

Review of 9M11 Results

Doğan Gazetecilik A.Ş.

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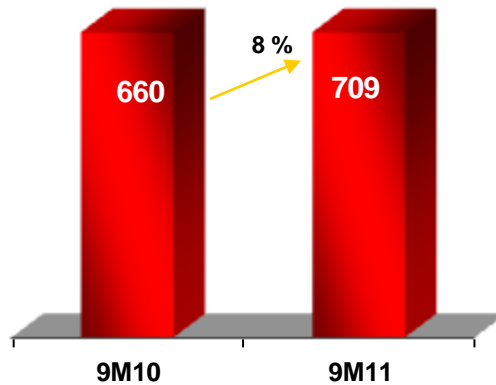


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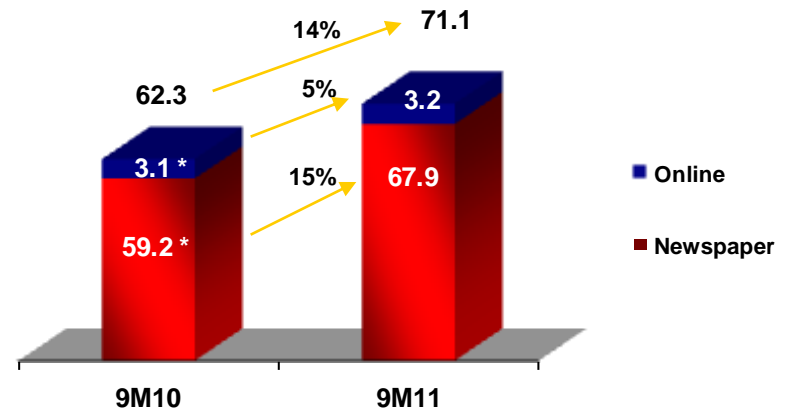
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Newspapers – Turkey (Est)
(TLm)





Continued Operations of Dogan Gazetecilik Proforma Ad Growth* (TL m)



* Radikal excluded from 9M10 Revenue

- Newspaper ad spending increased by 8% in 9M11, yoy.
- Third quarter was weak as ad market dropped by 1% due to weakness of TL and global concerns.
- Doğan Gazetecilik outperformed the newspaper ad market (excluding discontinued Radikal in 9M10); as Posta title ad revenues increased by 16% yoy.

*Ad revenue plus amortised cost valuation income

Market Shares	FY10	9M11	Ch vs. FY10
CIRCULATION MARKET SHARE (*)	14,6%	14,0%	-0,6 pp
Doğan Gazetecilik Daily Average Circulation (000 units) (**)	678	671	-1,1%
 POSTA	495	478	-3,4%
 FANATIK	183	192	4,9%
Nationwide average circulation (000 units)	4.646	4.794	3,2%

* Excluding Radikal

** Source: Basın İlan

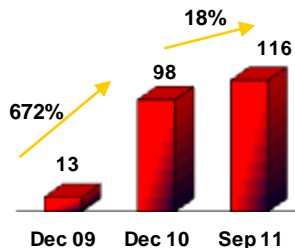
- Dogan Gazetecilik recurring ad revenues (excluded Radikal ad – included Internet revenue) grew by 14%, which is higher than the market growth of 8%.
- Posta.com.tr was launched at 2009-end with a strategy to differentiate from other news web sites and reached a monthly unique visitor of 3.7 mn as of Sep 2011, up by 32% vs. 2010-end.
- Milliyet and Vatan titles were sold to Demiroren & Karacan Group in May 2, 2011 for US\$74 mn (prior to closing adjustments and interest accruals charges): Milliyet trademark was sold US\$48 mn (incl. VAT) and Vatan was sold at US\$26 mn.
- The total one-off expenses amounting to TL8.2 mn, registered for the purpose of tax immunity* (TL6.1 mn) in accordance with the Law No. 6111 and for the Competition Board fine (TL2.1 mn).

* Tax examination immunity

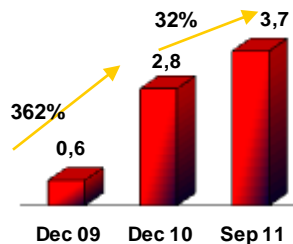
News web sites are well positioned in the market



Page view (million)



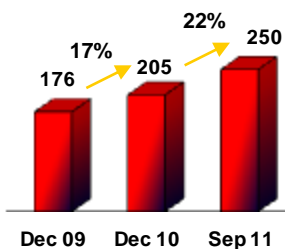
Monthly Unique Visitors (million)



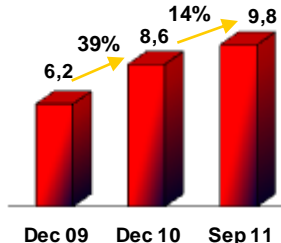
- Posta.com.tr was launched as of October 2009
- Ranked 6th newsportal as of Sep 2011.(*)
- Monthly Page view as of Sep 2011 was 116 mn, up by 18% vs. 2010-end. (**)
- Monthly Unique Visitors as of 3.7 mn Sep 2011, up by 32% vs. 2010-end. (**)



Page view (million)



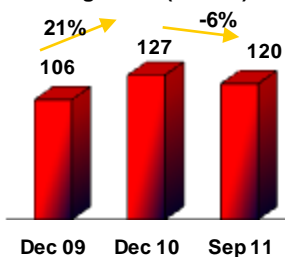
Monthly Unique Visitors (million)



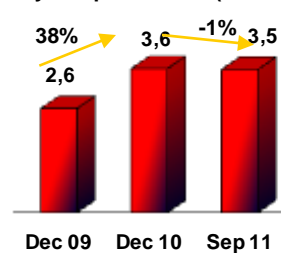
- Ranked #2 nd among web sites for sports in Turkey. (*)
- Fanatik.com.tr , leader of total page viewed among web sites for sports in Turkey. (*)
- Monthly Page view as of Sep 2011 was 250 mn, up by 22% vs. 2010-end. (**)
- Monthly Unique Visitors 9.8 mn as of Sep 2011, up by 14% vs. 2010-end. (**)



Page view (million)



Monthly Unique Visitors (million)



- Market leader in Turkey in online Auto Category. (*)
- Monthly Unique Visitors 3.5 mn as of Sep 2011. (**)

Continued Operations Summary Results

(TL '000)	% Ch.			% Ch.		
	3Q10	3Q11	3Q11/10	9M10	9M11	9M11/10
Sales	48.531	46.168	-5%	147.017	144.185	-2%
Cost of sales	26.590	30.228	14%	79.593	90.812	14%
Gross profit	21.941	15.940	-27%	67.424	53.372	-21%
Operating expenses	11.334	12.996	15%	41.359	41.407	0%
EBIT*	10.607	2.944	-72%	26.065	11.966	-54%
EBIT Margin	21,9%	6,4%		17,7%	8,3%	
Continued Operations EBITDA	11.237	4.150	-63%	28.109	15.184	-46%
EBITDA Margin	23,2%	9,0%		19,1%	10,5%	
Net Profit for the Period (Incl. Discontinued Operations)	3.021	8.558	n.m	3.661	5.755	n.m
Net Profit Attributable to Equity Holders of the Company	3.088	8.563	n.m	3.702	5.803	n.m
<i>Amortised cost valuation income</i>	<i>225</i>	<i>352</i>	<i>56%</i>	<i>620</i>	<i>1.179</i>	<i>90%</i>
<i>Depreciation & amortisation</i>	<i>405</i>	<i>854</i>	<i>111%</i>	<i>1.425</i>	<i>2.039</i>	<i>43%</i>

* EBIT figures are based on reported balances before other income /expenses and financial income /expenses

- Recurring ad revenue growth was 14% in 9M11; while the decline in circulation revenues would be 4% excluding discontinued Radikal.

Revenues (TL '000) (*)	3Q11/10			9M11/10		
	3Q10	3Q11	Ch (%)	9M10	9M11	Ch (%)
Circulation Revenues						
Revenue (TL '000)	27.006	24.305	-10%	79.109	72.982	-8%
Avg. Daily Circulation (000)	725	663	-9%	689	671	-3%
Advertisement Revenues						
Revenue (TL '000)	20.369	19.975	-2%	64.199	65.767	2%
Internet Revenues						
Revenue (TL '000)	1.013	984	-3%	3.112	3.266	5%
Other Revenues						
Service and other (TL '000)	144	904	529%	597	2.170	263%
Total Revenues	48.531	46.168	-5%	147.017	144.185	-2%

* 9M10 revenues and avg. daily circulation figures include 8 months of Radikal's operations; while 3Q10 figures include 2 months of Radikal's operations.

Continued Operations Costs

Newsprint costs increased by 29% yoy in 9M11. This is mainly due to the higher average newsprint prices in 9M11 (up by 21% in US\$ terms) and devaluation of TL against USD (7%).

Costs	3Q11/10			9M11/10		
	3Q10	3Q11	Ch (%)	9M10	9M11	Ch (%)
Cost of Sales (TL '000)	26.590	30.228	14%	79.593	90.812	14%
Newsprint costs	13.200	17.384	32%	38.343	49.565	29%
Printing & other costs	13.390	12.844	-4%	41.250	41.248	0,0%
Operating Expenses (TL '000)	11.334	12.996	15%	41.359	41.407	0%
General & Administrative Expenses	1.975	4.130	109%	6.536	10.548	61%
Sales & Marketing Expenses	9.358	8.866	-5%	34.823	30.859	-11%
Total Costs	37.924	43.224	14%	120.953	132.219	9%

Increase in general & administrative expenses yoy is mainly due to personnel and consultancy expenses

(TL '000)

Profitability	3Q11/10			9M11/10		
	3Q10	3Q11	Ch (%)	9M10	9M11	Ch (%)
Adj.EBIT	10.607	2.944	-72%	26.065	11.966	-54%
Other Income/(Expense) - net (*)	(438)	(1.056)	141%	5.200	(2.731)	n.m
Financial Income/(Expense) - net	237	9.284	n.m	365	13.134	n.m
Profit from Continued Operations	10.405	11.172	7%	31.629	22.368	-29%
Taxation	(1.576)	(2.614)	66%	(4.781)	(7.141)	49%
- Corporate tax	(1.742)	(3.093)	78%	(4.313)	(6.013)	39%
- Deferred tax	166	479	n.m	(468)	(1.128)	n.m
Net Profit from Continued Operations	8.829	8.558	-3%	26.847	15.227	n.m
Net Profit / (Loss) from Discontinued Operations	(5.808)	-	n.m	(23.187)	(9.472)*	-59%
Net Income for the Period	3.021	8.558	n.m	3.661	5.755	n.m
Attributable to non-controlling interests	67	(5)	n.m	42	48	n.m
Attributable to Equity Holders of the Company	3.088	8.552	n.m	3.702	5.803	n.m

* Please see page 14.

Investments & Financing (TL '000)	FY10	9M11 *	ch%
CASH AND CASH EQUIVALENTS	5.316	22.768	328%
S.T. BANK BORROWINGS	33.097	24.829	-25%
L.T. BANK BORROWINGS	-	-	-
NET CASH / (NET DEBT)	(27.781)	(2.061)	-93%
INVESTMENTS	2.033	847	-58%

*Vatan titles are excluded from 9M11 Dgzte Balance Sheet figures.

- Newspaper ad market growth was 8% in 9M11, and it is expected to grow by around 8-10% in 2011.
- Posta title with its high reach in total readers is likely to continue to outperform in 2011.
- The sale of Milliyet and Vatan titles anticipated to have a positive impact on profitability margins in the long run.
- Less aggressive strategies are expected in marketing and promotion campaigns in 2011.

(TL'000)	9M10	9M11	ch%
Reported EBIT	31.264	9.234	-70%
Other Income-Expenses	5.200	(2.731)	n.a.
Adjusted EBIT	26.065	11.966	-54%
Amortised cost valuation income	620	1.179	90%
Depreciation & Amortisation	1.425	2.039	43%
EBITDA	28.109	15.184	-46%

(TL'000)	9M10	4M11	ch%
Net Loss from Discontinued Operations	(23.187)	(22.390)	-3%
Profit on Sale Trademark and Subsidiary	-	19.459	
Taxation Expense Profit on Sale	-	(6.541)	
After Taxation Net Loss from Discontinued Operations	(23.187)	(9.472)	-59%

* Discontinued operations are related with the sale of Milliyet and Vatan.