Equity holders of the parent	(1.114)	(130)

Anadolu Grubu

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	75.68	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 NON-PUBLIC GROUP COMPANIES

	Net Sales		EBITDA		Net Income		Net Debt	
TL million	2017	2018	2017	2018	2017	2018	2017	2018
McDonalds	622	768	19	28	-20	-25	89	89
Anadolu Motor	280	116	0	-5	-18	-29	105	102
Efestur	54	55	2	1	1	0	-2	-1
AND Anadolu Gayrimenkul	46	56	27	26	-20	-74	273	359
GUE	54	76	36	54	3	-21	420	576
Aslancık Elektrik	83	114	39	60	-38	-122	439	513

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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