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**Review of 1H12 Results  
August 22, 2012**

Inflation accounting (IAS 29) is not applied in 2005-2012 financials on the back of CMB's requirements. The financial statements are reclassified for presentation purposes, the CMB format is also available through KAP "[www.kap.gov.tr](http://www.kap.gov.tr)" and DYH websites.

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**Women, Health and Decoration**



**Economy, News and Law**



**People, Youth, Travel and Life Style**



**Information Technology and Computers**

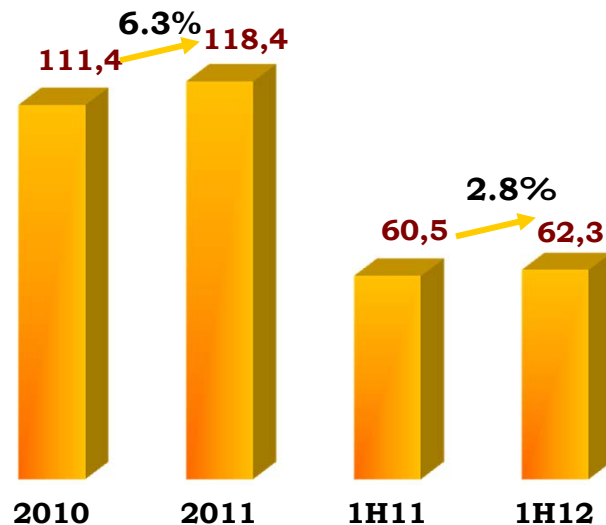


**Hobbies, Cooking and Special Interest**

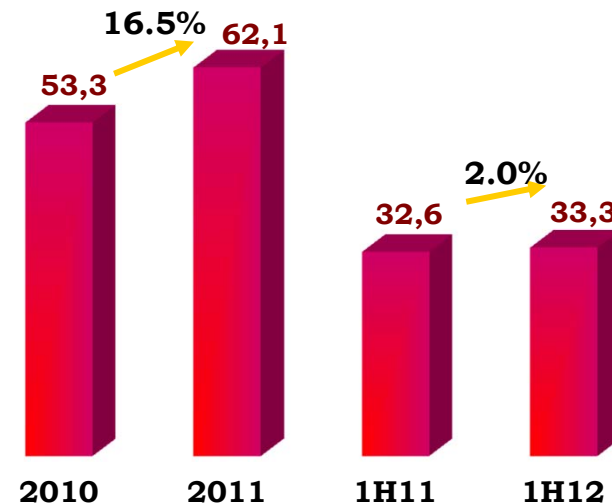


- Turkish magazine ad market continued its growth in 2012 and increased by 2.8% yoy to TL 62.3 mn in 1H12., whereas total Turkish ad market growth was 0.9%.
- Doğan Burda maintained its leading position in 1H12, while ad revenues were up by 2%; slightly below the market due to competitor's launches.

**Magazine Advertising - Turkey (TLm)**



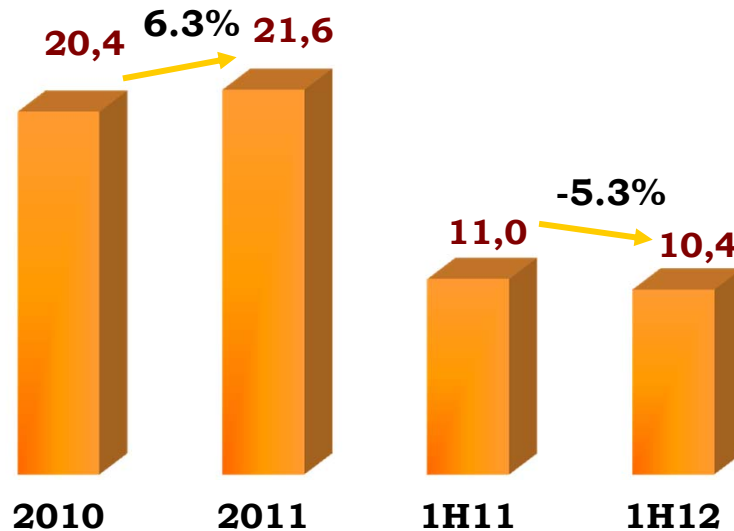
**Doğan Burda Advertising Revenues (TLm)\***



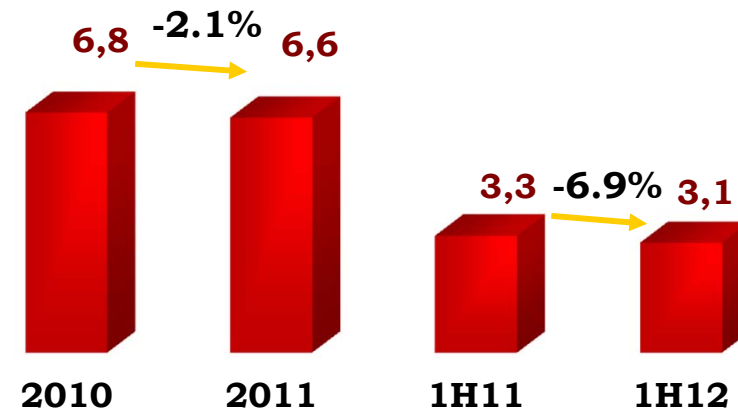
\* Ad revenues = Reported ad revenues plus IAS adjustments & reclassifications.

- Doğan Burda remains the market leader in magazine circulation with around 30% share.
- Due to life circle of certain magazines, circulation figures was lower in 1H12. But circulation revenues in 1H12 were at the same levels attained in 1H11, owing to the higher cover prices.

**Total Net Circulation Units – Turkey (Units m)**

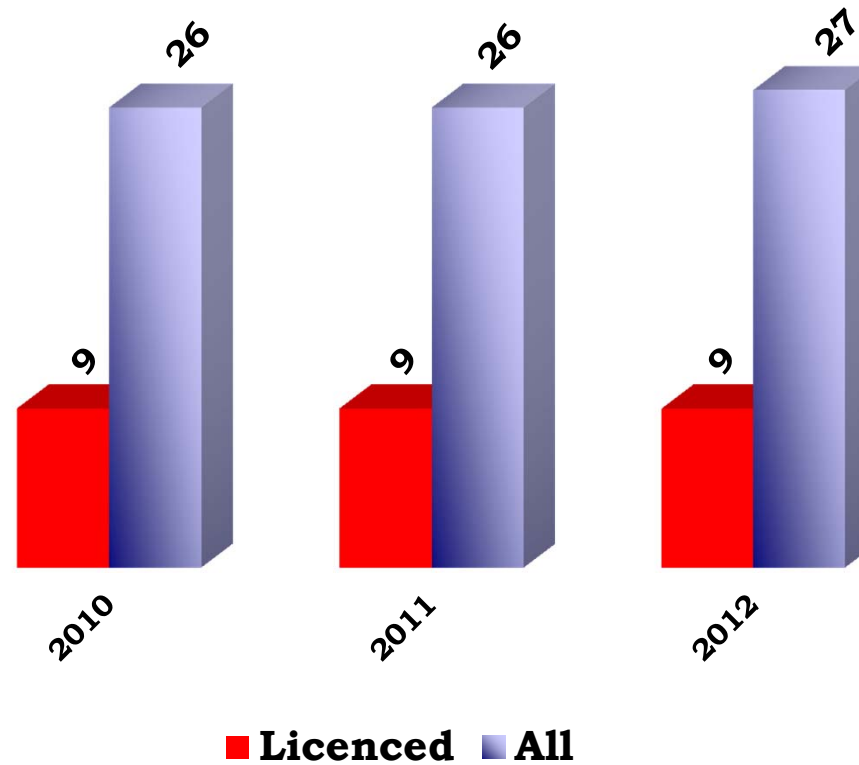


**Dogan Burda Net Circulation (Units m)**



## Number of Magazines (Period end)

- Popular Science magazine, with a history over 140 years in USA and 1 million readers, has been successfully launched in May 2012.



- Maintained its leading position against expansion of magazine ad market due to new launches of other competitors.
- One of the oldest scientific magazines in the world ‘ Popular Science’ was launched in Doğan Burda’s portfolio in May 2012.
- Successful seasonal brands continued to add value in 1H12, especially 7 main brands’ various seasonal magazines launched during the period.
- Average cover prices were 10% higher yoy in 1H12: cover prices for 4 magazines were raised, in line with the market conditions in 1H12: Evim, Level, Maison Française (in January 2012) and Auto Show (in March 2012).



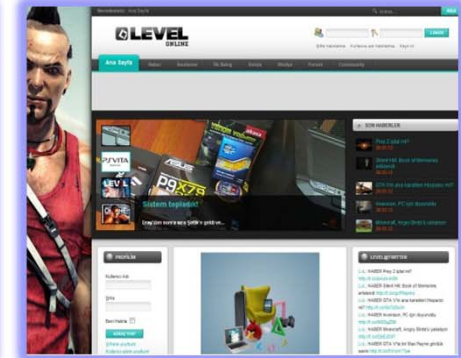
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- Web sites of 17 magazines successfully relaunched within 2010 & 2012.
- **Lezzet** Ipad Mobile and Iphone applications have been launched and arrived 110,000 users in total.
- **Chip** mobile applications are also live, with around 40,000 downloads.
- Native apps for İstanbul LIFE and ELLE is in plan.
- All magazines are available on Tablets.Total number of monthly downloads is close to 80,000.
- On web sites approximately 5.3 mn monthly unique visitors in total.



<b>Million TL</b>	<b>FY11</b>	<b>2Q11</b>	<b>2Q12</b>	<b>Ch.%</b>	<b>1H11</b>	<b>1H12</b>	<b>Ch.%</b>
<b>Net Sales</b>	<b>98.4</b>	<b>29.74</b>	<b>29.76</b>	<b>0.1</b>	<b>49.68</b>	<b>50.58</b>	<b>1.8</b>
<b>Cost of Goods Sold</b>	<b>58.0</b>	<b>16.16</b>	<b>15.67</b>	<b>(3.0)</b>	<b>28.47</b>	<b>27.86</b>	<b>(2.2)</b>
<b>Operating Exp.</b>	<b>32.9</b>	<b>8.23</b>	<b>8.88</b>	<b>7.9</b>	<b>15.25</b>	<b>16.90</b>	<b>10.9</b>
<b>Operating Profit/(Loss)*</b>	<b>4.1</b>	<b>5.90</b>	<b>4.93</b>	<b>(16.4)</b>	<b>2.96</b>	<b>4.25</b>	<b>43.6</b>
<b>EBITDA**</b>	<b>8.8</b>	<b>5.74</b>	<b>5.61</b>	<b>(2.3)</b>	<b>6.65</b>	<b>6.50</b>	<b>(2.3)</b>
<b>Net Profit/(Loss)</b>	<b>2.9</b>	<b>4.88</b>	<b>3.92</b>	<b>(19.8)</b>	<b>1.90</b>	<b>3.27</b>	<b>72.1</b>

(\*) Includes Other Operating Income/(Exp) , comprising TL 2.8 mn gross tax amnesty expense accrual in 1H11 and TL 1.2 mn net court case accrual in 1H12.

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

## Revenue & Cost Analysis-1H12

▪ Ad revenues remained stable in 2Q12 vs. 2Q11, due to some shifted ad projects; but 1H12 ad revenue growth registered yoy growth of 2%.

▪ Revenue growth combined with continued attention to COGS led to a growth of 7.1% in gross profit.

Million TL	FY11	2Q11	2Q12	Ch.%	1H11	1H12	Ch.%
<b>Total Revenues</b>	<b>98.4</b>	<b>29.74</b>	<b>29.76</b>	<b>0.1</b>	<b>49.68</b>	<b>50.58</b>	<b>1.8</b>
Advertising	59.7	19.58	19.51	(0.3)	31.43	32.04	2.0
Circulation	36.1	9.50	9.70	2.1	17.19	17.40	1.2
Other	2.6	0.65	0.55	(16.0)	1.07	1.14	6.7
<b>Total COGS</b>	<b>58.0</b>	<b>16.16</b>	<b>15.67</b>	<b>(3.0)</b>	<b>28.47</b>	<b>27.86</b>	<b>(2.2)</b>
Production Costs	42.4	11.75	11.40	(3.0)	21.33	20.89	(2.0)
Depreciation	0.4	0.10	0.09	(6.1)	0.20	0.18	(6.2)
Other Costs	15.2	4.31	4.18	(3.1)	6.94	6.78	(2.4)
<b>Gross Profit</b>	<b>40.4</b>	<b>13.58</b>	<b>14.09</b>	<b>3.8</b>	<b>21.22</b>	<b>22.73</b>	<b>7.1</b>
<b>Gross Margin</b>	<b>41.1</b>	<b>45.65</b>	<b>47.34</b>	<b>3.7</b>	<b>42.70</b>	<b>44.93</b>	<b>5.2</b>

## Operational Profitability –1H12

Million TL	FY11	2Q11	2Q12	Ch.%	1H11	1H12	Ch.%
<b>Total Operational Exp.(-)</b>	<b>32.93</b>	<b>8.23</b>	<b>8.88</b>	<b>7.9</b>	<b>15.25</b>	<b>16.90</b>	<b>10.9</b>
Advertising&Promotion	5.38	1.79	1.81	1.4	2.93	3.62	23.8
Depr.&Amortization	0.57	0.14	0.15	4.2	0.29	0.28	(5.8)
Other Marketing Exp.	11.38	2.83	3.03	7.0	5.21	5.77	10.6
Overhead&Gen.Admin	15.60	3.47	3.89	12.1	6.81	7.24	6.2
Net other operational inc. (exp.)*	(3.36)	0.56	(0.27)	n.m	(3.01)	(1.57)	(47.7)
<b>Operating Profit/(Loss)*</b>	<b>4.09</b>	<b>5.90</b>	<b>4.93</b>	<b>(16.4)</b>	<b>2.96</b>	<b>4.25</b>	<b>43.6</b>
<b>EBITDA**</b>	<b>8.77</b>	<b>5.74</b>	<b>5.61</b>	<b>(2.3)</b>	<b>6.65</b>	<b>6.50</b>	<b>(2.3)</b>
Financial Income, net	0.37	0.09	0.03	(61.3)	0.12	0.27	119.1
<b>Profit Bef.Tax</b>	<b>4.46</b>	<b>5.99</b>	<b>4.97</b>	<b>(17.1)</b>	<b>3.08</b>	<b>4.51</b>	<b>46.6</b>
Tax	(1.53)	(1.10)	(1.05)	(5.1)	(1.18)	(1.24)	5.4
<b>Net Profit/(Loss)</b>	<b>2.93</b>	<b>4.88</b>	<b>3.92</b>	<b>(19.8)</b>	<b>1.90</b>	<b>3.27</b>	<b>72.1</b>

(\*). Including TL 2.8 mn gross tax amnesty expense accrual in 1H11 and TL 1.2 mn net court case accrual in 1H12.

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

Million TL	2011	1H12
Cash&Cash Equivalents	6.0	6.2
Short Term Bank Debt	-	-
Long Term Bank Debt	-	-
Net Cash (Net Debt)	6.0	6.2
<b>Total Assets</b>	<b>60.6</b>	<b>68.4</b>
<b>Shareholder's Equity</b>	<b>37.4</b>	<b>38.6</b>
Investment	-	-

- Despite gross cash dividend distribution TL 2.0 mn, net cash position reached TL 6.2 mn at June-end 2012, vs. TL 6 mn at 2011-end.
- TL 0.10/share gross cash dividend.

- **Focus on existing titles and leveraging of existing content will continue.**
- **Target to develop new revenue areas through additional magazine web sites and applications.**
- **Popular Science magazine, with a history over 140 years in USA and 1 million readers, has been successfully launched in May 2012. The ongoing successful launch process of the magazine will help to settle to a good sales level after sixth edition.**
- **Feasibility studies ongoing for 2012 opportunities regarding new titles, licenced or local.**