



Business Review & 1H10 Results

Aug 31, 2010

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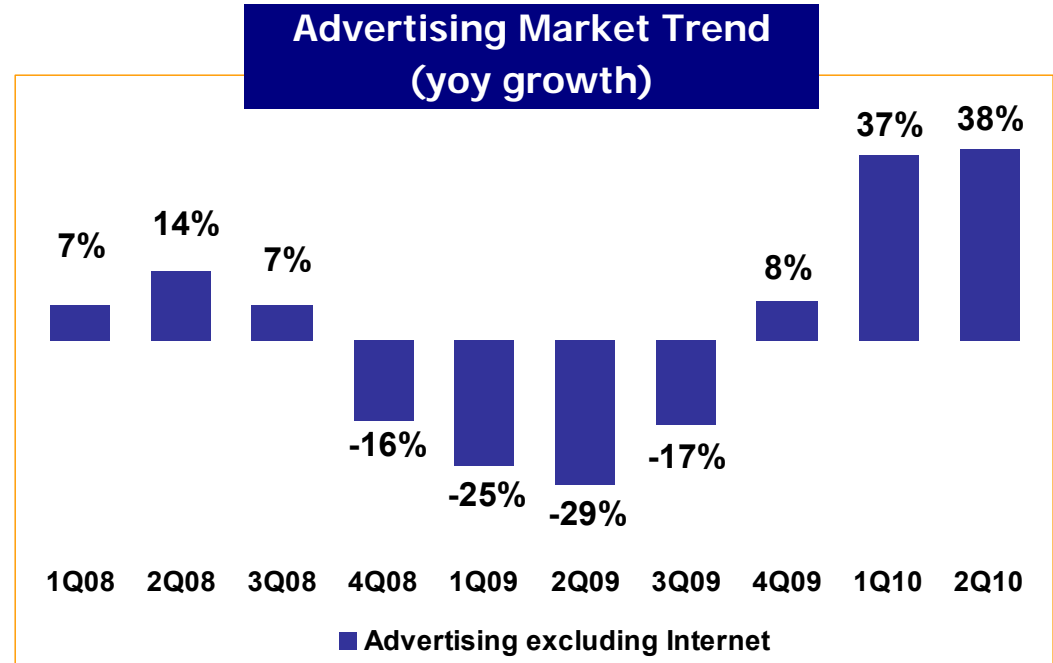
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1H10 Highlights

- The recovery in ad market continues at the same pace in 2Q10, as the Turkish ad market registered 38% growth yoy.
- TV continues to capture the highest share of advertisers' marketing budgets.

Advertising Market

	2Q10		1H10		
	TL mn	YoY	TL mn	YoY	Share
TV	578	50%	1,008	52%	53%
Newspaper	264	20%	449	17%	23%
Magazine	34	44%	54	41%	3%
Radio	32	24%	53	19%	3%
Outdoor	72	41%	127	37%	7%
Cinema	14	8%	29	11%	1%
Internet	106	32%	197	29%	10%
Total Market	1,101	38%	1,916	37%	100%

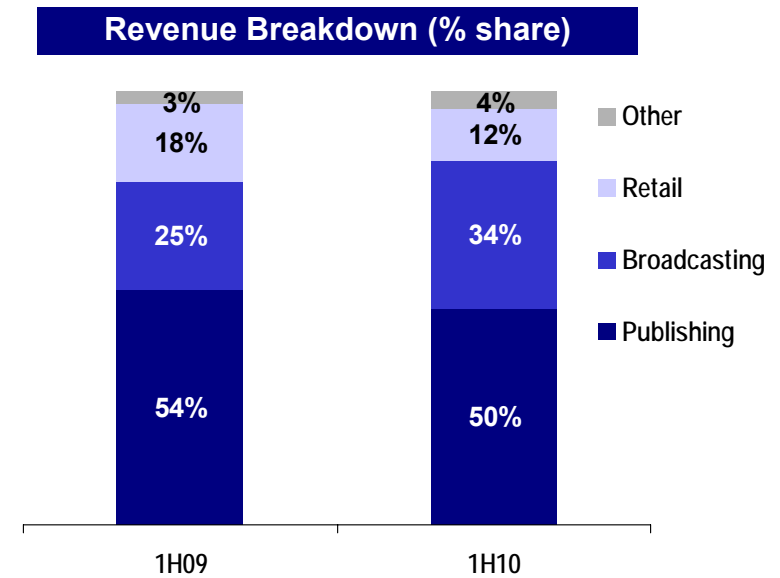


- Consolidated revenues were up by 13%.
- Total ad revenues increased by 28%, while circulation revenues at TL191 mn were flat compared to 1H09.
- Domestic ad revenues surged by 36%, in line with the market.
- Continued focus on costs supported operating profitability.
- EBITDA of TL119 mn vs. TL6 mn in 1H09.
- As of June-end, consolidated net debt was US\$682 mn.

Doğan Yayın Holding (TL mn)	P&L Consolidated Results		
	1H09	1H10	YoY
Consolidated Revenues	1,172	1,323	13%
Advertising	578	742	28%
Circulation	192	191	0%
Other	402	389	-3%
EBITDA*	6	119	1985%
EBITDA Margin	0%	9%	
Net Profit (Loss)**	-128	-85	n.m.

*As calculated by DYH

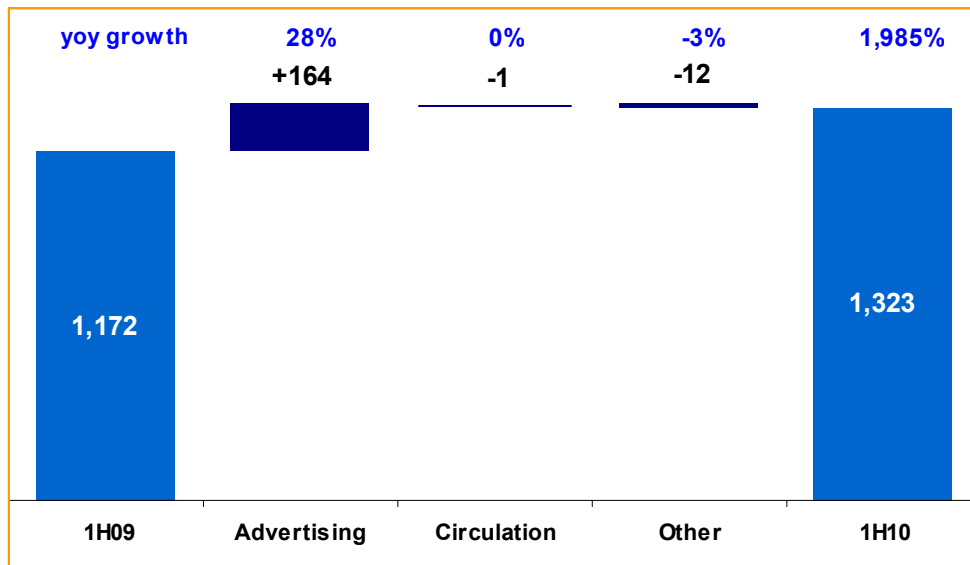
**Income attributable to Equity Holders of the Company



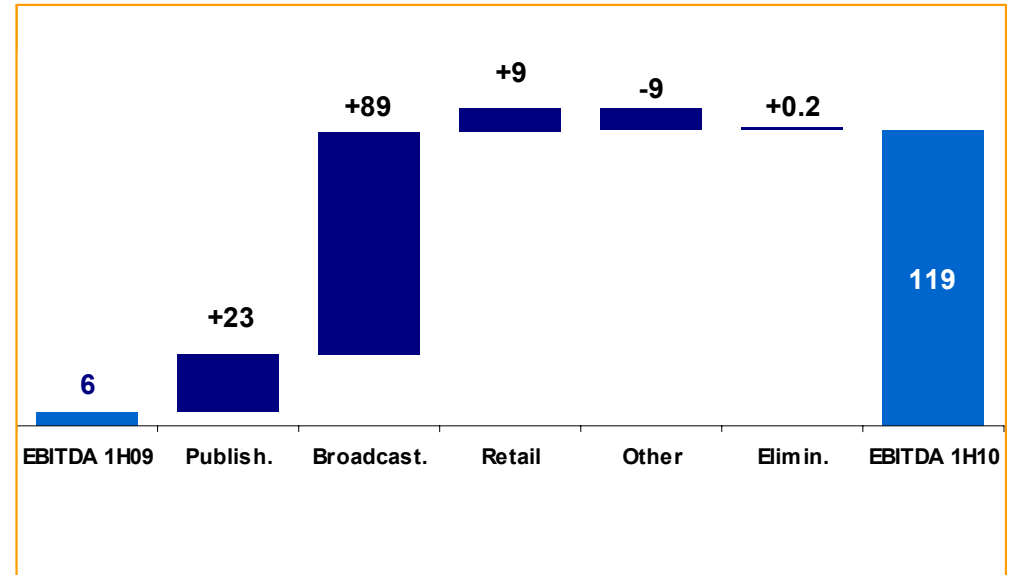
Doğan Yayın Holding – 1H10 Financial Results

- Higher ad revenues supported publishing and broadcasting segments profitability.
- Broadcasting segment was the main contributor in 1H10 profitability; broadcasting EBITDA profit was TL21 mn, vs. loss of TL68 mn in 1H09.
- With relatively stable COGS, owing to lower newsprint costs, consolidated EBITDA reached TL119 mn in 1H10, vs. TL16 mn in 1Q10 and TL6 mn in 1H09.

Revenue Bridge 1H09 – 1H10
(TL mn)

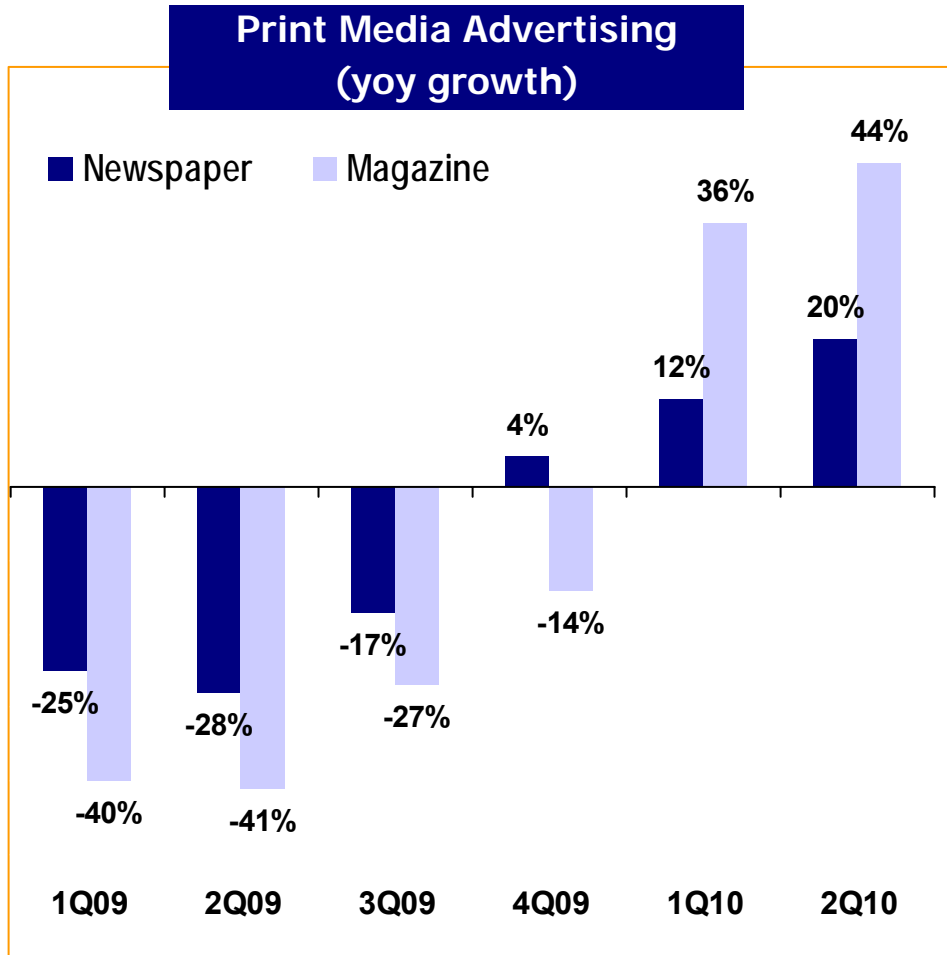


EBITDA Bridge 1H09 – 1H10
(TL mn)



Publishing Segment

- Recovery in newspaper ad market accelerated in 2Q10; backed by real estate, retail, finance and auto sectors.

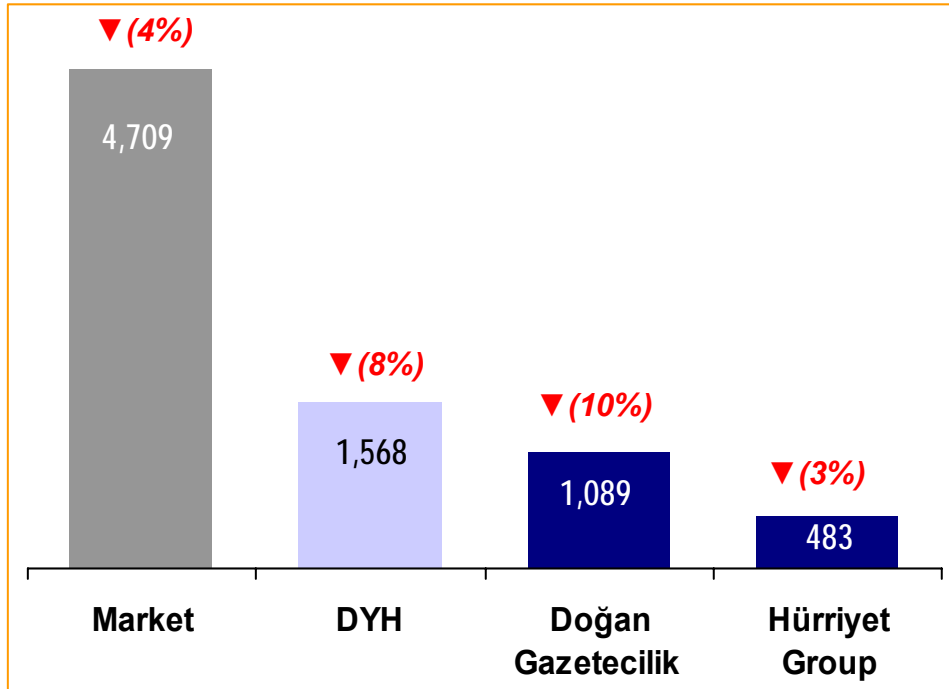


Newspaper Ad Market by Sectors 1H10 vs. 1H09

Sectors	Share	Δ Share	YoY
Real Estate	13%	+0.66 pp	23%
Retail	10%	+0.17 pp	19%
Automotive	8%	+0.69 pp	27%
Finance	8%	+1.12 pp	36%
Communication	4%	+0.66 pp	38%
Furniture	3%	+0.17 pp	24%
Beverages	3%	+0.18 pp	24%
Food	2%	+0.28 pp	38%
Cosmetics	1%	+0.02 pp	18%
Home Cleaning Products	1%	+0.29 pp	171%
Others	48%	-4.23 pp	7%
Total	100%		17%

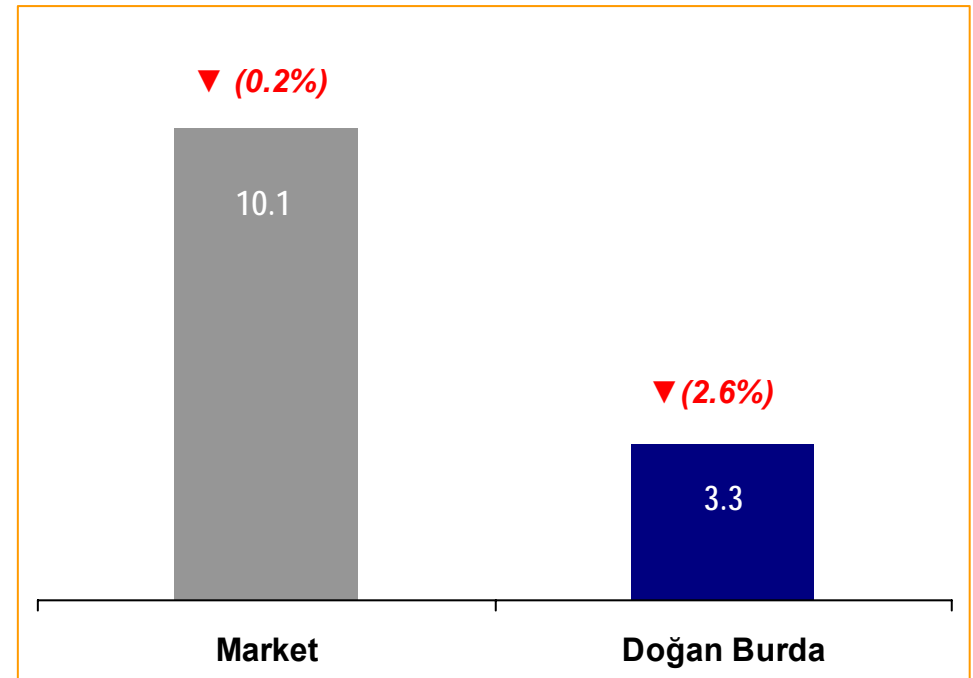
- Lower circulation figures in 1H10 vs. 1H09, led by higher newsstand prices contributed to the drop in total circulation figures.

Newspaper Circulation in 1H10*
(000 copies daily & yoy growth)



* Radikal is included under Doğan Gazetecilik as of 1H10. Hürriyet Group's figures includes Hürriyet Campus daily.

Total Magazine Circulation in 1H10
(Units m & yoy growth)

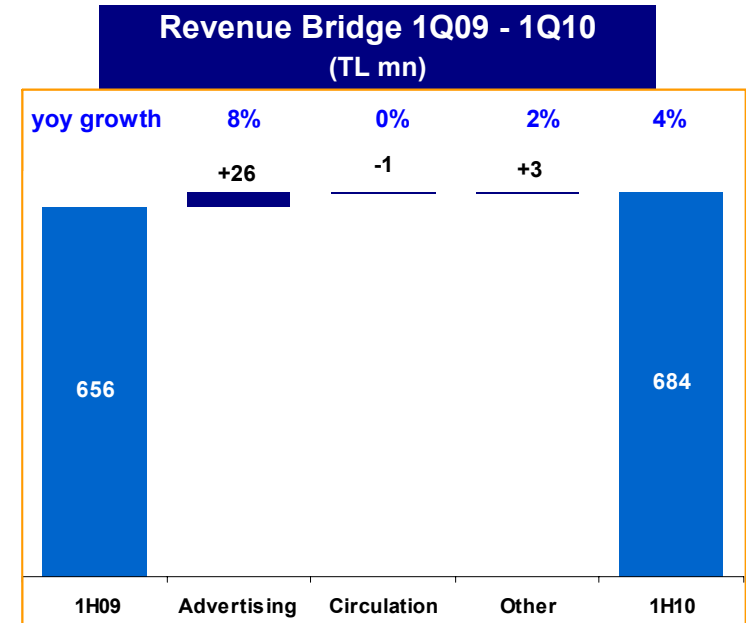


Higher margins thanks to strong domestic market.

- Total publishing revenues increased by 4% yoy in 1H10.
- Advertising revenues increased by 8%.
 - Domestic ad revenues rose by 16%
 - International ad revenues decreased by 13% yoy in 1H10, and by 9% in 2Q10 yoy.
- Daily circulation of the group was down by 8%.
- Total circulation revenues remained intact at TL191 mn in 1H10 owing to higher newsstand prices in 1H10 vs. 1H09.
- With favorable newsprint costs, EBITDA margin reached 14%, vs. 11% in 1H09.

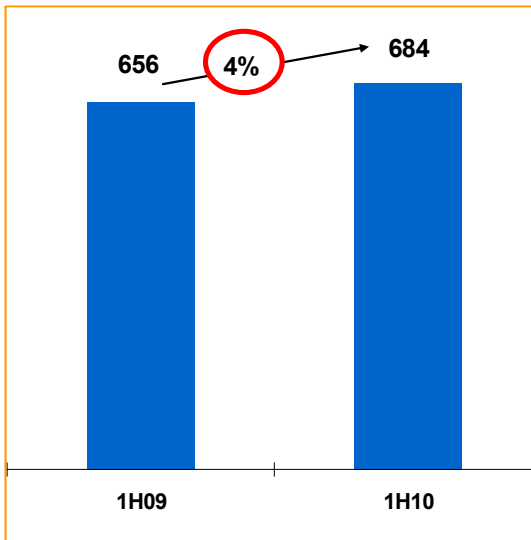
Publishing (TL mn)	P&L Results		
	1H09	1H10	YoY
Revenues	656	684	4%
Advertising	347	373	8%
<i>Domestic</i>	246	285	16%
<i>International</i>	101	88	-13%
Circulation	192	191	0%
Other Revenues	117	120	2%
<i>Distribution</i>	52	53	2%
<i>Other</i>	65	67	3%
EBITDA*	74	97	31%
<i>EBITDA Margin</i>	11%	14%	
Net Profit (Loss)	-26	6	n.m.

*As calculated by DYH

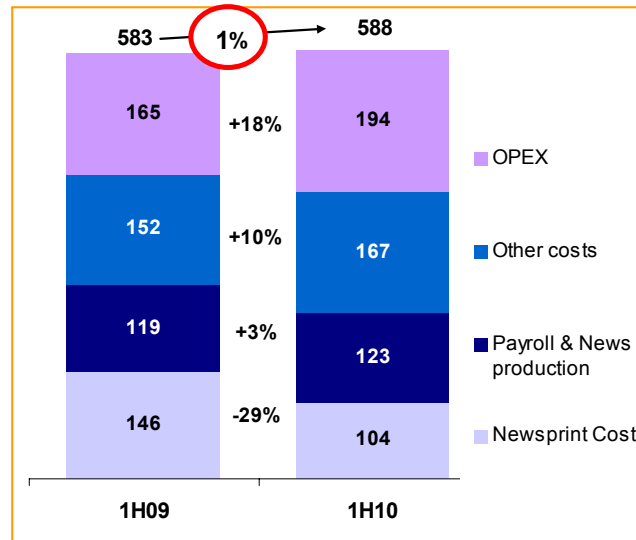


- Higher ad revenues supported publishing segment profitability.
- Average newsprint prices in US\$ terms contracted by around 32% yoy in 1H10, which led to a decline in total newsprint costs by 29% yoy.
- With recovery in the domestic market, marketing & promotion expenses increased in 1H10.
- Publishing EBITDA margin reached 14%, vs. 11% in 1H09.

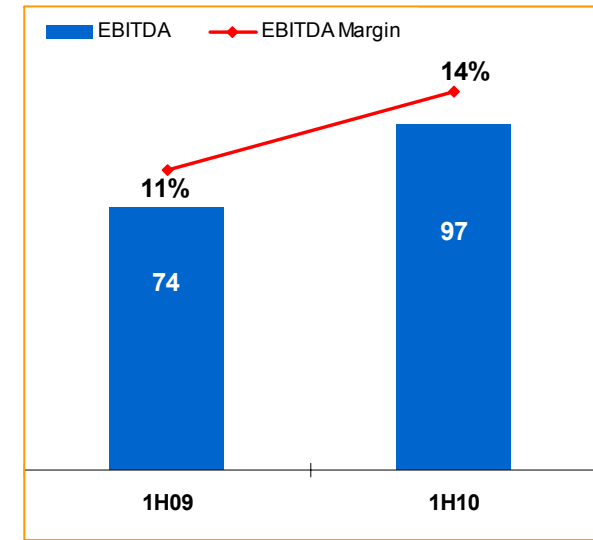
1H10 Revenue
(TL mn)



1H10 Cash Costs Breakdown
(TL mn)

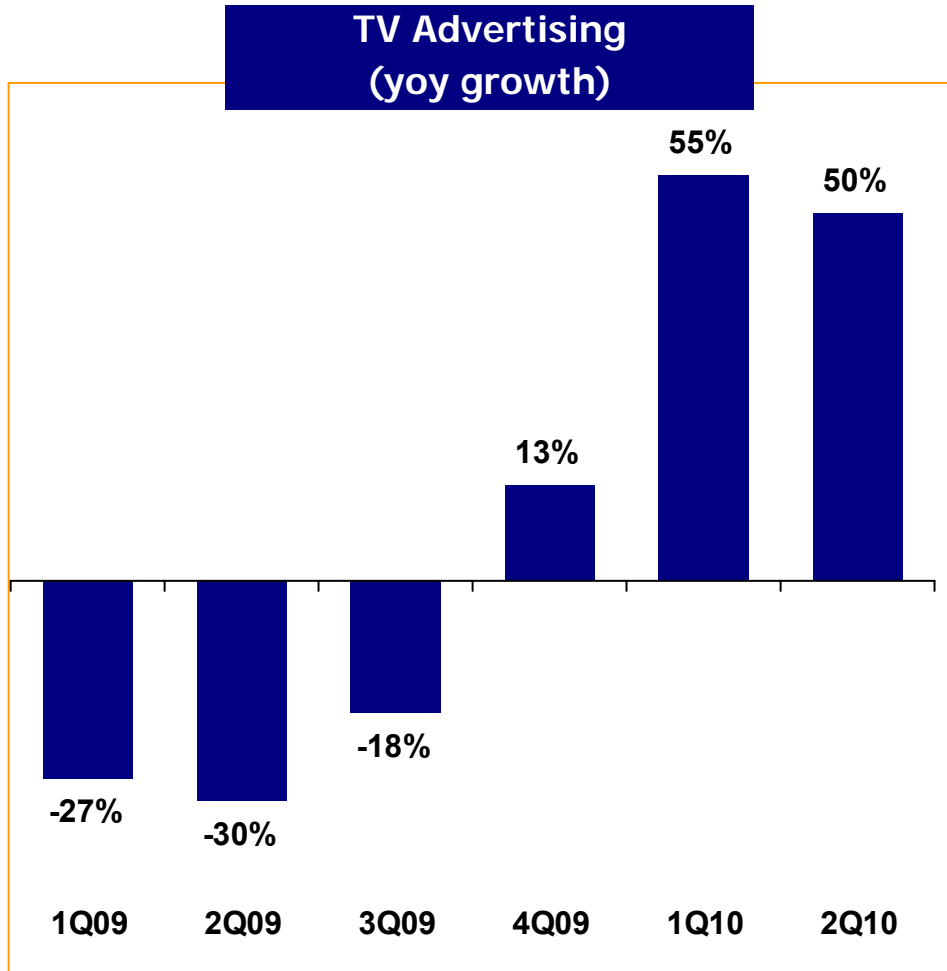


1H10 EBITDA
(TL mn)



Broadcasting Segment

- TV ad spend continued its strong performance in 2Q10, mainly led by elevated ad spending in communication, furniture, real estate and finance sectors.

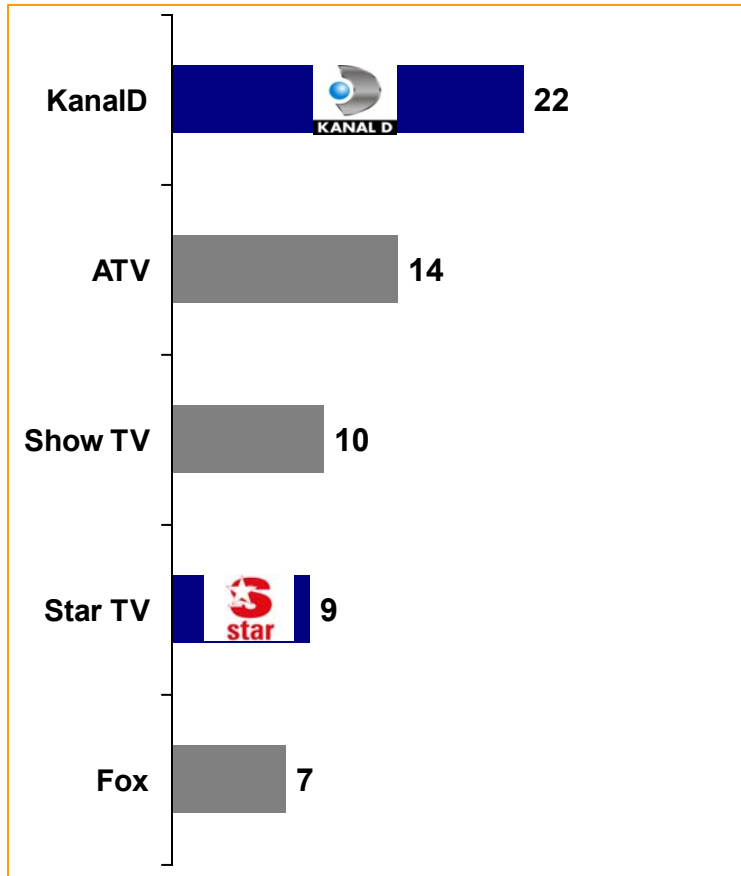


TV Ad Market by Sectors 1H10 vs. 1H09

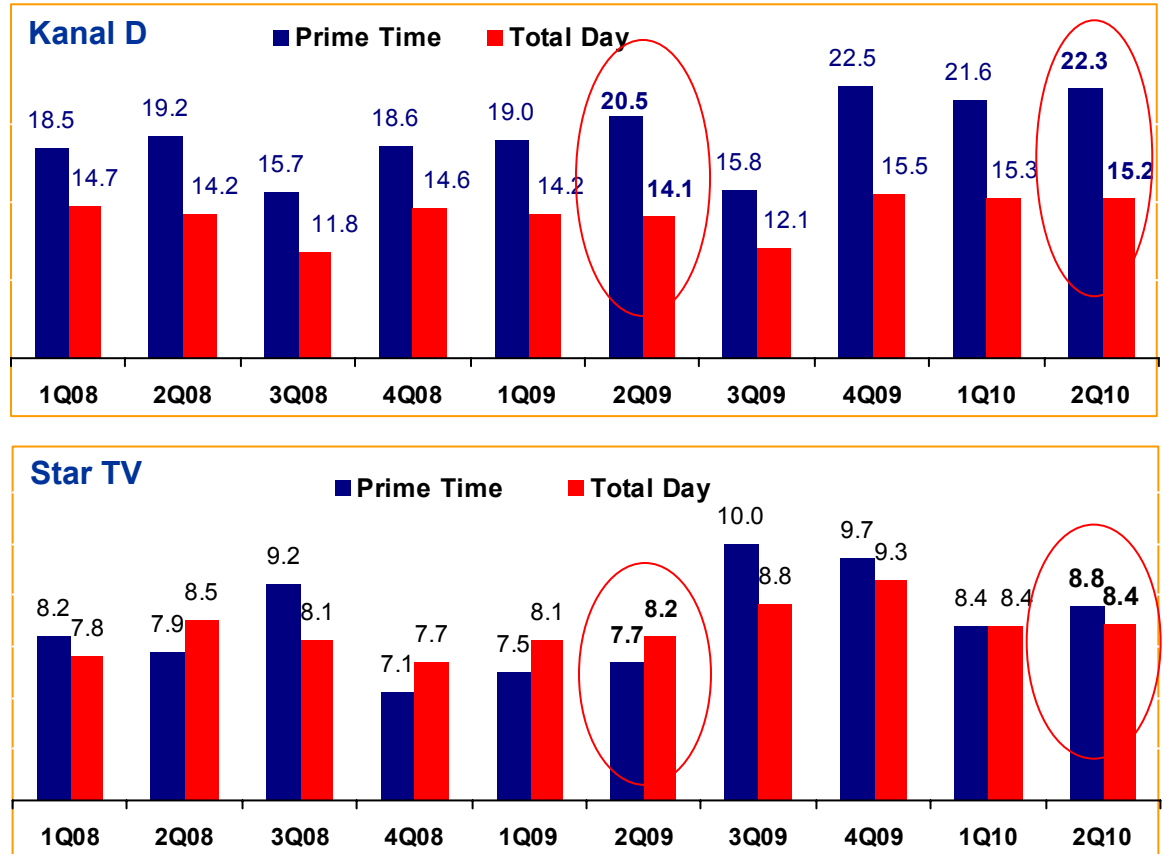
Sectors	Share	Δ Share	YoY
Food	15%	-2.86 pp	28%
Communication	13%	+1.48 pp	72%
Finance	10%	+0.51 pp	60%
Cosmetics	8%	-1.10 pp	33%
Home Cleaning Products	6%	+0.27 pp	59%
Furniture	6%	+2.02 pp	139%
Beverages	5%	-0.79 pp	32%
Real Estate	5%	+2.07 pp	180%
Automotive	4%	+1.02 pp	98%
Retail	3%	-0.19 pp	42%
Others	26%	-2.43 pp	39%
Total	100%		52%

- Kanal D maintains its leading position with 22% audience share in Prime Time.

Prime Time - Audience Share 1H10 (%)



Audience Share (%)

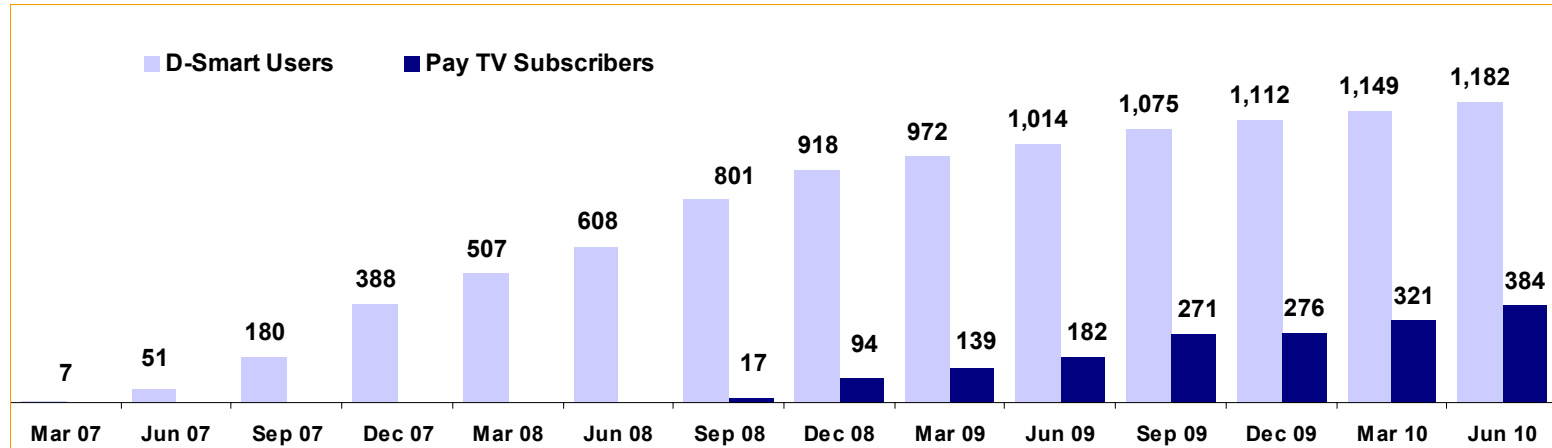


- Number of users reached 1.18 million in June-end 2010.
- Pay TV subscribers reached 384K by June-end, approx. 32% of total active users.
- Three main packages; Smart, Family and Maxi are being offered at 69, 199 and 299 YTL per year, respectively.
- Market leader in HD with 11 HD channels, the majority of which are exclusive to D-Smart.
- Exclusive sports content including Champions League and UEFA League.



www.dsmart.com.tr

D-Smart Statistics (000)

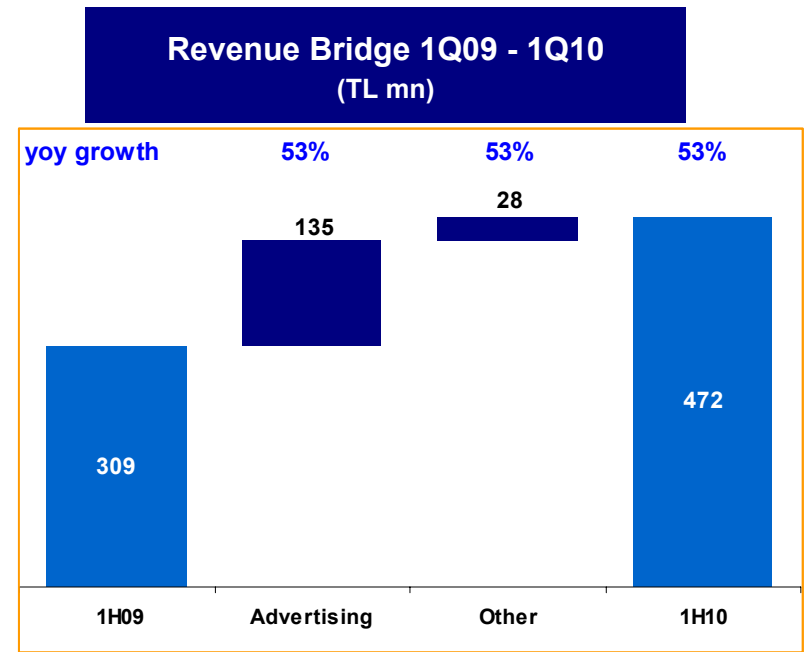


TV ad revenues boosted in 1H10.

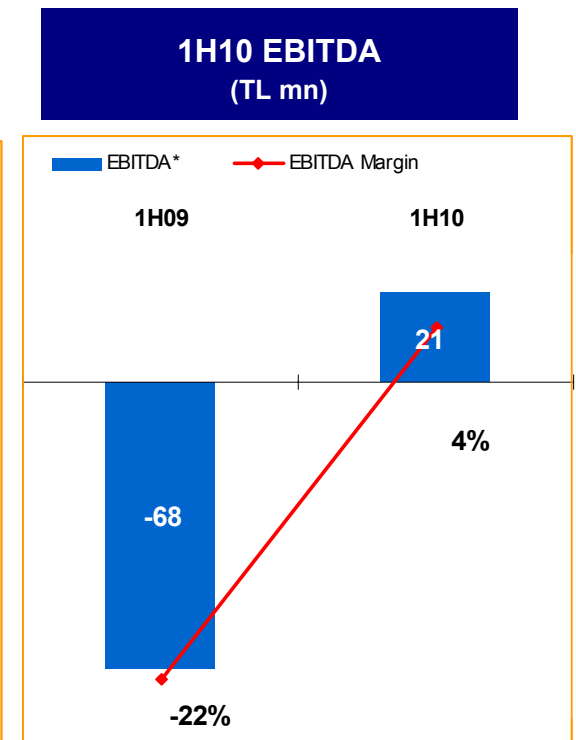
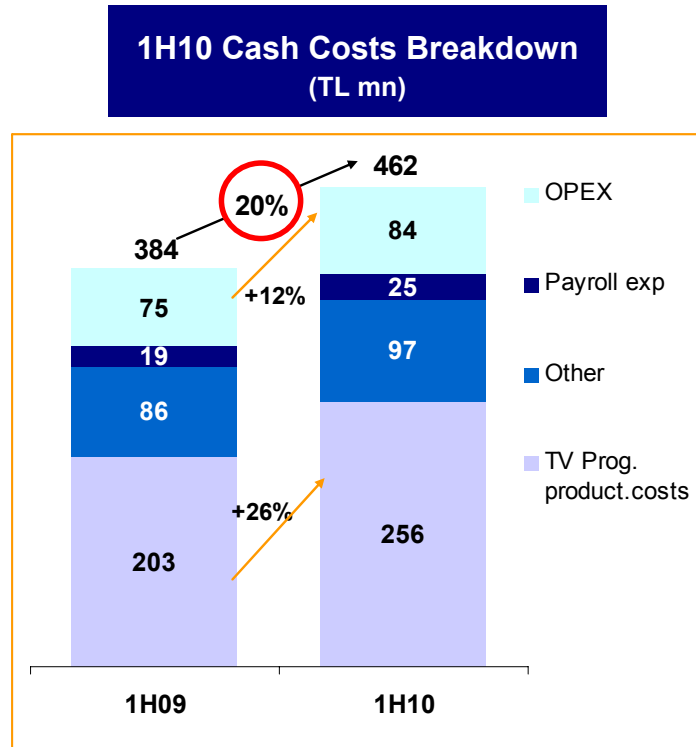
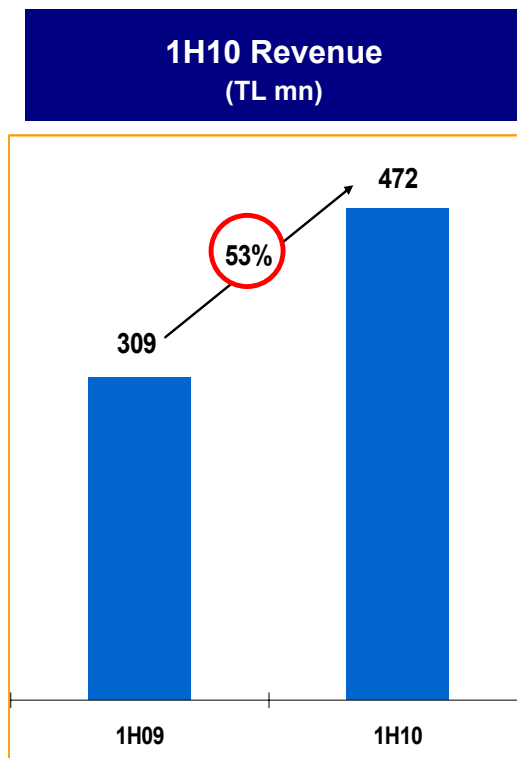
- Total broadcasting revenues increased by 53% yoy.
- Total domestic ad revenues up by 57%.
- Higher audience shares in 1H10, vs. 1H09.
- With elevated ad income operating profitability improved.
- EBITDA profit of TL21 mn, vs. loss of TL68 mn in 1H09.

Broadcasting (TL mn)	P&L Results		
	1H09	1H10	YoY
Revenues	309	472	53%
Advertising	256	391	53%
Other Revenues	53	81	53%
EBITDA*	-68	21	n.m.
<i>EBITDA Margin</i>	-22%	4%	
Net Profit (Loss)	-148	-71	n.m.

*As calculated by DYH



- Total revenues increased by 53% in 1H10 and 47% in 2Q10, led by both strong ad revenues and pay TV business.
- Increase in programming costs were lower than the growth achieved in revenues.
- EBITDA reached TL21 mn, vs. loss of TL68 mn in 1H09.

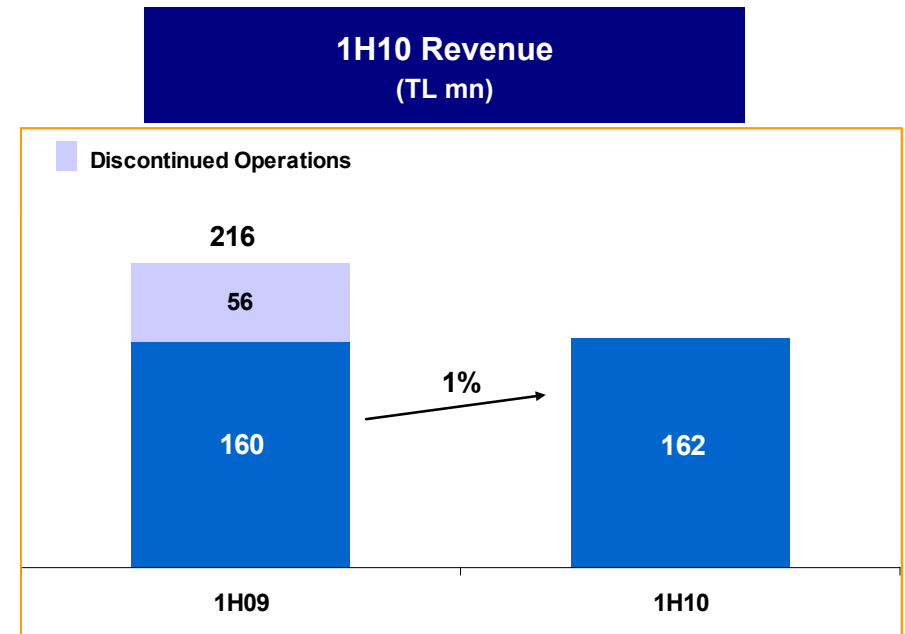


Retail Segment

- Retail revenues down by 25%. The decline in revenues was led by a discontinuation of some retail operations.
- In 1H10, recurring revenues excluding discontinued operations were up only by 1%, due to lower revenues from prepaid card sales.
- Profitable music & book store D&R achieved 20% yoy growth in its revenues in 1H10.
- D&R reached 96 stores and net store area of 36,489 in 1H10 vs. 86 stores and 31,360 net store area in 1H09.

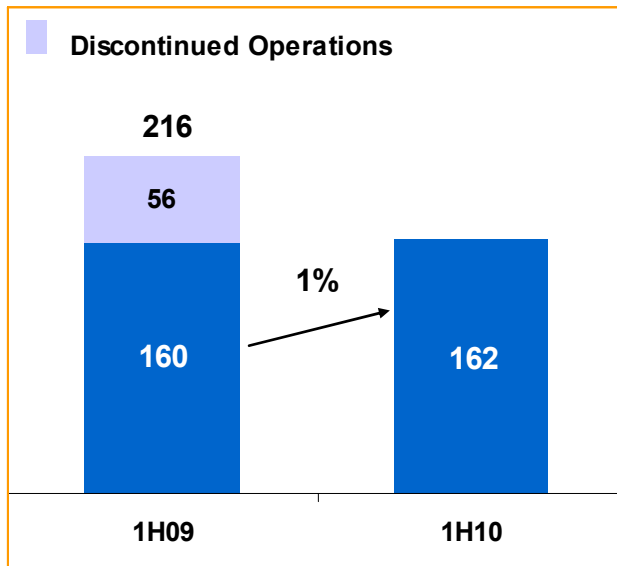
Retail (TL mn)	P&L Results		
	1H09	1H10	YoY
Revenues	216	162	-25%
EBITDA*	-2.7	7	n.m.
<i>EBITDA Margin</i>	<i>-1.2%</i>	<i>4%</i>	
Net Profit (Loss)	-12	-0.4	-97%

*As calculated by DYH

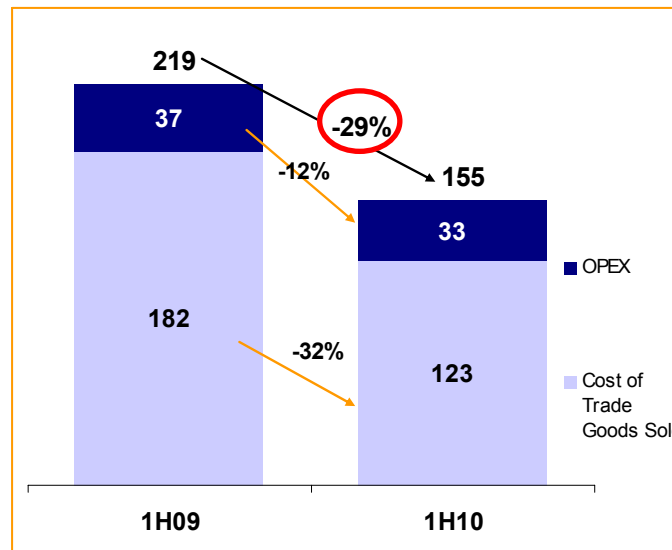


- Discontinuation of loss making operations improved margins.
- EBITDA margin of 4% in 1H10, vs. -1% in 1H09.

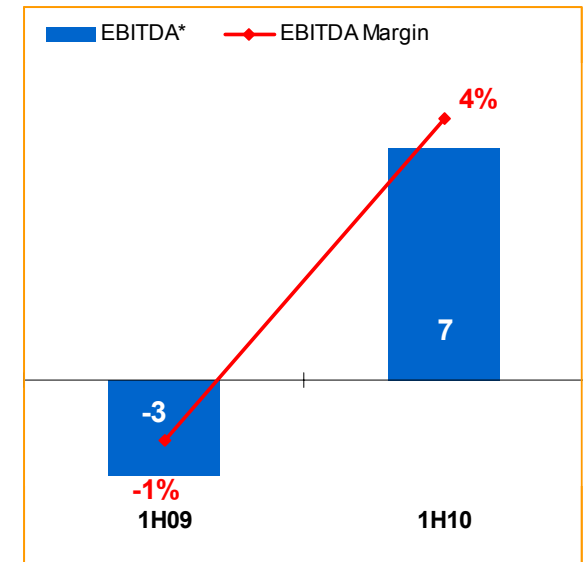
1H10 Revenue
(TL mn)



1H10 Cash Costs Breakdown
(TL mn)



1H10 EBITDA
(TL mn)



* Before depreciation, IAS-39 and intersegment eliminations

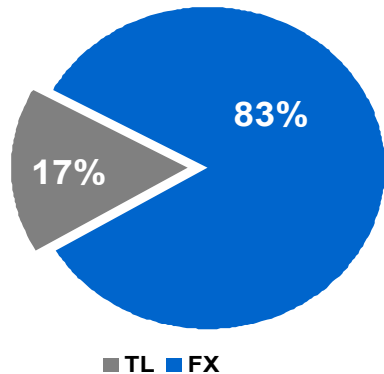
Investments & Financing

	USD'm				TL'm			
	2009 FY	1H09	1H10	Δ yoy	2009 FY	1H09	1H10	Δ yoy
CASH & BANK & MARK. SEC.	335	386	258	-33%	505	591	406	-31%
S/T BANK BORROWINGS	588	488	482	-1%	885	747	760	2%
L/T BANK BORROWINGS	478	712	458	-36%	720	1,089	720	-34%
NET DEBT	(731)	(814)	(682)	-16%	(1,100)	(1,245)	(1,074)	-14%

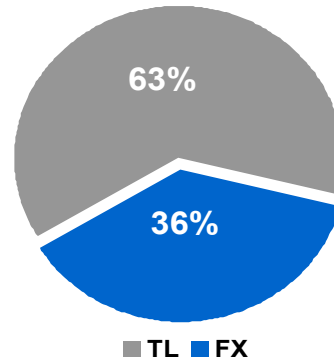
1H10 INVESTMENTS

(TL'000)	Publishing	Broadcasting	Retail	Other	TOTAL
Fixed Assets	15,971	25,437	1,540	6,245	49,193
Programme Rights		20,867			20,867
TOTAL	15,971	46,304	1,540	6,245	70,060

Bank Debt as of June 2010, US\$0.94bn (TL1.48bn)

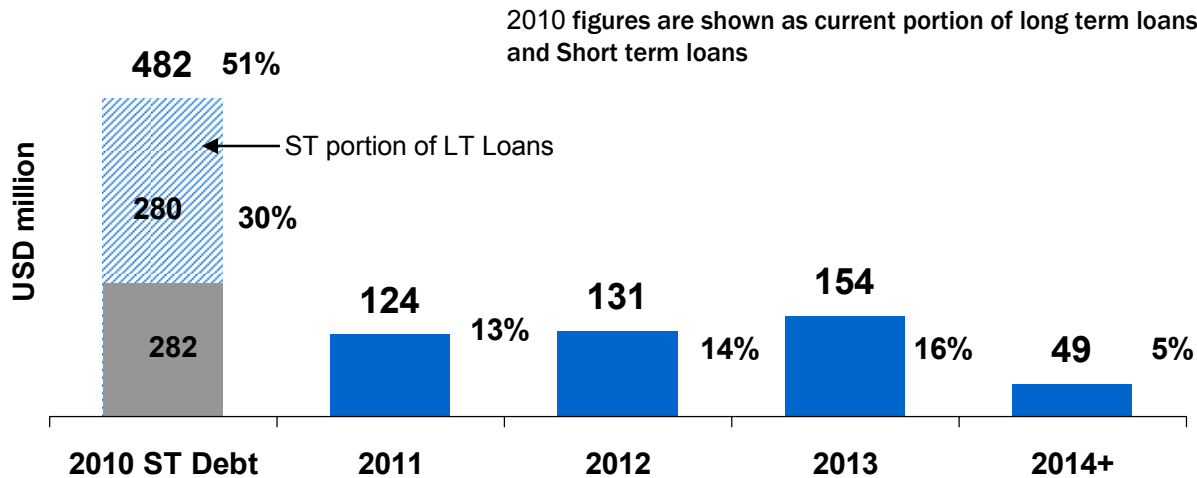


Cash as of June 2010-end, US\$258 mn (TL406 mn)



- Deleveraging and restructuring in debt portfolio continues: TL198 mn rights issue executed on April 12, 2010.
- Waiting for CMB's approval for another rights issue for TL400 mn.
- Total Bank debts declined by 12% from US\$1.1 bn as of 2009-end to US\$0.9 bn at 1H10-end.

Long Term Bank Debt Payment Schedule*, as of June 2010-end.



*supplier loans not included.

Outlook

- In 1H10, the ad market had a strong recovery. Ad market growth in 2010 is likely to be around 25%, unless there is no unexpected negative development in the global markets.
- Our continued focus on costs continue in 2010.
- As announced in 2009, potential strategic partnerships at subsidiaries level is still being considered, especially to support deleveraging.
- Deleveraging continues:
 - Rights issue of worth TL198 mn took place in April 2010.
 - New capital increase via rights issue for TL400 mn is waiting for the approval of the CMB.
- Court cases continue regarding the tax issues.
 - Regarding the tax cases that were initiated by DYH, significant portion of these cases resulted in favor of DYH. Tax office appealed to the Higher Court.
 - The legal process continues regarding the tax issue relates to Doğan TV Holding and affiliates. The court verdicts announced in August, but some of the written notifications are still expected for details. Both parties have the right to appeal to Higher Court.
- As a result of the recovery in the ad market, our continued focus on costs and further reduction in debt position parallel to strategic restructuring efforts, we project a strong recovery in our operational performance in overall 2010 compared to 2009.

Companies	Major Claims	Tax/Fine (with interest)	Tax Court (excluding interest)	Higher Court
<p>Dogan Yayin Holding (notified in February 2009)</p>	<ul style="list-style-type: none"> ■ Dogan TV Sale to Axel Springer was in 2006 ■ The sale of certain equity shares was subject to VAT ■ Financial exp. Associated with acquisitions are not tax deductible ■ Other Claims 	<p>915 mn TL (772 mn TL related to the sale of Dogan TV shares)</p>	<ul style="list-style-type: none"> ■ Accepted (791 mn TL) ■ Rejected (4 mn TL) ■ Ongoing (68 mn TL) 	<p>Tax Office appealed to Higher Court</p>
<p>Dogan TV & affiliates (notified in September 2009)</p>	<ul style="list-style-type: none"> ■ Share exchange transactions executed among Dogan TV and affiliates are subject to Corporate Tax ■ Transfer of temporary share certificates during share exchange transactions are subject to VAT ■ Other Claims 	<p>4.8 bn TL (2.6 bn TL related to VAT claim on temporary share certificates)</p>	<ul style="list-style-type: none"> ■ Accepted (865 mn TL) ■ Rejected (715 mn TL) ■ Partially in favor/partially against (1,532 mn TL)* ■ Ongoing (876 mn TL) <p><i>*no further details available, as the written notifications are not yet received</i></p>	<p>Appeal process will be followed including injunction request</p>

Financials

	USD mn				TL mn			
	FY09	1H09	1H10	YoY	FY09	1H09	1H10	YoY
REVENUES	1,575	730	872	20%	2,435	1,172	1,323	13%
GROSS PROFIT	275	126	240	91%	425	202	364	80%
EBIT*	(110)	(51)	20	n.m.	(170)	(82)	30	n.m.
<i>Depreciation&Amor.</i>	105	49	51	3%	162	79	77	-3%
EBITDA*	4	4	78	2109%	7	6	119	1985%
FINANCIAL INCOME / (EXPENSES) - NET	(46)	(31)	(42)	34%	(71)	(50)	(64)	27%
PROFIT BEFORE TAX	(239)	(110)	(35)	-68%	(369)	(176)	(53)	-70%
NET PROFIT (After Minority)	(222)	(79)	(56)	-30%	(343)	(128)	(85)	-34%

TL mn	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	QoQ%	Yoy%
REVENUES	547	625	577	687	602	721	20%	15%
GROSS PROFIT	54	148	129	95	133	231	74%	56%
EBIT*	(80)	(2)	(16)	(73)	(28)	58	n.m.	n.m.
<i>Depreciation&Amor.</i>	40	39	39	44	40	37	-7%	-6%
EBITDA*	(36)	41	29	(28)	16	103	556%	148%
FINANCIAL INCOME / (EXPENSES) - NET	(177)	127	20	(41)	(20)	(43)	111%	n.m.
PROFIT BEFORE TAX	(262)	86	(7)	(186)	(52)	(1)	-98%	n.m.
NET PROFIT (After Minority)	(165)	37	(19)	(196)	(50)	(35)	-30%	n.m.

(TL mn)	2Q09	2Q10	Δ yoy	1H09	1H10	Δ yoy
Publishing	362	374	3%	656	684	4%
Advertising	195	215	10%	347	373	8%
Circulation	104	95	-9%	192	191	0%
Other Revenues	63	64	3%	117	120	2%
Distribution	31	28	-9%	52	53	2%
Other	32	36	13%	65	67	3%
Broadcasting	180	264	47%	309	472	53%
Advertising	158	228	44%	256	391	53%
Other Revenues	22	35	62%	53	81	53%
Retail	94	78	-17%	216	162	-25%
Other Revenues	25	33	31%	51	64	25%
Cumulative Total	661	748	13%	1,232	1,383	12%
Intersegment Eliminations (-)	-36	-27	-24%	-61	-60	-1%
Total	625	721	15%	1,172	1,323	13%

* As reported

(TL mn)	2Q09	2Q10	Δ yoy	1H09	1H10	Δ yoy
Publishing	192	211	10%	337	365	8%
Hurriyet Grup excluding TME	90	104	16%	151	178	18%
TME	50	45	-10%	95	82	-13%
Dogan Gazetecilik	47	55	16%	86	95	10%
Magazines	5	7	40%	8	11	44%
DMG International	3	3	5%	6	6	0%
Other	1	0	-62%	1	1	-28%
Interseg. Elim. (-)	-4	-4	-2%	-10	-9	-16%
Broadcasting	150	224	49%	241	377	56%
Doğan TV Radio	151	224	48%	243	382	57%
Kanal D Romanya	7	5	-37%	13	9	-27%
Interseg. Elim. (-)	-8	-4	-45%	-15	-13	-8%
Total Advertising	342	435	27%	578	742	28%
Total Combined	354	443	25%	603	764	27%

(TL mn)	2Q09	2Q10	Δ yoy	1H09	1H10	Δ yoy
Revenues	625	721	15%	1,172	1,323	13%
Publishing	362	373	3%	656	684	4%
Broadcasting	180	264	47%	309	472	53%
Retail	94	78	-17%	216	162	-25%
Other	25	33	31%	51	64	25%
Intersegment Eliminations	-36	-27	-24%	-61	-60	-1%
COGS	-477	-489	3%	-970	-959	-1%
Publishing	-230	-222	-3%	-450	-424	-6%
Broadcasting	-162	-195	20%	-320	-387	21%
Retail	-76	-59	-23%	-182	-123	-32%
Other	-17	-21	25%	-34	-42	23%
Intersegment Eliminations	8	8	0%	16	17	9%
Operating Expenses	-150	-173	15%	-284	-334	18%
Publishing	-97	-112	15%	-187	-217	16%
Broadcasting	-43	-46	6%	-81	-90	12%
Retail	-23	-17	-24%	-42	-38	-12%
Other	-9	-17	90%	-18	-32	78%
Intersegment Eliminations	22	19	-13%	44	42	-4%

* As reported

(TL mn)	2Q09	2Q10	Δ yoy	1H09	1H10	Δ yoy
EBIT	-2	58	n.m.	-82	30	n.m.
Publishing	35	40	13%	20	43	120%
Broadcasting	-25	23	n.m.	-92	-5	-95%
Retail	-5	2	n.m.	-8	2	n.m.
Other	-1	-6	481%	-1	-10	968%
Intersegment Eliminations	-6	0	-96%	-1	-1	-27%
EBITDA	41	103	148%	6	119	1985%
Publishing	59	66	12%	74	97	31%
Broadcasting	-10	36	n.m.	-68	21	n.m.
Retail	-2	4	n.m.	-3	7	n.m.
Other	1	-4	n.m.	3	-5	n.m.
Intersegment Eliminations	-6	0	-96%	-1	-1	-27%
Consolidated EBIT Margin	0%	8%		-7%	2%	
Publishing	10%	11%		3%	6%	
Broadcasting	-14%	9%		-30%	-1%	
Retail	-6%	2%		-4%	1%	
Other	-4%	-18%		-2%	-15%	
Consolidated EBITDA Margin	7%	14%		0%	9%	
Publishing	16%	18%		11%	14%	
Broadcasting	-6%	14%		-22%	4%	
Retail	-3%	6%		-1%	4%	
Other	5%	-12%		7%	-8%	

EBITDA RECONCILIATION TABLE (TL m n)

	1H09	1H10
Operating Profit (EBIT)	-82	30
Depreciation+Amortization (+)	103	109
Programme Rights Amortization (-)	-24	-32
Net IAS 39 impact	9	12
EBITDA	6	119

For further information

Email : ir@dmg.com.tr
Web Site : www.dyh.com.tr

