



Review of 1Q09 Results

Doğan Gazetecilik A.Ş.

May 12, 2009

 **Milliyet**  **Milliyet.com.tr**

 **POSTA**  **Milliyet Emlak**

 **Radikal**  **arabam.com**

 **FANATIK**  **VATAN**
İNTERNETİN EN HIZLI YOKSÜZ GAZETESİ

Inflation accounting (IAS 29) is not applied in 2005&2006&2007 financials on the back of CMB's requirements. The financial statements are reclassified for presentation purposes, the CMB format is also available through ISE and DYH websites.

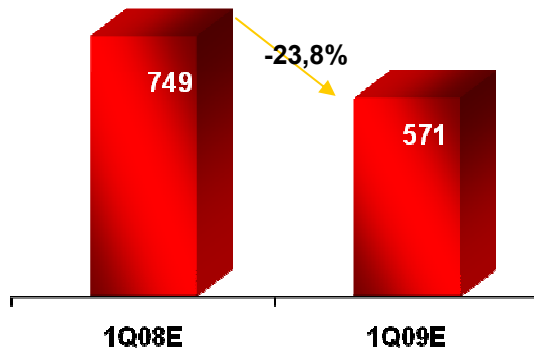
The figures related to advertisement, which are not stated in financial statements are based on management reports and not consistent with IFRS Figures. The market shares stated in this document are based on the estimates of various sources which are believed to be reliable and compiled by DYH and are subject to slight revisions in one year period.

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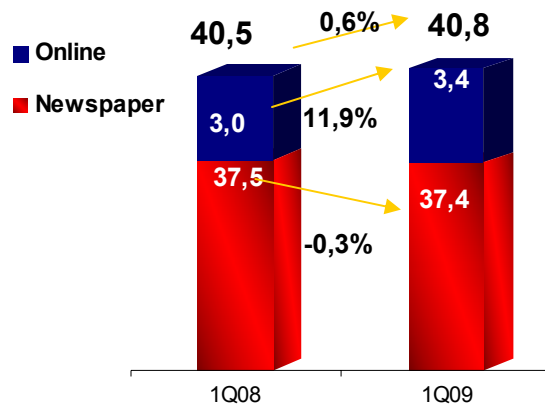
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Ad Market Share

Total Ad Market – Turkey (Est)
(TLm)



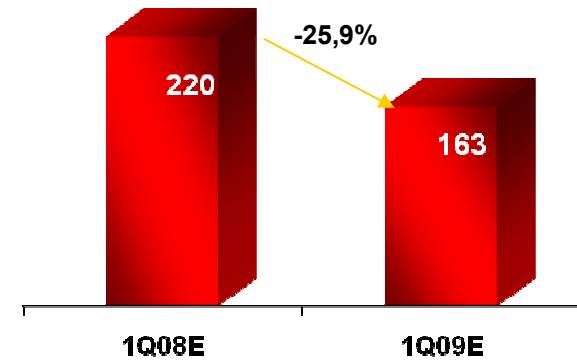
Dogan Gazetecilik Ad Growth*
(TL m)



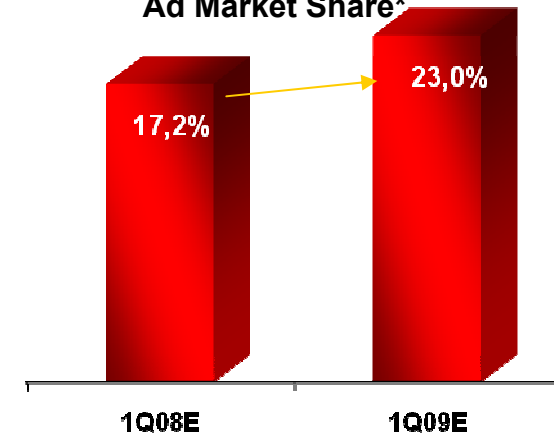
- Posta, Milliyet, Radikal and Fanatik titles outperformed the market in 1Q09.

- and Vatan acquisition helped to increase the market share to an estimated level of 23%.






Newspapers – Turkey (Est)
(TLm)



Dogan Gazetecilik Newspaper Ad Market Share*



- Expectedly, cover price increases reaching almost 40-45% caused circulations to decline.
- Newspaper circulation and Ad market shares for 1Q09 include the impact of Vatan acquisition

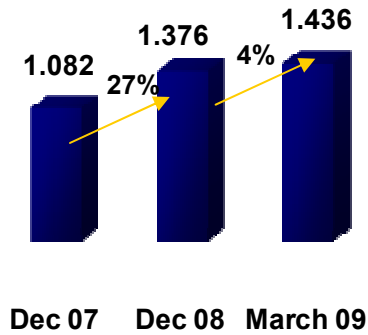
Market Shares	1Q08	1Q09E	% 1Q09/08
NEWSPAPER AD MARKET SHARE *	17,0%	23,0%	6,0%
CIRCULATION MARKET SHARE *	22,3%	26,0%	3,7%
Doğan Gazetecilik Daily Average Circulation (000 units)	1.156	1.300	12%
 Milliyet	262	231	-12%
 POSTA	635	603	-5%
 Radikal	38	44	16%
 FANATİK	221	192	-13%
 VATAN <small>İNTERNETİN EN HIZLI YÜKSELEN GAZETESİ</small>	-	230	-
Nationwide average circulation (000 units)**	5.198	4.959	-4,6%

* Market share and market statistics are estimates based on advertising department reports and DYH estimates. Milliyet Germany and Fanatik Germany figures are not included.

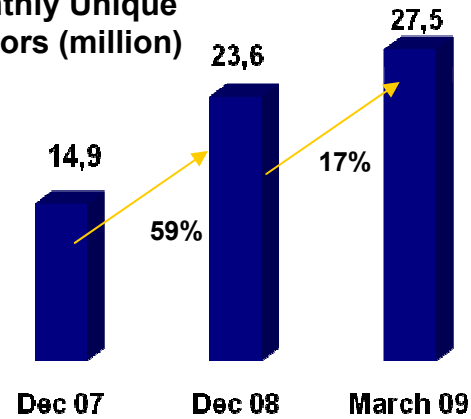
Internet traffic on the rise...



Page view
(million)



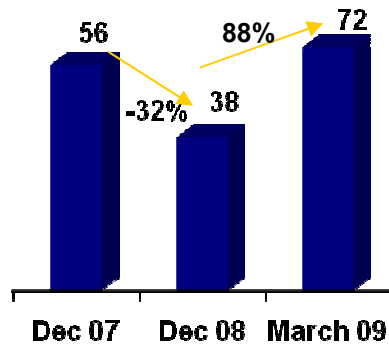
Monthly Unique
Visitors (million)



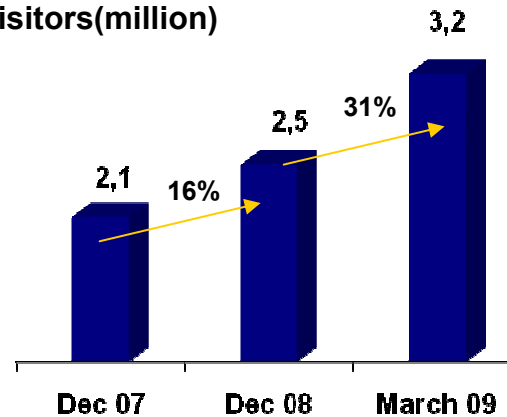
News,
blogging,
video



Page view
(million)



Monthly Unique
Visitors(million)

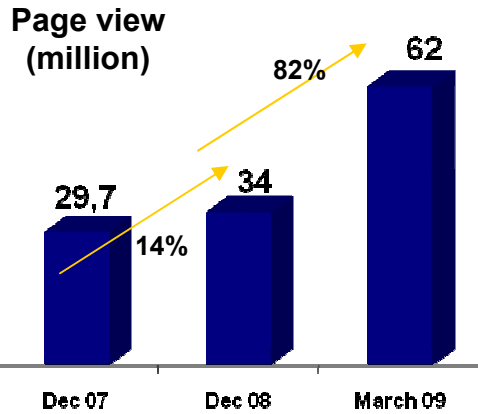


Auto
Classifieds*

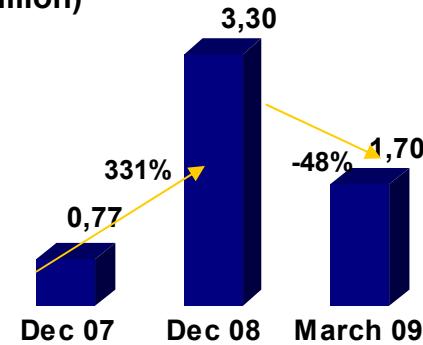
* arabam.com internet traffic statistics as of 2007 and 2008 are derived from the data channeled from milliyet.com.tr

..and Vatan's strong news portal is added

Milliyet Emlak

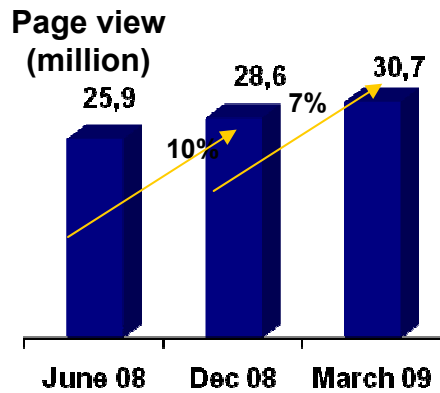


Monthly Unique Visitors (million)

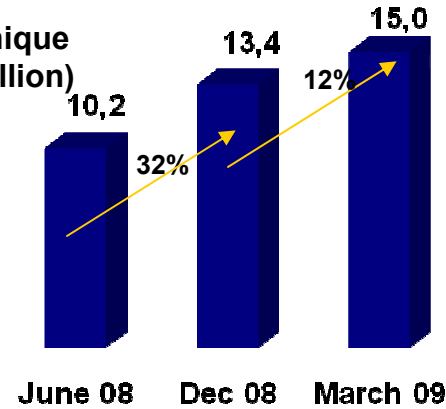


Real Estate Classifieds

VATAN
İNTERNETİN EN HIZLI YÖKSELEN GAZETESİ



Monthly Unique Visitors (million)



News, blogging, video

Quarterly Analysis (YTL '000)	% Ch.			
	FY08	1Q08	1Q09	1Q09/08
Sales	341.353	68.091	79.697	17%
Cost of sales	231.755	43.008	65.081	51%
Gross profit	109.599	25.083	14.616	-42%
Operating expenses	121.643	27.048	26.764	-1%
Ebit*	-12.044	-1.023	-12.148	n.m.
Ebit Margin	-3,5%	-1,5%	-15,2%	
Ebitda	-43	-83	-9.357	n.m.
Ebitda Margin	0,0%	-0,1%	-11,7%	
Net Profit	-753	5.705	-14.848	n.m.
Net Profit Margin	-0,2%	8,4%	-18,6%	
<i>Amortised cost valuation income(net)</i>	<i>4.292</i>	<i>941</i>	<i>810</i>	<i>-14%</i>
<i>Depreciation & amortisation</i>	<i>7.709</i>	<i>941</i>	<i>1.981</i>	<i>111%</i>



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

Revenues (YTL '000)	FY08	1Q08	1Q09	1Q09/08 Ch (%)
Circulation Revenues				
Revenue	126.397	27.553	38.657	40%
Circulation (000) (daily average sales)	1.338	1.157	1.300	12%
Advertisement Revenues				
Revenue	192.728	36.008	36.251	1%
Internet Revenues				
Revenue	16.893	3.012	3.371	12%
Other Revenues				
Service and other	5.335	1.518	1.418	-7%
Total Revenues	341.353	68.091	79.697	17%

Newsprint costs increased by 62%, mainly due to Vatan acquisition and strong weakness in TL in 1Q09. Newsprint costs per ton were approximately up by 21% in USD terms.

Costs	FY08	1Q08	1Q09	1Q09/08 Ch (%)
Cost of Sales (YTL '000)	231.755	43.008	65.081	51%
Newsprint costs*	121.591	22.798	37.001	62%
Printing & other costs	110.164	20.210	28.070	38,9%
Operating Expenses (YTL '000)	121.643	27.048	26.764	-1%
General & Administrative Expenses	25.406	5.404	5.943	10%
Sales & Marketing Expenses	96.237	21.644	20.822	-4%
Total Costs	353.398	70.056	91.845	31%

(TL '000)

Profitability	FY08	1Q08	1Q09	1Q09/08 Ch (%)
EBIT	(12.044)	(1.964)	(12.148)	n.m.
Other Income/(Expense) - net	(4.187)	365	(338)	n.m.
Financial Income/(Expense) - net	7.026	7.840	(5.592)	n.m.
Minority	(24)	-	-	
Profit before tax	(9.229)	7.182	(17.268)	n.m.
Taxation	8.476	(1.476)	2.421	n.m.
- Corporate tax	(3.040)	(1.299)	(37)	n.m.
- Deferred tax	11.516	(177)	2.458	n.m.
Net Income	(753)	5.706	(14.847)	n.m.

Investments & Financing (TL '000)	FY08	1Q09	ch%
CASH AND CASH EQUIVALENTS	16.218	8.228	-49,3%
S.T. BANK BORROWINGS	1.061	18	-98%
L.T. BANK BORROWINGS	-	106	n.m.
NET CASH / (NET DEBT)	15.157	8.104	-47%
INVESTMENTS	2.411	185	-92%

- Considering recent developments and uncertainties in global macro environment, ad growth is likely to be under pressure in FY09 as expected. However, second half of 2009 is likely to be stronger compared to 1H09.
- No aggressive promotion campaigns are planned.
- Cost cutting measures are being executed (Marketing, promotions, newprint consumption)
- Additional cover price increases in April 2009
- Cover price increases from January 2009 to April 2009 imply a a blended copy price increase of approximately 40-45% yoy in 2009.
- Circulations will be under pressure due to copy price increases.