



ENERGY

DOĞAN HOLDING'S COMMITMENT TO BECOME A REGIONAL PLAYER IN THE ENERGY SECTOR STEMS FROM OUR PREMISE THAT DEMAND FOR ENERGY WILL BE TURKEY'S KEY ECONOMIC DRIVER IN THE 21ST CENTURY.

Once again in 2006, Doğan Holding selected the energy sector as one of its main fields of investment. During the year, investment was focused toward the development of electrical energy generation and distribution projects, in addition to the improvement of the fuel oil distribution network. In line with this strategy, the UDDA Consortium (Unit Investment BV, Doğan Holding, Doğu Holding A.Ş. and Anadolu Endüstri Holding A.Ş.) was formed to undertake joint ventures in electricity generation projects based on coal, water and wind, and the constructions of certain HEPP projects that would start in 2007 were undertaken through tenders.

The consortium also readied itself to participate in privatization tenders of SEDAŞ and AYEDAŞ electricity distribution regions, and now awaits the re-announcement of the tenders. The Group set up other consortiums to take part in the tenders of Başkent Elektrik Dağıtım A.Ş. and having met the prequalification criteria, earned the right to participate in the tenders. These projects envision bringing electric service to a total of 4 or 5 million subscribers in two regions.

To Doğan Holding, energy represents a major, active and very high potential line of business in Turkey and in the surrounding region. Accordingly, the Group has built its strategic development plan in the energy sector on the foundation of strengthening its current market position and growing in critical fields through new investments.



In 2006, the Group's main activities in the energy sector included fuel oil and natural gas distribution and marketing and investments directed toward the establishment of a refinery by the sector leader Petrol Ofisi A.Ş. (Petrol Ofisi).

The new oil market law which went into effect on 1 January 2005 is the one development that had the greatest impact on the energy sector recently. The law provides detailed guidelines in various areas including, pricing, importation and audit mechanisms while giving the sector a more transparent and competitive structure. Expected to be finalized by end-2007, the transition period is characterized by an increased number of players, transformation of market dynamics, and growing importance of sectoral rules and regulations.

Turkey's leading establishment in the storage area with a capacity of 1 million m³, Petrol Ofisi finished 2006 as the market leader with a share of 34% in diesel, 26% in gasoline, 22% in auto-LPG, 50%



in black products, 75% in jet fuel and 28% in mineral oils. Petrol Ofisi increased its net sales to USD 9,6 billion, a year-on rise of 9% compared with the prior year's USD 8.8 billion, and also raised its EBITDA to USD 423 million, up 18%.

Petrol Ofisi closely monitors the rapid developments in the energy sector in Turkey and neighboring countries, and aims to become a strong regional power in its field of activity. Aware of the benefits of moving up along the value chain, Petrol Ofisi stepped up its initiatives to operate in refinery and natural gas distribution fields. The company filed its application with the EPDK in July 2006 relating to the refinery investment with a capacity of 10 million tons planned to be made in Ceyhan. The preliminary engineering phase of the project was commenced in December 2006.

As an extension of its current corporate vision, in March 2006 Doğan Holding realized a strategic alliance under Petrol Ofisi organization with the

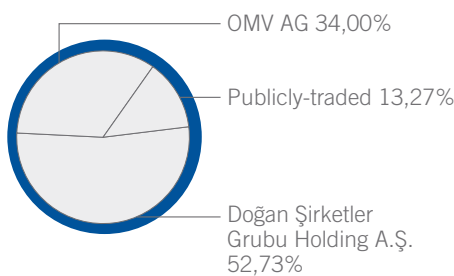
Austrian company OMV, the leading fuel oil and gas concern in Central Europe. While the partnership contributes to the strong presence of Petrol Ofisi in the international arena, it also enables the company to further optimize its full range of competencies in production, and particularly in mineral oils, and to create additional value.

Representing one of the most important investments of Doğan Holding, Petrol Ofisi has one of the most extensive fuel oil distribution networks in Turkey. The company increased the number of its stations to 3.500 in 2006 from 3.356 in 2005. The company's strategy to strengthen its station network in large cities played a major part in this increase. Petrol Ofisi also has Turkey's widest auto-LPG network with 810 Petrogaz and 654 contracted stations, and also obtained an LPG distribution license in 2006.

Petrol Ofisi A.Ş.

Shareholding Structure

as of 31.12.2006





MEDIA

DOĞAN YAYIN HOLDING CONTINUED TO BE A PIONEERING MEDIA GROUP IN 2006 ACTIVE IN PRINT MEDIA, ELECTRONIC MEDIA, BOOK PUBLISHING, DIGITAL MEDIA AND OTHER ALTERNATIVE DISTRIBUTION CHANNELS.

DOĞAN YAYIN HOLDING IS ALSO EXPANDING ITS PRESENCE IN INTERNATIONAL MARKETS. IN ADDITION TO ITS ACTIVITIES IN THE EUROPEAN MEDIA SECTOR, THE GROUP IS AIMING TO ESTABLISH ITSELF AS A REGIONAL MEDIA POWER THROUGH EVER NEW INITIATIVES.



Another key asset in Doğan Holding's portfolio is its media group. This is the Holding's traditional core operations, which it continuously improves upon via new technology implementations. Organized under the Doğan Yayın Holding A.Ş. (DYH) umbrella, the media assets are guided by the group's corporate values which include reliability, accountability, creativity, pioneering in change and teamwork. DYH pursues differentiation through a range of business strategies which include developing custom-tailored products, producing content with traditional brands, closely following technology developments, employing imaginative methods and diversifying its sales and distribution channels.

Aligning its profitability and turnover with its sustainable growth strategy, DYH reinforced its ability to drive and lead the Turkish media sector in 2006. Based upon 2006 estimated market data, DYH's total advertising share in the media sector stood at 42% for the year. Implementing structural transformations in line with its strategic, productivity and focus plans in 2006, DYH moved aggressively toward its targets of sustainable growth and profitability.

Setting up Kanal D Romania was a project which was initiated in 2006, for the purpose of regional expansion. The channel went on air as a local station in Romania in February 2007. Major steps were also taken towards cooperating in TV broadcasting in Romania with the Swiss Ringier Group, one of the world's leading media establishments. This is indicative of new and bold moves towards Doğan Holding's goal of developing within the media sector in Europe.

The group set up 11 new thematic channels in 2006. The content range was expanded and the broadcasting network was strengthened in visual media. Technology investments were made in the D-smart digital satellite receiver. A technological

assistance agreement was executed between Doğan TV and NDS Group Plc (NDS), a participation of News Corporation, one of the world's leading media groups. According to the agreement, NDS will provide the highest level of technological support to the digital interactive TV broadcasting initiatives Doğan TV carries out under the D-Smart brand.

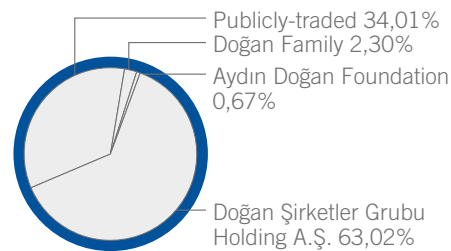
Doğan Holding's investments over the past two years via DYH reached YTL 753 million including the acquisition of Star TV. In 2006, characterized by increased capacity and accelerated Internet investment in the press, and expansion both in national and thematic channels as well as a stepped up pace of restructuring initiatives, DYH raised its consolidated revenues to YTL 2.18 billion, up 27,3% year-on, and thereby averaging a growth rate of 32% over the past three years.

Doğan Holding continued its investments in Turkey's most extensive and effective channels in printed and electronic media. Highlights of DYH's activities and initiatives are summarized below:

Doğan Yayın Holding A.Ş.

Shareholding Structure

as of 31.12.2006



NEWSPAPER PUBLISHING

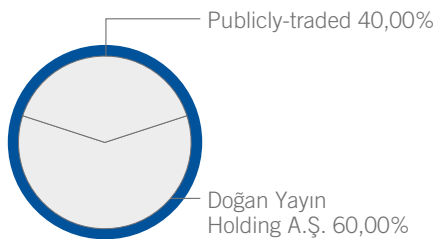
Hürriyet Hürriyet Gazetecilik ve Matbaacılık A.Ş.

Representing liberal thought in the Turkish press for over five decades, Hürriyet aptly blends the elements of serious and popular journalism. At 548.000, the average net circulation in 2006 represents a year-on rise of 5%. The newspaper's news portal at www.hurriyet.com.tr is among Turkey's most frequently visited websites and receives 150 million hits on a monthly average. Initiated and implemented by Hürriyet, the "Stop Family Violence" campaign attracted remarkable attention.

Referans Modern business journalism

Referans is one of the two top-selling economic and financial newspapers in Turkey and 2006 was a year of strong growth for the paper. While its market share was 40%, the paper's advertising revenues grew 108% and it upped its sales 40% compared to the prior year. Referans increased its share in the business journalism segment to 17% in 2006. Referans targets young, open-minded businesspeople, and the paper addresses all kinds of topics in the business world in plain language. For Internet users, the paper is accessible at www.referansgazetesi.com.

Hürriyet Gazetecilik ve Matbaacılık A.Ş. Shareholding Structure as of 31.12.2006



daily news

The world's window into Turkey

The Turkish Daily News is one of the two English language daily newspapers in Turkey, and serves as the main source of local news for the expatriate community. Having adopted a democratic and libertarian style that is accorded international respect, the Turkish Daily News brings its readers important political, economic, social and cultural events as well as content rich local, and international news. The paper has earned a reputation as being the world's window into Turkey. Efforts are ongoing aimed at further upgrading the Turkish Daily News website (www.turkishdailynews.com.tr) visited by 450.000 users on average every day and has over 40.000 registered readers.



Launched in 1996, Gözcü* provides accurate news through the people's perspective, and shares their thoughts and feelings. Offering readers an affordable newspaper, Gözcü is a successful publication within its genre in Turkey. Gözcü exhibits a secular, republican nature under the guidance of positive science, and brings the important news of the day in the most direct and plain manner to its readers.

* Gözcü newspaper ceased publication in March 2007.



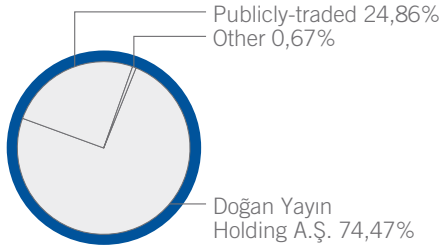
Doğan Gazetecilik A.Ş.

Doğan Gazetecilik publishes Milliyet, Posta, Radikal, Fanatik newspapers and their supplements, and also undertakes the content management and online publishing of their web portals. While total daily newspaper sales reached 5,2 million in 2006, daily circulation of the four newspapers owned by Doğan Gazetecilik averaged 1,2 million. This circulation brought Doğan Gazetecilik a 24% market share, as well as sustained sector leadership.

Doğan Gazetecilik A.Ş.

Shareholding Structure

as of 31.12.2006



Shaping ethics in journalism

Unrelenting in its pursuit of the highest level of journalistic ethics and standards in its publications since its inception in 1950, Milliyet has a staff of well respected columnists and experts from various fields. The paper's daily unit sales averaged 281.252 in 2006, and its market share was 5,5%. The first newspaper to publish its newspaper online (www.milliyet.com.tr), Milliyet pioneered Internet journalism in Turkey. The website gets 1 million hits per day, making it the most frequently visited online news site. Within the scope of its commitment to social responsibility Milliyet initiated the "Daddy Send Me to School" campaign, implementing a broad based project that aims to open the door to education to girls who have been deprived of education.



The innovative sound of the Turkish press

Launched in 1996, Radikal has been the cynosure of well-educated urban readers by virtue of the innovations it has introduced to the Turkish press, in keeping with its name. The paper's daily circulation in 2006 averaged 36.004. Radikal will continue to play a pioneering role in the formation of a more intellectual and humane society, and to be the innovative voice of the newspaper sector. Accessible at www.radikal.com.tr, the paper's online edition is placed amongst the country's most frequently visited news sites.



The leader in its sector

Posta is the leader in its sector as Turkey's most-read newspaper enjoying the highest circulation. While its average daily unit sales were 635.444 in 2006, the paper's market share was 12.4%. Appealing to both urban and rural readers, Posta produced an original newspaper style with this achievement. The choice of many readers due to its easy-to-read style and competitive price,

Posta's main target is to increase its advertising share in the total printed media and to reach 1 million copies sold per day in the years ahead.



Leading sports-only newspaper

Fanatik Newspaper maintained its undisputed leadership in sports press with average daily sales of 240.717 issues and a 4.7% market share in 2006. Fanatik brought high standards to the sports media. Fanatik is the only Turkish newspaper which earned an international fair play award with its "Fan-etik" (Fanethics) page. Moving towards its targets in line with its focus on football, the newspaper is also widely read by Turkish sports fans living abroad. Reached at www.e-kolay.net/fanatik, the newspaper's website attracts great interest from online readers.

Fanatik Basket: Differing from its peers

Launched in 1996, Fanatik Basket is a weekly newspaper highlighting Turkish and foreign professional and amateur basketball teams.



An important authority in European public opinion

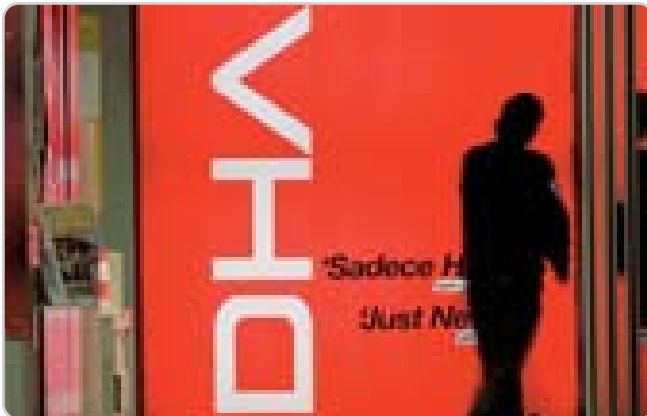
Coordinating DYH's activities in Europe and mainly in Germany, DMG International publishes Hürriyet, Milliyet, Fanatik newspapers

and Hafta Sonu magazine in Germany and Europe, and is responsible for their advertising and marketing as well. Despite the contraction in the overall newspaper market and the sales downturn in Germany in 2006, the advertising targets were met in the products affiliated to the Group. Eleven new products, two of which are dailies, were added to the portfolio in 2006 which stood out as a very successful year in printing activities. DMG International reaches a great number of Turks, and creates a strong public opinion via Euro D and Euro Star TV channels that broadcast specifically to Europe, in addition to its magazines and newspapers. Published uninterruptedly for over 40 years in Europe, Hürriyet ranks among the best-recognized Turkish brands. Hürriyet is sent to a total of 22 countries, led by Germany, UK, France, the Netherlands, Belgium, Austria and Switzerland. Milliyet takes its place on newsstands in nine countries.



A key news service provider

Doğan News Agency (Doğan Haber Ajansı - DHA) is a provider of news reports, still photographs and video news to newspapers, TV channels, radio stations and Internet sites affiliated to DYH, as well as to various media organizations in foreign countries. DHA has now started to focus on overseas sales.



On average, the company processes 6.000 news articles, 11.000 photographs and 3.000 television news reports per month and disseminates them electronically. The ultimate goal of DHA is to capitalize on its competitive edge in technology with a view to gain recognition as the region's primary news service provider by international TV channels and publishers.

ELECTRONIC PUBLISHING AND PRODUCTION

Doğan TV Radio Group is Turkey's largest TV and radio group and includes Kanal D, Star TV, CNN Türk, D Max, D Plus, D Cinema, D Yeşilçam, D Çocuk, Dream, Dream Türk, D Spor, Fenerbahçe TV, BJK TV, Galatasaray TV, Emlak TV, Euro D, Euro Star, CNN Türk Radyo, Slow Türk and Radyo D.



Turkey's top-rated TV channel

In 2006, Kanal D maintained its title as Turkey's most viewed channel. Its brand name associated with modernity, Kanal D is the flagship of the Turkish TV sector. Having captured Turkey's top-rating for all-day viewing, Kanal D is the general-interest channel having the greatest advertising might. The first TV station in Turkey to broadcast live over the Internet, Kanal D attracts much attention with its website at www.kanald.com.tr. Kanal D continued to extend its support to social responsibility projects in 2006 and put on the acclaimed "It is Not a Shame Not to Know, but It is a Shame Not to Teach" telethon campaign on 23 April 2006 in collaboration with TEGV (The Educational Volunteers Foundation of Turkey). Contributions totaling YTL 2 million were collected with the campaign.



Turkey's first private TV channel

Having joined DYH in November 2005, Star TV was the first TV channel to launch the first uplink outlet, multiplex broadcasting, digital broadcasting, and virtual studio. Focusing on women viewers and remaining strictly adhered to its broadcasting principles, Star TV is the channel to have achieved the highest increase in prime-time ratings in the July-December 2006 period. One of Turkey's top four national channels in terms of viewing, Star TV also draws much interest with its website accessible at www.startv.com.tr.



24-hour news broadcasting

Continuing to renew itself and changing the TV culture throughout 2006, the channel further strengthened its reputation as a serious news channel with its new program structure and young staff profile. Turkey's only 24-hour news channel, CNN Türk reaches every corner of the country via cable and satellite broadcasts. CNN Türk asserts a strong statement also with its newscasting through its constantly updated website at www.cnnturk.com. The importance CNN Türk grants to nature and the environment, people and social relations is reflected in the support it extended to various projects including "Zero Extinction" with Doğa Derneği (Birdlife Turkey), "Lay Hand on" with TEMA (The Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats) and "Donate for Life" with the Ministry of Health.

Euro D

The channel was founded in 1996 with the aim of giving Turkish expatriates the opportunity to remain in touch with the homeland. Euro D was named the most widely viewed privately-owned TV channel among Turkish viewers by Gesellschaft für Kommunikationsforschung, Germany's largest official media research organization. Apart from Europe, Euro D can be watched in the United States and Australia, as well. The website of the channel is accessible at www.eurod.de.

Fenerbahçe TV

The Fenerbahçe Sports Club has leased Fenerbahçe TV from DYH, with technical support provided by the DYH broadcast network. The station broadcasts via the national cable network and the Türksat 2A satellite, and preparations are underway to go digital in the near future.

Beşiktaş TV

Newly founded by the Beşiktaş Sports Club, the channel is leased from DYH with technical support provided by the DYH broadcast network. Broadcasting on the digital platform via Türksat 2A satellite, Beşiktaş TV is expected to move to the national cable network in the near future.

Dream TV: The leader in foreign music

Having achieved great success due to its filling a niche with foreign music broadcasts, Dream TV has proven its success time and again through the awards it has received during its three years in operation.

Dream Türk TV: Best music videos of Turkish artists

Dream Türk TV offers viewers the best music videos, live performances and exclusive images of Turkish musicians and bands, in addition to the latest news from the world of Turkish music.

CNN Türk Radio (FM 92.3): In order to be aware of before everyone else

CNN Türk Radio is the sole news radio station of the group, which was founded by a partnership of the Doğan Media Group and Time Warner. It functions as the audio broadcasting enterprise of CNN Türk TV. CNN Türk Radio, which is on air at FM 92.3 in İstanbul, presents its listeners with a wide array of programming that includes up-to-the minute news reporting, special feature programs with Turkey's most experienced journalists, commentaries on news developments, weather and traffic reports, along with coverage of fashion, culture and the arts, technology, health, music and cinema. Its website is accessible at www.cnnturkradyo.com.

Slow Türk (FM 95.3): For the best love songs

Having started its broadcasting life in 2005, Slow Türk presents its listeners with the best love songs 24 hours a day. Broadcasting in İstanbul and Ankara on FM 95.3, Slow Türk is readying itself to widen its reach over Turkey.

Radio D (FM 104): For Turkish pop music

Broadcasting Turkish pop music with its top-notch infrastructure set up with digital systems, Radio D is one of Turkey's first radio stations that started broadcasting nationally. Reaching a huge number of listeners by virtue of its wide ranging broadcast network, Radio D captures 4% of the sector's advertising revenues.

Radio D supports the TEMA Foundation's Plant-a-Tree campaign. The radio station also reaches its listeners via its website at www.radyod.com.tr.

Galaxyteknik: Superior technical infrastructure services

Galaxyteknik provides services for all the technical infrastructure of Kanal D, CNN Türk, Euro D, Dream TV, DHA, and the Holding's recently acquired Star TV, as well as the radio stations operating under the umbrella of the Doğan TV Center. The company is also responsible for the operation, maintenance and planning of new investments for these channels.



Innovations in the world of music

Doğan Music Company (DMC) was established in 2000 to follow the global trend toward the convergence and unification of the media, entertainment, communications and IT industries, and to pursue activities in the field of arts by creating synergy with other DYH enterprises operating in the entertainment sector. Currently DMC carries out activities in the field of album productions and promotions acting as a traditional music recording company, talent management of artists and management of intellectual property rights of the owners of works. The market leader of the music sector in 2004, 2005 and 2006 with a 12% share, DMC increased its share in the market to 17% in the first quarter of 2007. DMC works with the pre-eminent artists and bands in the Turkish music market including Sezen Aksu, Ajda Pekkan, Kayahan, Sertab Erener, Candan Erçetin, Ferhat Göçer, Mazhar-Fuat-Özkan, Kenan

Doğulu, Gökhan Özen, Emre Altuğ, Yeni Türkü, Burak Kut, Bulutsuzluk Özlemi, Demir Demirkan and Volkan Konak.

productions A multi-faceted production company

D Productions is engaged in TV, movie, commercial and video clip production and program and film distribution. D Productions received high praise with its 2006 productions and attained its financial performance targets. The External Sourcing Department aggressively pursued film purchases in 2006, and 217 of the 480 films purchased were incorporated into the company portfolio with all affiliated rights. Twelve of these films were screened in movie theaters, generating USD 1,3 million in proceeds, while 41 were sold to TV stations, generating USD 1,13 million in revenue. The Home Video Department, which began operations in December 2005, asserted itself early: 480 film purchase agreements were made in 2006. The company's market share is estimated to be 10% in the home video market, and based on semi-annual data, 1% in the cinema segment.



Turkey's new digital platform

Launched in the first quarter of 2007, D-Smart is a new television system that will be offering special video services while fulfilling rapidly evolving viewer demands and enhancing the quality in the sector in parallel with the advancing digital broadcast technologies. Apart from the fee that will be paid when buying the D-Smart-compatible satellite receiver, consumers will own D-Smart without any additional monthly subscription fees. The system aims to add to TV viewing pleasure by bringing all channels and interactive content available on Türksat satellite into households, featuring digital sound and image quality, in addition to special series, film, documentary, sports, entertainment, fashion, culture, children, music and news channels.

BOOKS AND MAGAZINES PUBLISHING - Magazines and top-selling books addressing a variety of segments



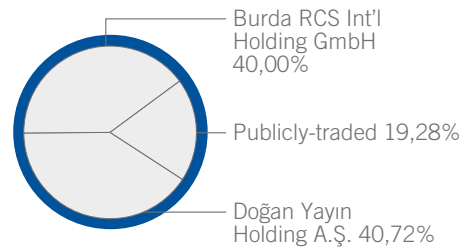
Turkey's foremost magazine publisher

Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. (Doğan Burda) is Turkey's foremost magazine publisher with strong international partnerships and strategic alliances. Doğan Burda launched four new magazines in 2006, namely, Yacht Türkiye, Evim, Dr. Kuşhan'la Diyet and Ev-Bahçe, and also continued with the relaunch of Tempo, Hafta Sonu and Lezzet magazines. In 2006, Doğan Burda produced 25 periodicals, of which six are printed weekly and 19 monthly, as well as 17 seasonal magazines. These magazines reached total sales of 12.6 million copies, indicating a year-on rise of 17%. In the magazines market, Doğan Burda is the market leader with a share of 39% in terms of circulation, and 40% in advertising revenue, a leading position that it has maintained for many years.

Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş.

Shareholding Structure

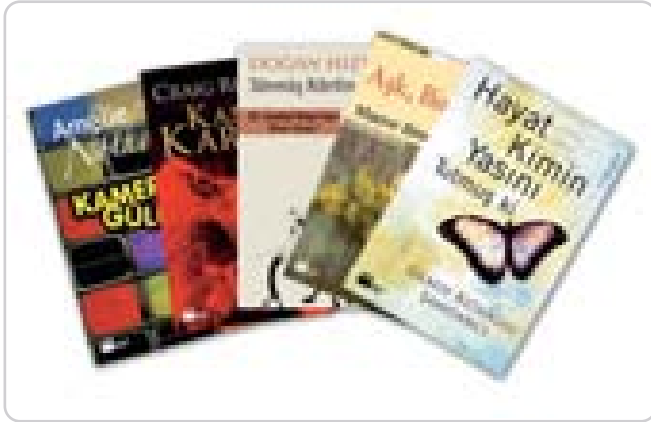
as of 31.12.2006





30% share in the sector

Doğan Books has been a pioneering publishing house based on its strong international collaborations, business approach that closely monitors the latest trends in publishing and its features that have driven the sector since its inception. The company's monthly book sales average 80.000, rocketing up to 150.000 during certain periods. Doğan Books commands a 30% share in the sector.



Books for children and youth

While 2006 saw a sustained increase in total book sales by Doğan Egmont, Narnia books, accompanying the Narnia film series, in particular boosted sales, resulted in 3,2 million copies of magazines and 1 million books being sold. Undersigning a first in Turkey in the reporting period, Doğan Egmont introduced Hilal Dikmen, one of Turkey's youngest fantasy novelists, to its readers with the book entitled "Taşların Seçimi". The sole licensed publisher of Walt Disney products in Turkey, Doğan Egmont captured a 27% market share in the children and youth categories in the total magazine market, and maintained its leadership with a 46% share in the children's category excluding weekly newspaper supplements.



Katalog Yayın ve Tanıtım Hizmetleri

The company publishes the Altın Sayfalar (Golden Pages) shopping and city guides, which are filled with information about every kind of product, brand, company and

service imaginable. It also provides its users with online services at its website accessible at www.altinsayfalar.com.tr.

PRINTING & DISTRIBUTION - High quality and efficiency in printing and distribution



A network embracing Turkey

Yaysat-Doğan Dağıtım is a printed materials distribution company distributing newspapers and magazines all around the country. In 2006, the company distributed 53 dailies, of which 29 were national and 24 local, and 1.244 assorted magazines. In the reporting period, 31 daily, 98 weekly, 38 biweekly, 521 monthly and 556 annual publications were introduced to the market. With 210 distributors in Turkey and two in Cyprus, Yaysat-Doğan Dağıtım reaches all the readers at 27.500 sales points affiliated with the distributors. Yaysat captured 61% and 64% turnover share in newspaper and magazine distribution markets, respectively.



On track to become an international brand

Doğan Ofset is a large-scale printing house offering outstanding quality in the production of magazines, inserts, brochures, catalogs, newspapers, directories and books. In addition to its domestic customers, the company also serves foreign customers. The first printing company in Turkey to earn the prestigious ISO 9001:2000 Quality Assurance Certification, Doğan Ofset also obtained the ISO 14001 Environmental Protection Program Certification. With high print quality and capacity,

broad service coverage, web and sheet-fed printing capability, a new machinery line, and finely tuned distribution network, Doğan Ofset is on track to become an international brand in printing in the 21st century.



Turkey's largest, Europe's second largest printing facility

Located in six cities across Turkey, Doğan Printing Centers (DPC) publishes eight daily newspapers and a number of periodicals. The DPC located in İstanbul is the largest printing facility in Turkey and the second largest in Europe in terms of capacity. Creating operational synergy among DYH newspapers, the DPCs print all the group newspapers and play a major part in ensuring even further cost savings by coordinated paper purchasing and stockpiling capabilities.



Effective planning and field services countrywide

Dergi Pazarlama Planlama (DPP) is involved in the distribution management, circulation planning and marketing activities for a large number of periodicals.

In 2006, the company successfully handled the distribution planning of 1.244 publications. Of these, 100 were domestic publications, 535 were foreign language publications, and 609 were customer publications. In the reporting period 31 daily, 98 weekly, 38 biweekly, 521 monthly publications and 556 others with irregular periods were introduced to the market. DPP offered planning and marketing services to magazines in various categories and periods of 366 publishers in 2006. The annual sales of these products distributed by Doğan Dağıtım totaled 37 million copies. Handling the planning and field services of 7 million magazines per month on average, DPP garners a 64% share in turnover from the total magazine market.

Doğan Dış Ticaret

DYH also includes Doğan Dış Ticaret, which represents the worldwide famous Stora-Enso

papers, and Işıl İthalat İhracat, which undertakes the import and sales of newsprint papers under different brands.

OTHERS

Doğan Online: Efficient service on the Internet

Considering the Internet as an alternative opportunity within the media sector, DYH set up Doğan Online (DOL) in 1999. Doğan Online is one of Turkey's foremost Internet service providers with extensive operations in e-business solutions, digital content and telecommunications services for both individual and corporate customers. Having identified its mission as providing value-added digital products and services to individuals to make their lives easier and richer, Doğan Online aims to increase its market share and sustain its leadership position. Doğan Online stepped up its activities in corporate communications services and ADSL provision in keeping with its decision to undertake restructuring so as to focus on telecom infrastructure services in 2007.



A lifestyle in music and books

D&R operates as Turkey's first and largest chain of stores engaged in the retailing of culture and entertainment products. The year saw a great amount of expansion and investment for D&R as the company achieved 94% growth in its retail space adding some 8.586 sqm in 2006, to its base of 9.136 sqm at end-2005. Throughout 2006, the volume of products



delivered six days a week to the stores averaged 25.000 units on a daily basis, totaling 7,8 million products for the year. With the opening of the Ankara Kavaklıdere and İstanbul Kanyon stores, the sector was introduced to the first mega-store concept. In the last five years, D&R achieved a 49% average annual increase in its sales revenues. The company plans on further diversifying its product line, opening new stores, devising marketing strategies in line with customer preferences, enhancing brand loyalty and customer satisfaction, and expanding its presence to international markets. Within the scope of social responsibilities, book donations are ongoing, which target the libraries of schools across the country that has the need.



A revolution in HR

Having completed its incorporation process in 2005, Yenibiriş completed the year 2006 with rapid growth despite intense competition. Yenibiriş offers web-based (www.yenibiris.com) human resource selection and assessment services to over 28.000 companies in any sector, with a customer portfolio ranging from large national and multinational firms to medium and small companies. In the reporting period, the company tripled its sales volume. Yenibiriş is visited by over 1 million individual members in average every month.



Factoring services for the media sector

Doğan Factoring offers collections services for advertising and other trade receivables of the DYH companies. Over the last three years, the company made a tremendous leap and became one of the leading factoring companies in Turkey. The company's primary goal in its financial activities is to offer financing means at market conditions to companies/advertising agencies/advertisers doing business with the group, in addition to improving efficiency.



INDUSTRY

DOĞAN HOLDING INDUSTRY GROUP ACHIEVED SUCCESSFUL OPERATING RESULTS AND INCREASED ITS TOTAL SALES BY 21,7% THROUGH EFFECTIVE UTILIZATION OF 2006 MARKET DYNAMICS.

A major contributor to the market capitalization of Doğan Holding, the Industry Group includes Çelik Halat ve Tel Sanayii A.Ş. (Çelik Halat), Turkey's largest manufacturer of steel wire and rope, Ditaş Doğan Yedek Parça ve İmalat A.Ş. (Ditaş), a subsidiary company operating within the automotive sector, and Doğan Organik Ürünler Sanayi ve Ticaret A.Ş. (Doğan Organic Products) which is engaged in organic milk production. While Çelik Halat and Ditaş stand out with their high export levels contributing significantly to the economy, Doğan Organic Products takes the forefront with its unique position in regional development and transformational agricultural production.

Despite heavy competition in the market, Doğan Holding Industry Group achieved significant growth in its profitability and sales, while improving its balance sheet and cash management in 2006. The year-on rise by 21,7% in the Industry Group's total sales for 2006 is an achievement borne out of the appropriate strategies implemented and is all the more remarkable because it was secured in an environment where the high value of the Turkish currency continued to be an obstacle in terms of exports and where inexpensive imported products rapidly increased their share in the market.

Constantly supporting the market capitalization of Doğan Holding with its financial and operational performance, the Industry Group also represents a significant asset in macroeconomic terms with the employment it provides and the total amount of taxes paid to government coffers. The Industry Group carried out extensive initiatives in HR, development and strategic management systems in 2006, to further enhance the added value it

generates. Another topic that was addressed and developed across the Industry Group in 2006 was the identification of critical performance indicators and the performance measurement of its human resource assets. Çelik Halat and Doğan Organic Products completed the basic components of these projects. While the efforts are ongoing at Ditaş, they are planned to be completed shortly.



Turkey's largest steel wire rope producer

Doğan Holding's leading and long-established enterprise that is an authority in its field, Çelik Halat ve Tel Sanayii A.Ş. (Çelik Halat) was set up in 1962 to meet the market's need for high carbon steel wires and ropes. Çelik Halat has innovation- and quality-focused manufacturing, sales and service processes that are formulated in light of the unparalleled experience and know-how vested in it by being Turkey's oldest steel wire and rope producer. These advantages enable the company to maintain its competitive edge as well as its leadership position by a wide margin.

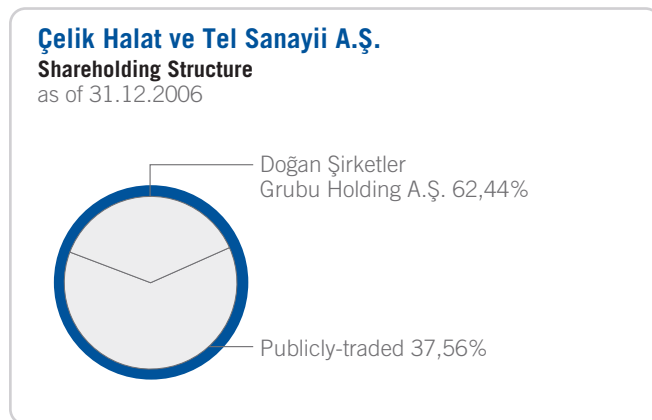
Product Versatility

Steel wire, rope and derivative products manufactured by Çelik Halat are used in a variety of sectors from construction to mining. Bronze coated bead wires are used in the elevators of



tens of thousands of buildings, while spring wires are used in the manufacture of car tires. Prestressed wire strands are used in bed-couch manufacturing and in the production of all kinds of industrial springs, as galvanized wires and monotonons are deployed in the bridge-beam, prefabricated structures in road and railway transportation projects. Also a producer of energy and telecommunications cables, Çelik Halat's superior quality products are sought-after internationally markets, as much as in the domestic market. With a total annual production capacity of 50.000 tons, Çelik Halat increased its bead wire production capacity by 25% thanks to an investment finalized in 2006. Çelik Halat attained significant developments in its sales volume, turnover and profitability in the reporting period compared with 2005. While the company's total production stood at 42.175 tons, its sales registered 42.768 tons, with net turnover worth YTL 74.8 million. The company maintains its leadership in the industry with respective shares of 39% in steel rope, 63% in galvanized wire, 57% in industrial spring wire, 57% in domestic concrete strand and 54% in bead wire.

Çelik Halat presents its products to international markets in addition to the domestic market. Çelik Halat is a well-known and preferred brand name



with its superior quality in overseas markets. Bead wire, rope and monotonon constitute the company's primary export products. Çelik Halat's customer portfolio in bead wire covers major tire manufacturers such as Goodyear, Nokian, Continental, Tigar, STIP and Alliance, whereas steel rope products are exported to the United States, Canada, Norway, Iceland, Faroe Islands, the Netherlands, Spain, Trinidad, Russia and Azerbaijan. Çelik Halat enjoys a well-established position in the American and Canadian markets owing to the quality of its ropes and to its consistent sales policies, and competes on par with Korean rope producers. Although the 31% antidumping duty implemented for the last five years across the EU has affected sales, the company preserves its solid, long-term relationships with its customers in the Netherlands and Spain. Çelik Halat is committed to further strengthening its presence in international markets and increasing its exports by penetrating new markets to diversify its revenue base.

The importance of Quality Systems

Çelik Halat proved that it deserves a place among the pioneering companies of our country by earning the ISO:9000 Quality Management System Certification in 1993. The company also holds API (American Petroleum Institute), AJA (Anglo Japanese American Registrars), Lloyd's Register Emea and TSE (Turkish Standards Institution) quality compliance certificates.



Turkey's largest rod manufacturer

Having begun operations in 1978, Ditaş Doğan Yedek Parça ve İmalat A.Ş. (Ditaş) manufactures rod ends, ball joints, tie rods, track control arms, drag links, stabilizer links and V drag links. Turkey's leading tie rod producer, Ditaş provides vehicle producers in various regions of the world with high quality original products. The goal of Ditaş is to become a well-known and



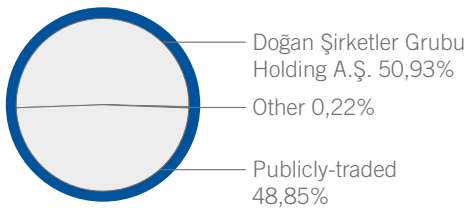
sought-after brand name both in the original product and replacement markets.

In the reporting period, the Turkish vehicle manufacturing market grew 12% year-on in total, with 20% and 4% increases in passenger car and commercial vehicle segments, respectively. Predominantly supplying the commercial vehicle manufacturers with original products, Ditaş attained 23% growth in this segment in 2006. Its sales performance brought Ditaş a 16% share in original product and a 26% share in replacement markets. Up 12.8% compared with 2005, the total turnover of Ditaş reached YTL 34.3 million. The company's 2006 exports totaled YTL 14.8 million (EUR 8 million), a 17,5% increase.

Ditaş Doğan Yedek Parça ve İmalat A.Ş. (Ditaş)

Shareholding Structure

as of 31.12.2006



The exports of the company reveal that the business is directed toward OES companies such as Evobus Mercedes (Germany) and the world's select IAM companies covering a broad range including Federal Mogul, Febi, CEI, as well as to the OEM companies such as New Flyer (Canada), Mitsubishi (Portugal), and Renault V.I (France). Within the scope of its strategy to diversify the export portfolio, the company is in the process of finalizing cooperation projects with Iveco-Italy, Opel GM (Germany) and Fiat (Italy). Upon the launch of these projects, the company's exports are sure to gain new momentum from 2007 onwards.

Ditaş pursues its operations within the scope of ISO 9001:2000 Quality System Certification, ISO 14001 Environmental Management System Certification, ISO/TS 16949:2002 Quality Management System for the Automotive Suppliers, and Ford Q1 Certification earned in 2006.

Product versatility, high capacity

Weights of the products in Ditaş's product line range from 300 grams to 20 kilos. While the company's production capacity is a telling factor in terms of product versatility, the products in its portfolio can vary from 3 to 4 million units per year. With over 500 experienced and trained employees, Ditaş is a producer enjoying differentiation thanks to its design capability meeting customer demands in a timely manner, prototype testing facilities allowing simulation at vehicle operation conditions, modern and new machinery and equipment, and flexible manufacturing processes.



Doğan Organic Products: A case study

Founded in 2002 in the Kelkit region of Turkey, Doğan Organik Ürünler Sanayi ve Ticaret A.Ş. (Doğan Organic Products) is engaged in the production of organic milk and breeding of livestock. The company aims to transform the Kelkit region into a center for organic agriculture and livestock breeding in feed, milk and meat production. It aims to contribute to the economic and social development of the region by putting the idle fields that have been left uncultivated for many years back into the production cycle and introducing contracted organic feed production and milk animal breeding.

Largest organic milk production capacity in Europe

With an annual production capacity of 7.500 tons, Doğan Organic Products has the largest organic milk production capacity in Europe. One of the 10 best projects selected in the competition organized in 2004 by the European Commission Directorate General for Enterprises for promoting corporate social responsibility awareness across Europe, Doğan Organic Products increased its milk production quantity 34% in 2006 compared with 2005. In the organic milk market where it is unrivalled, the company continues to sell the

entirety of its production to Turkey's biggest bottled milk producer and has achieved 12% growth in its sales revenues. The company holds organic product and farming certification granted by an international control and certification company, and intends to import livestock and expand its herd within the scope of its investment plans. This project is slated for realization in 2007.

Doğan Organic Products also aims to increase the number of families undertaking production on a contractual basis in the Kelkit region. As of 2006, the number of families carrying out contracted vegetal production in the region reached 42. In addition, the business employs 61 people, 59 of whom are locals. According to the plan, the number of families working on contract basis is expected to surpass 200, as the enterprise grows. Most of the supplies needed for the operations are procured directly from the region, resulting in a major contribution to the area's economy. The targets also include ensuring organization on a cooperative basis to realize proper livestock breeding techniques and attain unification among the farmers in the region, and lending further support to the milk producing organizations as needed.



TRADE

EACH COMPANY WITHIN DOĞAN HOLDING'S TRADING GROUP- DOĞAN OTO, MİLPA AND HÜRRIYET PAZARLAMA-ARE LEADERS IN THEIR RESPECTIVE SECTORS, DISTINGUISHED THEMSELVES THROUGH QUALITY OF SERVICES.

THE TRADING GROUP UPPED ITS 2006 SALES BY 61,53% YEAR-ON, WHILE REVENUES FROM REAL ESTATE TRANSACTIONS IMPROVED SIGNIFICANTLY AND INCREASED ITS SHARE WITHIN TOTAL GROUP SALES.

The Trading Group pursued proactive policies to minimize the adverse effects of the volatility in the national economy on its activities in 2006, and uninterruptedly continued its efforts to increase revenue at each of its companies. Having recorded YTL 133,7 million in turnover, the Trading Group attained a year-on increase of 61,53% in its sales. Displaying a buoyant performance despite increased interest rates, the real estate market positively affected revenues of the Trade Group and real estate sales reached YTL 50,6 million in 2006.

The three companies forming the Trading Group are among the leaders in their respective sectors. As Doğan Otomobilcilik Ticaret ve Sanayi A.Ş. takes one of the top places in the automotive sector with its business volume and service quality, Milpa Ticari ve Sınai Ürünler Paz. San. ve Tic. A.Ş. and Hürriyet Ticari ve Sınai Ürünler Pazarlama San. ve Tic. A.Ş. contribute significant value to the Holding both by virtue of the synergy they create within the group and their trustworthiness to customers.

Doğan Rich product range

Operating in the automotive trade sector, Doğan Oto is a 3S distributor for Ford Otosan and presents customers with high quality sales and after-sales services for Ford vehicles. Doğan Oto's product portfolio includes passenger cars, light and medium commercial vehicles, and all types of road trucks, oil trucks and towing vehicles falling under the heavy commercial vehicles category.

While the passenger car and light commercial vehicle markets suffered respective contractions of 14.9% and 12.2% in 2006, Doğan Oto sold a total of 2.408 vehicles, 1.310 passenger cars and 1.098 commercial vehicles, achieving a 6% year-on increase in its sales. Due to the nature of the

sector it is active in, the profitability of Doğan Oto is directly and significantly affected by economic conditions. Targeting sustainable profitability based on a customer satisfaction focused approach, Doğan Oto aims to increase its vehicle sales, as well as the number of vehicles serviced at its facilities. The company is also determined to diversify its revenue mix and increase its profitability by giving weight to the sales and marketing of other secondary products including insurance, automobile paints/protectors and other automobile accessories.



Sales nearing half a million units

Enjoying a leadership position among direct marketing companies, Milpa Ticari ve Sınai Ürünler Paz. San. ve Tic. A.Ş. (Milpa) has successfully marketed a large number of products to thousands of Turkish families over its 27 year history, and has truly pioneered promotional campaign sales in the country. The company's competitive advantage lies in its comprehensive reach in the Turkish market as well as in its prestigious image it holds and confidence it inspires among customers. The company handled the sale of 408.037 units in total durable consumer good, passenger car, real estate, computer, and mobile phone product groups in 2006.



Milpa has for many years marketed manufactured products such as passenger cars, computers and cameras, and in more recent years has expanded its product range to include real estate. Some of the projects Milpa successfully completed in this arena are Akfırat houses consisting of 143 detached houses, and Taksit Center Shopping Center. Both projects, the construction and sales of which were finalized in 2006, were timely delivered to buyers. In the reporting period, the company started marketing the automall project that will respond to a key requirement of the automotive sector. Milpa's marketing strategy for manufactured products is to organize campaigns that take into consideration price and market trends, and that offer high unit sales potential. Within the real estate sector, the company's strategy focuses on producing high-profit, low-risk projects promising

high liquidity and addressing market needs. The two-pronged corporate strategy further solidifies Milpa's revenue base and guarantees its future growth.

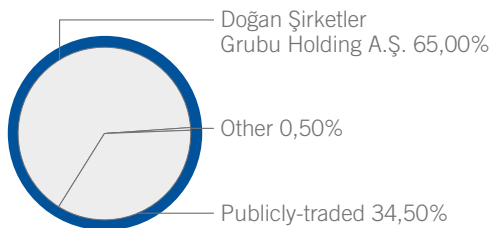


An approach bringing customer satisfaction to the forefront

Hürriyet Ticari ve Sınai Ürünler Pazarlama San. ve Tic. A.Ş. (Hürriyet Pazarlama) is a direct marketing company that succeeded in reaching Turkey's most far flung corners, unwavering from its sales policies of bringing customer satisfaction to the forefront. Since its establishment, Hürriyet Pazarlama has delivered thousands of automobiles, real estate units and electronic appliances to consumers at favorable payment terms. In 2006, Hürriyet Pazarlama undertook the construction of the automall project consisting of 637 independent sections, an unprecedented initiative in Turkey. Housing car galleries, home offices and a food court, the project will respond to a significant need within the automotive sector. A large portion of the project has been sold by way of the campaigns held in 2006. Hürriyet Pazarlama pays a great deal of attention to well-designed projects that will help investors in real estate developments to post profits in the short term. In other products, the company acts on a strategy built upon the combination of affordable price and favorable financing.

Milpa Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş.

Shareholding Structure as of 31.12.2006





FINANCIAL SERVICES

**FOUNDED 49 YEARS AGO, RAY SİGORTA ENJOYS A STRONG
COMPETITIVE POSITION, AND MAINTAINS ITS PROFITABILITY BY
PROVIDING MARKET DRIVEN SOLUTIONS.**



Having joined the Doğan Group in 1992, Ray Sigorta A.Ş. (Ray Sigorta) was able to penetrate 50% of Turkey's 13 million households in the last 10 years. Having a market share of 3,5%, the company ranked 10th among non-life insurance companies in premium production as of 30 September 2006. Aiming to offer quality and added-value, Ray Sigorta also serves SMEs in addition to its individual and corporate customers. Ray Sigorta has an extensive service network, reaching almost 1 million customers in Turkey via 740 service points covering 492 professional agents affiliated with four different regional offices in İstanbul, Ankara, İzmir and Bursa, as well as 218 Fortisbank branches and 30 brokers. Ray Sigorta's principal aim is to provide its commercial and corporate customers with high quality insurance coverage. The company enjoys robust and long-standing relationships in the international reinsurance market.



In addition to its 55 products in the main branches of accident, fire, marine and engineering, the company produces premiums in agriculture and health branches. Planning to enter the “individual health” branch in the near future, the company is also working on five other new products. Up 31% for the year, Ray Sigorta's total premium production in 2006 reached YTL 262.7 million. Outperforming the sector, the increase is targeted to be sustained in 2007, and the company plans to raise its premium production level by about 20%.

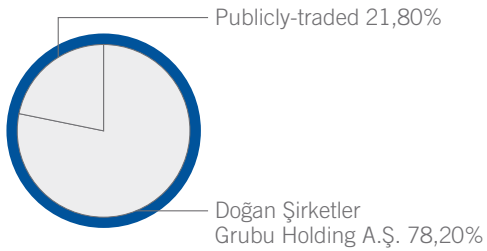
With a view to achieve an information- and technology-based structure focused on the market, Ray Sigorta initiated a human resources reorganization project in 2006. Under the project, the company commenced an infrastructural overhaul to achieve growth in places other than large cities and to lay the foundations for more decentralized management. Efforts in areas such as HR process analyses, business intelligence, document management and non-life insurance software are slated for completion in 2007.

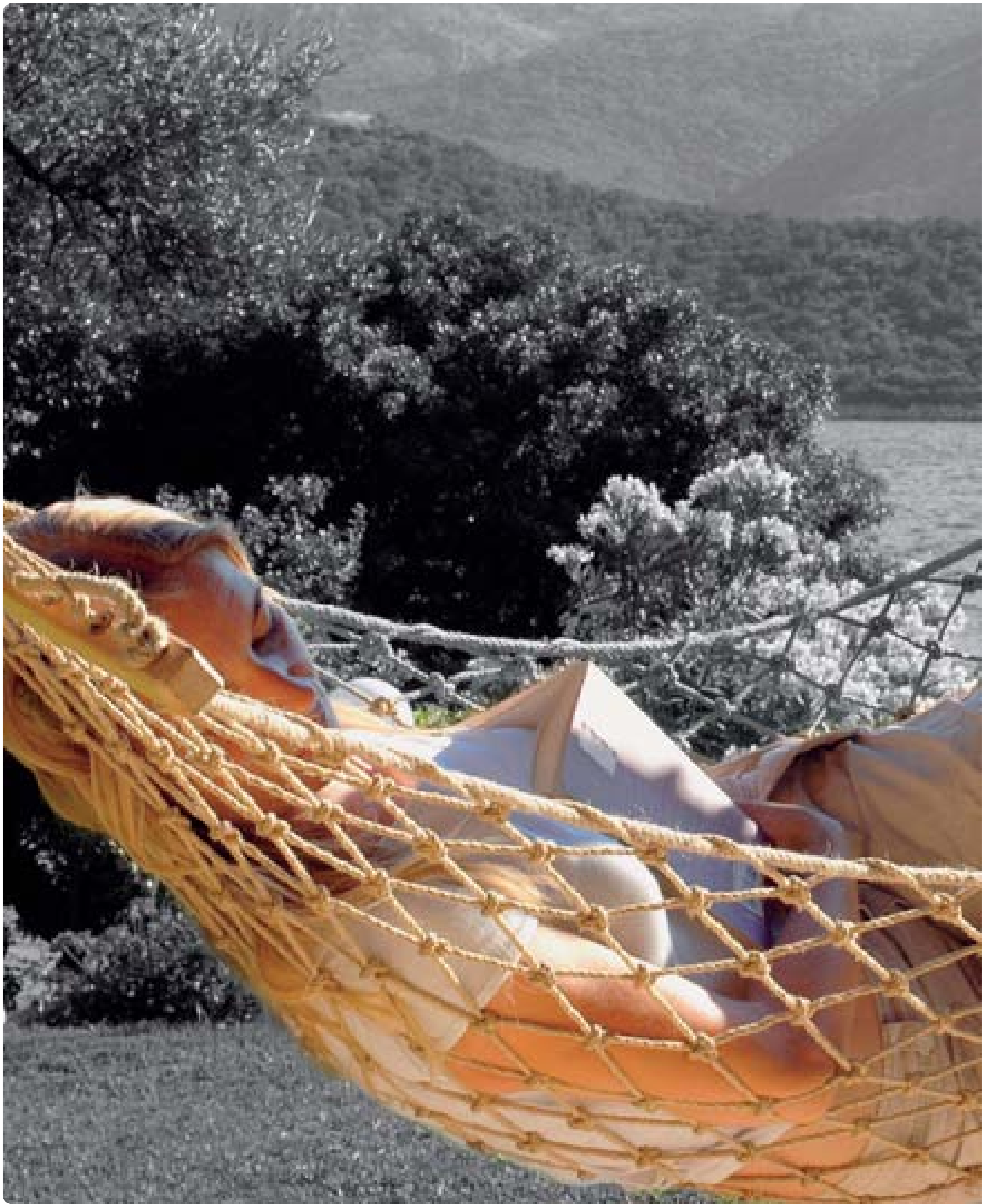
Another goal of Ray Sigorta is to offer its services to customers over the Internet, and work in the online area is ongoing. Having a team of 220, Ray Sigorta's HR policy is based on the principle of creating an organization consisting of professionals who have the capability to learn and produce, and who are highly skilled in putting creativity and information technologies to effective use. With the web-based training module, RayAkademi, which will be launched in 2007, Ray Sigorta aims to better support the training of its agents, as well as its employees.



With Turkey's growing economy, young population, high rate of expansion in the individual insurance business and the EU accession process together made the country's insurance industry the focal point of foreign investors. Following the acquisitions in the recent years, about 60% of the insurance industry is now controlled by the international insurance concerns. It is the target of Ray Sigorta to grow in the individual insurance market of the insurance industry where competition takes on global dimensions, improve profitability and generate increasing added-value primarily for the Doğan Group of Companies and for all its shareholders.

Ray Sigorta A.Ş.
Shareholding Structure
as of 31.12.2006





TOURISM

FY2006 SAW IMPORTANT INVESTMENTS FOR MİLTA GROUP; THE GROUP AS A WHOLE PERFORMED STRONGLY WITH A SIGNIFICANT INCREASE IN EACH SUBSIDIARY'S OPERATING PROFITS.



Doğan Holding Tourism Group carries out its operational and investment activities within the tourism industry via the marina, hotel and services companies under Milta Turizm İşletmeleri A.Ş. (Milta). The group's strategy is based upon maintaining a state-of-the-art technological infrastructure aimed at both ensuring more effective and productive operation of these companies and aligning them with new developments in the sector. This strategy calls for continuous and well-planned investments, and the group's competitive advantage is heightened through integration of the most up-to-date innovations to the provision of services process.



The year 2006 was one that saw important investments for the entire company. One key investment was the USD 11 million renovation of Işıl Club Holiday Village in Bodrum, the management of which was assumed by the company. As a result of this investment, the number of rooms increased to 290 and the number of beds to 591; in addition, the facility and the services array were upgraded to the 5-star level. The Club has a restaurant seating 600, offering exquisite treats from Turkish and international cuisines. The facility also houses a conference room for 170 and a multipurpose hall for 40, in addition to a hairdressing salon,

stores, swimming pool, kids' swimming pool, gym, Turkish bath, sauna, massage chambers, mini club for kids, archery range, three tennis courts, one volleyball and one multi-purpose sports court, water sports, outdoor shooting range and paintball field.



Milta Bodrum Marina is named among the top 10 marinas along the Mediterranean coastline with its high quality services. With wet slip berthing for 450 and dry storage/repair for 50 boats, the marina's total capacity is 500 boats. Spearheading a distinctive service concept on the Turkish waters, the marina furthered its strength in quality service provision with the Blue Flag (TÜRÇEV) certification in line with its mission of becoming an international brand, and filed an application with the Yacht Harbor Association, of which it is a member, for a 5 Golden Anchors audit and certification.

Amenities for yachtsmen at Bodrum Marina include mooring, lifting and launching, hull pressure washing, boat-yacht repairs and maintenance, osmosis treatment, laundry, dry cleaning, pilot boat, divers, marine supplies sales, treatment, electricity, water, telephone and Internet access. The facility also offers a sea rescue unit, sea ambulance services, car park and sections to fulfill





fuel oil needs of yachts. Bodrum Marina houses shopping centers, supermarkets and restaurants/bars. Despite the downturn in tourism in 2006, major improvements were achieved in marina stays in terms of occupancy and number of boats accommodated. The occupancy rate increased to 117% in 2006, from 111% in 2005. There was a 5% rise in the number of incoming boats per day.

In spite of the high amortization costs of the investment and the drop in Turkey's tourism sector, Işıl Tur and Bodrum Marina performed strongly in 2006 and were able to raise their profits significantly.



Operating as the Group's company in the intermediary services arena, Işıl Tur has served its customers in outgoing tours, domestic hotel bookings, domestic and international ticketing, and Turkish railway ticket sales since 1997. A member of IATA, Işıl Tur is an official sales agency for THY and numerous other select airlines, as well as Turkish Railways; it is also engaged in fleet and daily car rentals. Işıl Tur controls a transportation fleet of 400 vehicles, all monitored by a satellite surveillance system. It is also one of the most

successful practitioners of online vacation services in Turkey. With three different websites (milta.com, erkenrezervasyon.com and tatil.hurriyet.com.tr), Işıl Tur offers its customers tens of thousands of different options and attractive last-minute offers, and has become the online company of choice of an ever growing customer base thanks to its e-business solutions.

As of year-end 2006, Işıl Tur exceeded its targets both in terms of sales and income. In a year when tourism declined in Turkey, Işıl Tur increased its revenues in domestic tourism by 50%. During the reporting period total revenues grew 60%, with the number of overnight stays standing at 30.635, airline tickets issued at 22.671, and the mileage of its fleet at 28 million.