PRESS RELEASE

2007 Results
Revenues of $279.1 million
EBITDA of $62.3 million
Net Income from continuing operations of $3.9 million

Amsterdam, The Netherlands – March 27, 2008 (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 audited results for the year ended 31st December 2007, prepared under US GAAP.

**In 2008 Trader Media East will adopt IFRS.*

<u>2007 Highlights</u>

Financial Results (in US dollars)

- Revenues of $279.1 million, up 32%, of which organic growth 16.5% in local currencies.
- Operation EBITDA(1) of $76.3 million, up 17% (margin of 27.3%)
- Consolidated EBITDA of $62.3 million, up 8.7% (margin of 22.3%)
- Net income from continuing operations of $3.9 million, down 65%
- Net income from discontinued operations $0.6 million, following the disposal of Kisokos.

Major developments

<u>Hurriyet Offer</u>
Further to the Offer made by Hurriyet Invest BV on January 4, 2007 to acquire the entire issued share capital of TME, Hurriyet has purchased approximately 67.29% of our issued share capital and the offer was closed on March 29, 2007.

<u>Senior Credit Agreement</u>

In May 2007, we completed the signing of our new senior credit agreement arranged by ABN AMRO, which amounts to a total facility of $200 million with a five year maturity date.

<u>Early Payment of Outstanding Balance of Pronto Moscow Purchase Price</u>
The outstanding balance of $10.5 million which was placed in an escrow account to be released on 31 December 2007 with a gross return on such funds of 7% per annum, was released early in June 2007 based on fullfillment of certain conditions by Mr. Makaron.

Kisokos Sale
In May 2007, we completed an agreement for the sale of Kisokos, our directory business in Hungary, transferring the business operations under license with effect from April 2007.

Acquisition of Impress Media Marketing
During the first quarter, we have finalized the acquisition of a majority stake in Impress Media Marketing, one of the leaders in commercial real estate advertising in the Russian market with its publication Commercial Real Estate. The company generated $10.5 million in sales in 2007.

Acquisition of Moje Delo
In June 2007, we acquired a 55% interest in Moje Delo d.o.o. in Slovenia Moje Delo is a leading provider of recruiting services in Slovenia both online and offline.

Relocation of Paris Organisation
Following a review of the Groups' activities and strategic plans, the Board has resolved that the functions located in Paris will provide a more efficient contribution to the Group's performance by closer alignment with TME's field operations and Hurriyet's headquarters in Istanbul. The major part of the relocation has been completed.

The transition of these responsibilities and the appointment of or transfer of staff to these newly located roles is expected to take place over a period of 6 months with an associated restructuring cost of approximately US$ 4.5 million.

Resignation of Trader Media East's Chief Executive Officer, Pierre-François Catté
Pierre-François Catté, Chief Executive, has resigned to pursue other business interests as of 26 October 2007. The process to appoint a successor has already commenced. In the interim period, Vuslat Dogan Sabanci, Vice-Chairman, will act as Chief Executive Officer.

As part of the transition process, Paul Guest, the Trader Media East's CFO resigned on 29th Februrary 2008, he is replaced by Can Gökçebay.

Full Year 2007 Consolidated Results (US GAAP)

(In USD millions)	**2006**	**2007**	**Growth**
Revenues	211.4	279.1	+32%
Operation EBITDA	65.2	76.3	+17%
Margin %	30.8%	27.3%	
Consolidated EBITDA	57.3	62.3	+8.7%
Margin %	27.1%	22.3%	
Net Income from Continuing Operations	13.3	3.9	-71%
Net Income from Discontinued Operations	-16.4	0.6	

Revenue Growth of 32%, organic growth of 16.5%

Print revenues reached $260.8 million, an increase of 28.9%. Excluding exchange rate impact, print revenues grew by 19.8%, of which 14.6% was organic.

Online revenues reached $18.3 million, an increase of 102.2%. Excluding exchange rate impact, online revenue growth was 81.2%, of which 57.6% was organic.

Operation EBITDA of $76.3 million, up 17%, margin of 27.3%
Consolidated EBITDA of $62.3 million, up 8.7%, margin of 22.3%

Operation EBITDA reached $76.3 million, an increase of 17%. Operation EBITDA margin decreased from 30.9% in 2006 to 27.3% in 2007.

Print operation EBITDA margin decreased from 30.4% to 27.5%, and online operation EBITDA margin decreased from 41.7% in 2006 to 24.4% in 2007.

Corporate costs – are the costs incurred by the centralised administrative group and the internet development team based in Poland.

- Recurring costs for the Group Administrative centres increased to $10.8 million (2006 $7.4 million).
- Non recurring costs related to the internal reorganisation of the Corporate HQ amounted to $1.4 million in 2007
- The Competency Centre developed and launched several major vertical websites in 2007 which increased their costs to $1.8 million.

Consolidated EBITDA increased by 8.7% in 2007 to $62.3 million with a margin of 22.3%.

Net Income from continuing operations of $3.9 million

Net Income from continuing operations of $3.9 million, margin of 1.4%, compared to $13.3 million, margin 6.2% a decrease of 71%

Free Cash Flow of $25.2 million

In 2007, the Group has generated a Free Cash Flow (after capital expenditures) of $25.2 million or 9% of revenue. Total cash used for acquisitions and earn-out payments in the year amounted to $4.7 million.

The Group's net debt, after excess cash of $25.5 million, was $119.3 million as at 31st December 2007, representing a multiple of approximately 1.9 times the Group's 2007 EBITDA.

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
- Condensed Combined Balance Sheets
- Condensed Combined Statements of Operations
- Condensed Combined Statements of Cash Flows

About Trader Media East

Trader Media East is a leader of online and print classified advertising with strong local brands serving local markets in Central and Eastern Europe. Trader Media East produces 229 print titles, with 5 million readers per week and hosts 20 websites, with 6.7 million unique monthly visitors.

Trader Media East was founded in November 2005 and comprises former operations of Trader Classified Media N.V. Today, it employs 5,500 people in 11 countries with 286 million total population.

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, Ukraine and Slovenia.

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, 2007.

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 229 print titles, with 5 million readers per week and host 20 websites, with 6.7 million unique monthly visitors and employ 5,500 people in 11 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

Hurriyet Offer

Further to the offer made by Hurriyet Invest BV on 4th January 2007 to acquire the entire issued share capital of TME, Hurriyet has purchased approximately 67.29% of our issued share capital and the offer was closed on 29th March 2007.

Senior Credit Agreement

In May 2007, we completed the signing of our new senior credit agreement arranged by ABN AMRO, which amounts to a total facility of $200 million with a five-year maturity date.

Early Payment of Outstanding Balance of Pronto Moscow Purchase Price

The outstanding balance of $10.5 million which was placed in an escrow account to be released on 31 December 2007 with a gross return on such funds of 7% per annum, was released early in June 2007 based on fullfillment of certain conditions by Mr. Makaron.

Disposal of Kisokos

In May 2007 we completed the sale of Kisokos our directory business in Hungary, transferring the business operations under license with effect from April 2007.

Acquisition of Impress Media Marketing

During Q1 we finalised the acquisition of a majority stake in Impress Media Marketing, one of the leaders in commercial real estate advertising in the Russian market with its publication Commercial Real Estate.

Acquisition of Moje Delo

In June 2007, we acquired a 55% interest in Moje Delo d.o.o. in Slovenia. Moje Delo is a leading provider of recruiting services in Slovenia both online and offline.

Relocation of Paris Organisation

Following a review of the Groups' activities and strategic plans, the Board has resolved that the functions located in Paris will provide a more efficient contribution to the Group's performance by closer alignment with TME's field operations and Hurriyet's headquarters in Istanbul. The major part of the relocation has been completed.

The transition of these responsibilities and the appointment of or transfer of staff to these newly located roles is expected to take place over a period of 6 months with an associated restructuring cost of approximately US$ 4.5 million.

Basis of Presentation

The consolidated financial statements of Trader Media East cover the year ended as of December 31, 2007. 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).

Since February 2006, Trader Media East has used its own corporate structures but for January 2006, part of the comparative year, 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.

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 2007, our field sales force consisted of approximately 2,460 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 2006 and in 2007, paper costs represented approximately 10% and 9% 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 2007 – 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, 2007			**December 31, 2006**		
	Revenues	**Operation EBITDA**	**Operation EBITDA margin**	**Revenues**	**Operation EBITDA**	**Operation EBITDA margin**
	(millions of $)		**%**	**(millions of $)**		**%**
Russia, Baltics & the CIS	$218.4	$67.8	31.0	$157.7	$53.8	34.1
Hungary without Kisokos	35.5	5.0	14.0	34.5	7.2	20.9
Croatia	14.9	3.6	24.3	12.4	3.6	29.0
Poland	7.6	(0.3)	(3.9)	6.8	0.6	8.8
Slovenia	2.7	0.3	9.4	-	-	-
Total	**$279.1**	**$76.3**	**27.3**	**$211.4**	**$65.2**	**30.8**

Currency Fluctuations

We express our results in US dollar and generate revenues in eleven currencies. The two most significant currencies are the Russian rouble, in which we have generated 66% of our revenues in 2007, and the Hungarian forint, in which we have generated 13% of our revenues in 2007. Our results can be significantly impacted by fluctuations in these currencies compared to the US dollar.

Set up below is a table of December 2007 average rates against the US dollar compared to 2006.

	December 31, 2007 average rate	***December 31, 2006 average rate***	***Fluctuation %***
Russian Rouble	0.0392	0.0368	7%
Hungarian Forint	0.0055	0.0047	17%

Inflation

Our costs are closely linked to domestic cost factors in the countries in which we operate. Inflation has been high in Russia during the past five years. After showing some improvement in 2006 Russia missed it's 2007 target of 8% with CPI increasing to 11.9%.

The table below presents changes in Russia's consumer price index from 2003 through 2007.

	2003	**2004**	**2005**	**2006**	**2007**
Consumer Price Index, December to December change in RUR .... …………………	13.7%	10.9%	11.1%	9.0%	11.9%

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 (93% in 2007 and 96% in 2006) and Internet activity (7% of revenues in 2007 up from 4% in 2006).

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, 2007	**Year ended December 31, 2006**
	(percentage of total revenues)	
Print revenues	**93%**	**96%**
Classified Ads	31%	33%
Display	46%	44%
Circulation	10%	13%
Services & Other	7%	6%
Online revenues	**7%**	**4%**

The Company considers its products to be classified advertisements, display advertisements and services. The channels through which these products are distributed, which today are print publications and Internet websites do not constitute separate business segments within the meaning of SFAS No.131 "Disclosures about segments of an Enterprise and Related Information".

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 46% of revenues in 2007.

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 $67.7 million, or 32%, to $279.1 million in 2007 from $211.4 million in 2006.

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, 2007	*December 31, 2006*	*Growth (%)*	*Organic Growth (%)*
Print revenues				
Display	$127.5	$94.0	35.6%	18.8%
Classified Ads	85.8	69.9	22.7%	13.6%
Circulation	28.5	26.6	7.1%	-1.9%
Services & Other	19.1	11.9	60.5%	24.7%
Total Print revenues	**$260.8**	**$202.4**	**28.9%**	**14.6%**
Online revenues	18.3	9.0	102.2%	57.6%
Total revenues	**$279.1**	**$211.4**	**32.0%**	**16.5%**

Print revenues in 2007 increased by 28.9%, to $260.8 million from $202.4 million in 2006. Excluding exchange rate impact, organic print revenue growth was 14.6%, reflecting primarily the growth in classified and display advertising.

Online revenues in 2007 increased by 102.2%, to $18.3 million from $9.0 million in 2006, 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 57.6%.

Revenues by Geographic Segment

Region	***December 31, 2007***	***December 31, 2006***	***Growth***	***Organic Growth***
	(millions of $)		***%***	***%***
Russia, Baltics & the CIS	$218.4	$157.7	38.5%	24.7%
Hungary without Kisokos	35.5	34.5	2.9%	-10.9%
Croatia	14.9	12.4	20%	6.7%
Poland	7.6	6.8	12.5%	-0.4%
Slovenia	2.7			
Total Revenues	**$279.1**	**$211.4**	**32%**	**16.5%**

<u>*Russia, Baltics and the CIS*</u>.
Russia & CIS grew by 24.7% organically, driven both by print (22.3%) and online (156.1%)
The focus of growth in 2007 was however in the Russian regions and CIS – experiencing organic growth of 33% and 37% respectively.

<u>*Hungary without Kisokos*</u>.
Revenue declined organically by 10.9% compared to 2006 despite the 7.8% organic revenue growth in online. The performance in Hungary reflects the poor market conditions of the automotive and real estate markets. We believe that Hungarian economic conditions will continue to be challenging in the short term.

<u>*Croatia.*</u>
Despite a market environment in Croatia that is highly competitive organic growth was 6.7%. Online organic growth was 125.6%. With the acquisition of Posao.hr a jobs website in December 06 Online revenues increased 295% in 2007. The Offline business continued to perform well with respectable organic revenue growth of 4.4% .

<u>*Poland*</u>.
Development of the Online business continued in 2007 with organic growth of 15.2%. Online business now accounts for 50% of total revenue in Poland.

Operating profit

Operation profit is as follows:

	December 31, 2007	December 31, 2006
	(millions of $)	
Consolidated EBITDA	$62.3	$57.3
Depreciation and amortization	(8.4)	(6.2)
Stock-based compensation expense	(3.5)	(3.4)
Other Operating costs	(8.5)	(1.4)
Operating profit	**$41.9**	**$46.3**

Operating profit decreased by $4.4 million from $46.3 million in 2006 to $41.9 million in 2007, a decrease of 10%. This decrease arises from an increase in depreciation and amortisation and non recurring other operating costs.

EBITDA

Consolidated EBITDA

Consolidated EBITDA increased by $5.4 million, from $57.3 million in 2006 to $62.3 million in 2007, an increase of 8.7%. The margin deteriorated (22.3% versus 27.1% in 2006) due to a decline in both print margin (27.5% versus 30.4% in 2006) and online margin (24.4% versus 41.7% in 2006). Organically, EBITDA is declining by (3.2%) versus 2006.
The decrease reflected mostly:
- Increased investments in production, marketing and sales expenses and growth in the Russian regions which operate on lower average margins than Moscow.

Consolidated EBITDA	*December 31, 2007*	*December 31, 2006*	*Growth*	*Growth*	*Growth constant exchange rate*	*EBITDA Margin 2007*
	(millions of $)			*%*	*%*	*%*
Operation Print EBITDA	$71.9	$61.4	$10.5	16.9%	9.2%	27.5%
Operation Online EBITDA	4.4	3.8	0.6	18.5%	8.2%	24.4%
Corporate Costs (1)	(12.2)	(7.0)	(5.2)	76.0%	65.2%	-
Competency Centre	(1.8)	(0.9)	(0.9)	90.3%	81.8%	-
Consolidated EBITDA	**$62.3**	**$57.3**	**$5.0**	**8.7%**	**1.3%**	**22.5%**

(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. Corporate costs for 2007 include $1.9 million in structuring costs relocating the Corporate Headquarters from Paris to Istanbul.

Operation Print EBITDA increased by $10.5 million, or 16.9% in 2007 compared to 2006, of which 4.4% was organic.

Operation Online EBITDA increased $0.6 million, or 18.5%, in 2007 compared to 2007 of which 9.1% was organic.

Operation EBITDA by Geographic Segment

Region	*December 31, 2007*	*December 31, 2006*	*Change*	*Organic growth*	*2007*	*2006*
	(millions of $)		*%*	*%*	*EBITDA Margin %*	*EBITDA Margin %*
Russia, Baltics & the CIS	$67.8	$53.8	26.1%	13.7%	31.0%	34.1%
Hungary	4.9	7.2	(31.4)%	(40.6)%	14.0%	21.0%
Croatia	3.6	3.6	(0.2)%	(3.9)%	24.3%	29.2%
Poland	(0.3)	0.6	(148.1)%	(142.6)%	(3.9)%	9.1%
Slovenia	0.3				9.4%	
Operation EBITDA	**$76.3**	**$65.2**	**17.0%**	**4.7%**	**27.3%**	**30.9%**

<u>*Russia, Baltics and the CIS*</u>.
Operation EBITDA showed an increase of 26.1%, with a decrease of margin (31% versus 34.1% in 2006) mainly attributable to a number of factors:

- A change of mix between Moscow and Regions, through the higher growth in the regions which operate at lower margins due to less critical mass and maturity of the business compared to Moscow)
- Operational costs increased as a result of continued investment in the sales organisation and the additional costs of full colour printing.

<u>*Hungary without Kisokos*</u>.
We incurred a decrease of Operation EBITDA by (31.4%) and a deterioration of the margin (14% versus 21% in 2006) primarily due to the revenue degradation. The impact of declining revenue puts strain on the Hungarian cost structure but this is being addressed by management in the form of headcount reduction, sublease of office space and the lowering of the use of contract services.

<u>*Croatia.*</u>
Operation EBITDA was flat due primarily to additional costs incurred to support the launch of real Estate and Vehicle vertical publications as well as a major investment in marketing for the Online business.

<u>*Poland.*</u>
Operation EBITDA decreased compared to 2006 and margin became negative, partly as a result of investment in personnel to strengthen the Online team.

Management service expenses / corporate costs

Management service expenses / corporate costs amounted to $12.2 million (or 5.0% of our revenues) in 2007 and $7.0 million in 2006. The increase is partly due to costs related to the re-location of the Corporate headquarters from Paris to Istanbul ($1.9 million).

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 $3.5 million in 2007, $3.4 million in 2006, compared to a negligible expense in 2005. Further to the announcement by Hurriyet Invest B.V. on 16th March 2007 that the Offer has been declared unconditional, TME option holders has been offered a cash amount varying between US$ 1.36 and US$ 3.28 per option (depending on the exercise price) in exchange for the cancellation of their options. The difference between the amount paid to option holders and expense accrued has been added to shareholders' equity.

Depreciation and amortization

Depreciation and amortization has increased from $6.2 in 2006 to $ 8.4 in 2007. This increase is mainly because TME was incorporated in February 2006 and depreciation and amortization incurred for 2006 was for 11 months, instead of the full 12 months in 2007. In addition, the depreciation charge of newly acquired companies as well as fixed asset and intangible additions for the year has contributed to the increase of this amount.

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.

Financial income and expenses

Interest expenses have increased from $ 12.4 million in 2006 to $ 13.6 in 2007. In 2006 and up to May 2007, these expenses are due to the interest and financing fees related to our Senior Credit Facility with BNP in which we entered on February 9, 2006.

In May 2007, we have entered into a new credit agreement arranged by ABN AMRO, with five years maturity date. At the refinancing date, we have drawn down an amount of $142 million, mainly to replace the previous debt to BNP and finance the new financing fees incurred through the refinancing. An additional $2.8 million was drawn in July 2007 to finance new acquisitions.

Income taxes

Our effective tax rate for profit making subsidiaries is 32% on the average. When expressed as a percentage of our income before tax, minority interest and discontinued operations, the calculation of 71% is attributable to corporate costs, one-off consultancy costs incurred during sales to Hurriyet Invest and loss making subsidiaries. These expense items draw down income before tax, minority interest and discontinued operations increasing the proportion of tax. We are currently reviewing and redesigning our tax structure for more efficiency.

Minority interest

Minority interest for 2007 increased to $7.1 million from $4.3 million in 2006, mainly due to the impact of acquisitions in Russia and Slovenia and to the increase of operating performance in the Russian & CIS regions mainly.

Net income from continuing operations

We generated net income from continuing operations of $3.9 million for 2007 compared to $13.3 million for 2006, a decrease of $(9.4) million, mainly due to the decrease of the operating profit by $4.8 million, increase of the tax expense by $8.5 due to non-tax deductible items in other operating costs and increased minority interests due to increased operating profit before non tax deductible items especially in Russian and CIS subsidiaries, and new acquisitions. These decreasing factors are partly offset by an increase in foreign exchange gain due to appreciation of the currencies of countries we operate in, against US Dollar.

Net income/ (loss) from discontinued operations

Net income/ (loss) from discontinued operations include the following Kisokos items:

	December 31, 2007	*December 31, 2006*
	(millions of $)	
Revenues	$0.2	$4.5
Operating profit before certain expenses	(1.8)	(2.3)
Depreciation and amortization	(0.5)	(0.5)
Provision for impairment	2.0	(14.3)
Income tax and other	0.3	0.7
Net income/ (loss) from discontinued operations	**$0.6**	**$(16.4)**

Credit agreement

On May 17, 2007 we have entered into a $200 million credit facility agreement with ABN Amro Bank N.V. mainly to refinance the BNP Paribas loan obtained on February 9, 2006, restructuring and new acquisitions. As of 31 December, 2007, $144.8 million of this loan is utilized.

Liquidity and capital resources

Net cash provided by operating activities amounted to $27.9 million and $26.5 million in 2007 and 2006 respectively. Although there has been an improvement in both Operational EBITDA and EBITDA after corporate expenses, liquidity has stayed relatively constant due to corporate costs and one-off items.

Net cash used in investing activities was $14.7 million and $109.9 million in 2007 and 2006, respectively. In 2007, we purchased fixed assets for $10.0 million and paid $4.7 million in aggregate for the acquisitions of Impress Media and Moje Delo mainly.

Settlement of the Issues with TCM

In July 2007, our Board of directors authorized the payment of the pre-IPO dividend claimed by our previous owner Trader Classified Media for an amount of $5.9 million. We also agreed to pay an amount of $1.0 million for the development costs of our websites incurred by Trader Classified Media before the IPO. As of 31 December, 2007, these amounts are paid-off.

Critical Accounting Policies

Our accounts are prepared under US GAAP. Starting from 2008, our accounts will be prepared under IFRS.

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 12.5% for our businesses in Hungary to 12.8% and 13.2% for our businesses in Russia and Central Europe respectively, with the Group's weighted average cost of capital determined to be 12.8% in 2007.

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.

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
Consolidated Balance Sheets
(US Dollars in millions)

US Dollars in millions	December 31, 2007	December 31, 2006
Assets		
Current assets		
Cash and cash equivalents	$ 25.2	$ 20.8
Restricted deposits (note 2c)	-	4.0
Accounts receivable, net of allowance (note 6)	14.4	9.6
Other receivables (note 18)	10.5	13.4
Other current assets (note 2h)	11.3	24.3
Assets held for sale – current (note 19)	2.4	2.9
Total current assets	**63.8**	**75.0**
Long term assets		
Property, Plant and Equipment, net (note 7)	30.0	28.8
Goodwill, net (note 8)	139.5	126.0
Intangibles assets, net (note 8)	107.2	93.2
Other non current assets (note 2h)	11.8	7.4
Assets held for sale - non current (note 19)	1.4	0.8
Total Assets	**$ 353.7**	**$ 331.2**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 13.3	$ 16.3
Deferred revenues	6.4	4.2
Social and fiscal liabilities	12.0	6.7
Other liabilities	-	11.5
Payables to related party	-	-
Senior credit facility debt - current (note 9)	19.6	133.5
Liabilities held for sale - current (note 19)	-	1.6
Total current liabilities	**51.3**	**173.8**
Long term liabilities		
Senior credit facility and other debt – non current	127.1	0.2
Deferred income taxes (note 17)	33.6	29.8
Other long term liabilities	0.7	0.4
Related party long term liabilities	-	-
Total liabilities	**212.7**	**204.2**
Commitments and contingencies (note 14)		
Minority interests (note 5)	**4.0**	**3.2**
Common stock	8.0	8.0
Additional paid in capital	678.1	674.6
Accumulated other comprehensive income	42.4	30.6
Retained earnings	(591.5)	(589.4)
Shareholders' equity	**137.0**	**123.8**
Total liabilities and shareholders' equity	**$ 353.7**	**$ 331.2**

TRADER MEDIA EAST
Consolidated Statements of Operations
(US Dollars in millions)

US Dollars in millions, except shares and per share Amounts	December 31, 2007	December 31, 2006
Revenues	**$ 279.1**	**$ 211.4**
Operating costs and expenses :		
Cost of sales	(133.8)	(98.4)
General and administrative	(83.0)	(55.7)
Stock-based compensation expense (note 2o)	(3.5)	(3.4)
Depreciation and amortization	(8.4)	(6.2)
Other operating costs	(8.9)	(1.4)
Operating profit	**41.5**	**46.3**
Interest and financing fees (note 16)	(13.6)	(12.4)
Foreign exchange gain and other	8.8	0.9
Net financial result	**(4.8)**	**(11.5)**
Income before income tax and minority interest	**36.7**	**34.8**
Income tax net (note 17)	(25.7)	(17.2)
Income before minority interest	**11.0**	**17.6**
Minority interest (note 5)	(7.1)	(4.3)
Net income from continuing operations	**$ 3.9**	**$ 13.3**
Net loss from discontinued operations (note 19)	**$ 0.6**	**$ (16.4)**
Net income / (loss)	**$ 4.5**	**$ (3.1)**
Average number of shares outstanding (note 12)		
Basic	50 000 000	50 000 000
Diluted	50 000 000	50 000 000
Net income per share, in USD Dollar, basic		
From continuing operations	$ 0.078	$ 0.266
From discontinued operations	$ 0.012	($ 0.328)
Total	**$ 0.090**	**($ 0.062)**
Net income per share, in USD Dollar, diluted		
From continuing operations	$ 0.078	$ 0.266
From discontinued operations	$ 0.012	($ 0.328)
Total	**$ 0.090**	**($ 0.062)**

TRADER MEDIA EAST
Consolidated Statements of Cash Flows
(US Dollars in millions)

US Dollars in millions	**December 31, 2007**	**December 31, 2006**
Operating activities:		
Net income / (loss)	**$ 4.4**	**($ 3.1)**
Reconciliation of net income to net cash provided by operating activities:		
Minority interest	7.1	4.3
Amortization	2.0	1.8
Depreciation	6.9	5.0
Stock-based compensation	3.5	3.4
Provision for doubtful accounts	1.7	0.8
Unrealized foreign exchange gain (loss)	(0.1)	1.3
Non cash taxes	(0.1)	(1.3)
Non-cash interest and other	1.7	1.8
Provision for impairment	1.2	14.4
Net change in restricted deposit	4.0	(3.0)
Change in Accounts receivables	(3.2)	(2.4)
Change in Other receivables and other assets	(8.0)	(8.5)
Change in Income tax receivables	(0.9)	(0.1)
Change in Inventory	(0.4)	(0.3)
Change in Deposit, prepaid and other long term assets	(0.6)	-
Change in Accounts payables and other liabilities	7.2	11.3
Change in Income taxes payable	0.3	(0.3)
Change in Other liabilities	1.4	1.4
Net cash provided by operating activities	**28.1**	**26.5**
Investing activities:		
Cash paid for investments	-	(0.1)
Cash paid for property, plant and equipment	(10.0)	(5.7)
Cash paid for acquisitions, net of cash acquired (note 4)	(4.7)	(104.1)
Net cash used in investing activities	**(14.7)**	**(109.9)**
Financing activities:		
Cash received from borrowings	144.8	142.7
Cash repayments for borrowings	(133.7)	(17.1)
Cash paid for financing costs	(3.7)	(5.2)
Dividends paid to minority shareholders	(5.5)	(4.6)
Dividends paid to ex-shareholders	(2.5)	-
Cash paid to related parties	-	(28.2)
Change in invested equity	-	-
Increase in bank overdraft balances	-	-
Net cash provided / (used) by financing activities	**(0.6)**	**87.6**
Effect of exchange rate changes on cash and cash equivalents	(8.3)	(1.9)
Net increase in cash and cash equivalents	**4.5**	**2.3**
Cash and cash equivalents at beginning of period (inc cash held by Kisokos)	21.0	18.7
Cash and cash equivalents at end of period (inc cash held by Kisokos)	**$ 25.5**	**$ 21.0**

Supplemental cash flow information and non-cash transactions:

Cash paid (received) for:	**December 31, 2007**	**December 31, 2006**
Interest	$12.8	$8.8
Income taxes (net of tax refunds)	25.1	17.9