



PRESS RELEASE

TRADER MEDIA EAST First Half 2010 Financial Results

Naarden, The Netherlands – August 27, 2010

Trader Media East Limited (“Trader Media East” or the “Group”), a leader in classified advertising operating in Russia, CIS, and Central & Eastern Europe, releases today its half-year results for the six-months ended June 30, 2010, prepared under IFRS.

First Half 2010 Highlights

- Revenues of US\$70.1 million, down by 7.0% compared to 1H09, contraction in local currency being 12.6%.
- Print revenues of US\$ 61.4 million, down by 10.6% compared to 1H09, the decline in local currency being 16.1%.
- Online revenues of US\$ 8.6 million, up by 31.0% compared to 1H09, the increase in local currency being 24.0%.
- Operation EBITDA of US\$ 10.5 million, down by 19.9% compared to 1H09. Operation EBITDA margin of 15.0%.
- Consolidated EBITDA of US\$ 7.9 million, down by 9.7% compared to 1H09. Consolidated EBITDA margin of 11.3%.
- Net loss of US\$ 6.1 million.

First Half 2010 Financial Summary (Limited Review)

(In USD millions)	1H10	1H09	Growth
Revenues	70.1	75.3	-7.0%
Operation EBITDA	10.5	13.1	-19.9%
Margin %	15.0%	17.4%	
Consolidated EBITDA	7.9	8.8	-9.7%
Margin %	11.3%	11.6%	
Net Income/(loss) from Continuing Operations	(6.1)	(8.5)	
Net Income/(loss) from Discontinued Operations	-	-	

Mr. Özer, CEO of Trader Media East commented:

"The global crisis adversely affected our markets throughout 2009. Furthermore, the recovery in our markets is taking place at a very slow pace so far in 2010. Although we started to see some revenue growth in some cities/regions, the growth is not widespread to our whole operating geography yet. Meanwhile, it's worth to note the growth that we started to register in online revenues. In fact, TME's online revenues increased by 31% in the first six months of the year, compared to the same period of last year, bringing the share of online in total revenues to 12.3%.

Our business volume continued to contract in the second quarter of 2010, though the pace of contraction has slowed down compared to the first quarter. The recovery in revenues being slower than anticipated in the beginning of the year, we implemented further cost saving measures, which enabled us to improve our EBITDA margin in 2Q10. More specifically, the consolidated EBITDA margin amounted to 14.3% in 2Q10, which is considerably higher than previous quarter's margin of 7.7%. We will continue to remain tight on the cost side to improve our margins in the remaining part of the year.

For the second half of 2010, besides the improving trend that we observe in our markets, we also expect to benefit from the seasonal advantages of the period and thus to achieve higher revenue in 2H10 compared to the first half. The seasonal increase in revenues that we experience every year in the second half is anticipated to be higher this year, also helped by the weak base effect of last year. As a result, we expect to end-up the year with a revenue level similar to last year.

On the operational side, we keep strengthening our online division with new launches. In Q2, we re-launched job.ru completely under a new platform with premium functionality. We also re-launched the auto segment of expressz.hu in Hungary. Our JV with autoscout24.de, the leading car vertical of Germany, aims to jointly establish autoscout24.ru in Russia. The site is running at beta now and ready for commercial launch in September. Investment in our main brand irr.ru continues with a new development plan in regions of Russia which is starting to pay back with increasing revenues. Regional contribution to irr.ru revenues reached 25% in month June. "

Consolidated Revenues by Source

Consolidated revenues (US\$ million)	1H10	1H09	Growth (%)
Print Revenues	61.4	68.7	-10.6%
Display	22.3	26.0	-14.2%
Classified Ads	23.9	27.0	-11.8%
Circulation	7.9	8.5	-6.7%
Service and other	7.3	7.2	2.1%
Online Revenues	8.6	6.6	31.0%
Total Revenues	70.1	75.3	-7.0%

Major developments

New Chairwoman & Vice-Chairman Appointments, and Advisory Committee Abolishment

TME announces that Ms. Vuslat Dođan Sabancı has been appointed as “Chairwoman” and Paul F.E. Tesselaar has been appointed as “Vice-Chairman” of TME on August 17, 2010.

TME announces that TME Advisory Committee has been abolished on August 17, 2010, and all Advisory Committee members (Mr. Roelof A. Quintus - President, Ms. Vuslat Dođan Sabancı - Vice-President, Mr. Paul F. E. Tesselaar, Ms. Begümhan Dođan Faralyalı, Mr. Ertuđrul Özkök, Mr. Peter de Mönnink, and Mr. Cem M. Kozlu) have resigned on August 17, 2010. However, Mr. Roelof A. Quintus (former President of the Advisory Committee of TME), and Mr. Hasan Hakkı Yılmaz (HÜRRIYET Gazetecilik ve Matbaacılık AS’ Chief Executive Officer, CEO) have been appointed as Advisors to TME Board of Directors as of August 18, 2010.

CEO Appointment

TME announces that Mr. Ahmet Özer joined the company as “Chief Executive Officer” as of July 1, 2010.

Ahmet Özer, born in 1972, graduated from Bođaziçi University Department of Economics in 1994. In 1996, after working on project management in various companies for two years, he joined Dođan Group. As the Strategy and Business Development Manager in Dođan Holding, he contributed to creation of future strategies of the Group and taking advantage of new investment fields. At the same time, he started to conduct investor relations of Dođan Holding in 2003.

Having joined Hürriyet family in June 2005, Ahmet Özer worked as Business Development and Investor Relations Coordinator in Hürriyet Gazetecilik Matbaacılık A.Ş. and became Vice-President & Executive Committee Member, Digital Operations of Hurriyet in 2007.

Restructuring of Syndication Loan Facility

TME announces that it has restructured its outstanding Syndication Loan Facility, which originally would mature on May 17, 2012 (in 2 years) as of April 30, 2010.

The new facility loan is from a syndication of Russian and Dutch Banks with a maturity of 5 years including one year grace period for an amount of US\$ 70 million, which replaces the outstanding loan for US\$ 88.9 million, where US\$ 18.9 was repaid from TME’s own resources. In depressed lending markets, this facility loan is an indicator of the banking community’s assessment of TME’s reliability.

TRADER MEDIA EAST
Consolidated Balance Sheets
(Unless otherwise stated US Dollars in thousands)

	June 30, 2010	Dec 31, 2009
	(Limited Review)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment, net	14.7	16.6
Goodwill	101.5	110.9
Intangible assets, net	87.3	94.6
Available-for-sale financial assets	0.1	0.1
Deferred income tax assets	2.0	1.5
Other non-current assets	0.1	0.7
Total non-current assets	205.7	224.4
Current assets		
Inventories	1.7	2.0
Trade and other receivables	6.7	7.8
Cash and cash equivalents	15.4	32.7
Other current assets	7.8	9.5
Total current assets	31.6	52.0
Total assets	237.3	276.4

TRADER MEDIA EAST
Consolidated Balance Sheets
(Unless otherwise stated US Dollars in thousands)

	June 30, 2010	Dec 31, 2009
	(Limited Review)	(Audited)
EQUITY		
Capital and reserves attributable to equity holders of the company		
Share capital	8.0	8.0
Additional paid-in capital	683.1	683.1
Translation reserve	13.9	23.0
Accumulated losses	-588.8	-581.9
	116.2	132.2
Minority interest in equity	1.3	1.4
Total equity	117.5	133.6
LIABILITIES		
Non-current liabilities		
Financial liabilities - Senior credit facility	64.9	0.0
Financial liabilities to minorities	0.5	0.5
Deferred income tax liabilities	17.6	20.1
Other non-current liabilities	0.1	0.1
Total non-current liabilities	83.1	20.7
Current liabilities		
Financial liabilities - Senior credit facility	5.1	89.1
Financial liabilities to minorities	8.7	10.0
Trade and other payables	13.6	15.0
Due to shareholders	0.1	0.3
Current income tax liabilities	0.6	0.3
Other current liabilities	8.6	7.4
Total current liabilities	36.7	122.1
Total liabilities	119.8	142.8
Total liabilities and equity	237.3	276.4

TRADER MEDIA EAST
Consolidated Profit and Loss Statement
(Unless otherwise stated US Dollars in thousands)

	June 30, 2010	June 30, 2009
	(Limited Review)	(Limited Review)
<u>Continuing operations</u>		
Sales	70.1	75.3
Cost of sales	-35.5	-37.6
Gross profit	34.6	37.7
Marketing, selling and distribution expenses	-6.9	-8.4
General administrative expenses	-26.8	-28.0
Other income / expense, net	0.5	0.0
Operating profit	1.4	1.3
Financial income / expense, net	-5.2	-9.8
(Loss)/profit before income taxes	-3.8	-8.5
Income tax expense	-2.3	0.0
Net (loss)/profit for the year from continuing operations	-6.1	-8.5
Discontinued operations		
Net profit/(loss) for the year from discontinued operations	0.0	0.0
Net profit for the year	-6.1	-8.5
Attributable to:		
Equity holders of the parent	-6.9	-9.4
Minority interest	0.8	0.9
	-6.1	-8.5
Weighted average number of ordinary shares in issue (thousands)	50,000	50,000
Basic and diluted (losses)/earnings per share for profit from continuing and discontinued operations attributable to the equity holders of the parent during the period (expressed in full US Dollar per share)		
Continuing operations	-0.138	-0.188
Discontinued operations	0.000	0.000

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 179 print titles, and hosts 27 websites, with 10.8 million unique monthly visitors.

Trader Media East was incorporated in November 2005. It employs 4,179 people in 9 countries. Our branded classified advertising websites and publications and related specialized services have leading positions in specific markets in the following countries: Belarus, Croatia, Slovenia, Bosnia & Herzegovina, Serbia, Hungary, Kazakhstan, 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 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.

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