PRESS RELEASE

2006 Results
Revenues of $211.4 million
EBITDA of $57.3 million
Net Income from continuing operations of $13.3 million

Amsterdam, The Netherlands – March 23, 2007(0700 GMT).

Trader Media East Limited ("**Trader Media East**" or the "**Group**"), a leader in classified advertising operating in Central and Eastern Europe, releases today its results for the year ended December 31, 2006, prepared under US Gaap.

2006 Highlights

Financial Results (in US dollars)

- Revenues of $211.4 million, up 10.4%, of which organic growth 8.1%
- Operation EBITDA[(1)] of $65.2 million, down 5.2% (margin of 30.8%)
- Consolidated EBITDA of $57.3 million, down 12.9% (margin of 27.1%)
- Net income from continuing operations of $13.3 million, down 60.5%
- Net income from discontinued operations of a negative ($16.4) million, following the impairment of Kisokos.

Major developments

Listing on London Stock Exchange

On February 13, 2006, Trader Media East completed an international offering of its shares in the form of global depositary receipts on the London Stock Exchange under ticker symbol TME.

Recommended Cash offer for Trader Media East

Following the agreement between the boards of Hürriyet Gazetecilik ve Matbaacilik A.S. and Trader Media East to recommend a cash offer of US$10.00 per TME Share (including each TME Share represented by a TME GDR) (the "Offer"), Hurriyet Invest B.V. announced on March 16, 2007 that all of the conditions to the Offer had been satisfied or waived and, accordingly, the Offer was declared unconditional in all respects. Hurriyet Invest B.V. has received valid acceptances representing approximately 67.29% of the Trader Media East's share capital. The Offer will continue to remain open for acceptance until 1 pm (London time) on March 29, 2007, but will not be extended beyond that date.

(1) Consolidated EBITDA before corporate costs.

Credit Agreement

On February 9, 2006, we entered into a $250 million multi-currency senior secured term loan and revolving credit facility (the ”**Senior Credit Facility**”), with BNP PARIBAS as Global Co-ordinator and BNP PARIBAS and WestLB AG, London Branch, as Mandated Lead Arrangers. Borrowers under the facility are Trader East Holdings B.V., a wholly-owned subsidiary of Trader Media East, and certain of its subsidiaries (the ”**Borrowers**”). The Senior Credit Facility has a five-year term and consists of three term loans of up to $140 million. In addition, the Senior Credit Facility provides a revolving credit facility of up to $25 million and an acquisition facility of up to $85 million, to be made available to certain Borrowers.
This Credit Facility may become repayable upon a Change of Control pursuant to the Offer.

Purchase of Minority Interest

Pursuant to an acquisition agreement dated January 22, 2006, Mirabridge International B.V., a wholly-owned subsidiary of Trader Media East and owner of an 88% interest in Pronto-Moscow, acquired, the remaining 12% interest in Pronto-Moscow for a total consideration of US$100.9 million.

Full Year 2006 Consolidated Results (US GAAP)

(In USD millions)	**2005**	**2006**	**Growth**
Revenues	191.5	211.4	+10.4%
Operation EBITDA	68.8	65.2	(5.2)%
Margin %	35.9%	30.8%	
Consolidated EBITDA	65.8	57.3	(12.9)%
Margin %	34.4%	27.1%	
Net Income from continuing operations	33.7	13.3	(60.5)%
Net Income from discontinued operations	(1.2)	(16.4)	(1266.7)%

Revenue Growth of 10.4%, organic growth of 8.1%

2006 revenues reached $211.4 million, an increase of 10.4%. Excluding exchange rate impact, total organic revenue growth was 8.1%.

Print revenues reached $202.4 million, an increase of 8.7%. Excluding exchange rate impact, organic print revenues grew by 6.3%.

Online revenues reached $9.0 million, an increase of 69.8%. Excluding exchange rate impact, organic online revenue growth was 70.0%.

Operation EBITDA of $65.2 million, down 5.2%, margin of 30.8%
Consolidated EBITDA of $57.3 million, down 12.9%, margin of 27.1%

Operation EBITDA reached $65.2 million, a decrease of 5.2%. Operation EBITDA margin decreased from 35.9% in 2005 to 30.8% in 2006.

Print operation EBITDA margin decreased from 36.0% to 30.3%, and online operation EBITDA margin increased from 34.0% in 2005 to 42.2% in 2006.

Corporate costs (generated by management fees charged by Trader Classified Media N.V. in 2005 and by our own corporate structures beginning February 2006) increased by 163.3% to $7.9 million in 2006.

Consolidated EBITDA decreased by 12.9% in 2006 to $57.3 million with a margin of 27.1%.

Net Income from continuing operations of $13.3 million, margin of 6.3%

Net income from continuing operations reached $13.3 million in 2006 compared with $33.7 million in 2005, a decrease of 60.5%.

Free Cash Flow of $20.8 million

In 2006, the Group has generated a Free Cash Flow (after capital expenditures) of $20.8 million or 10% of revenue. Total cash used for acquisitions and earn-out payments in the year amounted to $104.1 million.

The Group's net debt, after excess cash of $21.0 million, was $112.7 million as at December 31, 2006, representing a multiple of approximately 1.97 times the Group's 2006 EBITDA.

Outlook 2007

Pierre-François Catté, Trader Media East's Chief Executive Officer, said:

"In the second part of 2006, TME has demonstrated that in a very competitive environment it has the capabilities to grow its revenues by over 10%, which is in line with the plan supporting the Board decision to recommend the Offer by Hurriyet Invest. As previously mentioned, we have built the foundation to sustain a growth of between 12% and 14%. We are committed to an aggressive online growth and print diversification strategy. The alignment with Hurriyet Invest's business strategies will enhance our ability to deliver the plan."

About Trader Media East's Shares

- Total number of outstanding Shares : **50,000,000**
- Listing : London Stock Exchange (ticker: TME)

Please also see the attachments:

- Operating and Financial Review
- Consolidated Balance Sheets
- Consolidated Statements of Operations
- Consolidated Statements of Cash Flows

About Trader Media East

Trader Media East is a leader in online and print classified advertising with strong local brands serving local markets in Central and Eastern Europe. Trader Media East produces 182 print titles (excluding Kisokos), with 5 million readers per week and hosts 12 websites, with 4.3 million unique monthly visitors.

Trader Media East was incorporated in November 2005. It employs 4,900 people (excluding Kisokos) in 8 countries.

Our branded classified advertising websites and publications and related specialized services have leading positions in specific markets in the following countries: Belarus, Croatia, Hungary, Kazakhstan, Lithuania, Poland, Russia and Ukraine.

Forward-Looking Statements

Some of the statements in this document are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of Trader Media East or its officers with respect to various matters. When used in this document, the words “expects,” “believes,” “anticipates,” “plans,” “may,” “will,” “should” and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcome to differ materially from those suggested by any such statements. Those factors include, but are not limited to, risks or uncertainties described in our publicly filed documents.

These forward-looking statements speak only as of the date of this document. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.

Media & Investor Relations Contact Information

Brunswick Group
Contact: Patrick Handley/Anna Jones
16 Lincoln’s Inn Fields
London
WC2A 3EW
Tel: +44 207 404 5959
E-mail: tmeast@brunswickgroup.com

Trader Media East Limited
Operating and Financial Review

We are pleased to present the consolidated financial results of Trader Media East Limited ("**Trader Media East**" or "**TME**" or the "**Group**" or **"We"**) for the year ended December 31, 2006.

The financial results for both periods have been prepared on the basis described below, in the section "Basis of Presentation".

This report contains statements regarding future events or conditions that may or may not be accurate in the future. You should refer to the risks identified in the "Forward Looking Statements" section of this report.

History and Formation of the Company

We are a leader of online and print classified advertising with strong local brands serving local markets in Central and Eastern Europe. We produce 182 print titles, with 5 million readers per week and host 12 websites, with 4.3 million unique monthly visitors and employ 4,900 people in 8 countries.
Historically, our business was part of the Trader Classified Media group ("TCM"). In early 2006, TCM placed its Russian, CIS and Eastern European operations into a new holding company, Trader Media East Limited, our parent company. The subsequent offering of TME's shares by TCM on the main market of the London Stock Exchange was successfully completed in February 2006. Since this date, we operate independently from TCM. In February 2006, we purchased from the minority shareholder and Russian general manager the remaining 12% of Pronto-Moscow, our operating subsidiary in Moscow and mother company of our businesses in Russia, Belarus and Kazakhstan.

Our branded classified advertising websites and publications and related specialized services have leading positions in specific markets in the following countries: Belarus, Croatia, Hungary, Kazakhstan, Lithuania, Poland, Russia and Ukraine. Through our integrated print and online strategy, we offer buyers and sellers a comprehensive and focused forum for consumer-to-consumer and business-to-consumer transactions.

Historically, we have increased revenues primarily by expanding into new territories, segmenting existing markets through verticalization, acquiring publications and selling services for additional fees. We have also increased operating cash flow by implementing operating practices that improve performance and control costs throughout our organization.

Major Developments

Disposal of Kisokos

In September 2006, TME announced a potential disposal of the Kisokos directory business and its consequent classification as discontinued operations in the financial statements for the year ended December 31, 2006.
We have made the decision to close down the operations, which is reflected in the financials as of December 31, 2006, unless we find a buyer in the next coming months.
At the balance sheet date, the business is accounted at fair value for a net book value amounting to $2.1 million, corresponding to the amount that we have considered to be fully recoverable, and a provision for impairment amounting to $14.3 million has been booked.

Recommended Cash offer for Trader Media East

Following the agreement between the boards of Hürriyet Gazetecilik ve Matbaacilik A.S. and Trader Media East to recommend a cash offer of US$10.00 per TME Share (including each TME Share represented by a TME GDR) (the "Offer"), Hurriyet Invest B.V. announced on March 16, 2007 that all of the conditions to the Offer had been satisfied or waived and, accordingly, the Offer was declared unconditional in all respects. Hurriyet Invest B.V. has received valid acceptances representing approximately 67.29% of TME's share capital. The Offer will continue to remain open for acceptance until 1 pm (London time) on March 29, 2007, but will not be extended beyond that date.

Basis of Presentation

The consolidated financial statements of Trader Media East cover the year ended as of December 31, 2006. The results presented for this period are the consolidated results of TME and its subsidiaries (as acquired in January 2006 in the course of the Restructuring), from January 1, 2006 to December 31, 2006.

The 2005 comparative information presented has been prepared from the consolidation returns prepared by TCM operations subsequently acquired by Trader Media East for the purposes of the consolidated financial statements of TCM using TCM historical bases in the assets, liabilities and result of operations. Trader Media East operations have been historically part of the TCM business and its assets and liabilities were held by several indirect subsidiaries of TCM. The 2005 financial information include the historical assets, liabilities, revenue and expenses that were directly recorded by the Trader Media East subsidiaries acquired through the restructuring during the periods presented. Trader Media East did not previously operate as a separate, stand-alone company. The 2005 comparative information reconciles with the combined accounts already published in 2005, modified for some minor adjustments.

Trader Media East's results until December 31, 2005 were included in the consolidated financial statements of TCM on a regional basis, and there are accordingly no separate historical equity accounts for Trader Media East. Changes in invested equity represent TCM net investment in Trader Media East after giving effect to the net earnings of Trader Media East, dividends paid and transfers (including cash) to and from TCM.

In 2005 and January 2006, the consolidated financial statements include allocations of certain TCM corporate expenses, including legal, accounting, operation, acquisition, as well as treasury and other corporate and infrastructure costs. The expense allocations have been determined on the basis that TCM and Trader Media East considered as being a reasonable reflection of the utilization of services provided or corresponding to the benefit received by Trader Media East. Since February 2006, Trader Media East has used its newly created own corporate structures.

Business Overview

Our registered office is in Jersey and we maintain our principal administrative offices in The Netherlands. Our operating structure is designed to provide centralized control over financial management, acquisitions, strategic partnerships and Internet development. We provide local managers with support for finance, sales, marketing, production and distribution while giving them the responsibility and the flexibility to react quickly and effectively to varying local market conditions. Within each of our major metropolitan and regional markets, we have operations managers, sales and marketing teams, a production group and distribution managers.

Sales and Marketing

We sell advertisements in our print publications and on our websites through our local direct sales force, centralized marketing team and customer service call centers. Our websites and a limited number of our print publications, such as *Iz Ruk v Ruki* in Russia, have a national reach, and in these cases we solicit national advertising, either directly or through advertising agencies. In December 2006, our field sales force consisted of approximately 1,994 individuals operating almost exclusively at the local level. All our sales personnel receive commissions-based compensation.
Each of our local print and online media operations has a dedicated direct sales force focused on retaining existing advertisers and acquiring new ones, particularly local businesses such as car dealers, real estate brokers and other local retailers, through sales visits to customers. In addition, our sales forces in both our satellite offices and call centers up-sell enhancements to advertisements and value-added services including our ''Power Pages'' solutions and inventory lot management. Our local sales forces are also instrumental in promoting our websites to advertisers in our print publications with integrated print and online advertising offered to professional advertisers for an incremental fee. Our local managers set advertising rates and cover prices of our local publications, after consultation with our centralized management. The advertisements we sell typically run for one to four editions and are generally published on a daily, weekly or monthly basis.

Customers typically place advertisements in our publications either through our local call centers (via standard or premium rate telephone lines) or by filling in a coupon from the relevant publication and taking it to one of our ad placement offices located within each city or region. Our customers in Moscow may also place advertisements either by purchasing a telephone card from one of our ad placement offices and placing an advertisement over the phone, by purchasing an Internet card from one of our websites or ad placement offices and placing the advertisement online, or via SMS and MMS services by mobile phone.

Distribution of Print Publications

We distribute our products through a variety of channels, including:

- independent wholesalers: third party distributors who purchase from us directly at wholesale prices and sell through their own sales networks or to other networks;
- individual distributors; and
- satellite offices.

Our ability to distribute publications in an efficient and cost-effective manner is a decisive factor in our business. All of our publications have or share an internal distribution department dedicated to managing the distribution process. Local distribution managers, through frequent contact with wholesalers, third party distributors and retailers, closely monitor the flow of publications to ensure that an adequate number of copies are available for sale or distribution, while minimizing the number of unsold or undistributed copies. In many of our regions, this process has been automated through the use of planning software. Our distribution channels vary from region to region and we have sought to expand our distribution network where feasible.

Production, Printing and Technology

We prepare our own page layout design for print publications using desktop publishing systems with modern commercial software packages. This is efficient in terms of the amount of labor and materials required and helps minimize the lead-time necessary to produce each edition. These digitally formatted layouts can be conveniently transferred by our designers to printing facilities or uploaded to websites at minimal added cost.

A majority of our publications are printed by third party printers and we seek to outsource our printing wherever possible in order to control costs. We seek to establish contracts (generally for 12-month terms with the option to extend) with reliable and proven printers, typically on a publication-by-publication basis. In addition, we have invested in three in-house printing facilities in Russia in order to ensure availability of printing facilities, increase control and security over our content (i.e., to prevent advertisements from being copied by competitors) and to overcome technical limitations of third party printing in terms of print volume and frequency.

With the help of our Internet Competency Center in Warsaw, we are implementing a technology initiative focusing on providing a comprehensive and flexible technology platform to support our online strategy.

Paper Supply

We typically consolidate purchases of large quantities of paper in each country to obtain volume discounts. We buy paper either directly from paper manufacturers or from third party printers. In the absence of fixed price, long-term contracts or discount arrangements, we purchase paper at market prices. Historically, we have been able to charge higher cover prices to compensate for paper price increases. In 2005 and in 2006, paper costs represented approximately 9% and 10% of our revenues, which we believe is significantly less than traditional newspapers. We generally do not have editorial content and, therefore, almost every page of our publications generates revenues.

Full year 2006 – key operating results by geographic segment

The key operating indicators we use to measure the performance of our consolidated operations are EBITDA and EBITDA margin and of our geographical operating units on a regional level are Operation EBITDA (operating profit before certain expenses) and Operation EBITDA margin.

We define EBITDA as operating profit before depreciation and amortization, non-cash compensation expense and write down on impaired assets and EBITDA margin as the ratio of EBITDA to revenues.

We define Operation EBITDA (or operating profit before certain expenses) as EBITDA before management service expenses / corporate costs and Operation EBITDA margin as the ratio of Operation EBITDA to revenues.
None of EBITDA, EBITDA margin, Operation EBITDA or Operation EBITDA margin is defined under US GAAP.
We present EBITDA (and the related measures EBITDA margin, Operation EBITDA and Operation EBITDA margin) because it is the measure we use to evaluate the performance of our operating units and because it is a widely accepted financial indicator of a company's ability to incur and service debt.
However, EBITDA (a) is not intended to be a performance measure that should be regarded as an alternative to, or as more meaningful than, operating profit or net earnings, as an indicator of operating performance or cash flow from operations or as a measure of liquidity; (b) is not intended to represent funds available for dividends, reinvestment or other discretionary uses; (c) should not be a consideration in isolation or as a substitute for measures of performance prepared in accordance with US GAAP; and (d) may be calculated differently by other companies in our industry, or may be used for different purposes than the purposes we use it for, limiting its usefulness as a comparative measure.

The following table shows a summary of our revenues, Operation EBITDA and Operation EBITDA margin (defined as the ratio of Operation EBITDA to revenues) by geographic segment:

	December 31, 2006			**December 31, 2005**		
	Revenues	**Operation EBITDA**	**Operation EBITDA margin**	**Revenues**	**Operation EBITDA**	**Operation EBITDA margin**
	(millions of $)		**%**	**(millions of $)**		**%**
Russia, Baltics & the CIS	$157.7	$53.8	34.1	$136.6	$54.8	40.1
Hungary without Kisokos	34.5	7.2	20.9	38.4	9.9	25.8
Croatia	12.4	3.6	29.0	10.4	3.6	34.6
Poland	6.8	0.6	8.8	6.1	0.5	8.2
Total	**$211.4**	**$65.2**	**30.8**	**$191.5**	**$68.8**	**35.9**

Currency Fluctuations

We express our results in US dollar and generate revenues in eight currencies. The two most significant currencies are the Russian rouble, in which we have generated 63% of our revenues in 2006, and the Hungarian forint, in which we have generated 16% of our revenues in 2006. Our results can be significantly impacted by fluctuations in these currencies compared to the US dollar.

Set up below is a table of December 2006 average rates against the US dollar compared to 2005.

	December 31, 2006 average rate	***December 31, 2005 average rate***	***Fluctuation %***
Russian Rouble	0.0368	0.0353	4%
Hungarian Forint	0.0047	0.0050	(6%)

Inflation

Our costs are closely linked to domestic cost factors in the countries in which we operate. Inflation moderated in Russia during the past five years, decreasing from 15.8% in 2002 to 9.0% in 2006.

The table below presents changes in Russia’s consumer price index from 2002 through 2006.

	2002	2003	2004	2005	2006
Consumer Price Index, December to December change in RUR…………………	15.8%	13.7%	10.9%	11.1%	9.0%

Revenues

Source of Revenues

We primarily derive revenues from selling advertising space in our publications. To a lesser extent, we derive revenues from paid circulation of some of our print publications and from additional services we provide. We generate revenues from print activities (96% in 2006 and 97% in 2005) and Internet activity (4% of revenues in 2006 and 3% in 2005).
We generate print revenues principally from four sources, or ”channels”, which are display advertisements, private and professional classified advertisements, circulation and services.
We earn circulation revenues primarily through sales to individuals who purchase at kiosks or newsstands, through subscriptions or from street vendors.
Service and other revenues include commissions earned for selling products and services to third parties including warranty services. They also include printing for third parties in Russia and revenues associated with services such as pre-paid telephone calling cards used by private customers to access our call centers and place advertisements. The commissions earned are a percentage of the value of the products or services.
We derive online revenues primarily from classified and display advertisements, including professional advertisements, consumer advertisements and banners. We also derive online revenue from subscription or one-off access fees to content and information we provide through our websites. In online revenues we include revenues deriving from products advertised solely on our websites, as well as the portion of revenues attributable to the online component (as determined by management based upon relative fair value) for bundled contracts providing both print and online advertisements.

The channel of revenue varies in importance depending on the individual publication. Our primary channels of revenue are:

	Relative importance of revenues by channel	
	Year ended December 31, 2006	**Year ended December 31, 2005**
	(percentage of total revenues)	
Print revenues	**96%**	**97%**
Classified Ads	33%	34%
Display	44%	45%
Circulation	13%	13%
Services & Other	6%	5%
Online revenues	**4%**	**3%**

Classified advertising is the key to our revenue generation. The revenues generated by this channel are split between private individuals and professionals, or business customers. We experience the highest margins with display advertisement, which constituted 44% of revenues in 2006 and in 2005.

We publish private and professional classified advertisements and display advertisements on a daily, weekly and monthly basis depending on the publication, and recognize the related revenues at the time the advertisement is published. We defer revenues related to advertisements appearing on multiple occasions and recognize them proportionally during the period when the advertisement is run. We recognize circulation revenues on a weekly basis at the time a publication is sold to a customer. We recognize service revenues (i.e., commissions) as earned at the date the service products are sold, or when contracts are activated. We recognize online revenues at the time the advertisement is run. We recognize revenues from subscription and one-off access fees to content and information we provide through our websites over the period of usage, and other related services.

Consolidated Revenues

Revenues increased by $19.9 million, or 10.4%, to $211.4 million in 2006 from $191.5 million in 2005.

In order to reflect the effect of acquisitions on our financial statements, we measure revenues, EBITDA and Operation EBITDA on the basis of total growth and organic growth. In calculating organic growth, we include the revenue, EBITDA or Operation EBITDA contribution from an acquired business only with respect to entities that have been consolidated in our financial statements for at least twelve months.
Organic growth is computed by excluding the effect of foreign currency fluctuations.

	December 31, 2006	***December 31, 2005***	***Growth (%)***	***Organic Growth (%)***
Print revenues				
Display	$94.0	$85.6	9.8%	7.0%
Classified Ads	69.9	65.6	6.5%	4.8%
Circulation	26.6	25.0	6.4%	4.3%
Services & Other	11.9	10.0	19.0%	15.5%
Total Print revenues	**$202.4**	**$186.2**	**8.7%**	**6.3%**
Online revenues	9.0	5.3	69.8%	70.0%
Total revenues	**$211.4**	**$191.5**	**10.4%**	**8.1%**

Print revenues in 2006 increased by 8.7%, to $202.4 million from $186.2 million in 2005. Excluding exchange rate impact, organic print revenue growth was 6.3%, reflecting primarily the growth in classified and display advertising.

Online revenues in 2006 increased by 69.8%, to $9.0 million from $5.3 million in 2005, due primarily to expansion of the online business in the Group, and growth in the online advertising market in general, particularly in the classified advertising market. Organic growth was 70.0% compared to 2005.

Revenues by Geographic Segment

Region	***December 31, 2006***	***December 31, 2005***	***Growth***	***Organic Growth***
	(millions of $)		***%***	***%***
Russia, Baltics & the CIS	$157.7	$136.6	15.4%	11.1%
Hungary without Kisokos	34.5	38.4	(10.2)%	(5.7)%
Croatia	12.4	10.4	19.2%	16.3%
Poland	6.8	6.1	11.5%	6.0%
Total Revenues	**$211.4**	**$191.5**	**10.4%**	**8.1%**

Russia, Baltics and the CIS.
Russia & CIS grew by 11.1% organically. Moscow, representing 44% of Russian & CIS business, experienced a decline in organic revenue of (5.5%) whereas our regions outside Moscow grew by 29.0% organically. Moscow was impacted by the reduction of Real Estate advertising and by increased competitive pressure. We nevertheless saw some recovery in Moscow in the fourth quarter with an organic revenue growth of 2.6% vs. the fourth quarter of 2005, compared to a decline of respectively (10.7%), (8.9%) and (5.7%) in the first, second and third quarters.

Hungary without Kisokos.
Revenue declined organically by 5.7% compared to 2005 despite the 39.2% organic revenue growth in online. The performance in Hungary reflects the poor market conditions of the automotive and real estate markets. We believe it unlikely that Hungarian economic conditions will improve the prospects for these underlying markets in the short term. Results remain disappointing despite slight recovery in the last two quarters.

Croatia.
We noted a very strong organic growth of 16.3%, driven by a combination of strong display and professional advertising in our generalist publication and newly launched vertical publications. Croatia is also well positioned for online monetization with the launch of two new vertical websites. In 2006 we also closed the acquisition of a job website which will support our overall job development strategy.

Poland.
Poland through continued strong online organic growth showed a solid 6.0% organic revenue growth in 2006 compared to 2005 (+53.8% for internet).

Operating profit

Operation profit is as follows:

	December 31, 2006	***December 31, 2005***
	(millions of $)	
Consolidated EBITDA	$57.3	$65.8
Depreciation and amortization	(6.2)	(5.9)
Stock-based compensation expense	(3.4)	-
Other operating costs	(1.4)	-
Operating profit	**$46.3**	**$59.9**

Operating profit decreased by $(13.6) million from $59.9 million in 2005 to $46.3 million in 2006, a decrease of 22.7%. This decrease mainly arises from $8.5 million due to the decrease of the Consolidated EBITDA as explained below, $3.4 million due to the stock-compensation expense and $1.4 million to non-recurring costs incurred in connection with the Offer.

EBITDA

Consolidated EBITDA

Consolidated EBITDA decreased by $8.5 million, from $65.8 million in 2005 to $57.3 million in 2006, showing a decrease of (12.9%). Margin is experiencing a deterioration (27.1% versus 34.4% in 2005) due to declining print margin (30.3% versus 36.0% in 2005) and despite strong online margin improvement (42.2% versus 34.0% in 2005). Organically, EBITDA is declining by (15.3%) versus 2005.
The decrease reflected mostly:
- Increased investments in production, marketing and sales expenses and a change of mix between Moscow and the regions in Russia
- Revenue degradation in Hungary and in Moscow

Consolidated EBITDA	*December 31, 2006*	*December 31, 2005*	*Growth*	*Growth*	*Growth constant exchange rate*	*EBITDA Margin*
		(millions of $)		*%*	*%*	*%*
Operation Print EBITDA	$61.4	$67.0	$(5.6)	(8.4)%	(10.8)%	30.3%
Operation Online EBITDA	3.8	1.8	2.0	111.1%	114.6%	42.2%
Corporate Costs (1)	(7.9)	(3.0)	(4.9)	163.3%	168.0%	-
Consolidated EBITDA	**$57.3**	**$65.8**	**$(8.5)**	**(12.9)%**	**(15.3)%**	**27.1%**

(1) In 2005, we were part of the TCM group and our corporate costs resulted from an allocation of the TCM corporate costs to our business (Management service expense). In February 2006, we implemented our own corporate structures.

Operation Print EBITDA decreased by $(5.6) million, or (8.4%) in 2006 compared to 2005 of which (10.8%) organically.

Operation Online EBITDA increased $2.0 million, or 111.1%, in 2006 compared to 2005 of which 114.6% organically, which reflected strong development throughout the Group.

Operation EBITDA by Geographic Segment

Region	*December 31, 2006*	*December 31, 2005*	*Change*	*Organic growth*	*2006*	*2005*
	(millions of $)		*%*	*%*	*EBITDA Margin %*	*EBITDA Margin %*
Russia, Baltics & the CIS	$53.8	$54.8	(1.8)%	(5.7)%	34.1%	40.1%
Hungary	7.2	9.9	(27.3)%	(22.9)%	20.9%	25.8%
Croatia	3.6	3.6	0%	(1.6)%	29.0%	34.6%
Poland	0.6	0.5	20.0%	9.1%	8.8%	8.2%
Operation EBITDA	**$65.2**	**$68.8**	**(5.2)%**	**(7.7)%**	**30.8%**	**35.9%**

Russia, Baltics and the CIS.
Operation EBITDA showed a decrease of (1.8%), with a deterioration of margin (34.1% versus 40.1% in 2005) mainly attributable to a number of factors:

- A change of mix between Moscow and Regions through the decline of revenues in Moscow with high margins and the expansion of the business into lower margin Regions (which have a lower margin due to less critical mass and maturity of the business compared to Moscow)
- Investment in marketing
- Shift to colour in Moscow
- Payment of higher commissions to Display agencies in Moscow.

Hungary without Kisokos.
We incurred a decrease of Operation EBITDA by (27.3%) and a deterioration of the margin (20.9% versus 25.8% in 2005) primarily due to the revenue degradation.
Acceleration in online Operation EBITDA growth by 50.8% and improvement of the margin, amounting to 24.6% compared to 21.6% last year, has somewhat compensated for the above decreases.

Croatia.
Operation EBITDA was flat due primarily to strong revenue performance and to savings in print and paper costs offset by costs for launching new car and real estate publications.

Poland.
Operation EBITDA remained flat compared to 2005 and margin slightly increased at 8.8%. Print EBITDA was negative due to continued shift in business mix from print to online which experienced a significant growth by 68.4% with a margin of 27.5% compared to 26.2% in 2005.

Management service expenses / corporate costs

Management service expenses / corporate costs amounted to $7.9 million (or 3.7% of our revenues) in 2006 and $3.0 million in 2005, representing costs incurred as an independent group compared to management fees charged by TCM in 2005 when the TME countries were part of a larger group.

Stock-based compensation expense

In February 2006, Trader Media East implemented an equity incentive plan, through which certain employees of the Group, directors, and members of executive management have been granted with stock-options and restricted shares. These grants resulted in an expense by $3.4 million in 2006, compared to a negligible expense in 2005. Further to the announcement by Hurriyet Invest B.V. on 16th March 2007 that the Offer has been declared unconditional, TME option holders will be offered a cash amount varying between US$ 1.36 and US$ 3.28 per option (depending on the exercise price) in exchange for the cancellation of their options.

Depreciation and amortization

Depreciation and amortization in 2006 remained steady at $6.2 million compared to $5.9 million in 2005.

Other operating costs (non-recurring)

In connection with the Offer, we have incurred costs of non-recurring nature, mainly fees for legal and advisory services.

Other income and expenses

Interest expenses in 2006 increased by $11.5 million to $ 12.4 million from $0.9 million in 2005. These expenses are due to the interest and financing fees related to our Senior Credit Facility into which we entered on February 9, 2006, and on which we incurred a 7.9% effective rate (excluding fees).

Interest is due mainly on three term loans amounting in the aggregate of up to $140 million, that we have drawn down on the closing of the Offering, as well as a Revolver Line ($2.5 million as of December 31, 2006). These term loans have mainly been used:
- for $100 million, to purchase the 12% interest in Pronto-Moscow, previously held by the general manager of our Russian operations
- for $7.5 million, to refinance existing indebtedness in Hungary
- for $32.5 million, to pay outstanding related party balances with TCM, third party debt and certain fees, costs and expenses associated with the arranging and syndication of the Senior Credit Facility.

The rate of interest payable for each term loan is the sum, per annum, of the applicable margin (set at market rates and thereafter subject to adjustment according to the quarterly ratio of our Consolidated Net Debt to Consolidated EBITDA) plus the one, two, three or six month LIBOR or other interbank reference rate (as appropriate), plus any mandatory costs.

Income taxes

Expressed as a percentage of our income before tax, minority interest and discontinued operations, it represented 49% for 2006 compared to 30.9% for 2005. We are currently reviewing and redesigning our tax structure.

Minority interest

Minority interest for 2006 decreased to $4.3 million from $7.6 million in 2005, mainly due to the impact of the repurchase of the remaining 12% shares of Pronto-Moscow, previously held by the general manager of our Russian operations.

Net income from continuing operations

We generated net income from continuing operations of $13.3 million for 2006 compared to $33.7 million for 2005, a decrease of $(20.4) million, mainly due to the decrease of the operating profit by $13.6 million and increase of the interest expense of $(11.5), partly offset by a decrease of the income taxes and minority interest by $ 4.6 million.

Net loss from discontinued operations

Net loss from discontinued operations include the following Kisokos items:

	December 31, 2006	***December 31, 2005***
	(millions of $)	
Revenues	$4.5	$6.4
Operating profit before certain expenses	(2.3)	(0.9)
Depreciation and amortization	(0.5)	(0.6)
Provision for impairment	(14.3)	-
Income tax and other	0.7	0.3
Net loss from discontinued operations	**$(16.4)**	**$(1.2)**

Credit agreement

On February 9, 2006, we entered into a $250 million multi-currency senior secured term loan and revolving credit facility (the ”Senior Credit Facility”), with BNP PARIBAS as Global Co-ordinator and BNP PARIBAS and WestLB AG, London Branch, as Mandated Lead Arrangers. Borrowers under the facility are Trader East Holdings B.V., a wholly-owned subsidiary of Trader Media East, and certain of its subsidiaries (the ”Borrowers”). The Senior Credit Facility has a five-year term and consists of three term loans of up to $140 million. In addition, the Senior Credit Facility provides a revolving credit facility of up to $25 million and an acquisition facility of up to $85 million, to be made available to certain Borrowers.
This Credit Facility may become repayable upon a Change of Control occurring pursuant to the Offer.

Liquidity and capital resources

Historically, our working capital requirements have been minimal, and cash flow from operations has been sufficient to finance our operations. We have primarily financed acquisitions from free cash flow and from third party and related party borrowings.

Net cash provided by operating activities amounted to $26.5 million and $43.8 million in 2006 and 2005 respectively. The decrease essentially reflects the reduction in net income, partly offset by an increase in our working capital balances.

Net cash used in investing activities was $109.9 million and $7.9 million in 2006 and 2005, respectively. The increase primarily reflected the purchase of the minority interest in Pronto Moscow.
Net cash provided by financing activities amounted to $87.6 in 2006, reflecting mainly the drawdown of a $100 million for the repurchase of the minority interest of Pronto-Moscow.

Although it should not be considered in isolation or as a substitute for measures of performance prepared in accordance with US GAAP, we use free cash flow as a measure of cash available for acquisitions and debt repayment. We define free cash flow as cash generated from operating activities after interest, tax and cash paid for capital expenditures. Free cash flow was $20.8 million and $38.3 million in 2006 and 2005, respectively.
Cash paid for capital expenditure amounted to $5.7 million and $5.5 million in 2006 and 2005 respectively, remaining steady at 3% of the revenues. Capital expenditure includes development costs incurred for our online business.

Other issues

Tax Claim in Russia

In June 2006, Pronto-Moscow received a claim amounting to $6 million from the tax authorities in relation to a tax dispute and penalties dating back to 1998. This tax claim was disputed by Pronto Moscow before the courts in Moscow on 20 September 2006, which ruled in our favor. The tax authorities appealed this decision and at the subsequent hearings in March 2007, the appellate court ruled in our favor. This ruling cannot be considered final until a period of 3 months following the judgment during which period a further appeal could be lodged. We consider that no provision for any settlement is necessary at this stage. In connection with this claim, the company deposited in escrow an amount of $4.0 million in July 2006.

Cash advance granted to TCM

Included in Other receivables is an amount of $3.4 due by TCM, representing cash advanced against the intention to pay a dividend of $5.9 relating to the pre-listing period. The dividend was not authorized and declared, and accordingly TME has claimed the repayment of the advance.
TCM disputes this claim but the directors of TME are confident in TME’s entitlement to this amount.

Other amounts claimed by TCM

During the transition period, TCM and TME shared certain headquarter services resulting in the net recharge to TME of $0.2 million.
In addition to these costs, TME received invoices from TCM in an aggregated amount of $3.2 million, mainly relating to obligations entered into by TCM in relation to the completion of the Offering and to the historical cost of the intellectual property transferred to TME. TCM has also made TME aware of its intention to claim from TME the repayment of certain fees incurred during the Offering, but no invoice or formal claim has been received by TME. TME strongly believes that TCM is not entitled to receive any payment from TME in relation to any of these issues, and no amount relating thereto has been included in TME’s statement of operations.

Current Trading and Prospects

Pierre-François Catté, Trader Media East’s Chief Executive Officer, said:

“In the second part of 2006, TME has demonstrated that in a very competitive environment it has the capabilities to grow its revenues by over 10%, which is in line with the plan supporting the Board decision to recommend the Offer by Hurriyet Invest. As previously mentioned, we have built the foundation to sustain a growth of between 12% and 14%. We are committed to an aggressive online growth and print diversification strategy. The alignment with Hurriyet Invest's business strategies will enhance our ability to deliver the plan.”

Critical Accounting Policies

Our accounts are prepared under US GAAP.

The preparation of financial information requires management to make judgments concerning the election of accounting methods, estimates and assumptions that are sensitive to changes in market conditions or other uncertainties that could affect our reported results. We outline below what we consider to be our critical accounting policies, the judgments used to develop our reported results and the sensitivity of these results to changes in conditions.

Purchase Price Allocation for Business Combinations

Our growth has been driven, in part, by acquisitions made since we commenced operations in 1991. A significant portion of the value related to these acquisitions has been determined to be goodwill or identifiable intangible assets, principally tradenames and advertising customer bases of the acquired entities. We typically prepare valuation studies when allocating purchase price consideration to intangible assets, based on discounted cash-flows.

We have estimated that the useful lives for tradenames considered as definite life assets range from 10 to 20 years and for advertising customer bases from 6 to 12 years. Commencing January 1, 2005, further to a change in estimate, certain tradenames with significant notoriety have been considered as indefinite life assets no longer subject to amortization, and are now tested for impairment at least once a year. We do not amortize goodwill pursuant to SFAS No. 142 ‘‘Goodwill and Other Intangible Assets’’ but subject goodwill to an annual impairment test. Therefore, the sensitivity of our choice of method regarding the use of the relief from royalty approach, the assumptions concerning the royalty rate, the turnover rate for professional customers, the useful life of assets and the projected net cash flows have significantly affected amortization expense recorded to date.

Impairment of Goodwill and Long-Lived Assets

As required by SFAS No. 142, goodwill is tested for impairment at least annually. We compare the carrying value of each of our reporting units, including goodwill and intangible assets, to the fair value of the reporting unit, based on its projected cash flows, discounted with the appropriate weighted-average cost of capital for each reporting unit. Our reporting units are based on geographic regions. We review long-lived assets and identifiable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of any assets may not be recoverable. Impairment is determined by a comparison of the carrying amount of an asset to future net undiscounted cash flows expected to be generated by the asset. If this comparison indicates the asset is impaired, the impairment recognized is the amount by which the carrying amount of the asset exceeds the fair value of the asset. We measure fair value based on discounted cash flows using a discount rate reflecting the risk associated with the assets in question. The discount rates range from 10.8% for our businesses in Central Europe to 12.8% and 12.9% for our businesses in Russia and Hungary respectively, with the Group’s weighted average cost of capital determined to be 12.6% in 2006.

The sensitivity of these assumptions, including the determination of our reporting units, the estimates of our future cash flows and the discount rates used to calculate the fair value of reporting units and long-lived assets could significantly affect the amount of impairment charges.
In addition, our future cash flow assumptions are sensitive to the continued perceived value of our brands, which to date have generally allowed us to generate cash flows sufficient to support the value of our acquisitions. The classified advertising publishing industry is competitive. In our local markets, we compete for both advertising revenues and readership with daily and weekly local newspapers, direct mail marketing companies, free circulation papers and other classified publications targeted to the same geographic area.

We also compete with pure online classified advertising businesses. These newspaper publishers and other print and online competitors could take market share from us in any of our local markets, negatively affecting our results of operations and could lead us to reduce our future cash flow assumptions with consequent potential impairment charges.

Deferred Tax Assets

As at December 31, 2006, we had $5.4 million of net deferred tax assets related to net operating loss carry forwards.

In assessing the value of these assets, we consider whether it is more likely than not that some portion or all of the deferred tax asset will be realized. The ultimate realization of these assets depends upon the generation of future taxable income during the periods in which the net operating losses can be carried forward. We consider the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

We reassess each year the likelihood of a future benefit in light of our improved profitability and expectations of future profitability. As a result, we recognized deferred tax benefits related to our reassessment of the future utilization of net operating losses carry forwards of $3.8 million in our 2006 income statements.

The amount of the deferred tax asset considered realizable, however, could change, with a charge or benefit to our income statement, if our estimates of future taxable income during the carry forward period or tax planning strategies are revised.

Forward-Looking Statements

Some of the statements in this document are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of Trader Media East or its officers with respect to various matters. When used in this document, the words “expects,” “believes,” “anticipates,” “plans,” “may,” “will,” “should” and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcome to differ materially from those suggested by any such statements.

Those factors include, but are not limited to, risks or uncertainties relating to our highly competitive industry, our dependence on advertising including print and online advertising, our ability to make and integrate acquisitions, our ability to obtain financing for acquisitions and other needs on terms acceptable to us, the uncertain operating environment created by political, economic and social conditions, including corruption, in some of the countries in which we operate, the currencies in which we do business, our ability to remit funds freely from the jurisdictions in which we operate, restraints on our operations resulting from minority holdings in some of our subsidiaries, our ability to manage foreign exchange exposures, our dependence on our management team and key personnel, our ability to attract and retain key sales staff, our content, our brands, our limited operating history of our online operations in the countries in which we do business, our inability to adapt to technological changes, as well as general economic and market conditions relating generally to emerging markets.

These forward-looking statements speak only as of the date of this document. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.

TRADER MEDIA EAST Ltd.
Consolidated Balance Sheets

US Dollars in millions	December 31, 2006	December 31, 2005
Assets		
Current assets		
Cash and cash equivalents	$ 20.8	$ 18.7
Restricted deposits	4.0	0.9
Accounts receivable, net of allowance	9.6	9.4
Other receivables	13.4	5.9
Other current assets	24.3	6.0
Assets held for sale – current	2.9	-
Total current assets	**75.0**	**40.9**
Long term assets		
Property, plant and equipment, net	28.8	26.5
Goodwill, net	126.0	66.4
Intangibles assets, net	93.2	40.4
Other non current assets	7.4	1.8
Assets held for sale - non current	0.8	-
Total assets	**$ 331.2**	**$ 176.0**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 16.3	$ 6.3
Deferred revenues	4.2	2.6
Social and fiscal liabilities	6.7	5.5
Other liabilities	11.5	0.2
Payables to related party	-	3.5
Senior credit facility debt – current	133.5	1.1
Liabilities held for sale – current	1.6	-
Total current liabilities	**173.8**	**19.2**
Long term liabilities		
Senior credit facility and other debt – non current	0.2	6.1
Deferred income taxes	29.8	12.8
Other long term liabilities	0.4	0.5
Related party long term liabilities	-	24.8
Total liabilities	**204.2**	**63.4**
Commitments and contingencies		
Minority interests	**3.2**	**7.6**
Common stock	8.0	-
Additional paid in capital	671.2	-
Deferred stock-based compensation expense	3.4	-
Accumulated other comprehensive income	30.6	12.1
Retained earnings	(589.4)	92.9
Shareholders' equity	**123.8**	**105.0**
Total liabilities and shareholders' equity	**$ 331.2**	**$ 176.0**

TRADER MEDIA EAST Ltd.
Consolidated Interim Statements of Operations

US Dollars in millions, except shares and per share amounts

	December 31, 2006	December 31, 2005
Revenues	**$ 211.4**	**$ 191.5**
Operating costs and expenses :		
Cost of sales	(98.4)	(79.2)
General and administrative	(55.7)	(46.5)
Operating profit before certain expenses	**57.3**	**65.8**
Stock-based compensation expense	(3.4)	-
Depreciation and amortization	(6.2)	(5.9)
Other operating costs	(1.4)	-
Total operating profit	**$ 46.3**	**$ 59.9**
Interest and financing fees	(12.4)	(0.9)
Foreign exchange gain and other	0.9	0.8
Net financial result	**(11.5)**	**(0.1)**
Income before income tax and minority interest	**34.8**	**59.8**
Income tax net	(17.2)	(18.5)
Income before minority interest	**17.6**	**41.3**
Minority interest	(4.3)	(7.6)
Net income from continuing operations	**$ 13.3**	**$ 33.7**
Net loss from discontinued operations	**$ (16.4)**	**$(1.2)**
Net income / (loss)	**$ (3.1)**	**$ 32.5**
Average number of shares outstanding		
Basic	50 000 000	**-**
Diluted	50 000 000	**-**
Net income per share, in USD Dollar, basic		
From continuing operations	$ 0.266	**-**
From discontinued operations	($ 0.328)	**-**
Total	**($ 0.062)**	
Net income per share, in USD Dollar, diluted		
From continuing operations	$ 0.266	
From discontinued operations	($ 0.328)	
Total	**($ 0.062)**	

TRADER MEDIA EAST Ltd.
Consolidated Statements of Cash Flows

US Dollars in millions	December 31, 2006	December 31, 2005
Operating activities:		
Net income / (loss)	**($ 3.1)**	**$32.5**
Reconciliation of net income to net cash provided by operating activities:		
Minority interest	4.3	7.6
Amortization	1.8	2.0
Depreciation	5.0	4.5
Stock-based compensation expense	3.4	-
Provision for doubtful accounts	0.8	1.5
Unrealized foreign exchange gain	1.3	(1.7)
Non cash taxes	(1.3)	1.2
Non-cash interest and other	1.8	1.4
Provision for impairment	14.4	-
Net change in restricted deposit	(3.0)	(0.9)
Change in Accounts receivables	(2.4)	(1.4)
Change in Other receivables and other assets	(8.5)	0.7
Change in Income tax receivables	(0.1)	(1.0)
Change in Inventory	(0.3)	(0.6)
Change in Deposit, prepaid and other long term assets	-	(0.4)
Change in Accounts payables and other liabilities	11.3	(1.5)
Change in Income taxes payable	(0.3)	0.7
Change in Other liabilities	1.4	(0.8)
Net cash provided by operating activities	**26.5**	**43.8**
Investing activities:		
Cash paid for investments	(0.1)	(0.2)
Cash paid for property, plant and equipment	(5.7)	(5.5)
Cash paid for acquisitions, net of cash acquired	(104.1)	(2.2)
Net cash used in investing activities	**(109.9)**	**(7.9)**
Financing activities:		
Cash received from borrowings	142.7	7.7
Cash repayments for borrowings	(17.1)	-
Cash paid for financing costs	(5.2)	(0.3)
Dividends paid to minority shareholders	(4.6)	(7.0)
Cash paid to related parties	(28.2)	(25.5)
Change in invested equity	-	(12.9)
Increase in bank overdraft balances	-	(0.2)
Net cash provided / (used) by financing activities	**87.6**	**(38.2)**
Effect of exchange rate changes on cash and cash equivalents	(1.9)	(1.6)
Net increase in cash and cash equivalents	**2.3**	**(3.9)**
Cash and cash equivalents at beginning of period (inc cash held by Kisokos)	18.7	22.6
Cash and cash equivalents at end of period (inc cash held by Kisokos)	**$ 21.0**	**$18.7**