



PRESS RELEASE

Filing of 2011 Annual Report and Accounts

Naarden, The Netherlands – April 27, 2012.

Trader Media East Limited (the "Company" or "TME" or "Group") announces that it has sent its Annual Report 2011, Responsibility statement and Audited Financial Statements for the year ending December 31, 2011.

A copy of the Company's Annual Report 2011 containing the audited financial statements is available on the Company's website at www.tmeast.com.

Chairwoman's Statement

2011 Overview and Financial results

It is my pleasure to submit TME Annual Report and Consolidated Financials for the year ending on December 31, 2011.

In view of macroeconomics, 2011 was a stable year overall and we did not see any signs of strong recovery in our operating markets. Russia regions and CIS were growing in both print and online, whereas Moscow and CEE were the markets that growth only achieved in digital revenues.

As part of the online transition process which has strategically been initiated since 2009, our revenue composition is changing in favor of digital revenues which reached 18.2 % of the total revenues of TME. On the other hand, investments to achieve a faster transition caused our margins to deteriorate in 2011, mainly because of high marketing costs in Russia. TME's target is to reach online revenue share of 50% in total revenues by the end of 2015.

In 2011, TME restructured its existing loan with lower and fixed financing rate which in turn gave the power to focus mainly on core business.

Dividend

The Group's policy is to re-invest cash generated in the business. Consequently, TME Board of Directors is not recommending a distribution.

Outlook

In 2012, we are still expecting highly competitive market conditions, both in print and online. Deterioration in print revenues and strong growth in online revenues will continue.

With the calm down in Euro zone financial crisis, together with the positive GDP growth in the US, emerging markets will mainly benefit from direct or capital investment cycles which in turn support TME business in a positive manner where it operates.



Vuslat Doğan Sabancı
Chairwoman

27 April 2012

Report of the Board of Directors

Trader Media East Limited (“TME” or the “Company” or the “Group”)’s directors present their report and the audited financial statements for the year ended December 31, 2011.

Incorporation

The Company is incorporated in Jersey, Channel Islands.

Directors’ responsibilities for the financial statements

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by European Union. The financial statements are required by law to be properly prepared in accordance with the Companies (Jersey) Law 1991, as amended.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's “Framework for the preparation and presentation of financial statements”. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991, as amended. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the website is the responsibility of the directors, the work carried out by the auditors does not involve consideration of these matters and accordingly, the auditors accept no responsibility for any changes that may have occurred to the information contained in the financial statements since they were initially presented on the website.

The directors are also required by the Disclosure and Transparency Rules (DTR) of the Financial Services Authority (FSA) to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group.

Directors' statement pursuant to the Disclosure and Transparency Rules (DTR)

Each of the directors, whose names and functions are listed on page 12 confirm that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with IFRS as adopted by EU, give a true and fair view of the assets, liabilities, financial position and profit of the Group and the Company; and
- the Directors' Report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Company and Group, together with a description of the principal risks and uncertainties that they face.

Principal activities

TME is the leading marketplace for communities of generalist, real estate, auto and recruitment, with strong local brands, serving local markets in Russia, CIS, Central and Eastern Europe. TME produces 175 print titles, with 5.2 million readers per month and hosts 25 websites, with 20 million unique monthly visitors. TME is one of the largest companies in the region operating with weekly and daily newspapers and websites, primarily in the generalist, real estate, automotive and recruitment categories.

Results and dividends

The profit and loss account of the Group for the year ended December 31, 2011 is set out in the audited financial statements. No dividends were paid during the year 2011.

Directors

The composition of the Board of Directors as of December 31, 2011 is as follows:

- Mrs. Vuslat Doğan Sabancı, Chairwoman, Senior Executive Director;
- Mr. Paul F. E. Tesselaar, Vice-Chairman, Senior Independent Non-Executive Director;
- Mr. Michel H. P. Teheux, Non-Executive Director.

Directors' Interests

No options were granted to or exercised by any director of TME in the period since December 31, 2011, and the signing date of these audited financial statements. None of the directors had a material interest in any contract of significance to which the Company or any of its subsidiaries was a party during the year.

Policy on payment of creditors

It is Group policy, in respect of all of its suppliers, to settle the terms of payment when agreeing each transaction, to ensure that suppliers are made aware of the terms of payment and to abide by those terms. The average number of creditor days in relation to trade creditors outstanding depends on each country where we generally apply local practices.

Financial risk management

The Group finances its operations through the generation of cash from operating activities and from bank borrowings. It uses derivative instruments, including swaps, forward contracts, swap and options to manage the associated interest rate exposure, as far as certain foreign currency exposure arising from its international cash management system is concerned. Liquidity risk is managed through forecasting the future cash flow requirements of the business and maintaining sufficient cash at bank balances.

Principal risks and uncertainties

The following risks and uncertainties could have an effect on the Group's performance. As at the date of this report, the Board considers the risks described below to be the principal risks facing the Group. The Group has a risk management structure in place that is designed to identify, manage, and mitigate business risks. This forms part of the Group's system of internal control that is described in detail in Corporate Governance. The key risks identified through this risk management process, and how they are managed is detailed below.

General

The Group's activities expose it to a variety of operational and financial risks; these risks are market risk including the effects of changes in debt and equity market prices, foreign currency exchange rates, fair value interest rate risk, and cash flow interest rate risk, credit risk, and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments in a limited manner to hedge these exposures. As the Group operates in different regions and countries, TME Headquarters deal effectively with the coordination of management of different entities.

Risks relating to the Groups business and industry

The Total Ads Revenue decreased 3.6%, in which classifieds decreased 9.5%, whereas displays increased 2.5% versus 2010 figures making the displays share higher than the classifieds' in total print advertising. On the contrary all type of advertisement in online kept increasing.

All operational Countries have lived positive GDP growths. In Belarus (second largest in 2010 Revenue figures) inflation jumped to 65% in 2011 from 10% in 2010. This led to 67% devaluation against 2011 *versus* 2010.

TME has been implementing the strategy to offset revenue fall in print revenues with increase as much as possible in online revenue. TME lost \$ 7.4 million in print revenues, whereas gained \$ 7.4 million in online revenues which kept the total revenue constant versus 2010.

Furthermore, in Moscow print revenues fell as expected, but in Russia regions the increase was 6.3% (excluding St. Petersburg both in 2011 and 2010 to understand real organic growth) which was in line with the strategy that has been implemented since 3rd Quarter of 2010. Moreover, print revenues increased both in Kazakhstan 5.3% and Belarus 64.4% in LCY terms.

Negative growth figures in print revenues were in Hungary, Croatia and Ukraine in 2011 *versus* 2010.

Risks relating to the Groups financial condition

The Group is exposed to variety of financial risks due to its operations. These risks include liquidity risk, funding risk, credit risk and foreign currency risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The Group finances its operations through the generation of cash from operating activities and from its Senior Credit Facility. It uses derivative instruments, including swaps and forward contracts to manage the associated interest rate exposure, as far as certain foreign currency exposure arising from its international cash management system is concerned. Liquidity risk is managed through forecasting the future cash flow requirements of the business and maintaining sufficient cash at bank balances.

Foreign Currency

As a relatively high proportion of the Groups sales 75% and operating profits arise in Russian Federation, the Group's reported results are positively affected by strengthening of Russian Ruble (RUR) against American Dollar (US\$) (+%3) in yearly averages versus 2010.

Russian Ruble appreciated in the first half of 2011, whereas in parallel with global appreciation of US\$ lost some portion of what it earned in the second half. This negative trend was in January 2012, but reversed sharply in February due to solved debt problem of Greece which was the main support of US\$ appreciation.

Competitive Forces

The markets in which the Group operates are highly dynamic and competitive. The majority of its co-operation is long term in nature and access to the key platforms is critical to the success of the business. This requires sustained investment in technology, capability and infrastructure, which presents a high barrier to entry. However, these factors alone do not protect the Group from competition, such that price competition and technical advances made by competitors could adversely affect the Group's results.

The Group has developed a balanced business portfolio and maintained a steady improvement in operational performance, which together with the establishment of long term customer relationships and sustained investment in technology acquisition, allow the Group to respond to competitive pressure.

Legal Risks

The Group operates internationally and is subject to laws and regulations in a large number of jurisdictions. Combined with this, the large numbers of customers and suppliers to the Group result in a complex set of contractual obligations and a risk of non-compliance with the applicable laws and regulations.

The Group addresses this risk in a number of ways:

- through reviews, advice and opinions provided by the in-house legal department;
- monitoring and reporting of issues by the Internal Audit function;
- internal control processes requiring local and Group management to report on areas of potential non-compliance; and
- controls on the levels of management required to approve proposed contractual arrangements.

Charitable and political donations

The Group did not make any material charitable or political donations during the year.

Intangible assets

Historically, the Group has attributed value to its main trade names, customer database and goodwill in allocating a part of the purchase price paid for its subsidiaries to these intangible assets. These values attributed to intangible assets are referred to in note 8 to the financial statements.

Purchase of own shares

The Group did not purchase any of its shares for cancellation during the year. At present, TME Group had no authority to purchase Group's issued ordinary share capital.

Secretary

Mr. Hakan Hanlı is the Company Secretary since June 30, 2009.

Independent Auditors

Deloitte Touche Tohmatsu LLP (DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.¹) has been appointed as External Auditor to TME Group since June 1, 2010 in responding to regulatory obligation in Jersey.

A resolution to re-appoint the auditors and to authorize the directors to fix their remuneration will be proposed at the Annual General Meeting (AGM), which will be held in June 11, 2012.

By order of the Board

Registered office:

P.O. Box 87
22 Grenville Street
St Helier, Jersey
JE4 8PX Channel Islands



Hakan HANLI, *Ph.D*
General Secretary & Counsel
27 April 2012

¹ DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was appointed by Jersey Financial Services Commission (FSC) as Auditor to TME in December 6, 2010.

Responsibility Statement

TME Annual Report and Financial Statements of 2011 contain a “Responsibility Statement” in compliance with paragraph 4.1.12 of the DTR signed by order of the Board by, Mrs. Vuslat Doğan Sabancı, as Chairwoman of the Board, Senior Executive Director, Mr. Paul F.E. Tesselaar, as Vice-Chairman, Senior Independent Non-Executive Director; and Mr. Michel Teheux, as Non-Executive Director.

This statement is set out below in full and unedited text. This states that on April 27, 2012, the date of approval of the 2011 Annual Report and Accounts.

Each of the directors hereby confirm:

“To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of TME Group”.

**Naarden, The Netherlands
27 April 2012**

Trader Media East Limited



**Vuslat Doğan Sabancı
Chairwoman**



**Michel Teheux
Non-Executive Director**

Independent Auditor's Report To the Members of Trader Media East Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Trader Media East Limited (the "Company" or "TME"), its subsidiaries and its joint ventures (together the "Group") which comprise the consolidated balance sheet as at December 31, 2011, the consolidated statements of loss, the consolidated statements of comprehensive loss, the consolidated statements of changes in equity and the consolidated cash flows statements for the year then ended and, a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by EU and with the requirements of Jersey Law and for such internal control as directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2011, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

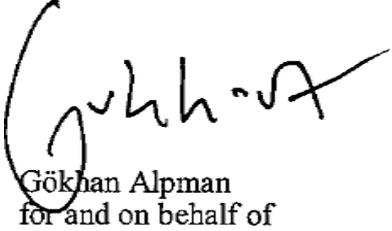
- proper accounting records have not been kept by the parent company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Other matters

Although not required to do so, the directors have voluntarily chosen to make a corporate governance statement detailing the extent of their compliance with the UK Corporate Governance Code. We reviewed:

- the directors' statement, on page 11, in relation to going concern; and
- the part of the Corporate Governance Statement relating to the company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review.

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Gökhan Alpman
for and on behalf of

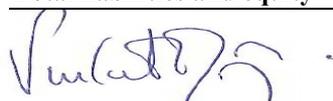
DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**
İstanbul, April 27, 2012

TRADER MEDIA EAST LTD

Consolidated Balance Sheet

(Amounts expressed in millions of US Dollars (“\$”) unless otherwise indicated)

	Notes	As at December 31, 2011	As restated As at December 31, 2010	As restated As at December 31, 2009
ASSETS				
Non-current assets				
Property, plant and equipment	6	\$ 5.7	\$ 13.3	\$ 16.6
Goodwill	7	79.6	82.7	110.9
Intangible assets	8	65.3	81.3	94.6
Available-for-sale financial assets		0.1	0.1	0.1
Deferred tax assets	17	2.9	2.6	1.5
Other non-current assets		-	0.1	0.7
Total non-current assets		153.6	180.1	224.4
Current assets				
Inventories	9	1.3	2.2	2.0
Trade and other receivables	10	5.1	5.7	7.8
Cash and cash equivalents	11	9.4	13.4	32.7
Other current assets	18	9.9	5.6	9.5
		25.7	26.9	52.0
Assets classified as held for sale	24	1.5	-	-
Total current assets		27.2	26.9	52.0
Total assets		180.8	207.0	276.4
EQUITY				
Capital and reserves attributable to equity holders of the company				
Share capital	12	8.0	8.0	8.0
Additional paid-in capital	12	678.1	678.1	678.1
Translation reserve		17.2	18.6	23.0
Accumulated losses		(648.1)	(618.9)	(581.9)
		55.2	85.8	127.2
Non-controlling interests		1.4	1.3	1.4
Total equity		56.6	87.1	128.6
LIABILITIES				
Non-current liabilities				
Financial liabilities				
– Senior credit facility	13	70.0	56.8	-
Financial liabilities to non-controlling interests	14	-	-	0.5
Deferred tax liabilities	17	11.8	16.3	20.1
Other non-current liabilities		-	-	0.1
Total non-current liabilities		81.8	73.1	20.7
Current liabilities				
Financial liabilities				
– Senior credit facility	13	3.5	13.4	89.1
Financial liabilities to non-controlling interests	14	10.2	9.0	10.0
Trade and other payables	15	9.4	11.9	15.0
Due to shareholders	16	13.0	5.2	5.3
Current income tax liabilities	17	0.3	0.1	0.3
Other current liabilities	18	6.0	7.2	7.4
Total current liabilities		42.4	46.8	127.1
Total liabilities		124.2	119.9	147.8
Total liabilities and equity		180.8	207.0	276.4



Vuslat Doğan Sabancı
Chairwoman



Michel Teheux
Director

The accompanying notes form an integral part of these consolidated financial statements.

TRADER MEDIA EAST LTD
Consolidated Statements of Loss

(Amounts expressed in millions of US Dollars (“\$”) unless otherwise indicated)

	Notes	For the years ended	
		December 31, 2011	December 31, 2010
Revenue	4	\$ 143.4	\$ 143.4
Cost of sales	20	(75.5)	(71.4)
Gross profit		67.9	72.0
Marketing, selling and distribution expenses	20	(23.4)	(14.9)
General administrative expenses	20	(61.2)	(83.0)
Other income		1.7	0.5
Operating loss		(15.0)	(25.4)
Financial income	22	22.0	1.2
Financial expenses	23	(35.4)	(7.3)
Monetary gain		0.2	-
Loss before income taxes		(28.2)	(31.5)
Income tax benefit / (expense)	17	1.5	(3.6)
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 per share for loss attributable to the equity holders of the parent during the year (expressed in full US Dollar per share)	21	(0.58)	(0.74)

TRADER MEDIA EAST LTD
Consolidated Statements of Comprehensive Loss
(Amounts expressed in millions of US Dollars (“\$”) unless otherwise indicated)

	For the years ended	
	December 31, 2011	December 31, 2010
Net loss for the year	\$ (26.7)	\$ (35.1)
Currency translation differences	(1.4)	(4.5)
Total comprehensive loss for the year	(28.1)	(39.6)
Attributable to:		
Equity holders of the parent	(30.5)	(41.4)
Non-controlling interests	2.4	1.8

TRADER MEDIA EAST LTD
Consolidated Cash Flow Statement

(Amounts expressed in millions of US Dollars (“\$”) unless otherwise indicated)

	Notes	For the years ended	
		December 31, 2011	December 31, 2010
Net loss for the year		\$ (26.7)	\$ (35.1)
Adjustments:			
Depreciation and amortization	20	8.3	9.1
Financing costs	23	0.9	0.3
Taxation on income	17	(1.5)	3.6
Tangible assets impairment charges	6, 20	4.1	-
Intangible assets and goodwill impairment charges	8, 20	10.3	32.8
Provision for doubtful receivables and other current assets	20	0.9	1.1
Loss / (gain) on sale of property, plant and equipment	4	0.4	(0.5)
Interest expenses	23	6.2	5.0
Interest income	22	(0.3)	(0.5)
Gain from disposal of subsidiaries	25	(0.1)	-
Other non-cash expense		0.5	0.8
Cash flows from operating activities before changes in operating assets and liabilities		3.0	16.6
Change in working capital, net		9.9	0.7
Income taxes paid		(5.9)	(4.8)
Cash flows provided by operating activities		7.0	12.5
Cash flows from investing activities:			
Purchases of property, plant and equipment and intangible assets	6, 8	(7.2)	(5.2)
Proceeds from sales of property, plant and equipment and intangible assets		1.4	0.7
Net cash used in investing activities		(5.8)	(4.5)
Cash flows from financing activities:			
Dividends paid to non-controlling interests		(2.4)	(2.5)
Proceeds from borrowings		72.5	69.7
Repayments of borrowings		(70.0)	(88.9)
Cash paid for financing costs		-	(0.8)
Interest receipts and payments, net		(6.0)	(3.7)
Payments to non-controlling interests		(0.2)	(1.3)
Net cash used in financing activities		(6.1)	(27.5)
Exchange gains/losses on cash and cash equivalents		0.9	0.2
Change in cash and cash equivalents		(4.0)	(19.3)
Cash and cash equivalents at beginning of year	11	13.4	32.7
Cash and cash equivalents at end of year	11	9.4	13.4

About Trader Media East

We are the leading marketplace for communities of real estate, auto and recruitment, with strong local brands, serving local markets in Russia, CIS, Central and Eastern Europe. Trader Media East Limited produces 184 print titles, with 3.2 million readers per week and hosts 28 websites, with 11.1 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 4,273 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, Bosnia & Herzegovina, Croatia, Hungary, Kazakhstan, Russia, Serbia, Slovenia 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.

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