



Investor Presentation

May, 2017



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☐ Turkish ad market figures are estimates of DOHOL; based on currently available data. Ad market statistics may show inconsistency with IFRS figures.

HÜRRİYET WORLD:

The Most Effective Platform Bringing Readers and Advertisers Together

STRONGEST CONTENT PROVIDER

**THREE-CHANNEL CONTENT ACCESS:
NEWSPAPER + WEB + MOBILE**

24/7-DELIVERABLE READER-CUSTOMIZED RICH CONTENT

NEWSPAPER AND DIGITAL MEDIA ADS

PRECISELY-TIMED ADS
PLACABLE IN DIFFERENT MEDIA

HÜRRİYET WORLD:

THE MOST EFFECTIVE PLATFORM FOR BRINGING ADVERTISERS AND READERS TOGETHER

THE MOST EFFECTIVE DIGITAL CLASSIFIED ADS

WEB & MOBILE-ACCESSIBLE
REAL ESTATE, HUMAN RESOURCES, AUTOMOTIVE, SERVICE, AND OPPORTUNITY
DIGITAL CLASSIFIEDS

COMMITTED TO PROVIDING ADVERTISERS AND READERS WITH EVER-GREATER POSSIBILITIES

PRINT MEDIA:

THE PIONEER OF THE TURKISH MEDIA

DIGITAL CONTENT

THE STRONGEST NAME IN DIGITAL CONTENT PUBLISHING IN TURKEY

E BUSINESS

ONE OF THE LEADERS OF DIGITAL CLASSIFIEDS

OPERATIONS ABROAD

TME –TRADER MEDIA
EAST
HÜRRİYET ALMAN



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FIRST QUARTER HIGHLIGHTS

Market leadership in circulation continues with +1.5pp increase in Q1 2017

Decline in print revenues by -9%, below the print add market decline of -17%

Profitable growth in Digital Content with 30% EBITDA Margin in Q1 2017

Pageviews and number of visits increased 69% and 22% respectively on the back of our investments in Digital Content

Solid revenue growth in Hürriyet Emlak (+31%) thanks to operational performance

Achieved to maintain print media costs stable versus last year despite the negative impact of FX and inflation thanks to «Fit For Growth Programme»

FX position under control with all loans in Turkey is denominated in TL and FX payments are hedged.

TOTAL AD MARKET

Ad Market in Turkey

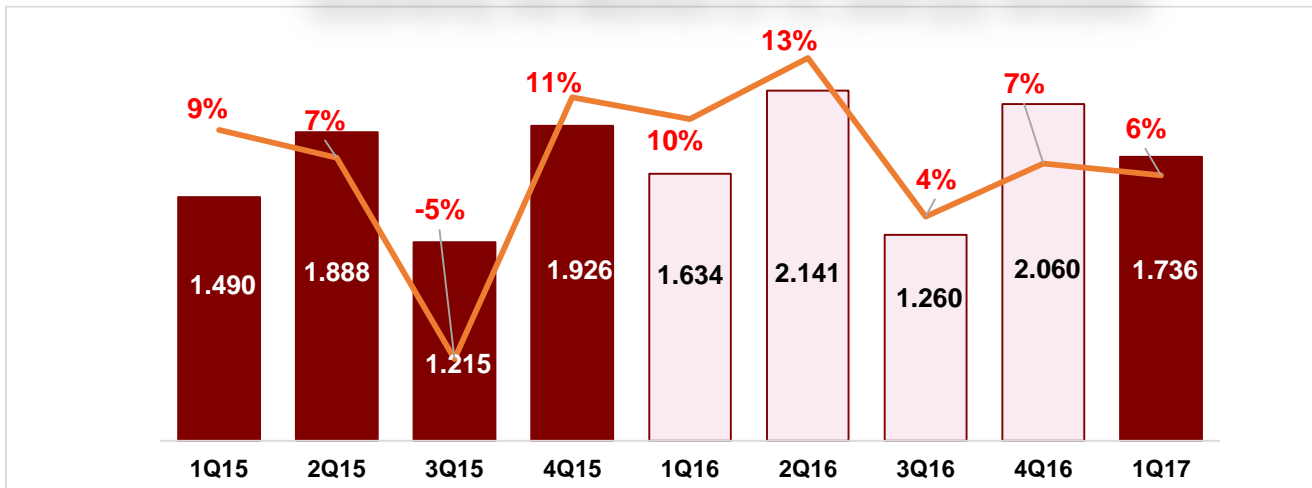
(mn TL)

	1Q16	1Q17	▲yoy	1Q17 Market Share
TV	812	855	5%	49%
Internet	423	510	20%	29%
Newspaper	190	157	-17%	9%
Outdoor	118	122	3%	7%
Radio	43	46	7%	3%
Cinema	22	22	0%	1%
Magazine	27	23	-13%	1%
Total Market	1.634	1.735	6%	100%

*Estimated figures by Doğan Group/MedyaNet

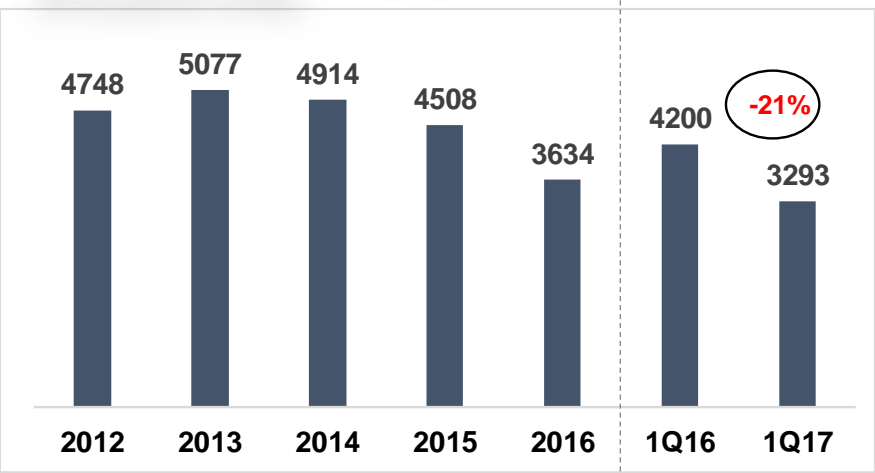
- Newspaper ad market decreased by 17% compared to Q1 2016
- Hürriyet's market share is 9.8 % in total Ad Market
- Internet ad market increased by 20% in Q1 2017 compared to last year.
- 25% growth in Digital excluding one-off impact of Radikal closure in 2016 which is above market growth of 20%

Quarterly Ad Market in TL and y/y Growth

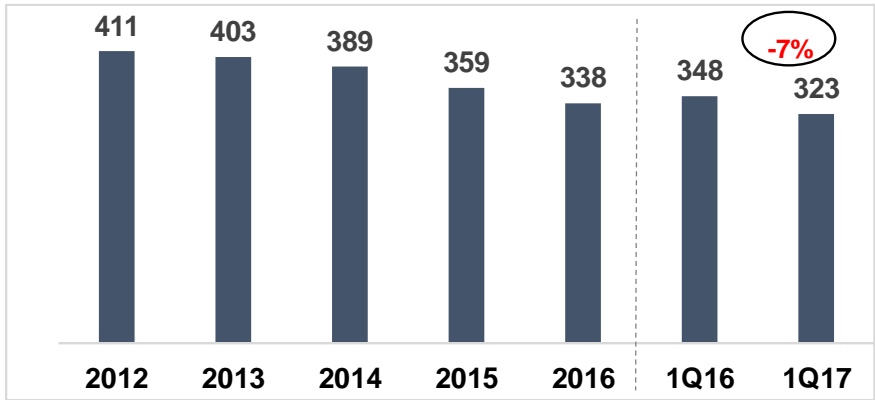


CIRCULATION MARKET SHARE; 1.5 pp increase in Circulation market share

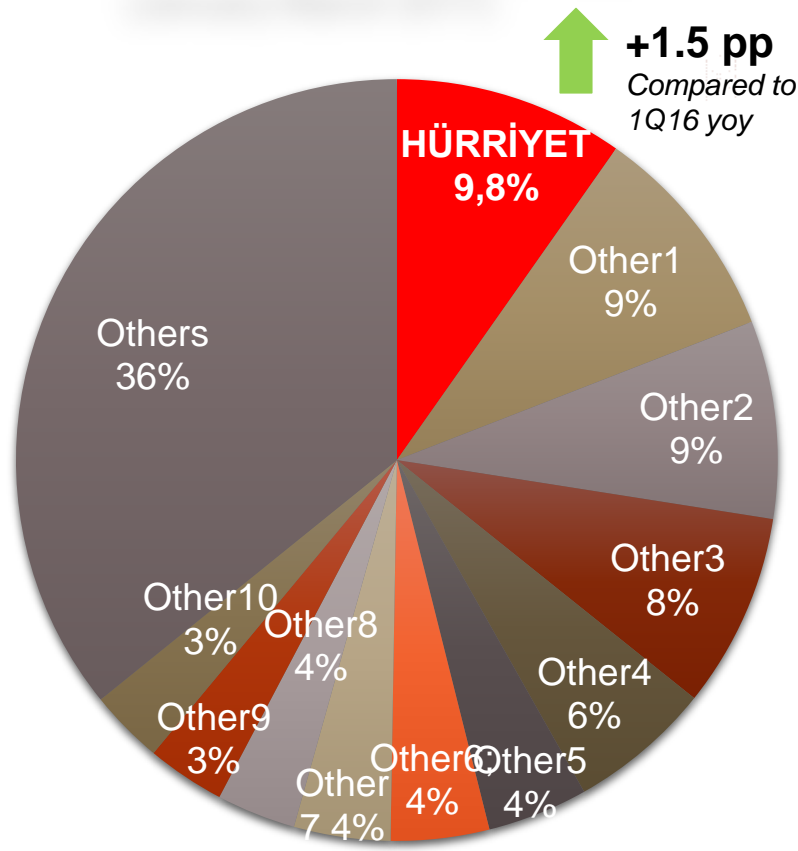
Average Daily Newspaper Circulation
(thousand units)



Average Daily Circulation of Hürriyet
(thousand units)

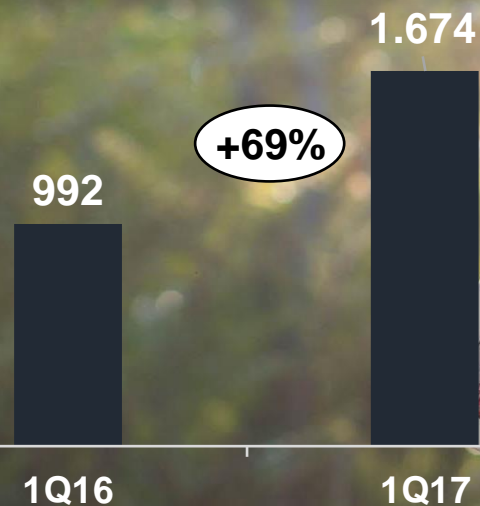


Circulation Market Share (%)
(January-March 2017)

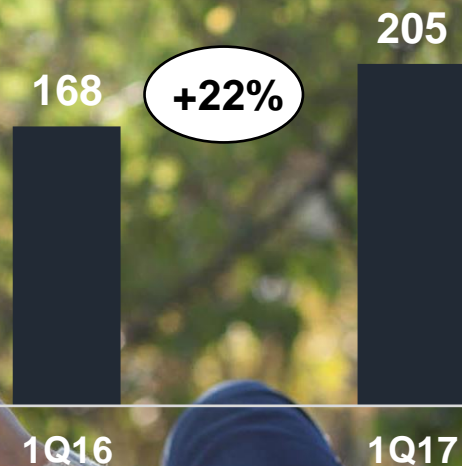


Zaman newspaper included.

Hürriyet Monthly Page View
(million PV)



Hürriyet Monthly Number of Visits
(Session) (million visit)

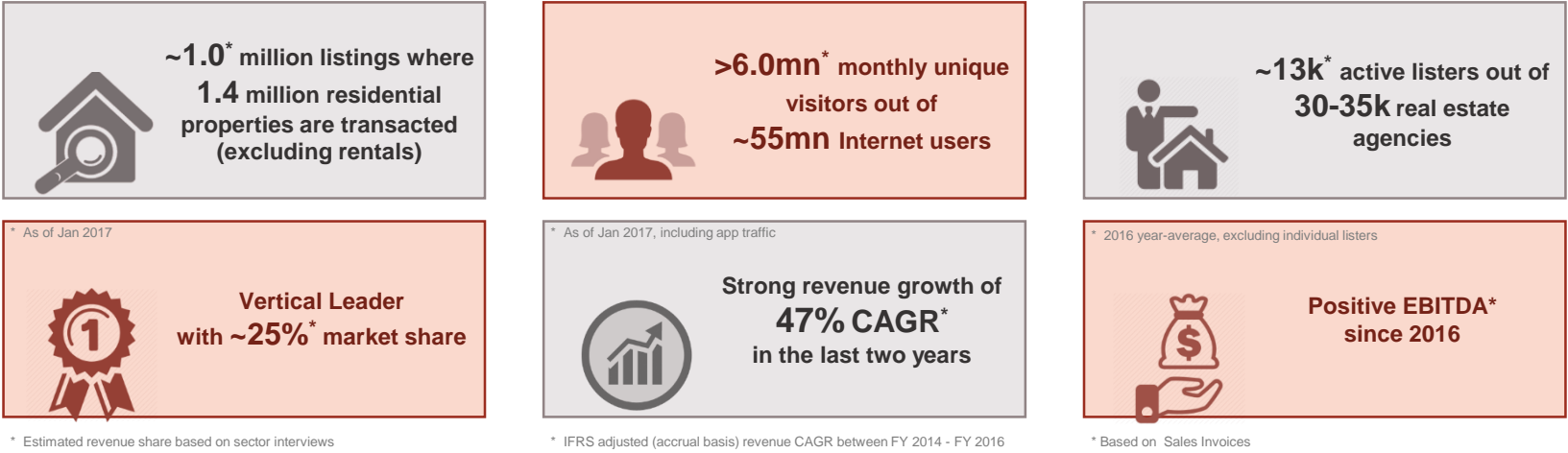


- There is 69% increase in page view numbers in Q1 2017 compared to Q1 2016.
- This impressive growth comes majorly from desktop views.

- There is double digit growth also in number of visits as well.
- 22% growth in number of visits in Q1 2017 compared to Q1 2016, majorly comes from mobile visits

The Most Recognized Brand in Turkish Real Estate Advertising Space

* Based on Future Bright Research Market Study in 2016



Vision: Becoming “The Real Estate Marketplace” in Turkey by 2021

Source: Company Information, National Statistics, Desk Research

Consolidated Revenue in Q1 2017 is 138 mTL, decreases by 5% compared to Q1 2016.

REVENUE - SEGMENTS

Print Media -9%

Digital Content +15%

E- Business +8%

**Revenue
Growth
YoY (%)**

NOTES

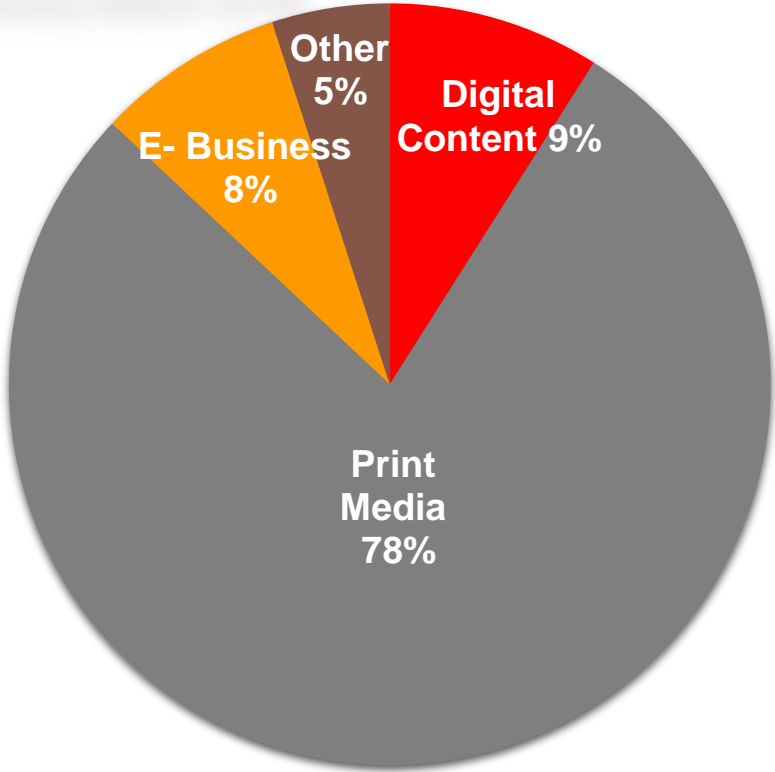
9% decline in print media, lower than the print ad market decline (-17%)

25% growth in Digital excluding one-off impact of Radikal closure in 2016 which is above market growth of 20%

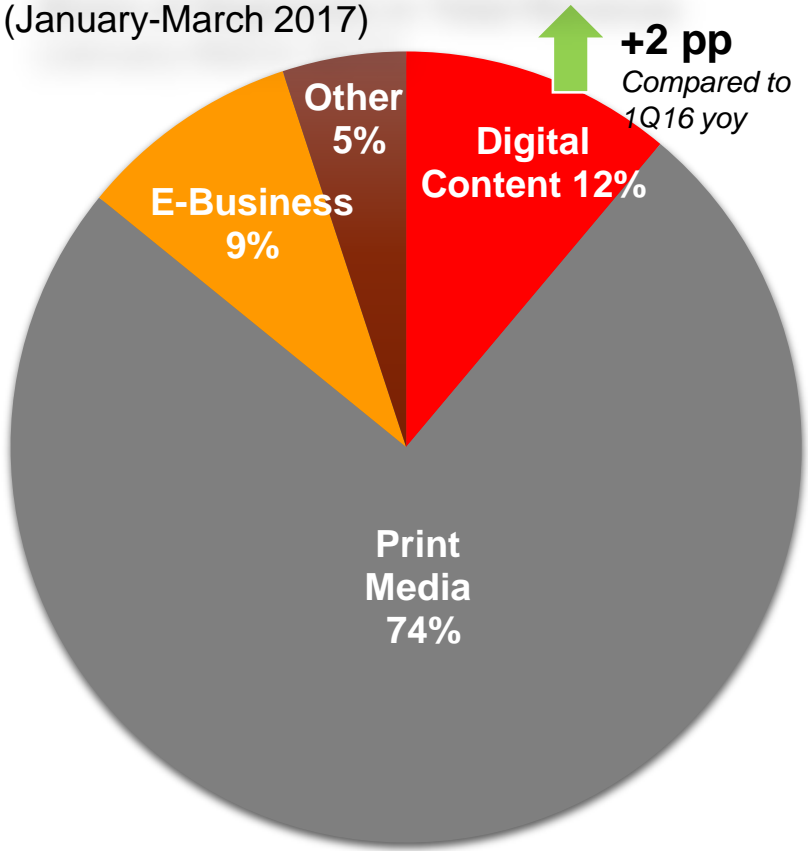
Solid growth in Hürriyet Emlak (+31%)

REVENUE – BREAKDOWN BY SEGMENT

Share of Segments in Total Revenue
(January-March 2016)



Share of Segments in Total Revenue
(January-March 2017)



Total share of Digital Content and E-Business in total revenue is 20 % in Q1 2017

- Share of Print Media in total Q1 2017 Revenue decreases to 74% , by 4pp compared to last year
- Share of Digital Content in total Q1 2017 Revenue increases to 12% , by 3pp compared to last year
- Share of E-Business in total Q1 2017 Revenue increases to 9% , by 1pp compared to last year

SEGMENTED FINANCIAL HIGHLIGHTS



Consolidated Financials (mTL)

	Q1 2016	Q1 2017	▲ yoy
Revenue	138	131	-5%
EBITDA	13	5	-64%
EBITDA Margin	10%	4%	(6 pp)

Digital Content (mTL)

	Q1 2016	Q1 2017	▲ yoy
	13	15	15%
	(1)	4	-748%
	-5%	30%	25 pp

Print Media (mTL)

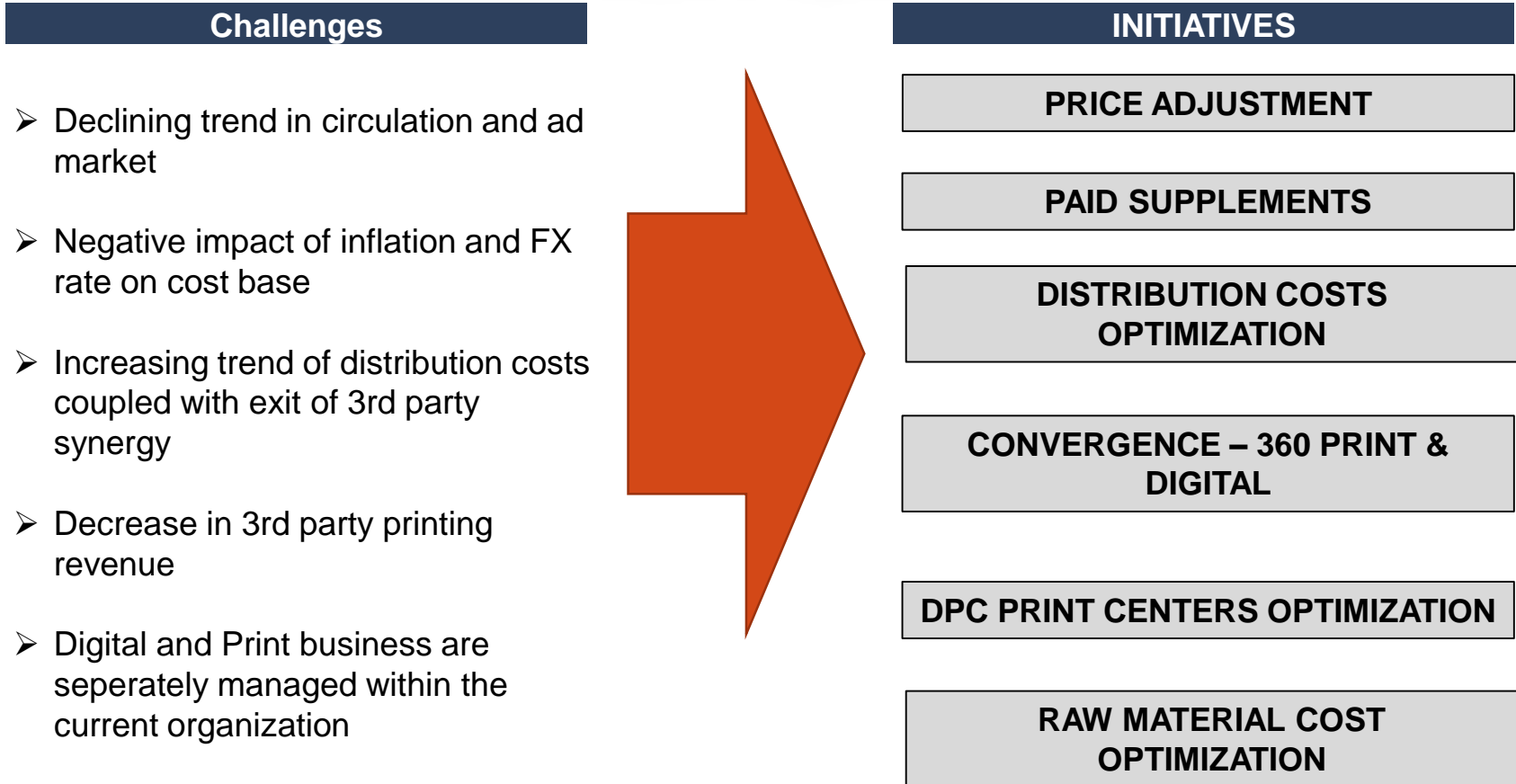
	Q1 2016	Q1 2017	▲ yoy
Revenue	107	98	-9%
EBITDA	17	8	-54%
EBITDA Margin	16%	8%	8 pp

Hürriyet Emlak (mTL)

	Q1 2016	Q1 2017	▲ yoy
	8	10	31%
	(0)	-0	375%
	0%	-1%	(1 pp)



Thanks to the actions taken under «Fit for Growth Programme» , total costs stayed almost stable in Q1 2017 versus last year despite to negative impacts of fx rates and inflation.



BALANCE SHEET

in mn TL	Q1 2017	Q4 2016
Total Cash	30	24
Total Assets	955	934
Total Debt	302	288
Net Debt	272	263
Total Equity	417	417

- **Restructure of Loans**

Lower interest rates ranging between 11.64% and 13.01% , with 113 mTL short term, 189 mTL long term

- **To lever fx exposure**

All loans are converted to TL, and raw material purchases is supported by hedge instruments



Growth and Efficiency in Print

- Keep and Grow Market Share in Circulation
- Reach new readers and advertisers
- Global brand with foreign language publishing
- Increase subscription revenues and create new revenue streams
- Maintain EBITDA thru «Fit For Growth» programme

Digital Leadership

- Transformation in digital via leveraging company wide content and resources
- Accelerate the leadership in Digital
- Diversify digital revenue via new verticals
- Enrich digital production and user experience

Focus on Classified

- Create New Digital Revenue Streams
- Value Maximization at Classifieds

