

## 2007 REPORT ON COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

**1. Declaration of Compliance with the Corporate Governance Principles**

Following the publication of the CMB Corporate Governance Principles in 2003, Hürriyet undertook efforts to comply with the Corporate Governance Principles and developed its organization accordingly. Hürriyet was among the pioneering companies who made their Articles of Associations compatible with the CMB Corporate Governance Principles. At that stage Hürriyet, which has a deep-rooted and established corporate culture, decided to have its management practices assessed by independent entities as well. The world's leading corporate governance rating company ISS assessed the corporate governance practices of Hürriyet based on more than 530 criteria and assigned a national rating of 8 out of 10 (79.67%).

ISS assigned a very high rating, 8.5 out of 10 (87.09%), to Hürriyet's practices in the "public disclosure and transparency" subcategory.

It is known that there is widespread belief in the world that media companies fall short of expectations in their corporate governance practices and that they ignore the developments in this area. Having been assigned a good corporate governance rating in contrast to this general belief, Hürriyet became the first print media company in the world to announce its national corporate governance rating assigned by an internationally-acclaimed and the world's most respected rating agency.

Those CMB principles with which full compliance could not be achieved have been specified in the compliance report in detail and it is believed that these deficiencies will not lead to any conflicts of interest.

**SECTION I-SHAREHOLDERS****2. Investor Relations Unit**

2.1. All provisions of applicable legislation, the Articles of Association and other Company policies regarding the exercise of shareholders' rights are being complied with and every precaution is being taken to ensure the exercise of these rights.

2.1.1. In accordance with the provisions of the Company's Articles of Association, an "Investors Relations Unit" was established under the Corporate Governance Committee and under the supervision of the chairman of that committee, to manage relationships between the Company and its shareholders and to ensure that shareholders can fully exercise their right to information. Main duties of this unit are:

- to ensure that shareholder records are accurate, safe and up-to-date,
- to respond to written requests for information by all shareholders in accordance with applicable legislation,
- to observe that General Meetings of Shareholders are held in compliance with relevant procedures,
- to prepare the documents to be submitted to shareholders at General Meetings of Shareholders,
- to take the necessary precautions to ensure that the minutes of the meetings are kept properly,
- to ensure that all public disclosures are made properly.

The Investor Relations Unit makes its best efforts to use electronic means of communication and the Company's website in all its activities.

2.1.2. The Company's Investor Relations Unit is comprised of the following persons: Investor Relations Coordinator Suzi Apalaçi Dayan, Corporate Governance and Investor Relations Manager İnci Şencan, Doğan Yayın Holding A.Ş. Capital Markets and Corporate Governance Coordinator Murat Doğu, Doğan Yayın Holding A.Ş. Legal Coordinator Erem Yücel, Doğan Yayın Holding A.Ş. Investor Relations Coordinator Alp Güler, Financial Affairs Manager Halil Özkan and their subordinates. Contact information for the Investor Relations Unit is as follows:

Hürriyet Gazetecilik ve Matbaacılık A.Ş. (Headquarters)  
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34212 Güneşli, İstanbul  
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Investor Relations Unit  
Suzi Apalaçi Dayan  
Investor Relations Coordinator  
Phone: +90 212 449 60 30  
e-mail: sapalaci@hurriyet.com.tr

İnci Şencan  
Financial Control and Investor Relations Manager  
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Fax: +90 212 677 08 92  
e-mail: yatirimciliskileri@hurriyet.com.tr

2.1.3. 40% of the Company's shares are traded on the ISE, approximately 70% of the shares are held by foreign investors. The Company is one of the ISE's leaders in terms of foreign ownership. Consequently, the Company is frequently invited to meetings hosted by foreign institutional investors.

2.1.4. All of Hürriyet shares are included in the Central Registry Agency system. Formalities related to the Central Registry Agency are managed by the Company internally.

2.1.5. Maximum care is taken to reply to inquiries in accordance with applicable legislation and the Articles of Association. To the best of the Company's knowledge, no written or verbal complaints concerning the exercise of shareholders' rights were received in 2007, nor were there any official investigations launched against the Company.

**3. Exercise of Shareholders' Right to Information**

3.1. The Company does not discriminate against different groups of shareholders in terms of their rights to information.

3.1.1. All necessary information and documents to ensure the proper exercise of shareholders' rights are available on the Company's website at www.hurriyetkurumsal.com.

3.1.2. Several written and verbal requests for information were received from shareholders in 2007. These requests were responded to without delay, under the supervision of the Investor Relations Unit and in accordance with capital markets legislation.

3.1.3. The Articles of Association do not yet provide for an individual's right to appoint a special auditor. However, this right might be included in the Articles of Association in the future, depending on changes in relevant legislation. No special auditors were appointed during the reporting period.

3.2. In order to improve the shareholders' right to obtain information, any information that might affect the exercise of these rights is made available to shareholders electronically and without delay.

**4. Information on General Meetings of Shareholders**

4.1. All of the Company's shares are registered shares. The transfer and reissue of these shares is subject to Article 9 of the Articles of Association.

4.2. The Articles of Association do not specify a timeframe for entering shareholders into the stock ledger, with a view to ensuring the participation of holders of registered shares in General Meetings.

4.3. In accordance with the relevant amendment to the Articles of Association, a document containing agenda items is prepared and announced to the public prior to the General Meeting of Shareholders.

4.3.1. In accordance with applicable legislation, the General Meeting of Shareholders is announced at www.hurriyetkurumsal.com at least 21 days in advance and advertisements are published in Hürriyet and Referans, to ensure maximum participation by shareholders.

4.3.2. All announcements comply with the CMB Principles.

4.3.3. Following the announcement of the General Meeting of Shareholders, the following documents are made available to all shareholders at the Company's headquarters, branches and websites: The annual report, financial statements and reports, dividend distribution proposals, the agenda of the General Meeting of Shareholders, any documents supporting the agenda and the most recent version of the Articles of Association, any amendments and their reasons.

4.3.4. No important changes occurred in the Company's management or operational organization during the accounting period and no changes are expected in the near future. Any such changes will be disclosed to the public in accordance with applicable legislation.

4.3.5. Prior to the General Meeting of Shareholders, forms of proxy statements are made available on the website for those desiring to be represented by proxy.

4.3.6. Prior to the General Meeting of Shareholders, the voting procedure is announced to shareholders on the website and through announcements in newspapers.

4.3.7. In 2007, shareholders did not request any additions to the agenda.

4.4. The meeting procedure for the General Meeting of Shareholders ensures maximum participation of shareholders.

4.4.1. General Meetings of Shareholders are designed to prevent any inequalities among shareholders and are held in the most economical and least complicated manner possible.

4.4.2. General Meetings of Shareholders are held at the Company's headquarters. An amendment to the Articles of Association allows for meetings to be held at another location in the city where most of the shareholders are residing. Any future requests in this regard will be duly considered.

4.4.3. The venue of General Meetings of Shareholders facilitate maximum participation of shareholders.

4.4.4. Ordinary General Meetings of Shareholders are held within the statutory timeframes following their announcement. The Ordinary General Meeting of Shareholders to discuss the activities of the year 2006 was held on May 10, 2007, within the statutory timeframe. 2007 Financial statements were announced at the end of the 15<sup>th</sup> week (April 10, 2008) following the end of the accounting period. The Ordinary General Meeting of Shareholders to discuss 2007 operations is scheduled for May 29, 2008. In other words, the meeting will be held in full compliance with applicable capital markets legislation and the spirit of the principles.

4.4.5. Unless otherwise decided by the General Meeting of Shareholders, all General Meetings are open to media members and interested parties. However shareholders or proxies who attend a General Meeting of Shareholders without an entrance card are not entitled to speak and vote at the meeting.

4.5. At the General Meeting of Shareholders, agenda items are explained in an unbiased, detailed and clear manner and shareholders are allowed to explain their views, ask questions and discuss related issues in a democratic environment.

4.5.1. Minutes of General Meetings of Shareholders are made available at www.hurriyetkurumsal.com.

4.5.2. Only one General Meeting of Shareholders was held in 2007. At the Ordinary General Meeting of Shareholders of May 10, 2007 where 2006 operations were discussed, 69% or 287,572,359 shares out of the 416,742,560 shares of the Company were present. No new suggestions or questions on agenda items were raised by shareholders or their proxies.

4.6. According to the Articles of Association, a decision of the General Meeting of Shareholders is required for changes in shares, the acquisition and/or sale of assets in excess of 10% of total assets of the Company, the leasing or renting of such assets, grants and donations made as per Article 3 of the Articles of Association, sureties and similar guarantees issued in favor of third parties. The General Meeting of Shareholders may authorize the Board of Directors for such actions in advance, provided that it specifies an upper limit.

**5. Voting Rights and Minority Rights**

5.1. The Company avoids any act that might compromise the exercise of voting rights. All shareholders are allowed to exercise their voting rights in the easiest and most convenient way.

5.2. The Company does not have any preferential shares or classes of shares.

5.3. Each share is entitled to one vote.

5.4. There exist no provisions that postpone voting rights until a specific date following the acquisition of a share.

5.5. The Articles of Association do not contain any provisions that prevent a non-shareholder to vote as a proxy.

5.6. In the event the beneficial interests and rights of disposal of a share belong to different persons, they may have them represented as they deem fit, upon mutual agreement. However, if they fail to agree, the right to participate in and vote at the General Meeting of Shareholders shall be given to the beneficial owner.

5.7. The Company's capital does not involve any cross-shareholding.

5.8. Minority rights are granted to shareholders who own at least 5% of the capital (Article 32 of the Articles of Association).

5.8.1. Utmost care is taken in relation to the exercise of minority rights. No criticisms or complaints were voiced in this regard in 2007.

5.9. The Articles of Association do not provide for cumulative voting. The advantages and disadvantages of this practice are assessed in view of changes in relevant legislation.

**6. Dividend Policy and the Timing of Distributions**

6.1. The Company's dividend policy has been designed in accordance with the relevant Capital Markets Legislation and the provisions of the Articles of Association. 6.2. Dividends are distributed within the timeframe prescribed by the legislation and as soon as possible after the General Meeting of Shareholders.

6.2.1. In light of the Capital Markets Board regulations, due to the fact that 20% of the distributable net profit of YTL 100,797,513 for the period was below 5% of the Company's capital, the General Assembly unanimously resolved not to make a distribution from the profit at its ordinary annual meeting held on May 10, 2007 and to add the remainder of the distributable net profit to extraordinary reserves, after providing for legal reserve.

6.3. According to the Company's Articles of Association, the Board of Directors is entitled to distribute dividends in advance, provided that it is authorized by the General Meeting of Shareholders in this regard and further provided that this complies with Article 15 of the Capital Markets Law and the regulations issued by

the Capital Markets Board. The authorization granted by the General Meeting of Shareholders to the Board of Directors to distribute dividends in advance is restricted to the corresponding year of the Board's authorization. Until the advance dividend payments of the previous year are fully settled, further advance payments cannot be made and decisions to distribute dividends cannot be made.

6.4. The Company determines its dividend policy in accordance with the relevant provisions of the Turkish Commercial Code (TCC), the Capital Markets Law, regulations and resolutions of the Capital Markets Board (CMB), tax laws, other applicable legislation and its Articles of Association.

Accordingly;

- In principle; minimum 50% of "net distributable profit" based on Financial Statements prepared in line with International Financial Reporting Standards (IFRS) and Capital Market Board Regulations are distributed,

- In case of an intention to distribute 50% to 100% of the "net distributable profit," the dividend payout ratio is determined considering the financial structure and budget of the Company.

- Dividend distribution proposal is made public taking into consideration legal time frames and following the Ordinary General Assemblies of subsidiaries and affiliates included in the Company's consolidated financial statements.

- "Net profit" of the subsidiaries, joint ventures and affiliates, which are included in the Company's consolidated financial statements, are treated as a deductible item in calculating the "net distributable profit" in cases they have not taken the decision to distribute dividends in their General Assemblies.

- In the event that the "net distributable profit" based on financial statements prepared in line with the Turkish Commercial Code and Tax Laws is;

- a- Lower than the amount calculated according to Article 1, the amount calculated within the framework of this article (Article 6) is applied and all the distributable amount is distributed,

- b- Higher than the amount calculated according to Article 1, Article 2 is the guideline for the action to be taken.

- In the case that there is no distributable profit based on financial statements prepared in accordance with the Turkish Commercial Code and Tax Laws, no dividend distribution is made even if there is a "net distributable profit" based on financial statements prepared in accordance with IFRS and Capital Markets Legislation.

- In the case that the "net distributable profit" is below 5% of the Company's issued capital, it may be decided not make any dividend distribution.

- Dividend distribution is evaluated in the presence of investment plans that require considerable fund outflow, events that may affect the Company's financial structure and uncertainty and adverse developments in the economy and market conditions.

- In accordance with CMB resolutions and relevant legislation, the Company's Board of Directors resolved at its May 1, 2008 meeting to propose to the Ordinary General Assembly that the Company distribute YTL 39,000,000, 50.31% of the Company's net distributable profit of YTL 77,522,212 for 2007, in bonus shares and that the Company add the remaining YTL 50,393,566 to extraordinary reserves.

6.5. In accordance with the January 27, 2006 decision of the CMB, the dividend policy of the Company was revised for 2006 and onwards. Information about this policy was provided at the General Meeting of Shareholders and was also publicly announced.

6.6. The Company's dividend policy is stated in its annual report and publicly announced on its website.

**7. Transfer of Shares**

The Articles of Association do not contain any provisions that restrict the free transfer of shares by shareholders.

**PART II-PUBLIC DISCLOSURE AND TRANSPARENCY****8. Disclosure Policy of the Company**

8.1. A disclosure policy to provide necessary information to the public was prepared and announced on the Company's website. This policy is available at www.hurriyetkurumsal.com.

8.2. The disclosure policy was approved by the Board of Directors and presented to the General Meeting of Shareholders. The Board of Directors is in charge of monitoring, revising and improving the disclosure policy. The Corporate Governance Committee informs the Board of Directors, the Executive Board, the Audit Committee and the Financial Affairs Director on issues related to the disclosure policy and makes suggestions.

8.3. A "Capital Markets and Corporate Governance Unit" was set up to monitor and supervise all issues related to public disclosures. Questions of third parties are responded to by the CEO, the CFO, the Business Development and Investor Relations Coordinator or the Investor Relations Director, depending on the content of the question. In responding to questions, utmost care is taken to avoid any violation of the equal rights of stakeholders to obtain information.

8.4. Except where applicable legislation requires otherwise, data distribution companies and the website of the Company are used effectively for public disclosures.

8.5. The Company's disclosure policy contains guidelines for the disclosure of forward-looking information. This information is disclosed together with all relevant statistical data and evidence regarding the Company's financial position and its operational results. Only the CEO and the CFO are authorized to make such disclosures.

8.6. Board members, executives and shareholders who directly or indirectly own 5% of the Company's capital are required to disclose all their dealings in the Company's securities, in accordance with applicable capital markets legislation.

8.6.1. There were no transactions or material disclosures in 2007 regarding this issue.

8.6.2. Since all material disclosures are available on the website, those regarding this issue automatically become available there as well.

8.6.3. The Company does not have any stock-based derivatives.

8.7. In 2007, no commercial and/or non-commercial transactions took place between

- i. Hürriyet and other companies in which Board Members, executives or shareholders who directly or indirectly own 5% or more of Hürriyet's capital and 5% or more of the other company,

- ii. Hürriyet and other companies in which Hürriyet, its Board members, executives or shareholders who have management control irrespective of the amount of shares owned in this company.

8.8. The financial statements and footnotes of 2007 were prepared on a consolidated basis in accordance with International Financial Reporting Standards, audited by independent auditors pursuant to the International Auditing Standards and were publicly disclosed.

8.9. The 2007 Annual Report was prepared in accordance the Capital Markets Law, CMB regulations and CMB Principles.

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## 9. Material Disclosures

9.1. The Company's material disclosures comply with the Capital Markets Law, regulations of CMB and the stock exchange and CMB principles.

9.1.1. In 2007, there were a total of 28 material disclosures. The Capital Markets Board and the Stock Exchange did not issue any notifications, amendments or requests for additional material disclosures regarding the public disclosures the Company made in 2007.

9.1.2. All material disclosures sent to the stock exchange were signed by the CFO and the Financial Affairs Manager. Public disclosures are prepared in close cooperation with the Audit Committee and the Corporate Governance Committee.

9.2. Since the Company's securities are not traded on international stock exchanges, no additional disclosures were required.

## 10. The Website and its Contents

10.1. In accordance with the CMB Principles, the Company's website at [www.hurriyetkurumsal.com](http://www.hurriyetkurumsal.com) is actively used for public disclosures.

10.1.1. The content and layout of the Turkish and English pages of the website were redesigned in accordance with CMB principles.

10.1.2. The website is being continuously improved.

10.1.3. The address of the website is clearly indicated on the Company's letterhead.

10.1.4. Guidelines related to the management of the website are included in the disclosure policy.

## 11. Ultimate Controlling Individual Shareholders

11.1. Changes in the Company's capital structure and/or management are disclosed to the public in accordance with capital markets legislation and CMB regulations.

11.2. Ultimate controlling individual shareholders and the shares they own are shown below, after eliminating any indirect shareholdings:

Shareholder	Number of Shares	Amount of Shares	(%)
Doğan Family	110,094,437	110,094,437	26.15
Aydın Doğan Foundation	2,000,915	2,000,915	0.48
Other	30,019	30,019	0.01
Publicly Traded	308,874,629	308,874,629	73.37
<b>Total</b>	<b>421,000,000</b>	<b>421,000,000</b>	<b>100.00</b>

11.3. To the best of the Company's knowledge, shareholders did not enter into any voting agreements in 2007 for increasing their role in the management of the Company.

## 12. Persons with Access to Insider Information

All necessary measures and precautions are being taken to prevent insider trading. A list of executives who have access to information that might affect the price of the Company's securities, as well as a list of all other persons and institutions that provide services for the Company are publicly disclosed at [www.hurriyetkurumsal.com](http://www.hurriyetkurumsal.com). The names and positions of individuals who have access to trade secrets are as follows:

Name	Title
Aydın Doğan	Chairman of the Board
Mehmet Ali Yalçındağ	Deputy Chairman of the Board
Vuslat Doğan Sabancı	Board Member/CEO
Ertuğrul Özkök	Board Member/Member of the Executive Board
İmre Barmanbek	Board Member/Chairman of the Audit Committee
Soner Gedik	Board Member/Member of the Audit Committee
Cem Kozlu	Board Member (Independent)
Kai Diekmann	Board Member (Independent)
Ertunç Soğançioğlu	Board Member
Ahmet Toksoy	CFO/Member of the Executive Board
Ayşe Sözeri Cemal	Head of Advertising Group/Member of the Executive Board
Sinan Köksal	Head of Marketing Group/Member of the Executive Board
Temuçin Tüzecan	Corporate Communications Coordinator/ Member of the Executive Board
Murat Doğu	Member of the Corporate Governance Committee
Alpay Güler	DYH Investor Relations Coordinator and Financial Advisor
Ahmet Özer	Head of Strategy and Business Development Group
Suzi Apalaçı	Investor Relations Coordinator
H. Sancak Basa	Human Resources Coordinator
Halil Özkan	Financial Affairs Manager
Cem Baykara	Finance Manager
Şükran Yiğit	Budget Manager
İnci Şencan	Financial Control and Investor Relations Manager
Korhan Kurtuluş	Corporate Risk Manager
S. Serdar Giral	Internal Control Manager
Fuat Arslan	Member of the Audit Board
Mehmet Yörük	Member of the Audit Board
Hakan Çömlekçioğlu	Assistant Accounting Manager
Ayşe Güldoğan	Assistant Accounting Manager
Meliha Silahsızoğlu	Assistant Accounting Manager
Yavuz Ada	Assistant Accounting Manager
Cansen Başaran Symes	Independent Auditor
Gökhan Yüksel	Independent Auditor
Elif Özmet	Independent Auditor
Mustafa Aydemir	Independent Auditor
Serkan Çağatay	Independent Auditor
Ege Ersoy	Independent Auditor
Çiğdem Kazanç	Independent Auditor
Savaş Bekar	Certified Public Accountant
Özer Koçak	Certified Public Accountant
Hüseyin Küçük	Public Accountant
Aynur Somuncu	Secretary

## SECTION III-STAKEHOLDERS

## 13. Disclosures to Stakeholders

Disclosures to stakeholders and investors are made in accordance with the Capital Markets Law and the Regulations and Principles of the CMB, using tools that are determined in advance. Management is encouraged to join NGOs formed by stakeholders. Participation in such endeavors together with advertisers helps the Company understand their needs and ensures sustainable growth and financial strength.

## 14. Participation of Stakeholders in Management

Hürriyet is in constant contact with the stakeholders mentioned above. Feedback received from stakeholders is evaluated and submitted to senior management, to assist the development of solutions and policies.

## 15. Human Resources Policy

15.1. The human resources policy of the Company has been defined in writing. According to this policy, the Company recruits individuals with superior knowledge and skills, easily adaptable to the corporate culture, possessing a highly developed sense of business ethics, honesty, coherence and openness, knowing how to unite the Company's future with their own.

15.2. The human resources policy requires the Company to provide equal recruitment and career planning opportunities to individuals with similar backgrounds.

15.2.1. All recruitment criteria have been specified in writing and are efficiently implemented.

15.2.2. All employees are treated equally with regard to education and promotion. Training is designed to enhance the knowledge and skill of each employee.

15.3. Decisions or developments within the Company that may affect employees are shared through the internal website set up to promote communication.

15.4. Efforts regarding job descriptions, performance and reward criteria are nearing completion.

15.5. Working conditions at the Company are designed to meet the highest safety standards and maximize efficiency.

15.6. Employee relations are managed by the Human Resources Coordinator. There are no trade union members at the Company.

15.7. The Company does not discriminate against any employee group and all employees are treated equally. No complaints have been made to the Board of Directors and/or the Management Committees in this regard.

## 16. Customer and Supplier Relations

Hürriyet, a pioneer in the field of print media, believes that customer (readers and advertisers) satisfaction is of vital importance. For this reason, editorial quality and social responsibilities are taken very seriously. With this objective in mind, Doğan Yayın Holding's Editorial Principles are clearly stated on the website and enforced at the highest level.

The Company's most important raw material is newsprint. Newsprint is supplied by Doğan Dış Ticaret ve Müessesilik A.Ş., a subsidiary of Doğan Holding and İşıl İthalat İhracat Müessesilik A.Ş.

The newspapers and their supplements are printed at company-owned Doğan Printing Centers in Istanbul, Ankara, Izmir, Adana, Antalya and Trabzon. The printing of supplements on offset paper is subcontracted to Doğan Ofset A.Ş., another subsidiary of the group.

The newspapers are distributed by Doğan Dağıtım A.Ş. nationwide.

A substantial portion of revenue consists of advertisement. The Company makes its best efforts to ensure the satisfaction of advertisers. Advertisements that are not published in accordance with the customer's requests are compensated for in the shortest possible time.

## 17. Social Responsibility

Playing a major role in Turkey's modernization, Hürriyet has always adopted the principle of addressing social problems at all periods. After the 1983 explosion at the Kozlu, Zonguldak mine, a campaign was initiated for the families of the 96 miners who died in this accident. A campaign called "Contribute a Brick" launched to heal the wounds of the victims of the August 17, 1999 earthquake proved to be the most comprehensive aid campaign ever undertaken in Turkey up to that time. As part of the "No to Domestic Violence!" campaign Hürriyet has been running jointly with the Çağdaş Eğitim Vakfı (Contemporary Education Foundation) and the Istanbul Governorship for over three years, "Emergency Assistance Hotline" was established in Turkey and Germany.

The goal of the "No to Domestic Violence!" campaign is to demonstrate the destructive and permanent impacts of domestic violence on all family members (especially women and children who are more subject to it) and to create awareness among all cross-sections of the society on this subject.

In 2007, no lawsuits were brought against the Company in relation to harming the environment.

## Environmental Protection at the Printing Facilities

Paper consumption: Recycled paper accounts for 21% of the paper consumed at Hürriyet facilities. Approximately 40,000 tons of recycled paper is used in newspaper printing.

Chemical treatment: Liquid chemical wastes of the production facilities are collected at the wastewater plant and sent to the chemical treatment plant. Chemically-treated wastewater is then sent to biological treatment.

Biological treatment: Household wastewater produced by the facilities and chemically-treated wastewater are biologically treated and sent to wastewater collection channels, whose standards are determined by the relevant public bodies.

The operation of the Company's treatment plants is under the supervision of specialized companies that analyze water samples taken from the facilities every day. In addition, every month, the treatment plants are inspected by the relevant official authorities.

Waste paper: Paper waste is collected in special areas and sent to recycling.

Aluminum mold waste: The aluminum molds used in printing are collected in special areas after production and sent to recycling.

Plastic bins and metal barrels: Bins and barrels used to store tank water, solvents, oils and chemicals are collected in special areas and sent to recycling.

Lubricant waste: Used lubricants are not spilled into plumbing installations but collected in barrels to be sent away later as waste.

Gas emissions: Hürriyet's newspaper printers run on electricity and therefore no gas is released into the atmosphere.

Plant cleaning: All plants are regularly cleaned by a cleaning company.

Care of green areas and trees: All green areas of the facilities have undergone landscaping. Gardens are cared for regularly by professional firms.

## Environmental health and protection

Industrial wastewater produced at the Company's headquarters (Hürriyet Media Towers) is regularly sent to a professional firm for treatment.

Cooling equipment at the Company's headquarters was renewed four years ago. New-generation cooling equipment that are currently in use run on an environment-friendly gas known as R 134a. All newly-acquired coolers and equipment using coolers have been specifically chosen in view of their environment-friendly gas contents.

The halon fire-extinguishers previously used in the buildings were removed and replaced by environment- and health-friendly systems containing FM 200 gas in compliance with EU standards.

## SECTION IV-BOARD OF DIRECTORS

## 18. Structure and Formation of the Board of Directors and Independent Members

18.1. The composition and election of the Board of Directors are subject to the Turkish Commercial Code and related provisions are set forth in the Articles of Association. Some arrangements have been made to comply with the CMB Principles.

18.1.1. The Company is managed and represented by a Board of Directors that consists of nine members elected from among the shareholders at the General Meeting of Shareholders.

18.1.2. At least one third of the Board Members must be independent members who meet the qualifications specified in the CMB's Corporate Governance Principles. Individuals who have served on the Board for seven years cannot be elected independent members.

18.1.3. The number of executive directors cannot exceed half of the Board of Directors and this point is taken into consideration especially when defining the duties of Board Members.

18.2. Members of the Board of Directors and their status:

Name	Title	Note
Aydın Doğan	Chairman	Non-Executive
Mehmet Ali Yalçındağ	Deputy Chairman of the Board	Non-Executive
Vuslat Doğan Sabancı	Member	Executive
Ertuğrul Özkök	Member	Executive
Soner Gedik	Member	Non-Executive
İmre Barmanbek	Member	Non-Executive
Ertunç Soğançioğlu	Member	Non-Executive
Cem M. Kozlu	Member	Independent
Kai Diekmann	Member	Independent

18.2.1. Two independent members are present in the Board of Directors. Even though there are two independent members, this is below the required one-third ratio specified in the Principles. Work is in progress to raise the number of independent members to three.

18.2.2. The Chairman and the Chief Executive Officer of the Company are different persons.

18.2.3. Of the directors, more than half are non-executive members.

18.2.4. Cem Kozlu, who was appointed Independent Board Member, is a consultant for the North Asia, Eurasia and the Middle East Group of the Coca-Cola Company. Before joining Coca-Cola, Kozlu served as a Member of Parliament for four years and as the Chairman of Turkish Airlines. He has written four books on economics and business, one of which is a university textbook on international marketing.

The second independent member, Kai Diekmann, served as News Editor at Bunte Magazine and as Editor-in-Chief of the Welt am Sonntag newspaper. In 2001, he was appointed Editor-in-Chief of Bild, the best-selling newspaper of Germany and became Bild's publisher in 2004. Presently he serves as the publisher of Bild am Sonntag. After his appointment, Diekmann turned the Bild newspaper into one of the best-selling, most efficient and most profitable publishing organizations in Europe. In 2004, he wrote the biography of former German Chancellor Helmut Kohl, who is a close friend.

18.2.5. There are no rules and/or restrictions regarding the employment of Board Members outside the Company.

18.3. From the independent members of the Board of Directors written statements regarding their independence that meet the criteria specified in the CMB Principles are taken. As of the date of this report, there existed no circumstances that would cause any Board Member to lose his/her independent status.

## 19. Qualifications of Board Members

19.1. The Board of Directors is constituted to ensure maximum efficiency and effectiveness. CMB Principles are complied with in this regard and relevant guidelines are specified in the Articles of Association:

19.1.1. Members of the Board of Directors shall be elected from among individuals who have basic knowledge of the legal environment in the Company's line of business, are professional and experienced in management, can review financial statements and preferably hold relevant university degrees.

19.1.2. In order to perform its obligations and duties, every year, the Board of Directors may designate members responsible for financial, monetary and legal issues and may delegate part of its duties by assigning executive directors who shall oversee the implementation of the Board's resolutions.

19.1.3. The compliance program shall be led by the Corporate Governance Committee and implemented under the responsibility of the CEO. Every new member joining the Board of Directors receives an information folder prepared by the Secretariat of the Board of Directors and attends meetings organized by the Secretariat, obtaining information on such issues as the Company's operations, the situation of the industry as a whole, the competitive environment and reader profiles.

19.2. Resumes of Board Members are available in the annual report and at [www.hurriyetkurumsal.com](http://www.hurriyetkurumsal.com).

## 20. Mission, Vision, Strategic Objectives

20.1. Mission: Hürriyet's mission is to provide accurate news and information, as well as honest analyses and assessments to all Turkish-speaking people around the globe. To accomplish this objective, the main task of the executives of Hürriyet and its subsidiaries is to maintain the independence of both the Company and the newspaper and to manage the Company in a way that will provide maximum value to shareholders.

20.2. Vision: Playing an active role in Turkey's modernization, Hürriyet stands out with its high-quality publishing, employee focus and social responsibility. Hürriyet has always been and will continue to be guided by its commitment to serving the public good and maintaining its role as a pioneer.

20.3. Strategic Objectives: Hürriyet's strategy involves providing customer-focused service, developing reader-oriented specialty products, producing content for traditional brands, keeping abreast of advances in technology and innovatively diversifying and expanding content distribution channels. The Company's strategy also involves tailoring information and educational products and tools to individuals, diversifying and expanding its sales and distribution channels and cooperate with the world's leading media enterprises.

The Board of Directors and the management continuously review Hürriyet's position in line with its strategic objectives. At regular and frequent board meetings, the Company reviews its position in the market and devises new targets and strategies responding to changing conditions. The strategic targets defined by executives are implemented following the approval of the Board of Directors. The Chairman of the Executive Board reports on progress in achieving the targets and past performance to the Board of Directors.

## 21. Risk Management and Internal Control Mechanism

## 21.1. Risk Management

Management of financial risks is under the authority and responsibility of the Financial Affairs Group Directorate and financial risks are monitored under the supervision of Financial Affairs, Financing, Budget and Corporate Risk Departments. Identification and reporting of financial risks, as well as operational risks of the Company's subsidiaries are performed by the Internal Audit Department under the authority and responsibility of the CEO. When needed, the Audit Committee and the Corporate Governance Committee inform the Board of Directors of problems with risk management and internal control mechanism as well as the proposed solutions.

## 2007 REPORT ON COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

**The financial risks the Company is subject to are;**

**Interest rate risk:** Hürriyet and its subsidiaries are subject to interest rate risk due to their interest-sensitive assets and liabilities. These risks are managed through the balancing of interest rate-sensitive assets and liabilities.

**Funding risk:** Existing and forward-looking borrowing requirements are performed by securing sufficient funding commitments from lending companies with high funding capability and quality.

**Credit risk:** Financial asset ownership comes with counterparty risk. These risks are managed by limiting credit exposure to each recipient. The Company's credit risk is dispersed to a great extent thanks to the large number of recipient and that they operate in diverse business lines.

**Exchange rate risk:** Hürriyet and its subsidiaries are subject to exchange rate risk due to the changes of the exchange rate used in converting their foreign currency-denominated debt to the Turkish Lira. This risk is monitored through foreign currency position analysis. (Note 29 in "Notes to Consolidated Financial Statements for 2007")

The Company created an internal Corporate Risk Department as a unit that defines critical risks and calculates their impacts, balances the strategies and business processes of the Company and generates solutions. The Corporate Risk Department strives to limit the impacts of any adverse development on Hürriyet and its subsidiaries and to switch financial, operational and strategic risks that threaten the future of the Group in an increasingly uncertain (exchange rate fluctuations, crisis, recession, abuse, etc.) environment to the Company's benefit and advantage.

**21.2. Internal Control**

Primary duties of the Internal Audit Department are to produce independent reports on effectiveness and efficiency of the operations, on the reliability of the accounting records, reports and the financial statements and on the compliance with regulations and directions approved by the management; to audit the existing internal control structures; to create an affective internal control structure and to inform the management.

In 2007, the Company's existing internal audit practices were reviewed and efforts were made to determine points of internal control. The control and reliability of monthly financial statements were tested; end-of-period physical inventory counts were attended to and the results were reported. Doğan Yayın Holding Internal Audit Department performed an audit covering all regional offices and printing facilities of the Company and an action plan was prepared on the basis of the resulting audit report. Necessary action was taken without delay. Changes in legislation were monitored and agreements binding the Company were reviewed in an attempt to reduce risk.

**22. Authorities and Responsibilities of Board Members and Executives**

22.1. The duties and responsibilities of Board Members and executives are stated in the Company's Articles of Association, in a manner that is consistent with their functions and clearly defined and separated from the duties and responsibilities of the General Meeting of Shareholders.

22.2. The agenda of the Board of the Directors meeting prepared by the CEO is submitted by the Secretariat of the Board of Directors to all Board Members at least one week before the date of the meeting and is revised in accordance with the suggestions of Board Members. As a rule, the Board of Directors convenes upon the invitation of either the Chairman or the Deputy Chairman. The Board of Directors must also be invited to a meeting upon the joint request of at least three members.

Any internal auditor or minority shareholder may invite the Board to a meeting,

by determining its agenda in advance. In this case, the Chairman of the Board of Directors evaluates the emergency of the matter specified in the request. Eventually, the Chairman may either call for a meeting immediately or decide to postpone the discussion of the matter until the next ordinary meeting of the Board of Directors, assuming the responsibility of this decision and explaining its reasons.

Except for situations that require emergency meetings, meeting calls must be made at least seven days before the meeting date and shall also include the agenda of the meeting and all documents and information on agenda items.

22.3. If there are dissenting opinions and negative votes, the reasons of the negative votes are entered into the minutes of the meeting. In 2007, no material disclosures were made due to the absence of dissenting opinions and negative votes.

22.4. Personal presence of all members at board meetings is ensured for decisions on matters that require personal presence as per the Corporate Governance Principles of the Capital Markets Board.

**23. Activities of the Board of Directors**

23.1. Members of the Board of Directors are promptly provided all information they may need to adequately perform their duties.

23.2. The Board of Directors makes a separate decision for the approval of the financial statements, their footnotes and the Independent Audit Report, the Corporate Governance Compliance Report and the Annual Report.

23.3. Meetings of the Board of Directors are organized by the Chairman, the Deputy Chairman or the CEO, who is also a Board Member. Communication between Board Members is facilitated by the Secretariat of the Board of Directors, which is responsible for keeping all documents regarding the meetings of the Board of Directors. The duties and responsibilities of the Secretariat of the Board of Directors, which directly reports to the Chairman of the Board, are stated in the Articles of Association.

23.4. In 2007, the Board of Directors held 55 meetings and approved all resolutions unanimously, without any opposing votes.

23.5. Meetings of the Board of Directors are planned effectively and efficiently. As stated in the Articles of Association:

23.5.1. The Board of Directors meets whenever required by the business of the Company and at least once every month.

23.5.2. As a rule, the Board of Directors meets when requested by the Chairman, the Deputy Chairman or the CEO, who is also a Board Member. The meeting date may be decided by the Board of Directors as well. In case the Chairman or Deputy Chairman does not call for a meeting upon the request of one of the Board Members, then the members shall have the right to call for a Board meeting. Any internal auditor may call for a Board meeting, by determining its agenda in advance.

23.5.3. Meeting calls are made at least seven days before the meeting date and include the agenda and all documents and information related to agenda items.

23.5.4. As a rule, meetings of the Board of Directors take place at the Company's headquarters. However, upon a decision of the Board of Directors, meetings can be held in a different location in the same city or in another city.

23.5.5. Members of the Board of Directors primarily attend meetings in person. However, it is also possible to use technology that provides remote access. Written opinions of members who cannot attend the meetings in person are conveyed to the other members.

23.5.6. Discussions at meetings of the Board of Directors must be entered into minutes and signed by the members present at the meeting. Opponents to a decision must also sign the minutes, declaring their dissenting opinion and its reasons. The minutes, other related documents and all relevant correspondence must be duly filed

by the Secretariat of the Board of Directors. Detailed opinions and the reasons of opposition of dissenting independent members are also disclosed to the public.

23.5.7. Board of Directors meetings require the presence of at least one more than half of the full number of members and decisions require a simple majority of members present at the meeting. In case of equality of votes, the subject matter is added to the agenda of the next Board meeting and if it cannot be approved and decided upon by a majority of the votes at the next Board meeting, the relevant motion is deemed to have been disapproved. Each member is entitled to one vote, irrespective of its position and duties in the Board of Directors.

23.5.8. Pursuant to the second paragraph of Article 330 of the Turkish Commercial Code, Board decisions may be taken by receiving the written consent and approval of other members for a written proposal of any member. However, this method does not apply to decisions on matters that require personal presence at the meeting pursuant to the Corporate Governance Principles of the Capital Markets Board. The following agenda items can only be approved by Board Members attending the meeting in person:

- a- Determination of the business areas in which the Company will operate and approval of business and finance plans,
- b- calling for an ordinary/extraordinary General Meeting of Shareholders and issues related to the organization of the meeting,
- c- finalization of the annual report to be presented to the General Meeting of Shareholders,
- d- election of the Chairman of the Board and the Deputy Chairman; appointment of new members,
- e- establishment or decommissioning of administrative units.
- f- appointment and dismissal of the CEO,
- g- establishment of committees,
- h- mergers, spin-offs, restructuring, sale of the Company as a whole, sale of 10% or more of fixed assets, investments in excess of 10% of total assets, expenses in excess of 10% of total assets,
- i- determination of the Company's dividend policy and the amount of dividend to be distributed.
- j- capital increase or decrease.

23.6. Meetings and travel expenses of the Board of Directors, special studies it may request in relation to it duties and related expenses are paid out of the general budget without any restriction.

23.7. According to the Articles of Association, members of the Board of Directors do not have weighted voting and/or veto rights.

**24. Restrictions on Dealing and Competing with the Company**

According to the Articles of Association, Members of the Board of Directors are not allowed to deal or compete with the Company. An exception can be granted at the General Meeting of Shareholders upon the affirmative vote of shareholders who represent at least three-fourths of the capital.

In 2007, no Board Member, executive or controlling shareholder, including those who may have access to insider information, conducted business in the Company's line of business on behalf of themselves.

**25. Ethical Rules**

Hürriyet adheres to the "Values" it has announced in its website and annual report, as well as the "Editorial Principles" announced to the public by Doğan Yayın Holding. In addition to these rules, the Company has also adopted the Code of Conduct of



Doğan Yayın Holding, with which all Doğan Media Group personnel should comply. Doğan Holding Editorial Principles and the Code of Conduct are available on Doğan Yayın Holding' website at [www.dyh.com.tr](http://www.dyh.com.tr).

#### 26. Number, Structure and Independence of the Committees Constituted by the Board of Directors

26.1. In line with the Company's current position and needs, an Audit Committee, a Corporate Governance Committee, an Executive Committee and a Coordination Board have been established to ensure that the Board of Directors properly fulfils its duties and responsibilities.

26.2. The charters of the Audit Committee and the Corporate Governance Committee have been approved by the Board of Directors and are available at [www.hurriyetkurumsal.com](http://www.hurriyetkurumsal.com). These charters have been carefully designed in light of the Capital Markets Law, CMB Regulations, the Principles, the Articles of Association as well as practices in other countries; both committees meet on a monthly basis.

26.3. Information on the Audit Committee established by the Articles of Association:

26.3.1. The Audit Committee consists of the following members:

Name	Title	Note
İmre Barmanbek	Chairman	Board Member/Non-executive
Soner Gedik	Member	Board Member/Non-executive

According to Section IV/5-4 of the Principles, individuals who are not Board Members but are considered experts in their fields can be appointed to the committee.

26.3.2. The Chairman of the Audit Committee is not an Independent Board Member. However, her position complies with CMB regulations because she is a non-executive member.

26.3.3. The Board of Directors held a meeting on May 23, 2007 and decided that İmre Barmanbek and Soner Gedik, Board Members who are concurrently Committee Members Responsible for Auditing, be reelected and authorized to perform the duties specified in the Capital Markets Board Communiqué Series X, No. 16.

26.3.4. All members of the Audit Committee are non-executive Board Members.

26.3.5. The Audit Committee makes regular efforts in compliance with capital markets legislation and in light of the CMB's Corporate Governance Principles. In this regard, in 2007:

- the Company's financial statements and their footnotes, as well as the independent audit report of the previous year were reviewed prior to their public disclosure and meetings were held with the Independent Audit Firm,
- the Company's independent audit contract was revised,
- results of the internal controls performed by the Internal Control Department and the measures taken have been reviewed,
- emphasis was given to risk management activities.

26.4. Information on the Corporate Governance Committee established by the Articles of Association:

26.4.1. According to Board Decision No. 2007/26 dated May 23, 2007, the Corporate Governance Committee shall consist of the following chairperson and members:

Name	Title	Note
Cem Kozlu	Chairman	Independent Board Member / Non-executive
Murat Doğu	Member	Non-executive
Ahmet Özer	Member	Head of Strategy and Business Dev. Group / Non-Executive

26.4.2. Corporate Governance Committee Member Murat Doğu is also a Member of DYH Corporate Governance Committee.

26.4.3. More than half of the committee members are non-executive.

26.4.4. Since its inception, the Committee has been continuing its activities in a regular manner. In this regard:

- corporate governance rating studies were carried out,
- corporate governance compliance reports prepared by the Company were reviewed,
- annual reports prepared by the Company were reviewed,
- it was ensured that the Ordinary General Meeting of Shareholders, where the activities of 2007 were discussed, was held in compliance with related legislation and principles,
- it was ensured that relations with shareholders and investors are pursued in compliance with related legislation and principles,
- public disclosures of the Company were reviewed,
- the website was regularly updated and improved.

26.5. The Executive Committee has been established pursuant to Article 19 of the Articles of Association as follows:

"The Board of Directors shall form and appoint an Executive Committee comprised of a sufficient number of members in order to ensure that the Company's activities and transactions are performed in accordance with the work program and budget it has determined. The appointment decision shall specify in detail the authorities of the Executive Committee and their limits.

The Chairman of the Executive Committee shall be authorized to manage and direct the activities of the Executive Committee and the Company and shall be elected from among the directors. However, the Chairman of the Board of Directors may not be elected Chairman of the Executive Committee at the same time. In electing the members of the Executive Committee, the Board of Directors shall take into account the suggestions and proposals of the Chairman of the Executive Committee.

The Executive Committee shall meet upon the invitation of its Chairman at intervals required by the Company's business. Company executives and third parties approved by the Executive Committee Chairman may also attend the meetings.

All activities of the Executive Committee shall be put into writing and in each meeting of the Board of Directors, the Chairman of the Executive Committee shall provide information about the work of the committee."

Accordingly, by the resolution passed at the May 23, 2007 meeting of the Board of Directors, Vuslat Doğan Sabancı was appointed Chairman of the Executive Committee (CEO), Ertuğrul Özkök was appointed Executive Committee Member in charge of editorial issues. In addition, Ayşe Cemal Sözeri (Head of the Advertising Group of the Company), Ahmet Toksoy (Head of the Finance Group of the Company) and Sinan Köksal (Head of the Marketing Group of the Company) were reappointed Executive Committee Members.

The Executive Committee, which is comprised of Executive Board Members and group heads, meets at least once a month.

Name	Title
Vuslat Doğan Sabancı	Executive Committee Chairman (CEO)
Ertuğrul Özkök	Executive Committee Member/Editor-in-Chief
Ayşe Sözeri Cemal	Executive Committee Member /Head of the Advertising Group
Ahmet Toksoy	Executive Committee Member / Head of the Finance Group
Sinan Köksal	Executive Committee Member / Head of the Marketing Group
Temuçin Tüzecan	Executive Committee Member /Corporate Communication Coordinator

26.6. The Company's committees act within their authorities and responsibilities and make recommendations to the Board of Directors. All final decisions are taken by the Board of Directors.

26.6.1. The Company's committees document all of their work in writing and keep a record of them.

26.6.2. The Company's committees submit their annual operation reports in writing to the Board of Directors.

#### 27. Remuneration of the Board of Directors

27.1. The Chairman, Deputy Chairman and Members of the Board of Directors are paid remuneration as decided upon by the General Assembly of Shareholders. The decision regarding this remuneration is based on the time Board Members spend for meetings and the time involved in pre and post-meeting preparations and the duties assumed, as well as the CEO's salary. The attendance fee to be paid to Board Members for each meeting is also decided upon by the General Assembly of Shareholders.

Whether the chairmen and members of the committees are to be paid any fees and the amounts and conditions of such fees, if any, are decided by the Board of Directors together with the resolution regarding the establishment of the particular committee. If the chairman and members of a committee are at the same time the chairman or members of the Board of Directors, it is the duty of the General Assembly of Shareholders to determine whether they are to be paid any fees and the amounts and conditions of such fees, if any.

27.2. At the Ordinary General Assembly Meeting of Shareholders held on May 10, 2007, it was unanimously resolved that the Chairman of the Board of Directors be paid a monthly net fee of YTL 6,000, the Deputy Chairman a monthly net fee of YTL 5,000 and Members of the Board a monthly net fee of YTL 4,000 each. Furthermore, it was resolved that Independent Members M. Cem Kozlu and Kai Georg Diekmann each be paid a monthly net fee equal to the YTL equivalent of US\$ 5,000. There exists no additional bonus mechanism based on performance for members of the Board of Directors.

No loans or credits are extended by the Company to any of its Board Members or executives, either directly or indirectly.

#### AUDIT COMMITTEE RESOLUTION

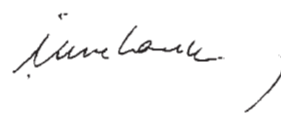
DATE: April 1, 2008

SUBJECT: Announcement of the Financial Statements for the 01/01/2007-12/31/2007 Fiscal Year

#### TO THE HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş. CHAIRMAN OF THE BOARD OF DIRECTORS

The Company's independently audited consolidated financial statements and the accompanying footnotes for the 01/01/2007-12/31/2007 fiscal year, which were prepared in light of the CMB Communiqué Series XI, No. 25 and in compliance with the International Financial Reporting Standards and presented in the form specified by Resolution No. 1604 of the CMB dated December 10, 2004, have been examined by also taking the comments of the executives who had responsibility in the preparation of the Company's financial statements.

Based on the information we have and that has been provided to us, we have transmitted our opinion on the subject matter financial statements to the executives who had responsibility in the preparation of the Company's financial statements. Based on this opinion, we have concluded that these financial statements accurately reflect the results of the Company's operations do not contain any major deficiency that would result in these financial statements being misleading and comply with the CMB regulations.



İmre Barmanbek  
Member



Soner Gedik  
Member

#### HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş. BOARD OF DIRECTORS RESOLUTION

Meeting Number : 2008/13

Meeting Date : April 10, 2008

Participants : Aydın DOĞAN (Chairman)  
Mehmet Ali YALÇINDAĞ (Deputy Chairman)  
Vuslat DOĞAN SABANCI (Member)  
Ertuğrul ÖZKÖK (Member)  
İmre BARMANBEK (Member)  
Soner GEDİK (Member)  
Ertunç SOĞANCIOĞLU (Member)

Hürriyet Gazetecilik ve Matbaacılık A.Ş. Board of Directors convened on the above-mentioned date at the Company headquarters and unanimously resolved to approve and present to the General Assembly for approval the Company's independently audited consolidated financial statements and the accompanying footnotes for the 01/01/2007-12/31/2007 fiscal year, which were presented to the Board of Directors by the Audit Committee with a compliance opinion based on some adjustment recommendations, prepared in light of the CMB Communiqué Series XI, No. 25 and in compliance with the International Financial Reporting Standards and presented in the form specified by Resolution No. 1604 of the CMB dated December 10, 2004.



Aydın DOĞAN  
(Chairman)



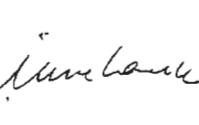
Mehmet Ali YALÇINDAĞ  
(Deputy Chairman)



Vuslat DOĞAN SABANCI  
(Member)



Ertuğrul ÖZKÖK  
(Member)



İmre BARMANBEK  
(Member)



Soner GEDİK  
(Member)



Ertunç SOĞANCIOĞLU  
(Member)

#### RESOLUTION DATE: APRIL 10, 2008 RESOLUTION NUMBER: 2008/13 OF THE BOARD OF DIRECTORS RESOLUTION REGARDING THE APPROVAL OF THE FINANCIAL STATEMENTS

#### DECLARATION OF APPROVAL OF FINANCIAL STATEMENTS AND FOOTNOTES FOR THE 01/01/2007-12/31/2007 FISCAL YEAR

(PURSUANT TO SECTION TWO, ARTICLE 26 OF THE COMMUNIQUÉ SERIES X, NO. 22 OF THE CAPITAL MARKETS BOARD)

We have examined the Company's independently audited consolidated financial statements and the accompanying footnotes for the 01/01/2007-12/31/2007 fiscal year, which were presented to the Board of Directors by the Audit Committee with a compliance opinion based on some adjustment recommendations, prepared in light of the CMB Communiqué Series XI, No. 25 and in compliance with the International Financial Reporting Standards and presented in the form specified by Resolution No. 1604 of the CMB dated December 10, 2004. We have concluded that,

- In so far as our duties and responsibilities are concerned and within the framework of the information known to us, the documents in question do not contain any misrepresentation of the facts or any deficiency that may be construed as misleading information as from the date of their disclosure;

- Within the framework of the information known to us, the financial statements and other information disclosed in the report concerning the period covered by said report correctly reflect the financial condition and operational results of the Company.



SONER GEDİK  
Member of the  
Board of Directors



AHMET TOKSOY  
Head of the  
Finance Group



HALİL ÖZKAN  
Financial Affairs  
Manager

#### STATUTORY AUDITORS' REPORT

#### TO THE HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş. GENERAL ASSEMBLY PRESIDENCY

We hereby present our conclusions regarding the findings of our annual audit of the Company's 2007 fiscal year for your information.

1. We have observed that the books, files and records that are required to be kept based on the nature and the importance of the business were duly kept and that the Company complied with laws, accounting principles, the Articles of Association and the provisions of the Turkish Commercial Code in keeping these books.

2. The values shown in the Inventory, Balance Sheet and Income Statement are consistent with accounting records and the Company complied with the Articles of Association and the provisions of the Turkish Commercial Code in preparing these statements. We have observed that the Balance Sheet and the Income Statement of the Company presented to the General Assembly by the Board of Directors were prepared in accordance with the transparency and accuracy principles stipulated in Article 75 of the Turkish Commercial Code and that they are identical to the official accounting records.

3. All decisions regarding the Company's Management were recorded in the Company's Resolution Book, which was kept in accordance with the laws and regulations.

In conclusion, we hereby recommend that the General Assembly approve the Company's operations summarized in the report prepared by the Board of Directors and the resulting Balance Sheet and Income Statement.



AUDITOR  
FUAT ARSLAN



AUDITOR  
MEHMET YÖRÜK

#### HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş. BOARD OF DIRECTORS RESOLUTION

Meeting Number : 2008/18

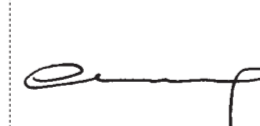
Meeting Date : April 25, 2008

Participants : Aydın DOĞAN (Chairman)  
Mehmet Ali YALÇINDAĞ (Deputy Chairman)  
Vuslat DOĞAN SABANCI (Member)  
Ertuğrul ÖZKÖK (Member)  
İmre BARMANBEK (Member)  
Soner GEDİK (Member)  
Ertunç SOĞANCIOĞLU (Member)

Hürriyet Gazetecilik ve Matbaacılık A.Ş. Board of Directors convened on the above-mentioned date at the Company headquarters.

- Based on the work performed and reports prepared in 2007 by the Internal Audit Unit, which was established to assess the effectiveness and efficiency of the internal control systems in light of the Principles and Standards of Corporate Governance, we observe that the organization is being managed in accordance with the Company's objectives and that operations are performed in conformity with the financial statements and applicable legislation. Consequently;

- The Board of Directors has unanimously decided to declare that the Company has in place an effective and properly-functioning internal control system, considering that, in 2007, the main risks were identified, continuously monitored and minimized and that the existing internal control activities were frequently and continuously evaluated, in line with the objectives we have determined.



Aydın DOĞAN  
(Chairman)



Mehmet Ali YALÇINDAĞ  
(Deputy Chairman)



Vuslat DOĞAN SABANCI  
(Member)



Ertuğrul ÖZKÖK  
(Member)



İmre BARMANBEK  
(Member)



Soner GEDİK  
(Member)



Ertunç SOĞANCIOĞLU  
(Member)