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**Review of 1Q17 Results
APRIL, 2017**

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Dogan Burda: Leading Magazine Group in Turkey

Women. Health and Decoration

burda **elele** **ELLE** **ELLE** **-evim** **formsanté**
MAISON **diabetic**
FRANÇAISE **LIVING.**

Economy. News and Law

Ekonomist **Capital** **güncel**
hukuk

People. Youth. Travel and Life Style

HELLO! **ISTANBUL** **ATLAS** **heygirl**
LIFE

Information Technology and Computers

CHIP

Hobbies. Cooking and Special Interest

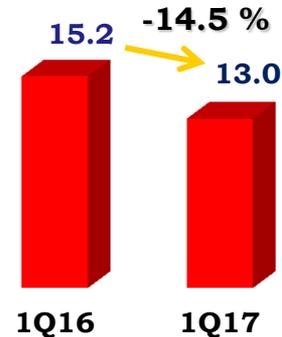
Lezzet **YACHT** **Auto** **LEVEL**
SHOW
ATLAS **Tarih** **POPULAR** **THE RAKE**
SCIENCE **GELECEK**
SİMDİ

- The volatility and unfavourable market environment in Turkey in 1Q17 led to a 17% yoy drop in Turkish magazine ad market.
- Doğan Burda (DB) maintained its market leading position in the sector. DB's ad revenue decline was slightly better than the market in 1Q17.

Magazine Advertising -
Turkey (TRYm)



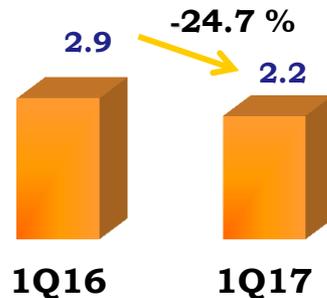
Doğan Burda Advertising
Revenues (TRYm)*



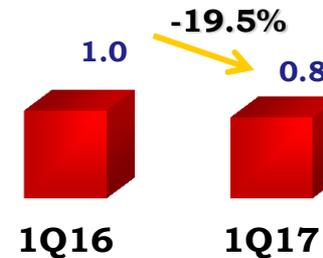
* Ad revenues = Reported ad revenues plus IAS adjustments & reclassifications.

- Turkish magazine circulation market was down by 24.7% yoy in 1Q17, mainly due to ceased publications yoy.
- DB's circulation figures declined due to ceased publications and shifted spin-offs; but slightly outperform the market.
- DB maintained its leadership position with 37% market share in 1Q17 with a total of 48 publications (with two weekly, 16 monthly, six magazines with special periods, and other magazines).

Total Net Circulation Units – Turkey (Units m)



Dogan Burda Net Circulation (Units m)



- Successful seasonal brands continued to add value in 1Q17:
 - The launch of Wolfteam as sub-brand.
 - Chip magazine was re-launched on a seasonal period beginning from Jan'17.
- Cover price revised up for «Auto Show».
- Focusing on digital activities continued:
 - Elle Online, Evimdergisi.com.tr & lezzet.com.tr have been renewed & re-launched.
 - E-commerce project «Elle Beauty Box» was launched and sold out.
 - Mobile company's e-mag app opened as a new revenue channel.
- Uludag Economic Summit, organized by Dogan Burda's «Capital» and «Ekonomist» magazines, was held in March 2017 in Bursa with the participation of Turkey's leading economists, businessmen and economy related ministers with the contribution of several national & international speakers.
- There will be no dividend distribution as proposed by Board of Directors & as approved by General Assembly.



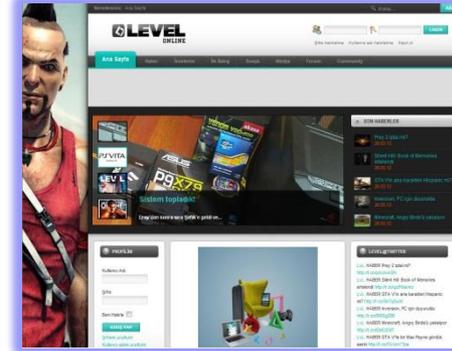
www.chip.com.tr



www.evimdergisi.com.tr



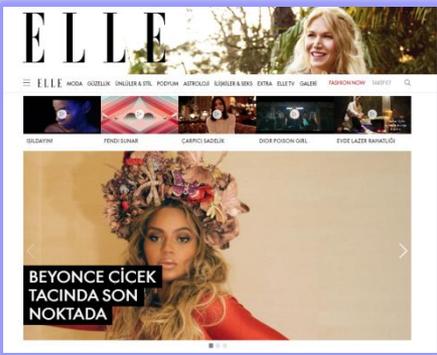
www.capital.com.tr



www.level.com.tr



www.lezzet.com.tr



www.elle.com.tr



www.keskfetmekicinbak.com



www.ekonomist.com.tr

- The number of eMagazine downloads is more than 200K monthly on Turkcell Dergilik
- Elle.com.tr and Evimdergisi.com.tr have been re-launched.
- Elle Beauty Box released and all boxes were sold out. <https://beautybox.elle.com.tr/>
- Burda sewing course channel was created on Youtube and reached 1.5K subscribers. <https://www.youtube.com/c/BurdaDergisiTR>
- On web sites approximately 10 mn monthly unique visitors in total.

Sources: Google Analytics , Apple iTunes Connect, Turkcell Dergilik

Summary Results – 1Q17

- The macro and political uncertainties in 1Q17 had a negative impact in ad revenues and circulation figures.
- Total revenues decreased by 15% yoy in 1Q17, also partly due to ceased & shifted magazines.

Million TRY	FY16	1Q16	1Q17	Ch.%
Net Sales	89.49	24.70	20.99	(15.0)
Cost of Goods Sold (-)	56.02	12.77	11.38	(10.8)
Operating Exp. (-)	41.55	12.46	11.72	(6.0)
Operating Profit/(Loss)	(8.08)	(0.53)	(2.12)	n.m.
Other Operating Income, net	3.78	(0.09)	0.60	n.m.
EBITDA*	(7.16)	(0.22)	(1.90)	n.m.
Income/Expenses from Investing Activities	0.01	(0.00)	(0.00)	47.8
Operating Profit/(Loss) before Finance Exp.	(4.30)	(0.62)	(1.52)	145.8
Net Profit/(Loss)	(3.98)	(0.70)	(1.59)	128.0

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

Revenue & Cost Analysis – 1Q17

- Total revenues down by 15%, mainly led by drop in both advertising and circulation revenues.
- With the negative impact of 21% depreciation of Turkish Lira against average EUR rate in 1Q17 yoy, COGS were down by 11%, including cost control actions.
- Gross profit was down by 19.5% yoy, as the decline in COGS was limited vs. the drop in total revenues.

Million TRY	FY16	1Q16	1Q17	Ch.%
Total Revenues	89.49	24.70	20,99	(15.0)
Advertising	53.19	14.74	12.63	(14.3)
Circulation	31.31	7.53	5.78	(23.2)
Other	4.98	2.43	2.58	6.0
Total COGS	56.02	12.77	11.38	(10.8)
Production Costs	22.40	5.20	3.88	(25.4)
Depreciation	0.36	0.09	0.08	(10.4)
Other Costs	33.26	7.47	7.42	(0.7)
Gross Profit	33.46	11.93	9.60	(19.5)
Gross Margin	37.40	48.31	45.76	(2.6)

Operational Profitability –1Q17

- Lower general administrative expenses led to a 6% yoy decline in operational expenses.

Million TRY	FY16	1Q16	1Q17	Ch.%
Total Operational Exp.(-)	41.55	12.46	11.72	(6.0)
Marketing, Sales & Distribution	29.45	9.25	9.32	0.8
General Administrative	12.10	3.21	2.40	(25.4)
Operating Profit/(Loss)	(8.08)	(0.53)	(2.12)	300.0
EBITDA*	(7.16)	(0.22)	(1.90)	762.4
Other Operating Income, net	3.78	(0.09)	0.60	n.m.
Income/Expenses from Investing Activities	0.01	(0.00)	(0.00)	47.8
Operating Profit/(Loss) before Finance Exp.	(4.30)	(0.62)	(1.52)	145.8
Financial Expense, net	(0.21)	(0.05)	(0.06)	5.5
Profit Bef.Tax	(4.51)	(0.67)	(1.57)	134.8
Tax	0.53	(0.03)	(0.02)	(36.2)
Net Profit/(Loss)	(3.98)	(0.70)	(1.59)	128.0

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

Million TRY	Dec 31. 2016	Mar 31. 2017
Cash & Cash Equivalents	14.9	14.6
Net Cash/(Net Debt)	14.9	14.1
Total Assets	54.2	54.3
Shareholder's Equity	26.5	24.9

- Net cash position was TRY 14.1 mn at 1Q17-end, almost intact with the level attained at 2016 year-end.
- Maintaining sufficient liquidity cushion to meet any short-term operational funding.

- To achieve revenue growth in the remaining quarters, focusing on strengthening core operations and developing new strategies.
- Intensive studies for 360 degree publishing, for improving existing and creating new ones especially in digital, such as (video, native, etc.)
 - To capture high potential in native advertising market, we will focus on our premium Content & Event Studio in terms of marketing.
 - After success of e-commerce Elle Beauty Box project, looking potentials via other brands to launch Box projects.
 - Expecting good results on e-mag revenues.
 - Native ad market is growing, to capture potential revenues, planning to increase video production volume.
- Unless no major political and economic surprises; relatively better operational performance expected in subsequent quarters of 2017.