



PRESS RELEASE

Filing of 2014 Annual Report & Accounts

Amsterdam, The Netherlands – April 27, 2015.

Trader Media East Limited (the "Company" or "TME" or "Group") announces that it has sent its Annual Report 2014, and Audited Consolidated Financial Statements for the year ending December 31, 2014.

A copy of the Company's Annual Report 2014 containing the audited consolidated financial statements is available on the Company's website at www.tmeast.com.

CHAIRWOMAN'S STATEMENT

2015 Overview & 2014 Financial Results

2014 was also a transition year for TME in all respects. We continued to grow our online revenues and shifted our revenue composition towards digital. In 2014, nearly 1/3 of our revenues came from our web-sites and mobile services (mainly from two core platforms of irr.ru and job.ru).

Due to global trends and increasing internet usage in Russia & Regions and CIS, we did a lot of optimization and restructuring of our operations. Thus, TME Management has a vision to become a pure "Digital Group" together with a competitive regional franchises within coming years.

Moreover, we continue to improve our online products and offer best usage experience in all segments in year 2014. Product quality is an important factor to succeed in digital transformation. In this respect, we continue to invest in our technology and human resources.

TME Board of Directors is very committed to the current transition plan and thinks that the healthy transitioning of the company is a great opportunity for the shareholders to re-gain value in coming years.

Dividend

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

Outlook

In 2015, we are expecting highly competitive market conditions in Russia and the CIS. We are growing aggressively in on-line due to initiation of new product and services in the digital market. We are also planning significant marketing investments in Russia & Regions and CIS, to increase our C2C audiences.



Vuslat Doğan-Sabancı
Chairwoman

MESSAGE FROM THE CEO

Having joined the Company in May 2014, I have accelerated processes started by my predecessor aimed at transition of the Company to a pure **“Digital State”**.

Last year, the share of revenues from digital sales reached 39.8% as it was planned.

One of the major challenges in this process is to maintain great legacy of our newspaper brand in our Internet Projects.

For years, *“Iz Ruk v Ruki”* was a leading expert brand in “Real Estate” and “General Classified” in Russia. Strong regional presence also is a part of our heritage. We have to take it all to our Digital Future.

Current market developments saw significant slow-down of the Russian Economy. That was particularly true for print advertising industry.

Our newspaper business e.g. declined over 42.8% in USD terms, while our digital sales remained robust, increasing by 1.6% in local currency terms (LCY) and declined by 15.2% in USD terms. Looking back at similar situations of 1998 and 2008, TME projects emerged as winners from those times. I believe that the optimization and transition to a pure Digital State is the first step in this direction.

The outlook to the future is bright as we look to complete this transition by mid-year 2015.



Nikolay Dadiani
Chief Executive Officer

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, 2014.

Incorporation

The Company is incorporated in Jersey, Channel Islands.

Statement of Directors’ Responsibilities

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 give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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 IFRSs 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. 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 United Kingdom Listing Authority ("UKLA") 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 8 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 or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Directors' Report contained in the Annual Report includes a review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and the financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

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, Kazakhstan and Belarus. TME produces 125 print titles, with 0.8 million readers per month and hosts 11 websites, with 18.7 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, 2014 is set out in the audited financial statements. No dividends were paid during the year 2014.

Directors

The composition of the Board of Directors as of December 31, 2014 is as follows:

- Mrs. Vuslat Doğan-Sabancı as Chairwoman, Senior Executive Director;
- Mr. Turhan Cemal Beriker as Vice-Chairman & Senior Independent Non-Executive Director; and
- Mrs. Özlem Mertoğlu-Munanoğlu as Member & Senior Independent Non-Executive Director.

Directors' Interests

No options were granted to or exercised by any director of TME in the period between December 31, 2014 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. 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 as 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. 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 Group's Business and Industry

The Total Ads Revenue decreased 33.9%, in which classifieds decreased 43.0%, whereas displays decreased 28.4% versus 2013 figures. Displays share increased in Total Ads Revenue in 2014 to 67.5% in comparison to 2013 (62.4%).

GDP in current prices in 2014 amounted to 71,406.4 billion rubles. The index of physical volume relative to 2013 amounted to 100.6%. Index-deflator of GDP relative to prices 2013 made 107.2%. In 2014 Kazakhstan's GDP increased by 4.3%. Gross domestic product of Belarus in 2014 increased compared to 2013 by 1.6%.

Risks relating to the Group's 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 loan facilities provided by its controlling shareholder, Hurriyet Group, as well as bank loans. Liquidity risk is managed through forecasting the future cash flow requirements of the business and maintaining sufficient cash at bank balances.

Foreign Currency

A high proportion of the Group's sales (81.8%) and operating loss arise in the Russian Federation.

As a result, the Group's reported results in 2014 have been negatively affected by the weakening of the Russian Ruble (RUR) against the US Dollar (US\$) (20.6% on an annual average basis) versus 2013.

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 14 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

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

Independent Auditors

Deloitte Touche Tohmatsu LLP ¹ member firms ZAO Deloitte & Touche CIS and DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş have been appointed as External Auditor to TME Group since January 2013 and June 2010, respectively, in responding to regulatory obligation in Jersey.

A resolution to 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 12, 2015 at the Company's headquarter in Amsterdam, The Netherlands.

By order of the Board

Registered office:

SANNE Corporate Service
Limited
13 Castle Street
St. Helier Jersey JE4 5UT
Channels Islands



Dr. Hakan HANLI
General Secretary & Counsel
27 April 2015

¹ Deloitte Touche Tohmatsu LLP was appointed by the Board as External Auditor to TME, its subsidiaries:
(i) DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş in Turkey since June 2010; and
(ii) ZAO Deloitte & Touche CIS" in Russia since January 2013.

RESPONSIBILITY STATEMENT

TME Annual Report & Consolidated Financial Statements of 2014 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. Turhan Cemal Beriker as Vice-Chairman & Independent Senior Non-Executive Director, and Mrs. Özlem Mertoğlu-Munanoğlu as Member, Senior Non-Executive Director.

This statement is set out below in full and unedited text. This states that on **April 27, 2015**, the date of approval of the 2014 Annual Report & Consolidated Financial Statements (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".

Amsterdam, The Netherlands

27 April 2015

TRADER MEDIA EAST LIMITED



Vuslat Doğan Sabancı
Chairwoman



Turhan Cemal Beriker
Vice-Chairman



Özlem Mertoğlu-Munanoğlu
Director

ZAO Deloitte & Touche CIS
5 Lesnaya St., Building "B",
Moscow, 125047,
Russia

Tel: +7 (495) 787 06 00
Fax: +7 (495) 787 06 01
www.deloitte.ru

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") and its subsidiaries (together "the Group") which comprise the consolidated statement of profit and loss, the consolidated statement of comprehensive loss for the year ended 31 December 2014, statement of financial position as at 31 December 2014, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and the related notes 1 to 32. The financial reporting framework that has been applied in their preparation is the applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU").

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Directors' Responsibility for the Consolidated Financial Statements

The directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view in accordance with IFRSs as adopted by EU and with the requirements of the Companies (Jersey) Law 1991 and for such internal control as directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 consolidated financial statements are free from material misstatement.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the consolidated financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the companies circumstances and have been consistently applied and adequately disclosed; the reasonableness of accounting estimates made by the directors; and the overall presentation of the consolidated financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

Opinion on the financial statements

In our opinion, the consolidated financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014, and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the EU; and
- have been properly prepared in accordance with 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.



John Robarts

for and on behalf of

ZAO Deloitte & Touche CIS

Recognized Auditor

Moscow

27 April 2015

TRADER MEDIA EAST LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

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

	Notes	For the years ended	
		31 December 2014	31 December 2013, As restated
Continuing Operations			
Revenue	6	63.3	96.3
Cost of sales	7	(32.7)	(46.7)
Gross profit		30.6	49.6
Marketing, selling and distribution expenses	7	(14.6)	(18.9)
General administrative expenses	7	(21.8)	(32.3)
Share of profit of associates	12	0.1	0.3
Operating loss		(5.7)	(1.3)
Financial income	8	0.1	0.3
Financial expenses	9	(5.3)	(5.6)
Foreign exchange loss, net		(52.5)	(6.1)
Gain on sale of property, plant and equipment		1.0	0.2
Other income, net		0.3	0.9
Loss before taxes		(62.1)	(11.6)
Income tax (expense)/benefit	10	(2.1)	1.3
Loss for the year from continuing operations		(64.2)	(10.3)
Discontinued operations			
Loss for the year from discontinued operations	28	(0.3)	(8.3)
Net loss for the year		(64.5)	(18.6)
Attributable to:			
Equity holders of the parent		(65.9)	(19.9)
Non-controlling interests		1.4	1.3
		(64.5)	(18.6)
Loss per share			
Weighted average number of ordinary shares in issue (thousands)	27	52,849	50,000
Basic and diluted loss per share from continuing and discontinued operations (US Dollar per share)	27	(1.25)	(0.40)
Basic and diluted loss per share from continuing operations (US Dollar per share)	27	(1.24)	(0.23)

The accompanying notes on pages 39-79 form an integral part of these consolidated financial statements.

TRADER MEDIA EAST LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

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

	For the years ended	
	31 December 2014	31 December 2013, As restated
Net loss for the year	(64.5)	(18.6)
Items that may be reclassified subsequently to profit or loss		
- Exchange differences on translating foreign operations	(2.2)	(2.6)
Total comprehensive loss for the year	(66.7)	(21.2)
Attributable to:		
Equity holders of the parent	(67.9)	(22.5)
Non-controlling interests	1.2	1.3
	(66.7)	(21.2)

The accompanying notes on pages 39-79 form an integral part of these consolidated financial statements.

TRADER MEDIA EAST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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

	Notes	31 December 2014	31 December 2013, As restated
ASSETS			
Non-current assets			
Property, plant and equipment	11	1.8	3.0
Goodwill	13	42.7	72.9
Other intangible assets	14	30.4	54.0
Deferred tax assets	10	0.7	0.9
Investments in associates	12	1.1	2.1
Other non-current assets		-	0.1
Total non-current assets		76.7	133.0
Current assets			
Inventories	16	0.2	0.4
Trade and other receivables	17	2.2	2.5
Current income tax asset	10	0.4	1.0
Other current assets	24	1.8	4.5
Cash and cash equivalents	18	2.2	10.0
		6.8	18.4
Assets classified as held for sale	28	-	2.5
Total current assets		6.8	20.9
Total assets		83.5	153.9
EQUITY			
Capital and reserves attributable to equity holders of the company			
Share capital	19	9.6	8.0
Additional paid-in capital		696.8	678.1
Translation reserve		15.0	17.0
Accumulated losses, opening balance		(664.4)	(644.5)
Loss for the reporting period		(65.9)	(19.9)
Total shareholders' equity		(8.9)	38.7
Non-controlling interests		(0.1)	(0.2)
Total (deficit)/equity		(9.0)	38.5
LIABILITIES			
Non-current liabilities			
Borrowings	20	-	70.0
Deferred tax liabilities	10	4.3	2.7
Total non-current liabilities		4.3	72.7
Current liabilities			
Borrowings	20	38.4	0.9
Liabilities relating to former non-controlling interests	21	7.7	7.6
Trade and other payables	22	3.1	5.3
Amounts due to shareholders	23	35.2	18.9
Current income tax liabilities	10	0.5	0.4
Other current liabilities	25	3.3	7.1
		88.2	40.2
Liabilities classified as held for sale	28	-	2.5
Total current liabilities		88.2	42.7
Total liabilities		92.5	115.4
Total liabilities and equity		83.5	153.9

The accompanying notes on pages 39-79 form an integral part of these consolidated financial statements

About Trader Media East

TME is the leading market place for communities of real estate, auto and recruitment, with strong local brands, serving local markets in Russia, Kazakhstan and Belarus. TME produces 125 print titles with 0.8 million readers per month and hosts 11 web-sites with 18.7 million unique monthly visitors.

TME was founded in November 2005, and comprises the former operations of Trader Classified Media N.V., Currently, the Group employs 2,034 permanent employees in 3 countries.

TME's branded classified advertising websites and publications and related specialized services have leading positions in specific markets in the following countries: Belarus, Kazakhstan, and Russia.

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.

Investor Relations Contact Information

Mrs. İnci Sencan-Tarı

Investor Relations Director

Tel: +90 212 449 6554

e-mail: isencan@hurriyet.com.tr