



PRESS RELEASE

TRADER MEDIA EAST First Half 2013 Financial Results

Naarden, The Netherlands – August 23, 2013

Trader Media East Limited (“TME” or the “Group”), operating in Russia, CIS, and Eastern Europe, released today its half year (1H) financial results for 2013.

Financial Summary

(US\$ millions)	2Q13	2Q12	Change	Org ch.*	1H13	1H12	Change	Org ch.*
Revenues	29.5	33.2	-11.2%	-8.0%	54.6	61.7	-11.4%	-8.9%
Russia	23.1	26.0	-11.2%	-9.7%	42.6	48.1	-11.4%	-10.4%
Moscow	11.5	12.3	-6.6%	-5.0%	20.5	22.6	-9.1%	-7.7%
Regions	11.6	13.7	-15.3%	-13.7%	22.1	25.6	-13.5%	-12.3%
CIS	4.8	4.7	2.2%	6.9%	8.8	8.7	1.8%	6.4%
Eastern Europe	1.5	2.4	-38.0%	-29.7%	3.2	4.9	-34.5%	-31.4%
Operation EBITDA	3.5	5.5	-37.4%	-36.3%	3.7	7.9	-53.8%	-52.7%
- Corporate Cost	0.5	0.6	-22.6%	-	1.0	1.3	-25.7%	-
Consolidated EBITDA	3.0	4.9	-39.3%	-38.7%	2.7	6.6	-59.5%	-59.2%
Net (Loss) / Income	-5.9	-7.0			-11.1	-0.8		
Operation EBITDA Margin %	11.8%	16.7%			6.7%	12.9%		
Consolidated EBITDA Margin %	10.1%	14.7%			4.9%	10.7%		

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

(US\$ millions)	1H13	1H12	Change	Org ch.*
Online Revenues	16.2	14.5	11.3%	17.4%
Share in total revenues	29.6%	23.5%		

Commentary of CEO, Ahmet Özer:

- The decline in print revenues were expected in 2013, but the level of decline has become faster than planned in 1H. We continue to take necessary measures to further optimize print operations in order to keep profitability.
- Online revenue growth has been 17.4% in 1H, which made us to generate almost 1/3 of our revenues from digital operations (which is expected to exceed 50% by the end of 2015). If we exclude the CEE market, which deteriorate the overall growth, our Russia & CIS digital operations grew by 21.3% in first half.
- In first 6 months of the year, there has been a visible slow-down in Russia, especially in real estate and car transactions, which influenced our business negatively. Although we expect some improvement in 2H, the year overall is expected to be tough for classified advertising market.
- We continue to aggressively launch new products and functionality in IRR.ru with more vertical focus. We launched four new mobile products (one for general classifieds, one for real estate search, one dedicated to goods and services only and a tablet app for PDF version of our newspaper editions all over Russia). In 2H, we will launch the new design of the web site and will renew the mobile site.
- As part of our strategy to focus on our core Russia & CIS market, the Slovenian operation was sold to a local media group in April 2013. Currently, Russia & CIS make 94.2% of the revenues of TME.

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

	30-Jun-13 (Limited Review)	31-Dec-12 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	4.7	5.0
Goodwill	73.1	84.6
Intangible assets	62.9	68.0
Available-for-sale financial assets	0.1	0.1
Deferred tax assets	1.8	1.8
Other non-current assets	0.1	0.1
Total non-current assets	142.7	159.6
Current assets		
Inventories	0.6	0.8
Trade and other receivables	5.5	5.4
Cash and cash equivalents	16.8	16.8
Other current assets	7.4	8.2
Total current assets	30.3	31.2
Total assets	173.0	190.8

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

	30-Jun-13 (Limited Review)	31-Dec-12 (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	16.5	19.7
Accumulated losses	-656.3	-644.5
	46.3	61.3
Non-controlling interests	2.1	2.0
Total equity	48.4	63.3
LIABILITIES		
Non-current liabilities		
Deferred tax liabilities	7.9	10.6
Total non-current liabilities	7.9	10.6
Current liabilities		
Financial liabilities - senior credit facility	70.9	70.9
Financial liabilities to non-controlling interests	8.1	10.2
Trade and other payables	11.9	10.6
Due to shareholders	18.4	18.2
Current income tax liabilities	0.6	1.0
Other current liabilities	6.8	6.0
Total current liabilities	116.7	116.9
Total liabilities	124.6	127.5
Total liabilities and equity	173.0	190.8

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

	30-Jun-13	30-Jun-12
	(Limited Review)	(Limited Review)
Revenue	54.6	61.7
Cost of sales	-27.4	-30.4
Gross profit	27.2	31.3
Marketing, selling and distribution expenses	-9.4	-8.5
General administrative expenses	-21.3	-20.3
Other income	1.1	3.0
Operating (loss) / profit	-2.4	5.5
Financial (expense) / income, net	-9.4	-5.3
(Loss) / gain before income taxes	-11.8	0.2
Tax benefit / (expense)	0.7	-1.0
Net (loss) for the period	-11.1	-0.8
Attributable to:		
Equity holders of the parent	-11.8	-1.8
Non-controlling interests	0.7	1.0
	-11.1	-0.8
Weighted average number of ordinary shares in issue (thousands)	50,000	50,000
Basic and diluted (losses) / earnings per share for profit attributable to the equity holders of the parent during the period (expressed in full US Dollar per share)	-0.236	-0.036

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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