

**TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.
AND ITS SUBSIDIARY**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2015**

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TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.**CONDENSED CONSOLIDATED FINANCIAL POSITION AT
31 MARCH 2015***(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)*

		<i>Current Period Unaudited 31 March 2015</i>	<i>Prior Period Audited 31 December 2014</i>
	Notes		
ASSETS			
Current Assets		437.029	424.508
Cash and cash equivalents		170.384	184.264
Financial investments		167	167
Trade receivables		216.734	198.551
Other receivables		775	542
Inventories		43.922	37.861
Prepaid expenses		5.047	3.123
Non-current assets		236.796	232.636
Other receivables		72	71
Investment properties	4	1.678	1.704
Property, plant and equipment	5	223.723	219.959
Intangible assets	6	1.586	1.672
Deferred tax assets	9	7.241	9.011
Prepaid expenses		2.496	219
TOTAL ASSETS		673.825	657.144

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.**CONDENSED CONSOLIDATED FINANCIAL POSITION AT
31 MARCH 2015***(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)*

		Current Period Unaudited 31 March 2015	Prior Period Audited 31 December 2014
	Notes		
LIABILITIES			
Current liabilities		274.346	296.072
Trade payables		57.724	69.549
- Due to related parties	3	1.204	1.710
- Other trade payables		56.520	67.839
Other payables		30.717	29.271
Deferred income		3.406	-
Current income tax liability	9	13.066	12.993
Short term provisions		56.499	64.123
-Provision for employee benefits		8.522	16.616
-Other short term provisions		47.977	47.507
Other current liabilities		112.934	120.136
Non-current liabilities		7.691	7.647
Long term provisions		7.691	7.647
- Provision for employee benefits		7.691	7.647
TOTAL LIABILITIES		282.037	303.719
EQUITY		391.788	353.425
Equity attributable to equity holders of the Group		391.788	353.425
Share capital	8	322.508	322.508
Adjustment to share capital	8	277.613	277.613
Share premium	8	154	154
Items that will not be reclassified to profit or loss		(762)	(653)
- Revaluation of defined employee benefit plans		(762)	(653)
Accumulated losses	8	(246.197)	(366.199)
Net profit for the period		38.472	120.002
TOTAL EQUITY AND LIABILITIES		673.825	657.144

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE PERIOD 31 MARCH 2015**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

Notes	Unaudited Current Period 1 January- 31 March 2015	Unaudited Prior Period 1 January- 31 March 2014
Statement of Profit or Loss		
Revenue	146.980	115.633
Cost of sales (-)	(62.178)	(53.754)
GROSS PROFIT	84.802	61.879
General administrative expenses (-)	(8.490)	(9.130)
Marketing, selling and distribution expenses (-)	(37.164)	(28.612)
Other income from operating activities	10.642	2.191
Other expenses from operating activities (-)	(3.166)	(3.769)
OPERATING PROFIT	46.624	22.559
Income from investing activities	3.666	2.112
Expense from investing activities (-)	(260)	-
OPERATING PROFIT BEFORE FINANCE EXPENSES	50.030	24.671
Finance expenses (-)	(755)	(654)
PROFIT BEFORE TAXES	49.275	24.017
Taxes on income	(10.803)	(5.142)
- Current tax expense (-)	9 (9.006)	(5.434)
- Deferred tax (expense)/ income	9 (1.797)	292
PROFIT FOR THE PERIOD	38.472	18.875
Allocation of profit for the period:	38.472	18.875
Non-controlling interests	-	-
Equity holders of the Group	38.472	18.875
	38.472	18.875
Earnings per share for net profit attributable to the equity holders of the parent company (Kr)	10 0,12	0,06
Other comprehensive income:		
Items that will not be reclassified to profit or loss	(109)	(50)
-Revaluation of defined employee benefit plans	(136)	(62)
-Deferred tax income	27	12
TOTAL COMPREHENSIVE INCOME	38.363	18.825
Allocation of comprehensive income:		
Non-controlling interests	-	-
Equity holders of the Group	38.363	18.825
	38.363	18.825

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2015**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

Unaudited:

					<i>Items That Will Not Be Reclassified To Profit or Loss</i>	<i>Accumulated Losses</i>		
	Share Capital	Adjustment to Share Capital	Capital Advance	Share Premium	Revaluation of Defined Emp. Benefits	Accumulated Losses	Net Profit for the Period	Total Equity
1 January 2015	322.508	277.613	-	154	(653)	(366.199)	120.002	353.425
Transfer	-	-	-	-	-	120.002	(120.002)	-
Total comprehensive income	-	-	-	-	(109)	-	38.472	38.363
31 March 2015	322.508	277.613	-	154	(762)	(246.197)	38.472	391.788
1 January 2014	322.508	277.613	-	154	(773)	(449.720)	83.521	233.303
Transfer	-	-	-	-	-	83.521	(83.521)	-
Total comprehensive income	-	-	-	-	(50)	-	18.875	18.825
31 March 2014	322.508	277.613	-	154	(823)	(366.199)	18.875	252.128

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

Notes	<i>Unaudited Current Period 1 January- 31 March 2015</i>	<i>Unaudited Prior Period 1 January- 31 March 2014</i>
Cash flows provided from operating activities:		
Profit for the period	38.472	18.875
Adjustments to reconcile profit for the period:		
Depreciation and amortisation	12.434	9.403
Interest income	(3.403)	(1.597)
Tax expense	10.803	5.142
Rediscount interest expense (net)	400	519
Provision for doubtful receivables	874	842
Reversal of provision for doubtful receivables	(18)	(152)
Provision for employment termination benefits	402	321
Unused vacation pay obligation and other provisions	1.955	1.457
Gain on sales of property, plant and equipment (net)	33	(482)
Provision for excise duty	390	390
Provision for net realizable values adjustment of inventories (net)	166	167
Other provisions and accruals	80	2.503
	62.588	37.388
Changes in working capital:		
Increase in trade receivables	(19.365)	(10.450)
(Increase)/ decrease in inventories	(6.227)	1.878
(Increase)/ decrease in other receivables and prepaid expenses	(3.963)	2.168
(Decrease)/ increase in other payables, deferred income and other current liabilities	(2.350)	12.781
Decrease in trade payables	(11.899)	(4.327)
Cash flow from operating activities:		
Unused vacation obligation and other provisions paid	(10.049)	(6.527)
Employment termination benefits paid	(494)	(172)
Prepaid taxes	(8.933)	(4.018)
Net cash (used in)/ generated from operating activities	(692)	28.721
Cash flow from investing activities:		
Purchases of property, plant and equipment and intangible assets	(16.650)	(20.162)
Proceeds from sales of property, plant and equipment	531	515
Interest received	2.931	1.266
Net cash used in investing activities	(13.188)	(18.381)
(Decrease)/ increase in cash and cash equivalents	(13.880)	10.340
Cash and cash equivalents at the beginning of the period	184.264	53.751
Cash and cash equivalents at the end of the period	170.384	64.091

The accompanying notes are integral part of these condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated.)

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

Türk Tuborg Bira ve Malt Sanayii A.Ş. (“Türk Tuborg” or the “Company”) was incorporated in İzmir in 1969. The Company is engaged in production, sales and distribution of beer and malt to the domestic and international markets.

The Company is registered in the Turkish Capital Markets Board (“CMB”) and its shares have been traded on the Istanbul Stock Exchange Market (“BIST”) since 1989. As at 31 March 2015, the shares traded on BIST are 4,31% (31 December 2014: 4,31%) of the total shares. The ultimate shareholder and the party that controls the Company is International Beer Breweries Ltd (“IBBL”) with a share of 95,69% (Note 8).

The average number of employees in the Company and Tuborg Pazarlama A.Ş., its subsidiary, (“Group”) as at 31 March 2015 is 743 (31 December 2014: 692).

The address of the registered office is follows:

Türk Tuborg Bira ve Malt Sanayii A.Ş.
Kemalpaşa Caddesi No: 258
Işıkkent 35070
İzmir

Subsidiary

The details of the subsidiary of the Company is as follows:

	Listed entity	Nature of operations	Core business
Tuborg Pazarlama A.Ş.	No	Selling and distribution	Selling and distribution of beer

The Company sells almost all of the beer which it produces to its subsidiary, Tuborg Pazarlama A.Ş. (“Tuborg Pazarlama” or “Subsidiary”), in which it holds a share of 99,99% (31 December 2014: 99,99%). Accordingly, Tuborg Pazarlama performs sales and distribution of such products in the domestic market.

Approval of the consolidated financial statements for issue:

The condensed consolidated financial statements of the Group were approved by the Board of Directors of Türk Tuborg Bira ve Malt Sanayii A.Ş. for issue on 11 May 2015. The General Assembly of the Company and/or governmental authorities are entitled to modify the condensed consolidated financial statements as enclosed herein.

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

a) Declaration of conformity to Turkish Accounting Standards (“TAS”)

The accompanying condensed consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets”, which were published in the Official Gazette No:28676 on 13 June 2013. The accompanying condensed financial statements are prepared based on the Turkish Accounting Standards (“TAS”) and interpretations (“TFRS”) that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority (“KGG”) under Article 5 of the Communiqué.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Condensed consolidated financial statements and its notes are also presented in accordance with the model requirements as announced by the CMB's statement issued on 7 June 2013.

The Group has prepared its condensed consolidated financial statements ended 31 March 2015 in accordance with "Interim Financial Reporting Standard" (TAS 34).

The condensed consolidated financial statements are based on historical cost convention and prepared in terms of Turkish Lira ("TL"). In determination of historical cost, fair value of the cash consideration of the payment is taken into account.

b) Presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The condensed consolidated financial statements are presented in TL, which is the parent Company's functional and presentation currency.

c) Adjustment of financial statements in hyperinflationary economies

With the decision taken on 17 March 2005, the CMB announced that, effective from 1 January 2005, the application of inflation accounting is no longer required for companies operating in Turkey and preparing their financial statements in accordance with the Turkish Accounting Standards. Accordingly, TAS 29, "Financial Reporting in Hyperinflationary Economies", has not been applied in the consolidated financial statements for the accounting year commencing from 1 January 2005.

d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary. Control is achieved when the Company;

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The details of the Company's subsidiary as at 31 March 2015 and 31 December 2014 are as follows:

<u>Subsidiary</u>	<u>Location of incorporation</u>	<u>Participation rate (%)</u>	<u>Voting power (%)</u>	<u>Core business</u>
Tuborg Pazarlama A.Ş.	Turkey	99,99%	99,99%	Selling and distribution of beer

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.2 Amendments to Turkish Accounting Standards

2.2.1 New and Revised TASs affecting presentation and disclosure only

None.

2.2.2 New and Revised TASs affecting the reported financial performance and/ or financial position

None.

2.2.3 New and Revised TASs applied in 2015 with no material effect on the condensed consolidated financial statements

Amendments to TAS 19
Annual Improvements to
2010-2012 Cycle
Annual Improvements to
2011-2013 Cycle

*Defined Benefit Plans: Employee Contributions*¹
IFRS 2, IFRS 3, IFRS 8, IFRS 13, TAS 16 and TAS 38,
*TAS 24, IFRS 9, TAS 37, TAS 39*¹
*IFRS 3, IFRS 13, TAS 40*¹

¹ Effective for annual periods beginning on or after 30 June 2014.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.2.4 New and Revised TFRSs in issue but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	<i>Financial Instruments</i>
Amendments to IFRS 9 and IFRS 7	<i>Mandatory Effective Date of TFRS 9 and Transition Disclosures</i>
Amendments to TAS 16 and TAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> ¹
Amendments to TAS 16, TAS 41, TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40	<i>Agriculture: Bearer Plants</i> ¹
Amendments to TFRS 11 and TFRS 1 Annual Improvements to 2011-2013 Cycle	<i>Accounting for Acquisition of Interests in Joint operations</i> ¹
Amendments to TAS 1 Annual Improvements to 2012-2014 Cycle	<i>IFRS 1</i> ²
Amendments to TAS 27	<i>Disclosure Initiative</i> ²
Amendments to IFRS 10 and TAS 28	<i>IFRS 5, IFRS 7, TAS 34, TAS 19</i> ²
Amendments to IFRS 10, IFRS 12 and TAS 28	<i>Equity Method in Separate Financial Statements</i> ²
	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ²
	<i>Investment Entities: Applying the Consolidation Exception</i> ²

¹ Effective for annual periods beginning on or after 31 December 2015.

² Effective for annual periods beginning on or after 1 January 2016.

2.3 Summary of significant accounting policies

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 1 January - 31 December 2014. The condensed consolidated financial statements for the period between 1 January - 31 March 2015 should be read in conjunction with the annual consolidated financial statements for the year ended 1 January - 31 December 2014.

The Group is not subject to seasonality or cyclicity of interim operations that might have a significant effect on condensed consolidated financial statements.

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 3 - RELATED PARTY DISCLOSURES

a) Due from related parties:

TL 91 (31 December 2014: TL 79).

b) Due to related parties:

	31 March 2015	31 December 2014
Desa Enerji Elektrik Üretim A.Ş. ("Desa Enerji")	1.204	1.218
Other	-	492
	1.204	1.710

c) Product and service sales:

TL 148 (1 January - 31 March 2014: TL 452).

d) Product and service purchases:

	1 January- 31 March 2015	1 January- 31 March 2014
Desa Enerji	2.682	2.173
Other	26	27
	2.708	2.200

The Group purchases electricity and hot water from Desa Enerji.

e) Key management compensation:

Key management includes general manager, assistant general managers and directors. The compensation paid or payable to key management for employee service is shown below:

	1 January- 31 March 2015	1 January - 31 March 2014
Short-term employee benefits	1.458	1.696
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Other	327	290
	1.785	1.986

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 4 - INVESTMENT PROPERTIES

	1 January 2015	Additions	Disposals	Transfers	31 March 2015
Buildings and land improvements:					
Cost	3.297	-	-	-	3.297
Accumulated depreciation	(1.593)	(26)	-	-	(1.619)
Net book value	1.704				1.678

	1 January 2014	Additions	Disposals	Transfers	31 March 2014
Buildings and land improvements:					
Cost	3.297	-	-	-	3.297
Accumulated depreciation	(1.484)	(27)	-	-	(1.511)
Net book value	1.813				1.786

Total rental income from the investment property amounts to TL 36 between 1 January- 31 March 2015 (1 January- 31 March 2014: TL 33).

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment between 1 January and 31 March 2015 were as follows:

	1 January 2015 Opening	Additions	Disposals	Transfers	31 March 2015 Closing
Cost:					
Land	1.701	-	-	-	1.701
Buildings and land improvements	82.142	1	-	-	82.143
Machinery and equipment	322.816	-	-	107	322.923
Furniture and fixtures and returnable bottles and crates	233.921	11.331	(6.223)	1.826	240.855
Motor vehicles	4.401	639	-	-	5.040
Construction in progress	24.001	4.587	(24)	(1.933)	26.631
	668.982	16.558	(6.247)	-	679.293
Accumulated depreciation:					
Buildings and land improvements	(56.857)	(582)	-	-	(57.439)
Machinery and equipment	(258.663)	(1.963)	-	-	(260.626)
Furniture and fixtures and returnable bottles and crates	(131.131)	(9.544)	5.683	-	(134.992)
Motor vehicles	(2.372)	(141)	-	-	(2.513)
	(449.023)	(12.230)	5.683	-	(455.570)
Net book value	219.959				223.723

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements of property, plant and equipment between 1 January and 31 March 2014 were as follows:

	1 January 2014				31 March 2014
	Opening	Additions	Disposals	Transfers	Closing
Cost:					
Land	1.634	-	-	-	1.634
Buildings and land improvements	77.447	7	-	-	77.454
Machinery and equipment	297.879	11	-	18.878	316.768
Furniture and fixtures and returnable bottles and crates	196.801	12.769	(5.013)	1.008	205.565
Motor vehicles	3.494	810	-	-	4.304
Construction in progress	24.653	6.529	-	(19.886)	11.296
	601.908	20.126	(5.013)	-	617.021
Accumulated depreciation:					
Buildings and land improvements	(54.627)	(551)	-	-	(55.178)
Machinery and equipment	(251.181)	(1.759)	-	-	(252.940)
Furniture and fixtures and returnable bottles and crates	(125.879)	(6.898)	4.981	-	(127.796)
Motor vehicles	(1.901)	(109)	-	-	(2.010)
	(433.588)	(9.317)	4.981	-	(437.924)
Net book value	168.320				179.097

Current year depreciation and amortisation expenses of TL 8.228 (1 January- 31 March 2014: TL 6.721) have been charged to cost of production, TL 3.772 (1 January- 31 March 2014: TL 2.453) to marketing, selling and distribution costs and TL 434 (1 January- 31 March 2014: 229) to general administrative expenses.

Net book value of returnable bottles and crates classified under "Furniture and fixtures and returnable bottles and crates" amounts to TL 57.265 at 31 March 2015 (31 December 2014: TL 56.078).

The Group does not have any financial leasing liability as of 31 March 2015 (31 December 2014: None).

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 6 - INTANGIBLE ASSETS

The movements of intangible assets and related accumulated amortisation for the periods ended 31 March 2015 and 2014 were as follows:

	1 January 2015 Opening	Additions	Disposals	Transfers	31 March 2015 Closing
Rights	11.853	92	-	-	11.945
Accumulated amortisation	(10.181)	(178)	-	-	(10.359)
Net book value	1.672				1.586

	1 January 2014 Opening	Additions	Disposals	Transfers	31 March 2014 Closing
Rights	10.215	36	-	-	10.251
Accumulated amortisation	(9.884)	(59)	-	-	(9.943)
Net book value	331				308

Rights are mainly composed of computer software. There were not any internally generated intangible assets.

NOTE 7 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

On the tax inspection reports related to the financial periods of 2008, 2009 and 2011, it was claimed in 2013 and 2014 that the capital advances, which were paid in cash to the Company's bank account by the Company's former majority shareholder and then added to paid-in capital account during the capital increase process in 2012, should have been treated as payables until it is added to paid-in capital; based on such so-called payable, even if no interest charge was calculated, VAT on the imputed cost of such interest should have been taken into consideration. As a result, tax office had notified a tax principal of TL 5.8 million for VAT and TL 8.7 million tax fine amounting to a total of TL 14.5 million. Considering that these capital advances were added to the paid-in capital in 2012 and that recent similar tax assessments made by the tax authorities were later decided in favor of companies at the exercise of jurisdiction, the Group management evaluated that the future outflow of resources from the Company is not probable and concluded that any situation requiring a provision to be provided to condensed consolidated financial statements has not arisen. The Company is initiating the legal processes against such tax assessment and the legal process is continuing as of the date of the approval of the Group's condensed consolidated financial statements.

The Group management has filed legal actions for the cancellation and return of the excise tax and value added tax which was paid previously for August 1-29, 2004, September 2004, November 2004, December 2004, May 2005, August 1-25, 2005, September 2005, and January 2006. 31 of those legal actions filed for the cancellation and return of the excise tax and VAT were concluded against Türk Tuborg while the jurisdiction is continued for the others. As at 31 March 2015, the total value of legal actions is amounted to TL 28.654 (31 December 2014: TL 28.654) in relation to those legal actions not finalized yet.

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NOTE 7 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES (Continued)

As at 31 March 2015, the Group has bank letters of guarantee given amounting to TL 7.609 (31 December 2014: TL 7.197). The schedule for guarantee, pledge and mortgage ("GPM") given by the Group is as follows:

	31 March 2015	31 December 2014
A. Total value of GPM provided in favour of the Company itself	7.609	7.197
i. TL	7.609	7.197
B. Total value of GPM provided in favour of the subsidiary	106.617	103.267
C. Total value of GPM provided in favour of third parties engaged in ordinary course of operations	-	-
D. Total value of other GPM	-	-
i. Provided in favour of the main shareholder	-	-
ii. Provided in favour of related parties excluding those mentioned at article B and C above	-	-
iii. Provided in favour of third parties excluding those mentioned at C above	-	-
	114.226	110.464

The ratio of total value of other GPM to equity is 0% at 31 March 2015 (31 December 2014: 0%).

NOTE 8 - CAPITAL RESERVES AND OTHER SHARE CAPITAL RESERVES

a) Share capital:

The Company adopted the registered share capital system available to companies registered with the CMB and set a limit on its registered share capital representing registered type shares with a nominal value of 1 TL. The Company's historical authorized registered share capital at 31 March 2015 and 31 December 2014 is as follows:

	31 March 2015	31 December 2014
Registered share capital (historical values)	500.000	500.000
Share capital with a nominal value	322.508	322.508

The compositions of the Company's share capital at 31 March 2015 and 31 December 2014 were as follows:

	31 March 2015		31 December 2014	
	TL	Share (%)	TL	Share (%)
International Beer Breweries Ltd	308.597	95,69	308.597	95,69
Public quotation	13.911	4,31	13.911	4,31
	322.508		322.508	

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NOTE 8 - CAPITAL RESERVES AND OTHER SHARE CAPITAL RESERVES (Continued)

There are 32.250.825.300 (31 December 2014: 32.250.825.300) units of shares with a face value of full TL 0,01 each at 31 March 2015. There are no privileged stocks.

	Historical value	Restated value	Adjustment to share capital
Share capital	322.508	600.121	277.613

b) Other equity items:

	31 March 2015	31 December 2014
Adjustment to share capital	277.613	277.613
Share premium	154	154
	277.767	277.767

The legal reserves consist of first and second reserves, appropriated in accordance with the TCC. The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in capital.

Other equity items shall be carried at the amounts in accordance with the Turkish Accounting Standards.

c) Accumulated losses:

As at 31 March 2015, accumulated losses in condensed consolidated financial position of the Group prepared in accordance with Turkish Accounting Standards amount to TL 246.197 (31 December 2014: TL 366.199).

NOTE 9- TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Current income tax liability:

	31 March 2015	31 December 2014
Provision for corporate tax expense	42.124	33.118
Less: Prepaid taxes	(29.058)	(20.125)
Current income tax liability	13.066	12.993

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the condensed consolidated financial statements, have been calculated on a separate-entity basis.

Corporation tax is payable at a rate of 20% (31 December 2014: 20%) on the total income of the Company after adjusting for certain disallowable expenses, exempt income and investment and other allowances (e.g. research and development allowance). No further tax is payable unless the profit is distributed. Corporations are required to pay advance corporation tax quarterly at the rate of 20% (31 December 2014: 20%) on their corporate income. Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses cannot be carried back to offset profits from previous periods.

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NOTE 9- TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to which they relate. Tax returns are open for 5 years from the beginning of the year that follows the date of filing, during which time the tax authorities have the right to examine tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Dividends paid to non-resident corporations, which have a place of business in Turkey, or resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15% (31 December 2014: 15%). An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Investment Incentives

The revoked phrase "only attributable to 2006, 2007 and 2008" stated in Provisional Article 69 of Income Tax Law No:193 with the effect of Article 5 of Law No:6009 after having published in the Official Gazette No: 27659 as at 1 August 2010 and the Constitutional Court's issued resolution no: 2009/144 published in the Official Gazette as at 8 January 2010 has been revised. The revised regulation allows companies to continue to benefit from the exception of undeductible and carryforward investment incentive due to insufficient earnings irrespective of having any time constraints. However, deductible amount for investment incentive exception used in the determination of tax base cannot exceed 25% of the related period's income. In addition, companies that opt to use the investment incentive exemption are allowed to apply 20% of income tax, instead of 30% under the related revised regulation.

The additional paragraph to Provisional Article 69 included in accordance with Law No:6009, which is related to the 25% threshold and requires the incentive amount that will be subject to investment incentive exemption in determining tax base cannot exceed 25% of the respective income, has been revoked based on the ground that it is contrary to the Constitution upon the Constitutional Court's resolution No: E. 2010/93 K. 2012/9 ("stay of execution") issued on 9 February 2012 and published in the Official Gazette No: 28208 on 18 February 2012. The related Constitutional Court's decision was published in the official Gazette No: 28719 as at 26 July 2013.

Taxation on income for the period ended 31 March 2015 and 2014 is as follows:

	1 January- 31 March 2015	1 January - 31 March 2014
Current corporate tax expense	(9.006)	(5.434)
Deferred tax (expense)/ income	(1.797)	292
	(10.803)	(5.142)

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NOTE 9- TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

Reconciliation of the taxation on income for the period ended 31 March 2015 and 2014 is as follows:

	1 January- 31 March 2015	1 January - 31 March 2014
Income before tax	49.275	24.017
Tax calculated at tax rates applicable	(9.855)	(4.803)
Expenses not deductible for tax purposes	(2.656)	(2.211)
Exemptions	236	160
Other adjustments not subject to tax	1.472	1.712
Tax expense	(10.803)	(5.142)

Deferred taxes:

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between the consolidated financial statements and the statutory tax financial statements. Deferred taxes are calculated on temporary differences that are expected to be realized or settled under the liability method using the principal enacted tax rate of 20% (31 December 2014: 20%).

In Turkey, the companies cannot declare a consolidated tax return, therefore subsidiaries that have deferred tax assets position were not net off against subsidiaries that have deferred tax liabilities position and disclosed separately.

The breakdown of cumulative temporary differences and the resulting deferred tax assets and liabilities provided at 31 March 2015 and 31 December 2014, using enacted tax rates at the financial position dates, was as follows:

	<u>31 March 2015</u>		<u>31 December 2014</u>	
	Cumulative temporary differences	Deferred tax (liability)/ asset	Cumulative temporary differences	Deferred tax (liability)/ asset
Property, plant and equipment and intangible fixed assets	13.229	(2.690)	13.746	(2.793)
Inventory	(1.722)	344	(976)	195
Provision for employment termination benefits	(7.691)	1.536	(7.647)	1.560
Provision for vacation pay obligation and other provisions	(8.522)	1.705	(16.616)	3.323
Provision for impairment of financial investments	(3.463)	693	(3.463)	693
Provision for doubtful receivables	(11.215)	2.243	(10.422)	2.084
Other	(17.053)	3.410	(19.737)	3.949
		7.241		9.011

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NOTE 9- TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

Movement of deferred tax assets for periods ended 31 March 2015 and 2014 are as follows:

	2015	2014
1 January	9.011	7.678
Profit or loss effect	(1.797)	292
Other comprehensive income effect	27	12
31 March	7.241	7.982

NOTE 10 - EARNINGS PER SHARE

Earnings per share are calculated by dividing the profit for the current period by the weighted average number of ordinary shares in issue during the year.

		1 January- 31 March 2015	1 January - 31 March 2014
Net profit for the period	A	38.472	18.875
Weighted number of ordinary shares	B	32.250.825.300	32.250.825.300
Gain per share with a 0,01 TL face value	A/B	0,12	0,06

There are no differences between basic and diluted gain per share for the periods ended 31 March 2015 and 2014.

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NOTE 11 - FOREIGN CURRENCY POSITION

Foreign Currency Position Schedule

	31 March 2015				31 December 2014			
	TL Equivalent	USD (thousands)	Euro (thousands)	Other (TL Equivalent)	TL Equivalent	USD (thousands)	Euro (thousands)	Other (TL Equivalent)
1. Trade Receivables	2.681	1.027	-	-	2.860	1.193	33	-
2a. Monetary Financial Assets (Including Cash, Bank accounts)	80.802	30.953	2	3	58.642	25.287	1	1
2b. Non-Monetary Financial Assets	1.826	16	627	9	872	4	164	400
3. Other	-	-	-	-	-	-	-	-
4. Current Assets (1+2+3)	85.309	31.996	629	12	62.374	26.484	198	401
5. Trade Receivables	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-
6b. Non-Monetary Financial Assets	2.081	-	735	-	209	-	74	-
7. Other	-	-	-	-	-	-	-	-
8. Non-Current Assets (5+6+7)	2.081	-	735	-	209	-	74	-
9. Total Assets (4+8)	87.390	31.996	1.364	12	62.583	26.484	272	401
10. Trade Payables	(5.294)	(1.016)	(928)	(15)	(4.970)	(811)	(1.087)	(23)
11. Financial Liabilities	-	-	-	-	-	-	-	-
12a. Monetary Other Liabilities	(3.406)	(1.305)	-	-	-	-	-	-
12b. Non-Monetary Other Liabilities	-	-	-	-	-	-	-	-
13. Short Term Liabilities (10+11+12)	(8.700)	(2.321)	(928)	(15)	(4.970)	(811)	(1.087)	(23)
14. Trade Payables	-	-	-	-	-	-	-	-
15. Financial Liabilities	-	-	-	-	-	-	-	-
16a. Monetary Other Liabilities	-	-	-	-	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-	-	-	-	-
17. Long Term Liabilities (14+15+16)	-	-	-	-	-	-	-	-
18. Total Liabilities (13+17)	(8.700)	(2.321)	(928)	(15)	(4.970)	(811)	(1.087)	(23)
19. Net Asset/(Liability) Position of Off-Financial Position								
Derivative Instruments (19a-19b)	-	-	-	-	-	-	-	-
19a. Net Asset/(Liability) Position of Off-Financial Position								
Derivative Instruments	-	-	-	-	-	-	-	-
19b. Amount of Liability Nature Off-Financial Position								
Derivative Instruments	-	-	-	-	-	-	-	-
20. Net Foreign Asset/(Liability) Position (9-18+19)	78.690	29.675	436	(3)	57.613	25.673	(815)	378
21. Net Foreign Currency Asset/(Liability) Position of								
Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)	74.783	29.659	(926)	(12)	56.532	25.669	(1.053)	(22)
22. Total Fair Value of Financial Instruments Used for								
Foreign Currency Hedging	-	-	-	-	-	-	-	-
23. Amount of foreign currency denominated assets hedged	-	-	-	-	-	-	-	-
24. Amount of foreign currency denominated liabilities hedged	-	-	-	-	-	-	-	-

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NOTE 11 - FOREIGN CURRENCY POSITION (Continued)

31 March 2015:

	Profit/ Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
Change of USD by 10% against TL:		
1- Asset/Liability denominated in USD- net	7.742	(7.742)
2- The part of USD risk hedged (-)	-	-
3- USD effect- net (1+2)	7.742	(7.742)
Change of Euro by 10% against TL:		
4- Asset/Liability denominated in Euro- net	(262)	262
5- The part of EUR risk hedged (-)	-	-
6- Euro effect- net (4+5)	(262)	262
Change of other currencies by 10% against TL:		
7- Asset/Liability denominated in other currencies- net	(2)	2
8- The part of other currency risk hedged (-)	-	-
9- Other currency effect- net (7+8)	(2)	2
TOTAL (3+6+9)	7.478	(7.478)

31 December 2014:

	Profit/ Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
Change of USD by 10% against TL:		
1- Asset/Liability denominated in USD- net	5.952	(5.952)
2- The part of USD risk hedged (-)	-	-
3- USD effect- net (1+2)	5.952	(5.952)
Change of Euro by 10% against TL:		
4- Asset/Liability denominated in Euro- net	(297)	297
5- The part of EUR risk hedged (-)	-	-
6- Euro effect- net (4+5)	(297)	297
Change of other currencies by 10% against TL:		
7- Asset/Liability denominated in other currencies- net	(2)	2
8- The part of other currency risk hedged (-)	-	-
9- Other currency effect- net (7+8)	(2)	2
TOTAL (3+6+9)	5.653	(5.653)