CONVENIENCE TRANSLATION OF THE AUDIT REPORT AND CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

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

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT

(CONVENIENCE TRANSLATION OF
INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Türk Tuborg Bira ve Malt Sanayii A.Ş.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Türk Tuborg Bira ve Malt Sanayii A.Ş. ("the Company") and its subsidiary (together will be referred as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Turkish Accounting Standards ("TAS"), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with standards on auditing issued by Capital Markets Board and Independent Auditing Standards which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Türk Tuborg Bira ve Malt Sanayii A.Ş. and its subsidiary as at 31 December 2015, and of their financial performance and their cash flows for the year then ended in accordance with Turkish Accounting Standards.

Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 10 March 2016.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Group's set of accounts and financial statements prepared for the period 1 January-31 December 2015 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Gökhan Alpman
Partner

İzmir, 10 March 2016

TABLE OF CONTENTS	PAGE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION **1-2**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME **3**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY **4**

CONSOLIDATED STATEMENT OF CASH FLOWS **5**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **6-45**

NOTE 1	ORGANISATION AND NATURE OF OPERATIONS	6
NOTE 2	BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	6-19
NOTE 3	RELATED PARTY DISCLOSURES	19-20
NOTE 4	TRADE RECEIVABLE AND PAYABLES	20-21
NOTE 5	OTHER RECEIVABLE AND PAYABLES	21
NOTE 6	INVENTORIES	22
NOTE 7	INVESTMENT PROPERTIES	22-23
NOTE 8	PROPERTY, PLANT AND EQUIPMENT	23-24
NOTE 9	INTANGIBLE ASSETS	25
NOTE 10	PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES	25-27
NOTE 11	COMMITMENTS	27-28
NOTE 12	EMPLOYEE BENEFITS	28-29
NOTE 13	EXPENSES BY NATURE	29
NOTE 14	CAPITAL RESERVES AND OTHER SHARE CAPITAL RESERVES	30
NOTE 15	PREPAID EXPENSES AND DEFERRED INCOME	31
NOTE 16	OTHER CURRENT LIABILITIES	31
NOTE 17	REVENUE AND COST OF SALES	31
NOTE 18	GENERAL ADMINISTRATIVE EXPENSES AND MARKETING, SELLING AND DISTRIBUTION EXPENSES	32
NOTE 19	OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES	32
NOTE 20	INCOME AND EXPENSES FROM INVESTING ACTIVITIES	33
NOTE 21	FINANCE EXPENSES	33
NOTE 22	TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)	33-35
NOTE 23	EARNINGS PER SHARE	36
NOTE 24	FINANCIAL INVESTMENTS	36
NOTE 25	NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS	36-44
NOTE 26	FINANCIAL INSTRUMENTS	44
NOTE 27	DISCLOSURES RELATED TO STATEMENT OF CASH FLOWS	45
NOTE 28	SUBSEQUENT EVENTS	45

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 DECEMBER 2015
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Notes	***Current Period*** ***Audited*** **31 December 2015**	***Prior Period*** ***Audited*** **31 December 2014**
ASSETS			
Current assets		**628.702**	**424.508**
Cash and cash equivalents	27	312.923	184.264
Financial investments	24	167	167
Trade receivables	4	256.206	198.551
Other receivables	5	369	542
Inventories	6	47.674	37.861
Prepaid expenses	15	11.363	3.123
Non-current assets		**279.657**	**232.636**
Other receivables	5	151	71
Investment properties	7	1.596	1.704
Property, plant and equipment	8	260.766	219.959
Intangible assets	9	4.798	1.672
Deferred tax assets	22	11.133	9.011
Prepaid expenses	15	1.213	219
TOTAL ASSETS		**908.359**	**657.144**

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 DECEMBER 2015
((Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Notes	*Current Period* *Audited* **31 December 2015**	*Prior Period* *Audited* **31 December 2014**
LIABILITIES			
Current liabilities		**386.438**	**296.072**
Trade payables	4	83.465	69.549
- Due to related parties	3	3.549	1.710
- Other trade payables		79.916	67.839
Other payables	5	41.978	29.271
Deferred income	15	1.136	-
Current income tax liability	22	11.989	12.993
Short term provisions		77.373	64.123
-Provision for employee benefits	12	21.066	16.616
-Other short term provisions	10	56.307	47.507
Other current liabilities	16	170.497	120.136
Non-current liabilities		**12.418**	**7.647**
Long term provisions		12.418	7.647
- Provision for employee benefits	12	12.418	7.647
TOTAL LIABILITIES		**398.856**	**303.719**
EQUITY		**509.503**	**353.425**
Equity attributable to equity holders of the Group		**509.503**	**353.425**
Share capital	14	322.508	322.508
Adjustment to share capital	14	277.613	277.613
Share premium	14	154	154
Items that will not be reclassified to profit or loss		(2.327)	(653)
- Revaluation of defined employee benefit plans		(2.327)	(653)
Accumulated losses	14	(246.197)	(366.199)
Net profit for the year		157.752	120.002
TOTAL EQUITY AND LIABILITIES		**908.359**	**657.144**

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

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

	Notes	*Current Period* *Audited* 1 January- 31 December 2015	*Prior Period* *Audited* 1 January- 31 December 2014
Statement of Profit or Loss			
Revenue	17	742.680	586.161
Cost of sales (-)	17	(335.804)	(258.177)
GROSS PROFIT		**406.876**	**327.984**
General administrative expenses (-)	18	(37.003)	(31.671)
Marketing, selling and distribution expenses (-)	18	(189.095)	(154.691)
Other income from operating activities	19	32.555	11.248
Other expenses from operating activities (-)	19	(26.492)	(9.775)
OPERATING PROFIT		**186.841**	**143.095**
Income from investing activities	20	20.073	12.642
Expense from investing activities (-)	20	(3.196)	(36)
OPERATING PROFIT BEFORE FINANCE EXPENSES		**203.718**	**155.701**
Finance expenses (-)	21	(4.839)	(3.944)
PROFIT BEFORE TAXES		**198.879**	**151.757**
Taxes on income		(41.127)	(31.755)
- Current tax expense	22	(42.830)	(33.118)
- Deferred tax income	22	1.703	1.363
PROFIT FOR THE YEAR		**157.752**	**120.002**
Allocation of profit for the year:			
Non-controlling interests		-	-
Equity holders of the Group		157.752	120.002
		157.752	**120.002**
Earnings per share for net profit attributable to the equity holders of the parent company (full Kr)	**23**	**0,49**	**0,37**
Other comprehensive income:			
Items that will not be reclassified to profit or loss		**(1.674)**	**120**
-Revaluation of defined employee benefit plans	12	(2.093)	150
-Deferred tax income/ (expense)	22	419	(30)
TOTAL COMPREHENSIVE INCOME		**156.078**	**120.122**
Allocation of comprehensive income:			
Non-controlling interests		-	-
Equity holders of the Group		156.078	120.122
		156.078	**120.122**

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

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

Audited:

				Items That Will Not Be Reclassified To Profit or Loss	*Accumulated Losses*		
	Share Capital	**Adjustment to Share Capital**	**Share Premium**	**Revaluation of Defined Emp. Benefits**	**Accumulated Losses**	**Net Profit for the Year**	**Total Equity**
1 January 2014	**322.508**	**277.613**	**154**	**(773)**	**(449.720)**	**83.521**	**233.303**
Transfer	-	-	-	-	83.521	(83.521)	-
Total comprehensive income	-	-	-	120	-	120.002	120.122
31 December 2014	**322.508**	**277.613**	**154**	**(653)**	**(366.199)**	**120.002**	**353.425**
Transfer	-	-	-	-	120.002	(120.002)	-
Total comprehensive income	-	-	-	(1.674)	-	157.752	156.078
31 December 2015	**322.508**	**277.613**	**154**	**(2.327)**	**(246.197)**	**157.752**	**509.503**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
AT 31 DECEMBER 2015
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

	Notes	*Current Period* *Audited* **1 January- 31 December 2015**	*Prior Period* *Audited* **1 January- 31 December 2014**
Cash flows provided from operating activities:			
Profit for the year		157.752	120.002
Adjustments to reconcile profit for the year:			
Depreciation and amortisation	7-8-9	58.241	43.277
Interest income	20	(18.987)	(10.597)
Tax expense	22	41.127	31.755
Rediscount interest expense (net)		1.346	261
Provision for doubtful receivables	19	3.324	2.728
Reversal of provision for doubtful receivables	19	(240)	(303)
Provision for employment termination benefits	12	3.696	1.337
Unused vacation pay obligation and other provisions	12	14.500	11.159
Loss/ (gain) on sales of property, plant and equipment (net)	20	2.254	(1.959)
Provision for excise duty	10	1.559	1.559
Provision for net realizable values adjustment of inventories (net)		22	(25)
Other provisions and accruals	10	7.258	8.088
		271.852	**207.282**
Changes in working capital:			
Increase in trade receivables	4	(62.098)	(32.778)
(Increase)/ decrease in inventories	6	(9.835)	11.101
(Increase)/ decrease in other receivables and prepaid expenses	5-15	(8.638)	3.522
Increase in other payables, deferred income and other current liabilities	5-15-16	64.204	40.650
Increase in trade payables	4	13.929	18.977
Cash flow from operating activities:			
Unused vacation obligation and other provisions paid	12	(10.050)	(7.242)
Employment termination benefits paid	12	(1.018)	(1.000)
Legal case and legal case fee provisions paid	10	(17)	(70)
Prepaid taxes	22	(43.834)	(26.158)
Net cash generated from operating activities		**214.495**	**214.284**
Cash flow from investing activities:			
Purchases of property, plant and equipment and intangible assets	8-9	(105.093)	(96.438)
Proceeds from sales of property, plant and equipment	8-9-20	773	2.250
Interest received		18.484	10.417
Net cash used in investing activities		**(85.836)**	**(83.771)**
Increase in cash and cash equivalents		**128.659**	**130.513**
Cash and cash equivalents at the beginning of the year	27	184.264	53.751
Cash and cash equivalents at the end of the year	**27**	**312.923**	**184.264**

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

(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 December 2015, the shares traded on BIST are 4,31% (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 14).

The average number of employees in the Company and Tuborg Pazarlama A.Ş., its subsidiary, ("Group") as at 31 December 2015 is 765 (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% (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 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 10 March 2016. The General Assembly of the Company and/or governmental authorities are entitled to modify the consolidated financial statements as enclosed herein.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

a) Statement of compliance

The accompanying 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 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 ("POA") under Article 5 of the Communiqué.

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

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 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 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.

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

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

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

Subsidiary	Location of incorporation	Participation rate (%)	Voting power (%)	Core business
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 the 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 Changes in accounting policies

Any significant changes in the accounting policies are retrospectively applied and the consolidated financial statements of the preceding terms are restated. There has been no change in the accounting policies of the Group in the current year.

2.3 Changes in accounting estimates and errors

Any significant changes in accounting estimates are prospectively applied in consolidated financial statements and accounted for in the current and preceding periods. There has been no significant change in the accounting estimates of the Group in the current year.

In relation to errors identified in financial reporting, they are accounted for retrospectively and prior year financial statements are restated.

2.4 New and Revised Turkish Accounting Standards

2.4.1 New and Revised TASs affecting presentation and disclosure only

None.

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

None.

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

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

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

Amendments to TAS 19	*Defined Benefit Plans: Employee Contributions* [1]
Annual Improvements to 2010-2012 Cycle	*TFRS 2, TFRS 3, TFRS 8, TFRS 13, TAS 16 and TAS 38, TAS 24, TFRS 9, TAS 37, TAS 39* [1]
Annual Improvements to 2011-2013 Cycle	*TFRS 3, TFRS 13, TAS 40* [1]

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

2.4.4 New and Revised TFRSs in issue but not yet effective

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

TFRS 9	*Financial Instruments*
Amendments to TFRS 9 and TFRS 7	*Mandatory Effective Date of TFRS 9 and Transition Disclosures*
Amendments to TAS 16 and TAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation* [1]
Amendments to TAS 16 and TAS 41 and amendments to TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40	*Agriculture: Bearer Plants* [1]
Amendments to TFRS 11 and TFRS 1	*Accounting for Acquisition of Interests in Joint operations* [1]
Annual Improvements to 2011-2013 Cycle	*TFRS 1* [2]
Amendments to TAS 1	*Disclosure Initiative* [2]
Annual Improvements to 2012-2014 Cycle	*TFRS 5, TFRS 7, TAS 34, TAS 19* [2]
Amendments to TAS 27	*Equity Method in Separate Financial Statements* [2]
Amendments to TFRS 10 and TAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [2]
Amendments to TFRS 10, TFRS 12 and TAS 28	*Investment Entities: Applying the Consolidation Exception* [2]
TFRS 14	*Regulatory Deferral Accounts* [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.

2.5 Summary of significant accounting policies

2.5.1 Revenue recognition

Revenue is generated from beer sales to domestic and foreign dealers and customers and by-product sales. Revenues are recognised on an accrual basis at the time deliveries are made, the amount of revenue can be measured reliably and it's probable that the economic benefits associated with the transaction will flow to the Company at the fair value of considerations received or receivable.

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

Sale of goods:

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Rental income:

Rental income from investment properties is accounted for during the duration of rent agreement based on straight-line method.

2.5.2 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory, with valued on a weighted average basis. Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in the consolidated statement of profit or loss and other comprehensive income in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

2.5.3 Property, plant and equipment

All other items of property, plant and equipment acquired before 1 January 2005 are carried at cost in the equivalent purchasing power of TL as at 31 December 2004 and items acquired after 1 January 2005 are carried at cost, less the subsequent depreciation and impairment loss. Borrowing costs directly attributable to the qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets in accordance with the Group's accounting policy. In 2015, the Group does not have any qualified assets.

Property, plant and equipment are capitalised and depreciated when they are fully commissioned and in a physical state to meet their designed production capacity. Residual values of property, plant and equipment are deemed as negligible.

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

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

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. Land is not depreciated and carried at cost less accumulated impairment. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets using the straight-line method.

The annual depreciation rates for property, plant and equipment, which are based on the approximate useful lives of such assets, are as follows:

	Rate (%)
Buildings and land improvements	2,5 - 4
Machinery and equipments	6,7 - 20
Furniture, fixtures and returnable bottles and crates	6,7 - 33
Motor vehicles	12,5 - 20

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognised in consolidated statement of profit or loss and other comprehensive income.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Repairs and maintenance are charged to the consolidated statements of income during the financial period in which they are incurred. The Group derecognises the carrying amounts of the replaced parts related to renovations regardless of whether the replaced parts were depreciated separately. Major overhauls are depreciated over shorter of their useful lives or the remaining useful life of the related assets.

2.5.4 Investment property

Investment property, which are properties, held to earn rentals and/or for capital appreciation is carried at cost less accumulated depreciation and any accumulated impairment losses. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day to day servicing of an investment property. Depreciation is provided on investment property on a straight line basis over 20-40 years.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in consolidated comprehensive profit or loss in the year of retirement or disposal.

2.5.5 Financial leasing

Leasing - the Group as Lessee

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

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

The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs.

The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2.5.6 Intangible assets

Intangible assets are mainly composed of computer software and other related intangible assets none of which were internally generated. All other items of intangible assets acquired before 1 January 2005 are carried at cost in the equivalent purchasing power of TL as at 31 December 2004 and items acquired after 1 January 2005 are carried at cost, less the subsequent depreciation and impairment loss, if any, at the consolidated financial statements. Amortization is charged on a straight-line basis over their estimated useful lives of three years. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Residual values of intangible assets are deemed as negligible. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount.

2.5.7 Impairment of non-financial assets

At each reporting date, the Group assesses whether there is an impairment indication for the assets, stated at revalued amounts. When an indication of impairment exists, the Group estimates the recoverable amounts of such assets. Recoverable amounts of intangible assets that are not available for use, are estimated at each reporting date. An impairment loss is recognised for the amount by which the carrying amount of the asset or any cash-generating unit of that asset exceeds its recoverable amount, which is the higher of an asset's net selling price or value in use. Impairment losses are accounted for in the consolidated statement of profit or loss and other comprehensive income.

Impairment losses can be reversed to the extent that increased carrying amount of an asset shall not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years provided that increases in the recoverable amount of the asset can be associated with events that occur subsequent to the period in which the impairment loss was recognised.

2.5.8 Borrowing costs

Borrowings are recognised initially at the proceeds received, net of any transaction costs incurred. In subsequent periods, borrowings are measured at amortised cost using the effective yield method; any difference between the proceeds (net of transaction costs) and the redemption value is recognised at the consolidated statement of profit or loss and other comprehensive income as a finance cost over the period of the borrowings. Loans with a maturity of less than 12 months are included in current liabilities and in non-current liabilities with a maturity of longer than 12 months.

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

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

2.5.9 Financial instruments

a) Financial assets

The classification of financial assets depends on the purpose for which the financial assets were acquired. The Group management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

The Group classifies its financial instruments in the following categories:

i. Loans and receivables

Receivables constitute non-derivative financial instruments, which are not quoted in active markets and have fixed or scheduled payments. Receivables without held-for-sale intention arise from the Group's supply of goods and service to any debtor. If the maturity of these instruments are less than 12 months, these receivables are classified in current assets and if more than 12 months, classified in non-current assets. The receivables are included in trade receivables and other receivables in the consolidated statement of financial position. Receivables are recognised initially at the proceeds received, net of any transaction costs incurred. In subsequent periods, receivables are stated at amortised cost using the effective yield method. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

ii. Available-for-sale financial assets

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, are classified as available-for-sale. These are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets. The Group management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

All financial investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investments, and subsequently carried at fair value. The financial assets which the group has a participation rate less than 20% and are classified as available-for-sale investments, are carried at market value when there is quoted market price, they are carried at fair value by using generally accepted valuation techniques, when there is no active market for the financial asset quoted not active.

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

When there is no quoted market price, and when a reasonable estimate of fair value could not be determined as a result of being other methods inappropriate and unworkable, available-for-sale investments acquired before 1 January 2005 are carried at cost expressed in purchasing power of TL as at 31 December 2004 and available-for-sale investments acquired after 1 January 2005 are carried at cost, less impairment losses, if any. Impairment losses are recognized at consolidated statement of profit or loss and other comprehensive income.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of available-for-sale equity securities, any increase in fair value subsequent to an impairment loss is recognized directly in equity.

b) Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

i. Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

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

2.5.10 Foreign currency transactions

For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in TL. In preparing the financial statements of the individual entities, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise.

2.5.11 Earnings per share

Earnings per share disclosed in the consolidated statement of profit or loss and other comprehensive income are determined by dividing net profit for the year by the weighted average number of shares that have been outstanding during the year.

Companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issues and other similar movements without a corresponding change in resources, by giving them retroactive effect for the year in which they were issued and for each earlier year.

2.5.12 Events after the reporting period

Subsequent events, announcements related to net profit or even declared after other selective financial information has been publicly announced, include all events that take place between the statement of financial position date and the date when statement of financial position was authorised for issue.

In the case that events require a correction to be made occur subsequent to the reporting period, the Group makes the necessary corrections to the consolidated financial statements. Moreover, the events that occur subsequent to the statement of financial position date and not require a correction to be made are disclosed in accompanying notes, where the decisions of the users of consolidated financial statements are affected.

2.5.13 Provisions, contingent assets and contingent liabilities

Provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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

Onerous contracts

Present obligations arising under onerous contracts are recognized and measured as a provision. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

2.5.14 Related parties

For the purpose of the consolidated financial statements, shareholders, financial investments, International Beer Breweries Ltd Group companies, key management personnel, members of board of directors, close family members together with companies controlled, jointly controlled or significantly influenced by them are considered as and referred to as related parties.

2.5.15 Operating segments

Due to the fact that the Group only operates in one single industrial segment, that a substantial part of its operations occur in Turkey and that all of its assets are located in Turkey, the financial information are not required to be reported by segments.

2.5.16 Taxation and deferred income taxes

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

Income tax expense represents the sum of the tax currently payable and deferred tax.

i. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

ii. Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the statement of financial position date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

iii.Current and deferred tax for the period

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.5.17 Benefits provided to employees

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per TAS 19.

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation. All actuarial gains and losses are charged to consolidated statement of profit or loss and other comprehensive income.

2.5.18 Statement of cash flows

In the consolidated statement of cash flows, the consolidated cash flows for the term are classified and reported basing upon the operations, investment and financing activities. Consolidated cash flows from operating activities indicate the consolidated cash flows from the Group's activities. Consolidated cash flows related with the investment activities indicate the consolidated cash flows which the Group uses and acquires in its investment activities. Cash flows related with the financing activities indicate the consolidated resources which the Group uses in its financing activities and the repayments of such resources.

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

Cash and cash equivalents include the cash and bank deposits as well as short-term high-liquidity investments with certain amounts and with maturities equal to or less than 3 months, which may be easily liquidated.

2.5.19 Capital and dividends

Ordinary shares are classified as capital. As approved, the proportionate capital increases as applied to existing shareholders are reported at their nominal values. Dividend payments of ordinary shares are entered in the records in the term when they are described in the capital. And stock issuance premiums represent the difference between the face values of the publicly traded stocks and their sales prices.

2.6 Critical accounting estimates and judgments

Preparation of consolidated financial statements requires disclosure of assets and liabilities, contingent assets and liabilities as at statement of financial position date and utilization of estimates and assumptions that can affect income and expense amounts. The results of these estimations and assumptions can differ from the actual results even these estimations and assumptions are based on the management's best estimate.

Significant estimates of the Group management are as follows:

a) Impairment of available-for-sale financial assets

The Group reviews its portfolio of available-for-sale financial assets for potential impairment. The determination of impairment requires management to use significant judgment especially in available-for-sale financial assets that do not have independent market valuation benchmarks.

In making its assessment, the Group evaluates various factors including the financial health of and outlook of the investee, the significance in the decline in the fair value of the investment and whether the decline is prolonged or temporary. In this respect, available-for-sale investments of the Group are stated at their costs less impairment losses, if any.

b) Income taxes

Significant judgment is required to determine the Group provision for income taxes. The Group estimates its liabilities for tax obligations. When the final tax outcome is known, the actual positions may vary from these estimates and adjustments to deferred income tax positions may be required.

c) Provision for doubtful receivables

Impairment loss in the trade receivables and other receivables are based upon the Group management's evaluation about the volume of the amount of trade, past experiences and overall economic conditions.

d) Useful lives of the assets

The useful economic lives of the assets of the Group are determined on the acquisition date of such assets and reviewed at regular intervals by the Group management. The Group determines the useful life of an asset in consideration of the estimated benefit of such asset. Such evaluation is based upon the Group's experience with similar assets. In determining the useful life of an asset, the Group further considers the condition of the assets becoming useless in a technical and/or commercial manner as a consequence of the changes or developments in the market.

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

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

e) Provision for employment termination benefits

The Group management employs actuary evaluation methods in order to estimate the severance pay liability. The provision for severance pay has been calculated at its current net amount of any liability amounts which shall arise in the future due to the retirement of all the employees and reflected in the consolidated financial statements enclosed herein. Accordingly, the following estimates have been used in the calculation of the total liability:

	31 December 2015	31 December 2014
Discount rate	4,50%	3,33%
Probability of retirement	95,7%	96,2%

Basic assumption is the increase of the ceiling liability determined for each annual service in proportion with the inflation rate. Thus, the discount rate applied shows the actual rate which has been cleared of the expected impacts of the inflation.

NOTE 3 - RELATED PARTY DISCLOSURES

a) Due from related parties:

TL 220 (2014: TL 79).

b) Due to related parties:

	31 December 2015	31 December 2014
United Romanian Breweries Bereprod S.R.L ("URBB")	2.124	8
Desa Enerji Elektrik Üretim A.Ş. ("Desa Enerji")	1.342	1.218
Other	83	484
	3.549	**1.710**

Due to related parties has a weighted average maturity of one month (2014: one month).

c) Product and service sales:

TL 1.870 (31 December 2014: TL 761).

d) Product and service purchases:

	1 January- 31 December 2015	1 January - 31 December 2014
URBB	13.399	145
Desa Enerji	12.965	11.162
Other	244	634
	26.608	**11.941**

The Group purchases electricity and hot water from Desa Enerji. In addition, the Group subcontracted URBB the production of some finished goods for export customers in 2015.

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

NOTE 3 - RELATED PARTY DISCLOSURES (Continued)

e) Key management compensation:

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

	1 January- 31 December 2015	1 January - 31 December 2014
Short-term employee benefits	10.553	9.616
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Other	442	316
	10.995	**9.932**

NOTE 4 - TRADE RECEIVABLE AND PAYABLES

a) Short-term trade receivables:

	31 December 2015	31 December 2014
Customer current accounts	214.675	162.091
Notes receivables and customer cheques	29.234	30.895
Credit card receivables	44.726	33.551
	288.635	**226.537**
Less: Provision for doubtful receivables	(29.338)	(26.254)
Unearned finance income	(3.091)	(1.732)
	256.206	**198.551**

The effective weighted average interest rate applied to TL denominated receivables is 10,99% p.a. (2014: 9,34% p.a.) as of 31 December 2015. Trade receivables are all short term with a weighted average maturity of one month (2014: one month).

The amount of overdue trade receivables as of 31 December 2015 is TL 7.174 (2014: TL 6.467) and the aging of such receivables and credit risk analysis are disclosed in Note 25 in detail.

Movements in the provision for doubtful receivables are as follows:

	2015	2014
1 January	**(26.254)**	**(23.829)**
Reversal of current year provision (Note 19)	240	303
Charged to the consolidated statement of profit or loss and other comprehensive income (Note 19)	(3.324)	(2.728)
31 December	**(29.338)**	**(26.254)**

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

NOTE 4 - TRADE RECEIVABLE AND PAYABLES (Continued)

Trade receivables are assessed by Group management on the basis of past experiences and required provision for impairment is booked. In relation to the calculation of such provision, guarantees received from customers are considered. Therefore, considering the past experiences the Group management believes that there is no additional doubtful risk for the collection of receivables.

b) Short-term trade payables:

	31 December 2015	31 December 2014
Supplier current accounts	72.116	61.490
Due to related parties (Note 3)	3.549	1.710
Accrued expenses	8.217	6.753
Less: Unincurred finance cost	(417)	(404)
	83.465	**69.549**

The effective weighted average interest rate on TL denominated payables is 10,93% p.a. as of 31 December 2015 (2014: 9,36% p.a.). Short term payables have a weighted average maturity of one month (2014: one month).

NOTE 5 - OTHER RECEIVABLE AND PAYABLES

a) Short-term other receivables:

	31 December 2015	31 December 2014
Advances given for business purposes	160	247
Deposit and guarantees given	139	131
Other	70	164
	369	**542**

b) Long-term other receivables:

Deposit and guarantees given	151	71
	151	**71**

c) Other payables:

Deposits received	41.978	29.271
	41.978	**29.271**

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

NOTE 6 - INVENTORIES

	31 December 2015	**31 December 2014**
Raw material	19.093	13.985
Work in progress	14.230	10.827
Finished good	9.566	9.484
Other	4.785	3.565
	47.674	**37.861**

At 31 December 2015, other inventories are mainly composed of spare parts amounting to TL 3.856 (2014: TL 3.143).

At 31 December 2015, finished goods amounting to TL 9.653 (2014: TL 9.549) are stated at their net realizable values by recording an obsolescence provision amounting to TL 87 (2014: TL 65) while the other inventory items are valued at their costs.

Cost of materials recognized as expense and included in cost of sales amounts to TL 191.473 (2014: TL 170.261) (Note 17).

NOTE 7 - INVESTMENT PROPERTIES

	1 January 2015	**Additions**	**Disposals**	**Transfers**	**31 December 2015**
Buildings and land improvements:					
Cost	3.297	-	-	-	3.297
Accumulated depreciation	(1.593)	(108)	-	-	(1.701)
Net book value	**1.704**				**1.596**

	1 January 2014	**Additions**	**Disposals**	**Transfers**	**31 December 2014**
Buildings and land improvements:					
Cost	3.297	-	-	-	3.297
Accumulated depreciation	(1.483)	(110)	-	-	(1.593)
Net book value	**1.814**				**1.704**

Total rental income from the investment properties in 2015 amounts to TL 144 (2014: TL 50) (Note 20). There are no operating expenses arising from the investment property.

The fair value of the Group's investment properties as at 31 December 2015 and 2014 have been arrived at on the basis of valuations carried out on 31 December 2013 for the commercial property unit located in İzmir and 31 July 2013 for the commercial property unit located in Ankara by Çelen Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş. ("Çelen"), independent valuers not related to the Group. Çelen has the appropriate qualifications from CMB and has recent experience in the valuation of properties in the relevant locations. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties and cost approach regarding building and land improvements. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique during the year.

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

NOTE 7 - INVESTMENT PROPERTIES (Continued)

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2015 are as follows:

		Fair values as at 31 December 2015		
	31 December 2015	Level 1 TL	Level 2 TL	Level 3 TL
Commercial property unit located in Ankara	3.805	-	3.805	-
Commercial property unit located in İzmir	1.677	-	1.677	-

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

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

	1 January 2015 Opening	**Additions**	**Disposals**	**Transfers(*)**	**31 December 2015 Closing**
Cost:					
Land	1.701	-	-	-	1.701
Buildings and land improvements	82.142	1.116	(3)	4.386	87.641
Machinery and equipment	322.816	1.860	(75)	34.254	358.855
Furniture and fixtures and returnable bottles and crates	233.921	62.457	(27.848)	9.987	278.517
Motor vehicles	4.401	1.011	(69)	-	5.343
Construction in progress	24.001	35.909	(24)	(50.263)	9.623
	668.982	**102.353**	**(28.019)**	**(1.636)**	**741.680**
Accumulated depreciation:					
Buildings and land improvements	(56.857)	(2.402)	-	-	(59.259)
Machinery and equipment	(258.663)	(9.083)	75	-	(267.671)
Furniture and fixtures and returnable bottles and crates	(131.131)	(44.838)	24.869	-	(151.100)
Motor vehicles	(2.372)	(560)	48	-	(2.884)
	(449.023)	**(56.883)**	**24.992**	**-**	**(480.914)**
Net book value	**219.959**				**260.766**

(*) Note 9.

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

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT (Continued)

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

	1 January 2014 Opening	**Additions**	**Disposals**	**Transfers(*)**	**31 December 2014 Closing**
Cost:					
Land	1.634	67	-	-	1.701
Buildings and land improvements	77.447	20	(109)	4.784	82.142
Machinery and equipment	297.879	1.003	-	23.934	322.816
Furniture and fixtures and returnable bottles and crates	196.801	58.652	(27.603)	6.071	233.921
Motor vehicles	3.494	921	(14)	-	4.401
Construction in progress	24.653	34.516	-	(35.168)	24.001
	601.908	**95.179**	**(27.726)**	**(379)**	**668.982**
Accumulated depreciation:					
Buildings and land improvements	(54.627)	(2.236)	6	-	(56.857)
Machinery and equipment	(251.181)	(7.482)	-	-	(258.663)
Furniture and fixtures and returnable bottles and crates	(125.879)	(32.671)	27.419	-	(131.131)
Motor vehicles	(1.901)	(481)	10	-	(2.372)
	(433.588)	**(42.870)**	**27.435**	**-**	**(449.023)**
Net book value	**168.320**				**219.959**

(*) Note 9.

Current year depreciation and amortisation expenses of TL 39.621 (2014: TL 30.229) have been charged to cost of production (Note 17), TL 16.452 (2014: TL 12.044) to marketing, selling and distribution costs (Note 18) and TL 2.168 (2014: TL 1.004) to general administrative expenses (Note 18).

Net book value of returnable bottles and crates classified under "Furniture and fixtures and returnable bottles and crates" amounts to TL 75.207 (2014: TL 56.078) at 31 December 2015.

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

NOTE 9 - INTANGIBLE ASSETS

The movements of intangible assets and related accumulated amortisation for the years ended 31 December were as follows:

	1 January 2015	Additions	Disposals	Transfers (*)	31 December 2015
Rights	11.853	2.740	-	1.636	16.229
Accumulated amortisation	(10.181)	(1.250)	-	-	(11.431)
Net book value	**1.672**				**4.798**

	1 January 2014	Additions	Disposals	Transfers (*)	31 December 2014
Rights	10.215	1.259	-	379	11.853
Accumulated amortisation	(9.884)	(297)	-	-	(10.181)
Net book value	**331**				**1.672**

(*) Note 8.

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

NOTE 10 - PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

a) Other short-term provisions:

	31 December 2015	31 December 2014
Provision for excise duty (*)	29.219	27.660
Provision for sales discounts	23.165	16.168
Provision for legal cases fee	845	862
Other	3.078	2.817
	56.307	**47.507**

(*) The Group management has allocated a provision of TL 29.219 (2014: TL 27.660) (for the principal of excise tax and its overdue charge) for the difference between the excise tax published in the Official Gazette dated 26 August 2005 and in the list no. 3 attached to the Excise Tax Act published in the Official Gazette dated 31 December 2004.

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

NOTE 10 - PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES (Continued)

Movements of provision for excise duty in the current year are as follows:

	2015
1 January	**27.660**
Current year charge	1.559
31 December	**29.219**

Provision for legal cases fee is composed of charges accrued for several legal actions calculated over 0,455%. Movements of provision for legal cases fee in the current year were as follows:

	2015
1 January	**862**
Utilised in the current year	(17)
31 December	**845**

b) Contingent assets and liabilities:

On the tax inspection reports related to the financial periods of 2008, 2009, 2010 and 2011, it was claimed in 2013, 2014 and 2015 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 7.4 million for VAT and TL 11.2 million tax fine amounting to a total of TL 18.6 million. On the other hand, in relation to the lawsuit for the periods of 2008 and 2009 which amounts to tax principal of TL 3.9 million and tax fine of 5.8 million, a favorable decision by the tax court has been formally notified on 3 February 2016 while the lawsuits of the remaining periods are still pending. Considering the fact that the tax court has decided in the favor of the Company as a court of the first degree, 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 consolidated financial statements has not arisen. The Company is following the legal processes against such tax assessment and the legal process is continuing as of the date of the approval of the Group's consolidated financial statements.

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

NOTE 10 - PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES (Continued)

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 September 2004, December 2004, May 2005, September 2005, and January 2006. 35 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 December 2015, the total value of legal actions is amounted to TL 7.900 (2014: TL 40.388) in relation to those legal actions not finalized yet.

As at 31 December 2015, the Group has letters of guarantee given amounting to TL 7.746 (2014: TL 7.197). The schedule for guarantee, pledge, mortgage and bails (GPM) given by the Group is as follows:

	31 December 2015	31 December 2014
A. Total value of GPM provided in favour of the Company itself	7.746	7.197
i. TL	7.746	7.197
B. Total value of GPM provided in favour of the subsidiary	119.537	90.767
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	-	-
	127.283	**97.964**

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

NOTE 11 - COMMITMENTS

Commitments related to operational leasings as of 31 December 2015 and 2014 are indicated below:

	31 December 2015			
	1 year		1- 5 years	
Foreign currency	Original currency (thousands)	TL equivalent	Original currency (thousands)	TL equivalent
Euro	1.600	5.084	1.076	3.419
USD	58	169	-	-
TL	-	2.796	-	1.379
		8.049		**4.798**

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

NOTE 11 - COMMITMENTS (Continued)

	31 December 2014			
	1 year		1- 5 years	
Foreign currency	**Original currency (thousands)**	**TL equivalent**	**Original currency (thousands)**	**TL equivalent**
Euro	1.678	4.733	1.569	4.426
USD	208	482	53	123
TL	-	764	-	1.823
		5.979		**6.372**

TL 7.859 (2014: TL 6.913) has been recognized as a current year rent expense in the consolidated statement of profit or loss.

NOTE 12 - EMPLOYEE BENEFITS

a) Short term provision for employee benefits:

	31 December 2015	31 December 2014
Vacation pay obligation and other provisions	21.066	16.616
	21.066	**16.616**

Movements of vacation pay obligation and other provisions in the current year are as follows:

	2015
1 January	**16.616**
Payment in the current year	(10.050)
Current year charge	14.500
31 December	**21.066**

b) Long term provision for employee benefits:

	31 December 2015	31 December 2014
Provision for employment termination benefit	12.418	7.647
	12.418	**7.647**

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service and reaches the retirement age (58 for women and 60 for men).

The amount payable consists of one month's salary limited to a maximum of TL 3,828.37 for each period of service at 31 December 2015 (31 December 2014: TL 3,438.22).

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 Employee Benefits stipulates the development of company's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

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

NOTE 12 - PROVISION FOR EMPLOYEE BENEFITS (Continued)

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at 31 December 2015, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated with the assumption of 4,50% real discount rate (31 December 2014: 3,33%) calculated by using 6% annual inflation rate and 10,77% discount rate.

Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration as 4,30% for employees with 0-15 years of service (2014: 3,80%), and 0% for those with 16 or more years of service. As the maximum liability is revised semiannually, the maximum amount of TL 4.092,53 effective from 1 January 2016 has been taken into consideration in calculation of provision from employment termination benefits (1 January 2015: TL 3.541,37).

Movements of the provision for employment benefits were as follows:

	2015	**2014**
1 January	**7.647**	**7.460**
Service cost	3.441	1.088
Interest cost	255	249
Actuarial loss/ (gain)	2.093	(150)
Paid during the year	(1.018)	(1.000)
31 December	**12.418**	**7.647**

The total of service cost and interest cost for the year is amounted to TL 3.696 (2014: TL 1.337). TL 340 (2014: TL 177) has been charged to general administrative expenses (Note 18), TL 1.082 (2014: TL 502) has been charged to cost of production and TL 2.274 (2014: TL 658) has been charged to marketing, selling and distribution expenses, respectively.

NOTE 13 - EXPENSES BY NATURE

	1 January- 31 December 2015	**1 January- 31 December 2014**
Revenue	742.680	586.161
Other income from operating activities	32.555	11.248
Income from investing activities	20.073	12.642
Total revenue	**795.308**	**610.051**
Cost of direct materials and change in stocks	(191.473)	(170.261)
Personnel expenses	(75.746)	(64.939)
Depreciation and amortisation	(58.241)	(43.277)
Marketing expenses	(37.624)	(31.477)
Other production cost	(89.801)	(45.356)
Other expense	(138.705)	(99.040)
Finance expense	(4.839)	(3.944)
Total expense	**(596.429)**	**(458.294)**
Profit before taxes	**198.879**	**151.757**
Tax expense	(41.127)	(31.755)
Net profit for the year	**157.752**	**120.002**

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

NOTE 14 - 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 full TL. The Company's historical authorized registered share capital at 31 December 2015 and 2014 is as follows:

	31 December 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 December 2015 and 2014 were as follows:

	31 December 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**	

There are 32.250.825.300 (2014: 32.250.825.300) units of shares with a face value of full TL 0,01 each at 31 December 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 December 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 December 2015, accumulated losses in consolidated statement of financial position of the Group prepared in accordance with Turkish Accounting Standards amount to TL 246.197 (2014: TL 366.199).

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

NOTE 15 - PREPAID EXPENSES AND DEFERRED INCOME

a) Short-term prepaid expenses:

	31 December 2015	31 December 2014
Prepaid expenses	2.950	2.210
Order advances for inventories	8.413	913
	11.363	**3.123**

Prepaid expenses are mainly composed of prepaid insurance policies.

b) Long-term prepaid expenses:

Order advances for property, plant and equipment	1.213	219
	1.213	**219**

c) Deferred income:

Order advances received from customers	1.136	-
	1.136	**-**

NOTE 16 - OTHER CURRENT LIABILITIES

	31 December 2015	31 December 2014
Taxes and funds payable	168.490	118.541
Other	2.007	1.595
	170.497	**120.136**

NOTE 17 - REVENUE AND COST OF SALES

	1 January- 31 December 2015	1 January- 31 December 2014
Revenue		
Domestic sales- net	669.067	524.303
Export sales- net	73.613	61.858
Total revenue- net	**742.680**	**586.161**
Cost of sales		
Cost of direct materials and change in stocks	(191.473)	(170.261)
Depreciation and amortisation	(39.621)	(30.229)
Labour expense	(14.909)	(12.331)
Other production cost	(89.801)	(45.356)
Total cost of sales	**(335.804)**	**(258.177)**
GROSS PROFIT	**406.876**	**327.984**

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

NOTE 18 - GENERAL ADMINISTRATIVE EXPENSES AND MARKETING, SELLING AND DISTRIBUTION EXPENSES

a) General administrative expenses:

	1 January- 31 December 2015	**1 January- 31 December 2014**
Personnel expenses	18.939	15.905
Outsourced services	6.095	4.374
Depreciation and amortisation	2.168	1.004
Taxes and funds	804	1.058
Employment termination benefits expenses	340	177
Other	8.657	9.153
	37.003	**31.671**

b) Marketing, selling and distribution expenses:

Transportation and distribution costs	45.739	38.131
Personnel expenses	41.898	36.703
Marketing expenses	37.624	31.477
Outsourced services	26.110	21.512
Depreciation and amortisation	16.452	12.044
Other	21.272	14.824
	189.095	**154.691**

NOTE 19 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

a) Other income from operating activities:

	1 January- 31 December 2015	**1 January- 31 December 2014**
Foreign exchange gain	27.185	6.439
Gain on sales of scrap materials	650	669
Indemnity income	477	521
Reversal of provision for doubtful receivables	240	303
Other	4.003	3.316
	32.555	**11.248**

b) Other expense from operating activities:

Foreign exchange loss	(13.743)	(3.967)
Provision for doubtful receivables	(3.324)	(2.728)
Other	(9.425)	(3.080)
	(26.492)	**(9.775)**

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

NOTE 20 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES

a) Income from investing activities:

	1 January-31 December 2015	**1 January-31 December 2014**
Interest income	18.987	10.597
Gain on sales of property, plant and equipment	942	1.995
Rent income	144	50
	20.073	**12.642**

b) Expense from investing activities:

Loss on sales of property, plant and equipment	(3.196)	(36)
	(3.196)	**(36)**

NOTE 21 - FINANCE EXPENSES

	1 January-31 December 2015	**1 January-31 December 2014**
Bank commissions and other changes	(4.839)	(3.944)
	(4.839)	**(3.944)**

NOTE 22 - TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Current income tax liability:

	31 December 2015	**31 December 2014**
Provision for corporate tax expense	42.830	33.118
Less: Prepaid taxes	(30.841)	(20.125)
Current income tax liability	**11.989**	**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 consolidated financial statements, have been calculated on a separate-entity basis.

Corporation tax is payable at a rate of 20% (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% (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.

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

NOTE 22 - 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% (2014: 15%). An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Taxation on income for the year ended 31 December 2015 and 2014 is as follows:

	1 January- 31 December 2015	**1 January - 31 December 2014**
Current tax expense	(42.830)	(33.118)
Deferred tax income	1.703	1.363
	(41.127)	**(31.755)**

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

	1 January- 31 December 2015	**1 January - 31 December 2014**
Income before tax	**198.879**	**151.757**
Tax calculated at tax rates applicable	(39.776)	(30.351)
Expenses not deductible for tax purposes	(2.936)	(2.190)
Exemptions	355	193
Other adjustments not subject to tax	1.230	593
Tax expense	**(41.127)**	**(31.755)**

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

NOTE 22 - TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Continued)

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% (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 December 2015 and 2014, using enacted tax rates at the statement of financial position dates, was as follows:

	31 December 2015		31 December 2014	
	Cumulative temporary differences	**Deferred tax (liability)/ asset**	**Cumulative temporary differences**	**Deferred tax (liability)/ asset**
Property, plant and equipment and intangible fixed assets	23.045	(4.654)	13.746	(2.793)
Inventory	(1.300)	260	(976)	195
Provision for employment termination benefits	(12.418)	2.509	(7.647)	1.560
Provision for unused vacation and other provisions	(21.066)	4.212	(16.616)	3.323
Provision for impairment of financial invesments	(3.463)	693	(3.463)	693
Provision for doubtful receivables	(12.562)	2.513	(10.422)	2.084
Other	(27.985)	5.600	(19.737)	3.949
		11.133		**9.011**

Movement of deferred tax assets for years ended 31 December 2015 and 2014 are as follows:

	2015	**2014**
1 January	**9.011**	**7.678**
Charged to income	1.703	1.363
Charged to equity	419	(30)
31 December	**11.133**	**9.011**

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

NOTE 23 - EARNINGS PER SHARE

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

		1 January- 31 December 2015	1 January - 31 December 2014
Net profit for the year	A	157.752	120.002
Weighted number of ordinary shares	B	32.250.825.300	32.250.825.300
Gain per share with a full TL 0,01 face value	A/B	**0,49**	**0,37**

There are no differences between basic and diluted gain per share for the years ended 31 December.

NOTE 24 - FINANCIAL INVESTMENTS

Available-for-sale investments:

	31 December 2015		31 December 2014	
	Amount	**Share (%)**	**Amount**	**Share (%)**
Çamlı Yem Besicilik Sanayi ve Tic. A.Ş.	167	0,19	167	0,19
Desa Enerji	-	4,04	-	4,04
Bintur Turizm ve Catering Hizmetleri Tic. A.Ş.	-	4,66	-	4,66
	167		**167**	

Available-for-sale investments of the Group are stated at their costs less impairment losses amounted to TL 3.889 (2014: TL 3.889) since they are not traded in active markets and their fair values could not be calculated reliably.

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Credit risk:

Ownership of financial assets brings about the risk of the other party's failure to perform the obligation of the contract. The Group management covers such risks by restricting the average risk for the other party in each deal and receiving guarantees if and when necessary. The Group does business through a dealers system to a great extent in the country. The Group reduces its collection risk with letters of guarantee, mortgages, a direct debit system and collections via credit cards which it received from its customers and controls the purchase orders of its customers by comparing such guarantees received from customers with its receivables. Considering the past experience in the collection of the trade receivables of the Group, one can see that the provisions allocated are within the anticipated limits. Therefore, the Group management does not anticipate any additional risks related with the Group's trade receivables.

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

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Group's credit risk analysis as of 31 December 2015 and 2014 are as follows:

31 December 2015:

	Receivables						
	Trade Receivables (1)		**Other Receivables**				
	Related Parties	**Other Parties**	**Related Parties**	**Other Parties**	**Bank Deposits**	**Financial Investments**	**Total**
Maximum amount of credit risk exposed as of reporting date (A+B+C+D+E) (2)	**220**	**255.986**	**-**	**369**	**312.859**	**167**	**569.601**
- The part of maximum credit risk covered with guarantees etc	-	174.355	-	-	-	-	174.355
A. Net book value of financial assets not past due and not impaired (3)	220	248.812	-	369	312.859	-	562.260
B. Net book value of financial assets whose conditions are renegotiated, otherwise will be classified as past due or impaired (3)	-	-	-	-	-	-	-
C. Net book value of assets past due but not impaired (3)	-	7.174	-	-	-	-	7.174
- The part covered by guarantees etc.	-	3.093	-	-	-	-	3.093
D. Net book value of assets impaired	-	-	-	-	-	167	167
- Past due (gross book value)	-	24.147	-	-	-	-	24.147
- Impairment (-)	-	(24.147)	-	-	-	-	(24.147)
- The part of net value covered with guarantees etc.	-	-	-	-	-	-	-
- Not due (gross book value)	-	5.191	-	-	-	4.056	9.247
- Impairment (-)	-	(5.191)	-	-	-	(3.889)	(9.080)
- The part of net value covered with guarantees etc	-	-	-	-	-	-	-
E. Off balance items exposed to credit risk	-	-	-	-	-	-	-

(1) Trade receivables of the Group are mainly resulted from sales of beer and malt.
(2) Factors increasing credit reliability such as guarantees received are not taken into consideration while determination of aforementioned amounts.
(3) Considering the past experiences, the Group management believes that there are no additional credit risk for the collection of these receivables.

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

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

31 December 2014:

	Receivables						
	Trade Receivables (1)		**Other Receivables**				
	Related Parties	**Other Parties**	**Related Parties**	**Other Parties**	**Bank Deposits**	**Financial Investments**	**Total**
Maximum amount of credit risk exposed as of reporting date (A+B+C+D+E) (2)	**79**	**198.472**	**-**	**542**	**183.280**	**167**	**382.540**
- The part of maximum credit risk covered with guarantees etc	-	136.929	-	-	-	-	136.929
A. Net book value of financial assets not past due and not impaired (3)	79	192.005	-	542	183.280	-	375.906
B. Net book value of financial assets whose conditions are renegotiated, otherwise will be classified as past due or impaired (3)	-	-	-	-	-	-	-
C. Net book value of assets past due but not impaired (3)	-	6.467	-	-	-	-	6.467
- The part covered by guarantees etc.	-	3.639	-	-	-	-	3.639
D. Net book value of assets impaired	-	-	-	-	-	167	167
- Past due (gross book value)	-	23.216	-	-	-	-	23.216
- Impairment (-)	-	(23.216)	-	-	-	-	(23.216)
- The part of net value covered with guarantees etc.	-	-	-	-	-	-	-
- Not due (gross book value)	-	3.038	-	-	-	4.056	7.094
- Impairment (-)	-	(3.038)	-	-	-	(3.889)	(6.927)
- The part of net value covered with guarantees etc	-	-	-	-	-	-	-
E. Off balance items exposed to credit risk	-	-	-	-	-	-	-

(1) Trade receivables of the Group are mainly resulted from sales of beer and malt.
(2) Factors increasing credit reliability such as guarantees received are not taken into consideration while determination of aforementioned amounts.
(3) Considering the past experiences, the Group management believes that there are no additional credit risk for the collection of these receivables.

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

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The aging analysis of overdue financial assets as of 31 December 2015 and 2014 is as follows:

31 December 2015:

	Trade Receivables		
	Related Parties	**Other Parties**	**Total**
1-30 days overdue	-	4.866	4.866
1-3 months overdue	-	1.754	1.754
3-12 months overdue	-	554	554
1-5 years overdue	-	-	-
		7.174	7.174
The part covered by guarantees	-	(3.093)	(3.093)
- Bank letters of guarantee	-	(2.799)	(2.799)
- Mortgage	-	(294)	(294)
	-	**4.081**	**4.081**

31 December 2014:

	Trade Receivables		
	Related Parties	**Other Parties**	**Total**
1-30 days overdue	-	3.967	3.967
1-3 months overdue	-	1.375	1.375
3-12 months overdue	-	1.125	1.125
1-5 years overdue	-	-	-
		6.467	6.467
The part covered by guarantees	-	(3.639)	(3.639)
- Bank letters of guarantee	-	(2.957)	(2.957)
- Mortgage	-	(682)	(682)
	-	**2.828**	**2.828**

b) Liquidity risk:

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk is managed by obtaining sufficient financing facilities from various financial institutions to be able to fund the present and future potential borrowing requirement. Liquidity risk represents the Group's risk of failure to cover its financial liabilities when they are due. The Group's liquidity management approach is to have sufficient liquidity in each and every term and to cover any liabilities both under normal and hard conditions when they are due without causing any unacceptable loss nor damaging the reputation of the Group in the market.

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

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	31 December 2015				
	Book value	**Total cash outflows per agreement (I+II+III)**	**Less than 3 months (I)**	**3- 12 months (II)**	**1- 5 years (III)**
Contractual terms:					
Non-derivative financial liabilities:					
Trade payables	83.465	83.882	83.882	-	-
	83.465	**83.882**	**83.882**	**-**	**-**

	31 December 2014				
	Book value	**Total cash outflows per agreement (I+II+III)**	**Less than 3 months (I)**	**3- 12 months (II)**	**1- 5 years (III)**
Contractual terms:					
Non-derivative financial liabilities:					
Trade payables	69.549	69.953	69.953	-	-
	69.549	**69.953**	**69.953**	**-**	**-**

The Group does not have any derivative financial instruments as at 31 December 2015 (2014: None).

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

c) Market risk:

i) Interest risk

As the Group had no financial instruments subject to interest rate risk as of 31 December 2015, the Group is not subject to significant exposure from fluctuations in interest rates.

ii) Price risk

The Group's profitability and cash flows generated from operating activities depend in part on changes in the prices of raw materials. These relevant prices are followed closely by the Group and monitored by the Board of Directors in order to reduce pricing pressure and to take necessary precautions to mitigate cost fluctuations.

iii) Foreign exchange risk

The Group is exposed to foreign exchange risk through the impact of rate changes on translation into TL of foreign currency denominated assets and liabilities. These risks are discussed at the meetings of Board of Directors, and closely monitored by analysis of the foreign currency position.

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

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Foreign Currency Position Schedule

	31 December 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	2.557	841	35	-	2.860	1.193	33	-
2a. Monetary Financial Assets (Including Cash, Bank accounts)	117.611	40.443	4	6	58.642	25.287	1	1
2b. Non-Monetary Financial Assets	8.388	3	2.637	-	872	4	164	400
3. Other	-	-	-	-	-	-	-	-
4. Current Assets (1+2+3)	**128.556**	**41.287**	**2.676**	**6**	**62.374**	**26.484**	**198**	**401**
5. Trade Receivables	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-
6b. Non-Monetary Financial Assets	1.198	-	362	48	209	-	74	-
7. Other	-	-	-	-	-	-	-	-
8. Non-Current Assets (5+6+7)	**1.198**	**-**	**362**	**48**	**209**	**-**	**74**	**-**
9. Total Assets (4+8)	**129.754**	**41.287**	**3.038**	**54**	**62.583**	**26.484**	**272**	**401**
10. Trade Payables	(12.419)	(882)	(3.059)	(134)	(4.970)	(811)	(1.087)	(23)
11. Financial Liabilities	-	-	-	-	-	-	-	-
12a. Monetary Other Liabilities	-	-	-	-	-	-	-	-
12b. Non-Monetary Other Liabilities	(1.125)	(387)	-	-	-	-	-	-
13. Short Term Liabilities (10+11+12)	**(13.544)**	**(1.269)**	**(3.059)**	**(134)**	**(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)	**(13.544)**	**(1.269)**	**(3.059)**	**(134)**	**(4.970)**	**(811)**	**(1.087)**	**(23)**
19. Net Asset/(Liability) Position of Off-Statement of Financial Position Derivative Instruments (19a-19b)	-	-	-	-	-	-	-	-
19a. Net Asset/(Liability) Position of Off- Statement of Financial Position Derivative Instruments	-	-	-	-	-	-	-	-
19b. Amount of Liability Nature Off- Statement of Financial Position Derivative Instruments	-	-	-	-	-	-	-	-
20. Net Foreign Asset/(Liability) Position (9+18+19)	**116.210**	**40.018**	**(21)**	**(80)**	**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)	**107.749**	**40.402**	**(3.020)**	**(128)**	**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	-	-	-	-	-	-	-	-

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

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

31 December 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	11.747	(11.747)
2- The part of USD risk hedged (-)	-	-
3- USD effect- net (1+2)	**11.747**	**(11.747)**
Change of Euro by 10% against TL:		
4- Asset/Liability denominated in Euro- net	(960)	960
5- The part of EUR risk hedged (-)	-	-
6- Euro effect- net (4+5)	**(960)**	**960**
Change of other currencies by 10% against TL:		
7- Asset/Liability denominated in other currencies- net	(13)	13
8- The part of other currency risk hedged (-)	-	-
9- Other currency effect- net (7+8)	**(13)**	**13**
TOTAL (3+6+9)	**10.774**	**(10.774)**

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)**

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

NOTE 25 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

d) Capital risk management:

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as the total liability less cash and cash equivalents.

	31 December 2015	**31 December 2014**
Total liabilities	398.856	303.719
Less: Cash and cash equivalents	(312.923)	(184.264)
Net debt	85.933	119.455
Total equity	509.503	353.425
Debt/ equity ratio	**17%**	**34%**

NOTE 26 - FINANCIAL INSTRUMENTS

Classes of financial instruments and their fair values:

31 December 2015:

	Loans and receivables	Financial liabilities at amortised cost	Book value	Note
Financial assets				
Cash and cash equivalents	312.923	-	312.923	27
Trade receivables	256.206	-	256.206	4
Financial liabilities				
Trade payables	-	83.465	83.465	4

31 December 2014:

	Loans and receivables	Financial liabilities at amortised cost	Book value	Note
Financial assets				
Cash and cash equivalents	184.264	-	184.264	27
Trade receivables	198.551	-	198.551	4
Financial liabilities				
Trade payables	-	69.549	69.549	4

The Group management believes that the book values of financial instruments reflect their correponding fair values.

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

NOTE 27 - DISCLOSURES RELATED TO STATEMENT OF CASH FLOWS

	31 December 2015	**31 December 2014**
Banks	312.859	183.280
- TL denominated time deposits	190.252	120.757
- USD denominated time deposits	117.408	58.628
- TL denominated demand deposits	5.016	3.895
- USD denominated demand deposits	183	-
Cash in hand	64	984
	312.923	**184.264**

TL denominated time deposits of TL 190.252 (2014: TL 120.757) at 31 December 2015 has an interest rate of 13,38% p.a. (2014: 10,84% p.a.) and its maturity is on 19 January 2016 (2014: 20 January 2015) whereas USD denominated time deposits of USD 40.380 thousands (2014: USD 25.283 thousands) at 31 December 2015 has an interest rate of 0,4% p.a. (2014: 2.0% p.a.) and its maturity is on 12 January 2016 (2014: 20 January 2015).

NOTE 28 - SUBSEQUENT EVENTS

None.

…………………………………