

PRESS RELEASE

TRADER MEDIA EAST 2011 Financial Results

Naarden, The Netherlands – March 30, 2012

Trader Media East Limited released today its fourth quarter (4Q) and full year (FY) financial results for 2011.

2011 Financial Summary

(US\$ millions)	4Q11	4Q10	Change	Org ch.*	2011	2010	Change	Org ch.*
Revenues	34.6	36.5	-5.1%	5.4%	143.4	143.4	0.0%	1.7%
Russia	24.6	27.0	-8.7%	-2.8%	108.1	106.3	1.7%	1.1%
Moscow**	11.3	14.0	-19.3%	-17.1%	51.3	55.2	-7.0%	-10.0%
Regions	13.3	13.0	2.6%	14.0%	56.8	51.2	11.1%	14.3%
CIS	7.0	5.5	27.0%	75.4%	21.7	21.2	2.2%	22.7%
Eastern Europe	3.0	4.0	-24.7%	-19.1%	13.6	15.8	-14.4%	-17.2%
Operation EBITDA	-2.0	5.5	N.A	N.A	11.6	24.1	-51.9%	-52.1%
- Corporate Cost	-0.6	-0.8	-33.2%	-	-3.0	-5.0	-39.8%	-
Consolidated EBITDA	-2.5	4.6	N.A	N.A	8.6	19.2	-55.0%	-55.3%
Net (Loss) / Income	-18.7	-33.5	-	-	-26.7	-35.1	-	-
Operation EBITDA Margin %	-5.7%	15.0%	-	-	8.1%	16.8%	-	-
Consolidated EBITDA Margin %	-7.3%	12.7%	-	-	6.0%	13.4%	-	-

*Organic Change: Local currency change, including only active operations.

**Some Moscow based entities that have been listed under "Russia Regions" are reclassified under "Moscow" starting from 2010.

(US\$ millions)	4Q11	4Q10	Change	Org ch.*	2011	2010	Change	Org ch.*
Online Revenues	7.0	5.4	29.6%	37.6%	26.1	18.7	39.5%	37.1%
Share in total revenues	20.3%	14.9%			18.2%	13.0%		

Ahmet Özer, CEO of Trader Media East commented:

Although online has been our strategic investment priority for last 3 years, 2011 was the first year of transformation being implemented at operational level in our company. We made a lot of changes and restructurings. Some critical developments in 2011 are listed at the bottom of the commentary.

In terms of our top-line performance, 2011 was a stable year versus 2010 but revenues were still significantly less than expected in budget. On the other hand, the composition of our revenue has significantly changed. The online share of total revenues increased from 15% in Q4 2010 to 20% in Q4 2011. Regions of Russia continued to grow in print and strongly in online in 2011, which caused the share of Russia region revenues to increase to 38% in Q4 whereas Moscow print revenues started declining. We grew our revenues by 37.6% in online, whereas Russia's growth was over 45% in online revenues.

Due to aggressive growth and long term brand building purposes of our internet projects, we increased marketing spending aggressively. In 2011 our marketing expenses were 17 US\$ mn (mostly in Q4 related to the image campaign of IRR.ru) which is 114% more than what we spent in 2010. This has adversely impacted overall group EBITDA of TME which was negative 2.5 US\$ mn in Q4 2011. Another negative impact on EBITDA was lower than expected revenues whereas personnel and raw material costs were under control.

Major operational developments in 2011:

- *Portfolio optimization:* We shut down print publishing operations in 11 regional entities in Russia. We also discontinued app. 25 unprofitable publications in Moscow, elsewhere in Russia and in CEE.
- *Operations in St. Petersburg:* Due to unsatisfactory performance and lack of control, we exited from our print publishing JV in Northwestern Russia area (mainly St. Petersburg) in 2011 and started up a wholly owned sales branch to sell our online products. This branch is supposed to become the second biggest (after Moscow) online revenue market for us by the end of 2012.
- *Operational efficiency:* We established an operation center in city Tombov and transferred the production units (approximately 100 people) in Moscow to the new center, to achieve operational efficiency. The transfer took place between May-November period of 2011 and expected to give real savings in 2012.
- *Printing operations:* We strategically decided not to invest further in printing business. In this respect, existing printing operations in Moscow and Samara is closed and related assets are in the process of sale. The printing service is fully outsourced.
- *Management changes:* Some critical top management changes in Moscow headquarters and changes of top managers in 13 regional entities took place in 2011. This operation aimed to strengthen the competitiveness of our human resources. We also completed the merge of CEE operations under single management.
- *New products:* Our core web site IRR.ru has been completely renewed with premium functionality and usability. We also launched the recruitment portals Myjob.by and Gojob.kz in Belarus and Kazakhstan respectively. Rebranding of our traditional newspaper "Iz ruk v ruki" also took place in mid 2011 to modernize the design and increase the competitiveness.

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

	Dec, 31 2011	As restated
	(Audited)	Dec, 31 2010
		(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment, net	5.7	13.3
Goodwill	79.6	82.7
Intangible assets, net	65.3	81.3
Available-for-sale financial assets	0.1	0.1
Deferred tax assets	2.9	2.6
Other non-current assets	-	0.1
Total non-current assets	153.6	180.1
Current assets		
Inventories	1.3	2.2
Trade and other receivables	5.1	5.7
Cash and cash equivalents	9.4	13.4
Other current assets	9.9	5.6
Assets held for sale	1.5	-
Total current assets	27.2	26.9
Total assets	180.8	207.0

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

	Dec, 31 2011 (Audited)	As restated Dec, 31 2010 (Audited)
EQUITY		
Capital and reserves attributable to equity holders of the company		
Share capital	8.0	8.0
Additional paid-in capital	678.1	678.1
Translation reserve	17.1	18.6
Accumulated losses	-648.0	-618.9
	55.2	85.8
Non-controlling interests	1.4	1.3
Total equity	56.6	87.1
LIABILITIES		
Non-current liabilities		
Financial liabilities - Senior credit facility	70.0	56.8
Deferred tax liabilities	11.8	16.3
Total non-current liabilities	81.8	73.1
Current liabilities		
Financial liabilities - Senior credit facility	3.5	13.4
Financial liabilities to non-controlling interests	10.2	9.0
Trade and other payables	9.4	11.9
Due to shareholders	13.0	5.2
Current income tax liabilities	0.3	0.1
Other current liabilities	6.0	7.2
Total current liabilities	42.4	46.8
Total liabilities	124.2	114.9
Total liabilities and equity	180.8	207.0

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

	Dec, 31 2011 (Audited)	Dec, 30 2010 (Audited)
Continuing operations		
Sales	143.4	143.4
Cost of sales	-75.5	-71.4
Gross profit	67.9	72.0
Marketing, selling and distribution expenses	-23.4	-14.9
General administrative expenses*	-61.2	-83.0
Other income	1.7	0.5
Operating loss	-15.0	-25.4
Financial income / (expense), net	-13.4	-6.1
Monetary gain	0.2	-
Loss before income taxes	-28.2	-31.5
Tax income / (expense)	1.5	-3.6
Net loss for the year from continuing operations	-26.7	-35.1
Discontinued operations		
Net profit/(loss) for the year from discontinued operations	-	-
Net loss for the year	-26.7	-35.1
Attributable to:		
Equity holders of the parent	-29.1	-37.0
Non-controlling interests	2.4	1.9
	-26.7	-35.1
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	-0.582	-0.74
Discontinued operations	0.0	0.0

*General administrative expenses have been influenced by the impairment of group TME operations and its total effect is US\$ 10.3 mn (2010: US\$ 32.8 mn).

*General administrative expenses have been influenced by the impairment of two printing houses' equipment in Moscow and Samara, with total effect of US\$ 4.2 mn (2010: none).

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.

Investor Relations Contact Information

Suzi Apalaci Dayan

Investor Relations Director

Tel: +90 212 449 60 30

e-mail: sapalaci@hurriyet.com.tr