



Investor Presentation

Aug, 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

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 ZWEIGN

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



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2017 FIRST HALF HIGHLIGHTS

Market leadership in circulation continues with +1pp increase in H1 2017

Decline in print revenues by -12%, below the print add market decline of -20%

Profitable growth in Digital Content with 59% EBITDA Margin in H1 2017

Page views and number of visits increased 67% and 27% respectively on the back of our investments in Digital Content

Solid revenue growth in Hürriyet Emlak (+101%) 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

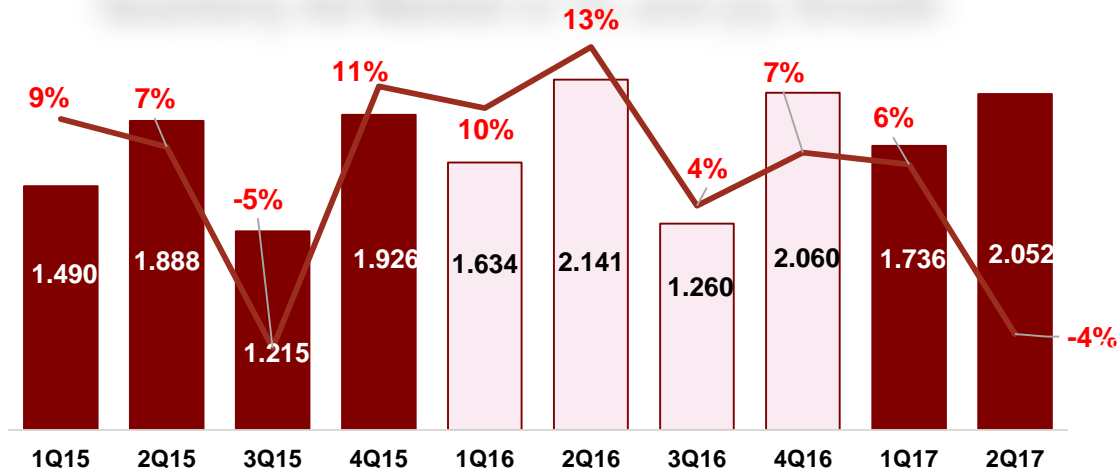
(mn TL)

	June YTD16	June YTD17	▲ yoy	Jun-17 Market Share
TV	1.986	1.953	-2%	52%
Internet	917	1.035	13%	27%
Newspaper	423	340	-20%	9%
Outdoor	251	271	8%	7%
Radio	101	103	2%	3%
Cinema	60	49	-17%	1%
Magazine	41	40	-1%	1%
Total Market	3.778	3.791	0%	100%

- Newspaper ad market decreased by 20% compared to H1 2016.
- Hürriyet's market share is 34.3% in total Newspaper Ad Market.
- Internet ad market increased by 13% in H1 2017 compared to last year.
- 17% growth in Digital excluding one-off impact of Radikal closure in 2016 which is above market growth of 13%

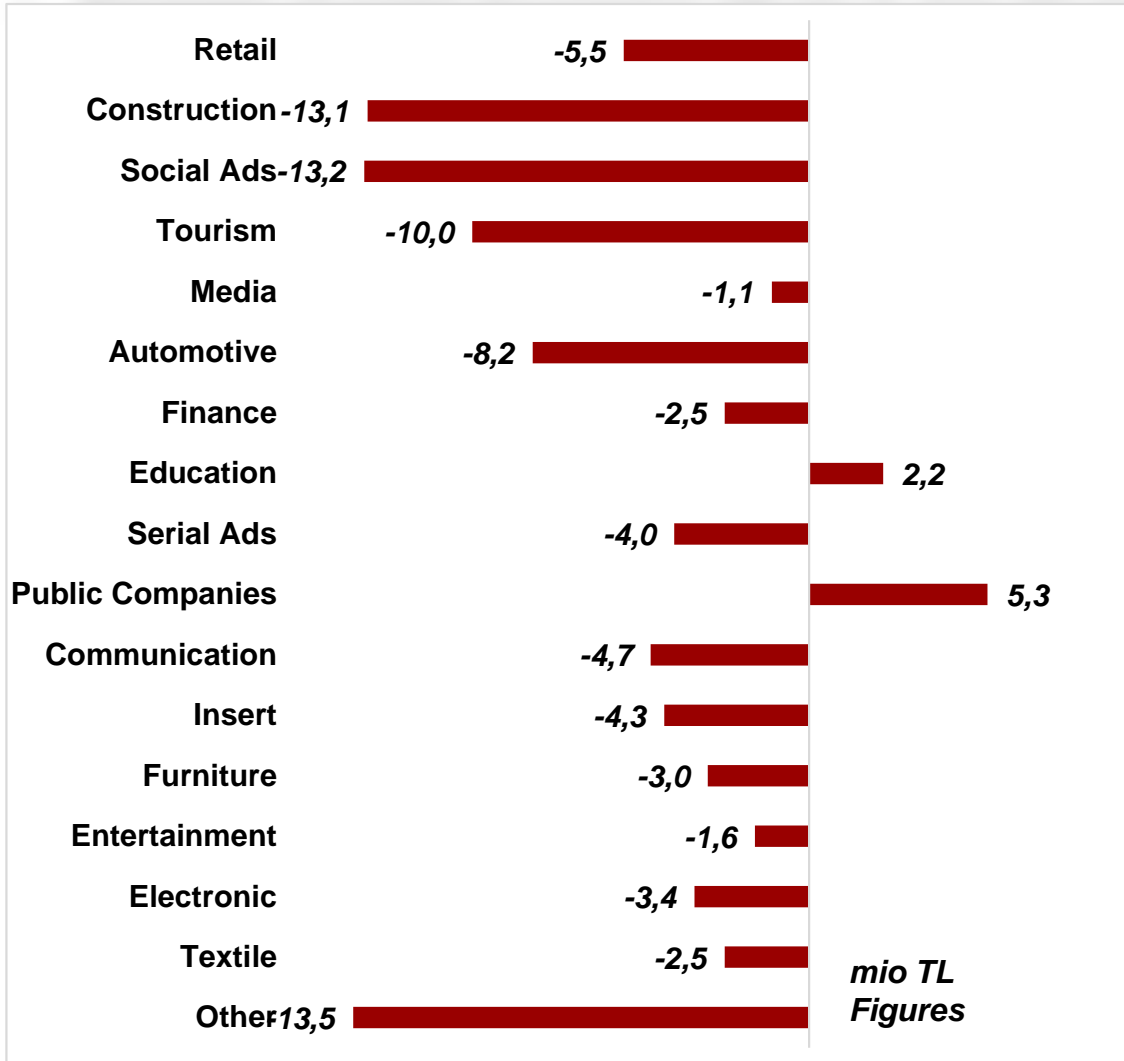
*Estimated figures by Doğan Group/MedyaNet

Quarterly Ad Market in TL and y/y Growth



NEWSPAPER AD MARKET

- Newspaper ad market decreased to 340 mio TL from 423 mio TL by 20% compared to H1 2016.



- 83 mio TL decrease in newspaper ad market comes majorly from below sectors :

✓ **Construction:**
-13 mio TL yoy decrease (-27%)

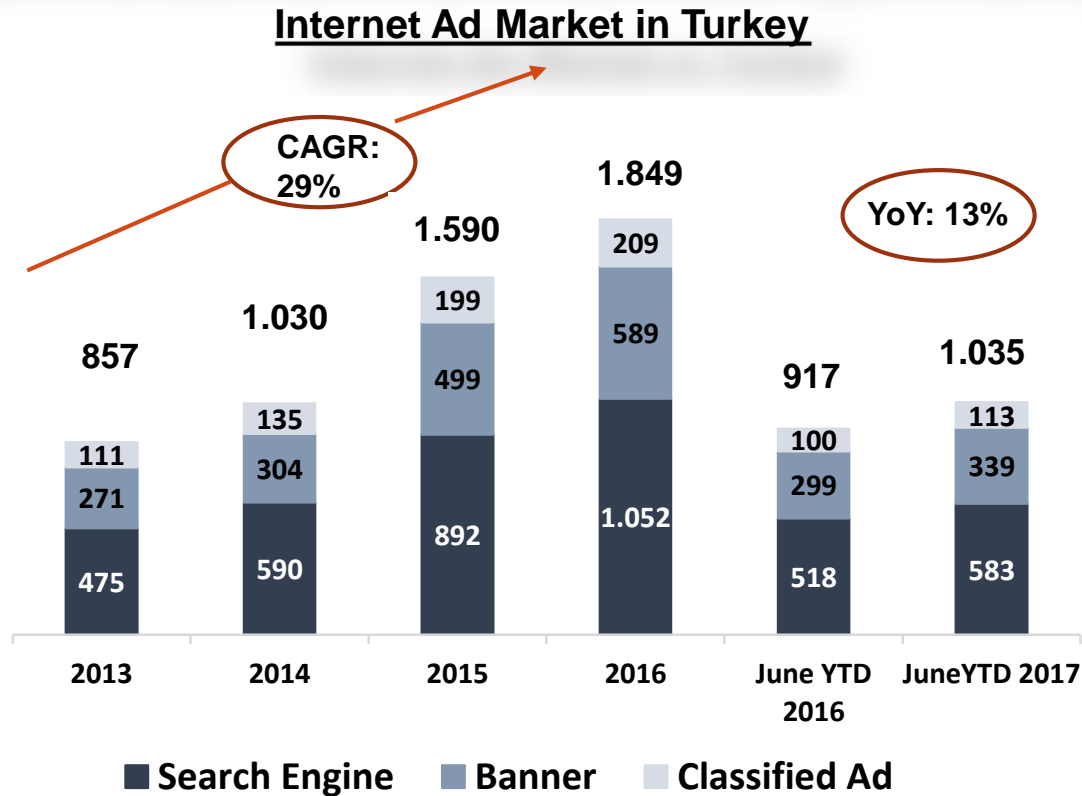
✓ **Social Ads:**
-13 mio TL yoy decrease (-39%)

✓ **Tourism:**
-10 mio TL yoy decrease (-33%)

✓ **Automotive:**
-8 mio TL yoy decrease (-27%)

INTERNET AD MARKET:

- Internet Ad Market growth of 29% CAGR in the last three years.
- In H1 2017 Internet ad market increased by 13% compared to last year,
- 17% growth in Digital excluding one-off impact of Radikal closure in 2016 which is above market growth of 13% due to successful performance of particularly Digital Content Operational KPI's.



Hürriyet Monthly Page View- Average
(million PV)

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



- There is 67% increase in page view numbers in H1 2017 compared to H1 2016.
- This impressive growth comes majorly from mobile views.

- There is double digit growth also in number of visits as well.
- 27% growth in number of visits in H1 2017 compared to H1 2016, majorly comes from mobile visits



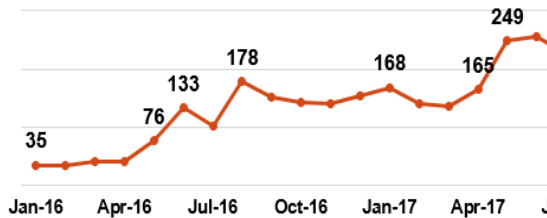
- In H1 2017 monthly average Page View doubled to 185 million compared to H1 2016.

Pageview	185 m
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Session	27.9 m
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Unique Visitor	9.2 m
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Page View (m PV)



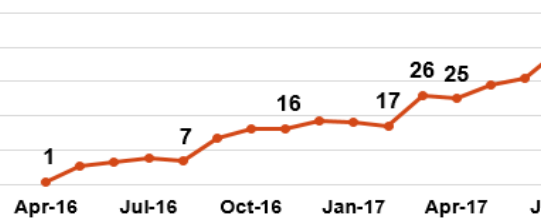
- In H1 2017 monthly average Page View tripled to 24 million compared to H1 2016.

Pageview	24.3 m
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Session	2.7 m
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Unique Visitor	1.6 m
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Page View (m PV)



- In H1 2017 monthly average Page View is 10.2 million.

Pageview	10.2 m
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Session	4.5 m
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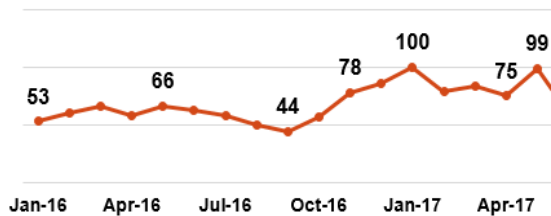
Unique Visitor	4.4 m
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- In H1 2017 monthly average Page View increased by 36 % to 82million

Pageview	82 m
Session	11.3 m
Unique Visitor	3.9 m

Page View (m PV)

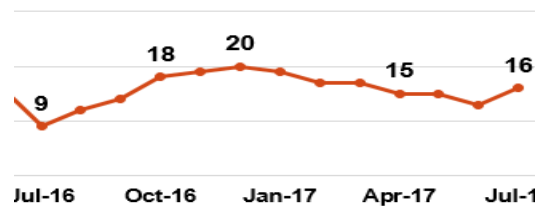


hürriyet aile

- In H1 2017 monthly average Page View is 16 million

Pageview	16 m
Session	4 m
Unique Visitor	2.7 m

Page View (m PV)

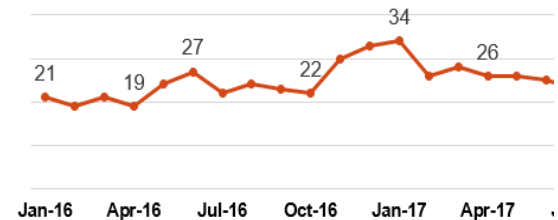


mahmure.com

- In H1 2017 monthly average Page View increased by 22 % to 27.5 million

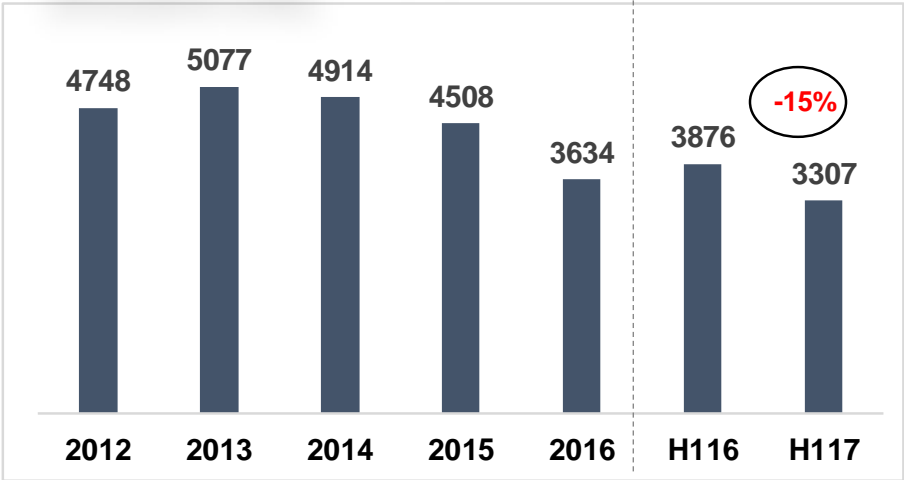
Pageview	27.5 m
Session	6.2 m
Unique Visitor	3.2 m

Page View (m PV)

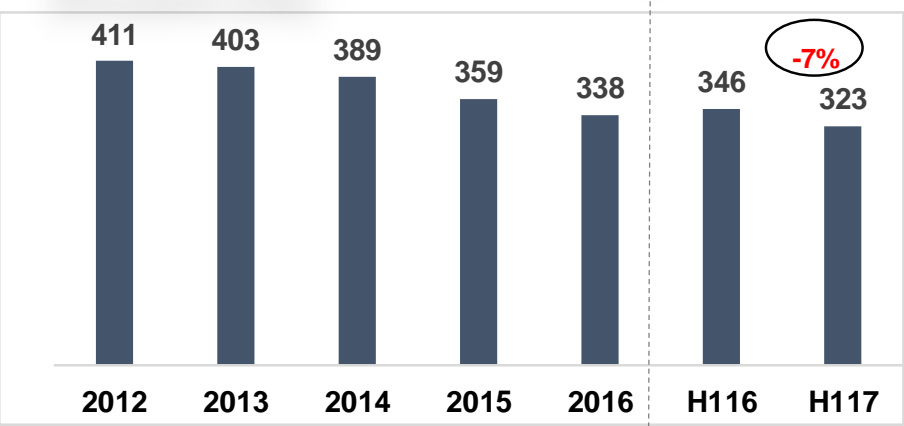


CIRCULATION MARKET SHARE; 1pp increase in Circulation market share

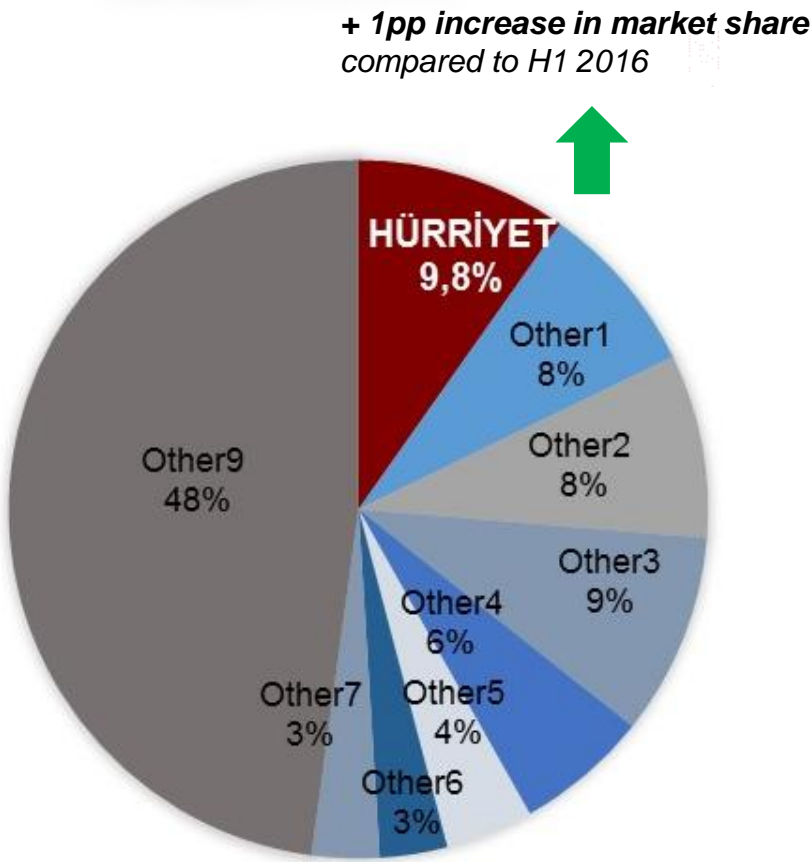
Average Daily Newspaper Circulation
(thousand units)



Average Daily Circulation of Hürriyet
(thousand units)



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



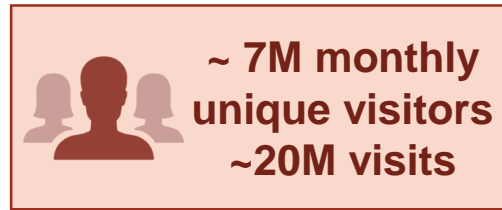
Zaman newspaper included.

The most reputable and known real estate classifieds brand in Turkey

* Based on Future Bright Research Market Study in 2016



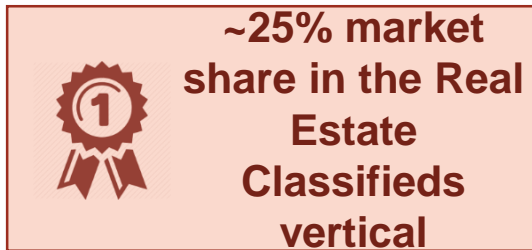
* As of Jan 2017



* As of Jan 2017, including app traffic



* 2016 year-average, excluding individual listers



* Estimated revenue share based on sector interviews



* Based on Sales Invoices

***Vision: To become the market leader in the Real Estate
Classifieds Vertical by 2021***

Source: Company Information, National Statistics, Desk Research

CONSOLIDATED REVENUE – Revenue Growth YoY %

Consolidated -5.6% ↓

- ✓ Consolidated Revenue in H1 2017 is 274 mTL, decreases by 5.6% compared to H1 2016.

Print Media -12% ↓

- ✓ 12% decline in print media,
- ✓ lower than the print ad market decline(-19%)

Digital Content +13% ↑

- ✓ 17% growth in Digital excluding one-off impact of Radikal closure in 2016 which is above market growth of 13%

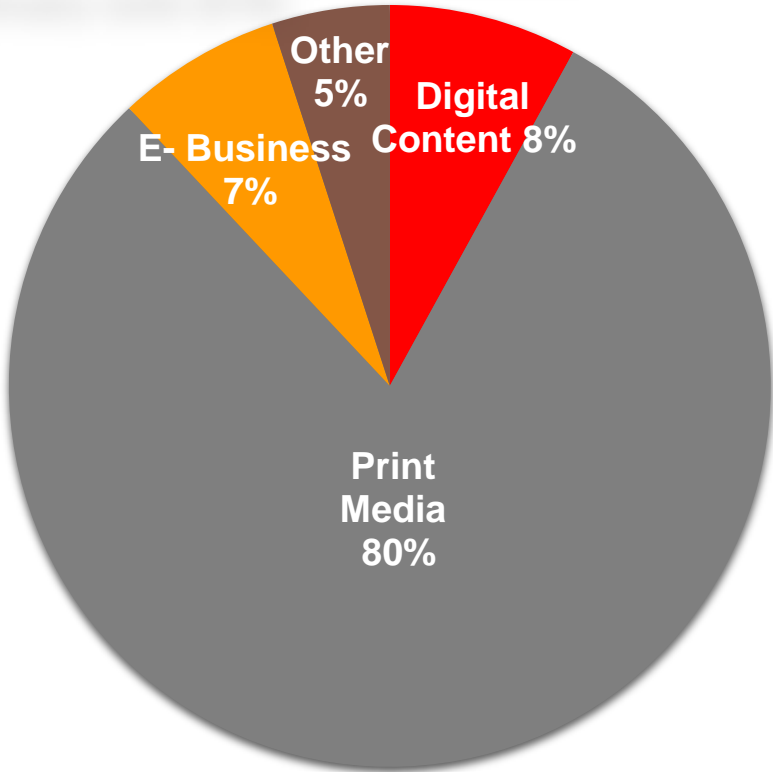
E- Business +47% ↑

- ✓ Solid growth in Hürriyet Emlak (+101%)

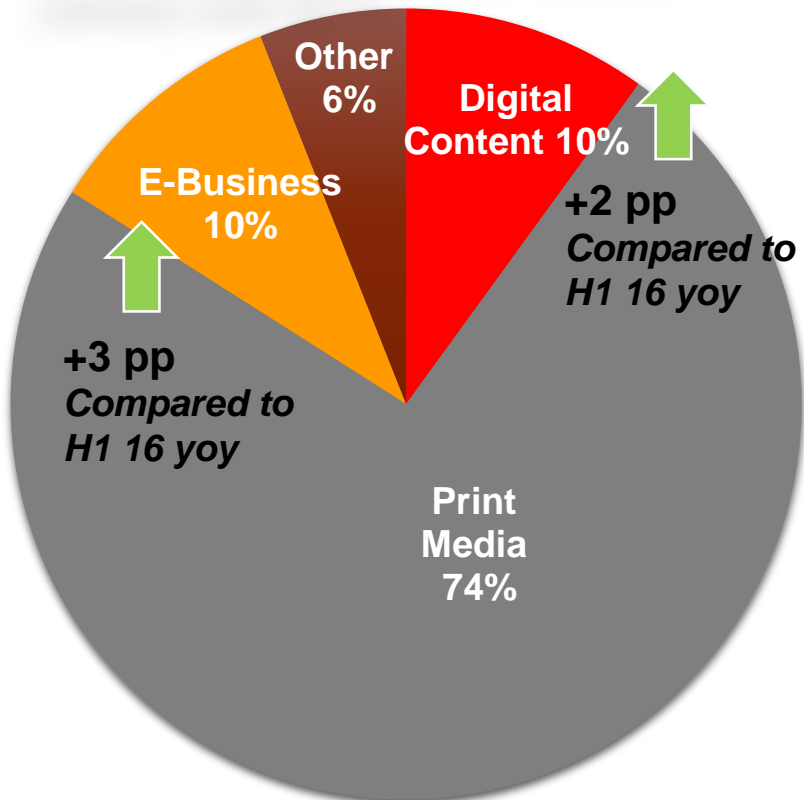
	Q1 2017	Q2 2017	H1 2017	▲ yoy Q2	▲ yoy H1
Consolidated Revenue	131	143	274	-6%	-6%
Print Media	98	107	204	-15%	-12%
Digital Content	15	12	27	11%	13%
E-business	12	16	28	104%	47%

REVENUE – BREAKDOWN BY SEGMENT

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



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



Total share of Digital Content and E-Business in total revenue is 20 % in H1 2017

- Share of Print Media in total H1 2017 Revenue decreases to 74%, by 6pp compared to last year
- Share of Digital Content in total H1 2017 Revenue increases to 10%, by 2pp compared to last year
- Share of E-Business in total H1 2017 Revenue increases to 10%, by 3pp compared to last year

Consolidated Financials (mTL)

	H1 2016	H1 2017	▲ yoy
Revenue	291	274	-6%
Costs	(256)	(258)	1%
EBITDA	34	17	-52%
EBITDA Margin %	12%	6%	(4 pp)

Digital Content (mTL)

	H1 2016	H1 2017	▲ yoy
Revenue	24	27	13%
Costs	(20)	(17)	-14%
EBITDA	4	10	143%
EBITDA Margin %	17%	36%	19 pp

NOTE : 17% growth in Digital excluding one-off impact of Radikal closure in 2016 which is above market growth of 13%

Print Media (mTL)

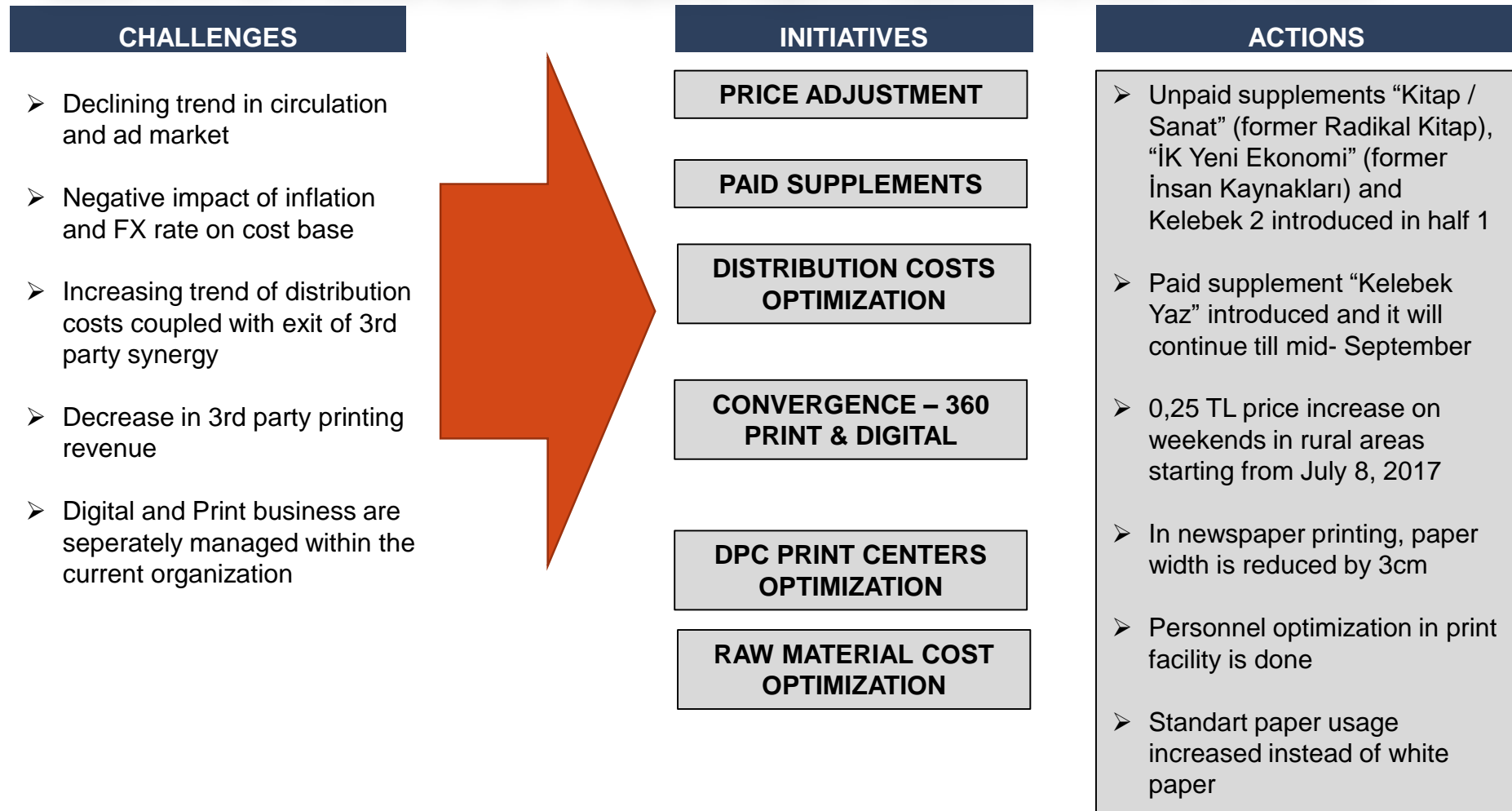
	H1 2016	H1 2017	▲ yoy
Revenue	233	204	-12%
Costs	(193)	(187)	-3%
EBITDA	40	18	-56%
EBITDA Margin %	17%	9%	(6 pp)

Hürriyet Emlak (mTL)

	H1 2016	H1 2017	▲ yoy
Revenue	11	22	101%
Costs	(18)	(22)	22%
EBITDA	(7)	(1)	93%
EBITDA Margin %	-69%	-2%	67 pp

PRINT MEDIA CHALLENGES & INITIATIVES

Thanks to the actions taken under «Fit for Growth Programme» , total costs stayed almost stable in H1 2017 versus last year despite to negative impacts of fx rates and inflation.



BALANCE SHEET

in mio TL	6/30/2017	12/31/2016
Total Cash	32	24
Investment Properties	220	228
Tangible Assets	124	130
Total Assets	874	934
Total Debt	312	288
Net Debt	280	263
Total Equity	355	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

Strategic Priorities

1

Focused Growth

We focus on the brands and fields in which we are strong while leaving the fields we are weak

2

Strong Fiscal Structure

With strengthening our fiscal structure, we will grow faster and in depth in the fields we are focused on, reduce indebtedness, and invest in fields and companies that are inline with our strategy

3

Cost Efficiency

We are focusing on expense control and cost efficiency

Strategic Focus Points

- 360 and Journalistic Renewal
- Digital growth and revenue focus
- Revenue and audience diversification
- Cost management and efficiency
- Hurriyet Emlak
- Inorganic Investments

FOCUSING ON ACTIONS THAT WILL INCREASE ENTREPRISE VALUE

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