



www.doganburda.com

Review of 1Q14 Results

May 7, 2014

Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. (“Doğan Burda”) has prepared this Presentation (the “Presentation”) for the sole purpose of providing information (the “Information”) relating to Doğan Burda. This presentation includes information based on publicly available data and/or data provided by Doğan Burda and Doğan Yayın Holding A.Ş. management gathered at the time of writing and are subject to change without notice. This Presentation and/or the Information is confidential and cannot be copied, disclosed or distributed to any person and is being provided to you solely for your information.

This Presentation and/or the Information do not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Doğan Burda, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. No reliance may be placed for any purposes whatsoever on the Information contained in this Presentation or on its completeness, accuracy or fairness. The Information in this Presentation is subject to verification, completion and change. No rebook or warranty is made by Doğan Burda or the Shareholders or any of their respective advisers or any of their representatives as to the accuracy or completeness of the Information and no liability is accepted by any such person for any such Information or opinion or for any loss howsoever arising from any use of this Presentation or the Information.

Investors and prospective investors in securities of any issuer mentioned herein are required to make their own independent investigations and appraisal of the business and financial condition of such company and the nature of the securities. Any decision to purchase securities in the context of a proposed offering of securities, if any, should be made solely on the basis of information contained in an offering circular published in relation to such an offering.

All statements other than statements of historical facts included in this Presentation, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate. The forward-looking statements in this Presentation speak only as at the date of this Presentation.

Women. Health and Decoration

Bebeğimle
elele

burda

elele

ELLE

ELLE
DECORATION

-evim

formsanté

MAISON
FRANÇAISE

seninle
Kadın olmak güzel

Spa
WELLNESS

Economy. News and Law

Capital

Ekonomist

güncel
hukuk

People. Youth. Travel and Life Style

ATLAS

BLUE JEAN

GEO

HAFTA SONU

HELLO!

heygirl

ISTANBUL
LIFE

Information Technology and Computers

CHIP

PC
bilgisayar ve internet dergisi

Hobbies. Cooking and Special Interest

ATLAS Tarih

Auto
SHOW

EvBahçe

LEVEL

Lezzet

POPULAR
SCIENCE
HELEKEMER
SINIR

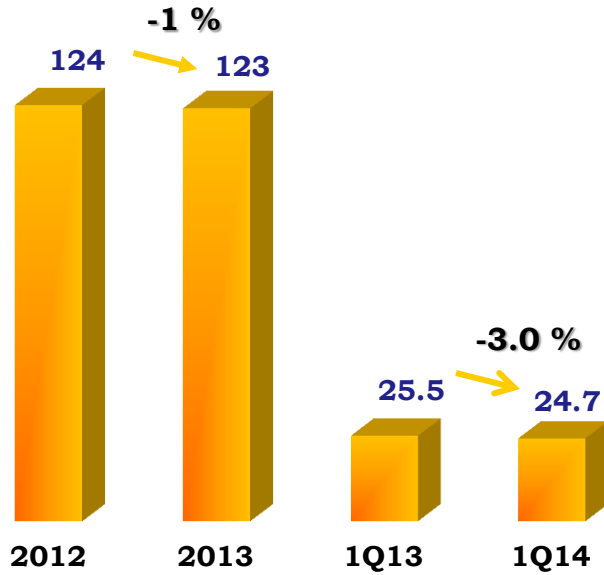
TEMPO

REVOLUTION

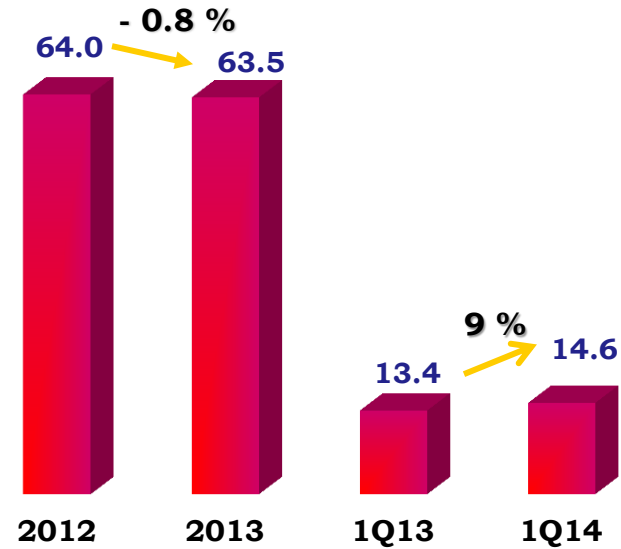
YACHT
Türkiye

- Doğan Burda strengthened its leading position as its ad revenues increased by 9% yoy and Turkish magazine ad market declined by 3% yoy to TRY 25m in 1Q14.

Magazine Advertising - Turkey (TRYm)



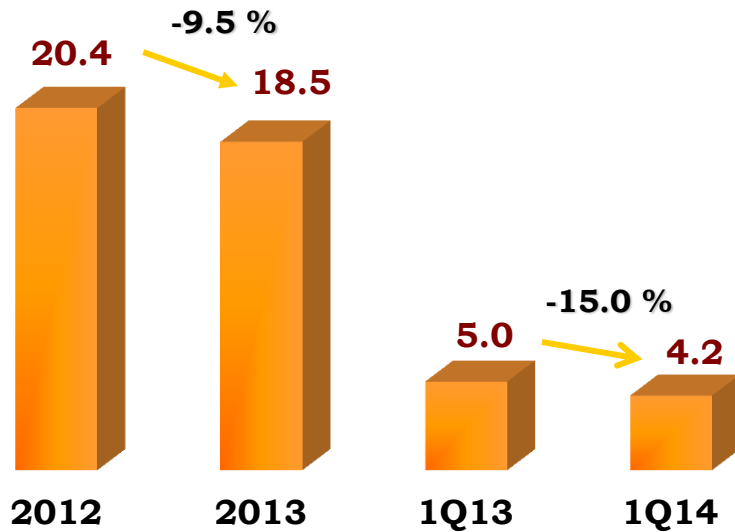
Doğan Burda Advertising Revenues (TRYm)*



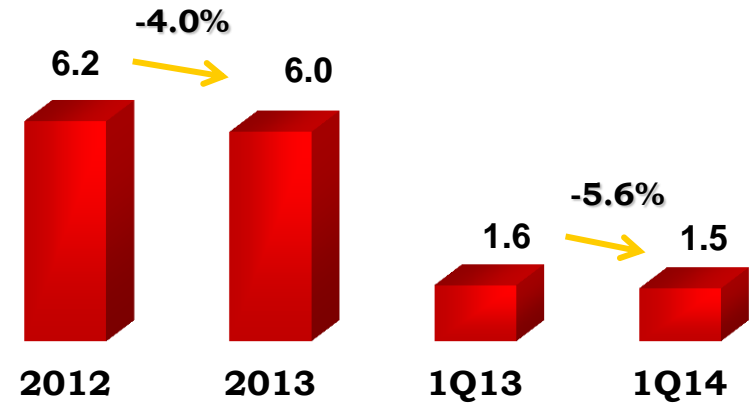
* Ad revenues = Reported ad revenues plus IAS adjustments & reclassifications.

- Turkish magazine circulation market was down by 15% yoy in 1Q14.
- Through new launches, Dogan Burda managed to increase its circulation market share to 35% in 1Q14.

Total Net Circulation Units – Turkey (Units m)

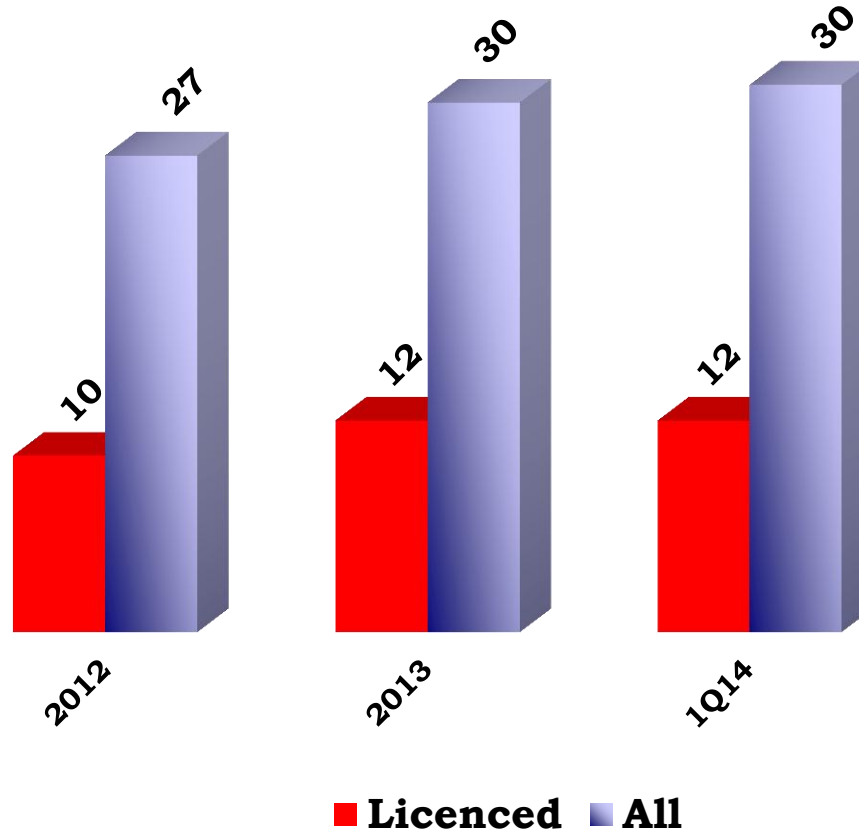


Dogan Burda Net Circulation (Units m)



Number of Magazines (Period end)

- **Successful launches in 2013: Doğan Burda launched «Geo» magazine in Mar'13, «Spa & Wellness» in Sep'13, and «Revolution» magazine in Dec'13.**



- Successful seasonal brands continued to add value in 2014, main brands' various seasonal magazines launched during the period.
- Doğan Burda's tablet store *Dergi Burada* is active since March 2013 and continued growth.
- Tablet edition of Level magazine has been launched in 1Q14.
- Focus on digital activities continues: CHIP Online has started with live video streaming on web.
- Extending the magazine portfolio by adding Geo, Spa & Wellness and Revolution in 2013 had positive contributions in circulation and ad revenues in 1Q14.
- The volatility in EUR/USD exchange rate in 1Q14 had a negative impact on major cost items (paper, imported magazines, copyrights, etc.).
- Distributed gross cash dividend of TRY 2.47 mn in April 2014; dividend pay out ratio* was 101.59 %

* The ratio of dividend distributed to shareholders to net distributable income.



www.chip.com.tr



www.pcnet.com.tr



www.capital.com.tr



www.level.com.tr



www.lezzet.com.tr



www.elle.com.tr



www.kesfetmekicinbak.com



www.ekonomist.com.tr

- iPad App of ELLE Magazine is growing: The app has been downloaded 160.000 times so far.
- Nexxt, tablet-only CE magazine, reached 45.000 downloads, Istanbul LIFE Weekly (tablet-only) has been launched.
- Doğan Burda web site has been relaunched.
- Elele Online (www.elele.com.tr) has been relaunched and reached monthly 1.5 Million UVs per month.
- Tablet Edition of Level magazine has been launched.
- CHIP Online has started with live video streaming on web.
- On web sites approximately 6.4 mn monthly unique visitors in total.

- Net sales increased by 5.7% to TRY 23 mn. mainly due to the increase in ad revenues.
- Due to higher COGS and event expenses, EBITDA margin dropped to 1% 1Q14 vs. 3% in 1Q13.

| Million TRY | FY13 | 1Q13 | 1Q14 | Ch.% |
|-------------------------|--------|-------|-------|--------|
| Net Sales | 100.69 | 21.72 | 22.96 | 5.7 |
| Cost of Goods Sold | 59.57 | 12.30 | 13.07 | 6.3 |
| Operating Exp. | 38.49 | 9.01 | 9.98 | 10.8 |
| Operating Profit/(Loss) | 3.51 | 0.59 | 0.05 | (90.7) |
| EBITDA* | 4.10 | 0.71 | 0.22 | (68.6) |
| Net Profit/(Loss) | 2.52 | 0.36 | 0.20 | (45.5) |

(*) Adjusted EBITDA by net IAS 39 impact and excluding other operational income/(exp.).

- **Gross profit increased by 4.9% to TRY 9.9 mn. thanks to growth in total revenues despite higher COGS.**

| Million TRY | FY13 | 1Q13 | 1Q14 | Ch.% |
|-----------------------|---------------|--------------|--------------|---------------|
| Total Revenues | 100.69 | 21.72 | 22.96 | 5.7 |
| Advertising | 61.04 | 12.95 | 14.13 | 9.1 |
| Circulation | 35.97 | 7.78 | 7.38 | (5.1) |
| Other | 3.68 | 0.99 | 1.45 | 47.0 |
| Total COGS | 59.57 | 12.30 | 13.07 | 6.3 |
| Production Costs | 43.64 | 9.60 | 10.54 | 9.8 |
| Depreciation | 0.40 | 0.10 | 0.10 | 0.7 |
| Other Costs | 15.53 | 2.60 | 2.43 | (6.3) |
| Gross Profit | 41.12 | 9.42 | 9.89 | 4.9 |
| Gross Margin | 40.84 | 43.39 | 43.07 | -0.3pp |

Operational Profitability –1Q14

- **Launch & project and event expenses led to a rise in operating expenses.**

| Million TRY | FY13 | 1Q13 | 1Q14 | Ch.% |
|--|--------------|-------------|-------------|---------------|
| Total Operational Exp.(-) | 38.49 | 9.01 | 9.98 | 10.8 |
| Advertising&Promotion | 6.97 | 2.27 | 3.01 | 32.7 |
| Depr.&Amortization | 0.67 | 0.18 | 0.18 | (0.2) |
| Other Marketing Exp. | 12.63 | 2.84 | 2.70 | (5.1) |
| Overhead&Gen.Admin | 18.22 | 3.73 | 4.10 | 10.0 |
| Net other operational inc. (exp.) | 0.88 | 0.18 | 0.15 | (16.3) |
| Operating Profit/(Loss) | 3.51 | 0.59 | 0.05 | (90.7) |
| EBITDA* | 4.10 | 0.71 | 0.22 | (68.6) |
| Financial Income. net | (0.24) | (0.08) | (0.05) | (34.0) |
| Profit Bef.Tax | 3.28 | 0.51 | 0.00 | (99.1) |
| Tax | (0.75) | (0.16) | 0.19 | n.m |
| Net Profit/(Loss) | 2.52 | 0.36 | 0.20 | (45.5) |

(*) **Adjusted EBITDA by net IAS 39 impact and excluding net other operational inc./ (exp.).**

| Million TRY | 2013 | 1Q14 |
|-----------------------------|-------------|-------------|
| Cash & Cash Equivalents | 5.5 | 6.9 |
| Short Term Bank Debt | - | - |
| Long Term Bank Debt | - | - |
| <hr/> | | |
| Net Cash (Net Debt) | 5.5 | 6.9 |
| Total Assets | 63.0 | 63.2 |
| Shareholder's Equity | 35.4 | 33.1 |
| Investment | - | - |

- Net cash position reached TRY 6.9 mn as of March 31, 2014 compared to TRY 5.5 mn at year-end, 2013.
- Gross cash dividend distribution TRY 2.47 mn has completed on April 9, 2014.

- Feasibility studies for 360 degree magazine publishing including all digital channels for improving new revenue streams.
- Seeking opportunities for new brands both in local and licensed alternatives.
- Focus on existing portfolio in terms of content and conventional revenue channels.
- Launch of *Revolution* in Dec'13, *Spa & Wellness* in Sept'13, *Geo* in Mar'13 and *Popular Science* in May'12 will contribute positively to the total circulation in 2014.
- Dogan Burda had made an option to sell its Hadımkoş building for a total of US\$10 mn in September 2013, and received US\$1 mn as advance payment. The option can be exercised until June 30, 2014; which may lead to further cash inflow.
- Doğan Yayın Holding (DYH), Doğan Burda's shareholder, disclosed in April 2014 its Board of Directors' decision to merge DYH under the umbrella of its parent company Doğan Şirketler Grubu Holding A.Ş. through all its assets and liabilities being "taken over" as a whole by the parent company.