

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT  
31 MARCH 2019**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	Note	(Not Audited) Current Period	(Audited) Prior Period
	references	31 March 2019	31 December 2018
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		16,590,684	56,867,896
Financial investments		72,133	72,133
Trade receivables			
-Trade receivables from related parties	20	83,270,167	59,248,328
-Trade receivables from non-related parties	5	93,772,666	103,180,193
Other receivables			
-Other receivables from related parties	20	133,656,016	117,323,015
-Other receivables from non-related parties		15,379,439	4,326,809
Inventories		15,071,101	17,527,084
Prepaid expenses		4,512,150	4,291,302
Other current assets		1,919,794	15,893,989
<b>Total Current Asset</b>		<b>364,244,150</b>	<b>378,730,749</b>
<b>Non-current Assets</b>			
Financial investments		313,923	313,923
Other receivables			
-Other receivables from non-related parties		3,915,187	5,363,176
Financial investments accounted for using the equity method	6	3,637,830	4,479,950
Investment properties	7	195,097,868	197,465,641
Tangible assets	8	287,753,835	273,576,563
Intangible assets			
-Other intangible assets	9	11,282,050	11,954,109
Deferred tax asset	18	1,620,495	1,966,834
Other tangible assets		315,720	317,705
<b>Total Non-current Assets</b>		<b>503,936,908</b>	<b>495,437,901</b>
<b>Total Assets</b>		<b>868,181,058</b>	<b>874,168,650</b>

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

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**HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT  
31 MARCH 2019**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	Note references	(Not Audited) Current Period 31 March 2019	(Audited) Prior Period 31 December 2018
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Short-term borrowings	4	-	67,887
Short-term rent payables	4		
-Lease payables to related parties		961,684	-
-Lease payables to others		2,173,942	-
Short-term portion of long-term borrowings	4	15,583,736	15,582,708
Trade payables			
-Trade payables to related parties	20	16,867,472	15,420,957
-Trade payables to non-related parties	5	45,271,334	50,890,149
Employee benefit payables		8,215,227	2,993,159
Other payables			
-Other payables to non-related parties		6,692,822	4,656,574
Deferred income		-	-
Current income tax liabilities		6,774,363	10,460,323
Short-term provisions	18	67,261	527,292
-Short-term provisions for employment benefits		13,317,031	14,164,860
-Other short-term provisions	10	7,479,465	6,740,806
Other short-term liabilities	10	30,915,668	35,166,801
<b>Total Current Liabilities</b>		<b>154,320,005</b>	<b>156,671,516</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	7,822,222	11,733,333
Long-term lease payables	4		
-Lease payables to related parties		11,569,995	-
-Lease payables to others		2,966,903	-
Deferred income		425,218	901,525
Long-term provisions			
-Long-term provisions for employment benefits	12	45,621,466	45,317,176
Deferred tax liability	18	18,090,480	19,381,541
<b>Total Non-Current Liabilities</b>		<b>86,496,284</b>	<b>77,333,575</b>
<b>Total Liabilities</b>		<b>240,816,289</b>	<b>234,005,091</b>

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

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FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT  
31 MARCH 2019**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	Note references	(Not Audited) Current Period 31 March 2019	(Audited) Prior Period 31 December 2018
<b>EQUITY</b>			
<b>Total Equity</b>		<b>627,364,769</b>	<b>640,163,559</b>
<b>Equity attributable to Equity holders of the parent company</b>		<b>627,464,803</b>	<b>639,981,423</b>
Share capital	13	592,000,000	592,000,000
Inflation adjustment to share capital	13	77,198,813	77,198,813
Share premiums (discounts)		76,944	76,944
Other comprehensive income and expenses that will not be reclassified subsequently to profit or loss			
- Gain (loss) on remeasurement			
- Gain (loss) on revaluation of property	13	212,241,738	212,241,738
- Gain (loss) on remeasurement of defined benefit plans	13	(21,093,944)	(21,093,944)
Other comprehensive income and expenses that may be reclassified subsequently to profit or loss			
- Currency translation differences	13	72,499,816	80,374,527
Restricted reserves	13	116,833,222	101,083,330
Retained earnings/Accumulated deficit		(417,649,877)	(671,268,213)
Net profit (loss) for the period		(4,641,909)	269,368,228
<b>Non-controlling interests</b>		<b>(100,034)</b>	<b>182,136</b>
		<b>868,181,058</b>	<b>874,168,650</b>

These condensed consolidated interim financial statements as at and for the period ended 31 March 2019 were approved by the Board of Directors on 9 May 2019.

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE INTERIM PERIOD 01 JANUARY- 31 MARCH 2019**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

	Note references	(Not Audited) Current Period 1 January - 31 March 2019	(Not Audited) Prior Period 1 January- 31 March 2018
Sales	14	94,417,068	109,481,728
Cost of sales (-)	14	(79,138,014)	(67,845,178)
<b>Gross profit (loss)</b>		<b>15,279,054</b>	<b>41,636,550</b>
General administrative expenses (-)		(19,946,877)	(20,453,709)
Marketing expenses (-)		(16,215,401)	(20,359,349)
Other operating income		14,159,826	13,965,389
Other operating expenses (-)		(6,031,490)	(8,058,474)
<b>Operating profit (loss)</b>		<b>(12,754,888)</b>	<b>6,730,407</b>
Share of (loss) gain of investments accounted by the equity method	6	(1,020,398)	(360,331)
Income from investing activities	15	11,176,029	1,486,471
Expenses from investing activities (-)	16	(152,932)	(1,594,077)
<b>Operating profit (loss) before finance income(expense)</b>		<b>(2,752,189)</b>	<b>6,262,470</b>
Finance expenses (-)	17	(7,432,330)	(9,226,335)
<b>Profit (loss) before tax from continuing operations</b>		<b>(10,184,519)</b>	<b>(2,963,865)</b>
<b>Tax income (expense) of continuing operations</b>		<b>1,096,469</b>	<b>(2,126,474)</b>
Current tax income (expense)	18	(136,989)	(126,034)
Deferred tax income (expense)	18	1,233,458	(2,000,440)
<b>Profit (loss) for the period from continuing operations</b>		<b>(9,088,050)</b>	<b>(5,090,339)</b>
<b>Profit (loss) for the period from discontinued operations</b>			
Profit (loss) for the period from discontinued operations		4,490,692	67,225
<b>Net profit(loss) for the period</b>		<b>(4,597,358)</b>	<b>(5,023,114)</b>
<b>Allocation of net profit (loss) for the period</b>			
Attributable to non-controlling interests		44,551	(63,448)
Attributable to equity holders of the parent company		(4,641,909)	(4,959,666)
Attributable to shareholders of the parent company (Loses)		(0.0078)	(0.0090)

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED  
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

**HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.**

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE  
INCOME FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2019**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

Note References	(Not Audited) Current Period 1 January - 31 March 2019	(Audited) Prior Period 1 January - 31 December 2018
<b>Other comprehensive income statement</b>		
<b>Net profit (loss) for the period</b>	<b>(4,597,358)</b>	<b>(5,023,114)</b>
<b>Other comprehensive income</b>		
<b>Other comprehensive income (expense) that will not be subsequently reclassified to profit</b>		
- Gain (loss) on revaluation of property	-	-
- Gain (loss) on revaluation for defined benefits	-	-
Taxes related to other comprehensive income (expense) that will not be subsequently reclassified to profit and loss		
- Gain(loss) on revaluation of property, tax effect	-	-
- Gain(loss) on revaluation for defined benefits, tax effect	-	-
<b>Other comprehensive Income (expense) that will be subsequently reclassified to profit and loss</b>		
- Currency translation differences	(8,201,432)	974,713
- Other comprehensive income (expense) from cash flowhedges	-	2,939,460
Taxes related to other comprehensive income(expense) that will be subsequently reclassified to profit and loss		
Other comprehensive Income (expense) from cash flow hedges, tax effect	-	(646,681)
<b>Other comprehensive Income (expense)</b>	<b>(8,201,432)</b>	<b>3,267,492</b>
<b>Total comprehensive Income (expense)</b>	<b>(12,798,790)</b>	<b>(1,755,622)</b>
<b>Allocation of total comprehensive Income (expense)</b>		
Attributable to non-controlling interests	(282,170)	(114,950)
Attributable to shareholders of the parent company	(12,516,620)	(1,640,672)

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

CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE INTERIM PERIOD 1 JANUARY- 31 MARCH 2019

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated).

	Note references	Share capital	Inflation adjustment to share capital	Share premiums (discounts)	Hedge instrument gain (loss)	Currency translation differences <sup>(1)</sup>	Other comprehensive	Other comprehensive	Accumulated Profits			Equity	Non-controlling interests	Total equity
							Income (expense) that will be subsequently Reclassified to Profit or loss	Income (expense) that will be subsequently Reclassified to Profit or loss	Retained earnings / (losses) <sup>(2)</sup>	Net profit / (loss) for the period	of the parent company			
<b>Balances at 1 January 2018</b>	13	552,000,000	77,198,813	76,944	(856,705)	72,041,619	187,778,810	(18,617,479)	191,532,907	(494,582,896)	(264,505,378)	302,066,635	1,040,275	303,106,910
<b>Adjustments related to required changes in accounting policies (Note 2)</b>		-	-	-	-	-	-	-	-	(2,784,761)	-	(2,784,761)	(122,369)	(2,907,130)
IFRS 9 policy change effect, net		-	-	-	-	-	-	-	-	(2,784,761)	-	(2,784,761)	(122,369)	(2,907,130)
<b>Balances after adjustments</b>		552,000,000	77,198,813	76,944	(856,705)	72,041,619	187,778,810	(18,617,479)	191,532,907	(497,367,657)	(264,505,378)	299,281,874	917,906	300,199,780
Transfers		-	-	-	-	-	-	-	(90,604,822)	(173,900,556)	264,505,378	-	-	-
Increase (Decrease) through Share-Based Payment Transactions		-	-	-	-	-	-	-	-	-	-	-	197,652	197,652
Total comprehensive income / (expense)		-	-	-	2,292,779	1,026,215	-	-	-	-	(4,959,666)	(1,640,672)	(114,950)	(1,755,622)
-Other comprehensive income (expense)		-	-	-	2,292,779	1,026,215	-	-	-	-	-	3,318,994	(51,502)	3,267,492
-Net profit (loss) for the period		-	-	-	-	-	-	-	-	-	(4,959,666)	(4,959,666)	(63,448)	(5,023,114)
<b>Balances at 31 March 2018</b>	13	552,000,000	77,198,813	76,944	1,436,074	73,067,834	187,778,810	(18,617,479)	100,928,085	(671,268,213)	(4,959,666)	297,641,202	1,000,608	298,641,810
<b>Balances at 1 January 2019</b>	13	592,000,000	77,198,813	76,944	-	80,374,527	212,241,738	(21,093,944)	101,083,330	(671,268,213)	269,368,228	639,981,423	182,136	640,163,559
Transfers		-	-	-	-	-	-	-	15,749,892	253,618,336	(269,368,228)	-	-	-
Total comprehensive income / (expense)		-	-	-	-	(7,874,711)	-	-	-	-	(4,641,909)	(12,516,620)	(282,170)	(12,798,790)
-Other comprehensive income (expense)		-	-	-	-	(7,874,711)	-	-	-	-	-	(7,874,711)	(326,721)	(8,201,432)
-Net profit (loss) for the period		-	-	-	-	-	-	-	-	-	(4,641,909)	(4,641,909)	44,551	(4,597,358)
<b>Balances at 31 March 2019</b>	13	592,000,000	77,198,813	76,944	-	72,499,816	212,241,738	(21,093,944)	116,833,222	(417,649,877)	(4,641,909)	627,464,803	(100,034)	627,364,769

<sup>(1)</sup> In accordance with the board decision dated 22 November 2017 of Pronto Media Holding, which is located in Russia as the indirect subsidiary of Trader Media East Ltd. of which of the Group owns 97.29% shares, the Group decided to discontinue the digital operations within its body and impairment losses of such operations have been recognized under “discontinued operations” in the in statement of profit (loss). Additionally, currency translation differences recognized under equity attributable to TME activities will be transferred from equity to the statement of profit or loss when the necessary conditions are met.

<sup>(2)</sup> In 2019, The transfer is subjected to the restricted reserves.

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

# HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

## 31 MART 2019 TARİHİNDE SONA EREN ARA HESAP DÖNEMİNE AİT ÖZET KONSOLİDE FİNANSAL TABLOLARA İLİŞKİN AÇIKLAYICI DİPNOTLAR (Tutarlar aksi belirtilmedikçe Türk Lirası ("TRY") olarak ifade edilmiştir.)

		(Not Audited) Current period 1 January - 31 Marc 2019	(Not Audited) Prior Period 1 January - 31 March 2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>(4,535,512)</b>	<b>(9,353,842)</b>
<b>Net profit (loss) for the period</b>		<b>(4,597,358)</b>	<b>(5,023,114)</b>
Profit (loss) from continuing operations		(9,088,050)	(5,090,339)
Profit (loss) from discontinued operations		4,490,692	67,225
<b>Adjustments to reconcile profit (loss) for the period</b>		<b>43,943,389</b>	<b>5,850,662</b>
Adjustments related to depreciation and amortization expenses	8,9	8,484,371	5,299,667
Adjustments related to impairment (reversal)			
Adjustments related to impairment (reversal) of receivables	5	1,764,039	5,067,961
Adjustments related to provision for impairment of inventories		116,737	118,642
Adjustments related to impairment (reversal) of investment property	16	-	987,426
Adjustments related to (reversal) of provision for employment benefits		-	-
Adjustments related to depreciation and amortization expenses			
Adjustments related to impairment (reversal)	10,12	1,036,722	2,031,710
Adjustments related to litigation and legal provisions (reversal)	10	2,303,648	785,175
Adjustment related to general provisions (reversals)		75,061	1,038,793
Adjustment related to other provisions (reversals)		(536,254)	5,900,717
Adjustments related to interest (income) expense			
Adjustments related to interest income		(391,909)	(684,472)
Adjustments related to interest expense	17	7,135,446	8,372,489
Unearned finance income due to term purchases		6,503,068	(5,161,549)
Unearned finance expense due to term sales		(129,321)	121,252
Adjustments related to undistributed profits of investments accounted at equity method			
Adjustments related to undistributed profits of associates	6	1,020,398	360,331
Adjustments related to tax (income) expense	18	(1,096,469)	2,126,474
Adjustments regarding to (gain) loss on sale of fixed assets			
Adjustments related to (gain) loss on sale of tangible assets	15,16	(116,633)	(86,160)
Adjustments related to (gain) loss on sale of assets held for sale		17,774,485	(20,427,794)
<b>Changes in working capital</b>		<b>(39,973,894)</b>	<b>(10,294,059)</b>
Adjustments related to (increase) decrease in trade receivables			
(Increase) decrease in trade receivables from related parties		(24,021,839)	(364,179)
(Increase) decrease in trade receivables from third parties		(903,173)	628,984
Adjustments related to (increase) decrease in inventories		2,460,811	832,055
(Increase) decrease in prepaid expenses		(220,848)	(2,539,690)
Adjustments related to increase (decrease) in trade payables			
Increase (decrease) in trade payables to related parties		1,446,515	3,074,416
Increase (decrease) in trade payables to third parties		(5,618,815)	(6,227,772)
Increase (decrease) in payables related to employee benefits		5,222,068	(528,775)
Increase (decrease) in deferred income		(4,162,267)	(2,422,439)
Adjustments related to other increase (decrease) in working capital			
(Increase) decrease in other assets related to operating activities		(11,961,462)	(1,063,860)
Increase (decrease) in other liabilities related to operating activities		(2,214,884)	(1,682,799)

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

	(Not Audited) Current period 1 January -	(Not Audited) Prior Period 1 January -
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# HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

## 31 MART 2019 TARİHİNDE SONA EREN ARA HESAP DÖNEMİNE AİT ÖZET KONSOLİDE FİNANSAL TABLOLARA İLİŞKİN AÇIKLAYICI DİPNOTLAR (Tutarlar aksi belirtilmedikçe Türk Lirası ("TRY") olarak ifade edilmiştir.)

	Reference	31 March 2019	31 March 2018
<b>Cash generated from operations</b>		<b>(627,863)</b>	<b>(9,466,511)</b>
Employment benefits paid	12	(3,408,269)	(3,840,530)
Payments related to other provisions	10	(544,508)	(106,020)
Taxes returns (payments)	18	(597,020)	(1,896,325)
Other cash inflows (outflows)		642,148	5,955,544
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(16,883,581)</b>	<b>(1,201,483)</b>
Cash inflows from sale of tangible and intangible assets	8,9	128,567	5,668,421
Cash outflows from purchase of tangible and intangible assets			
Cash outflows from purchases of tangible assets	8	(19,741,829)	(3,576,479)
Cash outflows from purchases of intangible assets	9	(30,001)	(3,977,897)
Cash inflows from sale of investment property	7	3,550,000	-
Cash outflows from purchases of investment property	7	(1,182,227)	-
Interests received		391,909	684,472
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(5,435,837)</b>	<b>(39,786,319)</b>
Cash flows from changes in ownership of an affiliate not resulting loss of control			
Cash inflows from changes in ownership of an affiliate not resulting loss of control		-	197,652
Cash inflows from borrowing			
Bank borrowings utilized	4	-	20,737,892
Cash outflow from rent agreements		(1,164,298)	-
Cash outflow related to payments of debt			
Bank borrowings paid	4	-	(52,348,577)
Interests paid	17	(4,271,539)	(8,372,490)
Other cash inflows (outflows)		-	(796)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF EXCHANGE RATE CHANGES</b>		<b>(26,854,930)</b>	<b>(50,341,644)</b>
Effects of currency translation rate changes on cash and cash equivalents		(13,422,282)	(272,521)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(40,277,212)</b>	<b>(50,614,165)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>56,867,896</b>	<b>65,946,767</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>16,590,684</b>	<b>15,332,602</b>

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