

**CONVENIENCE TRANSLATION OF THE REVIEW REPORT
AND CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

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

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2014

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

		<i>Current Period Unaudited 30 September 2014</i>	<i>Prior Period Audited 31 December 2013</i>
	Notes		
ASSETS			
Current assets		416.911	278.022
Cash and cash equivalents		136.518	53.751
Financial investments		167	167
Trade receivables	4	224.189	168.544
Other receivables		509	535
Inventories		46.340	48.937
Prepaid expenses		9.188	6.088
Non-current assets		211.375	178.817
Other receivables		70	65
Investment properties	5	1.755	1.814
Property, plant and equipment	6	196.106	168.320
Intangible assets	7	420	331
Deferred tax assets		9.286	7.678
Prepaid expenses		3.738	609
TOTAL ASSETS		628.286	456.839

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

TÜRK TUBORG BİRA VE MALT SANAYİİ A.Ş. AND ITS SUBSIDIARY**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2014***(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)*

		<i>Current Period Unaudited 30 September 2014</i>	<i>Prior Period Audited 31 December 2013</i>
	Notes		
LIABILITIES			
Current liabilities		297.313	216.076
Trade payables	4	59.414	50.657
- Due to related parties	3	1.224	1.189
- Other trade payables		58.190	49.468
Other payables		26.235	22.752
Deferred income		5.011	3.579
Current income tax liability		14.781	6.033
Short term provisions		59.131	50.629
- Provision for employee benefits		9.111	12.699
- Other short term provisions	8	50.020	37.930
Other current liabilities		132.741	82.426
Non-current liabilities		7.534	7.460
Long term provisions		7.534	7.460
- Provision for employee benefits		7.534	7.460
TOTAL LIABILITIES		304.847	223.536
EQUITY		323.439	233.303
Equity attributable to equity holders of the Group		323.439	233.303
Share capital	9	322.508	322.508
Adjustment to share capital	9	277.613	277.613
Share premium	9	154	154
Items that will not be reclassified to profit or loss		(834)	(773)
- Revaluation of defined employee benefit plans		(834)	(773)
Accumulated losses	9	(366.199)	(449.720)
Net profit for the period		90.197	83.521
TOTAL EQUITY AND LIABILITIES		628.286	456.839

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

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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY- 30 SEPTEMBER 2014

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

Notes	<i>Unaudited Current Period 1 January- 30 September 2014</i>	<i>Unaudited Current Period 1 July- 30 September 2014</i>	<i>Restated (*) Unaudited Prior Period 1 January- 30 September 2013</i>	<i>Restated (*) Unaudited Prior Period 1 July- 30 September 2013</i>
Statement of Profit or Loss				
Revenue	421.715	150.996	332.491	118.612
Cost of sales	(186.075)	(64.033)	(145.382)	(49.736)
GROSS PROFIT	235.640	86.963	187.109	68.876
General administrative expenses	(21.469)	(6.249)	(16.097)	(5.162)
Marketing, selling and distribution expenses	(107.386)	(37.716)	(85.119)	(25.481)
Other income from operating activities	6.876	2.697	3.451	1.555
Other expense from operating activities	(6.081)	(1.514)	(4.875)	(2.102)
OPERATING PROFIT	107.580	44.181	84.469	37.686
Income from investing activities	8.413	3.596	3.801	2.035
Expense from investing activities	(36)	(36)	(604)	(70)
OPERATING PROFIT BEFORE FINANCIAL EXPENSES	115.957	47.741	87.666	39.651
Financial expenses	(2.585)	(947)	(2.046)	(293)
PROFIT BEFORE TAXES	113.372	46.794	85.620	39.358
Taxes on income	(23.175)	(9.333)	(15.366)	(6.723)
- Corporate tax expense	(24.768)	(10.112)	(11.510)	(7.146)
- Deferred tax income/ (expense)	1.593	779	(3.856)	423
NET PROFIT FOR THE PERIOD	90.197	37.461	70.254	32.635
Allocation of net profit for the period:				
Non-controlling interests	-	-	-	-
Equity holders of the Group	90.197	37.461	70.254	32.635
	90.197	37.461	70.254	32.635
Earnings per share for net profit attributable to the equity holders of the parent company (full Kr)	10	0,28	0,12	0,22
Other comprehensive income:				
Items that will not be reclassified to profit or loss	(61)	(19)	(216)	(72)
- Revaluation of defined employee benefit plans	(76)	(24)	(216)	(72)
- Effect of taxation	15	5	-	-
TOTAL COMPREHENSIVE INCOME	90.136	37.442	70.038	32.563
Allocation of comprehensive income:				
Non-controlling interests	-	-	-	-
Equity holders of the Group	90.136	37.442	70.038	32.563
	90.136	37.442	70.038	32.563

(*) Note 2.1.e

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

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY- 30 SEPTEMBER 2014**

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

Unaudited:

	Share Capital	Adjustment to Share Capital	Share Premium	<i>Items That Will Not Be Reclassified To Profit or Loss</i>		Net Profit for the Period	Total Equity
				Other Loss	Accumulated Losses		
1 January 2014	322.508	277.613	154	(773)	(449.720)	83.521	233.303
Transfer	-	-	-	-	83.521	(83.521)	-
Total comprehensive income	-	-	-	(61)	-	90.197	90.136
30 September 2014	322.508	277.613	154	(834)	(366.199)	90.197	323.439

	Share Capital	Adjustment to Share Capital	Share Premium	<i>Items That Will Not Be Reclassified To Profit or Loss</i>		Net Profit for the Period	Total Equity
				Other Loss	Accumulated Losses		
1 January 2013	322.508	277.613	154	(781)	(490.986)	41.266	149.774
Transfer	-	-	-	-	41.266	(41.266)	-
Total comprehensive income	-	-	-	(216)	-	70.254	70.038
30 September 2013	322.508	277.613	154	(997)	(449.720)	70.254	219.812

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

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JANUARY- 30 SEPTEMBER 2014**

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

	<i>Notes</i>	<i>Unaudited Current Period 1 January- 30 September 2014</i>	<i>Unaudited Prior Period 1 January- 30 September 2013</i>
Cash flows provided from operating activities:			
Net profit for the period		90.197	70.254
Adjustments to reconcile net profit for the period:			
Depreciation and amortisation expenses	5-6-7	30.997	24.507
Interest expense		-	65
Interest income		(7.087)	(2.297)
Tax expense		23.175	15.366
Discount of trade receivables and trade payables (net)		444	378
Provision for doubtful receivables	4	1.988	1.702
Reversal of provision for doubtful receivables	4	(261)	(161)
Provision for employment termination benefits		992	1.335
Unused vacation pay obligation and other provisions		4.012	1.432
Gain on sales of property, plant and equipment (net)		(1.245)	(152)
Provision for excise duty	8	1.165	1.165
Provision for impairment of inventories (net)		7	(3)
Other provisions and accruals		10.935	3.129
		155.319	116.720
Changes in working capital:			
Increase in trade receivables		(57.838)	(57.729)
Decrease/ (increase) in inventory		2.590	(6.953)
(Increase)/ decrease in other receivables and prepaid expenses		(5.961)	3.745
Increase/ (decrease) in trade payables		8.779	(549)
Increase in other payables, deferred income and other current liabilities		55.230	23.930
Cash flow from operating activities:			
Unused vacation obligation and other provisions paid		(7.600)	(3.960)
Employment termination benefits paid		(994)	(506)
Legal case and legal case fee provisions paid		(10)	-
Prepaid taxes		(16.020)	(4.612)
Net cash generated from operating activities		133.495	70.086
Cash flow from investing activities:			
Purchases of property, plant and equipment and intangible assets	6-7	(59.302)	(63.144)
Proceeds from sales of property, plant and equipment		1.734	1.597
Interest received		6.840	2.289
Net cash used in investing activities		(50.728)	(59.258)
Cash flow from financing activities:			
Proceeds from bank loans		-	111.106
Repayment of bank loans		-	(90.943)
Interest paid		-	(65)
Net cash generated from financing activities		-	20.098
Increase in cash and cash equivalents		82.767	30.926
Cash and cash equivalents at the beginning of the period		53.751	15.233
Cash and cash equivalents at the end of the period		136.518	46.159

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(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 30 September 2014, the shares traded on BIST are 4,31% (31 December 2013: 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 9).

The average number of employees in the Company and Tuborg Pazarlama A.Ş., its subsidiary, (“Group”) as at 30 September 2014 is 685 (31 December 2013: 630).

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 it produces to its subsidiary, Tuborg Pazarlama A.Ş. (“Tuborg Pazarlama” or “Subsidiary”), in which it holds a share of 99,99% (31 December 2013: 99,99%). Accordingly, Tuborg Pazarlama performs sales and distribution of such products in the domestic market.

Approval of the condensed consolidated financial statements for issue:

The condensed consolidated financial statements of the Group were approved by the Board of Directors of Türk Tuborg Bira ve Malt Sanayii A.Ş. for issue on 10 November 2014. The General Assembly of the Company and/or governmental authorities are entitled to modify condensed the consolidated financial statements as enclosed herein.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

a) Statement of compliance

The Company and its Turkish subsidiary maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code ("TCC") and tax legislation.

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 ("KGK") under Article 5 of the Communiqué. In addition, consolidated financial statements and its notes are also presented in accordance with the model requirements as announced by the CMB's statement issued on 7 June 2013.

The Group has prepared its condensed consolidated financial statements ended 30 September 2014 in accordance with "Interim Financial Reporting Standard" (TAS 34).

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 condensed consolidated financial statements are presented in TL, which is the parent Company's functional and presentation currency.

c) Adjustment of financial statements in hyperinflationary economies

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

d) Basis of consolidation

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

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

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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

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

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 details of the Company's subsidiary as at 30 September 2014 and 31 December 2013 are as follows:

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

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

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

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

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

e) Comparatives and restatement of prior year consolidated financial statements

In the current period, the Group has made the following reclassification to the prior period condensed statement of profit or loss and other comprehensive income in order to comply with the formats announced by the CMB on 7 June 2013. The nature and amount of the classification is explained below:

- "Interest income" amounting to TL 2.297 in 30 September 2013 that was originally presented under "Financial Income" in prior period condensed consolidated financial statement, have been reclassified under "Income From Investing Activities" in the current period.

2.2 New and Revised Turkish Accounting Standards

2.2.1 New and Revised TASs affecting presentation and disclosure only

None.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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

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

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

None.

2.2.3 New and Revised TASs applied in 2014 with no material effect on the condensed consolidated financial statements

Amendments to IFRS 10, 11, IAS 27	<i>Investment Entities¹</i>
Amendments to IAS 32	<i>Offsetting Financial Assets and Financial Liabilities¹</i>
Amendments to IAS 36	<i>Recoverable Amount Disclosures for Non-Financial Assets¹</i>
Amendments to IAS 39	<i>Novation of Derivatives and Continuation of Hedge Accounting¹</i>
IFRIC 21	<i>Levies¹</i>

¹ Effective for annual periods beginning on or after 1 January 2014.

2.2.4 New and Revised TFRSs in issue but not yet effective

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

IFRS 9	<i>Financial Instruments</i>
Amendments to IFRS 9 and IFRS 7	<i>Mandatory Effective Date of IFRS 9 and Transition Disclosures</i>
Amendments to IAS 19	<i>Defined Benefit Plans: Employee Contributions¹</i>
Annual Improvements to 2010-2012 Cycle	<i>IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16 and IAS 38, IAS 24¹</i>
Annual Improvements to 2011-2013 Cycle	<i>IFRS 1, IFRS 3, IFRS 13, IAS 40¹</i>
Amendments to IAS 16 and IAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation²</i>

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

² Effective for annual periods beginning on or after 31 December 2015.

2.3 Summary of significant accounting policies

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 1 January - 31 December 2013. The condensed consolidated financial statements for the period between 1 January - 30 September 2014 should be read in conjunction with the annual consolidated financial statements for the year ended 1 January - 31 December 2013.

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

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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

NOTE 3 - RELATED PARTY DISCLOSURES

a) Due from related parties:

None (31 December 2013: None).

b) Due to related parties:

	30 September 2014	31 December 2013
Desa Enerji Elektrik Üretim A.Ş. ("Desa Enerji")	1.224	1.189
	1.224	1.189

c) Product and service sales:

TL 629 (1 January - 30 September 2013: TL 478).

d) Product and service purchases:

	1 January- 30 September 2014	1 July- 30 September 2014	1 January- 30 September 2013	1 July- 30 September 2013
Desa Enerji	7.884	2.815	7.799	2.850
Other	83	30	4.868	1.270
	7.967	2.845	12.667	4.120

The Group purchases electricity and hot water from Desa Enerji.

e) Key management compensation:

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

	1 January- 30 September 2014	1 July- 30 September 2014	1 January- 30 September 2013	1 July- 30 September 2013
Short-term employee benefits	5.482	1.960	4.562	1.713
Post-employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payments	-	-	-	-
Other	305	300	262	9
	5.787	2.260	4.824	1.722

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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

NOTE 4 - TRADE RECEIVABLE AND PAYABLES

a) Short-term trade receivables:

	30 September 2014	31 December 2013
Customer current accounts	182.312	132.610
Notes receivables and customer cheques	40.722	37.886
Credit card receivables	28.545	23.163
	251.579	193.659
Less: Provision for doubtful receivables	(25.556)	(23.829)
Unearned finance income	(1.834)	(1.286)
	224.189	168.544

The effective weighted average interest rate applied to TL denominated receivables is 8,26% p.a. as of 30 September 2014 (31 December 2013: 8,06% p.a.). Trade receivables are all short term with a weighted average maturity of one month (31 December 2013: one month).

Movements in the provision for doubtful receivables are as follows:

	2014	2013
1 January	(23.829)	(21.836)
Reversals	261	161
Charged to the consolidated comprehensive income statement	(1.988)	(1.702)
30 September	(25.556)	(23.377)

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:

	30 September 2014	31 December 2013
Supplier current accounts	52.058	45.353
Due to related parties (Note 3)	1.224	1.189
Accrued expenses	6.455	4.334
Less: Unincurred finance cost	(323)	(219)
	59.414	50.657

The effective weighted average interest rate on TL denominated payables is 8,21% p.a. as of 30 September 2014 (31 December 2013: 7,98% p.a.). Short term payables have a weighted average maturity of one month (31 December 2013: one month).

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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

NOTE 5 - INVESTMENT PROPERTIES

	1 January 2014 Opening	Additions	Disposals	Transfers	30 September 2014 Closing
<u>Buildings and land improvements:</u>					
Cost	3.297	-	-	-	3.297
Accumulated depreciation	(1.483)	(59)	-	-	(1.542)
Net book value	1.814				1.755

	1 January 2013 Opening	Additions	Disposals	Transfers	30 September 2013 Closing
<u>Buildings and land improvements:</u>					
Cost	2.368	-	-	-	2.368
Accumulated depreciation	(833)	(46)	-	-	(879)
Net book value	1.535				1.489

Total rental income from the investment property amounts to TL 44 between 1 January- 30 September 2014 (1 January- 30 September 2013: TL 221). There are no operating expenses arising from the investment property.

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment between 1 January and 30 September 2014 were as follows:

	1 January 2014 Opening	Additions	Disposals	Transfers	30 September 2014 Closing
Cost:					
Land	1.634	67	-	-	1.701
Buildings and land improvements	77.447	20	(109)	2.188	79.546
Machinery and equipment	297.879	711	-	23.408	321.998
Furniture and fixtures and returnable bottles and crates	196.801	44.013	(15.854)	2.742	227.702
Motor vehicles	3.494	921	-	-	4.415
Construction in progress	24.653	13.296	-	(28.338)	9.611
	601.908	59.028	(15.963)	-	644.973
Accumulated depreciation:					
Buildings and land improvements	(54.627)	(1.674)	6	-	(56.295)
Machinery and equipment	(251.181)	(5.499)	-	-	(256.680)
Furniture and fixtures and returnable bottles and crates	(125.879)	(23.223)	15.468	-	(133.634)
Motor vehicles	(1.901)	(357)	-	-	(2.258)
	(433.588)	(30.753)	15.474	-	(448.867)
Net book value	168.320				196.106

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

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements of property, plant and equipment between 1 January and 30 September 2013 were as follows:

	1 January 2013 Opening	Additions	Disposals	Transfers	30 September 2013 Closing
Cost:					
Land	1.762	-	(85)	-	1.677
Buildings and land improvements	77.308	3	-	498	77.809
Machinery and equipment	290.250	270	-	822	291.342
Furniture and fixtures and returnable bottles and crates	162.216	38.064	(9.479)	974	191.775
Motor vehicles	3.163	317	-	-	3.480
Construction in progress	2.687	24.476	(251)	(2.294)	24.618
	537.386	63.130	(9.815)	-	590.701
Accumulated depreciation:					
Buildings and land improvements	(53.028)	(1.635)	-	-	(54.663)
Machinery and equipment	(245.439)	(4.265)	-	-	(249.704)
Furniture and fixtures and returnable bottles and crates	(106.365)	(17.943)	8.369	-	(115.939)
Motor vehicles	(1.641)	(251)	-	-	(1.892)
	(406.473)	(24.094)	8.369	-	(422.198)
Net book value	130.913				168.503

Current year depreciation and amortisation expenses of TL 21.600 (1 January- 30 September 2013: TL 15.638) have been charged to cost of production, TL 8.727 (1 January- 30 September 2013: TL 8.193) to marketing, selling and distribution costs and TL 670 (1 January- 30 September 2013: TL 676) to general administrative expenses.

Net book value of returnable bottles and crates classified under "Furniture and fixtures and returnable bottles and crates" amounts to TL 51.125 at 30 September 2014 (31 December 2013: TL 38.595).

Net book value of financial leased assets:

	Machinery and equipment	Total
30 September 2014	8	8
31 December 2013	31	31

The Group does not have any financial leasing liability as of 30 September 2014 (31 December 2013: None).

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NOTE 7 - INTANGIBLE ASSETS

The movements of intangible assets and related accumulated amortisation for the periods ended 30 September 2014 and 2013 were as follows:

	1 January 2014 Opening	Additions	Disposals	30 September 2014 Closing
Rights	10.215	274	-	10.489
Accumulated amortisation	(9.884)	(185)	-	(10.069)
Net book value	331			420

	1 January 2013 Opening	Additions	Disposals	30 September 2013 Closing
Rights	10.187	14	-	10.201
Accumulated amortisation	(9.444)	(367)	-	(9.811)
Net book value	743			390

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

NOTE 8 - PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

a) Other short-term provisions:

	30 September 2014	31 December 2013
Provision for excise duty (*)	27.266	26.101
Provision for sales discounts	17.117	8.376
Provision for legal cases fee	922	932
Other	4.715	2.521
	50.020	37.930

(*) The Group management has filed for the repeal of the Decrees of Council of Ministers ("DCM") No. 05/9281 and 05/8410 at the Council of State in relation to excise tax. The jurisdiction for all DCMs is still continued at the Office No. 7 of the Council of State. On the other hand, the Group management has allocated a provision of TL 27.266 (31 December 2013: TL 26.101) (for the principal of excise tax and its overdue charge) for the difference between the higher excise tax amount related to the aforementioned DCMs and the lower amount as stipulated for beer in the List no. 3 attached to the Excise Tax Act published in the Official Gazette dated 31 December 2004.

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

	2014	2013
1 January	26.101	24.542
Charge for the period	1.165	1.165
30 September	27.266	25.707

b) Contingent assets and liabilities:

On the tax inspection reports related to the financial periods of 2008, 2009 and 2011, it was claimed in 2013 and 2014 that the capital advances, which were paid in cash to the Company's bank account by the Company's former majority shareholder and then added to paid-in capital account during the capital increase process in 2012, should have been treated as payables until it is added to paid-in capital; based on such so-called payable, even if no interest charge was calculated, VAT on the imputed cost of such interest should have been taken into consideration.

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NOTE 8 - PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES (Continued)

As a result, tax office had notified a tax principal of TL 5.8 million for VAT and TL 8.7 million tax fine amounting to a total of TL 14.5 million. Considering that these capital advances were added to the paid-in capital in 2012 and that recent similar tax assessments made by the tax authorities were later decided in favor of companies at the exercise of jurisdiction, the Group management evaluated that the future outflow of resources from the Company is not probable and concluded that any situation requiring a provision to be provided to condensed consolidated financial statements has not arisen. The Company is initiating the legal processes against such tax assessment and the legal process is continuing as of the date of the approval of the Group's condensed consolidated financial statements.

The Group management has filed legal actions for the cancellation and return of the excise tax and value added tax which was paid previously for the period of June-December 2004, the period of February-May 2005, the period of June-August 2005, 26-31 August 2005, the period of September 2005, 23-31 December 2005, the period of January 2006 and 1-13 February 2006. 20 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 30 September 2014, the total value of legal actions is amounted to TL 109.741 (31 December 2013: TL 109.741) in relation to those legal actions not finalized yet.

As at 30 September 2014, the Group has letters of guarantee given amounting to TL 7.150 (31 December 2013: TL 6.116). The schedule for guarantee, pledge, mortgage and bails (GPM) given by the Group is as follows:

	30 September 2014	31 December 2013
A. Total value of GPM provided in favour of the Company itself	7.150	6.116
i. TL	7.150	6.116
B. Total value of GPM provided in favour of the subsidiary	102.855	83.037
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	-	-
	110.005	89.153

The ratio of total value of other GPM to equity is 0% at 30 September 2014 (31 December 2013: 0%).

NOTE 9 - CAPITAL, RESERVES AND OTHER SHARE CAPITAL RESERVES

a) Share capital:

The Company adopted the registered share capital system available to companies registered with the CMB and set a limit on its registered share capital representing registered type shares with a nominal value of 1 TL. The Company's historical authorized registered share capital at 30 September 2014 and 31 December 2013 is as follows:

	30 September 2014	31 December 2013
Registered share capital (historical values)	500.000	500.000
Share capital with a nominal value	322.508	322.508

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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

NOTE 9 - CAPITAL, RESERVES AND OTHER SHARE CAPITAL RESERVES (Continued)

The compositions of the Company's share capital at 30 September 2014 and 31 December 2013 were as follows:

	30 September 2014		31 December 2013	
	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 (31 December 2013: 32.250.825.300) units of shares with a face value of full TL 0,01 each at 30 September 2014. There are no privileged stocks.

b) Reserves:

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% p.a, until the total reserve reaches 20% of the Company's paid-in capital. The second legal reserve is appropriated at the rate of 10% p.a. 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 30 September 2014, accumulated losses in condensed consolidated balance sheet of the Group prepared in accordance with Turkish Accounting Standards amount to TL 366.199 (31 December 2013: TL 449.720).

NOTE 10 - EARNINGS PER SHARE

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

	1 January- 30 September 2014	1 July- 30 September 2014	1 January- 30 September 2013	1 July- 30 September 2013
Net income for the period	90.197	37.461	70.254	32.635
Weighted number of ordinary shares	32.250.825.300	32.250.825.300	32.250.825.300	32.250.825.300
Gain per share with a full TL 0,01 face value	0,28	0,12	0,22	0,10

There are no differences between basic and diluted gain per share for the periods ended 30 September 2014 and 2013.

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)

NOTE 11 - FOREIGN CURRENCY POSITION

Foreign Currency Position Schedule

	30 September 2014				31 December 2013			
	TL Equivalent	USD	Euro	Other (TL Equivalent)	TL Equivalent	USD	Euro	Other (TL Equivalent)
1. Trade Receivables	2.254	922	53	-	4.028	1.678	152	-
2a. Monetary Financial Assets (Including Cash, Bank accounts)	11.875	5.206	3	2	239	104	3	7
2b. Non-Monetary Financial Assets	7.415	1	2.562	5	3.780	169	1.163	4
3. Other	-	-	-	-	-	-	-	-
4. Current Assets (1+2+3)	21.544	6.129	2.618	7	8.047	1.951	1.318	11
5. Trade Receivables	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-
6b. Non-Monetary Financial Assets	3.739	-	1.293	-	588	-	200	-
7. Other	-	-	-	-	3	2	-	-
8. Non-Current Assets (5+6+7)	3.739	-	1.293	-	591	2	200	-
9. Total Assets (4+8)	25.283	6.129	3.911	7	8.638	1.953	1.518	11
10. Trade Payables	(2.208)	(39)	(732)	(3)	(8.071)	(775)	(2.094)	(269)
11. Financial Liabilities	-	-	-	-	-	-	-	-
12a. Monetary Other Liabilities	(5.011)	(2.199)	-	-	(3.579)	(1.677)	-	-
12b. Non-Monetary Other Liabilities	-	-	-	-	(52)	(25)	-	-
13. Short Term Liabilities (10+11+12)	(7.219)	(2.238)	(732)	(3)	(11.702)	(2.477)	(2.094)	(269)
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)	(7.219)	(2.238)	(732)	(3)	(11.702)	(2.477)	(2.094)	(269)
19. Net Asset/(Liability) Position of Off-Balance Sheet								
Derivative Instruments (19a-19b)	-	-	-	-	-	-	-	-
19a. Net Asset/(Liability) Position of Off-Balance Sheet								
Derivative Instruments	-	-	-	-	-	-	-	-
19b. Amount of Liability Nature Off-Balance Sheet								
Derivative Instruments	-	-	-	-	-	-	-	-
20. Net Foreign Asset/(Liability) Position (9-18+19)	18.064	3.891	(3.179)	4	(3.064)	(524)	(576)	(258)
21. Net Foreign Currency Asset/(Liability) Position of								
Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)	6.910	3.890	(676)	(1)	(7.383)	(670)	(1.939)	(262)
22. Total Fair Value of Financial Instruments Used for								
Foreign Currency Hedging	-	-	-	-	-	-	-	-
23. Amount of foreign currency denominated assets hedged	-	-	-	-	-	-	-	-
24. Amount of foreign currency denominated liabilities hedged	-	-	-	-	-	-	-	-

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NOTE 11 - FOREIGN CURRENCY POSITION (Continued)

30 September 2014:

	<u>Profit/ Loss</u>	
	<u>Appreciation of foreign currency</u>	<u>Depreciation of foreign currency</u>
Change of USD by 10% against TL:		
1- Asset/Liability denominated in USD- net	886	(886)
2- The part of USD risk hedged (-)	-	-
3- USD effect- net (1+2)	886	(886)
Change of Euro by 10% against TL:		
4- Asset/Liability denominated in Euro- net	(195)	195
5- The part of EUR risk hedged (-)	-	-
6- Euro effect- net (4+5)	(195)	195
Change of other currencies by 10% against TL:		
7- Asset/Liability denominated in other currencies- net	-	-
8- The part of other currency risk hedged (-)	-	-
9- Other currency effect- net (7+8)	-	-
TOTAL (3+6+9)	691	(691)

31 December 2013:

	<u>Profit/ Loss</u>	
	<u>Appreciation of foreign currency</u>	<u>Depreciation of foreign currency</u>
Change of USD by 10% against TL:		
1- Asset/Liability denominated in USD- net	(143)	143
2- The part of USD risk hedged (-)	-	-
3- USD effect- net (1+2)	(143)	143
Change of Euro by 10% against TL:		
4- Asset/Liability denominated in Euro- net	(569)	569
5- The part of EUR risk hedged (-)	-	-
6- Euro effect- net (4+5)	(569)	569
Change of other currencies by 10% against TL:		
7- Asset/Liability denominated in other currencies- net	(26)	26
8- The part of other currency risk hedged (-)	-	-
9- Other currency effect- net (7+8)	(26)	26
TOTAL (3+6+9)	(738)	738

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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NOTE 12 - FINANCIAL INSTRUMENTS

Classes of financial instruments and their fair values:

30 September 2014:

	Loans and receivables	Financial liabilities at amortised cost	Book value	Note
<u>Financial assets</u>				
Cash and cash equivalents	136.518	-	136.518	-
Trade receivables	224.189	-	224.189	4
<u>Financial liabilities</u>				
Trade payables	-	59.414	59.414	4

31 December 2013:

	Loans and receivables	Financial liabilities at amortised cost	Book value	Note
<u>Financial assets</u>				
Cash and cash equivalents	53.751	-	53.751	-
Trade receivables	168.544	-	168.544	4
<u>Financial liabilities</u>				
Trade payables	-	50.657	50.657	4

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

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