**HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.**

**2018 PROFIT DISTRUBITON POLICIES AND SUGGESTION**

Our Company distributes the profits taking into consideration the provisions of Turkish Commercial Code (“TCC”), Capital Markets Legislation and Regulations of the Capital Markets Board (“CMB”), Corporate Tax Law, Income Tax Law and other relevant legal legislation and our Company’s Articles of Association and our “Profit Distribution Policy” which we have made public.

Our Company’s Board of Directors decided that, according to the Consolidated Financial Statements of the fiscal period from 01.01.2018 to 31.12.2018 which have been prepared in conformity with the Turkish Accounting Standards ("TAS") and the Turkish Financial Reporting Standards ("TFRS") issued by the Public Oversight, Accounting and Auditing Standards Authority ("KGK") as per the "Communique on Principles of Financial Reporting in Capital Markets" (“II-14.1”) of SPK, and of which principles of presentation have been determined pursuant to the Decisions of SPK in this regard, and which have undergone an independent audit; a "Net Period Income" of 269,368,228 Turkish Lira emerged, when the "Deferred Tax Income", "Period Tax Expense", "Post-Tax Period Loss of Discontinued Operations" and "Non-controlling Shares of Consolidated Equity of Participations" are taken into account all together; and that when "Previous Years' Losses" of 627,675,188 Turkish Lira, which was calculated as per the SPK Profit Share Guide announced in SPK's Weekly Bulletin No. 2014/2 dated 27.01.2014, is also taken into account, no dividend can be distributed in the fiscal period from 01.01.2018 to 31.12.2018 in accordance with SPK's regulations on dividend distribution; it has been decided to inform the shareholders in this respect and to present this issue to the General Assembly for approval;

And that, according to our financial records kept for the fiscal period from 01.01.2018 to 31.12.2018 pursuant to the Tax Legislation and the Uniform Chart of Accounts published by the Republic of Turkey Ministry of Finance, a "Period Income" of 334,386,577.59 Turkish Lira emerged, and that, after allocation, from the said amount, of "Period Tax Expense" at the amount of 20,220,555.96 Turkish Lira, the "Net Period Income" was calculated as 314,166,021.63 Turkish Lira, and that, in consideration of the foregoing, it shall be presented to the General Assembly for approval that a "General Legal Reserve" of 15,708,301.08 Turkish Lira should be allocated as per Article 519(1) of TCC, that a total amount of 240,594,062.06 Turkish Lira, which consists of 240,438,817.06 Turkish Lira exempted under Article 5(1e) of the Corporate Tax Law as a result of sales of various shares (Doruk Faktoring A.Ş., Glokal Dijital Hizmetler Pazarlama ve Ticaret A.Ş.) plus 155,245 Turkish Lira exempted under the R&D Incentive as per Act 5746, should not be distributed as dividends, but should be transferred to a "special fund account" in the liabilities column with the remaining "Period Net Income" of 57,863,658.48 Turkish Lira being transferred to the "Extraordinary Reserves" account, and that, as per Article 5(1e) of the Corporate Tax Law No. 5520, the amount of 128,021,765.84 Turkish Lira kept in a special fund account in the liabilities column until the end of the fifth year following the year when the relevant immovable properties were sold should be transferred to the account of "Extraordinary Reserves".