

MOVING FORWARD... MOVING BEYOND...



DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
ANNUAL REPORT 2015



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CORPORATE INFORMATION

Company Name	Doğan Şirketler Grubu Holding A.Ş.
Date of Establishment	September 22, 1980
Trade Registry Number	175444
MERSİS (Central Registry System) Number	4727911535253756
Tax Office	Büyük Mükellefler Vergi Dairesi
Tax Identification Number	3060050924
Issued Capital TL	2,616,938,288
Registered Capital Ceiling TL	4,000,000,000
Stock Exchange	Borsa İstanbul A.Ş.
Ticker Symbol	DOHOL
Address	Burhaniye Mah. Kısıklı Cad. No: 65 Üsküdar/İstanbul
Website	www.doganholding.com.tr
E-mail	ir@doganholding.com.tr
Telephone	+90 (216) 556 90 00
Fax	+90 (216) 556 92 00
Reporting Period	01.01.2015 – 31.12.2015

This report has been prepared in accordance with Article 514 of Turkish Commercial Code No. 6102, the Regulation on the "Determination of the Minimum Content of Companies' Annual Reports" issued by the Ministry of Customs and Trade, the Capital Markets Law, "Corporate Governance Communiqué" (II-17.1) issued by the Capital Markets Board ("CMB"), and the CMB's Communiqué on the "Principles Regarding Financial Reporting in Capital Markets" (II-14.1). The purpose of the report is to evaluate the Company's operations during the accounting period of January 1, 2015 - December 31, 2015, and to inform investors.

MESSAGE FROM THE HONORARY CHAIRMAN



2015 was a challenging year: Two general elections were held in Turkey; the ongoing civil war and conflict in Syria intensified, leading to an increased refugee burden on Turkey's shoulders; while a significant hike in terror incidents led to more violence.

These challenging conditions deeply affected all of us. We became much more aware of the importance of our national unity and solidarity, political and economic stability, as well as our democratic structures and institutions.

At Doğan Group, we aim to conduct all our business activities with an understanding based on transparency, corporate development and sustainability. We believe that advances in economic and social welfare can only be achieved if these principles are meticulously implemented.

Preserving our independent position in the media sector by adhering to Doğan Media Code of Conduct, we undertake publishing and broadcasting activities by respecting the public's freedom of information. We firmly believe that an independent media is a cornerstone of democracy.

On one hand, we are increasing our profitability with our current undertakings, while on the other we are moving forward with new investments, in the energy and automotive sectors in particular.

Challenging conditions in 2015 did not discourage my management team. On the contrary, their skills and creativity were stimulated even further. We boosted our business performance and took new steps to further enhance our corporate structure. The self-confidence of my management team coupled with, their steadfastness and determination to constantly move forward make us more optimistic about our future.

Taking this opportunity, I would like to thank my colleagues who manage our companies and all of our dedicated staff. I wish them great success in their future endeavors.

Aydın Doğan
Honorary Chairman



TURKEY'S
INNOVATIVE
HOLDING...

MESSAGE FROM THE CHAIRWOMAN

“OUR SUCCESS STORY CONTINUES WITH NEW STRIDES.”

Y. Begümhan Doğan Faralyalı
Chairwoman of the Board of Directors



Esteemed Stakeholders,

The year 2015 saw global economic changes of significant importance, whose impact will likely become clearer in the coming years. The long-awaited Fed decision to raise interest rates finally came to pass in December. The announcement that the Fed would raise rates gradually led to a positive outlook, giving time for the international capital markets to adapt to the new reality. As a result of the Fed's new interest rate policy, capital outflows from developing markets to advanced countries accelerated, while there was a weakening in the growth performances of emerging economies, most notably China.

TURKEY STAYED THE COURSE ON ITS MACROECONOMIC TARGETS...

Despite portfolio outflows from developing economies following the Fed's new interest rate policy, and the uncertainty caused by two general elections in June and November, the Turkish economy posted an overall growth rate of 4% in 2015. In addition to ongoing budget discipline, the banking sector's solid deposits structure made for a robust investment environment in the country. Two key developments bode well for the future resilience of Turkey's economy: A decline in the

current account deficit thanks to the sharp drop in oil prices, a commodity in which Turkey is a net importer, and a stable investment grade credit rating for Turkey from both Moody's and Fitch.

WE BOOSTED OUR SALES REVENUES AND PROFITABILITY THANKS TO PROJECTS IN BUSINESS DEVELOPMENT AND EFFICIENCY...

In 2015, we took important strides to increase our profitability and efficiency. We stepped up our presence in the energy sector by acquiring a 50% stake in Aytemiz Petrol, an important player in the petroleum products distribution sector. We also returned to the automotive sector, which was crucial in the foundation of Doğan Holding, and became the sole distributor of Suzuki cars, motorcycles and marine motors in Turkey. Our new growth strategy, which we believe will yield even more positive results in the long run, started to bear fruit in 2015, bringing our consolidated revenues up by 68%. Our energy business, crucial for the future development of the Company, contributed 46% to our consolidated revenues, more than any other segment. As demonstrated by our new investments and determined growth strategy, we are continuing to invest in the bright future of our country.



WE ARE CREATING LONG-LASTING VALUES THROUGH SOCIAL RESPONSIBILITY PROJECTS...

Doğan Holding aims to integrate a sustainability-based perspective into all of its business processes, and embraces a corporate social responsibility approach in order to create long-lasting values. With this forward looking approach, we continued in 2015 – without interruption – to award scholarships to bright, successful students while providing support to the schools and dormitories that we have donated to the Ministry of National Education. We also continued to carry out the Aydın Doğan Cartoon Competition and the “Dad, Send Me to School” campaign under the auspices of Aydın Doğan Foundation.

The social responsibility efforts we are undertaking with great enthusiasm and conviction are embraced by the wider public, encouraging us to widen the scope of our activities to this end.

WE FOCUS ON NEW TARGETS WITH THE SUPPORT OF OUR STAKEHOLDERS...

I would like to extend my deepest gratitude to our shareholders, business partners and employees who supported our 2015 operations, which we performed in light of our entrepreneurial spirit based on years of experience and expertise in the private sector. We will continue to forge ahead in line with our corporate targets in the coming period, without compromising our corporate values and by closely monitoring global and domestic developments. We are looking forward to sharing the pride and happiness of our future achievements.

Best regards,

Y. Begümhan Doğan Faralyalı
Chairwoman



WE ARE MOVING
FORWARD ON OUR PATH,
**BOOSTING OUR REVENUES
AND PROFITS.**

Soner Gedik
CEO



CEO'S MESSAGE¹

Esteemed Stakeholders of Doğan Holding,

We have left behind an accounting period during which we witnessed both serious vulnerability and major opportunities in the global economy. While many of the market players that focus on short term targets lagged in their year-end results, private sector enterprises which plan for the future now by capitalizing on their experience and know-how met with success. Doğan Holding, combining its deep-rooted experience with constantly updated corporate expertise in an ever-changing market environment, also figured among those companies striving to build the future now. As a result, we achieved solid financial and operational results in 2015.

OUR BUSINESS LINES STRENGTHENED WITH NEW BRANDS

At Doğan Holding, we closely monitored developments in the global economy and domestic markets in 2015, and increased the profitability of our business processes. We bolstered our brand mix with new acquisitions and partnerships, while exhibiting a significant uptrend in our overall business process efficiency. We purchased a 50% stake in Aytemiz Akaryakıt Dağıtım A.Ş., one of the most reputable domestic players in the petroleum products distribution sector. With this investment, we made an ambitious return to the petroleum products distribution sector. In addition, we restarted operating in the distributorship of automotive, motorcycle and marine motors upon reaching a distributor agreement with the Japanese company Suzuki. With this move, we have once again become operational in the very sector that our Honorary Chairman Mr. Aydın Doğan began his professional career. We plan to initiate sales of cars, motorcycles and marine motors under the Suzuki brand in 2016. Further, Marina Vista, one of Bodrum's most prestigious boutique

hotels, was incorporated to our Group's tourism assets. As such, we have taken the first step towards creating synergies with Milta Bodrum Marina, which bears significant growth potential.

A MORE SOLID AND WELL-BALANCED PORTFOLIO IN TERMS OF REVENUES

In the media segment, where we own a number of brands that are innovative and pioneering, we continue to be the ears and eyes of millions in 2015 with our responsible publishing and broadcasting approach. As of year-end, the media business generated 38% of our total sales revenues while the energy business made up 46%, the highest share among our segments. In order to meet Turkey's rapidly expanding energy demand, we set up a diversified energy production portfolio, with our WEPP portfolio reaching a capacity utilization level above the national average in 2015. D-Tes, our retail and wholesale electricity trade company, continued to generate high added value for the Holding, while Aytemiz also performed well during the year, expanding its licensed branch network from 310 locations in March 2015 to 416 as of end-2015. We plan to grow our petroleum products distribution dealership network further in 2016 under the Aytemiz brand. D&R, conducting successful operations as a retailer of education, culture and entertainment products, also boosted the number of its stores to 152 and strengthened its online presence. We will continue to diversify our product range at D&R, by keeping a close watch on developments in the retail and digital world.

A SUSTAINABLE FINANCIAL PERFORMANCE BOLSTERED BY RISK MANAGEMENT POLICIES

Thanks to our sustainable growth strategy focused on long term targets, we boosted total consolidated revenues by 68% in 2015 to TL 5,951 million. Meanwhile, our cost saving

efforts helped us double our Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) to TL 347 million. We efficiently managed our risks by applying a loan structure tailor-made to the currency of revenue, and by implementing a natural hedge method to minimize exchange rate risk. In order to ensure that all Holding companies move toward common objectives at the same time, we bolstered the financial structures of Group companies through capital increases and strengthened the financial structure of the Holding through regular dividend flows from our subsidiaries. We expect these steps to have a positive impact on our profitability in the coming period.

WE SHALL CONTINUE TO GROW IN 2016...

Doğan Holding will continue generating added value to ensure the steady growth of the Turkish economy in the period ahead with new projects in our areas of focus. In 2016, we aim to achieve consistent growth and sustainable success in all our business lines. In order to maintain our leading market position in the media segment, we plan to continue with investments on the digital and content sides, while implementing an efficiency-based strategy in all our operations. We will also seize opportunities in new sectors and projects which could yield synergy with our current business lines and fall within our investment criteria.

I would like to extend my gratitude to all stakeholders who provided their full support to Doğan Holding's operations performed in line with its robust vision. In the period ahead, we shall achieve further success so as to create long-lasting value.

Kind regards,



Soner Gedik
CEO

¹ With the Board of Directors decision numbered 2016/1 and dated January 5, 2016, Soner Gedik was appointed CEO and Board Member to replace Yahya Üzdiyen who had resigned from his post as Board Member, pending approval at the first General Assembly to be held.



TARGET: **DOUBLING REVENUES IN THE MEDIUM TERM**



TARGET: **BOOSTING OPERATING PROFIT**



TARGET: **REDUCING MEDIA'S SHARE IN CONSOLIDATED REVENUES BELOW 50%**

WE MADE STEADY PROGRESS TOWARDS THE TARGETS WE SET

RESULT: **CONSOLIDATED REVENUES, WHICH STOOD AT TL 3 BILLION IN 2012, DOUBLED IN 2015 TO TL 6 BILLION.**



RESULT: **IN 2015, EBITDA INCREASED BY 94% TO TL 347 MILLION.**



RESULT: **MEDIA'S SHARE IN TOTAL CONSOLIDATED REVENUES WAS 38% IN 2015.**



WE ASSOCIATE WITH THE AYTEMİZ BRAND

DOĞAN HOLDİNG'S SUBSIDIARY DOĞAN ENERJİ HOLDS A 50% STAKE IN AYTEMİZ, WHICH UNDERTAKES PETROLEUM PRODUCTS AND LPG STORAGE AND DISTRIBUTION ACTIVITIES VIA 416 STATIONS, 11 REFILLING POINTS, AND FIVE STORAGE FACILITIES.



AYTEMİZ MADE THE BIGGEST LEAP FORWARD AMONG DISTRIBUTION COMPANIES IN 2015, GROWING ITS STATION NETWORK FROM 313 TO 416.

DOĞAN ENERJİ YATIRIMLARI
SANAYİ VE TİCARET A.Ş.

50%

50%

AYTEMİZ FAMILY



© AS OF FEBRUARY 29, 2016, AYTEMİZ OPERATES 439 STATIONS ACROSS TURKEY.

DISTRIBUTOR AGREEMENT WITH THE STRONG SUZUKI BRAND

SUZUKI, ONE OF THE WORLD'S LEADING
AUTOMOBILE MANUFACTURERS, ALSO HOLDS
AN IMPORTANT POSITION IN MOTORCYCLE AND
MARINE MOTOR MANUFACTURING.



SUZUKI MOTORLU ARAÇLAR PAZARLAMA ANONİM
ŞİRKETİ, ESTABLISHED UNDER THE UMBRELLA OF
DOĞAN HOLDING, WILL UNDERTAKE SALES AND AFTER-
SALES ACTIVITIES OF AUTOMOBILES, MARINE MOTORS
AND MOTORCYCLES IN TURKEY.





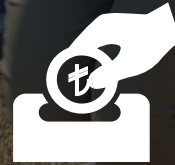
**TARGET:
2% MARKET
SHARE**

REENTERING THE TURKISH AUTO MARKET IN 2016, SUZUKI AIMS TO CAPTURE 2% MARKET SHARE OVER THE NEXT THREE YEARS WITH ITS CUSTOMER-ORIENTED SALES AND AFTER-SALES SERVICES NETWORK AND AMBITIOUS MARKETING EFFORTS.

SPECIAL PROJECTS TO ENSURE A BRIGHT FUTURE

THROUGH AYDIN DOĞAN FOUNDATION, WE HAVE ONCE AGAIN PRIMARILY FOCUSED ON INVESTING IN OUR CHILDREN, YOUTH AND WOMEN IN THE AREAS OF EDUCATION AND PERSONAL DEVELOPMENT. THE “DADDY, SEND ME TO SCHOOL” PROJECT, WHICH RESPONDS TO A CRUCIAL SOCIAL PROBLEM, ENTERED ITS 10TH YEAR WITH SUCCESS.

THE “DADDY, SEND ME TO SCHOOL” PROJECT WAS INITIATED ON APRIL 23, 2005 BY DOĞAN GAZETECİLİK UNDER THE LEADERSHIP OF HANZADE DOĞAN BOYNER, WITH THE OBJECTIVE OF ENSURING THAT GIRLS ALL ACROSS TURKEY HAVE ACCESS TO EDUCATION.



TL **35** MILLION
TOTAL
DONATIONS



12

VILLAGE SCHOOLS

33

FEMALE STUDENT DORMITORIES

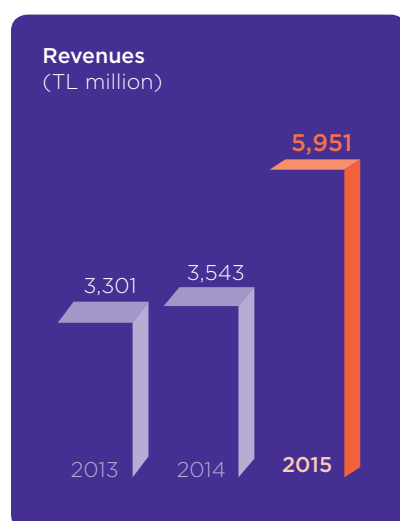


10,500

FEMALE SCHOLARSHIP
RECIPIENTS

FINANCIAL AND OPERATIONAL HIGHLIGHTS

STRONG REVENUE & EBITDA PERFORMANCE

**FINANCIAL HIGHLIGHTS**

	Audited		
Balance Sheet Summary (TL million)	2015	2014	2013
Total Assets	7,441	6,877	7,588
Current Assets	3,959	3,760	3,978
Non-current Assets	3,483	3,118	3,610
Short-term Liabilities	2,694	1,981	2,024
Long-term Liabilities	1,705	1,987	1,563
Shareholders' Equity	3,042	2,910	4,000
Income Statement Summary (TL million)	2015	2014	2013
Revenue	5,951	3,543	3,301
Gross Profit	1,027	790	847
Operating Profit/(Loss)	260	39	301
EBITDA ⁽¹⁾	347	179	264
EBITDA Margin (%)	5.8%	5.0%	8.0%
Net Profit/(Loss) Attributable to Parent Company	-161	-225	-38

⁽¹⁾ Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) have been calculated by the Company. Excluding other operating income and expenses and the share of gain/(loss) on Investments Accounted for by the Equity Method.



Ratios (%)	2015	2014	2013
Gross Profit Margin	17.3	22.1	25.7
Operating Profit Margin	4.4	1.1	9.1
EBITDA Margin	5.8	5.0	8.0

Ratios (%)	2015	2014	2013
Current Ratio	1.47	1.90	1.97
Liquidity Ratio	1.33	1.77	1.83
Debt/Equity Ratio	1.45	1.36	0.90

DOĞAN HOLDİNG'S CONSOLIDATED EBITDA (EARNINGS BEFORE INTEREST TAXES DEPRECIATION AND AMORTIZATION) ROSE 93.9% TO TL 346,780 THOUSAND.

SEGMENT ANALYSIS

	2015		2014	
(TL million)	Net Sales	EBITDA	Net Sales	EBITDA
Publishing	1,131	123	1,218	94
Broadcasting	1,095	65	1,177	9
Retail	619	26	512	19
Energy	2,743	133	272	44
Other	363	-1	363	13
Total	5,951	347	3,543	179

^(*) Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) have been calculated by the Company. EBITDA consists of Other Operating Income and Expenses, the Share of Gain/(Loss) on Investments Accounted for by the Equity Method, Interest, Amortization and Earnings Before Interest.

MAJOR DEVELOPMENTS

HEALTHY GROWTH CONTINUED

2015 – 1ST QUARTER

Milta - Acquisition of Güvenilir Turistik Yatırım ve İşletmeleri A.Ş.

Doğan Holding's subsidiary Milta signed a Share Purchase and Sales Agreement with Güvenilir Turistik Yatırım ve İşletmeleri A.Ş., which owns Marina Vista Hotel, on February 13, 2015. Milta acquired 100% of the shares, amounting to TL 47,908 thousand (approximately USD 19,251 thousand). The share sale and transfer process was completed on February 13, 2015.

Doğan Enerji - Acquisition of Aytemiz Akaryakıt Dağıtım A.Ş. Shares

A Share Purchase and Shareholders Agreement dated January 29, 2015 enabled the transfer of 100 million shares of Aytemiz Akaryakıt Dağıtım A.Ş. (representing 50% of the total paid-in capital of TL 200 million) for TL 152 million to Doğan Enerji, a subsidiary of Doğan Holding, in cash and in a single payment. The sale and transfer process was completed on March 11, 2015. Based on the share purchase agreement, Aytemiz's paid-in capital (in cash) increased to TL 454 million through rights issue. Doğan Enerji and the Aytemiz family participated in the capital increase amounting to TL 254 million in cash, proportionate to the respective shares they hold.

Transfer of Doğan News Agency (DHA) Shares

Hürriyet Gazetecilik ve Matbaacılık A.Ş., a subsidiary of Doğan Holding, holds 53.14% shares of Doğan Haber Ajansı A.Ş., amounting to 744,010,093 shares. Based on the valuation report prepared by Güreli Yeminli Mali Müşavirlik ve Bağımsız Denetim A.Ş. and published on December 31, 2014 in accordance with the Turkish Commercial Code and Tax Procedures Law, the total market value of these shares was TL 17,182 thousand. From this total market value, Net Debt, Employee Termination Benefit and Unused Vacation Liabilities were deducted together with Doubtful Receivables and Lawsuits items. The 53.14% shares of DHA were purchased from Hürriyet on March 27, 2015 in return for the remaining amount of TL 3,466 thousand.

Establishment of Suzuki Motorlu Araçlar Pazarlama A.Ş.

Suzuki Motorlu Araçlar Pazarlama A.Ş., founded on June 8, 2015 as a wholly-owned subsidiary of Doğan Holding, will undertake sales and after-sales activities of Suzuki automobiles, motorcycles and marine motors in Turkey.

2015 – 2ND QUARTER

Dividend Distribution at Doğan Burda

At the Ordinary General Assembly of Doğan Burda, a joint venture of Doğan Holding, held on March 27, 2015, it was decided that after setting aside necessary legal reserves, the amount of TL 8,987 thousand – corresponding to 45.94655% (gross) and 39.05456% (net) of issued capital – would be distributed as cash dividend. The dividend distribution commenced on April 6, 2015.

Dividend Distribution at Doğan Gazetecilik

At the Ordinary General Assembly of Doğan Gazetecilik, a subsidiary of Doğan Holding, held on March 28, 2015, it was decided that, after setting aside required legal reserves, the amount of TL 15,290 thousand – corresponding to 14.56178% (gross), and 12.37751% (net) of issued capital – would be distributed as cash dividend. The dividend distribution commenced on April 10, 2015.

Dividend Distribution at Ditaş

At the Ordinary General Assembly of Ditaş, a subsidiary of Doğan Holding, held on March 25, 2015, it was decided that, after setting aside required legal reserves, the amount of TL 5 million – corresponding to 50% (gross), and 42.5% (net) of issued capital – would be distributed as cash dividend. The dividend distribution commenced on April 29, 2015.



Dividend Distribution at Çelik Halat

At the Ordinary General Assembly of Çelik Halat, a subsidiary of Doğan Holding, held on March 26, 2015, it was decided that, after setting aside required legal reserves, the amount of TL 3.3 million – corresponding to 20% (gross), and 17% (net) of issued capital – would be distributed as cash dividend. The dividend distribution commenced on May 15, 2015.

Milta – Sale of Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. Shares

On June 11, 2015, Doğan Holding's subsidiary Milta, sold Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş., in which it held 50% shares, to Rönesans Gayrimenkul Yatırım A.Ş. to TL 97,601 thousand.

Merger of Doğan Holding - Doğan Platform

Doğan Holding took over its direct subsidiary Doğan Platform Yatırımları A.Ş. in its entirety with all its assets and liabilities through a simplified merger transaction. This transaction was registered in the Trade Registry on June 29, 2015. Upon the registration, Doğan Platform Yatırımları A.Ş. was dissolved without liquidation.

2015 – 3RD QUARTER

Sale of Dergi Pazarlama Planlama ve Ticaret A.Ş. Shares

Doğan Holding sold its all 5.83% share (816.6667 shares) in Dergi Pazarlama Planlama ve Ticaret A.Ş. on July 29, 2015 for a value of TL 160,688.68 to Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş. following the valuation report prepared by Güreli Yeminli Mali Müşavirlik ve Bağımsız Denetim Hizmetleri A.Ş.

Merger of Hürriyet - Hürriyet Medya Basım

Hürriyet, a subsidiary of Doğan Holding, took over its direct subsidiary Hürriyet Medya Basım Hizmetleri ve Tic. A.Ş. in its entirety with all its assets and liabilities through a simplified merger transaction. This transaction was registered in the Trade Registry on August 31, 2015.

Merger of Doğan Gazetecilik - Doğan Gazetecilik İnternet Hizmetleri

Doğan Gazetecilik, a subsidiary of Doğan Holding, took over its direct subsidiary Doğan Gazetecilik İnternet Hizmetleri ve Ticaret A.Ş. in its entirety with all its assets and liabilities through a simplified merger transaction. This transaction was registered in the Trade Registry on August 31, 2015.

Hürriyet's Corporate Governance Rating Updated

In its report dated September 18, 2015, SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. confirmed the corporate governance rating of Hürriyet, a subsidiary of Doğan Holding, as 9.36 (93.58%) out of 10.00.

2015 - 4TH QUARTER

Doğan Holding's Corporate Governance Rating Updated

In its report dated November 5, 2015, SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. upgraded Doğan Holding's corporate governance rating to 9.36 (93.56%) out of 10.00.

Doğan Gazetecilik – Sale of arabam.com Shares

The arabam.com website and all related domain names, brands, royalties, customer agreements and other assets belonging to Doğan Gazetecilik, a subsidiary of Doğan Holding, were sold to İLAB Holding A.Ş. (or an affiliate thereof), which is not a related party to Doğan Gazetecilik, on December 25, 2015 for a total amount of USD 4,237,288 (excluding VAT) through the bargaining method. The sales and transfer value was received on December 25, 2015 in cash and in a single payment.

DOĞAN HOLDING IN BRIEF

EXPERIENCED AND COMPETENT HUMAN RESOURCES



A pioneering and innovator role from the media to energy, manufacturing to tourism

Doğan Group has been adding significant value to the Turkish economy for over half a century. The foundation of Doğan Şirketler Grubu Holding A.Ş. ("Doğan Holding," "Doğan Group," "Holding" or "Group") was laid when Honorary Chairman Aydın Doğan registered with the Mecidiyeköy Tax Office in 1959 and established his first automotive company in 1961. Today, Doğan Group companies, with their innovative approach and forward-looking vision, play a pioneering role in a wide range of sectors, which include the media, energy and retail, as well as industry, real estate and automotive marketing, tourism and financial services.



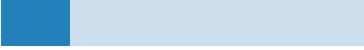
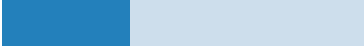




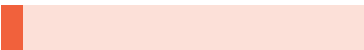
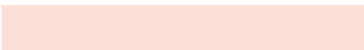
Each boasting a flexible management structure, Group companies embrace a quality- and customer-focused management approach that is open to change. These companies successfully couple this approach with the other integral components of our corporate culture, namely, transparent communications and effective teamwork. Doğan Holding and all Group companies put into practice corporate and ethical values, which set an example for other companies in the business world.

Aiming for global success in all its manufacturing and commercial activities, Doğan Group keeps abreast of domestic and international developments in every business line in which it conducts operations. With its high-quality products and services, the Group operates across a wide geographic region through strategic partnerships with leading multinational groups.

The well-qualified and highly competent workforce of Doğan Group has been the key factor underlying this success. The Group, together with its subsidiaries run as joint ventures, directly offers employment to over 9 thousand individuals and figures among the biggest employers in the country.

SECTOR	OUR COMPANIES	BRANDS	
ENERGY			
Petroleum Products Distribution	Aytemiz	Aytemiz	
Electricity Production and Sales	Galata WEPP Boyabat HEPP, Aslancık HEPP D-TES	Şah WEPP, Mersin WEPP Boyabat, Aslancık D-TES	
Oil Exploration	Gas Plus Erbil		
PUBLISHING			
Newspaper Publishing and Online	Hürriyet	Hürriyet, Hürriyet Daily News hurriyet.com.tr, radikal.com.tr, yenibiris.com, hurriyetemlak.com, hurriyetaile.com, hurriyetoto.com, bigpara.com	
	Doğan Gazetecilik	Posta, Fanatik, posta.com.tr, fanatik.com.tr	
Magazine and Book Publishing	Doğan Burda Doğan Egmont	15 licensed magazines Doğan Egmont Doğan Kitap	
Other	Doğan Dağıtım (Yaysat) Doğan Haber Ajansı Doğan Dış Ticaret Doğan Printing Center Doğan Media International		
BROADCASTING			
TV and Radio Broadcasting	Doğan TV	Kanal D, CNN Türk, tv2, Dream TV, Kanal D Romania, kanald.com.tr, cnnturk.com CNN Türk Radyo, Radyo D, SlowTürk Radyo, radyonom.com	
Digital Platform		D-Smart, D-Smart İnternet, BluTV	
TV and Music Production		D Productions Doğan Music Company (DMC)	
RETAIL			
Culture and Entertainment Retail	D&R	D&R, dr.com.tr, Idefix and Prefix	
OTHER			
Industry	Çelik Halat	Çelik Halat	
	Ditaş	Ditaş	
Tourism	Milta	Bodrum Marina, Işıl Club, Işıl Tur, Marina Vista, Işıl Rent a Car	
Financial Services	Doğan Faktoring DD Mortgage	DD Mortgage	
Automotive and Real Estate Marketing	Suzuki Milpa	Suzuki	
Other	Doğan Organik Öncü GSYO	Yoncadan	

	FIELDS OF ACTIVITY	STRENGTHS	
	Distribution and marketing of petroleum products	Aytemiz: Recorded the highest number of station transfers in 2015; reached a total of 416 stations.	
	Electricity production and sales	Galata WEPP: 147 MW capacity and a capacity utilization rate that is above Turkey's average. Boyabat HEPP: A capacity of 513 MW; one of the Turkey's largest private sector power plants.	
	Oil exploration and development	Gas Plus Erbil: Recoverable reserves of more than 170 million barrels.	
	Newspaper publishing (printed & online) Classified ads and other websites Newspaper publishing, news portals	Hürriyet: Leading newspaper in the advertisement market. Posta: Newspaper with the highest readership. hurriyet.com.tr: Turkey's pioneering news portal, more than 3 million unique visitors per day. Fanatik: Most popular sports newspaper in Turkey. hurriyetemlak.com: Turkey's leading real estate website. yenibiris.com: A broad CV database and the leading HR website in terms of unique visitors. fanatik.com.tr: Sports category website with the highest unique visitor numbers.	
	Magazine publishing Magazine and book publishing for children Book publishing	Doğan Burda: Leader in magazine circulation and the ad market. Doğan Egmont: Turkey's leading publishing house with magazines and books for the 0-14 age group. Doğan Kitap: A strong brand with its stable of best-selling books.	
	Media distribution services News agency Foreign trade Newspaper publishing facilities Publishing and printing activities in Europe	Yaysat: Turkey's leading media distribution company with 26,500 daily sales points. DHA (Doğan News Agency): A monthly average of 6,000 news stories, 3,000 videos and 11,000 photos. DPC: Turkey's largest printing center with a state-of-the art machine park and high production capacity. DMI: More than 300 thousand newspaper printings per day.	
	TV and radio broadcasting, websites	Kanal D: TV channel with the highest ratings in the all-day/AB Group. CNN Türk: TV news channel with the highest ratings in the all-day/AB Group. kanald.com.tr: TV website with the highest unique visitor numbers in Turkey.	
	Pay TV and Internet services	D-Smart: #2 digital Pay TV operator in Turkey. D-Smart Internet: First platform in Turkey providing a combination of TV+ADSL services. Blu TV: Online live TV and content access.	
	Production of series, programs and movies Music production	D Productions: One of Turkey's leading brands in the production sector. DMC: Turkey's leading music production company.	
	Retail stores and e-commerce	D&R: Leading retail company with 152 stores and 2.5 million monthly visitors. dr.com.tr and idefix.com.tr: 5.7 million unique visitors per month.	
	Manufacture of steel ropes, industrial steel wire, galvanized wire and cement bundles Design and production of steering wheel and suspension system parts for the OEM and replacement market	Çelik Halat: Leading brand in the Turkish industrial sector in steel rope manufacture. Ditaş: Turkey's largest steering rod manufacturer working for OEM.	
	Hotel, marina and agency management and real estate development; fleet and daily car rental	Bodrum Marina: Among top 10 marinas in the Mediterranean with its prime location and outstanding service. Işıl Club: One of the leading businesses in the Bodrum area with its outstanding service quality.	
	Factoring services Mortgage and consumer financing	Doğan Faktoring: Specialization in the media sector generates high return on equity.	
	Auto, motorcycle and marine distributorship Real estate marketing	Suzuki: Distributor agreement with Suzuki, one of the world's leading automobile manufacturers.	
	Organic dairy production and livestock breeding Venture capital trust	Doğan Organik: One of Europe's largest organic livestock husbandry businesses.	

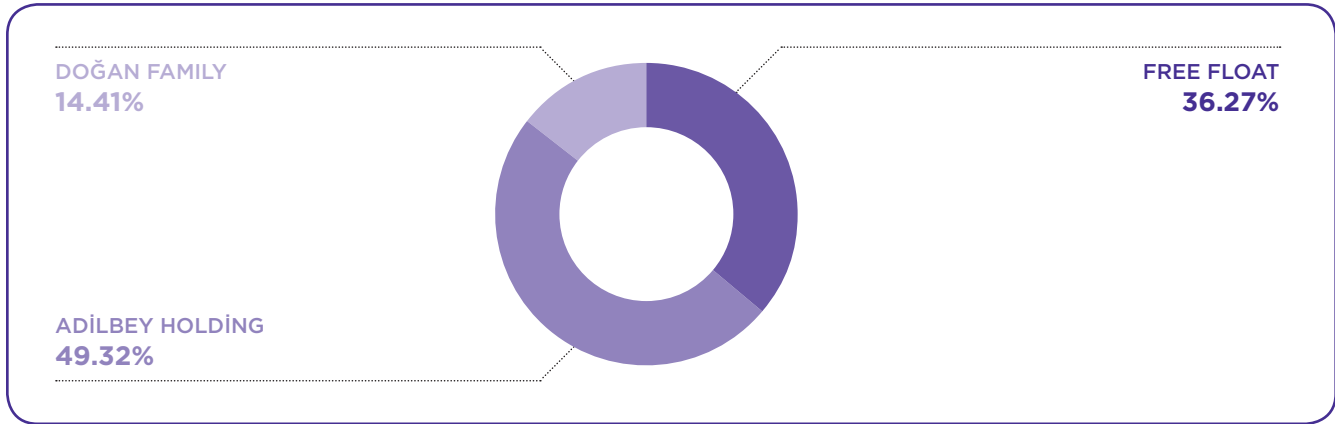
	SHARE IN CONSOLIDATED REVENUES	SHARE IN EBITDA
	 46%	 38%
	 19%	 35%
	 19%	 19%
	 10%	 8%
	 6%	 0%

SHAREHOLDING STRUCTURE

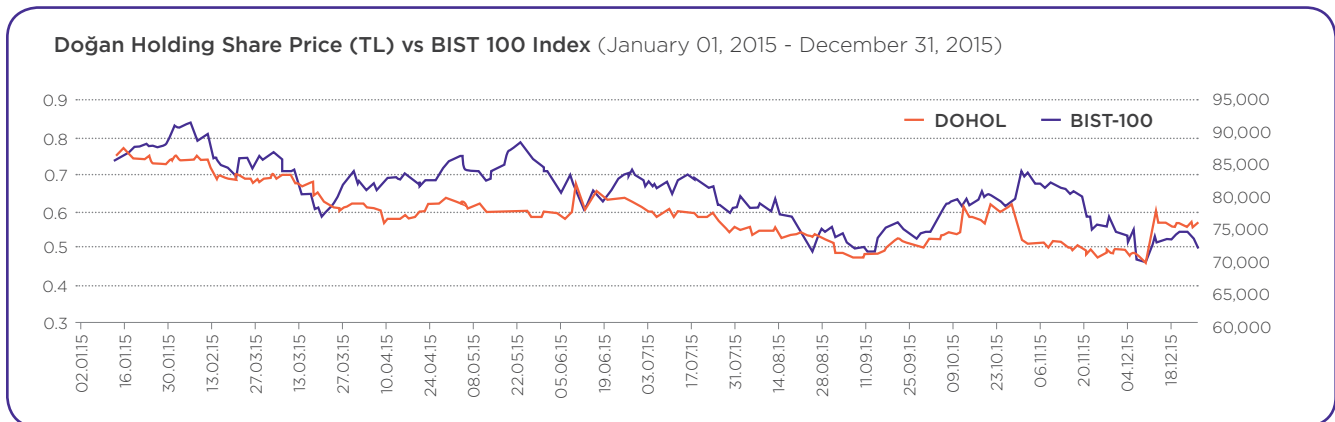
Doğan Holding's shareholders and the historical values of shares in equity at December 31, 2015 and December 31, 2014 are as follows:

Shareholders	Share (%)	December 31, 2015 (TL thousand)	Share (%)	December 31, 2014 (TL thousand)
Adilbey Holding A.Ş.	49.32	1,290,679	49.32	1,290,679
Doğan Family	14.41	377,126	14.41	377,126
Publicly Traded on Borsa Istanbul ⁽¹⁾	36.27	949,133	36.27	949,133
Issued capital	100.00	2,616,938	100.00	2,616,938

⁽¹⁾ According to the Capital Markets Board ("CMB")'s Resolution No: 31/1059 issued on October 30, 2015, amending Resolution No: 21/655 dated July 23, 2010, it is regarded that as of December 31, 2015, 35.94% of shares representing the share capital of Doğan Holding are outstanding (December 31, 2014: 35.42%), based on the Central Registry Agency ("CRA")'s records.



STOCK PERFORMANCE



HIGHLIGHTS OF 2015



As of year-end 2015, Doğan Holding's total consolidated assets rose 8.2% yoy and reached TL 7,441,364 thousand. The Company's consolidated short-term liabilities was TL 2,693,843 thousand, and long-term liabilities TL 1,705,310 thousand. Consolidated cash and cash equivalents (including blocked deposits) and financial investments totaled TL 2,187,859 thousand. Doğan Holding's consolidated net debt including short- and long-term financial liabilities and other debt was TL 799,651 thousand in this period. (Net debt stood at TL 412,985 thousand on December 31, 2014.) Doğan Holding's solo net cash was TL 52,421 thousand.

Doğan Holding's consolidated revenues increased by 68.0% yoy to TL 5,951,038 thousand. Aytemiz became part of Doğan Holding's consolidation in March 2015 and its share of total revenues amounted to TL 2,133,530 thousand. Upon Aytemiz's participation in the Holding's consolidation in 2015 and due to cost savings and efficiency increases across the Group companies, Doğan Holding's consolidated gross profit was up by 29.9% yoy and reached TL 1,026,727 thousand.

Due to the increase in fx gains, Other Operating Income (Net) amounted to TL 355,546 thousand, vs. TL 148,363 thousand in 2014.

A total loss of TL 183,645 thousand was recorded in 2015 in Investments Accounted for by the Equity Method, vs. TL 40,355 thousand in 2014; as a result fx denominated loans of joint ventures such as Boyabat and Aslancık, and weakness in the Turkish lira in 2015. Details with regard to these items are provided in the Financial Report Footnote 4 - Investments Accounted for by the Equity Method.

As a result of revenue increases and cost savings, Doğan Holding's consolidated EBITDA rose by 93.9% to TL 346,780 thousand.

Income from Investment Activities totaled TL 207,426 thousand (2014: TL 163,390 thousand); as a result of high fx gains due to fluctuations in fx, and the profits from Nakkastepe Real Estate's sales on June 11, 2015. However, Net Income from Investment Activities amounted TL 46,143 thousand in 2015 (2014: TL 33,030 thousand income) due to high impairment on tangible and intangible assets in addition to fx losses related to share purchase commitments.

On the other hand, Net Finance Expenses amounted to TL 414,719 thousand in 2015, vs. TL 342,019 thousand in 2014.

In 2015, Doğan Holding's net loss attributable to equity holders of the parent company was TL 160,820 thousand (2014: TL 224,970 thousand), due to an increase in fx losses in the broadcasting and energy segments.

MEDIA

A RELIABLE NEWS PLATFORM



PUBLISHING

Advertising Sector in Turkey

According to data obtained from the Doğan Holding Media Research Department, the Turkish advertising sector is estimated to have expanded by 4.6% in 2015 to TL 6,005 million. Data for 2015 shows that, in particular, the finance, construction and telecoms

sectors decreased their total ad spending. Television captured the majority of the total ad market as in previous years with a 53% share in 2015.

TV ad spending is estimated to have totaled TL 3,209 million in 2015, up by 5.4% year-on-year. On the publishing side, newspaper ad spending went up by 8.3% to TL 825 million, while magazine ad spend was down by 0.3% to TL 119 million.

As in previous years, the internet as an advertising channel maintained its rapid growth in 2015, and ranked number two after TV channels. Internet ad spend is estimated to have increased by about 16.2% in 2015, and reached TL 1,197 million. As a result, the internet captured 20% of Turkey's total ad spending (2014: 18%).

Ad Spending in Turkey (TL million)^(*)

	2015	2014	Change
Television	3,209	3,045	5.4%
Internet	1,197	1,030	16.2%
Newspaper	825	900	-8.3%
Outdoor	457	446	2.4%
Radio	134	138	-2.7%
Magazine	119	120	-0.3%
Cinema	65	65	0.1%
Total	6,005	5,743	4.6%

^(*) Doğan Holding Media Research Department estimates.



Newspaper Circulation in Turkey and Doğan Media Group

According to Basın-İlan Kurumu (Turkish Press Advertisement Agency) data, average daily newspaper circulation was at 4,508 thousand copies across Turkey in 2015 (2014: 4,914 thousand).

In 2015, Hürriyet Group's average daily net circulation amounted to 365 thousand copies (Hürriyet and Hürriyet Daily News) while this figure was 481 thousand copies for Doğan Gazetecilik (Posta and Fanatik). Hürriyet newspaper solely accounted for 359 thousand copies (2014: 380 thousand), while Posta realized an average daily net circulation of 345 thousand copies in 2015 (2014: 400 thousand). Doğan Group as a whole achieved an average daily net circulation of 846 thousand in 2015 (2014: 948 thousand), with an estimated market share of 18.8%.

Radikal newspaper, which operates under the umbrella of Hürriyet Gazetecilik ve Matbaacılık A.Ş., replaced its print edition as of June 22, 2014 with a digital-only version.

Magazine Circulation in Turkey and Doğan Media Group

Based on Doğan Burda Dergi Sales Department data, some 14.3 million copies were sold in the total magazine market in Turkey in 2015, reflecting a contraction of 9.4% compared to the previous year. The drop in circulation was mainly due to some groups' withdrawal from the magazine market as well as a number of discontinued magazine titles.

Together with Doğan Burda and the children's magazines published by Doğan Egmont, Doğan Magazine Group's total magazine sales amounted to 5.2 million copies in 2015 with a total market share of 36% (2014: 39%). The drop in circulation numbers was due to restructuring activities in distribution channels for cost savings purposes; falling sales in youth, PC and technology magazines; and the discontinuation of some seasonal periodicals.

With a total of 91 titles (four weekly magazines, 21 monthly magazines, seven special period magazines, and other miscellaneous magazines) in all the segments it operates in, Doğan Burda sold 4.9 million copies (2014: 5.6 million), thereby maintaining its leading market position with a 35% market share in 2015. In 2015, two licensed magazines with special periods, namely "Diabetic Living" and "The Rake" were added to the portfolio.

Despite a 0.3% contraction in magazine ad market in 2015, the Doğan Magazine Group maintained its leading position in advertising.



1.4 MILLION

ACCORDING TO THE BİAK¹ REPORT, HÜRRİYET HAS A DAILY READERSHIP OF 1.4 MILLION.



DOĞAN GROUP PUBLISHING ACTIVITIES

NEWSPAPER PUBLISHING

Hürriyet

Hürriyet has been the symbol of high quality journalism and reliability in the Turkish press, demonstrating an ethical and modern approach to journalism since its inception in 1948. Hürriyet opens new windows in the lives of readers with a unique journalistic approach, rich content, and supplements that reflect the diversity of today's daily life. Hürriyet also offers special, targeted channels to advertisers through its supplements. According to BİAK data¹, Hürriyet reaches 1.4 million readers daily with its print edition.

Posta

Since its launch in 1995, Posta has appealed to a wide audience with its rich content and dynamic journalism approach. It has maintained the title of "Turkey's most-read newspaper." According to BİAK data¹, Posta has an average daily readership of 2.5 million - by far the highest figure in the sector. Posta Newspaper also enjoys the highest reach to the AB socio-economic group among all other newspapers.

Fanatik

Since its foundation 20 years ago, Fanatik has been closely followed by sports fans of all ages and from all walks of life with its high quality sports journalism. Fanatik is differentiated by a wide range of applications available to readers, including e-gazette, live web TV, smart mobile phones, tablets, social media, and live score; the newspaper has become a true pioneer in this area. With an average daily readership of 1.1 million, Fanatik has moved up to the fifth place in the rankings, according to BİAK data.¹

Hürriyet Daily News

Turkish Daily News was established on March 15, 1961 with the slogan "The World's Window on Turkey". Turkish Daily News was acquired by Doğan Group on January 20, 2000 and named Hürriyet Daily News on November 03, 2008. Hürriyet Daily News has become the pioneering and leading English-language news source for Turkey and the region. Having witnessed 55 years of history, Hürriyet Daily News is the most well-established English-language newspaper in Turkey, constantly undergoing upgrades and maintaining its dynamism. Hürriyet Daily News is a popular newspaper in both print and online, and continues to serve as a major news source for Turkey and the region.

TME

As of year-end 2015, Hürriyet held a 78.57% stake in Trader Media East Ltd. ("TME"), which it acquired in 2007. TME is the leading online and print classified ads provider operating in Russia, Ukraine, Belarus, and Kazakhstan. TME owns some of the most popular media brands in Russia, such as Iz Ruk Ruki, as well as Irr.ru and job.ru, Russia's leading classifieds websites.

DIGITAL ACTIVITIES

AD MARKETING

Doğan İnternet Yayıncılığı ve Yatırım A.Ş. (MedyaNet)

MedyaNet, Turkey's leading online ad marketing company, provides a wide range of services in display, mobile, online video, performance-driven digital marketing and social media.

Working in collaboration with Turkey's leading publishers, MedyaNet identifies ad spaces in internet-based communication channels and offers them to advertisers. MedyaNet manages the entire process of advertisements, including publishing, reporting and performance management.

¹ BİAK 8.-11. Cumulative (December 1, 2014 - November 30, 2015).



3.1 MILLION

AS OF END-2015,
HURRIYET.COM.TR
RECEIVES AN AVERAGE
OF 3.1 MILLION UNIQUE
VISITORS PER DAY.

NEWS PORTALS

hurriyet.com.tr

Hürriyet aims to extend its market leadership in publishing to online journalism. hurriyet.com.tr was launched on January 1, 1997 and became one of the first newspapers in Turkey to go online. Having been transformed into a social news platform with new features rolled out in May 2014, hurriyet.com.tr now offers readers the chance to personalize the news content, as well as message, share and communicate with writers. hurriyet.com.tr maintains its leadership in the Turkish digital world, and reached 3.1 million unique visitors daily and 43 million unique visitors monthly in 2015¹. hurriyet.com.tr is also followed with great interest on social media, figuring as one of the most shared news websites in Turkey.

hurriyet.com.tr reaches out to its readership from across various channels and constantly increases its social media followers. At the end of 2014, Hürriyet took its offerings to the next level by adding innovative interactive features to its e-gazette application, which is accessible via tablet and other mobile devices.

posta.com.tr

posta.com.tr was launched in 2009 to offer the rich content of Posta newspaper to online readers. posta.com.tr, a major online news reporting platform, received an average of 4.2 million unique visitors monthly in 2015². Meanwhile, the mobile version was visited by an average of 328 thousand unique visitors monthly. posta.com.tr has 185 thousand followers on Facebook and 65 thousand followers on Twitter.

fanatik.com.tr

fanatik.com.tr, the country's leading sports website, revamped its mobile version and live score applications in 2014. fanatik.com.tr received an average of 6.3 million unique visitors monthly, and more than 197 million page views in 2015². Presenting high quality sports news coupled with a unique approach to journalism, fanatik.com.tr's mobile website counted nearly 4.4 million users on a monthly basis in December 2015². fanatik.com.tr prioritizes social media engagement and has 2.2 million followers on Facebook, and 808 thousand followers on Twitter.

radikal.com.tr

Radikal, the pioneer of innovation in Turkish media, is the first choice for readers who seek an independent source of in-depth information on a wide range of topics, from politics to technology, culture and arts to automotive. In June 2014, Radikal decided to go "online-only," and became Turkey's most effective and social digital newspaper. Thanks to its pioneering mobile application, Radikal has more mobile followers than its competitors. Ranking among Turkey's top news websites with the biggest social media following and the highest sharing rates, Radikal garners utmost respect and admiration from readers with news coverage under the RadikaList section. Radikal received an average of 1 million unique visitors daily, and 16.2 million unique visitors per month in 2015.

hurriyetdailynews.com

Enriched with blogs and extensive social network integration, hurriyetdailynews.com provides readers the most up-to-date, accurate news on a wide range of topics, from politics to arts, economy to technology, sports to everyday life. With its Facebook and Twitter accounts, Hürriyet Daily News has a strong social media presence, and is rapidly moving towards its goal of further broadening the audience base via mobile apps and social media tools.

¹ Google Analytics, 2015.

² Gemius, December 2015.



CLASSIFIED ADS AND SOCIAL CONTENT WEBSITES

hurriyetemlak.com

Launched in 2006 as Hürriyet newspaper's online real estate platform, hurriyetemlak.com is a real estate portal that collects the entire sector on a comprehensive website. With an extensive ad portfolio, up-to-date news, innovative products and projects, the website stays abreast of developments in the real estate sector. As of year-end 2015, hurriyetemlak.com had 4.6 million unique visitors monthly.¹

hurriyetoto.com

hurriyetoto.com is a rapidly growing platform for the automotive sector. In 2015, the website increased both number of visitors and ads year-on-year.

yenibiris.com

Ranking among the leading recruitment websites, yenibiris.com closely monitored new technology developments in 2015. As of end-2015, yenibiris.com had an average of 2.6 million unique monthly visitors.¹

ekolay.net

Launched in 2014, ekolay.net became a popular resource for the service sector, featuring more than 13,000 companies in Istanbul alone.

hurriyetaile.com

With a new site design and a strong team of writers and experts, hurriyetaile.com tackles the concept of family from diverse perspectives. hurriyetaile.com provides users with a wide range of topics that include relationships, shopping, pregnancy and health.

mahmure.com

mahmure.com was acquired by Hürriyet Internet Group in November 2012, together with Hürriyet Aile and Kelebek, the web site constitutes Turkey's largest lifestyle network.

yakala.co

The website yakala.co operates in the e-commerce opportunities category and has become the preferred online shopping and ad platform for domestic and international firms. The site provides discount opportunities in a variety of areas, ranging from tourism and entertainment to beauty centers, cultural activities to dining. While helping its customers save money, yakala.co also provides users with an innovative experience at reduced prices. As a result, the platform has become one of the most powerful online advertising and sales channels for companies. Thanks to its constantly updated features, yakala.co continued to grow steadily in 2015. Its fast, reliable structure helps the website to remain the sector leader in terms of growth.

bigpara.com

Acquired by Hürriyet Internet Group in November 2012, bigpara.com signed a secondary distribution agreement with BIST (Borsa Istanbul) in 2014, and continues to provide real-time stock services to users. With new sections, increased functionality and an advanced technical infrastructure, bigpara.com is Turkey's largest personal finance portal.

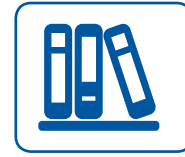
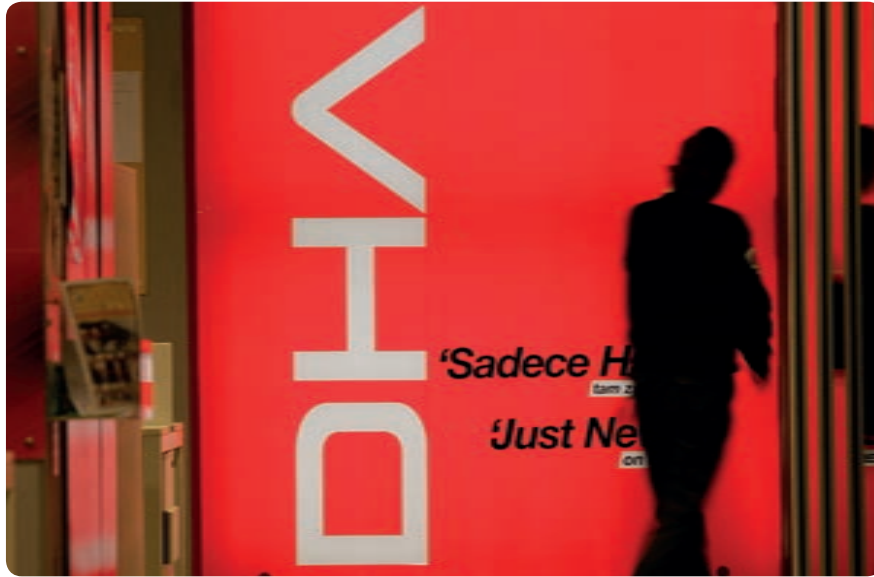
MAGAZINE AND BOOK PUBLISHING

Doğan Burda Dergi

Featuring magazines that have original and creative content, Doğan Burda is the leader of magazine publishing sector in Turkey. With four weekly magazines, 21 monthly magazines, seven magazines with special periods, and a total of 59 other publications, Doğan Burda boasts a portfolio of 91 publications and continues to be a successful player in the sector.

In 2015, Doğan Burda continued to invest in magazine publishing. In addition Doğan Burda also publishes its well-established brands and new magazines both in print and online. The company expanded its products range based on the requests of its readership to include new publications, special issues/periodicals under existing primary magazines and digital updates. While adhering to its approach of being a responsible publisher, Doğan Burda – the sector leader – aims to further the quality and efficiency of its well-established brands. The company also plans, as always, to introduce new innovations to customers in 2016.

¹ Google Analytics, 2015.



DHA (DOĞAN NEWS AGENCY), BOASTING ONE OF TURKEY'S STRONGEST NEWS NETWORKS, COMMITTED TO PROVIDE ACCURATE, OBJECTIVE AND TIMELY JOURNALISM.

Doğan Egmont

Doğan Egmont, a leading book and magazine publisher that attracts a broad readership of all ages and interests, was founded with the partnership of Doğan Group and Scandinavia's well-established media group Egmont in 1996.

Doğan Egmont, embracing the philosophy that "Reading is the future" and featuring more than 1,000 children's books and 23 magazines in its portfolio, plays an important role in the personal development of youth and children. The company publishes books and magazines of world-famous brands – such as Disney, Mattel, Hasbro, Harper Collins and Scholastic – in addition to other significant publications for children from Turkey and around the world.

Doğan Egmont closely monitors developments in the sector. In order to be able to reach out to a diverse readership and establish targeted communications with different groups, Doğan Egmont introduced the following sub-brands to the sector between 2011 and 2014: DEX in 2011; DEX Plus; in 2013; CEO Plus and Doğan Novus in 2014.

Doğan Kitap

Doğan Kitap publishes outstanding works of Turkish literature as well as the best examples of contemporary world literature in Turkish. Doğan Kitap maintains its strong and highly reputable position in literature and attracts significant attention with its bestselling books and high volume sales.

DPP (Magazine Marketing and Planning)

DPP, which is active in magazine marketing and planning, continues to be the indisputable and highly-respected sector leader with its foreign partnerships and successful business areas.

NEWS AGENCY

Doğan News Agency (DHA)

Doğan News Agency was established in 1963 under the name Hürriyet News Agency as Turkey's first private national news agency. In 1999, the news agency merged with Mil-Ha, a subsidiary of Doğan Group, and was renamed Doğan News Agency (DHA). Since its founding, DHA and its professional and experienced reporters, cameramen and live broadcast teams have met the demand in Turkish media for reliable, high-quality news, images and photographs. DHA has embraced the slogan "Only News, Just in Time," as it provides its audience with accurate news quickly and by adhering to the principle of objectivity. DHA conducts its operations in accordance with the Doğan Media Code of Conduct, which is formulated in line with the main principles of global journalism. As a result, the news agency also functions as an important source of information on developments in and around Turkey for international press.

PRINTING, DISTRIBUTION AND FOREIGN TRADE

Doğan Dağıtım

Doğan Dağıtım's seven regional offices, 194 main dealers and effective and powerful organization have helped it

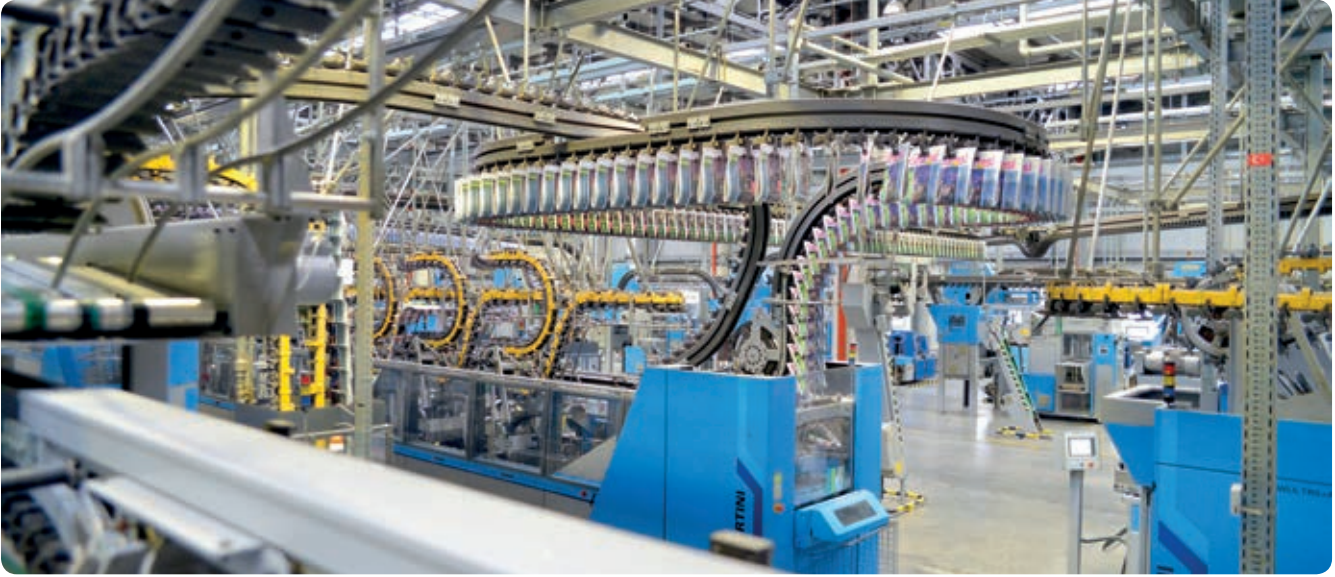
become Turkey's most well-established and wide-ranging distribution company, providing swift, reliable and meticulous services. Doğan Dağıtım undertakes distribution activities for 26 national and 18 regional newspapers, in addition to 16 weekly, three bi-weekly, 136 monthly and 263 bi-monthly and longer term domestic publications. Furthermore, the company also conducts the country-wide distribution activities for 858 foreign publications.

Doğan Printing Center

Doğan Printing Center (DPC)'s facilities closely monitor new technologies, use advanced production techniques, and comprise a well-established machine park with high production capacity. As a result, DPC is Turkey's largest and most well-equipped printing center. Doğan Printing Center is also well-known internationally with its service quality and its leadership position in the sector. In six cities in Turkey and in Germany, the company undertakes the printing of Doğan Holding's weekly, monthly and periodical publications as well as newspapers and supplements of other media groups.

Doğan Media International

Doğan Media International was established in 1999 to conduct Doğan Media Group's operations in Europe; since that time, it has also coordinated the activities of Hürriyet Newspaper in Europe. Providing its readership with access to news from Turkey and Europe for half a century, Hürriyet and its publications aim to contribute to a harmonious way of living together by establishing intercultural bridges between different societies. The Hürriyet printing center, located near Frankfurt, prints 30 publications in seven languages and for four continents.



Besides Hürriyet Newspaper, the following international newspapers are also printed at the center: The Wall Street Journal's and Financial Times' German and regional editions; the US publication Stars&Stripes; regional editions of Bild Newspaper - the newspaper with the highest circulation in Germany; Sportwelt, an important source of information for equestrianism; and the Arabic Asharq Al-Awsat. In addition, Poland's Info&Tips; the Chinese China Daily; Japan's Asahi and Nikkei; and The Security Times and New Europe - important sources of information for opinion leaders - are among Doğan Media International's periodic publications. Together with these publications, more than 300 thousand copies of newspapers are printed at the center daily.

Doğan Foreign Trade

Doğan Foreign Trade mainly operates in the import of paper and printing blocks. The company also functions as an agent in paper, cardboard, packaging products, as well as the import of digital

products (e.g. satellite receiver, modem, and the like). Additionally, it provides a global supply service targeted at the retail market.

Doğan Foreign Trade's operations are predominantly targeted at publishing, such as newspapers, magazines and books. The company is currently working on new agency operations in the packaging and cardboard sector, to expand its products portfolio in these growing areas. Doğan Foreign Trade aims to expand in various products sold in the global retail sector; the company continually strives to grow its business volume in this area of operation.

Publishing Segment Financial Results Review

In 2015, total ad revenues in publishing declined 15% year-on-year due to the contraction in the domestic newspaper ad market and the downtrend in overseas ad revenues. The Group's circulation and printing revenues were down by 6.9% yoy. Three main factors drove the decrease in circulation and

printing revenues: Average daily net circulation of newspapers across the Turkey fell 8% in 2015 compared to 2014; Radikal newspaper was transformed into online digital-only platform on June 22, 2014; and the sale of Doğan Ofset as of July 18, 2014.

As a result of the drop in advertising and circulation revenues, consolidated publishing revenues (before inter-segment eliminations) declined 6.8% in 2015 compared to the previous year and totaled TL 1,182,911 thousand.

The fall in newsprint prices in USD terms helped alleviate the negative impact of fluctuations in fx rates. Further, the Group's paper consumption decreased in 2015, leading to lower paper costs. In addition, supported by the efforts to decrease costs in the Group, publishing segment gross profit rose 5.3%, and EBITDA (Earnings before Interest Taxes Depreciation and Amortization) increased 30.6% in 2015 to TL 122,966 thousand. The EBITDA margin went up to 10.4% (2014: 7.4%).

Publishing (TL thousand)	2015	2014	Change
Consolidated Revenues ^(*)	1,182,911	1,269,754	-6.8%
Gross Profit	390,445	370,701	5.3%
EBITDA ^(*)	122,966	94,159	30.6%
EBITDA Margin (%)	10.4	7.4	-
Profit (Loss) before Tax	30,460	-145,883	-

^(*) Segment revenues and EBITDA figures are provided before inter-segment eliminations. EBITDA has been calculated by Doğan Holding.

Revenues by Segments (TL thousand)	2015	2014	Change
External Revenues	1,131,330	1,218,286	-7.1%
Advertising Revenues	513,828	604,345	-15.0%
Circulation and Printing Revenues	260,097	279,506	-6.9%
Other	357,405	334,435	6.9%



BROADCASTING

TV Ad Market in Turkey

According to data obtained from Doğan Holding Media Research Department, the television segment accounted for a 53% share in total advertising spending in 2015, maintaining its leading position. Total TV ad spending is estimated to have increased 5.4% year-on-year to TL 3,209 million. While the food and telecoms increased their share in TV ad spending in 2015, the share of the finance, beverages and construction went down. Kanal D, a Turkish TV channel operating under Doğan Holding, ranked second in terms of ad revenues in 2015.

TV Ratings

According to TNS Kantar Media (TNS) data regarding the ratings for "All Day-All Audiences" and "Prime Time-All Audiences," the total ratings for the first five channels (in alphabetical order: ATV, Fox TV, Kanal D, Show TV and Star TV) came in at 43.9% and 50.5%, respectively, in 2014; meanwhile, these figures went down to 40.2% and 44.8%, respectively, in 2015 for this five-channel group. The rise in the shares of other channels intensified competition in this field.

According to TNS data, Doğan Holding's TV channel Kanal D, continued to enjoy one of the highest TV ratings in Turkey in 2015. Kanal D recorded a rating of 8.25% in "All Day-All Audiences" (December 2014: 9.76%) and a rating of 9.23% in "Prime Time-All Audiences" (December 2014: 11.05%). In the "All Day A/B group" category, Kanal D garnered a rating of 8.70% (December 2014: 10.77%) and was Turkey's most watched TV channel in 2015.

CNN Türk, which came on air in 1999 as a joint venture of Doğan Media Group and Time Warner, was the most watched news channel in the January – December 2015 period in the AB group and the "All Day" and "Prime Time" categories, according to TNS data.

tv2, which started airing in August 2012, appeals to audiences of all ages by broadcasting popular foreign TV series, domestic TV productions, entertainment programs, cartoons and thematic movies. According to TNS data for January 1 – December 31, 2015, tv2 received a rating of 0.63% in the "All Day-All Audiences" category.

Digital Platform

According to a sector report published by the Information and Communication Technologies Authority of Turkey, broadband Internet users in Turkey totaled more than 46.7 million as of third quarter of 2015, including 6.9 million xDSL users and 1.6 million fiber Internet users. Compared to second quarter 2015, cable Internet subscribers rose 2.2% to 596,056. Total pay TV subscribers in the satellite platform is estimated at 3,994,022 as of third quarter 2015.

As of end-2015, the total number of Pay TV subscribers of D-Smart, a digital platform operating under Doğan Holding, was 977 thousand (2014: 1,048 thousand), while ADSL users numbered 346 thousand.

12.7 MILLION

KANALD.COM.TR, HAVING MAINTAINED ITS POSITION AS THE MOST VISITED TV WEBSITE IN TURKEY FOR YEARS, RECORDED 12.7 MILLION UNIQUE VISITORS AND 188 MILLION TOTAL PAGE VIEWS IN 2015.



DOĞAN GROUP BROADCASTING ACTIVITIES

TELEVISION BROADCASTING

Kanal D

Kanal D appeals to a broad range of audiences and introduces them to different and creative projects with its management perspective open to change. According to TNS A.Ş. data, between January 1 and December 31, 2015, Kanal D had a rating of 8.70% in the A/B socio-economic group and a 8.25% rating in the "All Day-All Audiences" category. As for prime time, the channel had a rating of 9.59% in the A/B socio-economic group and a 8.25% rating in the "All Audiences" category.

kanald.com.tr has maintained its position as Turkey's most frequently clicked TV website since many years. According to Google Analytics December 2015 figures, the website receives 12.7 million unique visitors and more than 188 million total page views monthly. In addition, according to the Group's calculations, a total of 980 million videos were viewed on kanald.com.tr throughout the year. With more than 11 million followers in total, Kanal D continued to be active on social media in 2015 through effective and frequent use of its corporate accounts.

CNN Türk

CNN Türk was launched on October 11, 1999 as a joint venture of Doğan Media Group and Time Warner. CNN Türk is the first national channel managed outside the station's Atlanta headquarters and the first to offer 24-hour news coverage in another national language. CNN Türk is also the first Turkish TV channel formed via international partnership. CNN Türk stands out in broadcasting sector as a good example of independent, objective journalism offering political, life style, financial, sports news shows as well as entertainment programs on TV. CNN Türk coverage is also available on CNN Türk Radio at 92.5. CNN Türk live coverage is available on all platforms including on mobile applications as well as social media accounts.

CNN Türk, providing speed, quality and reliability all at once, has assumed a leading role in online news through its cnntrk.com website and effective use of its social media accounts. According to Google Analytics December 2015 data, cnntrk.com receives 8 million unique visitors and 185 million page views monthly. Throughout 2015, the website saw a rise in its visitor and page view numbers. By doubling its visitor traffic in the year, cnntrk.com became Turkey's fastest growing news website.

tv2

tv2 appeal to a wide range of audiences with its variety of content, structured programs and frequently mentioned with local and foreign series, cinema and documentary movies. According to TNS A.Ş. data, Turkey's entertainment channel tv2 had a rating of 0.83% in the "All Day-A/B socio-economic group" and 0.63 in the "All Day-All Audiences" category.

Dream TV

Launched in 2003 with the slogan, "Follow Your Dreams," Dream TV broadcasts the latest pop music videos, alternative Turkish music videos and special music documentaries. The channel also provides live broadcasts from music festivals and concerts. In 2004, with the "Native Language of Music" slogan, Dream Türk also gained the appreciation of music lovers with its Turkish pop video clips and special programming that appeal to a wide range of audiences.



Kanal D Romania

As the face of Kanal D in Romania, Kanal D Romania started broadcasting in 2007 with a national broadcast license. The channel received widespread acclaim with its original broadcasting approach and became one of Romania's most watched television channels shortly after its launch. Kanal D Romania began to broadcast some of its programs in full HD in 2014. One of two TV channels in the country that broadcast in full HD, Kanal D Romania aims to turn all its programs into full HD in the coming period.

Euro D

Launched in 1996 to help Turkish expats keep abreast of developments in Turkey, Euro D has rapidly become a very popular TV channel among the Turkish community across Europe. Euro D offers its audiences rich content ranging from news to TV magazines, series to entertainment.

DIGITAL PLATFORM

D-Smart

D-Smart, operating within Doğan TV Holding since 2007, figures among Turkey's leading digital broadcasting platforms. Continually working to improve its content and services based on new market dynamics, D-Smart provides audiences with a wide range of digital content services. These include HD-quality cinema and series channels; 15 different documentary channels including the National Geographic and Discovery groups; all the various national channels; satellite channels broadcasting on Türksat satellite; and more than 280 channels including 77 HD channels.

D-Smart is constantly growing with the investments it makes in digital broadcasting and internet technologies. In line with its overall strategy, D-Smart closely monitors changing market dynamics. In response to customer needs and requests, D-Smart teamed up with the internet service supplier Smile in 2010. D-Smart began to provide internet services under the brand D-Smart Net in May 2012 and under D-Smart Internet after 2014. D-Smart is the first DTH (direct to home) platform in Turkey that provides double play (TV + Internet services) in a single package and with a single invoice.

In 2015, D-Smart became the first and only platform in Turkey that ceased SD broadcasting and transferred all its private channels to HD quality. As a result, D-Smart became the digital platform with the largest number of HD channels. Further, D-Smart also signed an agreement with 20th Century Fox for First Pay TV rights in order to ensure richer movie content and become a leader in this area.

D-Smart aims to rid audiences' homes of satellite receiver systems, cables, and remote controls. To this end, the company introduced the customer-oriented, innovative solution D-Fix.

In addition to these services it delivers via satellites, D-Smart has also provided a live TV and content access service through the BluTV application since 2013. Committed to provide a diversified service offering to subscribers, D-Smart uses BluTV to allow subscribers access to its rich content through PCs, smart phones and tablets.



**DOĞAN RADIO GROUP,
COMMITTED TO
UNDERTAKING PIONEERING
INITIATIVES IN THE
TURKISH RADIO SECTOR,
LAUNCHED ITS NEW BRAND
RADYONOM.COM.**



RADIO BROADCASTING

Radio D

Radio D is one of the first radio stations in Turkey to broadcast nationally. Radio D broadcasts mainly Turkish pop music via fully digital systems at international standards. Radio D reaches its audiences via the D-Smart digital platform, the Türksat satellite, the terrestrial broadcasting network, internet broadcasts and radyonom.com, in addition to applications for tablet and mobile devices.

Slow Türk

Slow Türk went on air with the objective of making the best love songs accessible to a broad radio audience under the slogan "The Frequency for Love." With its beautiful, romantic love songs played during the day, the channel quickly became one of the most popular radio channels in Turkey. Slow Türk reaches audiences via digital platforms, the Türksat satellite, the terrestrial broadcasting network and internet broadcasts, in addition to applications for tablets and other mobile devices.

CNN Türk Radio

CNN Türk Radio broadcasts 24 hours a day on 92.5 FM and was established as a joint venture of Doğan Group, CNN Türk and Time Warner. With its high-quality journalism approach, CNN Türk Radio provides simultaneous radio broadcasts of the content broadcasted on the CNN Türk TV channel.

radyonom.com

Doğan Radio Group, committed to undertaking pioneering initiatives in the Turkish radio sector, launched its new brand radyonom.com in 2014.

radyonom.com is a digital radio platform that provides audiences with the opportunity to listen to the different radio channels playing a variety of songs. With a user-friendly interface, radyonom.com provides a unique music experience to its subscribers. Access to radyonom.com is available via a mobile application and online.

TV AND MUSIC PRODUCTION

D Productions

One of the leading production houses in Turkey, D Productions was founded under the name ANS International in 1992 and joined the Doğan TV Holding family in 1998. Since 2005, the company has operated under the name D Yapım Reklamcılık ve Dağıtım A.Ş., producing TV series, programs, movies and providing movie distribution services. Additionally, Kanal D Home Video, owned by D Productions, offers a wide range of films for those who want to enjoy cinema-quality movies at home.

Doğan Music Company (DMC)

DMC maintained its leading position in the sector with 25% market share in CD sales, 40% in radio & TV playlists and 45% in digital sales in 2015.



Broadcasting Segment Financial Results Review

In 2015, the broadcasting segment's consolidated revenues (before inter-segment elimination) were down by 6.8% compared to the previous year and amounted to TL 1,116,937 thousand.

TV ad revenues were down 7.0% in 2015. Digital platform subscription revenues remained almost flat at TL 444,176 thousand, accounting for a 41% share in total broadcasting revenues.

Despite the drop in revenues in 2015, gross profits increased by 31.6% to TL 193,659 thousand. Additionally, due to cost saving efforts in operating expenses, the segment's operating costs fell 14.5% this year. As a result, broadcasting EBITDA reached TL 64,675 thousand (2014: TL 8,748 thousand). With the impact of fx losses, net financial expenses rose to TL 147,279 thousand in 2015 (2014: TL 80,614 thousand), resulting in a loss before taxes.

Broadcasting (TL thousand)	2015	2014	Change
Consolidated Revenues ^(*)	1,116,937	1,198,697	-6.8%
Gross Profit	193,659	147,212	31.6%
EBITDA ^(*)	64,675	8,748	639.3%
EBITDA Margin (%)	5.8	0.7	-
Profit (Loss) Before Tax	-188,836	-209,380	-9.8%

^(*) Segment revenues and EBITDA figures are provided before inter-segment elimination. EBITDA has been calculated by Doğan Holding.

Revenues by Segment (TL thousand)	2015	2014	Change
External Revenues	1,095,234	1,177,180	-7.0%
Advertising Revenues	497,320	571,782	-13.0%
Subscription Revenues	444,176	444,757	-0.1%
Other	153,738	160,641	-4.3%

ENERGY

20 YEARS OF EXPERIENCE IN THE ENERGY SECTOR



Developments in the Turkish Petroleum Products and LPG Distribution Sector and Doğan Group

2015 was a year that saw many important developments in the petroleum products distribution sector due to the implementation of the price ceiling and the handover of numerous stations.

Price Ceiling Policy: Upon a decision of the Energy Market Regulatory Authority (EMRA) which entered into force on February 20, 2015, a price ceiling was imposed on margins of dealers and distributors for a two month period. With this decision, the total margin of dealers and distributors was set at TL 0.34/lt for petroleum products and at TL 0.37/lt for diesel. The price policy scheme ended on April 20, 2015.

Renewal of Licenses: With a decision adopted in 2009, the Competition Authority limited the duration of beneficial dealership agreements (between dealers and distribution companies), which used to be effective for 15-20 years, to five years. With this decision, the agreement deadline of many dealers on the market became more important, leading to increased station transfers in the second half of 2015. Aytemiz, in which 50% shares acquired by Doğan Enerji in March 2015, effectively managed this process and made the biggest leap in the sector posting with a total increase of 186 stations (132 new stations in third quarter) in one year.

Oil Prices: Brent crude oil, which began the year at USD 57 per barrel, continued to fall in 2015, much like the prior year, due in part to the following developments: The decision of OPEC countries to not decrease production levels; the resulting supply surplus; China's slowing economic growth and its impact on demand. As a result, Brent crude oil closed the year at USD 37 per barrel. Since the fixed tax (special consumption tax) imposed in Turkey on petroleum products affects prices, and as the tax rates are constant, the 35% decline in crude oil prices has had a limited impact on pump prices in Turkey.



Petroleum Products and LPG Sales:

Turkey's petroleum products sector outperformed economic growth in 2015. According to the 2015 sector report published by the Energy Market Regulatory Authority (EMRA), total petroleum product sales of distributors in the sector rose 14.3% year-on-year to 22,771,859 tons, while total LPG sales increased 7.9% to 4,085,252 tons. During the year, Aytemiz's total petroleum product sales were up by 28.4% to 492,138 tons, while its total LPG sales rose 12.7% to 86,959 tons.

Developments in the Turkish Electricity Sector and Doğan Group

In 2015, Turkey's total installed capacity expanded 5.2% year-on-year to 73,148 MW. Hydraulic resources account for the highest share in installed capacity in Turkey at 35.4%, while wind power plants make up 6.1% of total installed capacity in the country.

In 2015, Turkey's electricity production increased by 3.7% to 259,612 GWh. Some 68.5% of this production was natural gas and coal-based, while production at hydro power plants constituted 26%, and wind power plants accounted for 4.5% of total production.

During the year, Turkey's total electricity consumption went up by 3.3% over the prior year to 264,137 GWh.

The applications filed in 2015 to participate in the Renewable Energy Resources Support Mechanism (YEKDEM) for 2016 reached a record number of 556. According to the final YEKDEM list published by the Energy Market Regulatory Authority (EMRA), the total applied capacity at 15,577 MW is three times higher when compared to the applications of the previous period. As the Renewable Energy Support is provided in USD terms, and due to the depreciation of the TL against the USD in 2015, a revenue gap appeared between the wholesale electricity market and the Renewable Energy Support mechanism and the number of applications increased significantly.

Compared to the high prices in 2014, which was a cold, windless and dry year, electricity prices fell 17.5% in 2015. This decrease was experienced due to three main developments: Hydropower production went up owing to high water levels at energy generating dams; temperatures were generally above seasonal averages; and 84% of the newly operational power plants used no-cost renewable energy resources.

Doğan Group's Şah and Mersin wind power plants' share in total wind power installed capacity in Turkey was 3.3% as of December 2015. Thereby, Şah and Mersin wind power facilities accounted for 3.8% of the total wind power

production in the country. The share of the Boyabat and Aslancık hydroelectric power plants in the total hydroelectric power production in Turkey was 2.5% in 2015. The Şah and Mersin wind power plants, in addition to the Aslancık hydropower plant, were eligible and took part in the YEKDEM (Renewable Energy Resources Support Mechanism) list for 2016.

DOĞAN ENERJİ YATIRIMLARI SANAYİ VE TİCARET A.Ş.

Active in the energy sector for nearly 20 years, Doğan Holding considers energy investments as one of its core business areas. To this end, Doğan Enerji was established in 2000 to engage in production, transmission, distribution, domestic and international wholesale and retail trade of energy from any source and to realize investments in Turkey and the region.

Aytemiz Akaryakıt Dağıtım A.Ş.

Aytemiz Akaryakıt Dağıtım A.Ş. ("Aytemiz") was established in 2009 by the Aytemiz Family who has been in the petroleum products sector since 1963. The same year, it received a petroleum products distribution license from the Energy Market Regulatory Authority (EMRA) and began conducting activities in this field. Aytemiz operates in the distribution and marketing of petroleum products sector.



28.4%

IN 2015, AYTEMİZ'S TOTAL PETROLEUM PRODUCTS SALES INCREASED BY 28.4% TO 492,138 TONS, REPRESENTING A TOTAL MARKET SHARE OF 2.16%.



Doğan Enerji, a direct subsidiary of Doğan Holding, entered into a share purchase and shareholder agreement on January 29, 2015 with Aytemiz, purchasing and transferring 50% of Aytemiz's shares in cash and in a single payment. The sale and transfer process were completed on March 11, 2015. As of December 31, 2015, Aytemiz had 416 stations (March 2015: 310; December 31, 2014: 313), 11 refilling points and five storage facilities through which it engages in petroleum products and LPG storage and distribution activities. With its station network expanding from 313 to 416, Aytemiz made the biggest leap forward among distribution companies in the sector in 2015.

In its company-owned terminals in İzmit, Kırıkkale, Trabzon, Erzincan and Mersin, Aytemiz has a total storage capacity of 133,000 m³. Upon the addition of the Alanya terminal, whose first-phase construction will be completed in 2016, the company will further boost its total storage capacity by 48 thousand m³.

In 2015, Aytemiz's total petroleum product sales increased by 28.4% to 492,138 tons (490,345 tons of white products; 1,793 tons of black products). In addition, the company's market share reached 2.16% (December 2014: 1.93%). During the year, Aytemiz's total LPG sales went up 12.7% to 86,959 tons, translating into a total market share of 2.13% (2014: 2.04%).

Aytemiz, boasting a station network across Turkey, has achieved a high market share and occupies a strong, market leading position. Aytemiz ranks among the largest main distribution companies in the petroleum products distribution sector. With the growth targets it aims to meet in the coming period, the company is committed to continually capturing more market share. Aytemiz plans to scale up its station numbers to above 500 by end-2016. With the contribution of its new terminal in Alanya, which will become operational in 2016, Aytemiz aims to reach a 4% market share in both petroleum products and LPG.

Boyabat HEPP

Doğan Enerji owns 33% of Boyabat Elektrik Üretim ve Ticaret A.Ş. The license of the Boyabat Dam and HEPP project was obtained from the Energy Market Regulatory Authority (EMRA) on November 13, 2007. The project became fully operational in December 2012. With an installed capacity of 513 MW, the Boyabat project is expected to generate about 1.5 billion kWh of electricity per annum. With this project, one of the Turkey's largest private sector power plant investments, Doğan Enerji started to help meet the growing energy demand of the country.

Aslancık HEPP

The first and the second units of the Aslancık HEPP project, each with a capacity of 60 MW, were completed in March 2014 and September 2014,

respectively. The power plant is now fully operational. With a total installed capacity of 120 MW, the Aslancık Dam and HEPP project is situated on Harşit Brook within the town limits of Doğankent and Tirebolu in Giresun province in the eastern Black Sea region. Doğan Holding has a 25% stake in the project while Doğan Enerji holds an 8.33% share. The project's electricity generation license was received from EMRA on March 20, 2008. The project is expected to generate 418 million kWh of energy on an annual basis.

Galata WEPP

The Mersin and Şah wind power plants, which are operational under the Galata wind power plant, were added to the Group portfolio in 2012. Mersin wind power plant's installed capacity increased from 33 MW to 42 MW in February 2013, while the Şah wind power plant's installed capacity expanded from 93 MW to 105 MW in May 2013. Our power plants, which have a total installed capacity of 147 MW, occupy an important position in the market among wind power producers. The Şah and Mersin wind power plants are expected to produce about 500 million kWh of power per year.

D Tes

Doğan Enerji increased its stake from 25% to 100% in D-Tes Elektrik Enerjisi Toptan Satış A.Ş. by purchasing the remaining 75% shares in 2013. Through D-Tes Elektrik Enerjisi Toptan Satış A.Ş., which holds an electricity wholesale license, Doğan Enerji continues to increase its portfolio in electricity wholesale and retailing day by day.



Gas Plus Erbil (GPE)

The Group also has a 20% net interest in oil exploration and production activities in Northern Iraq through a joint venture company, Gas Plus Erbil. In 2014, oil production continued at one well in Bastora and two wells in the Benenan oil fields. While some of the oil extracted from these fields is exported, most is sold on the local market. Production tests performed at the Erbil-2 well in 2014 yielded positive results, and indicated reserves across the Benenan oil field. In 2015, the evaluation process continued and the company plans to execute engineering work for the development of Phase-2 in 2016.

Energy Segment Financial Results Review

Consolidated revenues and EBITDA in the energy segment include wind power production, electricity trade operations and petroleum products sales with the purchase of 50% shares of Aytemiz Akaryakıt Dağıtım A.Ş. on March 11, 2015. Aytemiz is fully consolidated in Doğan Enerji and Doğan Holding's financial statements. Aytemiz's share in Doğan Holding's consolidated revenues in 2015 was TL 2,133,530 thousand. The stated amounts are the figures for the activity period from March 11, 2015 until December 31, 2015 (when financial statements are prepared).

With the positive contribution of Aytemiz and D-TES, consolidated revenues of the energy segment climbed to TL 2,770,792 thousand in 2015, up from TL 295,922 thousand in 2014. Gross profit rose 255.9% to TL 177,423 thousand. EBITDA was up by 205.4% to TL 133,231 thousand.

Boyabat and Aslancık, both joint ventures, are consolidated through the equity pick up method. Total loss from investments accounted for by the equity method was TL 183,212 thousand in the energy segment, vs. TL 53,119 thousand last year. Losses increased due to fx-denominated loans of joint ventures and the weakness in the Turkish lira in this period. As a result of high fx losses, the energy segment's loss before tax was TL 194,595 thousand in 2015.

Energy (TL thousand)	2015	2014	Change
Consolidated Revenues	2,770,792	295,922	836.3%
Gross Profit	177,423	49,846	255.9%
EBITDA ^(*)	133,231	43,620	205.4%
EBITDA Margin (%)	4.8	14.7	-
Profit (Loss) Before Tax	-194,595	-65,547	196.9%

^(*) Segment revenues and EBITDA figures provided are provided before inter-segment eliminations. EBITDA has been calculated by Doğan Holding. In the calculation of EBITDA, amortization of dealer agreements were included.

Revenues by Segment (TL thousand)	2015	2014	Change
External Revenues	2,742,588	272,331	907%
Electricity Sales	614,792	272,331	126%
Petroleum Products & LPG Sales	2,127,796	0	-

RETAIL



DOĞAN MÜZİK KİTAP MAĞAZACILIK VE PAZARLAMA A.Ş. (D&R)

D&R, the retail investment of Doğan Holding, offers a unique service concept in hobby and culture retailing across a wide geographic area. D&R aims to encourage everyone to discover, enjoy and share the world of culture and entertainment more frequently and conveniently. The retailer creates a world that enriches every moment of life by drawing people together around a common platform.

Founded in November 1996, D&R opened its first store in 1997, in Erenköy, İstanbul. As of year-end 2015, D&R operated 152 stores, with a total sales area of 60,047 m². D&R stores, located on the busiest streets and in modern shopping malls, are visited by an average of 2.5 million customers monthly, and offer more than 175 thousand varieties of products for sale.

D&R fulfills an important social responsibility by motivating the public to read books, listen to music and watch films. D&R stores offer a wide range of products, from books to music, movies to electronics, games to hobbies, souvenirs to stationery. Admired by customers with their extensive product selection as well as appealing cultural events, D&R stores also contribute to the cultural development of visitors by reserving designated areas for reading and hosting book signing days with famous authors.

D&R's online stores - dr.com.tr and ideofix.com.tr - receive 5.7 million unique visitors monthly. The number of unique visitors increased by 72% compared to the previous year. Doğan Holding plans to further expand D&R's footprint by investing in new stores, thus bolstering the market leader's retail network.

Closely monitoring innovations in the rapidly developing sector, D&R plans to continue growing by seizing profitable investment opportunities. D&R plans to continue investing in both e-commerce and stores to maintain its leading position and increase brand awareness.

Retail Segment Financial Results Review

The activities of Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. (D&R) are presented under the retail segment.

In 2015, consolidated revenues of the retail segment increased by 20.4% to TL 619,920 thousand; meanwhile, gross profit rose 16.3% to TL 229,140 thousand. EBITDA was up by 40.7% to TL 26,476 thousand. With a strong operational performance, profit before tax reached TL 17,062 thousand.

Retail (TL thousand)	2015	2014	Change
Consolidated Revenues	619,920	514,691	20.4%
Gross Profit	229,140	196,954	16.3%
EBITDA ^(*)	26,476	18,811	40.7%
EBITDA Margin (%)	4.3	3.7	-
Profit (Loss) before Tax	17,062	14,905	14.5%

^(*) Segment revenues and EBITDA figures are provided before intersegment eliminations. EBITDA has been calculated by Doğan Holding.

INDUSTRY



ÇELİK HALAT VE TEL SANAYİİ A.Ş.

As one of Doğan Group's oldest industrial investments, Çelik Halat was founded in 1962 in order to meet the high demand for carbon steel wire and rope in the country; the company became operational in 1968. Çelik Halat is registered by the Capital Markets Law, and the company's shares have been listed on Borsa İstanbul since January 10, 1986.

The ropes and wires produced by Çelik Halat have been used securely in cranes, construction, oil and mining, ships, elevators, transportation vehicles, agricultural vehicles and many other areas for many years. Continuously improving and growing since the day it was founded, Çelik Halat manufactures steel wire ropes, industrial galvanized wires, industrial spring wires, bead wires and concrete strands.

Çelik Halat is positioned as a strong and leading brand. It is the number one manufacturer in the industry in terms of industrial know-how, organizational structure and sales. Çelik Halat achieves a large sales volume in every operating region thanks to its quality-oriented products and services.

The company formulates strategies to transfer its domestic market success to the international arena and increase exports. Since its establishment, Çelik Halat has increased its brand value thanks to its high-quality products portfolio. Today, the company continues to build on its solid domestic and international reputation by always striving to make a difference.

The company has had TSE EN ISO 9001:2008 Quality Management System and environmental safety certifications such as ISO 14001 and OHSAS 18001 for many years. In addition, Çelik Halat holds API logo usage permission with its quality approved by the American Petroleum Institute, the world's leading oil industry organization, along with "Red Vein" Trademark Registration Certification and Lloyds quality certifications. Çelik Halat is also the only Turkish company that actively participates in the EWRIS (European Steel Wire Ropes Manufacturers Federation), CET (European Wire Manufacturers Committee) and ESIS (European Concrete Strand Manufacturers Association) organizations.

ÇELİK HALAT INCOME STATEMENT SUMMARY

(TL thousand)	2015	2014	Change
Net Sales	139,875	156,987	-11%
Gross Profit	14,180	23,563	-40%
Operating Profit/(Loss) ^(*)	1,473	9,570	-85%
EBITDA	5,973	13,785	-57%
Net Profit/(Loss)	636	7,824	-92%

^(*) Operating Profit/Loss is before other income/expenses from operating activities.

Shareholders	Share (TL)	Share (%)
Doğan Şirketler Grubu Holding A.Ş.	12,985,657	78.70
Free float on BIST and other	3,514,343	21.30
Total	16,500,000	100.00



DİTAŞ DOĞAN YEDEK PARÇA İMALAT VE TEKNİK A.Ş.

Founded in 1972 to operate in the automotive supplier industry, Ditaş manufactures steering and suspension systems parts for all types of vehicles. Ditaş holds a significant share in the replacement market. Ditaş is registered under the Capital Markets Law, and the regulation of the Capital Markets Board. The company's shares have been listed on Borsa İstanbul since May 21, 1991.

Having received ISO/TS 16949:2009 Automotive Suppliers Quality System Certification, ISO 14001:2004 Environmental Management System Certification and the FORD Q1 award, Ditaş is also a class "A" supplier of Turkey's biggest vehicle manufacturers.

With more than 40 years of experience, Ditaş is one of the biggest steering and suspension systems manufacturers in Turkey. The most important factors behind the company's sustainable success include: the strong brand reputation resulting from operating under the umbrella of Doğan Holding; closely monitoring technological trends and developments of the industry; and using state-of-the-art IT systems in the plants, highly skilled human resources, modern engineering systems and advanced integrated manufacturing facilities.

Ditaş has taken important steps to become a reputable brand as an original equipment supplier in the global automotive market and also in the automotive aftermarket. The company has decided to further carry out sales and marketing for its products with

three separate local companies that respectively serve: the Commonwealth of Independent States including Russia; Asia Pacific countries; North and South America. For this reason, the company established three companies (in the Russian Federation, People's Republic of China and the US;) 100% of the capital of these companies belongs to Ditaş. The storage facility that opened in Moscow in 2015 contributed to ramping up Ditaş's sales activities in Russia and the CIS region. However, due to the Russian economic crisis and recent political tensions, the full growth potential of this region could not be realized at this point in time. While Ditaş Trading Shanghai Co. Ltd. continues with its business development efforts for the Asia Pacific region, Ditaş America LLC undertakes sales and marketing activities with Ditaş's logistical support.



25%

IN 2015, DİTAŞ'S PRODUCTION INCREASED FROM 3.2 MILLION UNITS TO 4 MILLION UNITS, UP 25% OVER THE PREVIOUS YEAR.

2015 was an investment year for Ditaş. With improvements and new capacity expansion investments, the company's hot forging capacity rose from 500 tons/month at end-2014 to 800 tons/month at end-2015. Furthermore, the CNC operation park's capacity went up 50%. With various investments completed in 2015, Ditaş's closed area increased by 30%, from 20,000 m² to 26,000 m². The company plans to undertake additional investments in 2016 that target capacity and efficiency increases.

The Customer Relationship Management (CRM) project to transfer Ditaş's customer/potential customer information – accumulated over 43 years of operation – to an online platform began at end-2014 and was completed in 2015. Ditaş is the first and only company in the industry to have undertaken such an initiative.

In 2015, Ditaş was admitted to the state-sponsored Turquality program, which is designed to help companies that sell products in which Turkey holds a competitive advantage and

where branding potential exists. The program aims to support companies in their efforts to become global market players with their products so that over the long-run the image of the "Made in Turkey" label can be positively consolidated.

Ditaş's production increased by 25% in 2015 to 4 million units, up from 3.2 million units a year earlier. Ditaş's total revenues went up from TL 70 million in 2014 to TL 78.6 million in 2015.

DİTAŞ INCOME STATEMENT SUMMARY

(TL thousand)	2015	2014	Change
Net Sales	78,631	69,564	13%
Gross Profit	15,040	21,097	-29%
Operating Profit/(Loss) ^(*)	-283	9,886	-
EBITDA	2,485	11,914	-79%
Net Profit/(Loss)	-272	7,368	-

^(*) Operating Profit/(Loss) is before other income/expenses from operating activities.

Shareholders	Share (TL)	Share (%)
Doğan Şirketler Grubu Holding A.Ş.	7,359,315	73.59
Free float on BIST and other	2,640,685	26.41
Total	10,000,000	100.00

TOURISM

WORLD CLASS SERVICE

MILTA BODRUM MARINA

Marinas are of great importance in Turkey, which is surrounded by sea on three sides, due to the tourism and employment opportunities these facilities provide to their environs. Turkey has an exceptional location for marina tourism, which currently constitutes 25% of the country's total tourism revenues.

Turkey is currently home to 42 officially licensed marinas along the country's more than 8 thousand kilometer long coast. The number of marinas is rapidly rising as occupancy rates reach upwards of 90%. While last year the majority of yachters at Turkish marinas were from the United Kingdom and Germany, the number of Turkish yachters is also increasing day by day.

With its world class service quality, convenient location in the city center just 40 minutes from the airport, professional staff working to provide customer satisfaction beyond expectations and customer specific service diversification, Milta Bodrum Marina ranks among the top five marinas in the Mediterranean basin.

Milta Bodrum Marina has a market share of 2.1% among the Tourism Establishment Certified marinas with a client portfolio that includes sailboat, catamaran and motor-yacht owners, charter companies and boating agencies.

Milta Bodrum Marina, one of the outstanding marinas of the Aegean and Mediterranean coast, is situated at the heart of Bodrum's city center. Thanks to its ever improving infrastructure and world-class service, the marina receives numerous awards each year. Milta Bodrum Marina provides customers and staff alike with an exclusive experience, and ranks among Europe's top 10 marinas. The Marina initiated Turkey's first and only around-the-clock sea and land marine rescue service. Every year, social responsibility efforts are also expanded.

Ranking in the top 50 marinas among 25 countries in terms of service quality, Milta Bodrum Marina regularly receives awards from various institutions that recognize excellence in this arena. The Marina also received the "Five Golden Anchors" international quality award from the European Boating Association, entitling the marina to be recommended to yacht owners around the world. Milta Bodrum Marina further bolsters its prestigious market position, both nationally and internationally, with the "National Blue Flag" award it has received each year since 1997.

MARINA VISTA

Marina Vista, which started operations in Bodrum in 1992 and joined Doğan Holding on February 31, 2015, delivers exceptional services to its customers throughout the year.

Centrally located directly across from Milta Bodrum Marina, Marina Vista has for many years been a much preferred hotel in the area. Marina Vista Hotel gets high marks from guests with its peaceful environment and boutique service approach. It is the perfect locale for an extraordinary, unforgettable holiday experience with its elegantly designed rooms, fine restaurant, swimming pool, botanical garden and friendly staff. Marina Vista Hotel aims to further boost its service quality with the professionally trained team it employs.

In 2015, Marina Vista Hotel received certificates of excellence in the area of customer satisfaction from the world's leading tourism websites and rating platforms, including tripadvisor.com, holidaycheck.com, hotels.com and booking.com.

IŞIL CLUB BODRUM

Since starting operations in 1985, Işıl Club Bodrum has been one of the leading accommodation providers in the Bodrum region with its customer-oriented approach, wide range of services, comfort and high quality.

Due to the economic downturn in Russia in 2015, tourism demand from this country to Turkey fell sharply, translating into significant losses recorded by the country's hotels, in Antalya province in particular. To compensate for these losses, the tourism industry attempted to attract



more European as well as domestic tourists. Deep discounts and special offers provided by hotels in the Antalya region made it difficult for hotels in the Aegean area to compete.

Further, the Charlie Hebdo attack, the Syrian crisis, and war just across Turkish borders resulted in the issuance of travel advisories that warned against traveling to Turkey. This had a significant knockdown effect on all tourism activity around the country, resulting also in fewer scheduled flights by tour operators to the Bodrum area. Against this highly negative backdrop, Işıl Club Bodrum was affected by these negative conditions to a lesser degree.

For many years, Işıl Club Bodrum has provided guests with high-quality services, thus achieving a high customer satisfaction rate from both domestic and international travelers. The company aims to further boost customer loyalty in 2016.

In 2015, Işıl Club Bodrum received a Certificate of Honor from Tripadvisor after receiving a Certificate of Excellence for five consecutive years. The UK-based tour operator Thomas Cook also awarded Işıl Club with a quality certificate. Recording ongoing success in the annual evaluation and monitoring audit, Işıl Club Bodrum also received HACCP quality guarantee certification as well as the Blue Flag designation.

İŞİL TUR (İŞİL TOUR)

Established by Doğan Holding in 1997 to perform travel brokerage services, Işıl Tour mainly carries out fleet and daily car rentals, corporate hotel reservations, air ticket sales and corporate events. Having the ability to offer various services needed by companies under one roof with the assurance of Doğan Group provides Işıl Tour a significant competitive advantage.

As of 2015, 564 IATA and over 8,700 non-IATA agencies are actively selling tickets in Turkey. Işıl Tour figures among the top 100 IATA agencies in the country. The company also is an authorized dealer for Turkish Airlines (THY), Pegasus, Onur Air, Atlas Jet, Borajet and Sun Express. The agency, while providing a wide range of services from corporate travel events to domestic and international ticket sales, also sells air tickets online via milta.com and promobilet.com.

In addition, Işıl Tour offers fleet and daily car rental services under the Işıl Rent a Car brand with a fleet of 1,100 vehicles, all purchased by equity. Işıl Tour provides this service through its branch at Izmir Adnan Menderes Airport and offices in Ankara, Antalya and Istanbul. Işıl Tur also functions as the agency of Economy Rent a Car locations at Izmir Adnan Menderes Airport and in Antalya.

In 2010, the company further expanded its offering and started to provide services under the Işıl Events brand in domestic and international meetings, incentive tours and conventions and event management. In 2015, Işıl Events organized over 40 meetings and events for various institutions.

Işıl Tur is classified as a Group A travel agency and is a member of the Association of Turkish Travel Agencies (TÜRSAB). The company also serves as the Turkey representative of ATG, an American-based global travel services provider.

KANDİLLİ GAYRİMENKUL YATIRIMLARI YÖNETİM İNŞAAT VE TİCARET A.Ş.

Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş. was founded on November 2, 2012 as a joint venture company with Milta Turizm İşletmeleri A.Ş. and Rönesans Gayrimenkul Yatırım A.Ş., with each holding a 50% stake. Kandilli Gayrimenkul purchased a 23,685 sqm land in Ümraniye, Istanbul to develop real estate projects.

M-INVESTMENT 1 LLC

On April 14, 2014, Milta Turizm İşletmeleri A.Ş. established M-Investment 1 LLC in the United States to invest in real estate projects. As of December 31, 2014, M-Investment 1 LLC's capital totaled USD 13,930,000.

AUTOMOBILE AND REAL ESTATE MARKETING

CREATING A SYNERGY WITH **GLOBAL SUZUKI BRAND**



SUZUKI MOTORLU ARAÇLAR PAZARLAMA A.Ş.

Suzuki Motorlu Araçlar Pazarlama A.Ş., which started operating under Doğan Holding as of the second half of 2015, speedily commenced infrastructure activities following its inception. The priority of the Company, which has been restructured, is to continue the satisfaction of the existing and prospective customers of Suzuki automobiles, motorcycles, and marine motors, and to ensure their loyalty to the Suzuki brand. To this end, Suzuki's objective is to ensure continuity in sales and after sales services.

In line with its global slogan "Way of Life", the main field of activity of Suzuki, which offers products that match the

life style of each and every individual, is to ensure ambitious, enthusiastic, and customer focused sales and after sales services, as per the "Suzuki Once Again" motto it has set for itself.

Suzuki Motor Corporation carries out its commercial activities through 135 companies in 200 countries on four continents. In Turkey, as of the beginning of 2016, services started to be delivered in 15 cities with 20 authorized dealers in the automotive segment; in eight cities with 17 authorized dealers in addition to the authorized dealer in the Turkish Republic of Northern Cyprus in the marine motors segment; and in 13 cities with 17 authorized dealers in addition to the authorized dealer in the Turkish Republic of Northern Cyprus in the motorcycle segment, as Suzuki Motorlu Araçlar Pazarlama A.Ş.

2016 will be a year where Suzuki will reenter the Turkish market in automotive. In addition to the Vitara, Swift, and Jimny models, Baleno which is planned to be offered for sale in the second half of the year, will have a positive contribution to sales. Accordingly, in the course of three years, Suzuki aims to acquire a 2% share in the automotive market.

Suzuki will expand its new model offerings from the automotive segment to motorcycles and marine motors as well, and while it plans to launch six new models in motorcycles, it aims to launch new models from - 6 horse power to 300 horse power - in marine motors.



MİLPA TİCARİ VE SİNAİ ÜRÜNLER PAZARLAMA SANAYİ VE TİCARET A.Ş.

Milpa was established in 1980 to carry out direct marketing of motor vehicles, consumer durables and consumer products. Throughout the years, the company has diversified its business activities into many sectors ranging from electronics to automobiles, computers to real estate. With 35 years

of experience in various sectors, a management approach that is open to change, and a well-skilled workforce, Milpa has demonstrated stable and balanced growth in marketing, an area that is fiercely competitive.

The company revised its targets and strategies during the 2000s and decided to focus on the real estate sector. With this decision, Milpa

ramped up its real estate investments and increased its business activities. The first construction phase of the Milpark Residence Complex project was completed and the residential units were delivered to customers. In the Automall project, 408 galleries and 221 units were sold and delivered to customers. As of December 31, 2015, 33 galleries were still for sale.

MİLPA INCOME STATEMENT SUMMARY

(TL thousand)	2015	2014	Change
Net Sales	4,899	7,651	-36%
Gross Profit	-192	-1,390	-86%
Operating Profit/(Loss) ^(*)	-2,555	-4,064	-37%
EBITDA	-2,545	-4,047	-37%
Net Profit/(Loss)	23,256	-485	-

^(*) Operating Profit/(Loss) is before other income/expenses from operating activities.

Shareholders	Share (TL)	Share (%)
Doğan Şirketler Grubu Holding A.Ş.	153,868,461	86.27
Free float on BIST and other	24,486,491	13.73
Total	178,354,952	100.00

FINANCIAL SERVICES AND OTHER

SPECIAL SOLUTIONS FOR THE FINANCE SECTOR

DD FİNANSMAN A.Ş. (DD MORTGAGE)

Doğan Holding founded DD Mortgage in 2006 as the first mortgage company in Turkey established under the framework of the new Mortgage Law.

With the entry into force of Mortgage Law No. 5582 in 2007, DD Mortgage filed a license application with the Banking Regulation and Supervision Agency (BRSA). In July of the same year, Deutsche Bank A.G. purchased 49% of the company's shares. Following the official operation authorization of the Banking Regulation and Supervision Agency (BRSA), business activities in mortgage financing began in June 2008. DD Mortgage also received approval to provide insurance agency services from the BRSA; the company started to offer insurance sales as of July 2009. As a result, DD Mortgage became capable of meeting the insurance needs of customers in connection with their mortgage loans. A pioneer in the industry since its inception, DD Mortgage completed the first mortgage portfolio transfer at international standards in Turkey in February 2010.

DD Mortgage conducts sales through its Ataşehir branch, website, call center and direct sales channels; marketing efforts are conducted through real estate development projects, real estate offices and the internet. Since its establishment, DD Mortgage has developed client-specific mortgage loans and mortgage-collateralized personal loan products for potential homeowners. DD Mortgage's competitive advantages include a strong capital structure; extensive know-how and network owing to the partnership between Deutsche Bank

and Doğan Group; highly competent staff; an advanced technology infrastructure; and a customer-oriented service approach.

Despite two general elections in addition to extensive legal changes and amendments in the areas of personal loans guaranteed by mortgage, consumer loans and insurance during the year, the mortgage sector continued to expand in 2015. DD Mortgage closed the year with total assets of TL 426 million and a total loan portfolio of TL 409 million. DD Mortgage also maintained its non-performing loan ratio at the sector average (0.5%).

Thanks to DD Mortgage's medium and long-term bonds and bills issues in capital markets amounting to a total of TL 260 million since 2010, the company was able to diversify its borrowing resources and extend their maturity terms, resulting in reduced borrowing costs. DD Mortgage completed all bond redemption procedures on May 5, 2015. The company continues to meet the varied borrowing needs of customers thanks to its collaborative relationship with a number of domestic and foreign banks.

In 2015, a new loan application and evaluation system was put in place based on the sector's needs and DD Mortgage's targets. In 2016, the company aims to make consumer loans available to customers, besides its housing and mortgage guaranteed individual lending products.

DD Mortgage is a member of GYODER (Real Estate Investment Trusts Association), the Financial Institutions Association, and AHK (German-Turkish

Chamber of Commerce and Industry) in Turkey, and the MBA (Mortgage Bankers Association) in the United States.

DOĞAN FAKTORİNG (DOĞAN FACTORİNG)

Founded in April 1999 and restructured in June 2001, Doğan Faktoring undertakes the collection of advertising and other receivables on behalf of Doğan Media Group.

With the capability to perform all types of factoring transactions, including debt collection, financing, intelligence, accounting and other related services, Doğan Faktoring specializes in debt collection, the primary service it provides to Doğan Group and the media sector.

In addition to debt collection, Doğan Faktoring also provides other services such as accounting, reconciliation, legal services and financing. The company efficiently allocates to non-group companies nearly all of the funds it generates through its own equity, and the loans it takes out.

As a member of the Credit Registration Bureau ("CRB") of Turkey, Doğan Faktoring can make inquiries regarding bounced checks, risk reports and check reports, and provide information on loan customers' consolidated credit and risk limits. With its skilled workforce, the company also carries out comprehensive risk analyses for trade receivables, thereby minimizing the collection problems customers could encounter.

Doğan Faktoring was established pursuant to Article 43 of Law No. 6361 on Financial Leasing, Factoring and Financial Companies. The company



uses the Central Invoice Registration System (MFKS), which allows central registration of information and/or documentation of receivables transferred to factoring companies and banks. This system also makes aggregation, as well as the control and reporting of duplications easier.

Doğan Faktoring conducts non-group financing activities to boost its profitability. The company is a mandatory member of the Financial Leasing, Factoring and Financial Companies Union established under Law No. 6361.

DOĞAN ORGANİK ÜRÜNLER (DOĞAN ORGANIC PRODUCTS)

Doğan Organik Ürünler (Doğan Organic Products) was founded in 2002 with the aim of becoming the industry leader in Turkey in the areas of organic milk production and livestock husbandry. Thanks to its stable growth and targeted business strategies, the company became the biggest supplier of organic drinking milk in the Turkish market. With a yearly production capacity of 5,000 tons, Doğan Organik also ranks among Europe's largest organic husbandry businesses.

Doğan Organik Ürünler, aiming to pioneer the transition to organic production of farmers in the Kelkit region, initiated a contracted farming project in 2006 to this end. Under this initiative, the region's population was informed on various pertinent issues such as organic feed crops, milking, shelter systems and fertilizer management; and the animal shelters were modernized. Besides sharing its

deep-rooted experience and know-how throughout the project implementation period, the company supported farmers in the areas of organic raw milk production, processing and marketing of dairy products. Doğan Organik was responsible for organizing all stages of these activities. Doğan Organik Ürünler produces about 45% of Turkey's total organic raw milk production in its facilities and through contracted producers.

Doğan Organik expands its production network every year and has assumed the role of producer of organic milk and dairy products for Migros' M Life brand. Migros is Turkey's leading national supermarket chain that the country's AB income group uses most. In 2015, Doğan Organik began to produce organic dairy products with its own Yoncadan brand, and made investments designed to popularize the brand even further. Doğan Organik plans to continue expanding under its own brand in 2016; and it aims to become the market leader in organic dairy products. Doğan Organik is the sole producer in the domestic organic dairy products market, with exclusive branded dairy products sold in Turkey's largest supermarket chains.

Doğan Organik Ürünler continues to provide farmers with training in organic agriculture and husbandry, thereby supporting regional development. The company, which is a founding member of the Organic Producers' Association, shares its experience and know-how with other companies at symposiums and conferences organized by the association.

Doğan Organik tries to transform Kelkit and the surrounding region – an area highly suitable for organic milk production and organic livestock husbandry – into a center well-known for its high-quality production and to ensure that the region's population is kept up-to-date regarding new developments in this field.

ÖNCÜ GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş. (ÖNCÜ VENTURE CAPITAL INVESTMENT TRUST - ÖNCÜ VCIT)

Doğan Holding founded Öncü Venture Capital ("Öncü VCIT") on December 18, 2014.

Öncü Venture Capital Investment Trust's vision is to realize profitable and sustainable investments across the services, trade and manufacturing sectors. It also aims to provide services that will improve transparency in society and contribute to the economic welfare of individuals.

Öncü VCIT's investment policy is geared towards achieving steady, sustainable and solid growth. The company aims to invest in Turkey-based startup enterprises that have the capability to generate cash and high profits as well as the potential to achieve above-average capital efficiency, but require capital and management know-how to realize their full potential. Öncü VCIT plans to invest in such startups within the framework of the Capital Markets Law, the regulations of the Capital Markets Board and other applicable legislation as well as in accordance with the principles approved by the General Assembly ("Investment Policy").

SUSTAINABLE GROWTH AND THE ENVIRONMENT

EXEMPLARY ENVIRONMENTAL PRACTICES

DOĞAN GROUP'S ENVIRONMENTAL POLICY

Providing products and services in a wide range of sectors, Doğan Group companies devise policies and strategies to protect and improve the environment, prevent pollution, preserve and foster biodiversity, wildlife, ecology, flora and fauna, water ways and natural resources.

Doğan Holding deems the protection of the natural environment as one of its key responsibilities for the sake of humanity and wild life.

Doğan Holding's environmental management policy focuses on the following five areas:

- Energy
- Waste Management, Disposal and Recycling
- Water Use
- Transport
- Air Emissions

Doğan Group is committed to:

- Complying with international legal regulations approved by national public agencies, environmental laws, regulations and other obligations;
- Pursuing international best practices, including those not demanded by public authorities, so as to internalize those that could contribute to our business;

- Raising the environmental awareness of the citizens of Turkey and the citizens of other countries where our publications and broadcasts are available;
- Opting for and utilizing eco-friendly technologies;
- Devising eco-friendly products and services;
- Reusing or recycling raw materials and equipment in order to save natural resources;
- Increasing energy efficiency and prioritizing renewable energies in all our operations to ensure responsible energy consumption;
- Taking action to measure and improve the environmental footprint of our Group activities;
- Improving the efficiency of the Doğan Environmental Management System on an ongoing basis, and disclosing it to the public;
- Ensuring that the environmental management systems of Group companies are in line with the accepted standards, certified and periodically audited by authorized firms;
- Reviewing the environmental policy of the Company regularly and monitoring the compliance of the Holding and Group companies with this policy;
- Communicating and devising joint projects with environmentalist NGOs;
- Training all employees about the natural environment and encouraging them to participate in ecological activities;
- Communicating with all stakeholders regarding the protection of the natural environment, administering training seminars, and expending efforts to diminish our environmental footprint and to protect biodiversity in all our areas of operation.

Doğan Group's Environmental Policy is followed by the Holding and all Group companies. Group companies participate in the determination of environmental objectives. The Early Risk Detection Committee is charged with implementing the Environmental Policy. The Committee sets environmental objectives, establishes the environmental management system, determines performance criteria, and creates action plans. The efficiency of the environmental management system is audited by the audit departments of the Holding and Group companies, and the results are submitted for the assessment of the Audit Committee and the Board of Directors.



ENVIRONMENTAL PROJECTS

DOĞAN HOLDİNG

Doğan Holding closely monitors and implements practices and current technological developments that ensure environmental sustainability in its administrative buildings. The Holding's head office, in use since 2011, is equipped with new generation cooling devices in line with EU norms; these devices use the eco-friendly gases R 410 and R 132. State-of-the-art, eco-friendly fire-extinguishing systems are also installed at the headquarters building. In addition, fire extinguisher storage space has been reduced since these are increasingly replaced with eco- and people-friendly systems deploying FM 200 and Novac 1230 gases in accordance with EU standards. The insulation technology used in the building has led to a decline in natural gas consumption for heating purposes and a drop in electricity consumption for cooling, resulting in a reduction in overall CO₂ emissions.

MEDIA

Hürriyet

Through its Environmental Audit Unit, Hürriyet newspaper works to protect nature, the environment and human health, and administers training programs to raise environmental awareness among employees.

Engaging in intensive efforts to ensure environmental sustainability, Hürriyet strives to reduce consumption of energy resources, such as electric power, water and natural gas, by using energy-efficient equipment in all its units. Additionally, the company conducts studies to utilize appropriate and advanced technologies to reduce its CO₂ emissions.

Hürriyet sends waste paper, hazardous waste and materials used in production to licensed waste disposal or recycling firms. Efficient production planning, minimal inventory usage and improvement of work methods are among the measures used to reduce waste creation at the production site.

Doğan Printing Center

The Violet Chemical Free initiative realized at Doğan Printing Center in fiscal year 2015 was designed to process and prepare aluminum molds used in newspaper printing with environmental friendly chemicals. By using VCF molds, five chemicals were reduced to one. In addition, total annual chemical usage was slashed 60% to 40,000 liters, down from 110,000 liters previously.

Thanks to the use of VCF Gum, a more environment friendly substance compared to the Developer chemical, major savings were achieved in terms of waste and hygiene, with a 2,500 ton decrease in water use yearly.

ENERGY

Doğan Enerji ensures that all power plant operations are in compliance with applicable laws, rules and regulations, and conducts its business activities with an eco-friendly approach. For our power plants, official authorization certificates and documents were obtained as stipulated by Environmental Law No. 2872, the Regulation on Permits and Licenses to be Obtained According to the Environmental Law, and Regulation No. 29217 on the Amendment to the Regulation on Electricity Market Licenses.

Şah WEPP

As part of efforts to reduce carbon emissions at Şah Wind Energy Power Plant (WEPP), the Gold Standard application process was completed; as a result, this reduced 395,594 tons of carbon dioxide (CO₂) emissions in 2011-2014. Şah WEPP also undertook other various environmental initiatives, such as planting 483 trees and providing vehicles, personnel and required materials to the Bursa Directorate of National Parks and Wildlife Protection. In addition, feedboxes were installed to provide food for birds during winter months, and food was placed in suitable locations for deer. At Şah Wind Energy Power Plant in 2015, ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007 and ISO 27001:2013 quality certifications were obtained.



Mersin WEPP

As part of efforts to reduce carbon emissions at Mersin Wind Energy Power Plant (WEPP), the Gold Standard application process was completed; as a result, 167,708 tons of CO₂ emissions were reduced in 2010-2014. Committed to improving the environmental conditions of the surrounding region, Mersin WEPP planted saplings in various locations within the operating area. At Mersin WEPP in 2015; ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007 and ISO 27001:2013 quality certifications were obtained.

Boyabat Elektrik

As part of VCS carbon verification efforts, the Boyabat hydropower plant recorded a total net amount of 497,174 tons in CO₂ emission reductions from 2012 to 2014. Boyabat Elektrik completed quality compliance efforts in 2014 and obtained the ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007, ISO 50001:2011 and ISO 27001:2013 quality certifications for the Boyabat Dam and HEPP.

Aslancık Elektrik

Carbon validation activities for the Aslancık hydropower plant were completed during the year, and the verification process is still under way. Aslancık Elektrik completed quality compliance efforts in 2014, and obtained the ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007, ISO 50001:2011 and ISO 27001:2013 quality certifications for the Aslancık dam and HEPP.

INDUSTRY

Çelik Halat

Çelik Halat meticulously complies with the Environmental Law and conducts its operations by using means and methods that have the lowest possible negative impact on the environment.

The environmental permit that is required pursuant to Environmental Law No. 2872 was obtained at the beginning of 2015.

Çelik Halat obtains the water it uses extensively in its business processes through two main sources: well water and recycled water. The Company has installed the advanced purification system in order to use natural resources more efficiently and cut costs. Waste water produced in this process is discharged in a controlled manner into the ISU channel while water quality is also periodically audited by ISU. Water samples in all periodic checks came out positive, with all indicators matching the overall standard.

To that end, authorized independent firms carry out Emission Measurements to ensure that the air emissions generated by production processes are kept within prescribed limits.

Çelik Halat strictly complies with all applicable legislation on waste management, fulfilling all necessary requirements. In order to decrease the volume of waste resulting from its activities and ensure that well-functioning waste management

systems are in place, Çelik Halat systematically undertakes the following efforts:

- Sewage sludge classified as nonhazardous is sent to licensed firms in safe waste containers and under suitable conditions.
- All packaging waste related activities are conducted in cooperation with the Environmental Protection and Packaging Waste Recovery and Recycling Foundation (ÇEVKO).
- Hazardous waste is stored in specially designed temporary containers in areas granted a temporary waste storage permit, and then shipped to licensed disposal firms.
- Collection units for waste batteries are placed at company offices and specific locations in production areas. Batteries are collected in these units for sending to organizations that are authorized by the Portable Battery Producers' and Importers' Association (TAP).
- Waste oil (after its beyond-use date has passed) is classified as hazardous waste in the 1st Category Waste Oil. Waste oil is either reused in the system or/and is sent to licensed recycling facilities.
- Assembly units for materials contaminated during the production process have been put in place. Materials collected from these areas are shipped to licensed organizations.
- The collection of all waste in the facility, their classification in line with applicable legislation and their elimination are all undertaken in the most meticulous way possible.



Çelik Halat expends efforts to use energy and natural resources in the most efficient way possible. To this end, use of electricity, natural gas and water are closely monitored while superfluous use is prevented. Further, Çelik Halat makes continuous efforts on technical improvements to ensure the efficiency of its business processes.

Making sure that the company's approach to the environment is embraced by the management team and employees, Çelik Halat provides on-the-job training on environment management systems to newly hired operators and white-collar employees. Additionally, each employee is required to participate in Environmental Awareness-Raising training programs at least once a year.

On issues related to environmental laws, rules and regulations, Çelik Halat is supported by the authorized expert personnel of an environmental consultancy firm the company retains. This consulting firm is also responsible for regular internal audits at Çelik Halat.

Çelik Halat cut its water consumption by 2.3% year-on-year to 77,761 m³, while also decreasing electricity consumption by 15.2% to 28,178 MWh. Thanks to its cogeneration unit, Çelik Halat was able to regain 13,496 MWh of electricity in 2015, while also recycling 12 tons of paper.

Ditaş

Ditaş carries out production processes with an eco-friendly approach and meticulously fulfills all of its environmental responsibilities. Ditaş also aims to conduct efficient business operations that protect natural resources. To this end, the company launched the TTGV initiative in 2010; this effort has reclaimed a total of 70,098 m³ of water, resulting in savings of TL 245,639. During the year, some 30,040 kilograms of paper, cardboard and plastic was sent to recycling, thereby saving 511 trees. In 2015, Ditaş reduced water consumption by 28.6% to 66,004 m³.

TOURISM

Milta Bodrum Marina

Milta Bodrum Marina is an international marina that has received the "Blue Flag" designation every year since 1997 thanks to its high quality standards, modern infrastructure and in-demand services. Recipient of the "Five Gold Anchors" award presented by the European Union, Milta Bodrum Marina also won the "Turkey's Best Environmental Awareness and Training Activities Award" from TURÇEV (Foundation for Environmental Education) in 2015. While Milta Bodrum Marina reclaimed 10,800 m³ of used water (amounting to 40% of its total water consumption) in 2015, the company also sent 100 kilograms of paper to recycling. The same year, Milta Bodrum Marina cut water consumption by 11.0%, down to 26,792 m³.

Milta Işıl Club

In 2015, Milta Işıl Club once again received the prestigious "Blue Flag" designation, an international indicator of environmental awareness with great significance in the tourism industry. The holiday resort also expanded the scope of its environmental friendly practices with the use of solar energy, solar water heating systems and environmental friendly cleaning materials.

In 2015, Milta Işıl Club reclaimed 30% of its water consumption, amounting to a total of 16,300 m³ and also reduced water consumption by 9.0% during the year, down to 54,597 m³.

Marina Vista

In order to make maximum use of solar power, Marina Vista added more collectors to its solar energy system. It also undertook efforts to save on diesel consumption by using heat pump technology. In 2015, Marina Vista sent 1,200 kilograms of paper to recycling.

OTHER

Doğan Organik Ürünler (Doğan Organic Products)

Doğan Organik Ürünler conducts all its activities by adopting a socially responsible approach that respects the environment. Through the training courses it provides, the company raises the environmental awareness of its workforce. Each year, Doğan Organik reports the efforts it undertakes in the area of environmental responsibility to the Ministry of Environment and City Planning, pursuant to legal and regulatory requirements.

CORPORATE SOCIAL RESPONSIBILITY

PROJECTS THAT SET BENCHMARKS



Doğan Holding is an active participant in and contributor to Turkey's economic and social development. The Company has adopted a corporate social responsibility approach that focuses on creating lasting added value. The Holding, in cooperation with shareholders and the Aydın Doğan Foundation, undertakes long-term social responsibility projects in the areas of education, arts & culture, healthcare and the environment, thereby making a multi-faceted contribution to Turkey's development. The Holding encourages all its staff members to voluntarily participate in social responsibility efforts. Doğan Holding is regarded as a model corporation in the private sector with its high quality social responsibility projects that set benchmarks for other enterprises.

AYDIN DOĞAN FOUNDATION

Aydın Doğan Foundation was established on April 15, 1996 to contribute to the economic and social development of the country. The Foundation provides support to education with teaching facilities and dormitories built for young generations; it also encourages success in fields such as health care, culture, arts and sports through a number of national and international competitions.

A reflection of Doğan Group's keen social awareness since its establishment, the Foundation enjoys a well-respected position in Turkey and abroad thanks to its robust administrative and financial structure.

COMPETITIONS

Aydın Doğan International Cartoon Competition

The Aydın Doğan International Cartoon Competition is considered the most prestigious competition of its kind in the world. In 2015, 787 artists from 66 countries participated in the event with some 2,289 works. The Selection Committee awarded the first prize to Albanian artist Agim Sulaj, second prize to Iran's Mohsen Nouri, and third prize to Jalal Pirmarzabad of Iran.

The free-style themed competition, held for the 33rd time in 2015, was open to professional and amateur cartoonists around the world.



The Aydın Doğan International Cartoon Competition has since its inception welcomed around 80 thousand works by 7,800 artists hailing from 137 countries.

Exhibitions

Once again in 2015, as in every year of the competition, award-winning cartoons together with shortlisted entries were presented to art lovers at exhibitions in Adana, Ankara, Balıkesir, Eskişehir, Muğla and at three different locations in Istanbul.

In addition, a selection of cartoons under the theme "Peace" were exhibited in Philanthropy House in Brussels, hosted by the European Foundation Centre, with the cooperation of the French Cultural Center in Istanbul.

Young Communicators Competition

Aydın Doğan Foundation organizes the Young Communicators Competition each year for students in university communications departments to encourage continuous development from among prospective media employees and to increase the number of qualified professionals in the industry.

A total of 1,093 students participated in the 27th edition of the Young Communicators Competition with 925 works in the categories of publishing, broadcasting, advertising, public relations and online media.

The Selection Committee presented awards to 105 students for 62 projects at a ceremony held at Istanbul Bilgi University.

The Aydın Doğan Award

Every year, Aydın Doğan Foundation recognizes individuals or groups who have made significant contributions to the country, the world and humanity and who have reached great achievements in different fields, such as culture, the arts, literature and science.

The jury of the 2015 Aydın Doğan Award presented in the "Best Novel" category was comprised of the following prominent figures: Doğan Hızlan (jury head), Prof. İnci Enginün, Prof. Nüket Esen, Semih Gümüş, Prof. Handan İnci, Prof. Turan Karataş, Prof. Jale Parla, Ömer Türkeş and Metin Celal Zeynioğlu.

This year, the jury presented Orhan Pamuk with the Aydın Doğan Award. He was cited for introducing different novel genres and methods to Turkish literature, thus opening up new horizons for young novelists, and for being a master of literature representing the Turkish novel in the international arena.

EDUCATION

Since its establishment, the Aydın Doğan Foundation has launched many initiatives that have helped to raise the bar in the Turkish educational system. The educational and other facilities constructed by the Foundation and donated to the Ministry of National Education are listed below:

- Işıl Sema Doğan Elementary School, Gümüşhane
- Atatürk University Aydın Doğan Private Elementary School, Erzurum
- Yaşar and İrfani Doğan Industrial Vocational High School, Kelkit-Gümüşhane
- Aydın Doğan Fine Arts High School, Istanbul
- Erzincan Social Sciences High School, Erzincan
- Hürriyet Industrial Vocational Anatolian High School, Erzincan
- Bahçelievler Aydın Doğan Vocational and Technical Anatolian High School
- Bağcılar Aydın Doğan Vocational and Technical Anatolian High School for Health
- Gümüşhane University Kelkit Aydın Doğan Vocational School, Gümüşhane
- Galatasaray University Aydın Doğan Auditorium, Istanbul
- TEGV Sema and Aydın Doğan Educational Park, Istanbul
- Sema Doğan Park, Gümüşhane
- Aydın Doğan Center for Science and Arts, Afyon



- Aydın Doğan Sports Complex, Gümüşhane
- Nene Hatun High School Aydın Doğan Dormitory for Girls, Erzurum
- Erzincan University Aydın Doğan Dormitory for Girls, Erzincan
- Hacı Hüsrev Doğan Dormitory for Girls, Kelkit-Gümüşhane
- Aydın Doğan Dormitory for Girls, Kürtün-Gümüşhane
- Aydın Doğan Dormitory for Girls, Köse-Gümüşhane
- Aydın Doğan Dormitory for Girls, Şiran-Gümüşhane

Kelkit Aydın Doğan Vocational High School in Kelkit

The foundations of Kelkit Aydın Doğan Vocational School, which is a part of Gümüşhane University, started with 90 students on September 28, 2003. The number of students studying at the Vocational School reached 727 during the 2014-2015 academic year. The associate programs at Kelkit Aydın Doğan Vocational School are: Computer Technology, Agriculture and Livestock Production, Electronics and Automation, Accounting and Taxation, Transportation Services, Lab Technologies and Veterinary Medicine.

In 2015, Aydın Doğan Foundation provided full financial support in the provision of all necessary lab supplies to Kelkit Aydın Doğan Vocational School Agriculture and Veterinary Health

Laboratory at the High School. These materials were needed to conduct analyses on many procedures related to husbandry, breeding stock production, milk and dairy product processing.

The Organic Agriculture Program at the Vocational School, where intensive English courses are also offered with Foundation support, aims to contribute to agricultural activity in the region, raise awareness among the area's residents on sustainable agriculture methods, and expand sustainable production methods. The program makes clear contributions to the region's agricultural production and draws a high level of interest from the students.

Bahçelievler Aydın Doğan Vocational and Technical Anatolian High School (Communications)

Specialized in journalism as well as radio and TV broadcasting, Bahçelievler Aydın Doğan Anatolian Vocational and Technical High School held its 14th graduation ceremony in 2015 with 93 graduates. The High School, as in previous years, was once again one of the most preferred educational institutions in its field.

In order to further improve the school's English language instructional quality, the Foundation once again provided students with foreign language training support.

Bağcılar Aydın Doğan Vocational and Technical Anatolian High School for Health

The Bağcılar Aydın Doğan Vocational and Technical Anatolian High School for Health, with a capacity of 940 students, trains emergency medical technicians, anesthesia technicians and nurses. Boasting modern classrooms, an advanced technology infrastructure in addition to social and educational spaces that meet each and every need, the High School fulfills all requirements to provide a state-of-the-art educational experience. The facility includes 24 classrooms, laboratories, an enclosed gym, an information technology classroom, a well-equipped library and a multi-purpose room with a capacity of 140 students.

To ensure that the English language skills of the students at Aydın Doğan Occupational and Technical Anatolian High School are top notch, Aydın Doğan Foundation provides the school with foreign language support.

Ataşehir Aydın Doğan Fine Arts High School

Initially founded as Aydın Doğan Elementary School in 2005, the school was transformed into Aydın Doğan Fine Arts High School for the 2015-16 academic year. This change in mission occurred after the government's implementation of the 4+4+4 educational system, through an agreement reached between Aydın Doğan Foundation and the Istanbul



Governorship. The school hence began its educational activities as a “project school.” The school building, originally constructed for an elementary school setting, was completely renovated and turned into a fine arts high school thanks to the generous contribution of Aydın Doğan Foundation and an architectural project donation by architect Nevzat Sayın. A total of 60 students are enrolled in the school each year following a competitive aptitude screening test. The school also provides students with the opportunity to enroll in visual arts and music education areas.

EDUCATED GIRLS FOR A BRIGHTER FUTURE

The reasons for Turkey not yet having achieved full gender equality are varied and interconnected. The daily problems women face in their families, social lives, professional lives, in education, and in politics are closely related to the fact that equality between men and women is simply not accepted and embraced by different segments of society. In this context, women need to be educated well starting from the young age, so that they can freely and individually realize their potential and aspirations in the family, social, professional and political spheres. High-quality education is also a key for Turkey's women to feel empowered to struggle against gender inequality.

In order to ensure a brighter future for our country, Aydın Doğan Foundation believes that girls should be given equal educational opportunities as boys. With this conviction, the Foundation supports girls in their educational path and tries to lift the obstacles they may face in gaining access to proper schooling.

To this end, a variety of efforts are undertaken in the following categories:

1) Dormitories for Girls

Aydın Doğan Foundation continues to support girls dormitories, that were built under the “Dad, Send Me to School” initiative, attracted much public opinion, and donated to the Ministry of National Education. Dormitories established in this scope: Nene Hatun High School Aydın Doğan Dormitory for Girls (Erzurum), Aydın Doğan Dormitory for Girls (Erzincan), Hacı Hüsrev Doğan Dormitory for Girls (Kelkit), Aydın Doğan Dormitory for Girls (Kürtün), Aydın Doğan Dormitory for Girls (Köse), and Aydın Doğan Dormitory for Girls (Şiran).

In 2015, a total of 30 girls, residing at 10 dormitories constructed by the Aydın Doğan Foundation and the “Dad, Send Me to School” initiative, were hosted in Istanbul for five days, accompanied by their teachers. This initiative aimed to honor outstanding students, all ranked among the top three in their respective

schools, for their achievements and to contribute to their social and cultural development. During the program, students had the opportunity to visit tourist attractions and historical sites as well as universities in Istanbul.

Under the “Dad, Send Me to School” campaign, Occupational Guidance and Career Training was provided by the Foundation to female students enrolled at the following schools: Aydın Doğan Girl's Dormitory at the Nene Hatun High School in Erzurum; Doğu Beyazıt Dad, Send Me to School Dormitory for Girls; and Doğu Beyazıt Ali Lütfullah Dad, Send Me to School Dormitory for Girls.

As part of the Foundation's “Life in the Dormitory” project, renovation efforts were undertaken to improve the physical conditions of the following educational facilities: Üzümlü Modern Life-Teacher Demir Ferit Saydam – Dormitory for Girls; Konya Ereğli Dad, Send Me to School Dormitory for Girls; and Kelkit Hacı Hüsrev Doğan Dormitory for Girls. Furthermore, equipment needed to create social spaces for students was provided to the following educational facilities: Erzurum Nene Hatun Aydın Doğan Dormitory for Girls; Gümüşhane Kelkit Hacı Hüsrev Doğan Dormitory for Girls; and Konya Ereğli Dad, Send Me to School Dormitory for Girls.



The Foundation provided female students residing at dormitories established under the “Dad, Send Me to School” campaign, with workbook sets to support the girls’ preparation for the university entrance examination.

The renovation and renewal of all bedrooms besides the study and recreational rooms of the student dormitory – with a 400-bed capacity – of Boğaziçi University’s Kilyos Sarıtepe campus was funded by Aydın Doğan Foundation.

2) Scholarships for University Students

Aiming to support the educational development of female students, Aydın Doğan Foundation began to award scholarships to successful female university students in financial need starting with the 2015-2016 academic year. Under this effort, the following three groups of young women were awarded an educational scholarship: Female students in need who are studying at Boğaziçi University’s Faculty of Engineering and who ranked among the top 101-500 in the Student Selection and Placement exam; female students in need studying at Istanbul University’s Faculty of Law and who ranked among the top 1,000 in the Student Selection and Placement exam; and female students in need who were successful in the Student Selection and Placement exam, who enrolled in a bachelor’s program at a state university, and who previously resided at girls’ dormitories constructed by the Foundation, and handed over to the Ministry of National Education as part of the ‘Dad, Send Me to School’ campaign.

3) International Day of the Girl Child Conference

The United Nations has declared October 11 as the International Day of the Girl Child, with the intention to lift the obstacles that girls face, empower them and ensure that their human rights are fully respected.

The conference titled “Empowered Girls, Empowered Future: Ensuring Equal Opportunities in Education and Improving Life Skills” was held on October 8, 2015 for the first time. The event was organized by Aydın Doğan Foundation in cooperation with UN Women, UNICEF and UNFPA.

4) Studies

Dad, Send Me to School Campaign Impact Assessment Analysis

The “Dad, Send Me to School” campaign – one in which Aydın Doğan Foundation has played a leading role in constructing five new student dormitories – completed its 10th year of operation. In order to measure the social impact that the project has generated, a number of research studies were commissioned. The aim of the study conducted by Infakto Research between November 2014 and March 2015 was to measure the social impact of “Dad, Send Me to School”. Under this effort, two groups of girls with the same demographic background – one group enrolled in “Dad, Send Me to School” and the other not – were compared to each other in a survey study. Simultaneously, a survey was also conducted to measure the project’s impact on teachers and the public.

Boğaziçi University Psychological Studies Center: Dad, Send Me to School Dormitories for Girls - Needs Analysis

A comprehensive, multi-dimensional needs analysis was carried out to support the academic, social, emotional and personal development of 14 to 18 year old girls residing at Aydın Doğan Foundation dormitories or Dad, Send Me to School dormitories for girls. As a part of the study, interviews were conducted with teachers, students and parents in order to assess the physical, social and cultural conditions of the dormitories and needs, demands and opinions were identified.

Impact of Public Investments in Social Care Services on Employment, Gender Equality and Poverty: The Case of Turkey

In this study conducted by Istanbul Technical University and Levy Economy Institute with the support of Aydın Doğan Foundation, the impact of public investments into social care services was assessed. Recent studies outlined that lack of quality and accessible social services severely restricts female labor supply in Turkey, and this situation is among one of the main factors that weakens women’s participation in the labor market. This study evaluated the demand side of the economic reasons for public investment in the social care sector.



5) TESEV Children in Turkey – Interactive Database

The Children in Turkey website, prepared by TESEV (Turkish Economic and Social Studies Foundation) and sponsored by Aydın Doğan Foundation, brings together important demographic, social and economic data on youth in Turkey, girls in particular. The website aims to create a resource of information on children for decision-makers, academics and civil society organizations. The site was prepared as an interactive database and includes easy-to-understand maps, graphs and visuals. Thus, a valuable resource was created to serve as a visual databank and guide that can be easily used for various projects by interested individuals/institutions.

TEGV SEMA AND AYDIN DOĞAN EDUCATIONAL PARK

The Aydın Doğan Foundation continues to support the Findikzade Sema and Aydın Doğan Educational Park, established in 1996 by the Educational Volunteers Foundation of Turkey (TEGV).

The Sema and Aydın Doğan Educational Park has made important contributions to children's education by supporting their personal and mental development. This was achieved by improving their linguistic and communication skills; by directing their attention to arts, science and technology; and by organizing information sessions on topics related to available education/training opportunities.

GÜMÜŞHANE SEMA DOĞAN PARK

Established to contribute to cultural and social life in Gümüşhane, Sema Doğan Park was inaugurated on July 24, 2008 as a recreational area that can host a range of activities. The covered areas inside the park feature a hall that can accommodate cultural and entertainment events such as receptions, concerts and conferences. The open area includes an amphitheater, which can host movie screenings, theater performances, concerts, folk dances and conferences, as well as children's playgrounds, basketball courts, tennis courts and picnic facilities.

AYDIN DOĞAN SCIENCE AND ARTS CENTER

Aydın Doğan Science and Arts Center is an educational institution affiliated with the Ministry of National Education, General Directorate of Special Education Guidance and Counseling Services. The Center endeavors to identify gifted or highly talented children at the elementary school or junior high school level and to maximize their potential. Aydın Doğan Foundation continues to support the Center, where specially trained teachers provide instruction to gifted children using special educational tools and programs.

OTHER ACTIVITIES

Education Reform Initiative (ERI)

Abiding by the slogan "Quality education for all," Aydın Doğan Foundation supports numerous initiatives that are designed to improve the conditions of educational instruction

in Turkey. With this approach, the Foundation working together with other leading foundations in Turkey supports the Education Reform Initiative (ERI).

Among other activities, ERI conducts studies and monitoring efforts related to educational reform, which is key to a country's social and economic strength.

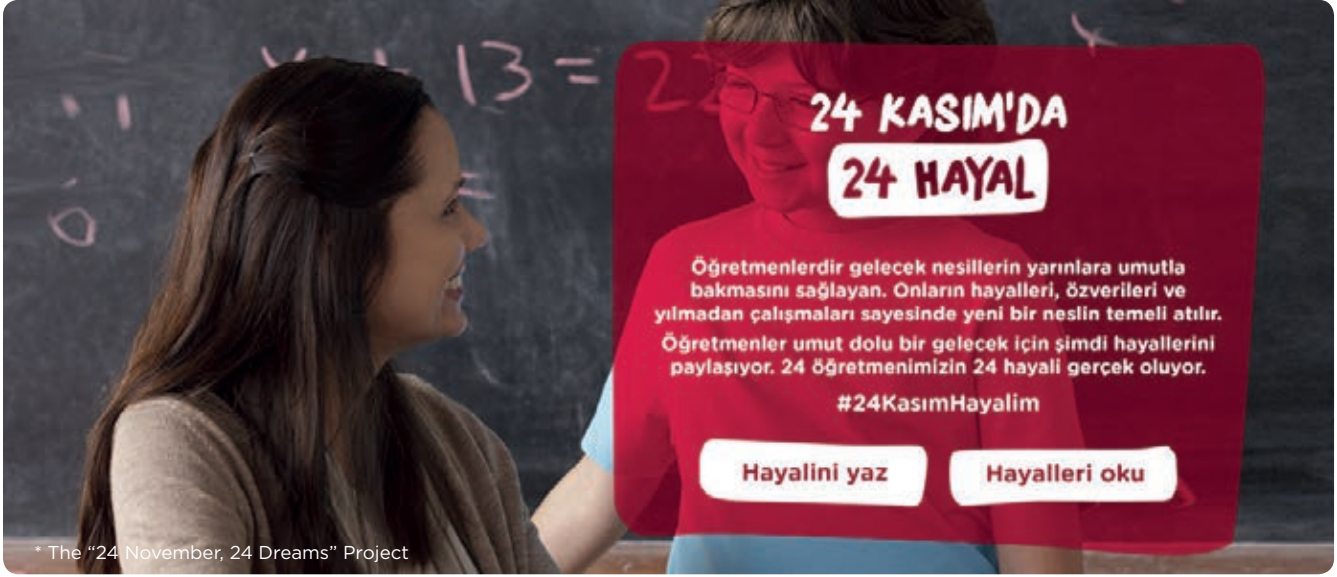
London School of Economics

Aydın Doğan Foundation is among the supporters and a member of the Advisory Board of the Modern Turkey Studies Program at London School of Economics (LSE), one of the world's most prestigious educational institutions. The program aims to help boost Turkey's modern image around the globe.

The Third Sector Foundation of Turkey

The Third Sector Foundation of Turkey (TÜSEV) was established in 1993 by 23 NGOs, including Aydın Doğan Foundation, in order to develop the legal, fiscal and operational infrastructure of the third (non-profit) sector. As a founder and board member of TÜSEV, the Aydın Doğan Foundation is an active supporter of the organization and its activities. More than 100 members of the Board of Trustees are undertaking activities to promote civil society initiatives in Turkey.

In 2015, Aydın Doğan Foundation supported the study titled "Individual Giving in Turkey" undertaken by the Third Sector Foundation of Turkey (TÜSEV).



"NO! TO DOMESTIC VIOLENCE" CAMPAIGN

In 2015, Hürriyet Newspaper completed the 11th year of its long-term social responsibility project, the "No! To Domestic Violence" campaign.

The campaign was initiated by Hürriyet to raise awareness on domestic violence in Turkey, a major social problem in the country. Since its launch, this effort has significantly contributed to raising awareness on this issue, by organizing various activities over the last 11 years and well exceeding its initial targets.

Turkey's first and only round-the-clock Emergency Support Hotline was first launched as a one-year pilot project in 2007 but has continued to be implemented due to the magnitude of the problem. In 2015, with an intent to transfer the project to its "real owner", a civil society organization, the Hotline was handed over to the Federation of Turkish Women's Associations. Hürriyet continued to support the Emergency Support Hotline throughout the year.

The Emergency Support Hotline answered a total of 2,781 calls in 2015, providing support to 1,824 victims of violence and dealing with 226 emergency cases. For most of the emergency cases, special teams provided those in need with shelter opportunities.

Facebook followers of the "No! To Domestic Violence" campaign rose 3% in 2015 to total 74,793.

Meanwhile, the campaign's Twitter follower base expanded 18% to 11 thousand.

AWARENESS AND COMMUNICATION ACTIVITIES

In 2015, conferences continued to be held under the "No! To Domestic Violence" campaign in order to share information, engage in awareness-raising activities on social media and undertake communication support for civil society organizations working on domestic violence.

Moreover, the company further deepened its cooperation in this critical area by serving as a member of the Advisory Board on "The Business World is against Domestic Violence" initiative.

Hürriyet signed the United Nations Global Compact - Women's Empowerment Principles (WEP), becoming a solution partner addressing the problem of domestic violence, joining many other companies and brands in this effort.

RIGHTFUL WOMEN PLATFORM

The Rightful Women Platform, of which Hürriyet is a founding partner, brings together about 40 women's organizations. The platform continued its awareness raising efforts in the area of gender equality throughout 2015.

Just before Turkey's general elections on June 7, the platform brought together women MPs and MP candidates, civil society organizations, representatives of the business world

and informed opinion leaders at the "Single Voice for Women" event.

Hosted by Vuslat Doğan Sabancı, Hürriyet's Chairwoman and the mastermind behind the Rightful Women Platform, the event was held at the İstanbul Congress Center's Harbiye Auditorium and brought together women MPs and MP candidates from across the political spectrum. The attendees were united in their efforts to produce solutions for the problem of gender inequality and to overcome discrimination of any type against women in Turkey through female solidarity. The meeting, also enlivened with the performances of female artists, was followed by more than a thousand people.

SOCIAL RESPONSIBILITY PROJECTS OF GROUP COMPANIES

HÜRRİYET'S SOCIAL RESPONSIBILITY PROJECTS

The "24 November, 24 Dreams" Project
Hürriyet Newspaper, Doğan Media's strong representative in print media, working in cooperation with the Teacher Academy Foundation, executed the "24 November, 24 Dreams" project. This initiative gives teachers committed to raising creative generations the opportunity to share their dreams with all of Turkey. The project's submission deadline was December 24, 2015, and 24 to-be-realized dreams will be selected from among the applications by public voting and a special jury in the coming period. In addition to dreams, teachers also have needs. To help identify and meet these needs, a special website was created on ihtiyacharitasi.org to identify the needs of students across



* Soma Has Dreams

Turkey. Volunteers who would like to help meet these needs will be able to do so over the same website.

“Soma Has Dreams”

Hürriyet Newspaper’s “Soma Has Dreams” project, implemented in 2015, aimed to place the 2014 Soma mining disaster on the public agenda on its first year anniversary. This initiative was designed to create public awareness on the need to prevent such disasters from happening again and to put a smile on the faces of the children of mining accident victims. As part of the project, solely conducted by Hürriyet, all children under 18 of the 301 deceased miners were contacted and identified by Hürriyet, which identified their dreams and those dreams were shared with the newspaper’s readership. While the majority of the children’s wishes were realized with the support of Hürriyet readers, children wanting to visit new places were sponsored by municipalities and other institutions.

KANAL D’S SOCIALLY RESPONSIBLE ORIENTED PROGRAMS

The Group’s TV programming appeals to viewers with its original and colorful content, while its channels attract attention with social responsibility activities that advance social development. Kanal D makes capital investment decisions with a socially responsible approach; hence, it has continued to broadcast series in audio description to enable visual- and hearing-impaired individuals to have equal access to the channel’s

programming. The first of its kind in Turkish TV history, this innovative application was made available through cooperation with the Audio Description Association.

Kanal D also develops television programming projects that raise awareness on social issues and the environment. Noteworthy efforts in this regard include the following:

“My Sweet Home” Program

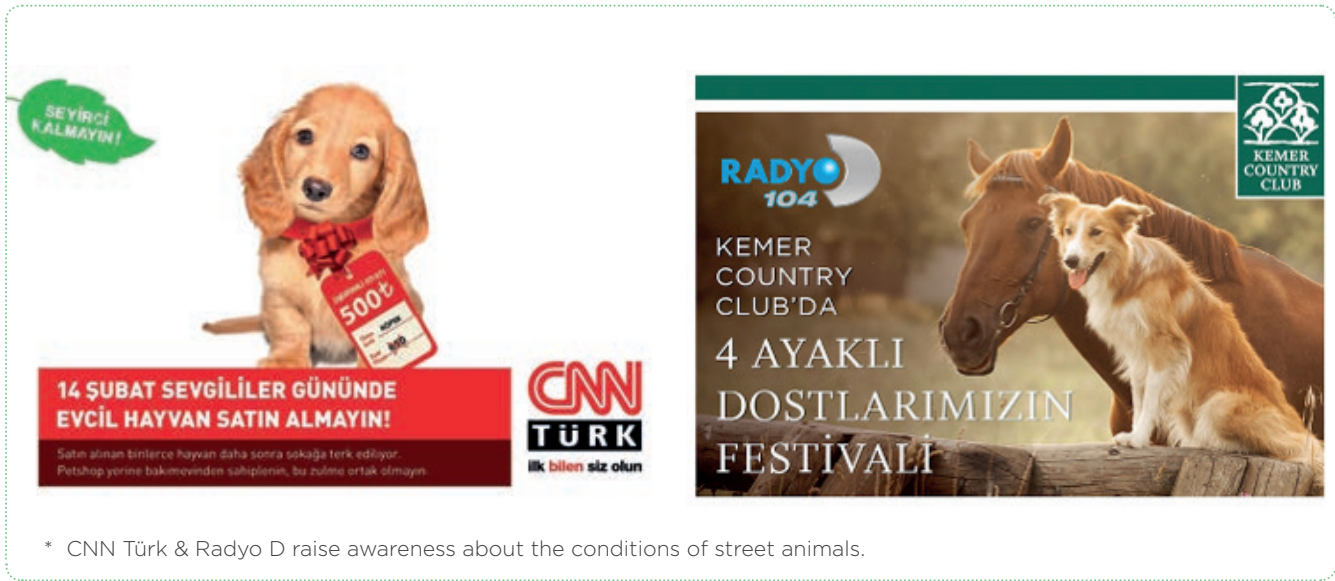
Kanal D’s popular TV show “My Sweet Home” undertook various social responsibility initiatives in 2015. The homes of individuals with serious health problems were renovated in line with their physical needs, while special projects were also implemented in response to the mining disasters in Soma and Ermenek.

Kanal D – TEGV Cooperation

As in the prior year, Kanal D organized a special evening for the benefit of TEGV (Educational Volunteers Foundation of Turkey) in 2015. In order to ensure a brighter future for the country’s children, Kanal D helped to bring together Turkey’s most popular personalities on Sunday, December 20 to benefit TEGV. With 123,000 SMS messages received during the event evening, the proceeds went to support the education of a total of 80,000 children. The live TV broadcast, which aired with Kanal D’s assistance, recorded an all-time high number of text donation messages received at a single TEGV event.

CNN TÜRK’S ENVIRONMENTAL-FRIENDLY BROADCASTING APPROACH

With its responsible broadcasting approach, CNN Türk occupies a privileged position in the broadcasting world. In 2015, it continued to undertake awareness raising activities for the protection of the natural environment. In the “Green Nature” program, prepared and presented by Güven İslamoğlu, Turkey’s natural environment, people, culture and history are being rediscovered. Thanks to the “Voyage of Discovery” format of the show, assets that are in danger of vanishing are brought to the public’s attention. “Green Nature” contributes to protecting wild life, finding solutions to existing environmental problems and raising public awareness by highlighting the importance of reaching a social consensus. As a result of the cooperation between the “Green Nature” series and the United Nations Environment Fund, four TV shows with a focus on wild life protection were prepared and broadcast. Over the years, the “Green Nature” program has received a number of significant awards from prestigious organizations. These include the “European Solar 2011” award, regarded as Europe’s “Nobel Prize” in the field of environment and received by an organization in Turkey for the first time; the “Respect for Wetlands Award” presented for the first time in Turkey by the Ministry for Environment and Forestry; the “Best Documentary Award” from WWF; and the “Oktay Ekinci Press Award” from TMMOB (Union of Chambers of Turkish Engineers and Architects).



* CNN Türk & Radyo D raise awareness about the conditions of street animals.

In addition to preparing and hosting the “Green Nature” series, Güven İslamoğlu also conducts seminars on the natural environment in primary schools, high schools, universities, for civil society organizations and at public institutions. This effort further contributes to raising public awareness on issues related to the environment. The public service ads presented by Güven İslamoğlu as part of CNN Türk’s “Don’t Stand By” TV stream also aims to raise environmental awareness.

Flash mobs were organized at shopping malls, on passenger ships and at beach locations with the participation of hundreds of environmental volunteers, helping to attract more attention to the importance of recycling.

In order to draw attention to and raise awareness about the conditions of street animals, CNN Türk continued its communication activities in 2015 by using all its available channels. CNN Türk sends out informational messages on animal rights to the more than 3 million followers it has on Facebook and Twitter, while also broadcasting ads on 92.5 CNN Türk Radio and on the CNN Türk TV channel.

RADIO D’S SPONSORSHIPS

As part of its corporate social responsibility efforts, Radio D continued to support and execute projects that benefit the broader public good, especially in the areas of education, health and environment, in 2015. Toward this end, Radio D granted radio

sponsorships to a number of initiatives that contribute to the greater public good.

DOĞAN BURDA MAGAZINE PROJECTS ADDING VALUE TO PEOPLE’S LIVES

Doğan Burda Magazine Group, as part of its social and environmental responsibility, continued to carry out activities that add value to people’s lives in 2015. Besides undertaking new projects throughout the year in the areas of culture, arts, history, nature, environment and health that were designed to generate awareness on social responsibility, it also supported other reputable social responsibility projects.

Doğan Burda, in conjunction with leading publications such as Capital and Economist, conducts various research studies, organizes competitions and holds award programs. These efforts aim to foster a culture of donating; raise awareness on corporate social responsibility, women’s employment, entrepreneurship and social entrepreneurship; and create more social added value.

Popular Science Turkey magazine organized panels titled “How Will Science Change Our Lives in the Future?” that discussed issues ranging from quantum physics and 3D printers to astronomy and artificial intelligence. Atlas magazine, took students of the Darüşşafaka Educational Institution on an on-foot natural photo safari tour in Istanbul’s Belgrade Forest.

The magazine’s experienced team of journalists and photographers informed students about key aspects of their work. Thanks to the cameras provided by sponsors, students had the opportunity to take photographs of the natural environment.

Supporting Arts & Culture Life

Tempo, İstanbul Life, Ekonomist, Atlas, Maison Française, Hello, Yacht Türkiye and Elele magazines – Doğan Burda publications – serve as media sponsors for various arts-culture organizations and events. These include İKSV (İstanbul Foundation for Culture and Arts), SALT, Contemporary Istanbul and Art International. The sponsorship efforts help boost and consolidate cultural awareness in Turkey.

Doğan Burda as International Cannes Lions Creativity Festival Turkey Representative

This year’s 62nd International Cannes Lions Creativity Festival – the biggest international event in this field – brought together more than 13 thousand communications, marketing and advertising professionals from around the world. Doğan Burda Magazine Group serves as the Turkey representative in the creativity-oriented festival. In 2015, it continued to undertake activities to boost creativity and the advertising sector in Turkey.

The Turkey selection process for the “Young Lions” competition organized as part of the festival was completed in April. Doğan Burda made sponsor-funded travel arrangements for 10



young communication professionals to Cannes in June to represent Turkey at the International Cannes Lions Creativity Festival. The team from Turkey received the Bronze prize in the “Young Marketing Expert” category of the Young Lions competition. In addition, the team competing in the “Media” category received the Grand Prix prize with its “Red Light” application. For the first time this year, the Representative of the Year competition was held with the participation of representatives of 96 countries in attendance. Doğan Burda, the festival’s Turkish representative for many years already, received the prize for Turkey.

In 2015, Doğan Burda also continued to support various organizations and campaigns, including: TEMA Foundation; Music for Peace Foundation; “Olmasa da Olur (Saving for Charity)” campaign; Make a Wish Foundation; and the Turkish Association for Cancer. Furthermore, organizations working for the public good such as UNICEF, the Foundation for Children with Leukemia (LÖSEV), the History Foundation, Red Crescent, the Education Volunteers Foundation of Turkey (TEGV), and the Tohum Autism Foundation were supported by various Doğan Burda Group magazines.

D&R’S “81 LIBRARIES FOR 81 SCHOOLS IN 81 PROVINCES” PROJECT

D&R, operating in 27 provinces in Turkey with 151 stores, realized the “81 Libraries

in 81 Provinces” project in cooperation with Interbank Card Center (BKM) and the Books for Everyone Foundation. The project aims to support schools in 81 provinces by building libraries. Anyone who purchases products from D&R retail stores until March 1, 2016 using the contactless payment option will be contributing to the project.

DİTAŞ’S STUDENT SCHOLARSHIP AND SPONSORSHIP EFFORTS

Ditaş, a Doğan Holding subsidiary, continued to provide scholarship support to 14 students enrolled at Niğde METU College in 2015.

MİLTA BODRUM MARINA’S ACTIVITIES FOR CHILDREN

In 2015, Milta Bodrum Marina stood out with its social responsibility efforts that target students. A photography event was organized to raise Merte College students’ awareness on the environment. As part of April 23 National Sovereignty and Children’s Day, special workshops and activities for youth were held at Milta Bodrum Marina’s Palmiye Square and Shopping Mall. The Natural Life Exploration and Development Project organized by Milta Bodrum Marina and implemented throughout the year, broadened children’s environmental awareness, helping them to explore the natural environment around them. Further, the project enabled young participants to use all their senses in a natural environment, thereby giving them the opportunity to use and improve their minds in different ways.

With the various projects it undertook in 2015 by applying a socially responsible approach, Milta Bodrum Marina aimed to contribute to the environment and increase environmental awareness. The İnaf Gari Tirhandil Garbage Waste Boat project was designed to clean seawater waste with preselected waste collection volunteers, as well as civilian and volunteer divers. In 2015, the field research and feasibility studies in addition to the project’s activity report were completed. The 7th International Bodrum Handline Fishing Tournament was held under the auspices of Milta Bodrum Marina. Thanks to the support by Milta Bodrum Marina, the tournament has become an annual tradition.

AN EXEMPLARY BUSINESS MODEL: THE DOĞAN ORGANIC KELKIT INITIATIVE

Doğan Organic was founded 13 years ago to create employment opportunities in Kelkit and the surrounding area while slowing migration to large cities, educating the local population on agricultural techniques and integrating residents into the economy. Throughout the years, Doğan Organic has become a proven model of sustainability for Turkey’s agricultural economy, as well as one of the country’s largest producers of organic milk with an annual production of 5,000 tons.



Having introduced organic agriculture and livestock breeding to the people of the Kelkit area, Doğan Organic has greatly contributed to the region's employment base and socio-economic development. Established with the goal of transforming the region into a hub for organic milk production and livestock breeding, Doğan Organic moves steadily toward its target every year, with a firm belief in the local population and through the use of insightful strategies. After Kelkit basin was designated by the Ministry of Food, Agriculture and Animal Husbandry as an organic agriculture pilot zone in Turkey, the company, namely Kelkit Organic Dairy Livestock, was established in 2002 and became operational in 2003. Two years later, the company received organic production certification from an accredited EU firm (IMO), and offered its very first organic milk to the Turkish market in July 2005.

The milk production of the company and its contracted farmers has steadily increased each year. As a result, Doğan Organic not only provides raw milk to the market but has also started to offer processed dairy products to consumers under the private labels of various national market chains.

In 2014, the company developed an in-house consumer brand, "Yoncadan," and started the necessary processes to offer its organic milk and other dairy products directly to consumers. Doğan Organic has established a sustainable business model by creating and successfully maintaining an enterprise centered on the core economic activity of a region. As a result, the Doğan Organic Products Kelkit initiative was recognized in 2005 as one of the top 10 socially responsible investments in Europe by the European Union Directorate of Business Concerns. In 2006, Doğan Organic was honored with the "Best Agricultural Investment" award from the UN's Food and Agriculture Organization (FAO) on World Food Day.

In 2012, Doğan Organic received the "Corporate Citizenship" prize at the nationwide CSR Awards. In addition, Doğan Organic was presented with the Jury's Second Prize by the Selection Committee, which was composed of the national partners of CSR Europe, UNDP and international CSR experts.

Doğan Organic received the first prize in the SME category at the European Corporate Social Responsibility Awards, held for the first time in 2013 and organized by the European Commission, Corporate Social Responsibility Communication under the theme "Cooperation, Innovation, and Influence."

In 2013, at the European CSR Award Best Practice Exchange Forum, where countries share their corporate social responsibility experiences, Doğan Organic was one of the six projects selected from among 60 projects submitted by 30 nations. The European CSR Award Best Practice Exchange Forum is organized by Business in the Community, established in London in 1982 by the British business community in order to extend the CSR approach.

With its Kelkit initiative, Doğan Holding spearheaded the development of organic livestock farming in Turkey. The Holding was the main sponsor of the 18th Organic World Congress, organized by the International Federation of Organic Agriculture Movements in October 2014, in Istanbul. The event provided an international platform for sharing experiences in agricultural development, food safety and sustainability.

OCCUPATIONAL HEALTH AND SAFETY

OCCUPATIONAL HEALTH POLICIES THAT MAKE A DIFFERENCE

Law no. 6331 governing matters pertaining to occupational health and safety and related regulations constitute the foundation of Doğan Holding's Occupational Health and Safety efforts. Legislative changes in this area during the year were closely monitored by Doğan Holding's relevant departments, while necessary adjustments to ensure compliance were swiftly undertaken.

The Company's Occupational Health and Safety Procedures, published last year and having internal regulation status, require all Group companies to ensure that they operate in accordance with applicable legislation on occupational health and safety, ILO rules, human rights provisions and Doğan Group Occupational Health and Safety Policies. The Occupational Health and Safety Procedures guided the team operating in the field of occupational health and safety.

OCCUPATIONAL HEALTH AND SAFETY PRACTICES

The Occupational Health and Safety Supreme Board

The Occupational Health and Safety Supreme Board, established within Doğan Group, is tasked with monitoring whether all affiliate companies abide by occupational health and safety legislation, the Doğan Group

Occupational Health and Safety Policy and the Occupational Health and Safety Procedures and reporting any irregularities to the departments in charge. The Supreme Board successfully conducted monitoring activities throughout the year.

Occupational Health and Safety (OHS) Committees

Occupational Health and Safety Committees have been set up in all Group companies, and committee members were trained with regard to their duties and authority. As stipulated by law, the committees are comprised of the employer's representative, an occupational physician, occupational safety specialist, a human resources officer, employee representatives, and technical and administrative personnel. These bodies convened in 2015 as stipulated by the governing regulations and adopted decisions on matters that fall within their mandates. They also ensured that updates pursuant to previous Risk Evaluation Reports and changing circumstances were undertaken together with risk mitigating precautions.

Occupational Physician and Occupational Safety Specialists

Due to variations in the location and headcount of Group companies, and as is permitted by law; we embrace the

principle of joint use of resources by all Group companies. Owing to changes in the number of employees within Group companies, the number, location and responsibilities of both occupational physician and occupational safety specialists have been adjusted accordingly.

Emergency Action Plan

To minimize damage in emergencies such as fires or earthquakes, emergency action plans have been prepared and all personnel have received both theoretical and practical training. Some of the periodic mandatory evacuation exercises have been completed, while others are planned on designated dates.

First Aid Training

According to Law no. 6331, depending on the hazard level of the work undertaken, a certain percentage of designated employees are required to receive first aid training. In line with this requirement, authorized institutions provided personnel with theoretical and practical training; meanwhile, employees participating in the training had to pass a final examination upon which they became certified in administering first aid. As a result of the changing workforce numbers in 2015, the first aid ratio was recalculated with new employees assigned to receive training.



Training of Workers

Law no. 6331 requires the provision of basic occupational health and safety training to all employees. Employers are also required to provide additional training based on the employees' job description. All personnel who started work for the Company in 2015 received this supplemental training, while vocational training became a prerequisite for technical positions. Where needed, employees were also provided with on-the-job training.

Occupational Physician and Occupational Safety Specialist Electronic Registration System

In order to facilitate the follow-up of recruitments and periodic health checks, the Company expanded the electronic registration system for occupational physicians developed upon user feedback to incorporate occupational safety specialists. Work continued to modify programs based on needs and requests, transforming these into a functional and practical system that all personnel can use effectively.

Recruitment and Periodic Health

Checks: In 2015, newly hired personnel underwent additional check-ups, such as hearing tests, roentgen graphic examination of the lower back, and ophthalmic checks, depending on their area of expertise. These controls were repeated periodically. Additionally, the entire workforce underwent chest X-rays. All willing personnel participated in hearing and vision tests, in addition to those who are required to do so.

Infectious Disease Testing and Hygiene Inspections

All personnel involved in food-related services undergo infectious disease testing on a regular basis. Moreover, occupational physicians conducted frequent checks at various locations through authorized firms on whether hygiene requirements in food production and presentation were met.

Workplace Controls

In all facilities, workplaces are checked against any health hazards that could jeopardize employee health and all necessary precautions are taken. During these measurements, indicators such as air quality, dust level, chemical materials, temperature, illumination, noise, and biological contamination levels are regularly monitored and reported.

Work Equipment Controls

All equipment used in workplaces was checked by authorized personnel within prescribed deadlines.

Monitoring Subcontractors

Law no. 6331 obliges contractors to monitor whether subcontractors abide by occupational health and safety regulations. As a result, Doğan Group monitors the activities of all subcontractors. In addition, occupational health and safety provisions were added to agreements made with subcontractors. The Group monitors subcontractors prior to the start of active operations and provides them with training on occupational and workplace health and safety.

HUMAN RESOURCES

WELL-QUALIFIED AND HIGHLY COMPETENT HUMAN RESOURCES

HUMAN RESOURCES POLICY

1. General Principles

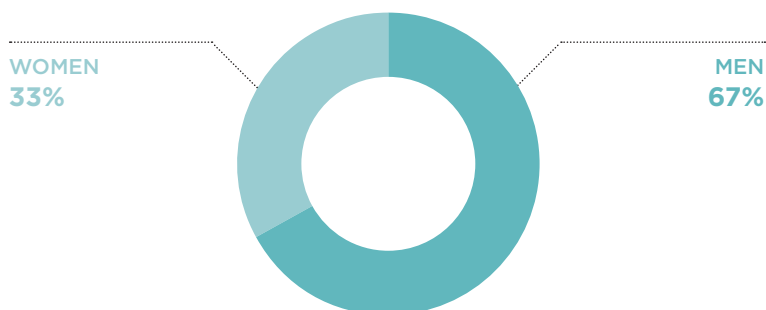
Recognizing its human resources as its most valuable asset, Doğan Holding's main aim is to be a company which employees are proud and happy to be a part of. Doğan Holding believes that sustainable growth is only possible through the contributions of its workforce. Therefore, the Group's strategic thinking, fast, proactive and highly responsible employees make a difference among the competition. Thanks to its competent human resources, the Holding aims to swiftly, efficiently and fairly support all stakeholders, thereby providing efficient and high standard services. To this end, Doğan Holding is committed to:

- Creating a suitable environment for employees that supports their personal and professional development;
- Providing a working environment to ensure sustainable development;
- Regarding personal differences as enrichment in terms of human resources and taking a fair approach in line with ethical values;
- Assessing employees' performance by applying objective criteria;
- Providing equal opportunities to employees in terms of training and development;
- Offering assignment, transfer and rotation opportunities within the Group in order to enable employee development as well as organizational development;
- Creating a working environment in which ethical values and general rules of conduct are implemented and the balance between business and private life is observed;
- Rewarding high performance, providing appropriate and constructive feedback to those who have lower than expected performance and supporting them in improving their skills and abilities;
- Applying methods to enhance employees' motivation and loyalty.

In its human resources applications, the Holding endeavors to adopt an approach that observes ethical values, prioritizes team spirit, forges and expands a corporate culture that is sharing, participatory, prudent and values creativity.

The Holding's human resources policy is designed around its congruence with company and employee targets. Therefore, keeping employee loyalty at high levels and ensuring that corporate culture elements are accepted and adopted by all employees are critical. Teamwork and adherence/loyalty to the Company and its corporate culture are among the Holding's strategic priorities. Ensuring that employees are proud of their own success as much as they are proud of the Company's is one of the most important targets in the area of human resources. While the Holding's corporate culture is shaped

DOĞAN HOLDİNG AND GROUP COMPANIES' EMPLOYEE GENDER DISTRIBUTION





by fair, reliable, sincere and appropriate employee relations, honesty is regarded as one of the most important values in the employee's relations with the Company.

All employees in our Group have equal rights. The personal differences of our employees, such as nationality, beliefs, ethnic origin, gender, disability, political views and age, are regarded as richness in terms of human resources. Our employees are never judged for their personal differences.

We give great importance to internalizing the Code of Ethics among our employees. We facilitate this process via in-house communication channels and training programs. We actively encourage employees to conduct themselves with this awareness.

2. Recruiting Well-Qualified Personnel

Doğan Group has adopted the principle of treating all potential candidates equally, with no discrimination during the selection and recruitment process, and looking only at the candidate's suitability for the job. As our Group adopts the belief that corporate success resides in practicing a successful recruitment strategy, our recruitment policy is based on the educational background, experience, competencies, career goals and expectations of candidates, in compliance with

requirements of each position. We aim to acquire for the Group individuals who are disposed toward teamwork, who keep a close watch on national and global developments, who are open to innovation and who are suitable for our corporate culture.

3. Investing in the Training and Development of Employees

Creating and maintaining appropriate opportunities with the purpose of maximizing employee potential and ensuring the continuous development of personnel is a primary responsibility of our Group. In order to facilitate employee development, a great emphasis is placed on training at each level and stage. The Holding has adopted a corporate culture that encourages learning and development in order to cultivate well-qualified and professional employees. To ensure the success and efficiency of the Holding, training programs are designed to support employees' personal skills and their daily work. Similarly, employees are provided with the opportunity for personal training based on their own needs and preferences.

Training programs in areas such as personal development, improvement of technical, managerial skills, in addition to laws and regulations, digital marketing and social media are provided. Solutions specifically designed for certain companies also

enrich the training programs. Apart from technical training, employees receive social training to teach them how to cope with the stress-related challenges of today's business world.

Employees show great interest in training programs on personal development and work-private life balance. These training modules, attended by all employees, support team spirit and contribute to creating a comfortable working environment.

In addition to aiming to foster a sustained learning and development environment that constantly supports the improvement of senior management, Doğan Holding also targets training strong, and solid executive candidates. With this aim, newly recruited executives and/or executive candidates are provided orientation to quickly adapt to the corporate culture. They are also provided with a number of training opportunities that are designed to develop their competence. Further, thanks to discount agreements between private universities and Doğan Holding, employees have the opportunity to pursue master's level studies while they are working.

All these applications aim to bolster Doğan Holding's capacity in using technology, developing new business processes and assuming a leadership role in new markets.

4. Remuneration and Reward Management

Doğan Holding has adopted the principle of "equal pay for equal work" in its remuneration policy, which is shaped and updated according to wage categories, recent market trends and performance evaluations.

HUMAN RESOURCES PRACTICES

In order to recruit qualified individuals and enhance current employees' loyalty to the Company, Doğan Holding has adopted a policy of rewarding successful performance. The Holding believes that employees who perform above expectations and achieve exceptional successes and/or undertake activities beyond their responsibilities should be appreciated and rewarded. The Holding thinks that these types of rewards will encourage employees to perform above the expected standards.

Our Human Resources are Our Most Valuable Asset!

Doğan Holding aims to maintain its current achievements while reaching new accomplishments. The Company is powered by its highly competent and well-equipped employees that have embraced the Group's business targets. The Holding is aware that its employees are its most valuable asset, which is why it has adopted contemporary human resources policies to ensure the highest level of staff satisfaction.

The Holding's human resource policies and applications aim to foster its corporate culture across the workforce, boost efficiency, and strengthen employee loyalty.

Human resources activities undertaken within Doğan Holding and Group companies are designed around a common corporate culture. These activities are conducted on the basis of sector and local factors and can be categorized under four main headings: Human resources

planning; business analyses based on roles and responsibilities; training and performance; and compensation management.

A Peaceful Working Environment, High Employee Satisfaction

Different personal attributes such as nationality, belief, ethnic origin, language, gender, disability, political views and age are regarded by Doğan Holding as characteristics that strengthen the Company's corporate structure. As a result, each and every Doğan Holding employee has equal rights.

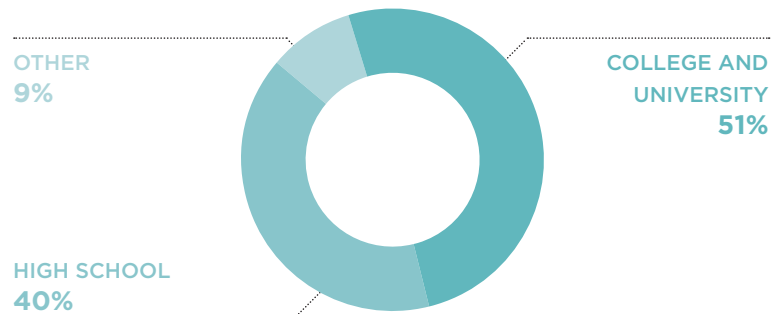
All Holding employees have private health insurance. Workplace doctors and assistant health personnel employed at the Holding's Group companies – in coordination with the human resources department – closely monitor employees' health conditions.

The latest recruitment methods are utilized to assess whether a candidate's education, experience, competence, career aims and expectations are in line with the Company's needs and position's requirements.

Training Opportunities that Encourage Lifelong Learning

Doğan Holding employs a performance assessment and improvement method to identify employees' knowledge, know-how and skills that need further improvement. Employees are then offered personal and professional training programs to help them actualize their full potential.

DOĞAN HOLDİNG AND GROUP COMPANIES' EMPLOYEE EDUCATION LEVELS



The Human Resources Department organizes a number of seminars throughout the year to boost the technical competence of employees. Before the training programs are prepared, the personal demands of employees are taken into consideration. When deemed necessary, employees are offered access to in-house or outside training programs.

Internal Communication Efforts and New Applications to Bolster that "We" Feeling

In order to help employees enjoy healthy and continuous communication both with the Company and among themselves, Doğan Holding places great importance on the development of internal communication activities. Doğan Group's internal social web site www.doganbiz.net allows employees to post ads and announcements. In 2015, the Human Resources Department carried out the following activities:

- **Doğan Card:** The Doğan Card, which provides discounts on products and services from about 150 prestigious suppliers, was warmly received by employees.
- **The E-employee portal:** The E-employee portal, which is consistently improved with new features and functionality, enables personnel to complete their transactions within a shorter period of time.

- **Social Networking:** Doğan Holding closely monitors the latest communication applications to integrate these into its own business operations. In 2015, Doğan Holding's Human Resources Department built up its presence on social media via Facebook, LinkedIn and Twitter accounts.
- **Mydmg – New Design:** The Mydmg payroll and personnel benefits management program was upgraded and enhanced. Featuring a new user-friendly design, important human resources tools were added to the program speeding it up and making it easier to use. Mydmg program was made available to Group companies.
- **Performance Management System:** The Performance Management System, which is part of the Mydmg program and has features software developed in-house, became ready for launch in 2016.
- **Orientation:** The orientation program designed for newly recruited employees to accelerate their adaptation process was employed effectively in 2015.
- **Preparing the Holding's Human Resources Regulations, Procedures and Policies:** The project to prepare the Human Resources Regulations, Procedures and Policies applicable to all Doğan Holding companies was executed in 2015. Under this project, the following documents were completed:

- Human Resources Policy
- Code of Ethics and Conduct
- Advance Salary Payment and Installment Loan Procedure
- General Working Principles Procedure
- Announcement and Dispatch Procedure
- Training Management Procedure
- Dress Code
- Performance and Development System Procedure
- Code of Discipline

- **Internal Communication and Announcements:** Doğan Holding's corporate communications processes were updated and performed in accordance with the Doğan corporate identity and the announcement and dispatch procedure.
- **Activities and Events:** New activities and events such as monthly birthday celebrations, Women's Day, children's festivals and museum visits were organized to boost employee loyalty and motivation.

Doğan Holding's Human Resources Profile

As of December 31, 2015, the Group employed 7,547 personnel in Turkey, with a total number of 8,678 employees including overseas personnel of subsidiaries and joint ventures consolidated with the full consolidation

method (December 31, 2014: 7,683 in Turkey, total of 10,298 including overseas personnel). Some 33% of the personnel employed in Turkey are women and 51% of employees are university graduates.

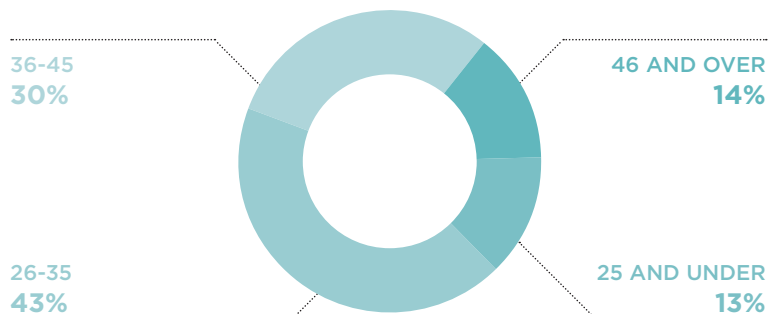
As of December 31, 2015, 56% of Doğan Holding's personnel in Turkey are in the 18-35 age range, giving the Company a young employee profile. The average age of the Group's workforce is 35.

CODE OF ETHICS AND CONDUCT

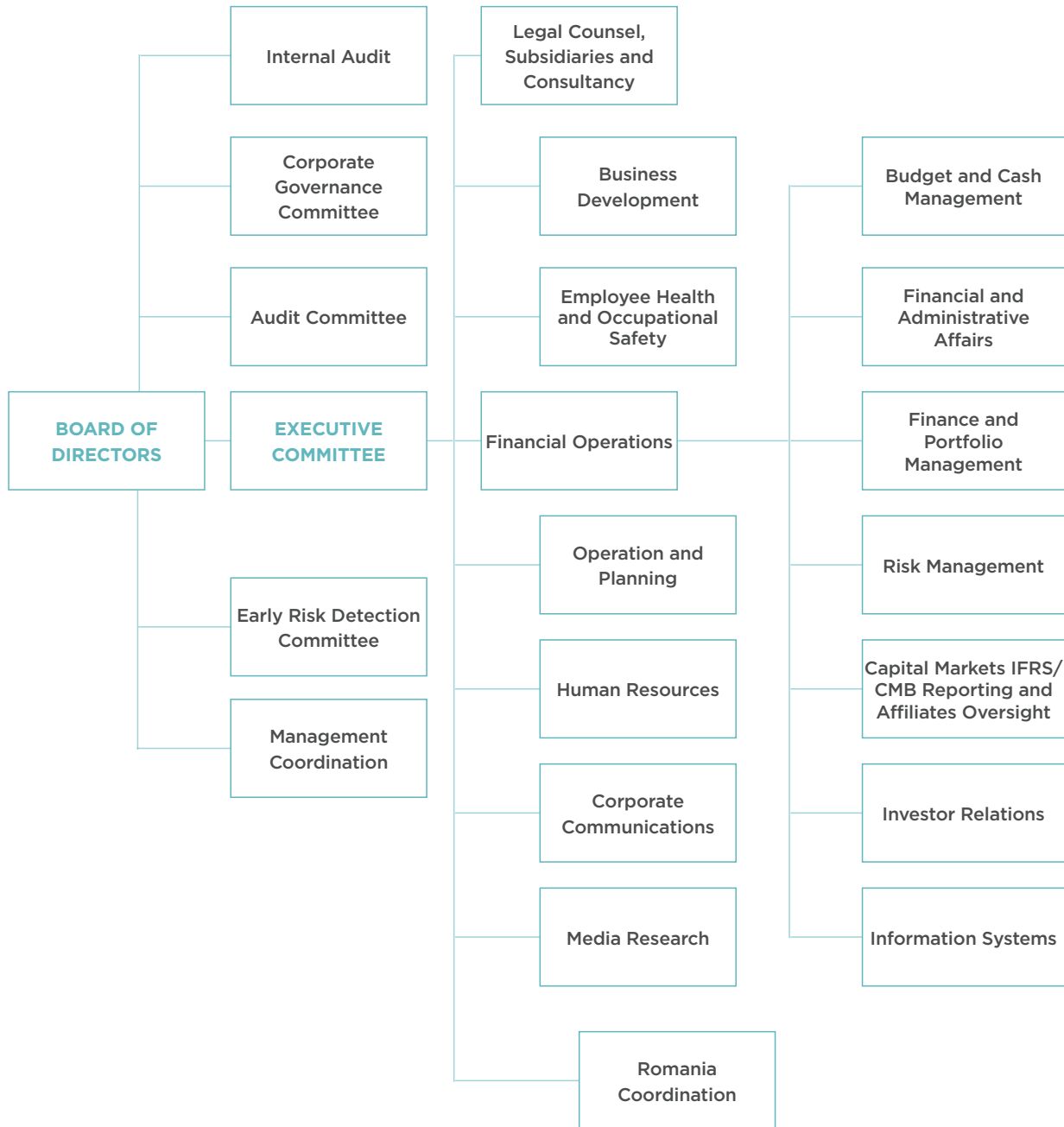
The Code of Ethics and Conduct, drafted to outline the basic rules the employees need to abide by while performing their duties, and to prevent any disagreement or conflict of interest between employees, business partners, customers and the Company, were updated and disclosed to the public in 2015.

The Code of Ethics and Conduct regulates conflicts of interest; sets the main principles that employees need to abide by when dealing with each other, business partners, customers, suppliers and other stakeholders; and includes provisions relating to information security and confidentiality.

DOĞAN HOLDING AND GROUP COMPANIES' EMPLOYEE AGE RANGE



DOĞAN HOLDİNG ORGANIZATIONAL CHART



MANAGEMENT STRUCTURE

Sustainable and Profitable Growth Strategy

Doğan Group Companies adopt a management approach based on the Holding's sustainable and profitable growth strategy. The Group's companies also create a transparent, flexible and entrepreneurial working environment centered on teamwork and communication.

As a driving force of the Turkish economy, Doğan Holding remains the pioneer of change and development in all its sectors while maintaining an innovative vision.

Doğan Holding fully embraces the concepts of equality, transparency, accountability and responsibility put forth in the Capital Markets Board's Corporate Governance Principles as an integral part of its corporate culture.

Doğan Holding has been included in the BIST Corporate Governance Index since November 4, 2009. In its report dated November 5, 2015, SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş., a rating agency licensed by the Capital Markets Board to perform corporate governance rating activities in accordance with CMB's regulations and resolutions, upgraded Doğan Holding's corporate governance rating to 9.36 (93.56%) out of 10.00. As per CMB's relevant resolution, the final rating is determined by assigning different weights to four subcategories. The distribution of our corporate governance rating by subcategory is presented below:

Subcategories	Weight (%)	Score November 2014	Score November 2015
Shareholders	25	94.36	94.36
Public Disclosure and Transparency	25	95.70	95.73
Stakeholders	15	93.92	93.51
Board of Directors	35	91.23	91.45
Total		93.53	93.56

The Corporate Governance Rating Report published by SAHA is available on Doğan Holding's corporate website (www.doganholding.com.tr).

BOARD OF DIRECTORS

The Chairperson and members of the Board of Directors hold the authority granted to them by the relevant articles of the Turkish Commercial Code and the Articles of Association. In 2015, five Board meetings were held in which 35 decisions were adopted.

Board of Directors¹

Name/Surname	Duty	Executive/Non-executive
Y. Begümhan Doğan Faralyalı	Chairwoman of the Board of Directors	Non-executive
Hanzade V. Doğan Boyner	Vice Chairwoman of the Board of Directors	Non-executive
Arzuhan Doğan Yalçındağ	Board Member	Non-executive
Vuslat Doğan Sabancı	Board Member	Non-executive
Soner Gedik ²	Executive Director	Executive
İmre Barmanbek	Board Member	Non-executive
Dr. A. Vural Akışık	Independent Board Member	Non-executive
Ali Aydın Pandır	Independent Board Member	Non-executive
Tayfun Bayazıt	Independent Board Member	Non-executive

¹ Detailed information on the Board of Directors and Committees as well as member resumes is presented in the Corporate Governance Principles Compliance Report.

² Mr. Yahya Üzdiyen, who served as Executive Director and CEO, voluntarily left his position as of January 5, 2016. Mr. Yahya Üzdiyen still continues to serve as a Board Member of some Group companies. With Board decision no. 2016/1 made on January 5, 2016, Mr. Soner Gedik was appointed as Executive Director and CEO. The Board decision will need to be approved by shareholders at the next General Assembly.

Board of Directors Committees

With the decision of the Board of Directors dated May 7, 2015, to be approved at the next Ordinary General Assembly at which the activity results of fiscal year 2015 will be evaluated, the Executive Committee, Audit Committee, Early Risk Detection Committee and Corporate Governance Committee have been established and all of which shall be operational until the first Board meeting following the next Ordinary General Assembly. With the same decision, it was stipulated that the Corporate Governance Committee would also take on the duties of the Nomination Committee and the Compensation Committee as per II-17.1 Corporate Governance Communique issued by the Capital Market Board (CMB).

Executive Committee¹

Name/Surname	Duty
Soner Gedik	President (CEO)
Ahmet Toksoy	Member (CFO)

Audit Committee¹

Name/Surname	Duty
Tayfun Bayazıt	President (Independent Board Member)
Ali Aydın Pandır	Member (Independent Board Member)

In the accounting period 01.01.2015 – 31.12.2015, the Audit Committee convened five times and presented the decisions made during these meetings to the Board of Directors in writing.

Corporate Governance Committee¹

Name/Surname	Duty
Tayfun Bayazıt	President (Independent Board Member)
İmre Barmanbek	Member
Dr. Murat Doğu	Member
Banu Çamlıtepe	Member

In the accounting period 01.01.2015 – 31.12.2015, the Corporate Governance Committee convened six times and presented the decisions made during these meetings to the Board of Directors in writing.

Early Risk Detection Committee¹

Name/Surname	Duty
Tayfun Bayazıt	President (Independent Board Member)
Erem Turgut Yücel	Member
Tolga Babalı	Member
Korhan Kurtoğlu	Member
Tahir Ersoy	Member

In the accounting period 01.01.2015 – 31.12.2015, the Early Risk Detection Committee convened six times and presented the decisions made during these meetings to the Board of Directors in writing.

¹ Detailed information on the Board of Directors and Committees as well as member resumes is presented in the Corporate Governance Principles Compliance Report.

POLICIES

Under the Preparing/Updating Policies, Regulations and Procedures Project initiated by the Vice Presidency of Internal Audit in 2014 and further implemented in 2015, Doğan Holding's policies, regulations and procedures were reviewed, updated and refreshed. The following policies were publicly disclosed via Doğan Holding's corporate website (www.doganholding.com.tr/en/corporate-governance):

- Donation and Aid Policy
- Disclosure Policy
- Human Resources Policy
- Human Rights Policy
- Occupational Health and Safety Policy
- Dividend Distribution Policy
- Anti-Bribery and Anti-Corruption Policy
- Social Responsibility Policy
- Compensation Policy
- Supply Chain Management Policy
- Compensation Policy
- Doğan Media Code of Conduct
- Code of Ethics and Conduct

HUMAN RIGHTS

In 2015, Doğan Group prepared its Human Rights Policy and made it publicly available. This policy is in sync with the importance the Group places on adhering to human rights stipulations provided for in the Turkish Constitution, and abiding by all rules and regulations protecting its employees' rights as guaranteed under international conventions, principles and agreements Turkey is party to.

The following issues are included in the Human Rights Policy: Providing employees with equal opportunities without any form of discrimination; creating a working environment that is safe and free from any kind of harassment, abuse, misconduct or violence; strengthening health and safety provisions in the workplace; guaranteeing collective bargaining rights through legal trade unions while at the same time respecting the right to assembly and the right to associate; provisions relating to prevention of child labor.

ANTI-BRIBERY AND ANTI-CORRUPTION

Doğan Group confirms its commitment to abide by all anti-bribery and anti-corruption laws and regulations as well as applicable legislation and ethical principles in the countries in which it operates, and to fulfill its responsibilities and comply with relevant rules.

As a demonstration of the Group's commitment to work ethics, its Anti-Bribery and Anti-Corruption Policy was prepared and publicly disclosed in 2015.

With this policy, rules on the following matters that Doğan Group employees need to abide were determined: Special interests, relations with the public sector, agreements and tenders, facilitation payments, donations and gifts, official records, representation and hospitality, training and communications.

The Anti-Bribery and Anti-Corruption Policy applies to Company employees as well as external Doğan Group service providers and individuals or corporations (business partners) working for Doğan Group companies. Third parties are thus also expected to abide by the provisions of this policy.

INTERNAL AUDIT AND CONTROL

The Preparing/Updating Policies, Regulations and Procedures Project, initiated in 2014 in line with Doğan Holding's mission, vision and strategies with the aim of setting an example for Group companies, continued to be implemented in 2015. The COSO 2013 based Doğan Group Internal Control Framework to raise awareness on internal control as a process applied by single individuals, was completed in 2015. It was decided to present this framework initially to Group managers to serve as a guide for them in 2016.

Auditing activities with regard to the security of information systems were once again undertaken in 2015. Under this effort, Information Security Committee meetings continued to be held. In addition to dealing with information security issues at the Holding, the Committee also began to take up strategic and operational matters to create more corporate synergy. The Vice Presidency of Audit also took the following actions: protection of Company assets, compliance testing, and efficiency improvement in internal control operations. Besides its security function, the division also fulfilled its consultancy function by advising on developing a risk management methodology. In 2015, the Group's internal audit function was centralized, thereby increasing objectivity and independence in organizational terms, and enhancing efficiency and effectiveness in operational terms. The actions brought to the agenda by the Vice Presidency of Audit and approved by the Board of Directors were implemented through the Executive Committee.

The following projects/actions are planned for 2016: Further improving the central risk management methodology and systematically implementing it; completing the Preparing/Updating Policies, Regulations and Procedures Project; enhancing team competence; continuing with auditing and supervision activities; providing subsidiary management personnel with training on the Doğan Group Internal Control Framework to be published; and building infrastructure for information system-based control/supervision.

RISK MANAGEMENT

Under its risk management policies, Doğan Holding internally monitors financial, operational and compliance risks, in addition to the designation and measurement of financial risks. The Holding advises Group companies based on the business risk information gathered.

Fiscal, Operational and Compliance Risk Management

Efforts to define, identify and monitor the risks that the Group companies are exposed to, as well as risk management activities for controlling and mitigating such identified financial and compliance risks, are performed under the coordination of the Holding's Chief Financial Officer (CFO) in conjunction with the senior management of the Group companies.

In an effort to minimize and manage risks specific to the industries in which Doğan Holding companies operate, members of the Executive Committee as well as other senior executives and department managers were administered training on applicable regulations. Consequently, risk perception was instilled and risk awareness was raised at all levels of the Company. The management of tax, commercial law and capital markets compliance risks, which are a major component of fiscal, operational and compliance risks, is carried out under the coordination of the relevant Vice Presidents of the Holding's Chief Financial Operations by the Audit and Risk Management Units with the occasional support of audit and certified public accounting firms. Group companies are constantly monitored against risks with such audit and control activities.

Additionally, pursuant to Article 378 of the Turkish Commercial Code (Law No. 6102), Doğan Holding's Board of Directors has set up an Early Risk Detection Committee. The Committee is charged with detecting early on the risks that could jeopardize the existence, development and continuity of the Company; taking necessary action against such risks; managing risks; and reviewing the risk management systems at least once every year. At Group companies listed on the stock exchange, Early Risk Detection Committees convene bimonthly to assess risks and submit a report to the Board of Directors.

Financial Risk Management

Due to its business activities, Doğan Holding is subjected to a range of risks, such as credit risk, market risk (foreign currency, interest risks, price) and liquidity risk. Financial risk management aims to minimize the adverse effects caused by the volatility of the financial markets on the financial results.

To be able to avoid these financial risks, the Group uses the options of recording foreign currency positions on a Holding-basis in consideration of the Group companies' foreign currency liabilities; positioning the Group in line with its liabilities according to the cash conditions of the Group companies; and limiting the volume of derivative liabilities.

Financial risk management is conducted by individual subsidiaries and affiliates, within the general framework set by the Board of Directors.

The Centralized Treasury System enables the daily market values (including options and forward transactions) of any financial instrument to be calculated. Adopted in 2011, this system allows for the follow-up of financial risks and the management of assets and liabilities. With the financial risk management system, foreign currency and interest risks are calculated according to market yield curves and reported on a daily basis. The Centralized Treasury System also features portfolio management software, which helps report the financial cash flow and portfolio efficiency on a daily basis for every company and for the Group as a whole.

Credit Risk

Credit risk is the risk of the other party's non-fulfillment of its contractual obligations, in those contracts signed by the Group. This risk involves Group company receivables, particularly from advertising.

Publishing/Broadcasting: Doğan Holding controls its credit risk primarily by credit assessment through its factoring firm and by assigning credit limits to counter parties, in effect creating a data center. Credit risk is distributed due to the many organizations in the client-base and their distribution among diverse business areas.

Other: These risks are controlled by limiting the average risk for the other party (except related parties) in each contract, and by demanding collaterals when required.

Receivables Risk

Doğan Group companies are exposed to receivables risk due to trade receivables from their credit sales. Therefore, the Group companies' management try to minimize their accounts receivable risks by setting credit limits for each customer and obtaining collateral when necessary, or by executing sales transactions in cash when working with high risk customers.

Collection risk, which Group companies are subject to, generally arises from trade receivables. Therefore, companies assess collection risk by taking into consideration past experiences and evaluating the current economic environment, and duly set aside a sufficient provision for doubtful accounts.

Interest Rate Risk

Publishing/Broadcasting: Doğan Group is subject to interest rate risk due to fluctuating interest rates, which affect those assets and liabilities that have interest rate sensitivity. The Group manages this risk by using derivative instruments and diversifying those assets and liabilities that are interest rate sensitive.

Other: The financial liabilities of other segments of business activity expose these to interest rate risk. The financial liabilities of such segments mostly consist of borrowings at floating interest rates.

Liquidity Risk

Prudent liquidity risk management consists of maintaining a sufficient amount of cash to meet short term payments, through short term deposits and securities that can be rapidly turned into cash; funding investments through sufficient credit facilities; and the ability to close market positions when necessary.

For each segment of business activity under the Group's umbrella, the risk related to the funding of current and future borrowing requirements is managed by ensuring the continuous availability of a sufficient number of high quality credit providers.

Foreign Currency (Exchange) Risk

Doğan Group is subject to foreign currency risks due to changes in exchange rates as a result of conversions of foreign currency debt amounts into the functional currency. These risks are monitored and limited through foreign currency positions analyses. Scenario analyses and stress tests are also used to analyze foreign exchange positions.

The Group is mainly subject to foreign exchange risks in terms of US dollar and Euro; the impact of other currencies is negligible.

(TL thousand)	December 31, 2015	December 31, 2014
Assets in foreign currency	2,017,592	2,096,486
Liabilities in foreign currency	(2,175,221)	(2,314,937)
Off-balance sheet net derivative liabilities	0	460
Net foreign currency position	(157,629)	(217,991)

Capital Risk Management

Doğan Holding's capital risk management efforts aim to provide a return to its partners and benefit to other shareholders; in effect, that means maintaining the optimal capital structure ideal for the Group's business activities. The Group can issue new shares to maintain or reorganize its capital structure and sell assets to decrease its borrowing levels.

To maintain or reorganize its capital structure, the Group can change the dividend amount to be paid to partners, return capital to the shareholders, issue new shares or sell assets to cut borrowing levels.

Doğan Group monitors its capital through the ratio of net liabilities to total capital. Net liabilities are calculated by subtracting cash and cash equivalents, derivative instruments and tax liabilities from total liabilities. Total capital is calculated by adding shareholders' equity to net liabilities, as shown in the consolidated balance sheet.

Legal Risk

There are no outstanding lawsuits filed against Group companies, that could jeopardize the continuity of their operations or damage their financial structure. The legal disputes and cases related to the business activities of Group companies are monitored centrally by the staff attorneys in the Legal Affairs Department under the umbrella of Doğan Group. As such, attorneys specialized in various areas of law can offer their services to all the subsidiaries of the Group. In addition, this centralized legal structure also provides consultancy services to the Group and its subsidiaries, and coordinates the purchase of services from outside legal experts.

Information Technology Risk

The procurement, production, sales and accounting processes across Doğan Group companies are managed via applications and modules on an integrated information system (SAP). Reports related to these transactions are also generated through this system.

Doğan Group keeps a close watch on technological developments and advances, and embraces these according to the needs of Group companies. The Group also continuously monitors the adequacy, efficiency, access, reliability and sufficiency of the services delivered through its information technologies system. Every year, Group companies identify their various IT needs, and the Group undertakes IT investments to meet these needs and requests.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

PART I - DECLARATION OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Doğan Şirketler Grubu Holding A.Ş. ("Doğan Holding" or "the Company") exerts maximum care to comply with the Capital Markets Law ("Law") and the Capital Markets Board ("CMB")'s Regulations and Resolutions, and embraces the concepts of fairness, transparency, accountability and responsibility, which form the essence of corporate governance.

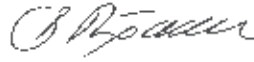
To this end, Doğan Şirketler Grubu Holding A.Ş. has been included in the Borsa Istanbul Corporate Governance Index ("XKYUR") since November 4, 2009. The Company is given an annual corporate governance rating by SAHA Corporate Governance Rating Company ("SAHA") licensed by the Capital Markets Board, in line with the rating methodology outlined by the CMB. The Company's Corporate Governance Rating and Corporate Governance Compliance Reports are available on the Company's website at www.doganholding.com.tr.

The Corporate Governance Committee continues its efforts to improve the Company's corporate governance activities. As of the activity period that ended on 31.12.2015, the Company complies with all compulsory Corporate Governance Principles ("Principles") of the CMB and the Communiqué. Furthermore, utmost attention is paid to comply with the non-compulsory principles of the Law and the Communiqué. As explained in this report, we think there will not be any significant conflicts of interest in the current situation regarding the non-compulsory principles with which the Company has not yet fully complied.

Best regards,



Soner Gedik
Executive Director and CEO



Y. Begümhan Doğan Faralyalı
Chairwoman

PART II - SHAREHOLDERS

2.1. Investor Relations Department

2.1.1. In order to ensure that the tasks stipulated in the Communiqué, the name of the “Shareholder Relations Unit” that was established on 18.03.2009, was changed to the “Investor Relations Department” with our Board of Directors decision dated 22.07.2014. The Investor Relations Department carries out its activities in conformity with CMB regulations, the Communiqué and the Articles of Association.

At our Company, investor relations, legal and financial affairs personnel is structured under the “Investor Relations Department”. The Investor Relations Director of our Company works under the Chief Financial Officer. The Vice President of Finance Dr. Murat Doğu is the Head of Investor Relations Department, and the Investor Relations Director Banu Çamlıtepe works full time in the Investor Relations Department. The Investor Relations Department’s contact info is given below.

Full Name	Title	Telephone Number	E-mail	License Certificate Type	License No.
Dr. Murat Doğu	Vice President of Finance - Head of Investor Relations	0216 556 90 00	mdogu@doganholding.com.tr	CMB Advanced License - Corporate Governance Rating Expertise	200065-700026
Banu Çamlıtepe	Investor Relations Director/ Investor Relations Department	0216 556 90 00	banuc@doganholding.com.tr	CMB Advanced License - Corporate Governance Rating Expertise	203041-701087

Information about our Company given on the Company’s Corporate Website at the address of www.doganholding.com.tr, is regularly updated and presented for the information of the investors and shareholders both in English and Turkish.

2.1.2. As per the Communiqué the Investor Relations Department must prepare and present a report to the Board of Directors at least once a year about the activities it carries out. In 2015, three presentations were made to the Board of Directors, and furthermore, Investor Relations Department’s 2014 activities were presented to the Board of Directors with the report issued in February 2015.

2.2. Exercise of Shareholders’ Right to Obtain Information

2.2.1. In the exercise of shareholders’ rights, the Company complies with the relevant Legislation, the Articles of Association and other Company Regulations, and thus all measures are taken to ensure that these rights are exercised.

2.2.2. The Company treats all shareholders, including minority and foreign shareholders, in line with the “principle of equal transaction” as regards the exercise of shareholders’ right to obtain and evaluate information.

2.2.3. In 2015, investors’ and shareholders’ information requests - apart from those that interfere with trade secrets - were answered within the framework of “equality principle” in conformity with the Capital Markets Legislation and CMB Regulations and Decisions. Within this scope 72 analyst and investor meeting and teleconference were organized with investment corporations’ representatives. Information requests about various issues made by the shareholders via phone and email or other methods are evaluated and answered rapidly and effectively. In 2015, information was given to 194 shareholders via phone; and 35 emails were answered.

2.2.4. Presentations that include the developments about the Company and financial information, and all kinds of information that may have impacts on exercising investor and shareholder rights are regularly updated and announced on the Company’s Corporate Website (www.doganholding.com.tr).

2.2.5. In 2015, neither did our Company receive any written/verbal complaints about using the shareholders’ rights, nor were there any administrative/legal proceedings.

- a) However, within the scope of the merger of our direct subsidiary Doğan Yayın Holding A.Ş. which had merged under our Company through the entire “take-over” of all its assets and liabilities as a whole compensatory lawsuit was filed about this merger, and (ii) a lawsuit was filed to cancel the 5th agenda item of Doğan Yayın Holding A.Ş.’s Extraordinary General Assembly Meeting held on 06.08.2014 where the merger was approved.

Material Disclosures regarding these cases was made public via Public Disclosure Platform. As both lawsuits are pending, public disclosure will be made in case of any significant development happens.

2.3. General Assembly Meetings

2.3.1. In order to facilitate the attendance of the shareholders, General Assembly meetings are held in Istanbul where the Company Headquarters is located.

2.3.2. Prior to the General Assembly meetings, the agenda items and the detailed “General Assembly Information Document” which specified the reasons behind the agenda items, and the “Proxy Voting Form” were presented - within the legal time before the meeting - for the shareholders information and review in conformity with the Turkish Commercial Code and the Communiqué. All ads and notifications were/are made in conformity with the Turkish Commercial Code, Capital Markets Legislation, CMB Law, CMB Regulations/Decisions and the Articles of Association.

2.3.3. The method of holding at the General Assembly meetings ensures attendance of the maximum number of shareholders. With a view to complying with the Turkish Commercial Code’s provisions, an amendment to the Articles of Association has allowed the General Assembly to be organized online.

2.3.4. General Assembly meetings are carried out with the simplest possible procedures, at the lowest possible cost for the shareholders and in a manner that does not create any inequality among shareholders.

2.3.5. The Company does not have any registered shares. All of our share certificates are dematerialized with the Central Registry System (CRS) as per Capital Markets Legislation, Capital Markets Law, and CRA regulations/resolutions.

2.3.6. The Company’s 2014 activity results were discussed at the Ordinary General Assembly Meeting held on March 31, 2015 at the Company Headquarters. Call for the meeting was announced in conformity with the Articles of Association via Turkish Trade Registry Gazette and Public Disclosure Platform.

2.3.7. Prior to the General Assembly Meeting, no proposal regarding the agenda items or no request to add an agenda item was made.

2.3.8. The Chairman of the meeting did make the necessary preparation on the documents that were made available for the shareholders review prior to General Assembly Meetings as per the Turkish Commercial Code, Capital Markets Law and the relevant legislation.

2.3.9. At the General Assembly meetings, votes were cast through open ballot, by raising hands. Voting procedures were announced to shareholders through the General Assembly Information Document in the announcement, and at the beginning of the meeting.

2.3.10. The following documents issued regarding the Ordinary General Assembly Meeting such as; January 1, 2014 - December 31, 2014 accounting period’s Balance Sheet and Profit & Loss Statements, Board of Directors’ Annual Report, Board of Directors’ proposal on the profit of 2014 period, Call for the General Assembly, Independent Audit Report, General Assembly Information Document and Proxy Voting Form, and all information notes that include necessary statements/disclosures within the scope of the Communiqué, were made available – in conformity with the Capital Markets Board Regulations and Decisions, and the Articles of Association of the Company – for the shareholders review three weeks prior to the Ordinary General Assembly Meeting, and were publicly announced on the Corporate Website at the address of www.doganholding.com.tr. Shareholders’ questions received after announcing the General Assembly Meeting date, were answered by the Investor Relations Department in conformity with the Capital Markets Legislation, Capital Markets Law, and Capital Markets Board regulations/decision.

2.3.11. At the Ordinary General Assembly Meeting held on the March 31, 2015 where 2014 activities were discussed, the meeting quorum was 70.88%, and 1,854,807,036,793 shares out of 2,616,938,288 shares representing the company capital were represented.

2.3.12. Shareholders, some of the members of the Board of Directors, company employees and representatives of independent audit company attended the General Assembly Meetings. However, other stakeholders and representatives of media companies' preferred not to attend the meetings.

2.3.13. At the General Assembly meetings, agenda items were conveyed in an objective and detailed manner with a clear and comprehensible method while the shareholders are given the opportunity to state their opinions and ask questions under equal circumstances in a healthy environment for discussion.

2.3.14. As per the Communiqué, shareholders must be given information at the Ordinary General Assembly meeting about whether the shareholders (who control the management of the Company), Board of Directors' members, executive managers who have administrative responsibilities, and their spouses and blood relatives and relatives by marriage up to second-degree make any important transaction with the Company or its associates which may lead to conflicts of interest, or whether the aforementioned persons make any transaction, related to a commercial business that is within the scope of the corporation or its associate's field of activity, for their own account or for the account of others or whether they become unlimited partners in other companies carrying out similar commercial businesses. In 2014, the shareholders (who control the management of the Company), Board of Directors' members, executive managers who have administrative responsibilities, and their spouses and blood relatives and relatives by marriage up to second-degree did not make any important transaction with the Company or its associates which may lead to conflicts of interest, or the aforementioned persons did not make any transaction, related to a commercial business that is within the scope of the corporation or its associate's field of activity, for their own account or for the account of others or they did not become unlimited partners in other companies carrying out similar commercial businesses.

2.3.15. At the Ordinary General Assembly Meeting, the TL 943,840 donation made by the Company in 2014 to foundations, associations, and public entities were presented for the shareholders' information. The Company's "Donation and Aid Policy" is available on the corporate website.

2.3.16. General Assembly Meeting minutes, including the previous years, are available on the Company's corporate website at the address of www.doganholding.com.tr.

2.4. Voting Rights and Minority Rights

2.4.1. The Company avoids practices that make it difficult to exercise voting rights; all shareholders are given the opportunity to exercise their voting rights in the easiest and most convenient manner.

2.4.2. There is no regulation in the Articles of Association about any "upper limits" to be brought to the voting rights.

2.4.3. There are no privileged shares at the Company according to the Articles of Association.

2.4.4. According to the Articles of Association, all shares have one voting right at the Company.

2.4.5. There is no Company regulation that restricts the exercise of shareholder's voting rights for a certain period of time following the acquisition date of shares.

2.4.6. The Articles of Association do not contain any provision that prevents non-shareholders from voting as proxy as representative of a shareholder.

2.4.7. Shareholders have not expressed a demand concerning the representation of minority shares in management.

2.4.8. According to the Articles of Association, when the right of usufruct and the right of disposition of a share belong to different individuals, these individuals can agree among themselves on their preferred method of representation. Otherwise, the holder of the right of usufruct is entitled to participate in the General Assembly and cast a vote.

2.4.9. Since shareholders do not have cross-shareholding relations among themselves, no such vote was cast at the General Assembly.

2.4.10. Minority rights are granted to shareholders who control one - twentieth (5%) of the Company capital.

2.4.11. Articles of Association do not provide for the cumulative voting method.

Dividend Rights

The Company takes the provisions of the Turkish Commercial Code, Capital Markets Legislation and CMB Regulations, Corporate Tax Law, Income Tax Law and other relevant legal legislation provisions and the provisions of the Company's Articles of Association and the publicly disclosed "Dividend Distribution Policy" into consideration while making Dividend Distribution decisions.

2.4.12. In case there is net distributable profit for the period, Dividend Distribution is made within the time frame stipulated in the Capital Markets Legislation and the CMB Regulations, at the shortest time following the general assembly meeting.

2.4.13. At the Ordinary General Assembly on March 31, 2015, it was resolved that no dividend would be distributed to shareholders for the year 2014 since the dividend distribution statement issued for the accounting period January 1, 2014 - December 31, 2014 has no distributable profit for the period.

2.4.14. According to the Company's Articles of Association, the Board of Directors may decide to make advance dividend payments; provided that it is authorized by the General Assembly and that such action complies with Capital Markets Legislation, Capital Markets Law, and the Capital Markets Board's regulations and resolutions. The authority granted by the General Assembly to the Board of Directors to make advance dividend payments is limited to the year it was granted. No decision can be made for additional advance dividend payments or distribution of dividends unless advance dividends for the previous year have been fully offset.

The principles of our Dividend Distribution Policy are as follows:

The Company reaches dividend distribution decisions and distributes dividend in line with the Turkish Commercial Code, Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions, tax laws, provisions of other applicable legislation, as well as the Articles of Association, and resolutions of the General Assembly.

Accordingly:

- 1- As a principle, at least 50% of the "net distributable profit for the period" calculated as per Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions is to be distributed, in consideration of the financial statements issued in compliance with the Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions.
- 2- In case it is decided to distribute between 50% and 100% of the "net distributable profit" as dividend, the financial statements, financial structure, and the budget of the Company are taken into consideration when determining the dividend distribution ratio.
- 3- The dividend distribution proposal is disclosed to the public as per Capital Markets Legislation, Capital Markets Law, and CMB regulations and resolutions, within the legal deadlines.
- 4- In case the "net distributable profit" calculated in line with the legal records kept within the scope of the Turkish Commercial Code and the tax laws is:
 - a. lower than the amount calculated as per Article 1, the "net distributable profit" calculated as per the legal records kept within the scope of this article hereby is taken into account and is distributed in its entirety,
 - b. higher than the amount calculated as per Article 1, action is taken as per Article 2.
- 5- In case there is no net distributable profit as per the legal records kept within the scope of the Turkish Commercial Code and tax laws; no dividend distribution can be made even if a "net distributable profit" has been calculated according to the financial statements prepared as per the Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions.
- 6- In case the calculated "net distributable profit" is below 5% of the issued capital, it is possible that no dividend be distributed.
- 7- The upper limit of the aid and donations that will be made by the Company within the accounting period in compliance with the Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions, and as per the principles set forth in the Articles of Association shall be determined by the General Assembly. No donations may be made in amounts exceeding the limit set forth by the General Assembly, and the donations made shall be added to the "net distributable profit" basis.
- 8- The dividend distribution shall start latest by the 30th day following the General Assembly meeting where the distribution decisions were taken, and in any case, as of the end of the accounting period.

- 9- In line with the Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions, and the provisions of the Articles of Association, and as per the resolutions of the General Assembly, the Company may distribute the dividend in cash and/or bonus shares, or may pay it in installments.
- 10- The Company may also pay dividends to individuals who are not shareholders, in line with resolutions by the General Assembly. In such a case, action shall be taken in compliance with the Turkish Commercial Code, Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions, and the provisions of the Articles of Association.
- 11- The Company may decide to distribute and may distribute advance dividends in line with the Turkish Commercial Code; Capital Markets Legislation, Capital Markets Law, CMB regulations and resolutions, tax laws, provisions of other relevant legislation, the Articles of Association, and General Assembly resolutions.
- 12- Investments requiring significant amounts of cash outflow to increase the Company value, significant issues affecting the financial structure, important economic, market or other uncertainties and problems outside the control of the Company shall be taken into account in making dividend distribution decisions.

2.4.15. The Company's "Dividend Distribution Policy" is included in the annual report and also made public via the corporate web site at www.doganholding.com.tr.

2.5. Transfer of Shares

2.5.1. The Company's Articles of Association do not contain any provisions limiting the transfer of shares.

PART III - PUBLIC DISCLOSURE AND TRANSPARENCY

3.1. Corporate Website and Its Contents

3.1.1. The Company's corporate website at www.doganholding.com.tr is actively used for public disclosures, as stipulated in the Turkish Commercial Code, Capital Markets Legislation, Capital Markets Law, and CMB regulations/resolutions.

3.1.2. An English version of the information that takes part in corporate website is also available for the convenience of foreign investors.

3.1.3. The issues stipulated in the Principles are available on the corporate website as well as the Corporate Governance Principles Compliance Report and Corporate Governance Rating Report.

3.2. Annual Report

3.2.1. The "2014 Annual Report" and "2015 Interim Annual Reports," are prepared in accordance with the provisions of the Turkish Commercial Code, Ministry of Customs and Trade's "Regulation on Determining the Minimum Content of the Annual Reports of the Companies" and CMB's Communiqué (II-14.1) on "Principles Regarding Financial Reporting in the Capital Markets" and the Communiqué.

SECTION IV - STAKEHOLDERS

Since the Company is a holding company, it is not directly engaged in operational activities (such as production or service). Thus, the shareholders and investors are its most important stakeholders. Employees are the other important stakeholders of our Company. Customers that purchase products and services from and suppliers that provide products and services to our associate companies in the sectors where they carry out activities, are indirectly (if not directly) the other important stakeholders of our Company. Our Company actively participates in and provides support for the projects of the non-governmental organizations relevant with the sectors it carries out activities. Operational policies are performed in coordination with Group companies.

4.1. Informing Stakeholders

4.1.1. As explained in detail in the first part of the report, information is provided to all stakeholders via tools determined in conformity with the Capital Markets Legislation, Capital Markets Law, CMB Regulations/Decisions and the Company's Information Policy.

4.1.2. Stakeholders can have access to information about the Company via meetings, presentations and the corporate website in conformity with the Capital Markets Legislation and the Company's Information Policy.

4.1.3. The Company also has an intranet site that is dedicated to the communication and notification of employees.

4.2. Stakeholder Participation in Management

4.2.1. The Company is in ongoing communication with its stakeholders. All feedback received by the Company from its stakeholders is evaluated and solution proposals are developed in contact with the units concerned. In case any employee transactions violate legislation or ethical principles, the stakeholders can contact the Company via various means of communication.

4.2.2. The Articles of Association do not include a provision for stakeholder participation in the Company's management.

4.2.3. Employees are kept apprised of the general activities of the Company, and their suggestions are evaluated via the intranet site.

4.3. Human Resources Policy

4.3.1. Doğan Holding does its utmost to provide a peaceful working environment where individual employees are protected against any discrimination on the basis of race, nationality, religion, gender and belief, and where employee rights are respected. Furthermore, a key component of the Group's human resources policy is to give employees the chance to further their personal and professional development, and adapt themselves to innovation and change.

4.3.2. The Company's human resources policy is available on the corporate website at www.doganholding.com.tr.

Human Resources practices within the framework of the common values and strategies of Doğan Holding and its group companies, are grouped under four main areas:

- Recruitment and orientation
- Training and development
- Performance and career management
- Remuneration system

In human resources management, the Company aims to establish and manage systems which will create a convenient work environment for the personal and professional development of employees, to create the right climate for lifelong learning, to measure and evaluate performance according to objective criteria and to assess individual differences in an accurate fashion. To this end, the Company rewards high performance and supports the development of those who perform worse than anticipated.

The Company's main principle is to recruit qualified employees within the structure, to implement competitive award management with the aim of increasing their loyalty, and thus to award its employees' contribution and success. If the employees show exclusive success and/or do work that exceeds the performance and responsibility they are expected to fulfill, the Company believes that they should be appreciated and awarded; and that such awards would make employees show higher effort above the standards and would encourage them to score significant success.

4.3.3. The Company does not discriminate among its employees and treats all employees equally. Neither the Company management nor the Board Committees have received any complaints in this regard. Relations with employees conducted by Vice Presidency of Human Resources. There are no unionized employees at the Company.

4.3.4. Our Company's "Occupational Health and Safety Policy" is available on the corporate website.

4.3.5. As per the Turkish Labor Law, our Company is responsible to provide employment termination benefit to employees - provided that they have completed one year of service in the Group - who are: (i) dismissed for no reason, (ii) called for military duty, (iii) deceased or (iv) who retire after 25 years of service (20 years for women), and who reach the retirement age (58 for women; 60 for men). The amount that will be paid is equal to one-month salary at most for each year of service provided that it is limited with the employment termination benefit's upper limit that was: (i) determined with the Public Servants Arbitration Board decision n.2012/1, and (ii) announced within the framework of the coefficients stipulated by the Ministry of Finance.

4.4. Code of Ethics and Social Responsibility

4.4.1. The Company's "Code of Ethics and Conduct" was publicly announced on the corporate website. The "Code of Ethics" is continuously revised and improved as it is updated in accordance with the circumstances of the day.

4.4.2. The "Anti-Bribery and Anti-Corruption Policy" of the Company is available on the corporate website.

4.4.3. As a result of its corporate structure and employees with highly developed social awareness, the Company undertakes social responsibility projects utilizing the common synergy of the companies within its corporate structure. During the management of its own business and the business of its subsidiaries, the Company makes sure to fulfill its responsibilities as regards the prevention of environmental pollution and the preservation of natural resources. "Social Responsibility Policy" of the Company is available on the corporate website.

Together with the companies under its umbrella, the Company produces and supports projects that highlight social issues and contribute to social development of the community, with a special emphasis on educational projects.

4.4.4. The "Publishing/Broadcasting Principles" are separately specified for our lines of business in publishing, and broadcasting. Furthermore, these principles are available on the corporate website.

4.5. Sustainability Index

4.5.1. Within the scope of determining the companies that will be included in the "BIST Sustainability Index" between November 2016 and October 2017, a decision was taken and announced by Borsa İstanbul on January 04, 2016 to add Doğan Holding to the category of companies subject to assessment.

SECTION V - BOARD OF DIRECTORS

5.1. Structure and Formation of the Board of Directors

5.1.1. The Board of Directors is made up of nine members, of whom five are non-executive, one executive and three are independent. The Company complies with the Turkish Commercial Code, Capital Markets Legislation, Capital Markets Law, and CMB regulations and resolutions in the formation and election of the Board of Directors. The guidelines on this issue are provided by the Articles of Association. Accordingly, the Company is managed and represented by a Board of Directors with at least six and at most 12 members elected by the General Assembly.

5.1.2. A certain number or ratio of the Board Members is required to be independent members, as defined by the Capital Markets Board. The determination, nomination, number and qualifications, selection, dismissal and/or resignation of the Independent Board Members are carried out in compliance with Capital Markets Law, CMB regulations and resolutions, and other relevant legislation.

5.1.3. The full names and resumes of the Board Members are as follows:

Member	Duty	Notes
Y. Begümhan Doğan Faralyalı	Chairperson	Non-executive
Hanzade Vasfiye Doğan Boyner	Vice Chairperson	Non-executive
Arzuhan Yalçındağ	Member	Non-executive
Vuslat Sabancı	Member	Non-executive
Soner Gedik ^(*)	Member	Executive Director/CEO/Executive
İmre Barmanbek	Member	Non-executive
Tayfun Bayazıt	Member	Independent Member
Ahmet Vural Akışık	Member	Independent Member
Ali Aydın Pandır	Member	Independent Member

^(*) At our Company, Soner Gedik was appointed as Executive Board Member and Chairman of the Executive Board (CEO) on January 5, 2016.



Y. Begümhan Doğan Faralyalı

Born in Istanbul in 1976, Begümhan Doğan Faralyalı received her BSc in Economics and Philosophy at the London School of Economics. She began her professional career as a consultant at the NY Office of Arthur Andersen, and then moved to the London office of Monitor Group, where she worked as a consultant for restructuring projects involving some of the most advanced European media and technology companies.

After earning her MBA degree at Stanford University in 2004, she took office at Doğan Yayın Holding (DYH) as an Executive Committee Member and Vice President for Foreign Investments. There, in charge of the international growth of DYH, she focused on investment opportunities mainly in Europe, including Eastern Europe and Russia.

In 2007, Ms. Faralyalı led the startup process of Kanal D Romania, the first foreign investment of DYH, and forged its partnership with the Ringier Group. In two years, the channel managed to rank third overall in total day viewership. At the same time, she worked on the purchase of Trader Media East, traded on the London Stock Exchange, by Hürriyet. Begümhan Doğan Faralyalı played an active role in this project constituting the largest international acquisition by DYH.

After gaining 15 years of overseas experience, she moved back to Turkey in 2009 and became CEO of Star TV. In 2010, she assumed the Presidency of Doğan TV Holding, which also included TV channels Kanal D and CNN Türk. Ms. Faralyalı is still the Chairwoman of Kanal D Romania. As of January 1, 2012 Begümhan Doğan Faralyalı became Chairwoman of Doğan Holding.

Y. Begümhan Doğan Faralyalı continues to be a member at Stanford University MBA Advisory Board, and Unicredit Bank International Advisory Board. Ms. Faralyalı is married with two children.



Hanzade V. Doğan Boyner

Founder of Turkey's biggest e-commerce company hepsiburada.com, Hanzade Doğan Boyner is one of the most important personalities in the field of e-commerce in Turkey.

Ms. Boyner is currently the Honorary President of Doğan Gazetecilik, Chairwoman of Doğan Online and Aydın Doğan Foundation, and Vice Chairwoman of Doğan Burda and Doğan Holding.

After receiving her Bachelor's degree in economics from London School of Economics, she worked as a financial analyst for the Communication, Media and Technology Group of Goldman Sachs International in London. After receiving her Master's degree from Columbia University, she returned to Turkey same year and established Doğan Online, the biggest internet holding of Turkey. In 2003, she became the CEO of Doğan Gazetecilik, which includes also the "Posta" - newspaper with the highest circulation in Turkey - in its portfolio. In 2006, she played an active role in the partnership agreement signed between Doğan Holding and OMV (pioneering petroleum and gas company of Central Europe) in order to establish a strategic partnership on Petrol Ofisi in the field of refinery, oil exploration and production, and afterwards served as the Chairwoman of Petrol Ofisi.

She plays active role in the civil society as the founding member and Vice Chairwoman of Global Relations Forum and Vice President of World Association of Newspapers as well as member of the Brookings Institute Board of Trustees, Columbia Business School Board of Overseers, European Council on Foreign Relations, Turkish Industry and Business Association, Young Presidents' Organization and Association of Woman Entrepreneurs.

Ms. Boyner, has been chosen several time as the “Business Woman of the Year” by the leading universities of Turkey such as Bosphorus University, Istanbul Technical University and Yıldız Technical University.

A philanthropist, Ms. Doğan Boyner established and still enthusiastically leads the “Dad, Send Me to School” campaign that aims to remove economic and cultural barriers in young female education in Turkey. The campaign has already granted 10,500 scholarships and built 33 girls’ dormitories across Turkey.



Arzuhan Yalçındağ

Since the beginning of her professional life, Arzuhan Doğan Yalçındağ has been involved in initiating new projects. In 1990 while working with Milpa she brought the German Mail order company, Quelle, to Turkey and headed the company until 1993. In 1994, she took part in the establishment of Alternatifbank and served as a board member. A year later, she became the CFO of Milliyet Magazine Group. She joined Kanal D in 1996 and was in charge of various departments. One of her major accomplishments was the launching of CNN Turk in 2000, which was the result of the negotiations she initiated in 1999 with Time Warner Group.

In 2005, she became the CEO of Doğan TV Holding, the parent company of Kanal D, CNN Turk, DMC, D Productions, D-Smart satellite platform and radio concerns. In 2007, she was elected as the first female President of the country’s leading business organization, TÜSİAD - Turkish Industry and Business Association, in the organization’s 40 year- history. She held this post until 2010, and then moved to become a member of the Council of Presidents of the Association. She has been also serving as the Vice President of High Advisory Council.

After leaving her post at TÜSİAD, she took over the chair of Doğan Holding from her father, the founder of the company, and started as the first member in the second generation of the family to lead the organization.

She is one of the founding board members of Aydın Doğan Foundation, established in 1996 and served as the Chairperson between 2010 and 2011.

The then Foreign Minister, and former President Abdullah Gül, appointed her as a honorary ambassador of Turkey to the EU; with this capacity, Arzuhan Doğan Yalçındağ launched the “Women’s Initiative for Turkey in the EU.”

She is among the founding members of Women Entrepreneurs Association of Turkey - KAGIDER; she was also selected a Young Global Leader by the World Economic Forum. She assumed duties in the Board of Directors of Education Volunteers Foundation of Turkey (TEGV). She has been among the founding members of Turkish American Businessmen Association (TABA) and assumed duties in the Board of Directors. Again, she was one of the founders of the Turkish Third Sector Foundation - TÜSEV, and has been a founder and a board member of Istanbul Modern Art Museum since January 2004. Arzuhan Doğan Yalçındağ is a member of Vodafone Turkey Foundation Advisory Board and also a member of Koç University Corporate Governance Forum Strategy and Advisory Board and is the Board Member of American Turkish Society.

She is also on the International Advisory Council of Paley Media Center in New York and Expo 2015 Milano. She was awarded the title of Commander of Italy’s Star Order (Commendatore dell’Ordine della Stella d’Italia) in 2009. She is a member of World Economic Forum’s Industry Partner of Media, Entertainment and Information (MEI) Executive Board.

Currently, Arzuhan Doğan Yalçındağ is the Chairperson of Doğan TV Holding. She is married with two children.



Vuslat Sabancı

Vuslat Sabancı has been the Chairwoman of Hürriyet since May 26, 2010. She graduated from Bilkent University, Department of Economics and received her Master's degree from Columbia University in New York, in the field of International Media and Communications.

She was the Chairwoman of the Executive Board between 2004 and 2010. Acquiring Trader Media East (TME) in 2007, Vuslat Sabancı transformed Hürriyet from a leading newspaper in Turkey into an international company. This acquisition was the largest foreign acquisition executed by a Turkish company till that day. TME is an online and printed media advertising company operating in Russia, Ukraine, Belarus, Kazakhstan, Hungary, Croatia and Slovenia. İz Ruki v Ruki is one of the most recognized media brands in Russia. Irr.ru is the leading online classified ads company in Russia.

Vuslat Sabancı ensured Hürriyet's position as a major player within the emerging media in Turkey through investing in digital publishing and services. hurriyet.com.tr became the most visited media website in Europe. Hürriyet online carries out its activities in the field of classified ads with hurriyetemlak.com, hurriyetoto.com and yenibiris.com, in the field of opportunity websites with yakala.co, in the field of e-commerce with yenicarsim.com.

Investing in human rights and particularly in gender equality matters in Hürriyet, Vuslat Sabancı became the strong voice in this field in Turkey. As a result of "No! to Domestic Violence" campaign initiated by her, a law was enacted in this field after eight years. With "The Rightful Women Platform" that she established before 2011 General Elections, assembling all non-governmental organizations - carrying out activities concerning women matters in Turkey- under the same roof, she created a pressure platform to ensure that more women could be elected for the parliament. After 2011 elections, the number of female deputies increased from 48 to 78. Apart from these, Vuslat Sabancı carries out several activities in the name of giving women their rightful place in both social life and economy. The microloan project for women, along with similar efforts, constitute examples of such projects.

Vuslat Sabancı joined Hürriyet in 1996 as a Vice President in charge of advertisements and promoted to the position of Vice President of Marketing Operations Group. Her responsibilities in Hürriyet included marketing, sales, human resources and information technologies (IT).

Before joining Hürriyet, Sabancı worked at the Editorial Department of The New York Times and later at The Wall Street Journal, where she was instrumental in the formation of the Asian Business World News Channel and the paper's Latin America edition.

Born in 1971, Vuslat Sabancı is married with two children. She is fluent in English.

Vuslat Sabancı is a lifetime honorary member of the International Press Institute (IPI), where she served as a Board Member for eight years. Vuslat Sabancı actively assumes duties at Endeavor Turkey - an international non-governmental organization (NGO) established with the purpose of determining and supporting entrepreneurs - and serves as a Board Member since its establishment in 2006. Moreover, Vuslat Sabancı has been a member of TÜSİAD (Turkish Industry and Business Association) since 2003.



Soner Gedik

Having attained several accomplishments at the Doğan Group as an executive at various levels for nearly thirty years since 1987, Soner GEDİK was born in 1958 at Eskişehir. He graduated from the Department of Economy and Finance, Faculty of Political Sciences, Ankara University, in 1981. He was entitled to become a Tax Inspector at the Ministry of Finance, with the highest degree of his term in 1985. He moved on to private sector in 1987, and started working with Hürriyet Holding A.Ş. as the Head of the Audit Group. He continued his duties as a Member of the Board and Vice Chairman of Hürriyet Gazetecilik ve Matbaacılık A.Ş. between 1989 and 1998. He played a key role in the IPO of Doğan Yayın Holding in 1998, and served as CFO and Vice Chairman. He worked at the forefront of significant corporate financing and strategic matters with Doğan Media Group, such as IPOs, acquisitions, foreign partnerships, and new companies. Soner Gedik is married and has four children.



İmre Barmanbek

Born in 1942, İmre Barmanbek graduated from Ankara University, School of Political Sciences with a BSc degree in Economics and Finance. Her career began as an Assistant Accountancy Specialist in the Board of Accountancy Specialists of Finance Ministry, and then followed by a promotion to Accountancy Specialist. Between 1969 and 1972, she worked at the State Planning Organization as a State Planning Specialist and then, she returned to Finance Ministry. Between 1975-1977, she became a member of the Tax Appeals Commission of Finance Ministry.

In the aftermath of her successful career at the Ministry of Finance, she resigned and started her private sector career. İmre Barmanbek assumed the position of Finance Manager, for the joint venture company between Koç & Doğan Group's, Doğu Akü. She soon became General Manager of the company. Following this success, İmre Barmanbek assumed the position of Financial Coordinator for Doğan Holding and became CFO in 1998. Between 1999 and 2003, she respectively worked as CEO, Executive Director and Vice Chairman of Board of Directors.

Due to her dynamic management style and her focus on value added enhancements to Doğan Holding, she was acclaimed with the "Best Woman Manager of the Year" award in Turkey by Dünya Gazette in 2001. The international edition of prestigious Fortune Magazine recognized her "33rd Most Powerful Women of Business" in 2001 and "22nd Most Powerful Women" in 2002. In this period, Forbes listed her amongst "Most Influential 100 Business Women." İmre Barmanbek has served as the Vice President of Doğan Holding Board of Directors since the beginning of 2003, and Board Member since August 2012.



Dr. Ahmet Vural Akışık

Upon completing his high school education at Robert College in Istanbul, Dr. Vural Akışık finished his undergraduate study at the Department of Economics at the Middle East Technical University, before completing his MSc degree in mathematics at the same university. He completed his doctorate in mathematical statistics at the University of California, Berkeley.

He worked as an academician at Middle East Technical University and the University of California, Berkeley. After starting his professional career at Pamukbank, Dr. Akışık was appointed as the CEO of Interbank in 1984. In 1988, he was among the founding shareholders of the Turkish Merchant Bank, the first investment bank in Turkey, and he served as the Chairman and the CEO of the bank. In 1997, he was appointed as the CEO of Dışbank. In 2001, he was invited to serve as the chairman of the Public Banks Joint Board of Directors on a special mission to restructure the state banks. During the course of this task, he successfully completed the organizational and financial restructuring efforts, and returned to Dışbank

to continue with his position as the Chairman. He also served as the Chairman of Petrol Ofisi, Executive Board Member and Vice Chairman of Doğan Holding.

As of 28.02.2009, Dr. Akışık left his duty as the Vice Chairman of Doğan Şirketler Grubu Holding A.Ş., and furthermore in the past he has served as the Chairman of the Turkish-American Business Council; Member of the High Advisory Board of TÜSİAD; Board Member at Turkish Economic and Social Studies Foundation (TESEV); Member of the Board of Trustees of the Malatya Education Foundation, and the Founding Member of Istanbul Education Foundation.



Tayfun Bayazıt

After receiving his Bachelor's degree in Mechanical Engineering (1980), Tayfun Bayazıt received his Master's degrees (MBA-1983) in Finance and in International Relations from Columbia University. He began his professional banking career at Citibank. He served in senior management positions for 13 years within the Çukurova Group; Yapı Kredi (Assistant General Manager and Executive Board Member); Interbank (CEO); and the Banque de Commerce et de Placement SA Switzerland (President & CEO).

In 1999, he was appointed as the Vice Chairman of Doğan Holding and Dışbank Executive Director. In the same group, in 2001, he became the Chief Executive Officer (CEO) of Dışbank. After being appointed as the Chairman of the Board of Directors in 2003, Mr. Bayazıt was appointed CEO of Fortis Turkey and as a member in the Fortis global governance committee in July 2005 after Dışbank's majority shares were acquired by Fortis. After the General Assembly held in 2006, he became the Chairman of Fortis Turkey. In 2007, he returned to Yapı Kredi (UniCredit and Koç Group partnership) as an Executive Director and the General Manager, and became the Chairman of the Board of Directors in 2009. Mr. Bayazıt resigned from his position at Yapı Kredi in August 2011 in order to establish Bayazıt Consultancy Services, where he is currently the Chairman. While serving as an independent member on the Board of Directors of Migros, Boyner, TAV and Doğan Holding, Mr. Bayazıt is also the Chairman of the Board of Directors of Marsh McLennan Group (Marsh, Mercer and Oliver Wyman), Taaleri Portfolio Management and Mediobanca Turkey.

Mr. Bayazıt assumes active duties in non-governmental organizations such as Turkish Industry and Business Association (TÜSİAD), Education Volunteers Foundation of Turkey (TEGV), Embarq, and the Corporate Governance Association of Turkey (TKYD).



Ali Aydın Pandır

Born in 1956 in Istanbul, Ali Aydın Pandır graduated from St. Georg Austrian High School in 1975. He completed his undergraduate studies at Istanbul Technical University, Department of Mechanical Engineering in 1980.

Following graduation, Mr. Pandır started his professional career in 1980 at Tekersan Company, as Design Engineer, before becoming Workshop Manager at the same firm. In 1990, he joined General Motors as Director of After-Sales Services and played an active role in the establishment of Opel's Turkish service and spare part distribution network. Serving Adam Opel and General Motors as Director of International After-Sales Services, Mr. Pandır managed after-sales support and spare parts services for Opel vehicles across Eastern Europe, Asia, the Middle East, Africa and South America.

As GM's Director of New Vehicle Projects, Ali Pandır established spare parts distribution systems in India, Thailand, Taiwan, Japan and People's Republic of China, so as to expand the Company's

sales and distribution network in the Asia - Pacific region. After assuming this critical role, he led the way in establishing the outsourced spare parts distribution concept at GM Group, through various practices in developing countries. He created a spare parts distribution network in the People's Republic of China for new GM joint ventures. Mr. Pandır also established GM Storage and Trade company at the Shanghai Free Trade Zone and took office as CEO of said company. As GM's Asia-Pacific Regional Director, he set up a spare parts distribution and supply chain system across the Asia-Pacific region. In addition to these duties, he also assumed the title of GM Supply Chain Council Member and served as Board Member at TLI, a joint venture by Singapore National University and Georgia Tech USA Logistics Institute. He played a key role as the Director in charge of the sales, marketing and distribution of GM cars and spare parts by GM's trade and distribution company in Singapore across the entire Asia-Pacific region. As GM's Head of Indonesia, he managed the restructuring and consolidation of GM's businesses in Indonesia, and established a joint venture with various local Asian partners to produce and distribute commercial and passenger vehicles.

For five years Ali Pandır served as CEO of Tofaş, Turkey's largest auto manufacturer and market leader, a joint venture of Italian Fiat Group and Turkish Koç Group, and managed to increase Tofaş's production capacity from an annual 250 thousand to 400 thousand.

He is the Chairman and Executive Director of Erdemir, Ereğli and İskenderun Demir Çelik Fabrikaları, Board Member of the Tofaş and Türk Traktör companies in representation of Company Fiat. Ali Pandır is also Independent Board Member of Prysmian Türkiye. He speaks English and German fluently.

Résumés of the Members of the Board of Directors are also available in the Annual Report and on the corporate website (www.doganholding.com.tr).

5.1.4. The members are limited to a three-year term in office and after the three years members can be reappointed for the next period. Board Members were elected at the Ordinary General Assembly dated March 31, 2015 to serve until the Ordinary General Assembly when the accounts and activities of the year 2015 will be discussed.

5.1.5. There are three independent members on the Board of Directors. In line with CMB's regulations and resolutions, independent members constitute one-third of the Board. The Chairperson of Board of Directors and President of the Executive Committee are not the same individual. More than half of the Board Members are non-executive.

5.1.6. Statements of independence of three candidate Independent Board Members were evaluated by the Board of Directors and subsequently disclosed to the public on March 10, 2015 and March 31, 2015. The Company asks for written statements from the Independent Board Members to prove that they satisfy the 'independence' criteria. As of the date of this report, there exists no circumstance that would compromise the independent status of the Company's Independent Board Members. The statements of independence of Independent Board Members are presented below:



STATEMENT OF INDEPENDENCE

Date: March 9, 2015

To the Chairman of the Board of Directors of Doğan Şirketler Grubu Holding A.Ş.,

As a Board Member of Doğan Şirketler Grubu Holding A.Ş., I declare that; I do have the qualifications of an "Independent Board Member" stipulated in the Capital Markets Law, Capital Markets Board Communiqués, Principles and Decisions of Capital Markets Board and other regulations as well as the Articles of Association of your Company; and that I will immediately inform the Chairmanship of the Board of Directors right after learning that these qualifications of independence are no longer valid, and I will act in accordance with your Board's Decision and thus will resign if deemed necessary.

Best regards,

Tayfun Bayazıt



STATEMENT OF INDEPENDENCE

Date: March 31, 2015

To the Chairman of the Board of Directors of Doğan Şirketler Grubu Holding A.Ş.,

As a Board Member of Doğan Şirketler Grubu Holding A.Ş., I declare that; I do have the qualifications of an "Independent Board Member" stipulated in the Capital Markets Law, Capital Markets Board Communiqués, Principles and Decisions of Capital Markets Board and other regulations as well as the Articles of Association of your Company; and that I will immediately inform the Chairmanship of the Board of Directors right after learning that these qualifications of independence are no longer valid, and I will act in accordance with your Board's Decision and thus will resign if deemed necessary.

Best regards,

Ahmet Vural Akışık



STATEMENT OF INDEPENDENCE

Date: March 9, 2015

To the Chairman of the Board of Directors of Doğan Şirketler Grubu Holding A.Ş.,

As a Board Member of Doğan Şirketler Grubu Holding A.Ş., I declare that; I do have the qualifications of an "Independent Board Member" stipulated in the Capital Markets Law, Capital Markets Board Communiqués, Principles and Decisions of Capital Markets Board and other regulations as well as the Articles of Association of your Company; and that I will immediately inform the Chairmanship of the Board of Directors right after learning that these qualifications of independence are no longer valid, and I will act in accordance with your Board's Decision and thus will resign if deemed necessary.

Best regards,

Ali Aydın Pandır

5.1.7. According to our Articles of Association the members of the Board of Directors may assume duties in the board of directors of the associates, subsidiaries, and joint ventures in order to protect, oversee, monitor, guide and audit the interests of the Company and shareholders, providing that they adapted the limitations in the Communiqué. Moreover, the members of the Board of Directors may assume tasks and duties in associations working for public interest, in foundations, in institutions and organizations working for public interest or making scientific research, development activities, and universities, and in educational institutions and etc. Other duties can be assumed with the approval of the Board of Directors and within the scope of the principles the Board will accept. Our implementations in this field, are reviewed consistently in line with the current conditions.

The duties of the members of the Board of Directors, outside the Company are given below:

Full Name	Duties outside the Corporation
Y. Begümhan Doğan Faralyalı	Chairwoman of the Board of Directors in Group Companies
Hanzade Vasfiye Doğan Boyner	Vice Chairwoman of the Board of Directors in Group Companies
Arzuhan Yalçındağ	Chairwoman of the Board of Directors in Group Companies
Vuslat Sabancı	Chairwoman of the Board of Directors in Group Companies
Soner Gedik ^(*)	None
İmre Barmanbek	Vice Chairwoman and Board Member in Group Companies
Tayfun Bayazıt	Does not have duties in Group companies outside the Corporation. His duties in the companies outside the Group are available in his résumé included in this report.
Dr. Ahmet Vural Akışık	None
Ali Aydın Pandır	Does not have duties in Group companies outside the Corporation. His duties in the companies outside the Group are available in his résumé included in this report.

^(*) At our Company, Soner Gedik was appointed as Executive Director and Chairman of the Executive Board (CEO) on January 5, 2016.

5.1.8. The Board of Directors is composed of nine members and has five female members. Our Company complies with the non-compulsory principle of the Communiqué "At least 25% of the members of the Board of Directors must be female members."

5.2. Principles of the Activities of the Board of Directors

5.2.1. The Board of Directors is structured at the ultimate level that will provide effectiveness. In this aspect, utmost attention is paid to complying with the Capital Markets Law, CMB Regulations, Communiqués and Decisions. Principles regarding the issue were determined with our Company's Articles of Association.

- The members of the Board of Directors must be elected from among the persons who have the fundamental knowledge about the legal principles that regulate the transactions and operations regarding the Company's field of activity, are well-informed and experienced about company management, are competent in analyzing financial statements and reports, preferably have had higher education.
- The Board of Directors is obligated to carry out the task and duties granted by the legislation in effect and the Articles of Association herein. All tasks and transactions that do not require a General Assembly decision according to the regulations of the laws and the Articles of Association herein are carried out by the Board of Directors.

The Board of Directors carries out its duties and uses its powers in line with the Turkish Commercial Code, Capital Markets Law, Capital Markets Board regulations and decisions, Articles of Association and the provisions of legislation in effect.

Bodies and persons assigning (transferring) - in conformity with the law - a duty or a power arising from the Law or the Articles of Association, to other persons, will not be responsible for the acts and decisions of these persons unless it is proven that these bodies and persons have paid insufficient attention in selecting these persons.

While carrying out the duties and responsibilities granted by the laws and the Articles of Association, the Board of Directors without setting aside its responsibility may partially assign these duties and responsibilities to the committees within the company by clearly specifying their functions.

- c) The Board of Directors represents the Company. Upon the decision taken by the Board of Directors, the power to represent the Company can be assigned to one of the members of the board of directors or to one or more executive members or to third parties who are managers. At least one Board Member must be authorized to represent the Company. Unless a notarized copy of the decision, indicating the persons entitled to represent the Company and the method of representing, is registered and published in the trade registry, the transfer of the authority will not be valid. Limitation of the power to represent, does not set forth any terms and conditions for bona fide third parties; however, the registered and announced restrictions on using the power to represent the company from a single center or branch or altogether, are applicable. 371st, 374th and 375th Articles of the Turkish Commercial Code are reserved. In order to ensure that all documents that will be provided and agreements that will be made by the Company are valid, they must have the signatures of the persons authorized to represent the Company, under the Company's trade name.
- d) According to the Articles of Association of the Company; within the scope of the provisions of the Internal Directive that will be prepared as specified in the 367th Article of the Turkish Commercial Code and in the Articles of Association, the Board of Directors is entitled to partially or entirely assign (transfer) the management to one or more members of the board of directors, to the third parties, and to the Boards or Committees it will establish; without prejudice to the provisions of the 375th Article of the Turkish Commercial Code and the Capital Markets legislation and other legislations.

The Board of Directors may also assign tasks by determining the executive members who will assume a part of its powers and specific Company operations, and monitor the implementations of the Board's decisions. In such case, the scope of the responsibilities of each executive Board Member, will be specified by the Board of Directors. The executive members, assume all powers and responsibilities within the scope covering the tasks and duties assigned to them. As a rule, the other members of the board of directors will not be responsible for transactions within this scope; without prejudice to the duties and powers within the scope of the non-negotiable powers that are only assumed by the board of directors. More than half of the members of the Board of Directors cannot assume executive tasks or duties, and this issue is taken into consideration particularly in specifying the tasks and duties of the members.

5.2.2. All information is promptly provided to the members of the Board of Directors in order to ensure that they fulfill their duties.

5.2.3. In 2015, 35 (2014: 41) Board of Directors meetings/decisions were made/taken.

5.2.4. A Secretariat was established under the Chairmanship of the Board of Directors in order to regularly file the documents about the Board of Directors meetings with the aim of providing service for all members of the Board of Directors.

5.2.5. Our Board of Directors meetings are planned and held effectively and efficiently. As specified in our Company's Articles of Association:

The Board of Directors convenes with regularity that will help the Board effectively carry out its tasks and duties.

As a rule, the Board of Directors convenes upon the call made by the Chairman or the Vice Chairman. All members of the Board of Directors may make a written request from the Chairman or the Vice Chairman (if the Chairman is not present), to make a call for the Board of Directors meeting.

Information and documents about the issues on the Board of Directors meeting agenda are presented to the members of the board of directors within a reasonable period of time in prior to the meeting ensuring equal flow of information. However, with a Board of Directors decision, it is legally possible to make meetings in another location of the city of the headquarters or in another city.

In principle, members of the Board of Directors are to attend the meetings in person; while it is possible to attend the meetings via any type technological method enabling remote access. The opinions, submitted in writing, of the members who are not able to attend the meeting, will be presented for the information of the other members.

All Board resolutions are recorded in the meeting minutes and signed by the participants of the meetings. The Board members who cast negative votes must sign the meeting minutes with their justifications for their negative votes. Board resolutions, meeting minutes, related documents and correspondence are kept and regularly archived by the Board of Directors

Secretariat. In cases where the affirmative votes of the independent Board members are required, if they cast negative votes, the measures required by the Capital Markets Board and Capital Markets Legislation are implemented.

The Board of Directors convenes with the majority of the total number of members and takes decisions with the majority of the members present at the meeting. In case of equality of the votes, the issue voted is added on the agenda of the next meeting; and is considered rejected if the votes are equal in that meeting, too. Each Board member has only one right to vote regardless of his/her position and duty.

It is legally possible to take a decision on the proposal given by one of the members, with the written consents of the other members in compliance with the relevant provisions of the Turkish Commercial Code.

Persons entitled to attend the Company's Board of Directors meeting, may also attend these meetings on electronic platforms in conformity with the 1527th Article of the Turkish Commercial Code. In conformity with the provisions of the Communiqué on the "Board Meetings to be held on Electronic Platforms other than the General Assemblies of the Joint Stock Companies" the Company can install the Electronic Meeting System that will enable the entitled persons to participate and cast votes in these meetings on electronic platforms or purchase such systems developed for this purpose. In the meetings to be held, it is ensured that the entitled persons are able to use, within the framework of the provisions of the Communiqué, their rights stipulated in the relevant legislation, on the system installed in line with this Article of the Articles of Association of the Company or on the system with support services to be purchased.

5.2.6. In 2015, all Board of Directors decisions were taken with the unanimous votes of the members who attended the meetings. There were no decisions where members casted negative votes.

5.2.7. Losses incurred in the company by the members of the Board of Directors as a result of their faults during their term of office, are insured by our Company. Members of the Board of Directors and the Executives in our Company and our subsidiaries and joint ventures are covered in the insurance policy, and the value covered in the policy is EUR 75 million.

5.3. Number, Structure and Independence of Board Committees

5.3.1. In line with legal regulations, as well as the position and requirements of the Company, four committees were formed to ensure that the Board of Directors successfully exercises its duties and responsibilities. These committees are the Executive Committee, the Audit Committee, the Corporate Governance Committee, and the Early Risk Detection Committee.

5.3.2. Charters regarding the functioning of the committees are stated in the Articles of Association.

5.3.3. Also the Audit Committee, Corporate Governance Committee and the Early Risk Detection Committee each have a written charter approved by the Board of Directors and publicly posted through the Company's website at www.doganholding.com.tr. This charter was created carefully and in due consideration of the Capital Markets Legislation, CMB regulations, Communiques and resolutions, Articles of Association and international practices abroad. The committees' charters are reviewed according to legislative changes and changing circumstances. The committees, except the Early Risk Detection Committee, convene at least every three months. The Early Risk Detection Committee convenes at least six times in a year.

5.3.4. Information on the members of the Executive Committee is presented below. Executive Committee members were elected to serve until the Ordinary General Assembly concerning the accounting period for 2014.

Full Name	Title	Other Duties	Duties in Other Committees
Soner Gedik ^(*)	President	Executive Director	None
Ahmet Toksoy	Member	CFO	None

^(*) At our Company, Soner Gedik was appointed as Executive Director and Chairman of the Executive Board (CEO) on January 5, 2016.

5.3.5. The Board of Directors elected Tayfun Bayazit as the President and Ali Aydın Pandır as the Member of the Audit Committee, to serve until the Ordinary General Assembly concerning the accounting period for January 1, 2015-December 31, 2015.

Full Name	Title	Association with the Company	Independence Status	Duties in Other Committees
Tayfun Bayazıt	President	Independent Board Member (Non-executive)	Independent	President of Corporate Governance Committee and Early Risk Detection Committee
Ali Aydın Pandır	Member	Independent Board Member (Non-executive)	Independent	None

5.3.6. The members of the Audit Committee are individuals who have the qualifications required by their duties. They were elected among independent Board Members, who are neither executive members nor executive directors.

5.3.7. The Audit Committee carries out its duties regularly in compliance with the Capital Markets Legislation and CMB's regulations, communiques and resolutions. Within this framework, in 2015:

- Annual/interim financial statements, footnotes and independent audit reports of the Company were reviewed before publicly disclosed and meetings were made with the independent audit company;
- The Independent Audit Agreement was reviewed, and an advisory decision was taken about selecting an Independent Audit Company,
- Results of the internal audit activities and measures taken were reviewed.

5.3.8. Corporate Governance Committee Members elected to carry out tasks until the first Board of Directors meeting that will be held after the ordinary General Assembly meeting where the results of the 2015 activities will be discussed, are listed below with their duties:

Full Name	Title	Association with the Company	Independence Status	Duties in Other Committees
Tayfun Bayazıt	President	Independent Board Member (Non-executive)	Independent	President of Audit Committee and Early Risk Detection Committee
İmre Barmanbek	Member	Board Member (Non-executive)	Dependent	None
Dr. Murat Doğu	Member	Vice President of Finance (Capital Markets, IFRS/CMB Reporting and Affiliates Oversight)	Dependent	None
Banu Çamlıtepe	Member	Investor Relations Director	Dependent	None

5.3.9. The Corporate Governance Committee carries out its duties regularly in compliance with the Capital Markets Legislation and CMB's regulations, communiques and resolutions. Within this framework, in 2015:

- The Corporate Governance Committee reviewed the annual report and corporate governance compliance reports of the Company before they were publicly reported.
- The process of getting a corporate governance rating, was coordinated.
- Tasks were carried out regarding the activities of the Investor Relations Department.
- The improvement of the corporate website was supervised while monitoring if it is kept up to date or not.
- Developments outside the country and the relevant legislations regarding corporate governance were followed while ensuring that necessary measures were taken regarding compliance issues.

5.3.10. The rating company SAHA, that has an activity license to perform rating in Turkey in conformity with the Capital Markets Board's Corporate Governance Principles, updated the rating score and increased it to 9.36 (93.56%) out of 10. This issue was publicly disclosed via Public Disclosure Platform on November 5, 2015. Corporate governance ratings are available on our Company's corporate website at www.doganholding.com.tr.

5.3.11. The Early Risk Detection Committee, previously established in conformity with the Turkish Commercial Code after the Company's Board of Directors decision n.2013/6 taken on March 18, 2013 in accordance with the amendment made to the CMB Communiqué, n.56 with Series: IV (which was valid in 2013, but annulled at the beginning of 2014), was restructured. The information about the members of the Early Risk Detection Committee is below:

Full Name	Title	Association with the Company	Independence Status	Duties in Other Committees
Tayfun Bayazıt	President	Independent Board Member	Independent	President of Audit Committee and Corporate Governance Committee
Erem Turgut Yücel	Member	Chief Legal Counsel	Dependent	None
Tolga Babalı	Member	Vice President of Risk Management and Financial Affairs	Dependent	None
Korhan Kurtoğlu	Member	Financial Reporting Director	Dependent	None
Tahir Ersoy	Member	Group Manager of Tax Management	Dependent	None

The committees convene as frequently as is required by their activities, upon the invitation of the Committee President.

5.3.12. The Committees of the Company operate within the context of their authorities and responsibilities and submit proposals to the Board of Directors. However, the final decisions are made by the Board of Directors.

5.3.13. Members except Tayfun Bayazıt, Independent Board Member, don't assume duties in more than one committee.

5.4. Risk Management and Internal Control Mechanism

5.4.1. The effectiveness of the Risk Management and Internal Control systems is ensured by the Committees that are established in conformity with the Articles of Association and the Turkish Commercial Code, the CMB Law and CMB Regulations.

The Early Risk Detection Committee, previously established in conformity with the Turkish Commercial Code after the Company's Board of Directors decision n.2013/6 taken on March 18, 2013 in accordance with the amendment made to the CMB Communiqué, n.56 with Series: IV (which was valid in 2013, but annulled at the beginning of 2014), was restructured. Having held six meetings in 2015, the Early Risk Detection Committee evaluates the risks that our Company and our subsidiaries may face.

Financial, operational and compliance risks are identified and measured within the framework of Corporate Risk Management. The processes of detecting, identifying, and monitoring the risks that the Company and its subsidiaries may face are carried out under the supervision of: the Executive Committee, Early Risk Detection Committee, Chief Financial Officer, relevant Vice Presidents in charge of Financial Affairs and Vice President of Finance and Fund Management. In addition, the process of detecting and managing the risks specific to the sectors the subsidiaries carry out activities in is performed under the supervision of the Company, in coordination with the subsidiaries' Executive Committees, Early Risk Detection Committees (if any) and/or managers. Regular meetings are held during the year with the managers of the subsidiaries.

Furthermore, the Audit Committee monitors the results of the Internal Audit studies performed within the scope of Internal Audit activities as well as the measures taken. Internal audit and internal control activities within the Holding, is coordinated by the Audit Committee and carried out under the supervision of the Chairman of the Board of Directors.

5.5. Strategic Goals of the Company

5.5.1. Our vision is to undertake effective and sustainable investments that will contribute to transparency in society and to the general welfare and stability in the economy, through relevant service, commercial and industrial platforms. Our mission is to monitor, innovate and implement state-of-the art commercial and technological products and applications in final consumer industries in Turkey and other prospective markets abroad; and develop and maintain the necessary corporate assets and capabilities to ensure proper execution of these objectives.

5.5.2. Our vision and mission is publicly announced via our Company's corporate website.

5.5.3. The strategic goals determined by the managers of the Company in accordance with the plans of the Company are presented for the approval of the Board of Directors.

5.5.4. The performance of the Company and its subsidiaries is monitored in the Executive Committee meetings held every week and necessary measures are taken.

5.5.5. The Board of Directors and senior management of the Company continuously monitor the status of the Company and its subsidiaries against its strategic goals. Through regular and frequent management meetings, the Company's position is evaluated and new goals and strategies are formulated.

5.6. Remuneration of Board Members

5.6.1. According to the Articles of Association of our Company, decisions regarding the payments made to the members of the Board of Directors such as per diem, salaries, dividends, bonuses and premiums are taken by the General Assembly. The financial rights of the members of the Board of Directors may vary depending on their tasks, duties, powers and responsibilities in the Board of Directors.

The financial benefits of the independent Board Members are determined according to Capital Markets Legislation, CMB's regulations, communiques and resolutions and other relevant legislation.

The Board of Directors decides whether or not any payments will be made to committee chairmen and members for their tasks and duties in the committees and determines the amounts and terms and conditions in case of any payments are made.

In conformity with the CMB Regulations and Decisions, the Remuneration Policy of our Board of Directors was created; was submitted for the information of the shareholders at the General Assembly; and was publicly disclosed.

5.6.2. At the Ordinary General Assembly meeting held to discuss the 2014 activities; it was decided by majority vote that the independent members of the Board of Directors are paid a net amount of TL 10,000 per month and other members of the Board of Directors are paid a net amount of TL 7,000. Apart from this, there is no performance based salary paid to the non-executive members of the Board of Directors.

5.6.3. Doğan Holding's key management personnel are the members of the Board of Directors, Board of Directors Consultant, Chairman and Vice Chairmen, Chief Legal Counsel, Directors, et al. Benefits received by the key management personnel, such as salaries, premiums, health insurance, communication and transport, are specified below:

(TL thousand)	2015	2014
Salaries and other short term benefits	23,529	12,176
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
Total	23,529	12,176

5.6.4. The Company did not lend money, extend credit, or extend credit such as personal loans by means of third parties or did not give surety to any of the Members of the Board of Directors or executive managers.

6. The Company's Current Status in the Issue of Complying with the Corporate Governance Principles

The Corporate Governance Committee continues its activities to improve the Corporate Governance practices. As of the activity period that ended on 31.12.2015, the Company complies with all compulsory Corporate Governance Principles ("Principles") of the CMB and the Communiqué. Utmost attention is paid to comply with the non-compulsory Principles of the Law and Communiqué. As explained in this Report, we think there will not be any significant conflict of interests in the current situation regarding the non-compulsory Principles with which the Company has not yet fully complied.

Our Company considers the fact that we partially or completely are not complying with the non-compulsory Principles n.1.2.1., n.1.5.2., n.3.2.1., n.3.2.2., n.3.3.3., n.3.3.4., n.3.3.5., n.4.2.8., n.4.5.5. and n.4.6.5. of the Corporate Governance Principles. However, we think there will not be any significant conflicts of interest in the current situation regarding this issue. Principles n.3.2.1., n.3.2.2., n.3.3.3., n.3.3.4., and n.3.3.5 are mainly about the fields that are considered under the topics supporting the stakeholders' participation in company management (employees) and company's human resources policy. Thus, enhancement will be continued in these fields in 2016. Regarding Principle n.4.2.8.: existing insurance limits can be revised considering the fact that the Company capital is high. Regarding Principle n.4.5.5: enhancement will be made within the scope of our means considering the fact that there is quite a number of committees that must be established as per the Turkish Commercial Code, CMB Law and Communiqué. Regarding Principle n.4.6.5.: as of the current situation, the financial rights of the Company's executive managers are considered as trade secrets within the scope of competitive power.

OTHER OBLIGATORY DISCLOSURES

GENERAL INFORMATION

Accounting period for the report:

This activity report covers the period from January 1, 2015 to December 31, 2015.

Company's trade name, trade registry number, contact details of headquarters and branches, and website:

Trade Name : Doğan Şirketler Grubu Holding A.Ş.
Trade Registry Number : 175444
Address : Burhaniye Mahallesi, Kısıklı Caddesi, No: 65, 34676 Üsküdar/İstanbul
Tel : (216) 556 9000
Fax : (216) 556 9200
Website : www.doganholding.com.tr
BIST Ticker : DOHOL.IS
Public Offering Date : June 21, 1993

Explanations about privileged shares and shareholders' right to vote:

There are no privileged shares in Doğan Holding.

Company's stakes in direct or indirect subsidiaries:

The Company has direct or indirect subsidiaries. The information about these and the Company's stakes in these are presented in the footnotes to the consolidated financial statements for the period from January 1, 2015 to December 31, 2015. This information is available on Doğan Holding's corporate website (www.doganholding.com.tr) and the Public Disclosure Platform (www.kap.gov.tr).

Information about the Company's acquisition of its own shares:

During the accounting period from January 1, 2015 to December 31, 2015, the Company did not acquire its own shares.

Amendments made to the Articles of Association within the period and the reasons for the amendments:

Within the January 1, 2015 - December 31, 2015 accounting period, there were no amendments made to the Articles of Association.

Information regarding the ordinary general assembly meeting:

2014 activity results of the Company were discussed at the Ordinary General Assembly Meeting on March 31, 2015 at the Company Headquarters. The meeting quorum was 70.88% at the Ordinary General Assembly Meeting held on March 31, 2015 while 1,854,807,036.793 shares represented out of 2,616,938,288 shares representing the Company capital. The call for the meeting was announced in conformity with the Articles of Association via the Turkish Trade Registry Gazette and Public Disclosure Platform. In order to facilitate the participation of the shareholders, General Assembly Meetings are organized in İstanbul where the Company Headquarters is located.

In the call and announcement regarding the General Assembly meeting our Company complies with the Turkish Commercial Code, Capital Markets Legislation, Capital Markets Law, Capital Markets Board Regulations/Decisions, and the Articles of Association. Prior to General Assembly meetings, the "Proxy Voting Form", and the detailed "General Assembly Information Document" specifying the agenda items and the reasons adding these items on the agenda of the General Assembly, were presented, within the legal timeframe before the meeting, for the shareholders' information and review in conformity with the Turkish Commercial Code and Communiqué. With the amendment made to the Articles of Association, the aim was to comply with the Turkish Commercial Code's regulations, and thus the General Assembly was organized in the electronic environment. General Assembly meetings are organized in a manner that will not create any inequality among the shareholders, at the lowest cost possible for the shareholders, and in the least complicated procedures. General Assembly meeting minutes, including previous years, are available on the Company's corporate website at the web address of www.doganholding.com.tr.

Executives:

Information regarding Doğan Holding's executives is available on the Company's corporate website (www.doganholding.com.tr).

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

Remuneration of the members of the Board of Directors and key management personnel:

The Group determined the remuneration of the members of the Board of Directors, consultant to the Board, Group presidents and vice presidents, chief legal counsel, and directors, key management personnel. The compensation of Board members and key management personnel includes salaries, bonus, health insurance, communication and transportation. Explanation about the remuneration is available in the January 1, 2015 - December 31, 2015 accounting period's financial statements' footnotes, Footnote 33 - Related Party Disclosures.

RESEARCH AND DEVELOPMENT ACTIVITIES:

Within the January 1, 2015 - December 31, 2015 accounting period, Doğan Holding carried out no R&D activity and at no cost.

FINANCIAL SITUATION:

Investments made in the relevant accounting period:

Within the January 1, 2015 - December 31, 2015 accounting period, the sum of Doğan Holding's tangible and intangible fixed assets and real-estate acquisition for investment purposes was TL 460,784 thousand. (2014/12: TL 283,933 thousand).

Types and quantity of capital market instruments issued:

Within the January 1, 2015 - December 31, 2015 accounting period, there were no issued capital market instruments.

Board of Directors' dividend distribution proposal, and dividend distribution statements:

Due to the fact that there was no profit for the January 1, 2015 - December 31, 2015 accounting period, according to the audited financial statements, it was decided to not make any dividend distribution. The proposal for dividend distribution, that will be approved at the General Assembly, and the dividend distribution statements are available on the Public Disclosure Platform (PDP), in the 2015 Annual Report, and on the corporate website (www.doganholding.com.tr).

Board of Directors' evaluations regarding loss of Company capital or deep-in-debt situation:

As of December 31, 2015 the shareholders' equity was TL 3,042,211 thousand, and was 16.3% higher than the issued capital which was TL 2,616,938 thousand. This ratio is an indicator of the strong equity structure.

Measures planned to be taken to improve the financial structure of the Company:

As of December 31, 2015 the sum of the consolidated short and long term financial debts, other financial liabilities and other debts was TL 2,987,510 thousand maintaining the same level around the year-end figures in spite of the loss in the value of Turkish lira (December 31, 2014: TL 2,884,304 thousand). The share of the bank loans in foreign currency in the total short and long term bank loans decreased from 61.5% (as of December 31, 2014) to 56.8% as of December 31, 2015. The maturity structure of the cash and financial debts of the Group are continuously monitored in terms of the financial risk management factors such as interest risks and fx risks.

Subsequent events:

Subsequent events are available in the financial statements' footnotes, Footnote 37 - Subsequent Events.

PARENT COMPANY INFORMATION AND OTHER OBLIGATORY DISCLOSURES:**Information regarding the Group companies' shares in the capital of the parent company:**

Group companies do not have shares in the capital of the parent company.

The issue that must be presented to the shareholders about whether the shareholders (who control the management of the Company), Board of Directors' members, executive managers who have administrative responsibilities, and their spouses and blood relatives and relatives by marriage up to second-degree make any important transaction with the Company or its subsidiaries which may lead to conflicts of interest, or whether the aforementioned persons make any transaction, related to a commercial business that is within the scope of the Company or its subsidiaries' field of activity, for their own account or for the account of others or whether they become unlimited partners in other companies carrying out similar commercial businesses:

The shareholders (who control the management of the Company), Board of Directors' members, executive managers who have administrative responsibilities, and their spouses and blood relatives and relatives by marriage up to second-degree did not make any important transaction with the Company or its subsidiaries which may lead to conflicts of interest, or the aforementioned persons did not make any transaction, related to a commercial business that is within the scope of the Company or its subsidiaries' field of activity, for their own account or for the account of others or they did not become unlimited partners in other companies carrying out similar commercial businesses.

Company executives' transactions with the company on their own behalf or on behalf of third parties, or activities falling under non-compete clause within the scope of the permission by the general assembly:

Except for those transactions banned by the Turkish Commercial Code, the Board members receive the permission of General Assembly to carry out the transactions outlined in the Turkish Commercial Code's Articles 395 and 396. According to the information available to the Company, Board members did not conduct any commercial activities on their own behalf or on behalf of third parties in the Company's business line in the period of 01.01.2015-31.12.2015.

Administrative or legal sanctions imposed on the Company, or its executives due to actions violating legislation:

During the period, no administrative or legal sanction was imposed upon the Company or its executives due to actions violating legislation.

Attainment of targets set in previous periods, implementation of general assembly resolutions, and any reasons for failure to attain targets or implement resolutions, and assessments:

Within the January 1, 2015 - December 31, 2015 accounting period, our Company implemented all General Assembly resolutions.

Lawsuits against the Company which could affect its financial situation and activities, and their possible outcomes:

Litigation against the Company and the reserves set aside for possible litigation damages are as follows:

Law cases

The amount of lawsuits against the Group is TL 75,966 thousand as of December 31, 2015 (December 31, 2014: TL 85,606 thousand).

(TL thousand)	December 31, 2015	December 31, 2014
Legal cases	59,478	74,816
Commercial cases	2,709	1,166
Business cases	12,207	9,059
Other	1,572	565
Total	75,966	85,606

A provision for lawsuits filed against the Group whose details are given above amounting to TL 37,315 thousand has been provided with reference to the opinions of the Group's legal advisors and past experience of management related to similar litigations against the Group (December 31, 2014: TL 41,335 thousand). Legal cases mainly consist of pecuniary and non-pecuniary damages and lawsuits filed against publishing and broadcasting companies and lawsuits initiated by the Radio and Television Supreme Council.

Information on extraordinary general assembly:

Within the January 1, 2015 - December 31, 2015 accounting period, no Extraordinary General Assembly Meeting was held.

Information regarding private and public audits:

Within the January 1, 2015 - December 31, 2015 accounting period, Doğan Holding was not subject to private audit while there were no transactions regarding the public audit that would have significant impact on the period results.

Information regarding the aid and donations made by the Company within the year, and spending on social responsibility projects during the year:

In 2015, our Company donated TL 3,556,180 for public interest purposes to several foundations and associations as follows:

Aid and Donations (TL)	
Education	3,406,295
Environment and Other	149,885
Total	3,556,180

If the Company is a subsidiary in the Group companies legal transactions that were made with the parent company, with the associate company of the parent company, upon the instruction of the parent company for the benefit of the parent company or its subsidiary; and all other measures that were taken or that were avoided for the benefit of the parent company or its subsidiary in the previous operating year:

In the reporting period, the Company carried out no legal action in favor of the parent company or any subsidiary thereof, with instructions by the parent company. The Company did not take or avoid taking any measures, or carry out any transaction which needs to be redressed in favor of the parent company or its subsidiaries.

If the Company is a subsidiary in the Group companies in case the legal transaction mentioned above is made or in case the measure is taken or avoided, whether or not appropriate consideration is obtained for each of the legal transactions and, whether or not the measure that was taken or that was avoided inflicted any losses on the Company; and, if it did, whether this loss was compensated or not according to the circumstances within their knowledge:

Since the Company did not take any action falling under the scope of the previous paragraph, there are no damages to be redressed.

RISKS AND ASSESSMENTS OF THE BOARD OF DIRECTORS:

Information regarding the Company's internal control system and internal audit activities, and the Board of Directors' assessments on this issue:

Utmost attention is paid at Doğan Holding in order to ensure that the internal audit and internal control mechanism works effectively; thus the internal audit unit directly reports to the Chairman of the Board of Directors. Internal audit and internal control activities within the Holding are coordinated by the Audit Committee and carried out under the supervision of the Chairman of the Board of Directors.

Information regarding the activities and reports of the Early Risk Detection Committee (if established):

Within the framework of the 378th Article of the Turkish Commercial Code and Capital Markets Board Corporate Governance Communiqué n.II-17.1, the Early Risk Detection Committee was established with the Board of Directors' decision taken on May 7, 2015. In 2015, Early Risk Detection Committee held six meetings, and decisions taken at these meetings were recorded in the minutes, and reported to the Board of Directors.

Name-Surname	Title
Tayfun BAYAZIT	Chairman (Independent Board Member)
Erem Turgut YÜCEL	Member
Tolga BABALI	Member
Korhan KURTOĞLU	Member
Tahir ERSOY	Member

Related party transactions:

For the purpose of the accompanying consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding directly or indirectly has participation, including any entities under joint control; real persons and/or legal entities that have direct or indirect control or joint control over the Company and their close family members (immediate family members) and legal entities having direct or indirect control or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company's affiliates, subsidiaries and members of the BOD, key management and their close family members (immediate family members); and real persons and/or legal entities that are directly or indirectly controlled individually or jointly. Related party transactions are available in the January 1, 2015 - December 31, 2015 accounting period's financial statements footnotes Footnote 33 – Related Party Transactions.

Explanations regarding the internal audit and risk management systems of the corporation within the preparation process of the consolidated financial statements and tables:

Our financial statements and footnotes are: prepared on a consolidated basis in conformity with the Turkish Accounting Standards and Turkish Financial Reporting Standards published by the Public Oversight, Accounting and Audit Standards Institution within the scope of the provisions of the CMB Communiqué II-14.1; and specified with the CMB Decision n.20/670 taken on the 07.06.2013 and reported in conformity again with the CMB's presentation principles published in the Weekly Bulletin n.2013/19 on the date of 07.06.2013; and independently audited and publicly disclosed in compliance with the Turkish Auditing Standards ("TAS").

Information regarding the reports stipulated in the 199th article of the Turkish Commercial Code:

The Company's annual report and affiliation report are issued in line with the provisions of the Turkish Commercial Code. The Board Members made no demands falling under the scope of Turkish Commercial Code, Article 199/4.

Affiliate report:

As per the 199th Article of the Turkish Commercial Code n.6102 issued on July 1, 2012 in the first three months of the activity period, the Board of Directors of Doğan Holding is responsible for issuing a report about the relations with the parent company and the affiliates of the parent company, and to include the conclusion of this report in the Annual Report.

At our Company, there were no: i) legal transactions made with the parent company, and/or and affiliates of the parent company, made for the benefit of the parent company, and/or for the benefit of the affiliates of the parent company as a consequence of the directions given by the parent company, and ii) measures taken or avoided to be taken in the previous activity period for the benefit of the parent company, and/or for the benefit of the affiliates of the parent company. Thus, there was no loss that would require offsetting.

In case the ratio of our shares in our subsidiaries where we directly or indirectly own five, ten, twenty, twenty-five, thirty-three, fifty, sixty-seven, or hundred percent of the capital goes below/above these ratios, information on such situation and the reasons behind:

Trade Name	31.12.2015 Effective Share Ratio (%)	31.12.2014 Effective Share Ratio (%)	Change (%)	31.12.2015 Explanation
Doğan Haber	99.99%	88.11%	11.88%	Due to transfer of shares
Aytemiz Akaryakıt	50.00%	0.00%	50.00%	Due to acquisition of shares
Aksu Doğan Gaz İletim	50.00%	0.00%	50.00%	Due to acquisition of shares
Aytemiz Gas	50.00%	0.00%	50.00%	Due to acquisition of shares
Fun TV	90.72%	85.39%	5.33%	Due to capital increase
Milenyum Telv.	90.72%	85.39%	5.33%	Due to capital increase
DMC	90.61%	85.22%	5.39%	Due to capital increase
Katalog Yayın	0.00%	50.00%	-50.00%	Due to merger
Doğan TV Holding	90.61%	85.22%	5.39%	Due to capital increase
Kanal D Romanya	90.61%	85.22%	5.39%	Due to capital increase
Doğan Platform	0.00%	100.00%	-100.00%	Due to merger
Prime Türk	90.72%	85.39%	5.33%	Due to capital increase
Osmose Media	90.61%	85.22%	5.39%	Due to capital increase
Nakkaştepe Gayrimenkul	0.00%	50.00%	-50.00%	Due to selling of shares
Doğan Uydu Haberleşme	90.61%	85.22%	5.39%	Due to capital increase
D Yapım	90.61%	85.22%	5.39%	Due to capital increase
Koloni TV	0.00%	85.22%	-85.22%	Due to selling of shares
Kanal D	86.06%	80.93%	5.13%	Due to capital increase
Eko TV	90.61%	80.98%	9.63%	Due to transfer of shares
Doruk Televizyon	90.61%	85.22%	5.39%	Due to capital increase
Tematik TV	90.61%	85.22%	5.39%	Due to capital increase
Doğan Teleshopping	0.00%	85.22%	-85.22%	Due to merger
Uydu	90.72%	85.39%	5.33%	Due to capital increase
Tempo TV	90.61%	85.22%	5.39%	Due to capital increase
Popüler TV	90.72%	85.39%	5.33%	Due to capital increase
Fleks TV	90.72%	85.39%	5.33%	Due to capital increase
Doğa TV	90.72%	85.39%	5.33%	Due to capital increase
TV 2000	90.72%	85.39%	5.33%	Due to capital increase
Galaksi TV	90.72%	85.39%	5.33%	Due to capital increase
Yörünge TV	90.72%	85.39%	5.33%	Due to capital increase
Stil TV	90.72%	85.39%	5.33%	Due to capital increase
Bravo TV	90.72%	85.39%	5.33%	Due to capital increase
D Çocuk	90.72%	85.39%	5.33%	Due to capital increase
Altın Kanal	90.72%	85.39%	5.33%	Due to capital increase
Kanalspor	90.72%	85.39%	5.33%	Due to capital increase
Süper Kanal	90.61%	85.22%	5.39%	Due to capital increase
Kutup TV	90.72%	85.39%	5.33%	Due to capital increase
Doğan TV Dijital	90.72%	85.39%	5.33%	Due to capital increase
Selenit TV	90.72%	85.39%	5.33%	Due to capital increase
Mozaik	90.72%	85.39%	5.33%	Due to capital increase
Ekinoks TV	90.72%	85.39%	5.33%	Due to capital increase
Rapsodi Radyo	90.61%	85.22%	5.39%	Due to capital increase
Suzuki Motorlu Araçlar	100.00%	0.00%	100.00%	Due to new establishment
OOO Pronto Nizhny Novgorod	0.00%	54.91%	-54.91%	Due to selling of shares
OOO Tambukan	0.00%	51.86%	-51.86%	Due to selling of shares
Pronto Invest B.V	0.00%	61.01%	-61.01%	Due to selling of shares
Enteralle Handels	0.00%	86.27%	-86.27%	Due to liquidation
Katalog	0.00%	50.00%	-50.00%	Due to merger
DPP	56.00%	46.00%	10.00%	Due to transfer of shares
Doğan Gazetecilik İnternet	0.00%	92.76%	-92.76%	Due to merger
Hürriyet Medya Basım	0.00%	77.65%	-77.65%	Due to merger
Blutv İletişim	88.44%	0.00%	88.44%	Due to new establishment
OOO Tambov-Info	0.00%	61.01%	-61.01%	Due to selling of shares
OOO Pronto UlanUde	0.00%	54.91%	-54.91%	Due to selling of shares
OOO Pronto Krasnodar	0.00%	48.81%	-48.81%	Due to selling of shares
OOO Pronto Kaliningrad	0.00%	57.96%	-57.96%	Due to selling of shares
OOO Pronto Ivanovo	0.00%	61.01%	-61.01%	Due to selling of shares
OOO Delta-M	0.00%	33.56%	-33.56%	Due to selling of shares
ID Impress Media Marketing	55.52%	0.00%	55.52%	Due to new establishment
Aytemiz Petrolcülük Ticaret L.S.	50.00%	0.00%	50.00%	Due to acquisition of shares
Gaziemir Petrol Ticaret L.S.	50.00%	0.00%	50.00%	Due to acquisition of shares
Hakimiyet Petrol Ticaret L.S.	25.00%	0.00%	25.00%	Due to acquisition of shares
OOO Pronto Kazan	61.01%	43.93%	17.08%	Due to transfer of shares

AUDIT COMMITTEE RESOLUTION

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.
AUDIT COMMITTEE RESOLUTION

DATE/NUMBER: 07.03.2016/1

SUBJECT: Evaluating on 01.01.2015-31.12.2015 Accounting Period Consolidated Financial Reports

The independently audited comparative consolidated financial report, (in comparison with previous period's financials) prepared for the accounting period of 01.01.2015-31.12.2015, in compliance with the Turkish Accounting Standards and the Turkish Financial Reporting Standards ("TAS" and "TFRS") published by the Public Oversight Authority and the Turkish Accounting and Auditing Standards Board within the scope of the Communiqué (Serial: II, No: 14.1) of the Capital Markets Board ("CMB"), and prepared in compliance with the presentation principles that were determined with the Decision (dated 07.06.2013, No: 20/670) of CMB and announced in the weekly CMB Bulletin (dated 07.06.2013, No: 2013/19), was audited by soliciting the opinions of the executives who are responsible for the preparation of the Company's financial reports.

Limited within the scope of the information we have and that we have been given, our opinion relating to this financial report was presented to the executives who have responsibility in the preparation of the financial statements. Within the framework of this opinion, we have reached a conclusion that this financial report: truly reflects the facts regarding the Company's activity results and does not contain any significant deficiency that may cause misleading results, and complies with CMB regulations.



Tayfun BAYAZIT
President



Ali PANDIR
Member

CORPORATE GOVERNANCE COMMITTEE RESOLUTION

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş. CORPORATE GOVERNANCE COMMITTEE RESOLUTION

DATE/NUMBER: 07.03.2016/2016-1

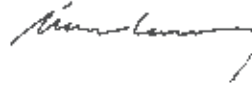
SUBJECT: Annual Report pertaining to the accounting period between 01.01.2015 - 31.12.2015 and Corporate Governance Compliance Report

The Annual Report pertaining to the accounting period between 01.01.2015 - 31.12.2015, that was prepared in conformity with the Regulation of Ministry of Customs and Trade on "Determining the Minimum Content of the Annual Reports of the Companies," and Capital Markets Board ("CMB")'s Communiqué (n.II-14.1) on "Principles Regarding Financial Reporting in the Capital Markets," and the Corporate Governance Principles Compliance Report for the period 01.01.2015-31.12.2015 (will be included in the Annual Report) that was prepared in conformity with (i) the CMB's "Corporate Governance Communiqué" n.II-17.1, and (ii) the presentation principles stipulated in the CMB Decision n. 2/35 (date: 27.01.2014); and that was published via CMB's Weekly Bulletin n. 2014/02 (date: 27.01.2014), were examined by soliciting the opinions of the executives who have responsibilities in preparing the Company's Annual Report and the Corporate Governance Principles Compliance Report.


Limited within the scope of the information we have and that we have been given, our opinion relating to this Annual Report and the Corporate Governance Principles Compliance Report was presented to the executives who have responsibility in the preparation of the Annual Report and the Corporate Governance Principles Compliance Report. Within the framework of this opinion, our committee reached a conclusion that this Annual Report and the Corporate Governance Principles Compliance Report: truly reflect the facts regarding the Company's activity results and do not contain any significant deficiency that may cause misleading results, and comply with CMB regulations.



Tayfun BAYAZIT
President



İmre BARMANBEK
Member



Murat DOĞU
Member



Banu ÇAMLITEPE
Member

BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY FOR THE APPROVAL OF THE REPORTS

**STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS;
REGARDING THE APPROVAL OF THE FINANCIAL REPORT AND THE ANNUAL REPORT OF DOĞAN ŞİRKETLER GRUBU
HOLDİNG A.Ş.**

DATE OF DECISION: 09.03.2016
DECISION NO.: 2016/6

Ref No: 2016-12

**STATEMENT OF RESPONSIBILITY AS PER THE
9th ARTICLE OF THE SECOND SECTION OF THE COMMUNIQUÉ
SERIAL: II, NO: 14.1 OF THE CAPITAL MARKETS BOARD**

The independently audited consolidated financial report and the annual report of Doğan Şirketler Grubu Holding A.Ş., prepared for the accounting period of 01.01.2015-31.12.2015 in compliance with the Turkish Accounting Standards and the Turkish Financial Reporting Standards ("TAS" and "TFRS") published by the Public Oversight Authority and the Turkish Accounting and Auditing Standards Board within the scope of the provisions of the Communiqué (Serial: II, No: 14.1) of the Capital Markets Board ("CMB") and prepared in compliance with the presentation principles that were determined with the Decision (dated 07.06.2013, No: 20/670) of the CMB and announced in the weekly CMB Bulletin (dated 07.06.2013, No: 2013/19), were reviewed by our Committee. Within the framework of the information we obtained in the scope of our duties and responsibilities, the following issues were detected:

- The financial report and the annual report do not include any misleading announcements on important issues or deficiency that may cause misleading results on the announcements as of the date they were made,
- The financial report, prepared in accordance with the financial reporting standards in force, truly reflects the facts regarding the assets, liabilities, financial situation and profit & loss of the Company, and the annual report honestly reflects the progress and the performance of the business and the financial situation of the Company, together with the important risks and uncertainties.



Tayfun BAYAZIT
*President of the
Audit Committee*



Ali PANDIR
*Member of the
Audit Committee*



Ahmet TOKSOY
CFO

BOARD OF DIRECTORS' RESOLUTION ON THE APPROVAL OF THE REPORTS

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş. DECISION OF THE BOARD OF DIRECTORS

Date of Meeting: 09.03.2016

Decision No.: 2016/6

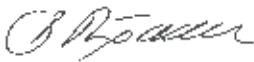
In order to resolve the issues that were on its agenda, the Company's Board of Directors convened at the Company's Headquarters with the attendance of the members whose signatures are given below.

Agenda: The approval of the financial report and the annual report of the period 01.01.2015-31.12.2015

Resolution:

As a result of discussions:

- To approve the independently audited comparative consolidated financial report (in comparison with the previous period's financials) which was presented to our Board with the assent (including "amendment" recommendations) of our Audit Committee and prepared for the accounting period of 01.01.2015-31.12.2015, in compliance with the Turkish Accounting Standards and the Turkish Financial Reporting Standards ("TAS" and "TFRS") published by the Public Oversight Authority and the Turkish Accounting and Auditing Standards Board within the scope of the Communiqué (Serial: II, No: 14.1) of the Capital Markets Board ("CMB") and prepared in compliance with the presentation principles that were determined with the Decision (dated 07.06.2013, No: 20/670) of the CMB and announced in the weekly CMB Bulletin (dated 07.06.2013, no: 2013/19),
The unanimous decision was taken to approve:
- the audited January 1, 2015 - December 31, 2015 accounting period's Annual Report that was submitted for the approval of our General Assembly in line with the correction advice and opinion of appropriateness given by our Corporate Governance Committee and relevant executives, issued in conformity with the Turkish Commercial Code, Ministry of Customs and Trade "Regulation on Determining the Minimum Content of the Annual Reports of the Companies" and Capital Markets Board ("CMB") Communiqué n.II-14.1 on "Principles Regarding Financial Reporting in the Capital Markets", and in compliance with our Company's January, 1 2015-December 31, 2015 accounting period's consolidated Financial Report,
- January 1, 2015 - December 31, 2015 accounting period's Corporate Governance Principles Compliance Report that was issued: i) in conformity with the Capital Markets Board Communiqué n.II-17.1 on Corporate Governance given in the Annual Report, and ii) in compliance with the presentation principles stipulated with the Capital Markets Board decision n.2/35 (dated: January 27, 2014), and published with the Capital Markets Board Weekly Bulletin n.2014/02 (dated: January 27, 2014).



Y. Begümhan Doğan FARALYALI
Chairwoman



Hanzade V. Doğan BOYNER
Vice Chairwoman



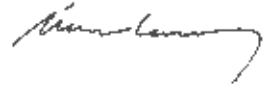
Arzuhan YALÇINDAĞ
Member



Vuslat SABANCI
Member



Soner GEDİK
Executive Member



İmre BARMANBEK
Member



Ahmet Vural AKIŞIK
Member



Tayfun BAYAZIT
Member



Ali PANDIR
Member

DIVIDEND DISTRIBUTION POLICY

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş. DIVIDEND DISTRIBUTION POLICY (February 28, 2014)

Our Company makes dividend distribution decisions, and distributes dividend, in line with the Turkish Commercial Code; the Capital Markets Legislation; Capital Markets Law (CML); Capital Markets Board (CMB) Regulations and Decisions; Tax Laws; provisions of other relevant legislation; and our Articles of Association; and the Resolution of the General Assembly.

Accordingly:

- 1- As a principle, at least 50% of the “net distributable profit” calculated as per the Capital Markets Legislation, CMB, CMB Regulations and Resolutions can be distributed, taking into account the financial statements prepared in compliance with the Capital Markets Legislation, CMB, CMB Regulations and Decisions.
- 2- In case it is contemplated to distribute dividend between 50% and 100% of the “net distributable profit” calculated the financial statements, financial structure, and the budget of our Company are taken into consideration when determining the dividend distribution percentage.
- 3- The dividend distribution proposal is made public as per the Capital Markets Legislation, CMB, and the CMB Regulations and Decisions taking into account the legal deadlines.
- 4- In case the amount is:
 - a. lower than the amount calculated as per Article 1, of the “net distributable profit” that is calculated in line with the legal records kept within the scope of the Turkish Commercial Code, and the Tax Laws; the “net distributable profit” calculated as per the legal records kept within the scope of this article hereby is taken into account, and it is distributed entirely,
 - b. higher than the amount mentioned above, action is taken as per Article 2.
- 5- In case there is no net distributable profit as per the legal records kept within the scope of the Turkish Commercial Code and Tax Laws, no dividend distribution can be made a “net distributable profit” has been calculated according to the financial statements prepared as per the Capital Markets Legislation, CMB, CMB Regulations and Decisions, and in compliance with again the Capital Markets Legislation, CMB, the CMB Regulations and Resolutions.
- 6- In case the calculated “net distributable profit” is below 5% of the issued capital, this may lead to the dividend distribution not being made.
- 7- The upper limit of the aid and donations that will be made by our Company within an accounting term in compliance with the Capital Markets Legislation, CMB, the CMB Regulations and Decisions, and as per the principles set forth in our Articles of Association shall be determined by the General Assembly. No donations may be made in amounts exceeding the limit set forth by the General Assembly, and the donations made shall be added to the “net distributable profit” tax base.
- 8- The dividend distribution shall start latest by the 30th day following the general assembly meeting where the distribution resolutions were made, and in any case, as of the end of the accounting term.
- 9- In line with the Capital Markets Legislation, CMB, CMB Regulations and Decisions, and the provisions of the Articles of Association, and as per the Resolution of the General Assembly, our Company may distribute the dividend share in cash and/or upfront as “free shares” or may distribute in installments.
- 10- Our Company may also distribute dividends to other persons who are not shareholders in line with the resolutions to be made by the General Assembly. In that case, action shall be taken in compliance with the Turkish Commercial Code; Capital Markets Legislation, CMB, CMB Regulations and Decisions, and the provisions of the Articles of Association.
- 11- Our Company may decide to distribute, and may distribute, advance dividend, in line with the Turkish Commercial Code; Capital Markets Legislation; CMB, CMB Regulations and Decisions; Tax Laws; the provisions of the other legislation, the Articles of Association; and the General Assembly Resolution.
- 12- Investments requiring significant amounts of cash outflows for increasing our Company value; significant issues affecting our financial structure; important uncertainties and adversities outside the control of our Company arising in the economy, in the markets, or other areas shall be taken into account in making dividend distribution decisions.

DIVIDEND DISTRIBUTION PROPOSAL

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş. BOARD OF DIRECTORS DECISION

Date of Meeting: 09.03.2016

Decision No.: 2016/7

In order to resolve the issues that were on its agenda, the Company's Board of Directors convened at the Company's Headquarters with the attendance of the members whose signatures are given below.

Agenda: Dividend Distribution

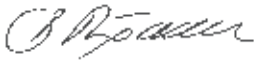
Resolution:

This resolution was signed by the members of the Board of Directors pursuant to the provision of Article 390/IV of the Turkish Commercial Code.

"Taking into account the Turkish Commercial Code ("TCC"), the Capital Markets Legislation and the Regulations of the Capital Markets Board ("CMB"), the Corporate Tax, Income Tax and the provisions of the other relevant legislation, as well as the relevant provisions of the Articles of Association of our Company, and the "Dividend Distribution Policy" that we have publicly announced:

In line with the Communique provisions of the CMB II-14.1, "Communique on the Principles of Financial Reporting in Capital Markets", of the CMB, and as per the independently audited consolidated financial statements of the accounting period of 01.01.2015-31.12.2015 prepared in compliance with the Turkish Accounting System ("TMS") and Turkish Financial Reporting Standards ("TFRS") issued by the Public Oversight, Accounting and Auditing Standards Institute ("KKG"), and the presentation principles of which have been determined as per the relevant resolutions of the CMB; as it has been understood that a "Net Loss for the Period" of 160,820 thousand Turkish lira has been observed when the "Deferred Tax Income" and "Tax Expense for the Period" and "Non-Controlling Interests Outside the Equity Holders of The Parent Company" and that a "Loss for the Period" totaling 1,154,775 thousand Turkish lira after adding to this amount "Accumulated Losses" totaling 979,671 thousand Turkish lira, calculated as per the Dividend Guide announced in the CMB Weekly Bulletin of 27.01.2014, no. 2014/2, and adding the "donations" totaling 3,556 thousand Turkish lira made in 2015, to inform the shareholders that no dividend distribution shall be made for the accounting period 01.01.2015 - 31.12.2015 in line with the CMB dividend distribution regulations, and to submit this matter for the approval of the General Assembly; and

In the financial records for the 01.01.2015 - 31.12.2015 accounting period kept within the scope of the Tax Legislation, and as per the Uniform Accounting Plan published by the T.R. Ministry of Finance, a "Net Profit for the Period" of 410,750,912.87 Turkish lira has been observed during the accounting period of 01.01.2015 - 31.12.2015; to transfer to the "Extraordinary Reserves" account the amount of 364,595,212.99 Turkish lira which is the balance after setting aside "General Legal Reserves" totaling 19,189,221.74 Turkish lira as per paragraph (a) of Article 519 TCC, which is the balance after setting aside from the remaining balance of 383,784,434.73 Turkish lira after a "Tax Expense for the Period" are set aside from this sum, in the amount 26,966,478.14 Turkish lira, and to submit this matter for the approval of the General Assembly."



Y. Begümhan Doğan FARALYALI
Chairwoman



Hanzade V. Doğan BOYNER
Vice Chairwoman



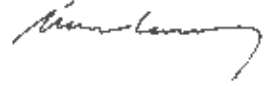
Arzuhan YALÇINDAĞ
Member



Vuslat SABANCI
Member



Soner GEDİK
Executive Member



İmre BARMANBEK
Member



Tayfun BAYAZIT
Independent Member



Ahmet Vural AKIŞIK
Independent Member



Ali PANDIR
Independent Member

DIVIDEND DISTRIBUTION STATEMENT

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş. DIVIDEND DISTRIBUTION STATEMENT (TL thousand)

1	Paid-in Capital	2,616,938	
2	General Legal Reserves (as per statutory records) ⁽¹⁾	160,759	
	Information concerning preferred shares, if, as per the Company's Articles of Association, there are any privileges for preferred shares in distribution of dividend	None	
		As per CMB	As per statutory records
3	Profit/Loss for the Period (+/-)(2)	-108,961	410,751
4	Taxes (+/-)(3)	-64,033	-26,966
	Non-controlling interests (minority interests) (-)	-12,174	0
5	Net Profit/Loss (-)	-160,820	383,784
6	Prior Years' Losses (-) (4)	-979,671	0
7	Legal Reserve Fund (-)	-19,189	-19,189
8	NET DISTRIBUTABLE PROFIT/LOSS FOR THE PERIOD (+/-)	-1,159,680	364,595
9	Grants made during the Year (+)	3,556	
10	Net Distributable Profit/Loss Including Grants (+/-)(5)	-1,156,124	
11	First Category Dividend to Shareholders	0	
	Cash	0	
	Shares	0	
	Total	0	
12	Dividends Distributed to Preferred Shareholders	0	
13	Other Dividends Distributed	0	
	Members of the Board of Directors	0	
	Employees	0	
	Non-shareholders	0	
14	Dividends to holders of usufruct-right certificates	0	
15	Second Category Dividend to Shareholders	0	
16	Legal Reserve Fund	0	0
17	Status Reserves	0	0
18	Special Reserves	0	0
19	EXTRAORDINARY RESERVES	0	0
20	Other Sources Planned for Distribution	0	0
	Prior Years' Income	0	0
	Extraordinary Reserves	0	0
	Other Distributable Reserves as per the Turkish Commercial Code and Articles of Association	0	0

⁽¹⁾ "Inflation Differences" is not included.

⁽²⁾ Composed of the sum of the "Loss Before Tax for the Period from Continuing Operations".

⁽³⁾ Composed of the sum of the "Tax Expense for the Period" and "Deferred Tax Income".

⁽⁴⁾ Prepared in accordance with the Guide of Dividend published in the weekly CMB Bulletin dated 27.01.2014, number 2014/2. It includes the remained portion after the amounts of "Premiums/discounts related to shares (Net)", "Adjustments to Share Capital" and "General Legal Reserve Funds" are incorporated in the Accumulated Losses.

⁽⁵⁾ There is no distributable profit for the period.

INFORMATION ON DIVIDEND PER SHARE

GROUP	TOTAL DIVIDEND AMOUNT		TOTAL DIVIDEND AMOUNT / NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDEND PER SHARE FOR 1 TL NOMINAL VALUE	
	CASH (TL)	SHARES (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
NET	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	0.00

OPINION LETTER OF THE INDEPENDENT AUDIT COMPANY ON THE ANNUAL REPORT

Deloitte.

DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
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OPINION LETTER OF THE INDEPENDENT AUDIT COMPANY ON THE ANNUAL REPORT

To the Doğan Şirketler Grubu Holding A.Ş. Board of Directors:

Report Regarding the Audit on the Board of Directors' Annual Report within the Framework of the Independent Audit Standards

We have assessed Doğan Şirketler Grubu Holding A.Ş. ("Company")'s annual report regarding the accounting period that ended on the 31st of December 2015.

Responsibility of the Board of Directors Regarding the Annual Report

As per the 514th Article of the Turkish Commercial Code ("Turkish Commercial Code") n.6102 and the Capital Markets Board ("CMB")'s Communiqué n14.1 on "Principles Regarding Financial Reporting in the Capital Markets" ("Communiqué"), The Group management is responsible for: (i) preparing an Annual Report and financial statements in a manner that will be consistent and that will reflect the facts, and (ii) the Internal Control it deems necessary for preparing such an Annual Report.

Responsibility of the Independent Audit Firm

Based on the independent audit we made regarding the Group's annual report within the framework of the 397th Article of the Turkish Commercial Code and the Communiqué, our responsibility as an independent audit firm is to state our opinions on whether or not the financial data included in this Annual Report: (i) is consistent with the Group's financial statements mentioned in the Independent Auditor's Report on March 9, 2016; and (ii) truly reflects the facts.

Our assessment was made in conformity with the Independent Audit Standards that are part of the Turkish Audit Standards published by the Public Oversight, Accounting and Auditing Standards Authority ("KGK"). These standards require compliance with the Code of Ethics and stipulate that the independent audit shall be planned and performed to obtain reasonable guarantee about whether the financial information in the Annual Report: (i) is consistent with the financial statements; and (ii) reflects the facts or not.

Independent audit includes the implementation of the audit procedures with the aim of obtaining audit evidence about historical financial data. Selection of these procedures is based on the professional judgment of the independent auditor.

We believe that the independent audit evidences we have obtained during our independent audit form a sufficient and appropriate basis for our opinions.

Opinion

In our opinion, the financial information in the Annual Report of our Board of Directors, is consistent in all significant aspects with the audited financial statements, and does reflect the facts.

Other Liabilities Arising From the Legislation

As per the 3rd paragraph of the 402nd Article of the Turkish Commercial Code we did not encounter any significant issues that must be reported about the Company's potential inability to continue its activities in the foreseeable future within the framework of BDS 570 "Business Continuity."

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Şule Firuzment Bekçe, SMMM
Partner, CPA (Certified Public Accountant)

Istanbul, 9 March 2016

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Member of Deloitte Touche Tohmatsu Limited

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONVENIENCE TRANSLATION OF THE
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2015
INTO ENGLISH AND INDEPENDENT
AUDITOR'S REPORT**

(ORIGINALLY ISSUED IN TURKISH)

CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Doğan Şirketler Grubu Holding A.Ş.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Doğan Şirketler Grubu Holding A.Ş. ("the Company") and its subsidiaries (together will be referred as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Group Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Turkish Accounting Standards ("TAS"), and for such internal control as management determines 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 standards on auditing issued by Capital Markets Board and Independent Auditing Standards which is a part of Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Doğan Şirketler Grubu Holding A.Ş. and its subsidiaries as at 31 December 2015, and of their financial performance and their cash flows for the year then ended in accordance with Turkish Accounting Standards.

Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 9 March 2016.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Group's set of accounts and financial statements prepared for the period 1 January-31 December 2015 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Sule Firuzment Bekçe
Partner

İstanbul, 9 March 2016

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

ASSETS	Notes	USD* 31 December 2015	Audited 31 December 2015	Audited 31 December 2014
Current assets		1.361.512	3.958.733	3.759.729
Cash and cash equivalents	6	651.486	1.894.260	2.166.910
Financial investments	7	44.472	129.308	88.773
Trade receivables				
- Due from related parties	33	1.011	2.940	3.530
- Due from non-related parties	9	416.842	1.212.010	879.899
Other receivables				
-Due from related parties	33	798	2.320	24.264
-Due from non-related parties	10	5.879	17.093	20.323
Derivative instruments	21	-	-	464
Inventories	11	126.349	367.374	247.887
Prepaid expenses	20	32.780	95.310	66.672
Biological assets	12	26	76	24
Other current assets	19	81.869	238.042	260.983
Non-current assets		1.197.768	3.482.631	3.117.606
Trade receivables	9	7.351	21.374	2.911
Other receivables				
-Due from related parties	33	10.000	29.076	23.258
-Due from non-related parties	10	10.743	31.235	22.216
Financial investments	7	14.307	41.598	29.866
Investments accounted by the equity method	4	106.318	309.131	343.508
Investment property	13	129.342	376.075	243.478
Property, plant and equipment	14	358.058	1.041.089	820.434
Intangible assets				
- Goodwill	15	138.847	403.713	395.567
- Other intangible assets	15	328.096	953.972	852.269
Prepaid expenses	20	15.888	46.197	50.034
Deferred tax asset	31	36.492	106.105	105.827
Other non-current assets	19	42.326	123.066	228.238
Total assets		2.559.280	7.441.364	6.877.335

The consolidated financial statements as of and for the period ended 31 December 2015 have been approved by the Board of Directors on 9 March 2016.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

LIABILITIES	Notes	USD* 31 December 2015	Audited 31 December 2015	Audited 31 December 2014
Current liabilities		926.483	2.693.843	1.980.553
Short-term borrowings	8	254.144	738.949	463.691
Short-term portion of long-term borrowings	8	246.633	717.110	530.857
Other financial liabilities	8	60.323	175.395	178.490
Trade payables				
- Due to related parties	33	9.330	27.129	18.340
- Due to non- related parties	9	249.956	726.773	596.527
Payables related to employee benefits	22	8.046	23.394	8.779
Derivative instruments	21	-	-	4
Deferred income	20	13.762	40.014	41.721
Other payables	10	54.980	159.859	50.097
Current income tax liability	31	649	1.888	7.297
Short-term provisions				
- Short-term provisions for employment benefits	22	15.157	44.070	39.846
- Other short-term provisions	17	13.503	39.262	44.809
Other current liabilities		-	-	95
Non-current liabilities		586.501	1.705.310	1.986.932
Long-term borrowings	8	228.892	665.525	1.108.637
Investments accounted for by the equity method	4	53.417	155.315	-
Other financial liabilities	8	178.050	517.700	602.629
Other payables	10	35.595	103.495	20.281
Deferred income	20	485	1.410	562
Long-term provisions				
-Long-term provisions for employment benefits	22	37.653	109.481	104.352
Deferred tax liability	31	52.409	152.384	150.338
Other non-current liabilities		-	-	133
EQUITY		1.046.296	3.042.211	2.909.850
Equity attributable to equity holders of the parent company		912.134	2.652.122	2.755.219
Share capital	23	900.034	2.616.938	2.616.938
Adjustments to share capital	23	49.362	143.526	143.526
Premiums/discounts related to shares	23	12.092	35.159	35.159
Other comprehensive income or expenses that will not be reclassified in profit or loss				
- Gain on revaluation of investment property	23	4.011	11.662	1.002
- Actuarial losses on defined benefit plans	23	(10.673)	(31.032)	(30.979)
Other comprehensive income or expenses that will be reclassified in profit or loss				
- Change in currency translation reserves		30.044	87.357	51.034
- Gain/ loss on revaluation and reclassification	23	177	514	(4.177)
Restricted reserves	23	436.075	1.267.933	1.281.168
Accumulated losses		(453.678)	(1.319.115)	(1.113.482)
Net loss for the period		(55.310)	(160.820)	(224.970)
Non-controlling interests		134.162	390.089	154.631
Total liabilities		2.559.280	7.441.364	6.877.335
Commitments	18			

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AS AT 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

	Notes	USD ^(*) 1 January 31 December 2015	<i>Audited</i> 1 January 31 December 2015	<i>Audited</i> 1 January - 31 December 2014
Continued Operations				
Revenue	24	2.046.718	5.951.038	3.543.263
Cost of Sales (-)	24	(1.693.600)	(4.924.311)	(2.753.055)
Gross Profit	24	353.118	1.026.727	790.208
General Administrative Expenses(-)	25	(115.532)	(335.921)	(345.794)
Marketing Expenses (-)	25	(207.419)	(603.092)	(513.062)
Other Income From Operating Activities	27	222.487	646.905	362.166
Other Expenses From Operating Activities (-)	27	(100.206)	(291.359)	(213.803)
Share of Losses on Investments Accounted for by The Equity Method	4	(63.160)	(183.645)	(40.355)
Operating Profit		89.288	259.615	39.360
Income From Investment Activities	28	71.339	207.426	163.390
Expenses From Investment Activities (-)	28	(55.469)	(161.283)	(130.360)
Operating Profit Before Finance (Expense)/ Income		105.158	305.758	72.390
Finance Income	29	14.051	40.854	66.813
Finance Expense (-)	29	(156.684)	(455.573)	(408.832)
Loss Before Taxation		(37.475)	(108.961)	(269.629)
Tax Expense	31	(22.022)	(64.033)	(42.009)
Tax Expense for The Period		(23.398)	(68.032)	(35.400)
Deferred Tax Income/ (Expense)		1.376	3.999	(6.609)
Net Loss for The Period		(59.497)	(172.994)	(311.638)
Allocation of Net Loss for The Period				
Attributable to Non-Controlling Interests		(4.187)	(12.174)	(86.668)
Attributable to Equity Holders of The Parent Company		(55.310)	(160.820)	(224.970)
Loss Per Share Attributable to Equity Holders of The Parent Company	32	(0,021)	(0,061)	(0,086)

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

	USD ^(*) 1 January- 31 December 2015	Audited 1 January- 31 December 2015	Audited 1 January- 31 December 2014
Loss for The Period	(59.497)	(172.994)	(311.638)
OTHER COMPREHENSIVE INCOME			
Accumulated Other Comprehensive Income and Losses That Will Not Be Reclassified As Profit or Loss			
Gain on revaluation of investment property	3.687	10.716	-
Deferred tax effect on gain on revaluation of investment property	(19)	(56)	-
Actuarial loss on defined retirement benefit plans 22	(23)	(66)	(1.753)
Deferred tax effect on actuarial loss on defined retirement benefit plans	4	13	351
Accumulated Other Comprehensive Income and Losses That Will Be Reclassified As Profit or Loss			
Change in Currency Translation Reserves	6.605	19.206	(87.551)
Revaluation of Financial Assets Available for Sale and / or Classification Gain / Losses	1.613	4.691	(3.024)
OTHER COMPREHENSIVE INCOME / (EXPENSE)	11.867	34.504	(91.977)
TOTAL COMPREHENSIVE EXPENSE	(47.630)	(138.490)	(403.615)
Allocation of Total Comprehensive Expense for the Period			
Attributable to Non-Controlling Interests	(10.074)	(29.291)	(116.944)
Attributable to Equity Holders of The Parent Company	(37.556)	(109.199)	(286.671)

^(*) As explained in the Note 21.8 to the consolidated financial statements, USD amounts presented in these consolidated financial statements have been included solely for the convenience of the reader and are translated from TL, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the Capital Market Board ("CMB") as of 31 December 2015.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD

1 JANUARY - 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

	Notes	Share Capital	Accumulated other comprehensive income or loss that will not be reclassified as profit or loss			Gain/(loss) on revaluation and/or reclassification of financial assets available for sale	Currency translation differences	Venture capital fund	Restricted reserves	Retained earnings / (accumulated losses)		Equity attributable to equity holders of the company	Non-controlling shareholder's interests	Total equity
			Adjustments to share capital	Gains on revaluation of investment property	Actuarial losses on defined retirement benefit plans	Premiums / discounts related to share				Retained earnings / (accumulated losses)	Net income/ (loss) for the period			
Balances at 1 January 2014	23	2.450.000	143.526	1.002	(29.577)	630	(1.153)	143.215	-	1.142.663	(561.979)	3.250.187	750.248	4.000.435
Transfers		-	-	-	-	-	-	(34.906)	-	13.407	(16.641)	38.140	-	-
Share acquisition from non-controlling interests and share transfer of entities under common control		-	-	-	-	-	-	-	-	-	4.135	4.135	(4.135)	-
Dividend payment of subsidiaries to non-group companies		-	-	-	-	-	-	-	-	-	-	-	(3.265)	(3.265)
Effect of business combinations ^{o)}		166.938	-	-	-	34.529	-	-	89.673	22.840	-	313.980	(384.952)	(70.972)
Venture capital fund		-	-	-	-	-	-	-	35.425	(35.425)	-	-	-	-
Financial liabilities subject to put option of non-controlling shares		-	-	-	-	-	-	-	-	(526.412)	-	(526.412)	(86.321)	(612.733)
Total comprehensive income/ (expense)		-	-	(1.402)	-	(3.024)	(57.275)	-	-	-	(224.970)	(286.671)	(116.944)	(403.615)
- Currency translation differences		-	-	-	-	-	-	(57.275)	-	-	-	(57.275)	(30.276)	(87.551)
- Actuarial loss on defined retirement benefit plans		-	-	-	-	-	-	-	-	-	-	-	-	(1.402)
- Change in the financial asset fair value reserve		-	-	-	(1.402)	-	-	-	-	-	-	(1.402)	-	(3.024)
- Net loss for the period		-	-	-	-	-	(3.024)	-	-	-	-	(3.024)	-	-
Balances as of 31 December 2014	23	2.616.938	143.526	1.002	(30.979)	35.159	(4.177)	51.034	-	1.281.168	(113.482)	2.755.219	154.631	2.909.850

^{o)} Related to merger into Doğan Holding through the entire take-over with all assets and liabilities of Doğan Yayın Holding A.Ş. (Note 1, 23)

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD

1 JANUARY - 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIODS

31 DECEMBER 2015 AND 2014

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

	Notes	USD ^(*) 1 January 31 December 2015	Audited 1 January 31 December 2015	Audited 1 January 31 December 2014
A. Net Cash Provided By Operating Activities		191.873	557.889	202.970
Loss before tax from continuing operation		(37.475)	(108.961)	(269.629)
Adjustments regarding reconciliation of loss for the period		264.284	768.434	637.602
Adjustments regarding depreciation and amortization	11,14,15	107.824	313.510	295.462
Adjustments regarding impairment/ reversal	15	15.464	44.962	89.977
Adjustments regarding provisions		24.336	70.759	103.304
Adjustments regarding interest income and expense		33.623	97.763	67.565
Finance income/losses due to forward sales	27	(11.234)	(32.663)	(27.570)
Adjustments regarding unrealized differences in currency translation reserves		(11.216)	(32.612)	100.371
Adjustments regarding losses/gains on fair value		(11.798)	(34.303)	(31.771)
Adjustments regarding gain/losses on disposal of property, plant and equipment	28	(4.433)	(12.891)	(27.566)
Dividend on investments accounted by equity method	4	63.160	183.645	40.355
Unrealized foreign exchange losses due to financial borrowings		67.393	195.951	26.700
Loss/(gain) on sale of shares in subsidiaries		(289)	(840)	775
Gain on sale of entities under common control	28	(8.546)	(24.847)	-
Changes in working capital		(55.293)	(160.770)	(187.815)
Decrease / (increase) in other current and non-current assets and prepaid expenses		24.769	72.018	(100.657)
(Decrease) / increase in other short term and long term liabilities and deferred revenue		(630)	(1.830)	(47.583)
(Increase) / decrease in inventories		(22.484)	(65.374)	21.665
Increase in trade receivables		(80.146)	(233.033)	(107.744)
Increase in payables regarding employee benefits		4.988	14.502	(17.620)
Decrease / (increase) other receivables regarding operations		4.929	14.332	(34.997)
Increase in trade payables		7.531	21.896	79.603
Decrease/(Increase) in other payables regarding operations		5.750	16.719	19.518
Net cash provided by operating activities		171.517	498.703	180.158
Employment termination benefits paid	22	(4.967)	(14.443)	(23.434)
Taxes paid		(25.258)	(73.441)	(38.546)
Lawsuit provisions paid		(1.355)	(3.939)	(16.825)
Collections from doubtful receivables	9	4.735	13.768	9.316
Interest received		47.201	137.241	92.301

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIODS 31 DECEMBER 2015 AND 2014

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

	Notes	USD(") 1 January 31 December 2015	Audited 1 January 31 December 2015	Audited 1 January 31 December 2014
B.Net Cash Provided From Investing Activities		(202.817)	(589.710)	(312.425)
Proceeds from sale of property, plant and equipment, intangible assets and assets held for sale		31.246	90.850	222.484
(Increase) / decrease in financial investments		(19.267)	(56.022)	48.416
Cash outflow from acquisition of property, plant and equipment, intangible assets, and investment property	13,14,15	(158.476)	(460.784)	(283.933)
Payment regarding financial borrowings related with the options		(59.120)	(171.897)	(193.674)
Dividend paid by subsidiaries to non-controlling interests		(1.273)	(3.700)	(3.265)
Participation to the capital increase of non-controlling interests		43.679	127.000	-
Decrease in derivative liabilities		-	-	(2.057)
Increase in associates accounted for by using the equity method		(8.369)	(24.333)	(35.431)
Cash from sale of entities under common control		33.568	97.601	-
Acquisition of subsidiary share, net		(67.149)	(195.241)	(24.000)
Share buy-back from the investors willing to exercise exit right during merger		-	-	(70.972)
Proceeds from disposal of subsidiary		822	2.390	30.007
Funds transferred to equity covered by shareholders		3.380	9.828	-
Acquisition of interest in subsidiary under common control		(1.858)	(5.402)	-
C.Net Cash From Financing Activities		(84.119)	(244.584)	63.752
(Decrease) / increase in financial borrowings, (net)		(37.108)	(107.894)	(25.143)
Interest paid		(64.701)	(188.125)	(156.118)
Decrease in blocked deposits		17.690	51.435	245.013
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF CURRENCY TRANSLATION RESERVES (A+B+C)				
D. THE EFFECT OF CURRENCY TRANSLATION RESERVES ON CASH AND CASH EQUIVALENTS		(95.063)	(276.405)	(45.703)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)				
E CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	744.017	2.163.304	2.209.007
F. CASH AND CASH EQUIVALENTS AT THE AT THE END OF THE PERIOD (A+B+C+D+E)	6	648.954	1.886.899	2.163.304

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Doğan Şirketler Grubu Holding A.Ş. ("Doğan Holding", "Holding" or the "Group") was established on 22 September 1980 and is registered in Turkey. Main operating activity of the Holding is to invest in various sectors via associates, to provide all necessary support to its subsidiaries and joint ventures in order to develop their activities.

Doğan Holding is registered with the Capital Markets Board ("CMB") and its shares have been quoted on Borsa İstanbul ("Borsa İstanbul") since June 21, 1993. Within the frame of Resolution No.21/655 dated 23 July 2010 of CMB with the decision on 30 October 2014 numbered 31/1059; according to the records of Central Registry Agency, 35,94% shares of Doğan Holding are to be considered in circulation as of 31 December 2015 (31 December 2014: 35,42%).

The address of Holding's registered office is as follows:

Burhaniye Mahallesi Kısıklı Caddesi No: 65
Üsküdar 34696 İstanbul

As of 31 December 2015, the total number of personnel in the domestic and abroad subsidiaries and associates of the Group, that are consolidated by using the "full consolidation method", is 8.678 (domestic 7.547) (31 December 2014: 10.298; domestic 7.683). The Company has 157 employees (31 December 2014: 167 employees).

Merger of Doğan Yayın Holding with Doğan Şirketler Grubu Holding A.Ş. by "Take Over"

Board of Director decisions of Doğan Holding and Doğan Yayın Holding A.Ş. dated as 14 April 2014 regarding the merger under Doğan Holding, through the entire "take over" of our direct subsidiary Doğan Yayın Holding A.Ş. with all its assets and liabilities by Doğan Holding were disclosed to the public on the same date, and the merger transaction ("Merger") was approved in the Extraordinary General Assembly Meetings of Doğan Yayın Holding A.Ş. on 6 August 2014 and of Doğan Holding on 7 August 2014, and registered with the Trade Registry on 26 August 2014. Upon the registration of the merger, Doğan Yayın Holding A.Ş. has ceased by being dissolved without liquidation.

With the decision made by Board of Directors of Doğan Holding on 27 August 2014, the issued capital of Doğan Holding, which is TL 2.450.000.000 (full), within the TL 4.000.000.000 (full) registered capital ceiling, is to be increased to TL 2.616.938.288 (full) due to the merger which took place under Doğan Holding, through the entire "take over" of Doğan Yayın Holding A.Ş. with all its all assets and liabilities being ceased due to dissolution without liquidation by Doğan Holding (Note 23). The "Issuance Certificates" for a total of 166.938.288 shares with a nominal value of TL 1 (one) each, to be issued to represent the TL 166.938.238 increased within the scope of the capital increase have been approved by the CMB, and are enclosed on 29 August 2014 Article 7 of the Articles of Association, "Registered and Issued Capital", for the increase of the issued capital to TL 2.616.938.288 has been registered with the Trade Registry on 3 September 2014.

In the course of the capital increase due to the merger, there was not any cash outflows by the shareholders of our Company, and the shares to be issued was allocated to Doğan Yayın Holding A.Ş. shareholders using the "exchange ratio" approved by General Assembly, in return for the Doğan Yayın Holding A.Ş. held by the shareholders other than Doğan Yayın Holding A.Ş. within the context of the exercise of the exit right, and other than Doğan Şirketler Grubu Holding A.Ş. Exchange transaction was realized by Central Securities Depository Institution on 2 September 2014. During the course of the "exchange" transaction to be carried out within the scope of the merger, Doğan Yayın Holding A.Ş. shareholders were given 0,48638 units (full) Doğan Şirketler Grubu Holding A.Ş. shares for each Doğan Yayın Holding A.Ş. shares they hold, with a nominal value of TL 1 (full) (Note 23).

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Doğan Holding has the following subsidiaries (the "Subsidiaries"). The natures of the business, segment and countries of the subsidiaries are as follows:

Subsidiaries	Country	Nature of business	Segment
Doğan Gazetecilik A.Ş. ("Doğan Gazetecilik")	Turkey	Newspaper publishing	Media
Hürriyet Gazetecilik ve Matbaacılık A.Ş. ("Hürriyet")	Turkey	Newspaper publishing	Media
Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş. ("Doğan Dağıtım")	Turkey	Distribution	Media
Doğan Dış Ticaret ve Mümessilik A.Ş. ("Doğan Dış Ticaret")	Turkey	Import and export	Media
Doğan Haber Ajansı A.Ş. ("Doğan Haber")	Turkey	News agency	Media
Yenibirş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. ("Yenibirş")	Turkey	Internet services	Media
Hürriyet Zweigniederlassung GmbH ("Hürriyet Zweigniederlassung")	Germany	Newspaper printing	Media
Doğan Media International GmbH ("DMI")	Germany	Newspaper publishing	Media
Hürriyet Invest B.V. ("Hürriyet Invest")	Netherland	Investment	Media
Falcon Purchasing Services Ltd. ("Falcon")	England	Foreign Trade	Media
Trader Media East Ltd. ("TME")	Jersey	Investment	Media
TCM Adria d.o.o.	Croatia	Investment	Media
Mirabridge International B.V.	Netherland	Investment	Media
Publishing International Holding B.V.	Netherland	Investment	Media
OOO RUKOM	Russia	Internet publishing	Media
OOO Pronto Aktobe	Kazakhstan	Newspaper and Internet publishing	Media
OOO Pronto Baikal	Russia	Newspaper and Internet publishing	Media
Job.ru LLC	Russia	Internet publishing	Media
OOO Pronto DV	Russia	Newspaper and Internet publishing	Media
OOO Pronto Kazan	Russia	Newspaper and Internet publishing	Media
OOO Pronto Novosibirsk	Russia	Newspaper and Internet publishing	Media
OOO Pronto Oka	Russia	Newspaper and Internet publishing	Media
OOO Pronto Samara	Russia	Newspaper and Internet publishing	Media
OOO Pronto Vladivostok	Russia	Newspaper and Internet publishing	Media
OOO Pronto Media Holding Ltd.	Russia	Newspaper and Internet publishing	Media
OOO Utro Peterburga	Russia	Newspaper and Internet publishing	Media
OOO Pronto Smolensk	Russia	Newspaper and Internet publishing	Media
OOO SP Belpronto	Belarus	Newspaper and Internet publishing	Media
ZAO Pronto Akzhol	Kazakhstan	Newspaper and Internet publishing	Media
TOO Pronto Akmola	Kazakhstan	Newspaper and Internet publishing	Media
OOO Pronto Atyrau	Kazakhstan	Newspaper and Internet publishing	Media
OOO Pronto Aktau	Kazakhstan	Newspaper and Internet publishing	Media
Pronto Soft	Belarus	Internet publishing	Media
Impress Media Marketing LLC	Russia	Publishing	Media
OOO Rektcentr	Russia	Investment	Media
Publishing House Pennsylvania Inc.	USA	Investment	Media
Pronto Ust Kamenogorsk	Kazakhstan	Newspaper publishing	Media
Doğan Internet Yayıncılığı ve Yatırım A.Ş. ("Doğan Internet Yayıncılığı")	Turkey	Internet publishing	Media
Doğan TV Holding A.Ş. ("Doğan TV Holding")	Turkey	Tv publishing	Media
DTV Haber ve Görsel Yayıncılık A.Ş. ("Kanal D")	Turkey	Tv publishing	Media
Mozaik İletişim Hizmetleri A.Ş. ("Mozaik" or "D-smart")	Turkey	Tv publishing	Media
Doruk Televizyon ve Radyo Yayıncılık A.Ş. ("Doruk Televizyon" or "CNN Türk")	Turkey	Tv publishing	Media
Doğan TV Digital Platform İşletmeciliği A.Ş. ("Doğan TV Dijital")	Turkey	Tv publishing	Media
Fun Televizyon Yapımcılık Sanayi ve Ticaret A.Ş. ("Fun TV")	Turkey	Tv publishing	Media

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
Tempo Televizyon Yayınıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Tempo TV")	Turkey	Tv publishing	Media
Kanalspor Televizyon ve Radyo Yayınıncılık A.Ş. ("Kanalspor")	Turkey	Tv publishing	Media
Milenyum Televizyon Yayınıncılık ve Yapımcılık A.Ş. ("Milenyum TV")	Turkey	Tv publishing	Media
TV 2000 Televizyon Yayınıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("TV 2000")	Turkey	Tv publishing	Media
Popüler Televizyon ve Radyo Yayınıncılık A.Ş. ("Popüler TV")	Turkey	Tv publishing	Media
D Yapım Reklamcılık ve Dağıtım A.Ş. ("D Yapım Reklamcılık")	Turkey	Tv publishing	Media
Bravo Televizyon Yayınıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Bravo TV")	Turkey	Tv publishing	Media
Doğa Televizyon ve Radyo Yayınıncılık A.Ş. ("Doğa TV")	Turkey	Tv publishing	Media
Blutv İletişim ve Dijital Yayın Hizmetleri A.Ş. ("Blutv İletişim")	Turkey	Tv publishing	Media
Altın Kanal Televizyon ve Radyo Yayınıncılık A.Ş. ("Altın Kanal")	Turkey	Tv publishing	Media
Stil Televizyon ve Radyo Yayınıncılık A.Ş. ("Stil TV")	Turkey	Tv publishing	Media
Selenit Televizyon ve Radyo Yayınıncılık A.Ş. ("Selenit TV")	Turkey	Tv publishing	Media
Trend Televizyon ve Radyo Yayınıncılık A.Ş. ("Trend TV" or "D Çocuk")	Turkey	Tv publishing	Media
Ekinoks Televizyon ve Radyo Yayınıncılık A.Ş. ("Ekinoks TV")	Turkey	Tv publishing	Media
Fleks Televizyon ve Radyo Yayınıncılık A.Ş. ("Fleks TV")	Turkey	Tv publishing	Media
Kutup Televizyon ve Radyo Yayınıncılık A.Ş. ("Kutup TV")	Turkey	Tv publishing	Media
Galaksi Radyo ve Televizyon Yayınıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Galaksi TV")	Turkey	Tv publishing	Media
Yörünge Televizyon ve Radyo Yayınıncılık A.Ş. ("Yörünge TV")	Turkey	Tv publishing	Media
Tematik Televizyon ve Radyo Yayınıncılık A.Ş. ("Tematik TV")	Turkey	Tv publishing	Media
Süper Kanal Televizyon ve Radyo Yayınıncılık A.Ş. ("Süperkanal")	Turkey	Tv publishing	Media
Uydu İletişim Basın Yayın A.Ş. ("Uydu")	Turkey	Tv publishing	Media
Eko TV Televizyon ve Radyo Yayınıncılık A.Ş. ("Eko TV") ⁽¹⁾	Turkey	Tv publishing	Media
Doğan Uydu Haberleşme Hizmetleri ve Telekomünikasyon Ticaret A.Ş. ("Doğan Uydu Haberleşme")	Turkey	Tv publishing	Media
Rapsodi Radyo ve Televizyon Yayınıncılık A.Ş. ("Rapsodi Radyo")	Turkey	Radio publishing	Media
Doğan Müzik Yapım ve Ticaret A.Ş. ("DMC")	Turkey	Music and entertainment	Media
Primetürk GmbH ("Prime Türk")	Germany	Marketing	Media
Osmose Media S.A ("Osmose Media")	Luxembourg	Marketing	Media
Doğan Media International S.A. ("Kanal D Romania")	Romania	Tv publishing	Media
Doğan Faktoring A.Ş. ("Doğan Faktoring")	Turkey	Factoring	Retail
Doğan Müzik Kitap Mağazacılık ve Ticaret A.Ş. ("D&R")	Turkey	Retail	Retail
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. ("Hürservis")	Turkey	Retail	Retail
A.G.T. Tanıtım Kağıt Ürünleri Sanayi ve Ticaret A.Ş. ("A.G.T.Tanıtım")	Turkey	Retail	Retail
Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. ("Doğan Enerji")	Turkey	Energy	Energy
Galata Wind Enerji A.Ş. ("Galata Wind")	Turkey	Energy	Energy
Aytemiz Akaryakıt Dağıtım A.Ş. ("Aytemiz Akaryakıt")	Turkey	Energy	Energy
Aytemiz Gaz A.Ş. ("Aytemiz Gaz")	Turkey	Energy	Energy
Aksu Doğal Gaz İletim A.Ş. ("Aksu Doğal Gaz")	Turkey	Energy	Energy
Hakimiyet Petrol Ticaret Limited Şirketi ("Hakimiyet Petrol")	Turkey	Energy	Energy
Gaziemir Petrol Ticaret Limited Şirketi ("Gaziemir Petrol")	Turkey	Energy	Energy
Aytemiz Petrolcülük Ticaret Limited Şirketi (Aytemiz Petrolcülük")	Turkey	Energy	Energy
D-Tes Elektrik Enerjisi Toptan Satış A.Ş. ("D-Tes")	Turkey	Energy	Energy
Milpa Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş. ("Milpa")	Turkey	Trade	Other
Orta Anadolu Otomotiv Ticaret ve Sanayi A.Ş. ("Orta Anadolu Otomotiv")	Turkey	Trade	Other
Çelik Halat ve Tel Sanayii A.Ş. ("Çelik Halat")	Turkey	Production	Other
Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş. ("Ditaş Doğan")	Turkey	Production	Other
Milta Turizm İşletmeleri A.Ş. ("Milta Turizm")	Turkey	Tourism	Other
Doğan Organik Ürünler Sanayi ve Ticaret A.Ş. ("Doğan Organik")	Turkey	Agriculture	Other
SC D-Yapı Real Estate, Investment and Construction S.A. ("D Yapı Romanya")	Romania	Real estate	Other
DHI Investment B.V. ("DHI Investment")	Netherland	Investment	Other
D Stroy Limited ("D Stroy")	Russia	Trade	Other
Ditas America LLC ("Ditas America")	USA	Trade	Other
Ditas Trading (Shanghai) Co. Ltd. ("Ditas Trading")	People's Republic of China	Trade	Other
M Investment 1 LLC ("M Investment")	USA	Real estate	Other
Öncü Girişim Sermayesi Yatırım Ortaklığı A.Ş. ("Öncü Girişim")	Turkey	Investment	Investment
Suzuki Motorlu Araçlar Pazarlama A.Ş. ("Suzuki")	Turkey	Trade	Other

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Preparation and Presentation of Financial Statements

Statement of compliance with TAS

The accompanying consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which were published in the Official Gazette No: 28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Accounting Standards ("TAS") and the related supplement and interpretations that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") under Article 5 of the Communiqué.

Also these consolidated financial statements and notes are presented in accordance with the financial statement model requirements as announced by the CMB's statement issued at 7 June 2013.

The Group maintains their books of account and prepare their statutory financial statements in Turkish Lira in accordance with the tax legislation, and the Uniform Chart of Accounts issued by the Ministry of Finance.

These consolidated financial statements, except for the financial assets and investment properties that are presented at fair value, are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the communique and the financial statement models of CMB.

Adjustment to the financial statements in hyperinflationary periods

With the decision of CMB dated 17 March 2005 and numbered 11/367, effective from 1 January 2005, the application of inflation accounting is no longer required for companies operating in Turkey and preparing their financial statements in accordance with TAS. Accordingly, No: 29, "Financial Reporting in Hyperinflationary Economies" ("TAS 29"), has not been applied commencing from 1 January 2005.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

(AMOUNTS EXPRESSED IN THOUSANDS OF TURKISH LIRA ("TL") UNLESS OTHERWISE INDICATED. CURRENCIES OTHER THAN TL, EXPRESSED IN THOUSANDS UNLESS OTHERWISE INDICATED.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2. Basis of presentation (continued)

2.1.2 Financial statements of subsidiaries and joint ventures operating in foreign countries

Financial statements of subsidiaries and joint ventures that are operating in foreign countries are prepared in accordance with the laws and regulations in force in the countries in which they are registered in and required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the Group's accounting policies.

If the group entities' functional currency is different from the presentation currency; it is translated into the presentation currency as below:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each statement of profit or loss are translated at average exchange rates; and all resulting exchange differences are recognised as a separate component of equity and statements of other comprehensive income (currency translation differences).

When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the statement of profit or loss as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.1.3 Consolidation principles

The consolidated financial statements include the accounts of the parent company, Doğan Holding, its Subsidiaries and its Joint Ventures (collectively referred as the "Group") on the basis set out in sections (a) to (e) below. The financial statements of the companies included in the consolidation are based on historical cost of the statutory records and for the purpose of fair presentation in accordance with the accounting policies described in Note 2.1.1 and Note 2.1.2 and application of uniform accounting policies and presentations; adjustments and reclassifications. Financial statements of consolidated entities are restated in accordance with the TAS considering the accounting policies and presentation requirements applied by the Group.

Subsidiaries and joint ventures acquired or disposed of during the accounting period are included in the consolidation from the date at which the control of operations are transferred to the Group and excluded from the consolidation when the control is lost. Even if non-controlling interests result in a deficit balance, total comprehensive income is attributed to the owners and to the non-controlling interests.

Income and expenses of a subsidiary, acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Accounting policies used in the preparation of these consolidated financial statements are summarized as below:

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (continued)

2.1.3 Consolidation principles (continued)

(a) Subsidiaries

Subsidiaries comprise of the companies directly or indirectly controlled by Doğan Holding.

Control is achieved when the Group:

- has power over the company/asset;
- is exposed, or has rights, to variable returns from its involvement with the company/asset; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are indicators of a situation or event that may cause any changes to at least one of the elements of control listed above.

When the Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in the relevant investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities (including voting patterns at previous shareholders' meetings).

Subsidiaries are consolidated by full consolidation method by the date the Group takes the control. From the date the control is over, subsidiaries are excluded from the consolidation scope. Proportion of ownership interest represents the effective shareholding of the Group through the shares held by Doğan Holding and/or indirectly by its subsidiaries. In the consolidated financial statements, interests owned by Doğan family members are treated as non-controlling interests and excluded from net asset and profit of the Group.

The balance sheets with statements of profit or loss of the subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by the Holding and its subsidiaries is eliminated against the related equity. Intercompany transactions and balances between Doğan Holding and its subsidiaries are eliminated on consolidation. The dividends arising from shares held by Doğan Holding in its subsidiaries are eliminated from equity and income for the period. Where necessary, adjustments are made to the accounting policies in the financial statements of subsidiaries in order to comply with the Group's accounting policies.

Changes in the Group's ownership interests in subsidiaries that do not result in the loss of control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group. When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts priorly recognised in other comprehensive income and accumulated in equity in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets of the subsidiary (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by the relevant TAS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under the scope of TAS 39 Financial Instruments: Recognition and Measurement, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (continued)

2.1.3 Consolidation principles (continued)

(a) Subsidiaries (continued)

The table below sets out the proportion of voting power held by Doğan Holding, Doğan Family and its subsidiaries and effective ownership interests at 31 December 2015 and 31 December 2014:

Subsidiaries	Proportion of voting power held by Doğan Holding its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Hürriyet	77,65	77,65	-	-	77,65	77,65	77,65	77,65
Doğan Gazetecilik	92,81	92,76	0,52	0,52	93,33	93,28	92,81	92,76
DMI	100,00	100,00	-	-	100,00	100,00	90,52	90,52
Hürriyet Medya Basım ⁽¹⁾	-	100,00	-	-	-	100,00	-	77,65
Mozaik	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Doğan Haber Ajansı	99,99	99,99	-	-	99,99	99,99	99,99	88,11
Doğan Dağıtım	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Doğan Dış Ticaret	100,00	98,80	-	-	100,00	98,80	100,00	98,42
Doğan Gazetecilik İnternet ⁽²⁾	-	100,00	-	-	-	100,00	-	92,76
Yenibir	100,00	100,00	-	-	100,00	100,00	77,65	77,65
Hürriyet Zweigniederlassung	100,00	100,00	-	-	100,00	100,00	77,65	77,65
Hürriyet Invest	100,00	100,00	-	-	100,00	100,00	77,65	77,65
TME	78,57	78,57	-	-	78,57	78,57	61,01	61,01
Mirabridge International B.V.	100,00	100,00	-	-	100,00	100,00	61,01	61,01
Publishing International Holding B.V.	100,00	100,00	-	-	100,00	100,00	61,01	61,01
Job.ru LLC ⁽³⁾	100,00	100,00	-	-	100,00	100,00	61,01	61,01
Pronto Invest B.V. ⁽⁴⁾	-	100,00	-	-	-	100,00	-	61,01
TCM Adria d.o.o.	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Rektcentr	100,00	100,00	-	-	100,00	100,00	61,01	61,01
Publishing HousePennsylvania Inc.	100,00	100,00	-	-	100,00	100,00	61,01	61,01
Doğan Platform ⁽⁵⁾	-	100,00	-	-	-	100,00	-	100,00
Falcon	100,00	100,00	-	-	100,00	100,00	100,00	98,42
OOO SP Belpronto	60,00	60,00	-	-	60,00	60,00	36,61	36,61
OOO Pronto Aktobe	64,00	64,00	-	-	64,00	64,00	39,05	39,05
OOO Delta-M ⁽⁶⁾	-	55,00	-	-	-	55,00	-	33,56
OOO Pronto Baikal ⁽⁷⁾	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Pronto DV ⁽⁸⁾	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Pronto Ivanovo ⁽⁹⁾	-	100,00	-	-	-	100,00	-	61,01
OOO Pronto Kaliningrad ⁽¹⁰⁾	-	95,00	-	-	-	95,00	-	57,96
OOO Pronto Kazan ⁽¹¹⁾	100,00	72,00	-	-	100,00	72,00	61,01	43,93
OOO Pronto Krasnodar ⁽¹²⁾	-	80,00	-	-	-	80,00	-	48,81
OOO Pronto Nizhny Novgorod ⁽¹³⁾	-	90,00	-	-	-	90,00	-	54,91
OOO Pronto Novosibirsk ⁽¹⁴⁾	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Pronto Oka ⁽¹⁵⁾	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Pronto Samara	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Pronto UlanUde ⁽¹⁶⁾	-	90,00	-	-	-	90,00	-	54,91
OOO Pronto Vladivostok ⁽¹⁷⁾	90,00	90,00	-	-	90,00	90,00	54,91	54,91
OOO Pronto Media Holding Ltd.	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Tambukan ⁽¹⁸⁾	-	85,00	-	-	-	85,00	-	51,86
OOO Utro Peterburga ⁽¹⁹⁾	55,00	55,00	-	-	55,00	55,00	33,56	33,56

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (continued)

2.1.3 Consolidation principles (continued)

(a) Subsidiaries (continued)

Subsidiaries	Proportion of voting power held by Doğan Holding its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
OOO Pronto Smolensk ⁽²⁰⁾	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Tambov-Info ⁽²¹⁾	-	100,00	-	-	-	100,00	-	61,01
TOO Pronto Akmola	100,00	100,00	-	-	100,00	100,00	61,01	61,01
OOO Pronto Atyrau	80,00	80,00	-	-	80,00	100,00	48,81	48,81
OOO Pronto Aktau	80,00	80,00	-	-	80,00	100,00	48,81	48,81
ZAO Pronto Akzhol	80,00	80,00	-	-	80,00	80,00	48,81	48,81
OOO RUKOM ⁽²²⁾	100,00	100,00	-	-	100,00	100,00	61,01	61,01
Pronto Soft	90,00	90,00	-	-	90,00	90,00	54,91	54,91
Prime Turk	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Osmose Media	100,00	100,00	-	-	100,00	100,00	90,61	85,22
Impress Media Marketing LLC	91,00	97,00	-	-	91,00	97,00	55,52	59,18
Pronto Ust Kamenogorsk	80,00	80,00	-	-	80,00	80,00	48,81	48,81
Doğan TV Holding ⁽²³⁾	90,61	85,22	0,11	0,14	90,72	85,36	90,61	85,22
Kanal D	94,97	94,97	5,03	5,03	100,00	100,00	86,06	80,93
Fun TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Tempo TV	100,00	100,00	-	-	100,00	100,00	90,61	85,22
Kanal spor	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Milenyum TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
TV 2000	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Popüler TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
D Yapım Reklamcılık	100,00	100,00	-	-	100,00	100,00	90,61	85,22
Bravo TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Doğa TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Altın Kanal	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Stil TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Selenit TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
D Çocuk	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Ekinoks TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Fleks TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Doğan TV Dijital	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Kutup TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Galaksi TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Koloni TV ⁽²⁴⁾	-	100,00	-	-	-	100,00	-	85,22
Yörünge TV	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Doruk Televizyon	100,00	100,00	-	-	100,00	100,00	90,61	85,22
Tematik TV	100,00	100,00	-	-	100,00	100,00	90,61	85,22
Süper Kanal	100,00	100,00	-	-	100,00	100,00	90,61	85,22
Uydu	100,00	100,00	-	-	100,00	100,00	90,72	85,39
Eko TV	100,00	95,03	-	-	100,00	95,03	90,61	80,98
Kanal D Romanya	100,00	100,00	-	-	100,00	100,00	90,61	85,22
Doğan Uydu Haberleşme	100,00	100,00	-	-	100,00	100,00	90,61	85,22
Doğan Teleshopping ⁽²⁵⁾	-	100,00	-	-	-	100,00	-	85,22
Rapsodi Radyo	100,00	100,00	-	-	100,00	100,00	90,61	85,22

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)**2.1 Basis of presentation (continued)****2.1.3 Consolidation principles (continued)****(a) Subsidiaries (continued)**

Subsidiaries	Proportion of voting power held by Doğan Holding its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
DMC	100,00	100,00	-	-	100,00	100,00	90,61	85,22
D&R	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Hürservis	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Doğan Faktoring	100,00	100,00	-	-	100,00	100,00	98,86	98,86
Doğan İnternet Yayıncılığı	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Milpa	86,27	86,27	0,16	0,16	86,43	86,43	86,27	86,27
Enteralle Handels ⁽²⁶⁾	-	100,00	-	-	-	100,00	-	86,27
Orta Anadolu Otomotiv	85,00	85,00	-	-	85,00	85,00	85,00	85,00
Çelik Halat	78,70	78,70	-	-	78,70	78,70	78,70	78,70
Ditaş Doğan	73,59	73,59	-	-	73,59	73,59	73,59	73,59
Milta Turizm	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Doğan Organik	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Doğan Enerji	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Galata Wind	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D-Yapı Romanya	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D Stroy	100,00	100,00	-	-	100,00	100,00	73,59	73,59
DHI Investment	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D-Tes	100,00	100,00	-	-	100,00	100,00	100,00	100,00
A.G.T. Tanıtım	90,00	90,00	-	-	90,00	90,00	90,00	90,00
M Investment	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Öncü Girişim	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Ditas America ⁽²⁷⁾	100,00	-	-	-	100,00	-	73,59	-
Ditas Trading ⁽²⁷⁾	100,00	-	-	-	100,00	-	73,59	-
Aytemiz Akaryakıt ⁽²⁸⁾	50,00	-	-	-	50,00	-	50,00	-
Aytemiz Gaz ⁽²⁸⁾	100,00	-	-	-	100,00	-	50,00	-
Aksu Doğal Gaz ⁽²⁸⁾	100,00	-	-	-	100,00	-	50,00	-
Aytemiz Petrolcülük ⁽²⁹⁾	100,00	-	-	-	100,00	-	50,00	-
Hakimiyet Petrol ⁽³⁰⁾	100,00	-	-	-	100,00	-	50,00	-
Gaziemir Petrol ⁽³⁰⁾	100,00	-	-	-	100,00	-	50,00	-
Suzuki ⁽³¹⁾	100,00	-	-	-	100,00	-	100,00	-

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (continued)

2.1.3 Consolidation principles (continued)

(a) Subsidiaries (continued)

Subsidiaries	Proportion of voting power held by Doğan Holding its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Katalog ⁽³²⁾	-	-	-	-	-	-	-	-
Blutv İletişim ⁽³³⁾	100,00	-	-	-	100,00	-	88,44	-
ID Impress Media Marketing ⁽³⁴⁾	91,00	-	-	-	91,00	-	55,52	-

⁽¹⁾ The related subsidiary merged with Hürriyet as of 31 August 2015.

⁽²⁾ The related subsidiary merged with Doğan Gazetecilik as of 31 August 2015.

⁽³⁾ The related subsidiary merged with Pronto Media Holding as of 1 October 2015.

⁽⁴⁾ The related subsidiary merged with Mirabridge International B.V. as of 14 April 2015.

⁽⁵⁾ The related subsidiary merged with Doğan Holding as of 29 June 2015.

⁽⁶⁾ The related subsidiary was sold as of 1 December 2015.

⁽⁷⁾ The related subsidiary is in the process of liquidation as of 5 October 2015.

⁽⁸⁾ The related subsidiary is in the process of liquidation as of 18 May 2015.

⁽⁹⁾ The related subsidiary was sold as of 1 December 2015.

⁽¹⁰⁾ The related subsidiary was sold as of 1 December 2015.

⁽¹¹⁾ The related subsidiary ceased its operations in 2015.

⁽¹²⁾ The related subsidiary was sold as of 1 December 2015.

⁽¹³⁾ The related subsidiary was sold as of 27 May 2015.

⁽¹⁴⁾ The related subsidiary is in the process of liquidation as of 27 May 2015.

⁽¹⁵⁾ The related subsidiary ceased its operations before 2010.

⁽¹⁶⁾ The related subsidiary was sold as of 1 December 2015.

⁽¹⁷⁾ The related subsidiary is in the process of liquidation as of 10 November 2015.

⁽¹⁸⁾ The related subsidiary was sold as of 7 May 2015.

⁽¹⁹⁾ The related subsidiary ceased its operations before 2010.

⁽²⁰⁾ The related subsidiary is in the process of liquidation as of May 2015.

⁽²¹⁾ The related subsidiary was sold as of 1 December 2015.

⁽²²⁾ The related subsidiary ceased its operations in 2012.

⁽²³⁾ According to the statutory records of Group, proportion of effective ownership interest of Doğan TV Holding is 90,61%. Nevertheless, in consequence of the option explained in detail in Note 17, by considering the additional share proportion in accordance with TAS 32 "Financial Instruments: Disclosure and Presentation" the rate is calculated as 99,86%.

⁽²⁴⁾ The related subsidiary was sold as of 7 April 2015.

⁽²⁵⁾ The related subsidiary was merge with Doğan Müzik Yapım as of 16 November 2015.

⁽²⁶⁾ The related subsidiary ceased its operations as of 2 July 2015.

⁽²⁷⁾ Subsidiaries that were accounted as financial investments in 31 December 2014, have been included to the consolidation as subsidiaries as of 31 March 2015.

⁽²⁸⁾ The related subsidiary was acquired as of 11 March 2015.

⁽²⁹⁾ The related subsidiary was acquired as of 28 October 2015.

⁽³⁰⁾ The related subsidiary was acquired as of 12 November 2015.

⁽³¹⁾ The establishment of the related subsidiary was registered as of 8 June 2015.

⁽³²⁾ As of 10 April 2015, the total shares of the related subsidiary have been purchased by Doğan Holding and the related subsidiary has been derecognised from investments accounted for by the equity method and recognised under subsidiaries.

⁽³³⁾ The establishment of the related subsidiary was registered as of 11 September 2015.

⁽³⁴⁾ The related subsidiary was established as of December 2015.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (continued)

2.1.3 Consolidation principles (continued)

Associates and joint ventures are recognized using the "equity method" in these consolidated financial statements. Under the equity method, an investment in associate or a joint venture is recognized in the consolidated statement of financial position at cost adjusted to recognize the Group's share of the profit or loss and other comprehensive income with the deduction of any impairment loss in the associate or a joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or a joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or a joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or a joint venture.

Unrealised gains on transactions between the Group and its associates or joint venture are eliminated to the extent of the Group's interest in the associate or joint venture; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Equity accounting method is discontinued when the carrying amount of the investment in an associate reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associate or the significant influence of the Group ceases.

(b) Joint Ventures

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Doğan Holding and one or more other parties. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

In accordance with the amendments to TFRS 11 effective from 1 January 2013, entities under common control are started to be recognised under the equity method for which the details are presented below starting from this date and the related amendments are applied retrospectively and financial statements are restated accordingly. Condensed financial statements of entities under common control are disclosed in Note 4.

(c) Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but do not have control or joint control over those policies. Associates and joint ventures mentioned above are accounted for using the equity method of accounting. Under the equity method, an investment in associate or a joint venture is recognized in the consolidated statement of financial position at cost adjusted to recognize the Group's share of the profit or loss and other comprehensive income with the deduction of any impairment loss in the associate or a joint venture. Where the investment's share of losses in the associate or joint venture exceeds the Group's share in the associate or joint venture (including any long-term investments that, in substance, form part of the Group's net investment in the associate or joint venture), the exceeding portion of losses are not recognised. Consideration of additional loss is only possible in case the Group has been exposed to legal liability or has made to payments in the name of associate or joint venture.

Unrealized gains on transactions between the Group and its associates are restated in proportion to the Group's share in the associate and unrealized losses are also restated when there is no indication of impairment of the transferred asset. Group, as long as does not fall under obligations with respect to associates, when the carrying value of the associates are zero or significant influence is over, ceases to use the equity method.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (continued)

2.1.3 Consolidation principles (continued)

(d) Non-controlling interests

Non-controlling interests of shareholders over the net assets and operational results of subsidiaries are classified as non-controlling interest and non-controlling profit/loss in the consolidated balance sheet and statement of income.

(e) Financial investments

Other investments in which the Group and its subsidiaries, have less than 20%, or more than 20% direct or indirect participation but the Group has no significant influence over the related assets, or which are immaterial to consolidated financial statements are classified as "available for sale financial assets". Available for sale investments that do not have a quoted market price in an active market and whose fair value cannot be measured reliably are carried at cost less any allowance for impairment (Note 7).

2.1.4 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.1.5 Comparative information and restatement of previously reported financial statements

The consolidated financial statements of the Group are prepared comparatively with the previous period to identify the financial position and performance trends. The group presents comparatively its consolidated statement of financial position as of 31 December 2015 with 31 December 2014. Statement of profit or loss, other comprehensive income, cash flow and change in equity as of 31 December 2015, are presented comparatively with the financial statements of the period 31 December 2014. In the current period, in case of a necessity, prior period financial statements are reclassified in order to comply with the presentation of its current period consolidated financial statements and significant changes are explained.

The Group has made various reclassifications in relation to the internet operations between "cost of sales", "marketing, selling and distribution expenses" and "general administrative expenses" in the current period. Since the accompanying financial statements are prepared comparatively with the prior period, relevant reclassifications should be made in 2014; however, relevant accounts were not used in 2014 and it is not possible to re-organize 2014 data comparatively. Relevant reclassification has no effect on "net profit/loss for the period".

Due and undue sales and maturity differences regarding cost of sales amounting to TL 9.767 which had been disclosed as net for the period ended 31 December 2014 in the statement of profit or loss, has been disclosed as gross due to the reclassifications made in the current period in other income from operating activities and other expenses from operating activities.

TL 6.554 of personnel expenses presented under cost of sales in statement of profit or loss for the period ended 31 December 2014, has been presented in general administrative expenses due to the reclassifications in the current year.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (continued)

2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors and Restatement of Previously Reported Financial Statements

Changes in accounting policies arising from the first time adaptation of a new TAS are applied retrospectively or prospectively in accordance with the respective TAS transition requirements, if any. Where there are no transition requirements for any changes or optional significant changes in accounting policies and identified accounting errors, those are applied retrospectively and prior period financial statements are restated accordingly.

Due to the merger explained in "Organization and Nature of Operations" (Note 1), the Group has changed the segment presentation being effective from the period ended by 31 December 2014 as explained in note "segment reporting"; to be "publishing", "broadcasting", "retail", "energy" and "other" (Note 2.2). The change in the presentation of the note has no effect on the result of operations. Related change has been made comparatively in the note (Note 5).

2.1.7 New and Revised Turkish Financial Reporting Standards

In the current period there is no such standard or interpretation affecting the Group's financial performance, balance sheet, presentation or note disclosures. However, the details of standards and interpretations effective in the current period but have no effect on the consolidated financial statements and standards and interpretations not yet effective and have not been early adopted by the Group are set out below.

(a) Amendments to TAS effecting the amounts in the consolidated financial statements and notes

None noted.

(b) Standards effective from 2015 and have no effect on the consolidated financial statements of the Group, amendments and interpretations to existing standards

TAS 19 (Amendments)	<i>Defined Benefit Plans: Employee Contributions¹</i>
Annual Improvements to 2010-2012 Cycle	<i>TFRS 2, TFRS 3, TFRS 8, TFRS 13, TAS 16 and TAS 38, TAS 24, TFRS 9, TAS 37, TAS 39¹</i>
Annual Improvements to 2011-2013 Cycle	<i>TFRS 3, TFRS 13, TAS 40¹</i>

¹ Effective for annual periods beginning on or after 30 June 2014.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (continued)

2.1.7 New and Revised Turkish Financial Reporting Standards (continued)

(c) Standards that are not yet effective, and amendments and interpretations to existing standards

The Group has not implemented the following standards, which are not effective yet, and amendments and interpretations to current standards:

TFRS 9
TFRS 9 and TFRS 7 (Amendments)
TAS 16 and TAS 38 (Amendments)
TAS 16 and TAS 41 (Amendments)
TAS 1, TAS 17, TAS 23, TAS 36 and TAS 40 (Amendments)
TFRS 11 and TFRS 1 (Amendments)
Annual Improvements to 2011-2013 Cycle
TAS 1 (Amendments)
Annual Improvements to 2012-2014 Cycle
TAS 27 (Amendments)
TFRS 10 and TAS 28 (Amendments)

TFRS 10, 12 and TAS 28 (Amendments)
TFRS 14

Financial Instruments
TFRS 9 and Mandatory Effective Date for Transition Disclosures
Clarification of Acceptable Methods of Depreciation and Amortisation¹
Agriculture: Bearer Plants¹

Accounting for Acquisition of Interests in Joint operations¹
TFRS 1²
Disclosure Initiative²
TFRS 5, TFRS 7, TAS 34, TAS 19²
Equity Method in Separate Financial Statements²
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture²
Investment Entities: Implication of Consolidation Exceptions²
Regulatory Deferral Accounts²

¹ Effective for annual periods beginning on or after 31 December 2015.

² Effective for annual periods beginning on or after 1 January 2016.

The above-mentioned standards are expected to be effective on 2016 and the following years. The Group has not determined the potential impact that may result from the implementation of these standards in the consolidated financial statements as of the reporting date. These relevant differences are expected to have no significant impact on the consolidated financial statements.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.8 US Dollar convenience translation

US Dollar ("USD") amounts presented in the consolidated financial statements have been included solely for the convenience of the reader and are translated from Turkish Lira ("TL"), as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate of TL 2,9076 = USD 1,00 as of 31 December 2015. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with the generally accepted accounting standards issued by the CMB. Such translations should not be construed as a representation that the TL amounts have been or could be converted into USD at this or any other rate.

2.2 Summary of Significant Accounting Policies

Related parties

Related parties are people or entity that are related to the entity (reporting entity) that is preparing its financial statements

a) A person or a close member of that person's family is related to a reporting entity if that person:

- i. has control or joint control over the reporting entity;
- ii. has significant influence over the reporting entity; or
- iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions apply:

- i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- iii. Both entities are joint ventures of the same third party.
- iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- iv. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- v. The entity is controlled or jointly controlled by a person identified in (a).
- vi. A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Under the guidance of the explanations above and also in compliance with TAS 24, Doğan Şirketler Grubu Holding A.Ş. directly or indirectly has participation, including any entities under common control; real persons and/or legal entities that have direct or indirect individual or joint control over the company and their close family members (relatives up to second-degree) and legal entities having direct or indirect individual or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company's subsidiaries and members of the Board of Directors, key management personnel and their close family members (relatives up to second-degree) and real persons and/or legal entities that are directly or indirectly controlled individually or jointly (Note 33).

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Cash and cash equivalents

Cash and cash equivalents are carried at cost in the balance sheet. Cash and cash equivalents comprise cash in hand, bank deposits and highly liquid investments without a significant risk over the change in their value, whose maturity at the time of purchase is three months or less (Note 6).

Sales and repurchase agreements

Funds given in return for financial assets purchase with the requirement of selling back ("Reverse repo") are recognised as reverse repurchase agreements at consolidated financial statements (Note 6). Income discount is calculated for the difference between the buying and selling prices, determined with aforementioned reverse repo agreements, accrued for the period according to internal discount rate method and recognised by the adding to the cost of reverse repos. Funds provided in return for financial assets reverse repurchase are recognised under cash and cash equivalents in the consolidated financial statements.

Trade receivables and provision for doubtful receivables

The Group's trade receivables from providing goods or services to customers are carried at net of unrealized finance income. Trade receivables, net of unrealized finance income, are calculated by discounting future cash inflows of receivables carried at the original invoice amount using the effective interest method. Short term receivables with indefinite interest rate are carried at cost unless the effect of imputing interest is significant (Note 9). Effective interest method is calculating the present value in accordance with the compound interest basis. The rate determined by compound interest basis and applied in this method is named "effective interest rate". The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Considering the ordinary course of trade cycle of the Group, provision for doubtful receivables for the trade receivables is considered for the trade receivables for which the collection period is over the ordinary course of trade cycle considering the fact that trade receivable is in the administrative and/or legal proceedings, with or without guarantee, objective evidence etc. Additionally, the Group provides provision for its receivables for which there are no special agreed guarantees and overdue for more than a year. Provision is allocated for receivables when the Group has an objective indication over the collectability. The amount of the provision is the difference between the carrying amount and the recoverable amount. Recoverable amount is the present value of all cash flows, including amounts recoverable from guarantees and collaterals discounted based on using the original effective interest rate of the trade receivable occurred. The Company management considers to book provision for doubtful receivables for administrative and/ or legal follow-up, unsecured and collection possibility of the receivables which has maturity out of the Company's commercial term.

If there is a partial or whole collection over the doubtful receivable amount subsequent to the allocation of provision for doubtful receivables, the collected portion is recognised as other income from operating activities following the write-down of the total provision amount (Note 9, 27).

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Inventories

Inventories are valued at the lower of cost or estimated selling price less estimated costs necessary to make a sale. Cost elements included in inventory are purchase costs and other costs necessary to prepare the asset for its intended use. Cost elements included in inventories are materials, labor and production overheads. The unit cost of inventories is determined on the moving weighted average basis (Note 11).

When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in the statement of profit or loss in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of the changing economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the initial impairment.

Promotion stocks

Evaluation of impairment on promotion stocks and in detection of an impairment; evaluation of the impairment amount is carried out by the Group management. In this manner, an inventory impairment amount is set with the rates determined by the Group management by taking the purchase date into consideration.

Programme stocks

Programme stocks comprise internal and external productions that have been produced but not yet broadcasted as of the report date. Programme stocks are recognised at acquisition or production cost and they are not subject to amortization. These programmes are charged to the statement of profit or loss upon the first transmission and included in cost of sales in the consolidated statement of profit or loss. If the estimated income from programme stocks is lower than the carrying value, carrying value is discounted to net realizable value. Licence periods, remaining number of publishing rights, industry dynamics and sales forecasts are being considered in determining of impairment of programme stocks (Note 19).

Financial instruments

In accordance with TAS 39, the Group classifies its financial instruments as assets held at fair value through profit or loss, held-to-maturity, available-for-sale and loans and receivables. Classification is determined based on the acquisition purpose and specifications of the financial asset at the initial recognition. All financial assets are recognised at cost including transaction costs in the initial measurement.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Financial instruments (continued)

"Financial assets at fair value through profit or loss" are financial assets that have been acquired principally for the purpose of taking advantage of fluctuations in price and other similar elements or independent from initial recognition financial assets held for trading which are part of a portfolio that has a recent actual pattern of short-term profit-taking. A financial asset is classified in this category if it is primarily acquired for the purpose of selling in the short-term. Financial assets at fair value through profit or loss are initially carried at cost including transaction costs at the balance sheet. Subsequent to recognition, the financial assets are carried at fair value. Realized or unrealized gains and losses are recognised in "financial income / expenses". Dividends received, are recognised as dividend income in the consolidated statement of profit or loss. Financial assets considered as derivative instruments that are not designated for the purpose of hedging instruments are classified as financial assets at fair value thorough profit or loss (Note 21). As of 31 December 2015 and 31 December 2014, the Group does not have any financial assets whose fair value differences are recognised as in profit or loss.

"Held-to-maturity investments" are non-derivative financial assets with fixed or determinable payments that the Group intends and is able to hold to maturity and that do not meet the definition of loans and receivables and are not designated on initial recognition as assets at fair value through profit or loss or as available for sale. Held-to-maturity investments are carried at amortized cost using the effective interest method less impairment, if any. The Group has no held to maturity investments as of 31 December 2015 and 31 December 2014.

The Group's *"available for sale financial assets"* comprise of quoted equity instruments and certain debt securities that are traded in an active market and they are measured at fair value. Unrealized gains or losses on an available-for-sale financial asset shall be recognised in equity, through the investments revaluation reserves and comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity shall be recognised in profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payment is established.

Financial assets classified by Doğan Holding as *"available- for- sale financial assets"* that do not have any control power or significant effect have no fair value. When fair value cannot be reliably measured as other fair value estimation methods are not applicable; the carrying value of the financial asset is measured at cost less any impairment loss (Note 7).

"Loans and Receivables" are financial assets that have fixed or determinable payments and fixed maturity dates and non-derivative financial assets that are not quoted in an active market.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Derivative financial instruments

Derivative financial instruments, predominantly foreign currency and interest swap agreements and foreign currency forward agreements are initially recognised at their acquisition costs plus the transaction costs. Derivative financial instruments are subsequently remeasured at their fair value. All derivative financial instruments are classified as financial assets at fair value through profit or loss. Fair values of derivative financial instruments are obtained from quoted market prices or discounted cash flow models as appropriate. Based on positive or negative fair value, derivative financial instruments are carried as assets or liabilities respectively (Note 21).

Changes in the fair value of derivatives at fair value through profit or loss are included in the statement of profit or loss.

While certain derivative financial instruments provide effective hedge relationships, they are recognised as financial assets through profit or loss in accordance with TAS 39 and their fair value gains and losses are reported in the statement of profit or loss.

Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. As of the date of report, the properties held for a currently undetermined future use by Group management, has been classified as investment properties.

Subsequent to initial recognition, at the end of each year when there is an indication of impairment, in accordance with the appraisal reports obtained from licensed real estate appraisal organizations under the Capital Market Legislation, investment properties are stated at fair value which reflects the market conditions. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the period in which they arise. Deferred tax liability/asset has been calculated from all the temporary differences from investment properties.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use. The difference between cost value and fair value at the date of the change is recognised as revaluation fund in other comprehensive income.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Property, plant and equipment

Property, plant and equipment are carried at cost less any accumulated depreciation and any accumulated impairment losses (Note 14). Depreciation is provided on property, plant and equipment on a straight-line basis (except land). The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	Years
Land and land improvements	5 - 50
Buildings	10 - 50
Machinery and equipment	2 - 28
Motor vehicles	2 - 20
Furniture and fixtures	2 - 15
Development costs of leased tangible assets	2 - 39
Other tangible assets	2 - 50
Leasehold improvements	2 - 25

Useful life and depreciation are reviewed regularly and the Group also reviews the consistency of the useful life and depreciation method applied with the economic benefits to be obtained from the underlying assets.

Gains or losses on disposals of property, plant and equipment are determined with respect to the difference between collections received and carrying amounts of property, plant and equipment and are included in the income and expenses from investing activities account, as appropriate.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount provided to allocate provision. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset less the costs of disposal. Value in use is the present value of the future cash flows expected to be derived from an asset plus the residual value of the related assets.

Repair and maintenance expenses are charged to the consolidated statement of profit or loss as they are incurred. Capital expenditures that increase the present value of the future cash flows expected to be derived from property, plant and equipment by increasing its capacity is added to the cost of tangible fixed asset.

Gain and losses regarding sale of property, plant and equipment are accounted as other income and expenses from investing activities.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Financial leases

Leases are classified as finance leases by the Group whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are treated as consisting of capital and interest. Portion of rent payments related to principal is presented as liability and decreases as being paid. Interest charges are charged directly against statement of profit or loss over the financial lease period. Assets acquired through finance leases are depreciated over the shorter of expected useful life and the lease term, as well as tangible assets acquired.

Operating leases

An operating lease is a lease that does not substantially all the risks and rewards incidental to ownership of an asset. For operating leases, lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight line basis over the lease term under the consolidated statement of profit or loss.

Intangible assets and related amortization

Intangible assets excluding goodwill and assets with infinite useful lives comprise brand names, customer lists, terrestrial broadcasting permissions and licenses (frequency rights), other identified rights, computer software and television programme rights which are further discussed in Note 2.2. Brand names, customer relationships and domain names are determined based on the independent valuation on business combinations. Useful lives of certain brand names are determined to be infinite. Assets that have infinite useful life are not subject to amortization and are tested for impairment annually (Note 15).

Registered subscriber acquisition costs paid by D-smart are capitalized over the subscription commitment period by the Group and capitalized amounts are recognised under intangible assets account. Weighted average term for subscription acquisition costs is 2 years.

Intangible assets are carried at cost, less any accumulated amortization and amortized by using the straight-line method (Note 15).

Estimated useful lives of intangible assets that have a finite useful life are as follows:

	Years
Trademark	20 - 25
Electricity production licences	45 - 47
Customer lists	9 - 25
Computer software and rights	3 - 15
Domain names	3 - 20
Other intangible rights	5 - 49

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Intangible assets and related amortization (continued)

Intangible assets with finite useful lives are tested to determine whether there is an indication that the intangible assets may be impaired and if the carrying value of the intangible asset is higher than the recoverable amount, the carrying value of the intangible asset is written down to its recoverable amount provided to allocate provision. The amount recoverable from an intangible asset is either the discounted net cash flows generated from the use of that intangible asset or the net sales value of that intangible asset depending whether the former or the latter being higher. Provision for impairment is recognised under the statement of profit or loss in the related period.

The right to use of marina held by the Group's subsidiary Milta Turizm, classified in other intangible rights, is being amortized regarding the transfer agreement on 13 November 1997 with the Privatization Administration (Note 15).

Web page development costs

Costs associated with developing web pages are capitalized and amortized by using straight-line method over their estimated useful lives (Note 15). Following the planning phase and operation; all costs are recognised as expense. Maintenance costs of web pages are accounted as operational expenses.

Television programme rights

Television programme rights (foreign series, foreign films and Turkish films) are initially recognised at acquisition cost of the license when the Group controls, in substance, the respective assets and the risks and rewards attached to them. Television programme rights are evaluated to determine if expected revenue is sufficient to cover the unconsumed portion of the program. To the extent that expected revenue is insufficient, the programme rights are written down to their net realizable value.

Consumption is based on the transmission of the expected number of runs (vary from two to unlimited) purchased. Amortization of these rights is determined according to release order and number of runs. The appropriateness of the consumption profiles are reviewed regularly by the management. A maximum of 5 runs is applied for the unlimited run purchases. License periods, remaining run rights, sector dynamics and sales forecasts are taken into consideration when determining impairment of programme rights.

Impairment of assets excluding goodwill and intangible assets with infinite useful lives

At each balance sheet date, the Group evaluates whether there are any indications that an asset other than goodwill or infinite life intangible assets may be impaired. When an indication of impairment exists, carrying value of the assets is compared with the net realizable value which is the higher of value in use and fair value less costs to sell. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment exists if the carrying value of an asset or a cash generating unit including that asset is greater than its recoverable amount which is the higher of value in use or fair value less costs to sell. Impairment losses are recognised in the consolidated statement of profit or loss.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Taxation

Taxation on income includes current period income taxes and deferred taxes. Current year tax liability consists of tax liability on period income calculated according to currently enacted tax rates and tax legislation in force as of balance sheet date and includes adjustments related to previous year's tax liabilities. Turkish tax legislation does not permit a parent company to file a consolidated tax return for its subsidiary and its joint venture. Therefore, tax provisions, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they related to income taxes levied by the same taxation authority (Note 31).

Financial borrowings and borrowing costs

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method. Any difference between proceeds, net of transaction costs, and the redemption value is recognised in the profit or loss as finance expense over the period of the borrowings (Note 8). The borrowing costs which are directly related with the acquisition, manufacturing or production of a specialty good (means that a long period of time is required to make available for sale and use as purposed) are capitalized as a part of the related asset.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Financial liabilities regarding to put options of non-controlling interests.

Under the terms of certain share purchase agreements, the Group may commit to acquire the interests owned by non-controlling shareholders in subsidiaries, upon the request of non-controlling interest holders. TAS 32, "Financial Instruments: Disclosure and Presentation" requires the value of such put option to be presented as a financial liability on the balance sheet for the discounted value of the expected exercise price of this option, notwithstanding the ability of the Company to settle part of these obligations with its own shares and not cash. In addition, the share of non-controlling shareholders in the net asset of the company subject to the put option is presented in "other financial liabilities" instead of "non-controlling interests" in the consolidated balance sheet. The Group presents, at initial recognition, the difference between the exercise price of the option and the carrying value of the non-controlling interests first as a reduction of non-controlling interest and then as addition to the Group's equity. The discount amount and any subsequent change in the fair value of the commitment are recognised in profit or loss as finance income or expense in subsequent periods (Note 8).

Employment termination benefits

Under the Turkish Labour Law and Press Labour Law (for employees in the media sector), the Group is required to pay termination benefits to each employee who achieves the retirement age, whose employment is terminated without due cause written in the related laws.

The provision for employment termination benefit represents the present value of the estimated total reserves of the future probable liability of the Group arising from the retirement of the employees measured in accordance with the Turkish Labour and Press Labour Laws (Note 22).

According to the amendment in TAS 19, Group calculated employment benefit in accordance with the report prepared by the actuarial firm and recognised all actuarial loss and gains in the other comprehensive statement of profit or loss as of balance sheet date.

Provisions, contingent assets and liabilities

Provisions are recognised when the Group has a present legal or constructive obligation or a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are assessed continually to determine whether an outflow of resources comprising economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs except in the extremely rare circumstances where no reliable estimate can be made.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Provisions, contingent assets and liabilities (continued)

If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised by the Group in the financial statements of the period in which the change occurs.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in financial tables and are treated as contingent assets or liabilities. A contingent asset is disclosed where an inflow of economic benefit is probable.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Share capital and dividends

Ordinary shares are classified as equity. Dividend income is recognised as income by the Group when right to obtain of dividend is generated in the consolidated financial statements. Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the General Assembly.

Revenue recognition

Revenue is the fair value amount of sales of goods and services received or receivable which resulted from Group's operations. Net sales represent the invoiced value of goods or services shipped less any trade discounts, rebates and commissions and are presented with the elimination of intercompany balances. Revenue includes the invoiced amount of goods and service sales. It is recognised on an accrual basis over the fair value of acquisition amount based on product or service delivery, transfer of significant risks and rewards related to product to the buyer, reliable estimate of revenue amount and probable economic benefits associated with the transaction will be obtained by the Company.

Revenue is initially recognised at the fair value of the consideration received or receivable when it can be measured reliably or when there is an inflow of economic benefits. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The imputed rate of interest is a rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services (Note 24).

Due date difference finance income/expenses represents income/expenses occurring from forward purchases and sales. These incomes/expenses are recognised under other income and expense from operating activities as due date difference income and expense from purchases and sales with maturity during the period. (Note 29).

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

a) Publishing and broadcasting segments

Revenue from advertisements

Revenue from advertisements is recognised on an accrual and cut-off basis at the time of broadcasting or printing the advertisement in the related media at the invoiced amounts. The part which is not broadcasted or published yet is recognised as deferred income on the balance sheet.

Subscription income

Subscription income includes the income obtained from Pay Tv and Adsl internet and magazine. The Group, follows Pay Tv and Adsl internet and magazine subscriptions as individual and institutional. The subscription is realized in basically two ways as monthly payment and prepaid. Subscription incomes are recognised when the related service is delivered to the customer.

Revenues from circulation, magazine sales and distribution

Revenue from newspaper and magazine sales is recognised on an accrual basis at the time of delivery of the newspapers by the distribution company to the dealer at the invoiced values.

Newspaper sales returns and provisions

Provision for newspaper sales returns is accounted at the time of delivery based on past experiences and recent information of sales returns.

Revenue from printing services

Revenue from printing arises from printing services given to both Group companies and third parties by using Group's printing facilities. Related income is recognised on an accrual basis at the time of services given.

b) Energy segment

Revenue is the fair value of amount of electricity delivered the event that the consideration received or receivable. Revenue is recorded at the invoiced amounts, on accrual basis. Net sales are shown after deducting, invoiced electricity delivery, sales commissions and sales taxes. Revenue obtained from transmission charges, is shown in the financial statements by netting off with related costs.

Fuel sales are measured over the fair value of collected or collectable receivable amounts. Estimated customer returns, discounts and allowances are deducted from the amount in question. Revenue obtained from the sale of fuel is recognised when significant risks and rewards related to product to the buyer are transferred, revenue is reliably measured, in case of an inflow of probable economic benefits associated with the transaction and occurring or to be occurred costs regarding the transaction can be measured reliably.

c) Retail

Sale income of books, music, movies, electronics and giftware is recorded on an accrual basis over the invoiced amounts, on the date goods are delivered to the customer, after returns and discounts are deducted.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

d) Other segment

Sales revenue is recognised on an accrual basis over the fair value of acquisition amount based on product or service delivery, transfer of significant risks and rewards related to product to the buyer, reliable estimate of revenue amount and most probability that economic benefits associated with the transaction will be obtained by the Company. Net sales have been found by deducting sales returns, discounts and commissions.

Real estate sales (Revenue proceeds from buyers)

The revenue generated from the housing construction projects organized by Milpa, subsidiary of the Group is recognised when the ownership of the risks and rewards of the assets are transferred to the buyer upon the performance of contract terms and the approval of delivery record by the buyer. Real estate sales income is classified under "other" segment.

Tourism income

Tourism income consists of the revenue obtained from hotel accommodation, agency, marina, car rental, and second hand vehicle sale. Hotel accommodation and agency income is recognised when the services are offered to the customers. Marina income consists of the revenue obtained from the accommodation of vessels and store rents. Such rental income is recognised on a straight-line basis over the lease agreements.

Rent Income

The rental income from investment properties is recognised on a straight-line basis over the term of the relevant lease.

Barter agreements

The Group provides advertising services in return for advertisement and other products and services. When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a revenue generating transaction. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a revenue generating transaction. Revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. If the fair value of the goods or services received is not measured reliably, the revenue is measured at the fair value of the goods or services supplied, adjusted by the amount of any cash or cash equivalents transferred (Note 18). Barter agreements are recognised on an accrual basis.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

Business combinations

The acquisition of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised as cost as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with TAS 12 *Income Taxes* and TAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with TFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another TAS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

Business combinations (continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with TAS 39, or TAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Goodwill (continued)

Gains or losses resulting from the sale or purchase of subsidiaries under the control of Doğan Holding (transactions that do not result in a change in control) are recognised under equity. TAS 27 (Revised) requires ownership decreases or increases which do not result in a change in control to be recorded under equity for accounting periods beginning on or after 1 July 2009. For accounting periods beginning prior to 1 July 2009, the difference resulted in favor of acquisition value in connection with sale or purchase of subsidiaries under the control of the Group which do not result in a change in control was recognised as goodwill.

Business combination of entities under common control is not under the scope of TFRS 3 Business Combinations. The Group doesn't recognise goodwill for these types of transactions. Difference between cash consideration paid as a result of business combination and net asset of the entity is recognised in "Effect of business combinations comprising of entities under common control" account under retained earnings/ (accumulated losses) in equity.

Foreign currency transactions

Functional currency

Items included in the financial statements of each Group entity are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity. The consolidated financial statements are presented in Turkish Lira, which is the functional currency of Doğan Holding.

Foreign currency transactions and balances

Income and expenses arising in foreign currencies have been translated into TL at the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies have been translated into TL at the exchange rates prevailing at the balance sheet dates. Exchange gains or losses arising from the settlement and translation of foreign currency items have been included in the consolidated statement of profit or loss.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Foreign Group companies

The results of the Group undertakings using a measurement currency other than TL are first translated into Turkish lira by using the average exchange rate for the period. Assets and liabilities of such Group undertakings are translated into TL by using the closing rate at the balance sheet date. Differences arising on retranslation of the opening net assets of such Group undertakings and differences between the average and period-end rates are included in currency translation reserve as a separate item in the shareholders' equity and recognised under total comprehensive income.

A significant portion of the Group's foreign operations are performed in Russia, Europe and Slovenia ("Russia and Eastern Europe ("EE")). Foreign currencies and exchange rates at 31 December 2015 and 31 December 2014 are summarized below:

Country	Currency Unit	31 December 2015	31 December 2014
Eurozone	Euro	3,1776	2,8207
Russia	Ruble	0,0396	0,0398
Ukraine	Grivna	0,1214	0,1474
Romania	New Lei	0,7055	0,6294
Kazakhstan	Tenge	0,0291	0,0128
Belarus	Belarusian Ruble	0,0002	0,0002

Segment Reporting

Industrial segment which is an asset and operation group producing goods and services is exposed to different risks and rewards from other industrial segments. Group operations were monitored and reported as five main segments as of 31 December 2015; "Publishing", "Broadcasting", "Retail", "Energy" and "Other" by the management. Group management may change the structure of segment reporting, if they reach the conclusion that new structure may affect financial statement users' decisions and/or it will be useful during the review of financial statements. As the sales and the purchases of the Group are made and the assets of the Group are located mainly in Turkey, no geographic segmental information is considered necessary.

Segment reporting in publicly announced consolidated financial reports within 2014; presents under four segments as "Media", "Retail", "Energy" and "Other. As a result of merger of Doğan Yayın Holding A.Ş. ("Doğan Yayın Holding") with Doğan Holding by take over with all assets and liabilities as described in "Organization and Nature of Operations" (Note 1), segment reporting of Doğan Yayın Holding's consolidated financial reports until the period ended as of 30 June 2014, has been carried to the consolidated report of Doğan Holding being effective on 30 September 2014. Accordingly, "media" segment, in which operational results of Doğan Yayın Holding was presented, was replaced with "publishing" and "broadcasting" segments and also the results of "Other" segment of Doğan Yayın Holding's consolidated report, in which operations of distribution, factoring and investment was presented, was combined with "Other" segment of Doğan Holding. In this context, relevant note, prior period financial information has been restated in accordance with the principle of comparison.

In segment reporting, intra-segmental operations are recorded at segment level and inter-segmental operations are recorded as eliminations at consolidation level.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Earning/ (loss) per share

Earning/ (loss) per share are determined by dividing net income/ (loss) by the weighted average number of shares that have been outstanding during the period concerned (Note 32).

In Turkey, companies can increase their issued capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus share issuances are regarded as issued shares for all of the periods presented in the financial statements. Therefore, the weighted average number of shares used in earnings per share computations are made with regards to the distribution of shares occurred in the prior years.

Non-current assets held for sale and discontinued operations

Assets held for sale are operations that the Group disposes of or classified as available for sale and cash flows which can be treated as a part separately from the Group. Assets classified as held for sale by the Group and discontinued operations, are measured at the lower of the carrying amount of assets and liabilities related to discontinued operations and fair value less costs to sell (Note 30).

Discontinued operations are components of an entity that either have been disposed of or represent a major part of an entity separately from the Group's operations and cash flows. Operating results as of the Group has ceased its control over its disposal groups are presented separately under "discontinued operations" in the consolidated statement of profit or loss. Prior period consolidated statement of profit or loss is restated for comparative purposes and the results of discontinued operations are also classified under the "discontinued operations" account.

To the results of operations of discontinued operations, gain/ (loss) and tax expense occurring from the sale is included. Gain/ (loss) amount from the sale is calculated as the difference between the book value of net assets disposed and sales value.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received (Note 16). Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Events After the Reporting Period

In the case that events requiring a correction to be made occur subsequent, the Group makes the necessary corrections to the financial statements.

In the case that events not requiring a correction to be made occur subsequent, those events are disclosed in the notes of consolidated financial statements.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Summary of Significant Accounting Policies (continued)

Statement of cash flows

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

The cash flows raised from operating activities indicate cash flows due to the Group's activities.

The cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid with three months or less to maturity.

2.3 Critical Accounting Estimates, Assumptions and Decisions

2.3.1 Critical accounting estimates and assumptions

a) Impairment of goodwill and intangible assets

In accordance with the accounting policy mentioned in Note 2.2, goodwill is annually tested for impairment by the Group. Recoverable amount of cash generating units is measured based on the value in use calculations.

The analysis for goodwill impairment for the periods ended 31 December 2015 and 31 December 2014 has been performed as explained in detail below by the Group.

The recoverable amount of cash generating units is determined by calculating the amount that would be obtained through sales. These calculations are measured based on estimated cash flows after tax using financial budgets covering a five-year period. EBITDA estimates (budgeted interest, tax, depreciation and amortization, provision for impairment and gross margin before other non-operating expenses) have a significant role in these calculations.

The EBITDA margin percentages and discount rates used for the estimated cash flows beyond the 5 year period are as follows:

	2015		2014	
	EBITDA margin rate (%) ⁽¹⁾	Discount rate (%) ⁽²⁾	EBITDA margin rate (%) ⁽¹⁾	Discount rate (%) ⁽²⁾
Broadcasting	21	14,6	27	13,4
Publishing				
Russia	40	18,4	35	15,7
Turkey	10	17,4	12	12,4

⁽¹⁾ Average budgeted EBITDA margin in the projection period.

⁽²⁾ Weighted average cost of capital rate.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Critical Accounting Estimates, Assumptions and Decisions (Continued)

2.3.1 Critical accounting estimates and assumptions (Continued)

a) Impairment of goodwill and intangible assets (Continued)

	EBITDA margin rate (%)	Discount rate (%)
TME	40,00	18,40

The Group management has recognised impairment for intangible assets amounting to TL 44.962 in the consolidated financial statements for the period ending 31 December 2015 (Note 15). (31 December 2014: goodwill impairment amounting to TL 75.901). The primary reason for the impairment for intangible asset is due to the economic shrinkage in Russia and TME's performance being below budgeted figures.

When the calculations performed in the current period are evaluated, if the discount rate applied to cash flow projections for the cash-generating units after tax is 1% more than the estimates of the Group management, additional impairment for the goodwill amounting to TL 16.429 (31 December 2014: TL 26.199) would be recognised in the financial statements and profit before tax and non-controlling interests would increase by TL 16.429 (31 December 2014: TL 26.199) in return.

If the EBITDA rate applied to cash flow projections for the cash-generating units is 5% less than the estimates of the management, additional impairment for the goodwill amounting to TL 19.899 would be recognised in the financial statements and profit before tax and non-controlling interests would increase by TL 19.899 in return by the Group.

b) Vat amount subject to discount within the scope of law no: 6111

As of November 2011, the Group management has considered the VAT principle amounting to TL 454.281 imposed as a consequence of share exchanges and transfers recognised in the statutory accounts of Doğan TV Holding, D Yapım, Doğan Prodüksiyon (the related subsidiary merged with D Yapım in 2013 and dissolve without liquidation) and Alp Görsel (the related subsidiary merged with Doğan TV in 2014 and dissolved without liquidation) and restructured within the scope of Law no: 6111 in the year 2011 as input VAT through issuance of "recourse VAT invoice" by each entity who transfers the shares to the respective entity, sequentially with the amount of corresponding VAT imposed. In this context, input VAT amounting to TL 145.328, TL 222.662 and TL 86.291 have been recognised in the statutory records of D Yapım, Doğan Prodüksiyon and Alp Görsel, respectively. Based on the nature of the transaction and considering the precautionary principle, the Group management elects not to recognise the input VAT amounting to TL 454.281 as an asset in the consolidated financial statements as it will be used in future tax periods. Accordingly, where practicable, input VAT that can be offset against the recourse VAT in the related taxation periods can be recognised in the statement of income in the respective periods (Note 27). Deductible VAT amount is TL 432.734 (31 December 2014: TL 438.739) in statutory accounts as of 31 December 2015.

c) Probable liabilities related to the share sales agreement signed with Commerz-Film GmbH

Estimates and assumptions relating to the Group's given repurchase commitments to Axel Springer AG are described in detail in Note 17.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.3 Critical Accounting Estimates, Assumptions and Decisions (continued)

2.3.1 Critical accounting estimates and assumptions (continued)

d) Useful lives of intangible assets

Useful lives of some trademarks are expected to be infinite by the Group management. Where useful lives of related intangible assets are infinite (in case of 20 years), amortization of such intangible assets' would increase by TL 8.250 (31 December 2014: TL 9.716) and profit before tax and non-controlling interests would decrease by TL 8.250 (31 December 2014: TL 9.716).

Amortization is recognised by the Group considering the useful lives of trademarks, customer lists and internet domain names with definite useful lives disclosed in Note 2.2.

If useful lives of trademarks, customer lists and internet domain names differ 10% from the management's expectations, the effect over the financial statements would be as follows:

- if useful lives were 10% higher, amortization would decrease by TL 1.315 and profit before tax and non-controlling interests would increase by TL 1.315 (31 December 2014: TL 1.334); or
- if useful lives were 10% lower, amortization would increase by TL 1.608 and profit before tax and non-controlling interests would decrease by TL 1.608 (31 December 2014: TL 1.631).

2.3.2 Critical accounting judgments

Prepaid phone card (prepaid minutes) sales related with mobile telecommunication services and newspaper sales (excluding transactions with related parties and newspapers distributed through subscription system) are carried at gross value in the consolidated financial statements by the Group.

Management believes that the decision to record revenue gross versus net is a matter of professional judgment that is dependent upon the relevant facts and circumstances. The Group evaluated the following factors and indicators in coming to the conclusion.

- The Group has the option to determine the selling price, within the existing economic limitations,
- General inventory risk of goods mentioned above belongs to the Group. The Group purchases newspapers from suppliers and sells them to its dealers through its distribution network. The Group returns unsold newspapers from dealers to the original supplier. General inventory risk is about approximately a week for newspaper sales,
- The Group has the collection risk associated with the transaction.

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NOTE 3 - BUSINESS COMBINATIONS

Current period business combinations

Share Purchase of Aytemiz Akaryakıt Dağıtım A.Ş.

Share Purchase and Shareholders Agreement was signed on 11 March 2015, due to the fact that the Group's subsidiary Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. has acquired and taken over, in cash, and in a single payment of TL 152.000 for the 100.000 shares with a nominal value of TL 100.000 group "B" representing 50% nominal TL 1 (exact) of the 200.000 shares with a nominal value of TL 200.000 representing the paid-in capital of Aytemiz Akaryakıt Dağıtım A.Ş., which is TL 200.000. Other important conditions and additional transactions are stated in Share Purchase and Shareholders Agreement are also summarized below.

Regarding the Share Purchase and Shareholders Agreement, the paid-in capital of Aytemiz Akaryakıt, which is TL 200.000 was increased to TL 454.000 through the full cash payment. In the capital increased by TL 254.000, all the new share acquisition rights which correspond to the contribution share of the Group's direct subsidiary Doğan Enerji, totaling to TL 127.000 was used by Doğan Enerji in cash and in a single payment. Likewise, other shareholders (Aytemiz Family) participated in the capital increase, pro rata per their shares, in cash and in single payments. The Board of Directors of Aytemiz Akaryakıt is constituted by 7 members, and the majority of these members (4 members) were elected through being nominated by the Group's direct subsidiary Doğan Enerji. Besides that Aytemiz Akaryakıt has been the legal holder of 100% control of Aytemiz Gaz and Aksu Doğan Gaz, as of 11 March 2015.

As the management control of Aytemiz Akaryakıt is held by the Group's direct subsidiary Doğan Enerji due to the signed Share Purchase and Shareholders Agreement, the activity results of Aytemiz Akaryakıt are consolidated with the "full consolidation" method in the financial statements of Doğan Enerji and Doğan Holding.

In accordance with TFRS 3 Business Combinations ("TFRS 3"), the study of determining the fair value of the identifiable assets and liabilities in order to recognize by using acquisition method, and accordingly the study of allocation of the acquisition cost study to property, plant and equipment and intangible assets ("the study of distributing the acquisition cost") is concluded as of the report date, thus fair value of accountable assets and liabilities of Aytemiz Group is reported in the financial statements.

Fair value adjustments regarding all the acquired assets and liabilities as of 11 March 2015 and the study of allocation of the acquisition cost for Aytemiz Akaryakıt and its 100% subsidiaries Aytemiz Gaz and Aksu Doğan Gaz companies (together will be referred as "Aytemiz Group") are presented below:

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NOTE 3 - BUSINESS COMBINATIONS (Continued)

Current period business combinations (continued)

Share Purchase of Aytemiz Akaryakıt Dağıtım A.Ş (continued)

	Aytemiz Group		
	Net Book Value	Fair Value Adjustments	Fair Value
Current assets			
Cash and cash equivalents	3.905	-	3.905
Trade and other receivables	165.564	-	165.564
Inventories	54.178	-	54.178
Prepaid expenses and other current assets	22.717	(17.023)	5.694
Non-current assets			
Trade and other receivables	5.825	-	5.825
Investment properties	32.015	42.631	74.646
Tangible assets	150.737	37.033	187.770
Intangible assets ⁽¹⁾	1.130	65.094	66.224
Prepaid expenses	29.079	(13.625)	15.454
Deferred tax assets	7.687	-	7.687
Short term liabilities			
Short term borrowings	(15.093)	-	(15.093)
Trade payables	(89.942)	-	(89.942)
Other short term liabilities	(25.705)	-	(25.705)
Long term liabilities			
Other long term liabilities	(152.863)	-	(152.863)
Long term provisions	(392)	-	(392)
Deferred tax liabilities	(202)	(12.570)	(12.772)
NET ASSETS	188.640	101.540	290.180

⁽¹⁾ Fair value differences in intangible assets allocated by TL 7.876 recognised in brand, TL 26.570 recognised in dealer agreements and remaining TL 30.648 recognised in dealer agreements, reclassified from prepaid expenses.

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NOTE 3 - BUSINESS COMBINATIONS (Continued)

Current period business combinations (continued)

Share Purchase of Aytemiz Akaryakıt Dağıtım A.Ş (continued)

The difference between net book value of Aytemiz Group and acquisition cost amounting to TL 6.910 as a result of temporary accounting, was recognised as goodwill temporarily.

	Aytemiz Group
Non-controlling interests (Includes remaining 50% fair value of the net asset acquired)	145.090
Transferred amount TL	152.000
	297.090
Net book value based on fair value of net assets of acquired companies (-)	(290.180)
Goodwill	6.910

Aytemiz Akaryakıt Dağıtım A.Ş. continues its fuel storage and distribution activities with 310 dealers, 11 supply points, and a storage facility capacity of 4 as of the acquisition date at 11 March 2015

Cash paid	152.000
Cash and cash equivalents of acquired company (-)	(3.905)
Net cash outflow	148.095

Effect of the acquisition to the financial results of the Group

As a result of the acquisition of Aytemiz Group, in total TL 20.977 profit was recognised in the consolidated financial statements prepared as of 31 December 2015. Aytemiz Group's share in the Group's consolidated sales revenue is TL 2.133.530 for the period ended 31 December 2015. The mentioned amounts are the results of the activities between closing date 11 March 2015 and financial statement preparation date 31 December 2015.

If acquisition transaction explained above was realized on 1 January 2015, sales revenues of the Group regarding continuing operations would be TL 351.409 and net loss for the period regarding continuing operations would be higher by TL 10.378.

Acquisition of Aytemiz Petrolcülük and Gaziemir Petrol

Aytemiz Akaryakıt, one of the subsidiaries of the Group, has acquired 100% shares of Aytemiz Petrolcülük and Gaziemir Petrol, has been completed at 28 October 2015 and 12 November 2015 respectively, for a consideration of TL 60 in total, and from this acquisition, TL 1.236 goodwill has been recognised. If the related acquisition transaction has occurred as of 1 January 2015, sales revenues from continued operations of the Group would be TL 57.551 higher and net loss from continued operations would be TL 668 higher.

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NOTE 3 - BUSINESS COMBINATIONS (Continued)

Current period business combinations (continued)

Share Purchase of Güvenilir Turistik Yatırım ve İşletmeleri A.Ş

Group's subsidiary Milta Turizm signed "Share Purchase and Sale Agreement" on 13 February 2015, with Vural Öger, Nina Öger and Holiday Plan Turizm İşletmecilik ve Ticaret A.Ş. as the sellers for sales and take over of shares representing 100% of capital of Güvenilir Turistik Yatırım and İşletmeleri A.Ş., which has Marina Vista Hotel located in Bodrum, Muğla Eskiçeşme neighborhood. In the scope of "Share Purchase and Sale Agreement" signed, TL 47.908 (approximately USD 19.251) was paid to the seller for Güvenilir company. Regarding agreement closing conditions, trade payables and receivables of Güvenilir, employee termination benefits and other liabilities to the employees and removal of all mortgages on relevant real estate are undertaken by the seller. Share sales and purchase transaction occurred on 13 February 2015, and the Group has accounted Güvenilir by full consolidation method in the consolidated financial statement as of the same date. No goodwill has been recognised in the consolidated financial statements as of 31 December 2015 regarding the transaction. Following the transaction, the merger process between Milta Turizm and Güvenilir under the structure of Milta Turizm by taking over Güvenilir has been registered as of 23 June 2015.

Prior period business combinations

The Group management signed "Share Purchase and Sale Agreement" and the "Partnership Agreement for the Company's Management and Administration" as of 14 August 2014 in order to acquire 90% of A.G.T. Tanıtım Kağıt Ürünleri Sanayi ve Ticaret Anonim Şirketi ("AGT Tanıtım") shares over its balance sheet as of 31 July 2014. In accordance with "Closing Protocol" signed as of 16 September 2014, TL 3.000 has paid as of 30 September 2014 for A.G.T. Tanıtım with an equity value of TL 3.332 and the remaining balance shall be paid in 3 equal installments amounting to USD 365 each on 16 September 2015, 16 September 2016 and 16 September 2017 respectively. As of 30 September 2014, goodwill amounting to TL 2.732 has been recognised in the accompanying consolidated financial statements regarding this acquisition.

Goodwill calculation is presented as below;

Cash and cash equivalents	114
Current assets	3.214
Non-current assets	116
Short term liabilities	(167)
Fair value of net assets	3.277
Percentage of net assets acquired	90%
Fair value of net assets acquired	2.950
Total acquisition price	5.785
(Less) Cash and cash equivalents of acquired subsidiary	(103)
Cash outflow resulted from the acquisition	5.682
Goodwill (Note 15)	2.732

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NOTE 4 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD

Joint ventures of Doğan Holding are presented below. Joint venture's nature of businesses, segments, registered countries and entrepreneurial partners are summarized as following:

Joint venture	Country	Nature of business	Entrepreneurial partner
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	Turkey	Magazine publishing	Burda GmbH
Dergi Pazarlama Planlama ve Ticaret A.Ş. ("DPP")	Turkey	Planning	Burda GmbH
ASPM Holding B.V.	Netherland	Internet publishing	Autoscout24 GmbH
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont")	Turkey	Magazine printing	Egmont
Ultra Kablolu Televizyon ve Telekomünikasyon Sanayi ve Ticaret A.Ş. ("Ultra Kablolu")	Turkey	Telecommunication	Koç Holding A.Ş.
Boyabat Elektrik Üretim ve Ticaret A.Ş. ("Boyabat Elektrik")	Turkey	Energy	Unit Investment N.V. Doğuş Holding A.Ş..
Aslancık Elektrik Üretim A.Ş. ("Aslancık Elektrik")	Turkey	Energy	Doğuş Holding A.Ş. ve Anadolu Endüstri Holding A.Ş.
İsedaş İstanbul Elektrik Dağıtım Sanayi ve Ticaret A.Ş. ("İsedaş")	Turkey	Energy	Tekser İnşaat Sanayi ve Ticaret A.Ş. ve Çukurova Holding A.Ş.
Gas Plus Erbil Ltd. ("Gas Plus Erbil")	Jersey	Energy	Newage Alzarooni Limited
DD Finansman A.Ş. ("DD Finansman") ⁽¹⁾	Turkey	Housing finance	Deutsche Bank AG
Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş. ("Kandilli Gayrimenkul")	Turkey	Real estate	Rönesans Gayrimenkul Yatırım A.Ş.
SP Pronto Kiev	Ukraine	Newspaper and internet publishing	Feba Ltd., Tov Astra Publishing International Holding B.V.
TOV E-Prostir	Ukraine	Internet publishing	Adrey I. Parkhomenko, Dimitrienko S. Nadia G. Malyarova

The table below sets out the Joint Ventures, Doğan Holding and its subsidiaries and Doğan family and voting power and effective ownership interests at 31 December 2015 and 31 December 2014:

Subsidiaries	Proportion of voting power held by Doğan Holding its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Doğan Burda	45,02	44,89	0,27	0,27	45,29	45,16	45,02	44,89
DPP	56,00	46,00	-	10,00	56,00	56,00	56,00	46,00
SP Pronto Kiev	50,00	50,00	-	-	50,00	50,00	30,50	30,50
TOV E-Prostir	50,00	50,00	-	-	50,00	50,00	30,50	30,50
ASPM Holding B.V.	51,00	51,00	-	-	51,00	51,00	31,11	31,11
Doğan Egmont	50,00	50,00	-	-	50,00	50,00	50,00	50,00
Ultra Kablolu ⁽¹⁾	50,00	50,00	-	-	50,00	50,00	50,00	50,00
Katalog ⁽²⁾	-	50,00	-	-	-	50,00	-	50,00
Boyabat Elektrik	33,00	33,00	-	-	33,00	33,00	33,00	33,00
Aslancık Elektrik	33,33	33,33	-	-	33,33	33,33	33,33	33,33
Gas Plus Erbil	50,00	50,00	-	-	50,00	50,00	50,00	50,00
İsedaş	53,02	53,02	-	-	53,02	53,02	53,02	53,02
DD Finansman	48,00	47,00	3,00	4,00	51,00	51,00	48,00	47,00
Nakkaştepe Gayrimenkul ⁽³⁾	-	50,00	-	-	-	50,00	-	50,00
Kandilli Gayrimenkul	50,00	50,00	-	-	50,00	50,00	50,00	50,00

⁽¹⁾ The related joint venture has ceased its operations as of November 2006.

⁽²⁾ The related joint venture has ceased its operations as of September 2009. On the date 10 April 2015, 50% shares owned by Seat Pagine Gialle SPA acquired by Doğan Holding.

⁽³⁾ The related joint venture was sold as of 11 June 2015.

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NOTE 4 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

Profit and loss arising from the transactions between the Group's subsidiaries and its joint ventures is eliminated in accordance with the Group's share in its related subsidiary or its joint venture. The summary of Group share of the financial statements of the investments accounted for under the equity method as of 31 December 2015 is as follows:

31 December 2015	Total assets	Total liabilities	Net assets	Group's share on net assets	Net sales	Profit/ (loss) for the period	Group's share on net profit/ (loss)
Aslancık Elektrik	466.700	424.067	42.633	14.210	62.931	(74.791)	(24.928)
DD Finansman	425.942	393.966	31.976	15.348	49.887	(8.976)	(4.308)
Gas Plus Erbil	354.681	543	354.138	177.069	-	(773)	(387)
Kandilli Gayrimenkul	140.138	2.835	137.303	68.652	-	1.512	756
Doğan Burda	61.070	26.198	34.872	15.699	97.948	3.516	1.583
Other	66.120	32.268	33.852	18.153	35.279	2.978	1.398
Total	1.514.651	879.877	634.774	309.131	246.045	(76.534)	(25.886)

31 December 2015	Total assets	Total liabilities	Net assets	Group's share on net assets	Net sales	Profit/ (loss) for the period	Group's share on net profit/ (loss)
Boyabat Elektrik	2.104.421	2.575.073	(470.652)	(155.315)	288.989	(478.057)	(157.759)
Total	2.104.421	2.575.073	(470.652)	(155.315)	288.989	(478.057)	(157.759)

The summary of Group's share of the financial statements of the investments accounted for under the equity method at 31 December 2014 is as follows:

31 December 2014	Total assets	Total liabilities	Net assets	Group's share on net assets	Net sales	Profit/ (loss) for the period	Group's share on net profit/ (loss)
Boyabat Elektrik	2.216.440	2.210.740	5.700	1.881	249.772	(140.270)	(46.289)
Aslancık Elektrik	485.114	372.188	112.926	37.266	33.728	(20.983)	(6.924)
DD Finansman	632.899	591.916	40.983	19.262	47.633	(4.830)	(2.270)
Gas Plus Erbil	276.170	7.619	268.551	134.276	729	(1.420)	(710)
Nakkaştepe Gayrimenkul ⁽¹⁾	196.723	46.934	149.789	74.880	-	12.359	6.178
Kandilli Gayrimenkul	130.169	49.738	80.431	40.216	-	12.850	6.425
Doğan Burda	64.849	24.951	39.898	17.910	99.552	6.955	3.122
Other	52.597	16.762	35.835	17.817	51.709	(45)	113
Total	4.054.961	3.320.848	734.113	343.508	483.123	(135.384)	(40.355)

⁽¹⁾ Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş., one of the investments accounted for by the equity method of the Group, has been sold to Rönesans Gayrimenkul Yatırım for TL 97.601 as of 11 June 2015. The net value of the disposal of assets is TL 72.754. The difference between the net value of the disposal of assets and the amount from the sale, TL 24.847, has been recognised in the statement of profit or loss (Note 28).

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NOTE 4 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

Group's share on net assets of investments accounted for by the equity method as of 31 December 2015 and 31 December 2014 is as follow:

	Share (%)	31 December 2015	Share (%)	31 December 2014
Boyabat Elektrik	-	-	33,00%	1.881
Aslancık Elektrik	33,33%	14.210	33,33%	37.266
DD Finansman	48,00%	15.348	47,00%	19.262
Gas Plus Erbil	50,00%	177.069	50,00%	134.276
Nakkaştepe Gayrimenkul ⁽¹⁾	50,00%	-	50,00%	74.880
Kandilli Gayrimenkul	50,00%	68.652	50,00%	40.216
Doğan Burda	44,89%	15.699	44,89%	17.910
Other		18.153		17.817
Total		309.131		343.508

⁽¹⁾ Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş., one of the investments accounted for by the equity method of the Group, has been sold to Rönesans Gayrimenkul Yatırım for TL 97.601 as of 11 June 2015. The net value of the disposal of assets is TL 72.754. The difference between the net value of the disposal of assets and the amount from the sale, TL 24.847, has been recognised in the statement of profit or loss (Note 28).

Summary of financial liabilities of the investments accounted for by the equity method in the consolidated financial statements as of 31 December 2015 and 2014 is as follows:

	Share (%)	31 December 2015	Share (%)	31 December 2014
Boyabat Elektrik	33,00%	(155.315)	-	-
Total		(155.315)		-

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NOTE 4 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

Condensed financial information after consolidation adjustments of Joint Ventures are as follows:

Condensed balance sheet information:

31 December 2015	Boyabat Elektrik	Aslancık Elektrik	DD Konut Finansman	Kandilli Gayrimenkul	Gas Plus Erbil	Doğan Burda	Other	Total
Cash and cash equivalents	13.150	1.914	4.430	79	661	17.867	7.274	45.375
Other current assets	50.301	14.556	413.286	8	-	38.518	50.060	566.729
Other non-current assets	2.040.970	450.230	8.226	140.051	354.020	4.685	8.786	3.006.968
Total assets	2.104.421	466.700	425.942	140.138	354.681	61.070	66.120	3.619.072
Short-term borrowings	316.441	95.582	4.327	-	-	282	-	416.632
Other short-term liabilities	12.495	18.092	-	4	543	17.528	28.702	77.364
Liabilities regarding finance sector	-	-	388.296	-	-	-	-	388.296
Long-term borrowings	2.027.146	310.144	-	-	-	-	-	2.337.290
Other long-term liabilities	218.991	249	1.343	2.831	-	8.388	3.566	235.368
Total liabilities	2.575.073	424.067	393.966	2.835	543	26.198	32.268	3.454.950
Net assets:	(470.652)	42.633	31.976	137.303	354.138	34.872	33.852	164.122
<i>Group's share</i>	0,33	0,33	0,48	0,50	0,50	0,45		
Group's net asset share	(155.315)	14.210	15.348	68.652	177.069	15.699	18.153	153.816

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NOTE 4 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

Condensed balance sheet information:

31 December 2014	Boyabat Elektrik	Aslancık Elektrik	DD Konut Finansman	Kandilli Gayrimenkul	Nakkaştepe Gayrimenkul	Gas Plus Erbil	Doğan Burda	Other	Total
Cash and cash equivalents	5,485	18,174	11,739	193	435	323	4,249	7,840	48,438
Other current assets	70,180	7,070	615,459	11	265	-	55,792	38,664	787,441
Other non-current assets	2,140,775	459,870	5,701	129,965	196,023	275,847	4,808	6,093	3,219,082
Total assets	2,216,440	485,114	632,899	130,169	196,723	276,170	64,849	52,597	4,054,961
Short-term borrowings	310,038	41,351	9,773	-	-	-	-	8,428	369,590
Other short-term liabilities	75,953	18,924	-	47,285	39,226	243	16,702	7,006	205,339
Liabilities regarding finance sector	-	-	580,843	-	-	-	-	-	580,843
Long-term borrowings	1,682,599	311,763	-	-	-	-	-	-	1,994,362
Other long-term liabilities	142,150	150	1,300	2,453	7,708	7,376	8,249	1,328	170,714
Total liabilities	2,210,740	372,188	591,916	49,738	46,934	7,619	24,951	16,762	3,320,848
Net assets:	5,700	112,926	40,983	80,431	149,789	268,551	39,898	35,835	734,113
<i>Group's share</i>	0,33	0,33	0,47	0,50	0,50	0,50	0,45		
Group's net asset share	1,881	37,266	19,262	40,216	74,880	134,276	17,910	17,817	343,508

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NOTE 4 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

1 January- 31 December 2015	Boyabat Elektrik	Aslancık Elektrik	DD Konut Finansman	Kandilli Gayrimenkul	Gas Plus Erbil	Doğan Burda	Other
Revenue	288.989	62.931	49.887	-	-	97.948	35.279
Depreciation and amortization	63.309	13.298	371	-	-	928	-
Operating Profit	105.919	11.993	8.438	1.888	(752)	758	9.274
Net financial expenses	(518.131)	(105.797)	(3.793)	2	(35)	(234)	(1.319)
Profit / (loss) before income tax	(412.211)	(93.804)	(11.191)	1.890	(787)	4.553	3.927
Total comprehensive income/ (expense)	(478.057)	(74.791)	(8.976)	1.512	(787)	3.516	2.977
<i>Group's share</i>	0,33	0,33	0,48	0,50	0,50	0,45	
Group's net profit share	(157.759)	(24.928)	(4.308)	756	(394)	1.583	1.405
1 January- 31 December 2014	Boyabat Elektrik	Aslancık Elektrik	DD Konut Finansman	Kandilli Gayrimenkul	Gas Plus Erbil	Doğan Burda	Other
Revenue	249.772	33.728	47.633	-	729	99.552	48.251
Depreciation and amortization	62.210	9.865	506	-	-	1.060	-
Operating Profit	37.614	(2.249)	15.715	16.028	(1.390)	2.709	22.014
Net financial expenses	(202.628)	(19.500)	(4.840)	35	(30)	(255)	3.436
Profit / (loss) before income tax	(165.014)	(21.749)	(6.026)	16.063	(1.420)	9.187	16.008
Total comprehensive income/ (expense)	(140.270)	(20.983)	(4.830)	12.850	(1.420)	6.955	12.223
<i>Group's share</i>	0,33	0,33	0,47	0,50	0,50	0,45	-
Group's net profit share	(46.289)	(6.924)	(2.270)	6.425	(710)	3.122	6.291

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NOTE 4 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)

Total amount related to the effective rate of the Group's share of depreciation and amortization of investments accounted for by the equity method is TL 25.919 (31 December 2014: TL 25.189).

NOTE 5 - SEGMENT REPORTING

a) External revenue

	1 January- 31 December 2015	1 January- 31 December 2014
Publishing	1.131.330	1.218.286
Broadcasting	1.095.234	1.177.180
Retail	618.674	512.090
Energy	2.742.588	272.331
Other	363.212	363.376
	5.951.038	3.543.263

b) Profit / (loss) before income tax

	1 January- 31 December 2015	1 January- 31 December 2014
Publishing	30.460	(145.883)
Broadcasting	(188.836)	(209.380)
Retail	17.062	14.905
Energy	(194.595)	(65.547)
Other	226.948	136.276
	(108.961)	(269.629)

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NOTE 5 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the period ended 1 January – 31 December 2015;

	Publishing	Broadcasting	Retail	Energy	Other	Inter segment Elimination	Total
External revenue	1,131,330	1,095,234	618,674	2,742,588	363,212	-	5,951,038
Inter segment revenue	51,581	21,703	1,246	28,204	38,174	(140,908)	-
Total revenue	1,182,911	1,116,937	619,920	2,770,792	401,386	(140,908)	5,951,038
Revenue	1,182,911	1,116,937	619,920	2,770,792	401,386	(140,908)	5,951,038
Cost of sales	(792,466)	(923,278)	(390,780)	(2,593,369)	(283,531)	59,113	(4,924,311)
Gross profit	390,445	193,659	229,140	177,423	117,855	(81,795)	1,026,727
General administrative expenses	(160,878)	(96,657)	(8,170)	(18,158)	(118,933)	66,875	(335,921)
Marketing selling and distribution expenses	(178,868)	(114,306)	(202,649)	(101,323)	(20,866)	14,920	(603,092)
Share of gain/ (loss) on investments accounted for by using equity method	894	-	-	(183,212)	(1,327)	-	(183,645)
Other income/(expenses) from operating activities, net	58,148	(15,174)	(2,190)	41,708	274,693	(1,639)	355,546
Income/ (expenses) from investing activities, net	(29,677)	(9,079)	-	4,198	80,701	-	46,143
Financial income / (expenses)	(49,604)	(147,279)	931	(115,231)	(105,175)	1,639	(414,719)
Profit/ (loss) before tax	30,460	(188,836)	17,062	(194,595)	226,948	-	(108,961)

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NOTE 5 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the period ended 1 January - 31 December 2014;

	Publishing	Broadcasting	Retail	Energy	Other	Inter segment Elimination	Total
External revenue	1,218,286	1,177,180	512,090	272,331	363,376	-	3,543,263
Inter segment revenue	51,468	21,517	2,601	23,591	44,839	(144,016)	-
Total revenue	1,269,754	1,198,697	514,691	295,922	408,215	(144,016)	3,543,263
Revenue	1,269,754	1,198,697	514,691	295,922	408,215	(144,016)	3,543,263
Cost of sales	(899,053)	(1,051,485)	(317,737)	(246,076)	(283,736)	45,032	(2,753,055)
Gross profit	370,701	147,212	196,954	49,846	124,479	(98,984)	790,208
General administrative expenses	(187,508)	(101,011)	(14,989)	(5,506)	(117,486)	80,706	(345,794)
Marketing selling and distribution expenses	(172,844)	(145,595)	(171,084)	(24,945)	(15,635)	17,041	(513,062)
Share of gain/ (loss) on investments accounted for by using equity method	2,967	-	-	(53,119)	9,797	-	(40,355)
Other income/(expenses) from operating activities, net	84,061	(24,381)	2,941	764	89,250	(4,272)	148,363
Income/ (expenses) from investing activities, net	(97,423)	(4,991)	-	(6,254)	141,698	-	33,030
Financial income / (expenses)	(145,837)	(80,614)	1,083	(26,333)	(95,827)	5,509	(342,019)
Profit/ (loss) before tax	(145,883)	(209,380)	14,905	(65,547)	136,276	-	(269,629)

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NOTE 5 - SEGMENT REPORTING (Continued)

d) Segment assets

	31 December 2015	31 December 2014
Total assets		
Publishing	1.153.060	1.176.767
Broadcasting	1.277.945	1.347.983
Retail	296.552	259.011
Energy	1.432.180	572.596
Other	8.399.152	7.306.634
	12.558.889	10.662.991
Less: segment elimination ⁽¹⁾	(5.117.525)	(3.785.656)
Total assets per consolidated financial statements	7.441.364	6.877.335
Shareholder's equity		
Publishing and broadcasting	1.262.823	1.003.699
Retail	87.594	66.246
Energy	1.009.247	539.463
Other	7.379.968	6.837.096
Total	9.739.632	8.446.504
Less: segment elimination ⁽²⁾	(7.087.510)	(5.691.285)
Total shareholders' equity per consolidated financial statements	3.042.211	2.909.850
Non-controlling interests	390.089	154.631
Total shareholder's equity	2.652.122	2.755.219

⁽¹⁾ Segment elimination amount consists of the elimination of the shares of publishing, broadcasting, retail, energy and other companies and reciprocal debit and credit balances between publishing, broadcasting, retail, energy and other segment.

⁽²⁾ Segment elimination amount represents reciprocal elimination of adjusted capital amount within all segment's total equity and subsidiary amount.

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NOTE 5 - SEGMENT REPORTING (Continued)

e) Capital expenditures for property, plant and equipment, intangible assets and investment properties with depreciation and amortization charge

	1 January- 31 December 2015	1 January- 31 December 2014
Purchases		
Publishing	22.624	53.496
Broadcasting	201.029	188.347
Retail	11.975	8.872
Energy	175.263	3.049
Other	49.893	30.169
Total	460.784	283.933
Amortization and depreciation		
Publishing	64.427	75.541
Broadcasting	150.848	164.414
Retail	8.155	7.930
Energy	68.704	24.225
Other	21.376	23.352
Total	313.510	295.462

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NOTE 6 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents at 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015	31 December 2014
Cash	1.951	1.886
Banks		
- demand deposits	89.293	187.812
- time deposits	1.723.692	1.759.236
Other current assets	79.324	217.976
	1.894.260	2.166.910

As of 31 December 2015 the effective interest rates of USD, EUR and TL denominated time deposits are between 0,20% and 2,65% (31 December 2014: 0.15%-3.00%), 0,10% and 2,25% (31 December 2014: 0,05% - 10%) and 1% and 14,45% (31 December 2014: 5,00% - 11,50%), respectively and the maturity is shorter than 3 months.

As of 31 December 2015, other current assets consist of credit card slip receivables amounting to TL 77.682 (31 December 2014: TL 75.757), Direct Debiting System (DDS) receivables amounting to TL 1.206 (31 December 2014: None.) and blocked deposits with a maturity shorter than 3 months, mainly attributable to Doğan Holding regarding Group's subsidiaries' contracted loans, amounting to TL 436 (31 December 2014: TL 142.219).

Cash and cash equivalents disclosed in the consolidated statements of cash flows for the periods ended 31 December 2015 and 31 December 2014 are as follows.

	31 December 2015	31 December 2014
Cash and cash equivalents	1.894.260	2.166.910
Accrued interest (-)	(7.361)	(3.606)
Cash and cash equivalents	1.886.899	2.163.304

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NOTE 7 - FINANCIAL INVESTMENTS

a) Short-term financial investments

Group's available for sale financial assets (Note 2.1.3.e.) classified as short term financial investments as follows:

	31 December 2015	31 December 2014
Private sector bonds and bills	129.308	88.773
	129.308	88.773

Private sector bonds and bills dominated in TL and USD and weighted average interest rates are 11,8% and 6,01% (31 December 2014: TL 12,08%, USD 6,29%).

b) Long-term financial investments

Group's available for sale financial assets (Note 2.1.3.e.) classified as long term financial investments as follows:

	31 December 2015		31 December 2014	
	TL	%	TL	%
Lexin Nassau L.P.	37.168	22,15	24.001	22,15
POAŞ ⁽¹⁾	-	-	984	<1
Anten Teknik Hizmetler ve Verici Tesis İşletme A.Ş.	1.067	<1	1.067	<1
Other	3.363	<1	3.814	<1
	41.598		29.866	

⁽¹⁾ "Restricted shares" (192.500 (exact) units) which correspond to the 0,03% of the capital of POAŞ has been decided to be sold in cash for EUR 600.000 (exact) to OMV Petrol Ofisi Holding A.Ş. (Previous: OMV Enerji Holding A.Ş.) after the removal of restriction on the shares. The mentioned shares has been acquired by the main shareholder of POAŞ, OMV Aktiengesellschaft ("OMV AG") for a total amount of TL 866.250 per share TL 4,50 (exact) under the CMB II- 27.2 Communique "Partnership Removing and Selling Rights" as of 5 May 2015. As a result of this transaction, Doğan Şirketler Grubu Holding A.Ş. doesn't have any outstanding share in the capital of POAŞ. As of the reporting date, the negotiations regarding the collection of EUR 313.333 (exact) payment which is the difference between the payment of TL 866.250 (exact) (EUR 286.667 (exact)) regarding the "Partnership Removing and Selling Rights" under the CMB II- 27.2 Communique and the EUR 600.000 (exact) specified in the contact regarding the sale of mentioned shares to OMV Petrol Ofisi Holding A.Ş.

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NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS

a) Financial borrowing

The details of financial borrowings at 31 December 2015 and 31 December 2014 are as follows:

Short-term financial borrowings:	31 December 2015	31 December 2014
Short term bank borrowings	722.813	445.983
Factoring borrowing	11.921	6.015
Finance lease borrowings	4.215	9.553
Financial liabilities to suppliers	-	2.140
Total	738.949	463.691
Short-term portion of long-term financial borrowings:	31 December 2015	31 December 2014
Short-term portion of long-term bank borrowings	717.110	530.857
Total	717.110	530.857
Long-term financial borrowings:	31 December 2015	31 December 2014
Long term bank borrowings	664.027	1.106.957
Finance lease borrowings	1.498	1.680
Total	665.525	1.108.637

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NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

Details of the bank borrowings as of 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015			31 December 2014		
	Interest rate per annum (%)	Original foreign currency	TL	Interest rate per annum (%)	Original foreign currency	TL
Short-term bank borrowings:						
TL denominated bank borrowings	0 - 14,5	419.142	419.142	0 - 11,5	351.148	351.148
USD denominated bank borrowings	1,02 - 3	71.128	206.813	2,63 - 4,65	3.638	8.436
EUR denominated bank borrowings	2,2 - 4,8	28.222	89.680	2,8 - 4,8	30.630	86.399
Other bank borrowings	0-0	181.206	7.178	-	-	-
Sub-total			722.813			445.983
Short-term portion of long-term bank borrowings:						
TL denominated bank borrowings	3 - 11,05	320.076	320.076	3 - 10,8	36.202	36.202
USD denominated bank borrowings	1,02 - 6,25	56.297	163.688	1 - 6,25	181.920	421.854
EUR denominated bank borrowings	0,89 - 6,63	73.435	233.346	3,53 - 5,71	25.809	72.801
Sub-total			717.110			530.857
Total short-term bank borrowings			1.439.923			976.840
Long-term bank borrowings:						
TL denominated bank borrowings	5,5 - 13,25	170.078	170.078	3,0 - 13,75	415.338	415.338
USD denominated bank borrowings	4 - 4,28	27.288	79.343	1-6,25	107.362	248.962
EUR denominated bank borrowings	2,22 - 6,63	130.478	414.606	3,25- 5,71	156.932	442.657
Total long-term bank borrowings			664.027			1.106.957

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NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

The redemption schedule of long-term bank borrowings as of 31 December 2015 and 31 December 2014 is as follows:

	31 December 2015	31 December 2014
2016	-	780.432
2017	191.327	143.738
2018	311.549	112.006
2019 and after	161.151	70.781
	664.027	1.106.957

The floating rate bank borrowings of the Group denominated in USD have interest rates fluctuating between Libor + 0.85% and Libor + 3,80% and floating rate bank borrowings denominated in EUR have interest rates fluctuating between Euribor + 0,75% and Euribor + 5% (31 December 2014: USD Libor +0.85 and Libor+ 5.00%, EUR Libor +0,5% and Libor+5%).

Carrying value of the financial liabilities is considered to be same with the fair value since discount effect is not material. Group borrows loans on fixed and floating interest rates.

Commitments and financial terms about borrowings

Publishing

Deposit amounting to USD 35.000 of Doğan Holding has been blocked as collateral in accordance with the loan agreement amounting to USD 35.000 of its indirect subsidiary TME. This amount has been closed as of 14 January 2016.

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NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

Finance lease liabilities:

The Group acquired property, plant and equipment and intangible assets through finance leases. As of 31 December 2015, total lease payment commitments of the Group relating to such short and long term lease agreements amounting to TL 5.713 (31 December 2014: TL 11.233).

The redemption schedules of long-term leasing payables at 31 December 2015 and 31 December 2014 are summarized below.

	31 December 2015	31 December 2014
2016	-	1.680
2017 and after	1.498	-
Total	1.498	1.680

Allocation of borrowings with fixed and floating interest rates of the Group excluding financial liabilities to be paid to the suppliers as of 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015	31 December 2014
Financial borrowings with fixed interest rates (Note 34)	1.393.826	1.508.053
Financial borrowings with floating interest rates (Note 34)	727.758	592.992
Total	2.121.584	2.101.045

Financial liabilities to suppliers

Short and long term financial liabilities to the suppliers are related to the machinery and equipment purchases of Hürriyet, a subsidiary of Doğan Holding. As of date of reporting, the Group does not have any short-term financial liabilities to suppliers (31 December 2014: Short term financial liabilities to suppliers amounting to TL 2.140, the effective interest rate for EUR is 0,68%).

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NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)

Interest bearing payables to suppliers (continued)

The exposure of the Group's financial liabilities to suppliers to the risk of interest rate changes and the contractual repricing dates are as follows:

	31 December 2015	31 December 2014
6 months and less	-	2.140
Total	-	2.140

The fair values of short-term and long-term financial borrowings to suppliers are considered to be same with their carrying values as the effect of discount is not material.

b) Other financial liabilities

As of 31 December 2015 and 31 December 2014 details of other financial liabilities are presented below.

Other short term financial liabilities:	31 December 2015	31 December 2014
Financial liabilities due to call and put options (Note 17)	175.395	178.490
	175.395	178.490
Other long term financial liabilities:	31 December 2015	31 December 2014
Financial liabilities due to call and put options (Note 17)	517.700	602.629
	517.700	602.629

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables	31 December 2015	31 December 2014
Trade receivables	1.356.123	1.127.327
Notes and cheques receivable	132.456	23.000
Income accruals	9.661	4.790
Total	1.498.240	1.155.117
Less: Unearned financial income due to sales with maturity	(10.906)	(6.265)
Less: Provision for doubtful receivables (-)	(275.324)	(268.953)
Total	1.212.010	879.899

The average maturity of not overdue trade receivables and that are followed by Doğan Faktoring of the Group is between 72 to 115 days as of the balance sheet date (31 December 2014: 70-102 days). The maturity of the trade receivables of the Group varies and the interest rate applied for trade receivables is 12,68% (31 December 2014: 12,01%).

Long-term trade receivables	31 December 2015	31 December 2014
Notes and cheques receivable ⁽¹⁾	27.045	3.697
Unearned financial income due to sales with maturity	(5.671)	(786)
	21.374	2.911

⁽¹⁾ TL 1.938 of the aforementioned notes receivables are related to forward sales in Automall, Veneris and Milpark projects of Milpa, a subsidiary of the Group, within 2013, 2014 and 2015 years. In addition to this amount, there are long term notes receivables amounting to TL 25.107 gross, TL 19.834 discounted in relation to the fuel sales.

The movements of long term and short term provisions for doubtful receivables for the current period is as follows:

	2015	2014
1 January	(268.953)	(232.160)
Provision booked in the current period (Note 27)	(50.464)	(52.819)
Acquisition of subsidiary	(2.920)	-
Written off trade receivables	32.754	1.414
Collections and reversal of provisions	13.768	9.316
Currency translation differences	491	(213)
Reclassified as assets held for sale	-	5.509
31 December	(275.324)	(268.953)

⁽¹⁾ The entity has decided to derecognise the receivables recorded as doubtful within prior periods, in accordance with the provisional article 7 of TCC, receivables from the companies extracted from trade registry and the companies completed ordinary liquidation process and the companies dissolved by commercial courts' decision and the companies dissolved by bankruptcy estate and also receivables determined as bad debts, from balance sheet.

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)

Guarantees for trade receivables

As of 31 December 2015, although trade receivables amounting to TL 226.976 (31 December 2014: TL 227.226), were overdue, it is not assessed as doubtful receivable. The Group does not foresee any collection risk regarding to overdue receivables by considering sector dynamics and circumstances as of reporting date.

As of 31 December 2015, the Group has letters of guarantee, guarantee notes, guarantee cheques, bails, receivable insurance, pledges and mortgages amounting to TL 163.452 (31 December 2014: TL 84.530) related to trade receivables amounting to TL 1.233.384 (31 December 2014: TL 882.810).

The guarantees received for the total trade receivables of the Group consist of bank guarantee letter amounting to TL 10.322 (31 December 2014: TL 6.151), bails and mortgages amounting to TL 59.427 (31 December 2014: TL 37.893), checks and notes amounting to TL 72.543 (31 December 2014: TL 10.962), receivable insurance amounting to TL 20.926 (31 December 2014: TL 29.444), vehicle pledge amounting to TL 234 (31 December 2014: TL 80). In these guarantees, bank guarantee letter amounting to TL 5.068, bails and mortgages amounting to TL 18.633, cheques and notes amounting to TL 12.751, receivable insurance amounting to TL 4.192 and vehicle pledge amounting to TL 234 was received for overdue but not impaired receivables. (31 December 2014: bank guarantee letter amounting to TL 1.222, bails and mortgages amounting to TL 19.068, cheques and notes amounting to TL 6.993, vehicle pledge amounting to TL 80, receivable insurance amounting to TL 8.868 was received overdue but not impaired receivables) (Note 34).

Short-term trade payables

	31 December 2015	31 December 2014
Trade payables	690.736	553.552
Provision for liabilities and expenses	31.044	34.089
Notes payables and cheques	1.702	9.480
Other payables	4.901	1.007
Less: unearned finance expense due to purchase with maturity	(1.610)	(1.601)
Total	726.773	596.527

The average maturity of trade payables is between 39 - 92 days as of 31 December 2015 (31 December 2014: 30-90 days).

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NOTE 10 – OTHER RECEIVABLES AND PAYABLES

Other short-term receivables	31 December 2015	31 December 2014
Notes receivables ^{(1) (2)}	8.700	11.259
Deposits and guarantees given	3.396	3.182
Receivables from dealers regarding agreement terminations	2.299	-
Other miscellaneous receivables	2.698	5.882
Total	17.093	20.323

Other long-term receivables

Receivables regarding sale of property, plant and equipment ⁽²⁾	23.164	-
TEİAŞ power transmission line receivables ⁽³⁾	4.302	7.948
Deposits and guarantees given	2.743	2.175
Notes receivables	1.026	12.091
Total	31.235	22.216

⁽¹⁾ Notes receivables amounting to TL 3.885 comprise of notes receivables obtained from the sale of fixed assets of Kanal D. TL 1.090 of short term notes receivables consist of obtained notes receivables of Koloni TV sales (31 December 2014: TL 11.259 consists of notes receivable obtained from sale of shares of Bağımsız Gazeteciler and all trademark and name rights and web site domain name of Milliyet Gazetesi to DK Gazetecilik ve Yayıncılık A.Ş. at the date of 2 May 2011. Notes receivables are recorded at discounted amounts. As of 31 December 2014, the discount amount is TL 49, as of 30 June 2015, all of the notes receivables have been collected.)

⁽²⁾ The amount comprises of the property, plant and equipment sale of Milta.

⁽³⁾ The amount consists of the receivables of Galata Wind from the power transmission line of TEİAŞ.

Other short term payables	31 December 2015	31 December 2014
Taxes and funds payable	71.402	41.338
Deposits and guarantees received	1.346	834
Other short term payables ⁽¹⁾	87.111	7.925
Total	159.859	50.097

	31 December 2015	31 December 2014
Other long term payables		
Deposits and guarantees received	13.821	20.281
Other long term payables ⁽¹⁾	89.674	
Total	103.495	20.281

⁽¹⁾ As of December 2015, related balance consists of the long term payables amounting to USD 58.260 of the Group's subsidiary Aytemiz Akaryakıt to Aytemiz Family with an interest rate of 2.5%. The net discounted amount with the finance cost of the related payable is USD 59.441 (TL 172.831).

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NOTE 11 - INVENTORIES

Short term inventory	31 December 2015	31 December 2014
Finished goods and merchandise	268.345	167.203
Raw materials and supplies	92.222	75.135
Semi-finished goods	12.702	12.473
Promotion stocks	7.796	4.807
Other inventories	849	866
	381.914	260.484
Provision for impairment of inventory	(14.540)	(12.597)
Total	367.374	247.887

Amortization and depreciation expenses amounting to TL 181 has included in cost of inventories as of 31 December 2015. (31 December 2014: TL 82).

Promotional materials consist of books, CDs, DVDs and electronic educational products that are provided with the newspapers. Group management determine whether the promotional stocks has impaired or not, in case of assessing impairment, the related amount is also measured. In this context, impairment amount is determined by considering the purchase date, current condition of stocks and rates identified by Group management.

The movement of the provision for impairment of inventories for the years ended 31 December 2015 and 2014 are as follows:

	2015	2014
1 January	(12.597)	(8.056)
Provision booked in the current period (Note 27)	(4.228)	(4.946)
Reversal of provision for impairment of inventories	2.285	405
31 December	(14.540)	(12.597)

NOTE 12 - BIOLOGICAL ASSETS

Biological assets of Doğan Organik, a subsidiary of the Group, amounts to TL 76 as of 31 December 2015 (31 December 2014: TL 24).

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NOTE 13 - INVESTMENT PROPERTY

The movement of investment property for the periods ended 31 December 2015 and 2014 are as follows.

	1 January 2015	Additions	Disposals	Acquisition of subsidiary ⁽¹⁾	Fair value adjustment	Impairment adjustment	Transfer	Currency translation differences	31 December 2015
Land	187.926	-	(268)	62.617	29.038	(6.036)	(7.735)	7.322	272.864
Building	55.552	27.604	(13.567)	13.197	11.761	-	8.664	-	103.211
Net book value	243.478								376.075

⁽¹⁾ Acquisition of Aytemiz Group and Güvenilir A.Ş. (Note 3).

	1 January 2014	Additions	Disposals	Acquisition of subsidiary ⁽¹⁾	Fair value adjustment	Impairment adjustment	Transfer	Currency translation differences	31 December 2015
Land	170.683	-	(8.607)	-	28.367	(4.245)	-	1.728	187.926
Building	55.481	34.603	(37.003)	-	3.404	(1.443)	510	-	55.552
Net book value	226.164								243.478

The Group has generated a rent income of TL 3.210 from investment properties (31 December 2014: TL 1.172). Direct operating costs incurred within the current period regarding investment properties is TL 237 (31 December 2014: TL 196). There is no collateral or mortgage on investment properties of the Group.

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NOTE 13 - INVESTMENT PROPERTY (Continued)

As of 31 December 2015, the investment properties of the Group comprise of parts of buildings held to earn rentals, lands and properties acquired within the context of barter agreements. The Group management, has obtained up to date valuation reports for their investment properties as of 31 December 2015 by considering the positive effect of the increasing foreign exchange rates and other elements over the land and property unit prices in the current year.

Level reclassification of financial assets and liabilities measured at fair value

Investment properties of the Group, has been calculated by the CMB licensed real estate companies using the market comparison analysis approach, cost approach and direct capitalisation approach methods, it was determined that the values calculated from different approaches is similar and consistent with the market comparison method and decided on the final value. Real estate companies are authorized by CMB and provide property valuation appraisal services in accordance with the capital markets legislation and have sufficient experience and qualifications regarding the fair value measurement of the real estate in related regions.

Some of the financial assets and financial liabilities of the Group are reflected from their fair values to the financial statements at every statement of financial position date. The following table gives information on how the fair values of the related financial asset and liabilities are determined:

Financial Assets / Financial Liabilities	Fair value level as of the reporting date				
	Fair value		1. Level	2. Level	3. Level
	31 December 2015	31 December 2014			
Investment properties	376.075	243.478	-	376.075	-

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NOTE 14 - PROPERTY, PLANT AND EQUIPMENT

Movement of the property, plant and equipment for the periods ended 31 December 2015 and 2014 are as follows:

	1 January 2015	Additions	Disposals	Transfers	Disposal of subsidiary	Acquisition of subsidiary ⁽¹⁾	Currency translation differences	Adjustment ⁽²⁾	31 December 2015
Cost:									
Land and land improvements	106.215	1.023	(135)	8.075	-	33.723	915	(1.893)	147.923
Buildings	132.073	236	(2.113)	(763)	-	39.773	1.925	19.492	190.623
Machine and equipment	1.132.377	15.625	(18.060)	2.849	(25)	113.020	3.010	(23.874)	1.224.922
Motor vehicles	111.802	15.111	(48.229)	203	-	10.771	415	(346)	89.727
Furniture and fixtures	482.838	59.324	(45.627)	2.015	-	2.903	(1.909)	(20.886)	478.658
Lease tangible assets development costs	137.632	5.620	(2.637)	(315)	-	99	(12)	(23.001)	117.386
Other non- current assets	9.546	23.172	(418)	-	-	56.317	-	-	88.617
Construction in progress	10.218	45.659	(2.908)	(5.329)	-	35.551	(2.552)	(2.322)	78.317
	2.122.701	165.770	(120.127)	6.735	(25)	292.157	1.792	(52.830)	2.416.173
Accumulated depreciation:									
Land and land improvements	5.987	433	(135)	-	-	-	-	(1.222)	5.063
Buildings	77.511	5.966	(226)	(3.312)	-	3.000	4.487	20.338	107.764
Machine and equipment	792.041	64.609	(11.500)	-	(25)	15.372	3.809	(30.610)	833.696
Motor vehicles	62.448	8.692	(20.459)	-	-	6.759	(1.241)	(719)	55.480
Furniture and fixtures	273.690	44.077	(32.959)	-	-	1.471	(6.111)	(17.547)	262.621
Leased tangible assets development costs	89.758	10.219	(938)	-	-	68	(1.146)	(23.119)	74.842
Other non- current assets	832	6.574	(238)	-	-	28.450	-	-	35.618
	1.302.267	140.570	(66.455)	(3.312)	(25)	55.120	(202)	(52.879)	1.375.084
Net book value	820.434								1.041.089

⁽¹⁾ Comprises of the acquisition of Aytemiz Group and Güvenilir A.Ş. (Note 3).

⁽²⁾ The group management has reconsidered the carrying value of property, plant and equipment in the period and after this assessment, cost and depreciation reclassification between the fixed asset items and net book value adjustment of TL 49 has been reflected in the current period financial statements.

As of 31 December 2015 total depreciation expenses amounting to TL 313.691 (31 December 2014: TL 295.544), corresponding tangible assets amounting to TL 140.570 (31 December 2014: TL 144.640) and intangible assets amounting to TL 173.121 (31 December 2014: TL 150.904), allocated by TL 203.567 (31 December 2014: TL 212.774) recognised in cost of sales (Note 24), TL 66.644 (31 December 2014: TL 29.478) recognised in marketing expenses and TL 43.299 (31 December 2014: TL 53.210) recognised in general administrative expenses (Note 25) and TL 181 (31 December 2014: TL 82) of amortization expenses is recognised in inventories as of 31 December 2015.

There is a mortgage of TL 20.654 on property, plant and equipment as of 31 December 2015. (31 December 2014: TL 18.335). Net book value of property, plant and equipment acquired by leasing is TL 5.752 as of 31 December 2015. (31 December 2014: TL 9.872).

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	1 January 2014	Additions	Disposals	Transfers	Disposals of subsidiary	Acquisition of subsidiary	Currency translation differences	31 December 2014
Cost:								
Land and land improvements	114,745	324	(8,269)	12	-	-	(597)	106,215
Buildings	139,353	2,573	(3,400)	-	-	-	(6,453)	132,073
Machine and equipment	1,174,622	9,985	(71,52)	6,680	(74,764)	-	23,006	1,132,377
Motor vehicles	112,944	17,455	(13,664)	-	(84)	-	(4,849)	111,802
Furniture and fixtures	428,281	64,304	(23,476)	5,243	(10,39)	-	9,525	482,838
Leased tangible assets development costs	136,920	4,699	(4,724)	822	(299)	-	214	137,632
Other non-current assets	9,546	-	-	-	-	-	-	9,546
Construction in progress	9,135	13,726	(2,093)	(12,757)	(2)	-	2,209	10,218
	2,125,546	113,066	(62,778)	-	(76,188)	-	23,055	2,122,701

Estimated expenditure on and land improvements	5,467	520	-	-	-	5,987
Buildings	79,568	5,100	(1,409)	-	-	77,511
Machine and equipment	777,905	64,098	(4,283)	-	(60,336)	792,041
Motor vehicles	58,029	10,242	(4,113)	-	(84)	62,448
Furniture and fixtures	221,732	53,930	(12,493)	-	(942)	273,690
Leased tangible assets development costs	80,729	10,750	(1,186)	-	(281)	89,758
Construction in progress	832	-	-	-	-	832
	1,224,262	144,640	(23,484)	-	(61,643)	1,302,267
					18,492	

901.284	820.434
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NOTE 15 – INTANGIBLE ASSETS

Movement of the intangible assets for the periods ended 31 December 2015 and 2014 are as follows:

	1 January 2015	Additions	Disposals	Currency Translation differences	Acquisition of Subsidiary ⁽¹⁾	Disposal of Subsidiary	Impairment ⁽²⁾	Transfer	Adjustment ⁽³⁾	31 December 2015
Cost:										
Customer list	226.395	-	-	(5.368)	-	-	-	-	-	221.027
Trade names and licenses (Media)	197.875	-	-	(6.153)	7.876	-	(44.962)	-	-	154.636
Electricity production license	356.367	-	-	-	-	-	-	-	(1.723)	354.644
Other	484.332	47.748	(25.458)	3.858	3.561	(1.261)	-	(114)	(1.560)	511.106
	1.264.969	47.748	(25.458)	(7.663)	11.437	(1.261)	(44.962)	(114)	(3.283)	1.241.413
Accumulated amortization:										
Customer list	111.993	11.839	-	(3.449)	-	-	-	-	-	120.383
Trade names and licenses (Media)	18.750	2.288	-	(322)	-	-	-	-	-	20.716
Electricity production license	14.403	766	-	-	-	-	-	-	(722)	14.447
Other	350.351	41.775	(15.006)	(1.695)	1.945	(305)	-	-	(716)	376.349
	495.497	56.668	(15.006)	(5.466)	1.945	(305)	-	-	(1.438)	531.895
Dealer agreement	-	-	-	-	-	-	-	-	-	135.251
Television programme rights	82.797	-	-	-	-	-	-	-	-	109.203
	852.269									953.972

⁽¹⁾ Comprises of the acquisition of Aytemiz Group and Güvenilir A.Ş. (Note 3).

⁽²⁾ Provision for impairment amounting to TL 44.962 calculated for the period ended 31 December 2015 has recognised under expenses from investing activities in relation to the impairment test performed on the intangible assets regarding the acquisition of TME, a subsidiary of Hürriyet, which is one of the subsidiaries of the Group.

⁽³⁾ The group management has reconsidered the carrying value of intangible assets in the period and after this assessment, cost and depreciation reclassification between the fixed asset items and net book value adjustment of TL 1845 has been reflected in the current period financial statements.

Movement of television programme rights and dealer agreements for 2015 is as follows:

	1 January 2015	Additions	Depreciation	Currency translation differences	Provision for impairment of program rights and inventory	Acquisition of subsidiary ⁽¹⁾	31 December 2015
Television programme rights	82.797	112.282	(87.107)	1.231	-	-	109.203
Dealer agreements	-	107.380	(29.346)	-	-	57.217	135.251

⁽¹⁾ Comprises of the acquisition of Aytemiz Group (Note 3).

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NOTE 15 – INTANGIBLE ASSETS (Continued)

	1 January 2014	Additions	Disposals	Transfers	Currency translation differences	Impairment	31 December 2014
Cost:							
Customer list	341.351	-	-	-	(114.956)	-	226.395
Trade names and licenses (Media)	318.688	-	-	-	(118.114)	(2.699)	197.875
Electricity production license	355.044	1.393	(70)	-	-	-	356.367
Other	461.548	53.964	(4.747)	(9.014)	(17.419)	-	484.332
	1.476.631	55.357	(4.817)	(9.014)	(250.489)	(2.699)	1.264.969
Accumulated amortization:							
Customer list	144.206	15.168	-	-	(47.381)	-	111.993
Trade names and licenses (Media)	21.763	1.418	-	-	(4.431)	-	18.750
Electricity production license	13.747	683	-	-	(27)	-	14.403
Other	317.542	58.062	(4.407)	(9.014)	(11.832)	-	350.351
	497.258	75.331	(4.407)	(9.014)	(63.671)	-	495.497
Television programme rights	76.471						82.797
Net book value	1.055.844						852.269
Movement of television programme rights for 2014 is as follows:							
	1 January 2014	Additions	Discontinued operations	Depreciation	Currency translation differences	Provision for impairment of program rights and inventory	31 December 2014
Television programme rights	76.471	80.907	-	(75.573)	4.518	(3.526)	82.797

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NOTE 15 - INTANGIBLE ASSETS (Continued)

Intangible assets with indefinite useful lives

As of 31 December 2015, the Group has determined that trademarks with carrying value of TL169.723 have indefinite useful lives (31 December 2014: TL 194.329). The utilization period of trademarks with indefinite useful lives, as expected by the Group, is determined based on the stability of the industry, changes in market demands as to the products and services provided through assets, control period over the assets and legal or similar restrictions on their utilization.

Movement of the goodwill for the periods ended 31 December 2015 and 2014 is as follows:

	2015	2014
1 January	395.567	520.005
Acquisition of subsidiary (Note 3)	8.146	2.830
Currency translation differences	-	(43.516)
Provision for impairment of goodwill (-)	-	(83.752)
31 December	403.713	395.567

NOTE 16 - GOVERNMENT GRANTS

- Ditaş, a subsidiary of the Group, benefit from the insurance premium incentive under the scope of Social Security and General Health Insurance Law (Law 5510). In this context, the incentive of the insurance premium amounting to TL 869 (31 December 2014: TL 710) is recorded against the labor expense under cost of goods sold in the financial statements.

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NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions	31 December 2015	31 December 2014
Provision for lawsuits and compensation	37.315	41.335
ICTA Penalty	1.063	2.478
Other	884	996
	39.262	44.809

Movement of lawsuit provisions for the periods ended 31 December 2015 and 2014 are as follows:

	2015	2014
1 January	41.335	31.189
Additions within the period (Note 27)	19.327	16.121
Currency translation differences	2.499	-
Acquisition of subsidiary	1.164	-
Payments of provisions	(3.939)	(16.825)
Reversal of provisions booked in prior periods	(7.793)	(6.776)
Cancellation of obligations arising from the put option (Note 27) ⁽¹⁾	(15.278)	-
Transfer from other financial liabilities (reclassification of put option)	-	17.742
Disposal of subsidiary	-	(116)
31 December	37.315	41.335

⁽¹⁾ There has been a dispute regarding the sales of put option between TCM Adria d.o.o, a subsidiary of the Group, which has 70% shares of Oglasnik d.o.o and owners of remaining 30% and non-controlling interests about put option of non-controlling interest shares to TCM Adria d.o.o and/or to the Group. The arbitration process ongoing in Zagreb Arbitration Court has resulted and accordingly the option was decided as invalid by the arbitration court and a compensation payment in favor of the minorities was decided due to the loss occurred. The litigation judgment has been appealed on 5 November 2014 and the suspension of the payment has been applied. At 31 December 2014 in line with the precautionary principle of the accounting, the liability priorly calculated related to the "option" was calculated considering the interest and journalised as "provision for lawsuit and damage". At 26 November 2015, the Group has made a settlement with non - controlling interests and the amount to be paid is decided as EUR. First installment amounting to EUR 588 has been paid as of 10 December 2015 and the remaining amounts will be paid in three equal installments until 1 September 2016. With this development, reduction of TL 15.278 provision in question has been recognised as profit in the financial statements dated 31 December 2015.

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NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(a) Lawsuits

The amount of lawsuits against the Group is TL 75.966 as of 31 December 2015 (31 December 2014: TL 85.606)

	31 December 2015	31 December 2014
Legal cases	59.478	74.816
Commercial cases	2.709	1.166
Business cases	12.207	9.059
Other	1.572	565
Total	75.966	85.606

A provision for lawsuits filed against the Group whose details are given above amounting to TL 37.315 has been provided with reference to the opinions of the Group's legal advisors and past experience of management related to similar litigations against the Group (31 December 2014: TL 41.335). Legal cases mainly consist of pecuniary and non-pecuniary damages and lawsuits filed against publishing and broadcasting companies and lawsuits initiated by the Radio and Television Supreme Council.

b) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH:

Amendment of the Share Purchase and the Shareholder Agreements

The "Share Purchase" and the "Shareholders Agreements" dated 19.11.2009 signed between Doğan Holding, our direct subsidiaries Doğan TV Holding A.Ş. (DTV) and Doğan Yayın Holding A.Ş. (has ceased due to dissolution without liquidation) and Axel Springer A.G.'s direct subsidiaries Commerz-Film GmbH and Hauptstadtsee 809. V GmbH (together the Axel Springer Group) and dated 16.11.2006 signed between Doğan Yayın Holding A.Ş. (has ceased due to dissolution without liquidation) and Axel Springer A.G. have been amended on 2 October 2014. Accordingly;

1- Provided that it shall take place earliest on 30 January 2015, and to be used in return for EUR 50.000, the Axel Springer Group has an "put option" for 34.183.593 (exact) shares, and Doğan Holding had a "commitment to buy" ("DTV Put Option I") and Doğan Holding had given "letter of guarantee" amounting to EUR 50.000 to Axel Springer Group. The Axel Springer Group exercised all of its "put option". Paid amount included interest calculated based on the 12-months compound Euro Libor plus 100 basis points as of January 2, 2007. Within the scope of the exercise of such "put option", 1.902.118(exact) DTV bonus shares from the previous capital increase were delivered as bonus shares. Thus, within the scope of such option, the total number of shares delivered to Doğan Holding were 36.085.711 (exact) (approximately 2.65% of the current DTV capital). Related transaction was realized on 30 January 2015, and EUR 63.346.606,10 (exact) payment was made to Commerz-Film GmbH by Doğan Holding in return for the exercise of put option and relevant letter of guarantee was returned to Doğan Holding. After the transaction, direct share of Doğan Holding in DTV equity is realized as 90,61%.

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NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

b) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH (continued)

Amendment of the Share Purchase and the Shareholder Agreements (continued)

2- As it was disclosed to public periodically in our financial statement footnotes; per the Agreements between the parties, "in case an initial public offering was not made for the DTV shares of the Axel Springer Group ("Axel Shares") until June 30, 2017, in addition to re-adjusting the price, and a payment accordingly, the Axel Springer Group had a "put option" all or a part of the Axel Shares to Doğan Holding, and Doğan Holding had a "commitment to buy" (DTV Put Option II)). With the Agreement amended on 2 October 2014, unconditional "put option" was given to Axel Springer Group, the details are presented in the appendix tables ("Option Exercise Table") in the latest IR news disclosed to Public Disclosure Platform ("PDP") on 2 October 2014. Aforementioned Option Exercise Table is presented below;

Option Exercise Table:

Option	Number of Shares subject to option	Current capital ratio of DTV (%)	Option exercise Costs (EUR)(exact)	Earliest Option Exercise Dates
2016	39.870.037	2,93	55.243.523,89	29.01.2016
2020/I	10.873.646	0,80	15.066.414,94	30.06.2020
2020/II	85.176.896	6,26	118.020.255,25	30.06.2020
2022	27.184.078	2,00	37.666.038,82	31.01.2022
TOTAL	163.104.657	11,99	225.996.232,90	

Axel Springer Group may exercise all or a part of its "put option". Amounts to be paid are final, meaning that additional interest cannot be charged. Only, the interest to be calculated taking as the basis annual compound 12-month Euro Libor plus 100 basis points from 29 January 2016 to 30 June 2020 shall be added to the sum to be paid for the "DTV Put Option 2020/I". Within the scope of such options, four separate "letters of guarantee" have been given to the Axel Springer Group by our Company with a total value of EUR 225.996 for the 163.104.657 (exact) Doğan TV Holding securities to be taken by Doğan Holding.

In case all the options in above mentioned Article 1 are exercised, the Axel Springer Group will not have any shares left in the Doğan TV Holding capital.

3- The "DTV Put Option II" has been annulled and cancelled.

4- Issues related with the "initial public offering" of the "Axel Shares";

a. In case of an initial public offering of the "Axel Shares" between the dates 01 January 2015 and 31 January 2022, the following shall be applicable for the value of the "Axel Shares" based on the three months average share price following the initial public offering ("Value of the Share Sold"),

i. if lower than the "Initial Sales Price", the negative difference between the "Value of the Share Sold" and the "Initial Sales Price" shall be paid through Doğan Holding to the Axel Springer Group, without calculating any interest on the "Initial Sales Price", and taking into account merely the "Initial Sales Price".

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NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

b) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH (continued)

Amendment of the Share Purchase and the Shareholder Agreements (continued)

ii. If higher than the "Initial Sales Price", the amount to be found by deducting the interest calculated based on the "Initial Sales Price" from the positive difference between the "Value of the Share Sold" and the "Initial Sales Price" (interest shall be calculated taking as the basis annual compound 12-month Euro Libor as of 2 January 2007) shall equally be shared between the Axel Springer Group and Doğan Holding.

iii. In case an initial public offering does not take place for the "Axel Shares" until January 31, 2022, and in case the "Fair Value" of DTV to be determined with specified valuation techniques on 31 December 2021 (shall be taken into account based on the extent of the shares the Axel Springer Group has in the DTV capital as of 31 December 2021) is lower than the "Initial Sales Price", the negative difference between the "Fair Value" of DTV as of 31 December 2021 and the "Initial Sales Price" shall be paid by Doğan Holding to the Axel Springer Group.

The liability for unconditional "commitment to buy" of Doğan Holding mentioned above was recorded under "other financial liability" in consolidated financial statements as of 31 December 2015 amounting to TL 693.095 (31 December 2014: TL 781.119) calculated over discounted cash outflows will take place in the future. "Non-controlling interests" as the amount representing the shares belonging Axel Springer were removed from the consolidated financial statements. Since the transaction did not result in any change of control over DTV on the date of transfer of shares, the difference between recorded financial liabilities and removed non-controlling interests directly recognised under equity.

After the completion of the transactions mentioned above, based on the written agreement between Doğan Holding, DTV and Commerz-Film GmbH and the decision of the board of directors of DTV dated 29 April 2015, it has been decided;

1 - To increase the paid up capital of DTV from the internal sources amounting to TL 173.984.499 (exact) and by cash amounting to TL 448.199.414 (exact), from TL 1.360.016.087 (exact) to TL 1.982.200.000 (exact).

2-Capital increase to be paid in cash amounting to TL 448.199.414 shall be committed by Doğan Holding

The payments related to the abovementioned capital increase that will be made in cash have been completed following the authorization of DTV General Assembly and obtaining necessary legal permissions as of 10 July 2015. After the capital increase, the ownership interest of Commerz-Film GmbH in the capital of DTV has decreased from 11,99% to 9,28%.

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NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

b) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH (continued)

Amendment of the Share Purchase and the Shareholder Agreements (continued)

After the capital increase, the option exercise table has been revised as below;

Option Exercise Table:

Option	Number of Shares subject to option	Current capital ratio of DTV (%)	Option exercise Costs (EUR) (exact)	Earliest Option Exercise Dates
2016	44.970.542	2,27	55.243.523,89	29.01.2016
2020/I	12.264.693	0,62	15.066.414,94	30.06.2020
2020/II	96.073.429	4,84	118.020.255,25	30.06.2020
2022	30.661.689	1,55	37.666.038,82	31.01.2022
TOTAL	183.970.353	9,28	225.996.232,90	

c) Doğan TV Digital Platform İşletmeciliği A.Ş.

As a result of the investigation performed by Information and Communication Technologies Authority (ICTA) on one of the indirect subsidiaries of the Group, Doğan TV Dijital Platform İşletmeciliği A.Ş., on 21 April 2014 an administrative penalty amounting to TL 10.342 was given and TL 8.260 was accrued in order to refund to the subscribers. The Group paid administrative penalty amounting to TL 7.756 by taking advantage of 25% discount for advance payment with the objection record. On the other hand, TL 4.608 of the total amount accrued in relation to the refunds to the subscribers has been paid as of 31 December 2015. Provision recognised in the prior periods regarding this matter is TL 2.478.

(d) Other

Milpa:

The Land of Ömerli

Shares acquired step by step with the agreement "Building Construction Shared Floor/Revenue in Return Arrangement Form Land Share and Real Estate Promise to Sell Agreement" signed between March 2000 - October 2003 and recognised under "investment properties" by Milpa Ticari ve Sınai Ürünler Pazarlama ve Ticaret A.Ş. ("Milpa"), a subsidiary of the Group, and in addition to these shares, the balance of the shares acquired from the result of the tender in relation to the lawsuit opened by one of the shareholders corresponding to his/her share in the real estate, located at Istanbul Province, Pendik District, Kurtdoğan Village with an area of m² 2.238.207, have been recognised at fair value which has been appreciated in the Real Estate Valuation Report prepared by the Real Estate Appraisal Company on the list of CMB. Because of the qualifications of farm land due to the legal uncertainties stated below, Ömerli land hasn't been recognised under normal business operations of Milpa (project development, construction and sale etc.), and has been recognised as "investment properties" in accordance with TAS 40 ("Investment Properties"), in the context of Paragraph 8/(b).

Milpa, has commitment to pay 25% of the revenue generated from the real estate project (the "Project") by considering the share of the land owners who has assigned shares within the scope of revenue sharing constructions and/or flat for land basis contracts. Furthermore, there is a building construction agreement annotation under the relevant Agreement signed with the landowners in relation to 2.093.941 m² of Ömerli Land, with the parcel no: 1154,

According to the İstanbul Environmental Recreation Plan, scale of 1/100.000 and dated 15 June 2009, a significant part of the land of which parcel no is 1154, is located partially within the borders of "Habitat Park Area", "Military Land and Military Security Area", and "Forest Area". The report on the Basin Research Results of the Istanbul Water Supply and Sanitation Administrative General Directory dated 12 January 2016 states that 2,586 m² of parcel no 1154 and 142,012 m² of parcel no 1155 are parts of the Forest Area. The related parcels are located in both the medium range protected area and the long range (2000 m. - 5000 m.) protected area of Ömerli Reservoir Basin. In addition to that, the records of City Directorate of Provincial Food Agriculture and Livestock also shows that the relevant parcels are situated within the Forest Area.

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NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(d) Other (continued)

Milpa:

The Land of Ömerli (continued)

144.266 m² of the land parcel no: 1555 has been removed from the forest area with the court decision in 2005 year. To this The Forestry Directorate appealed the decision at the 20th Chamber of the High Court and the objection was accepted on 24 June 2008 and these decisions (removal from forest area) are sent to the Pendik First Civil Court for re-evaluation. The Court has reiterated its initial decision being right on 8 October 2009 in terms of content. The General Directorate of Forestry appealed the Court's decision again and the related file was re-sent to the Supreme Court of law No: 20. The related office has resent the file to Pendik First Civil Court by disrupting the court decision. The Court for which the lawsuit is held, has been divided into two and the lawsuit has been heard at 29. Civil Court. The aforementioned court has decided to cancel the land register of the aforementioned 144.266 m² and parcel No: 1155 of land belonging to the Company and register the land as forest title in the name of the treasury at 23 December 2014. Following the notification of the decision no 2013/320 at 9 January 2015, appeal to a superior court on 13 February 2015 has been made. In this regard, provision for impairment amounting to TL 3.900 from the carrying value of property in the financial statements as of 31 December 2015 (31 December 2014: TL 3.900)

With the 1/100.000 scale environmental plan released on 17 July 2009, the related land was classified as a habitat and recreation area and Milpa appealed to this plan within the legal deadline. As of the date of the preparation of these financial statements, no response was received regarding the change in land development plan and the appeal to this change regarding the land in Pendik, Kurtdoğan Village. It is also known that there have been objections to the relevant construction plan from third parties as well. After the appeals to the development plan, no information has been received from the relevant authorities regarding the evaluations by Milpa. During the 7 years, no lower scale plans have been made and the zoning status of the land has not been identified yet. Because planning and nationalization regarding Kuzey Marmara Otoyolu Project is being performed, it is unlikely for a short-term regional plan to be made. Because the planning process is conducted by multiple government agencies, only monitoring of the processes is performed. In this context, the uncertainty in the development plan due to the appeal, will be continued to be assessed in subsequent periods in the legal process.

As stated in the environmental regulation plan of Ömerli land with a scale of 1/100.000 as of 17 July 2009, although the related land has been specified as "habitat" and "recreation" area; because of the scarcity of these type of lands in this size and position in the Asian side of Istanbul where quality projects can be developed, "the strengths" and "opportunities" like the demand increase in recent years for the area and the proximity of the land to the TEM highway and being close to the Kuzey Marmara Otoyolu project considering Real Estate Appraisal Company's valuation report as of 14 January 2016 using precedent comparison relevant lands parcel no: 1554 valued a total of TL 125.636 (Company's share is 67,58% as of 31 December 2015) has been recognised for the total of the related real estate (31 December 2014: TL 89.530. This amount is the total valuation for the land and the Company's share in this is 67,58% as of 31 December 2014). As mentioned above, within the scope of the tentative decision made in relation to the registration of the parcel no: 1155 as Forest Area, no valuation amount has been recognised for the Company's portion of shares of 67,58% as of 31 December 2015 (31 December 2014: TL 3.900).

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NOTE 18 - COMMITMENTS

(a) Collaterals, pledges and mortgages (CPM) given by the Group

	31 December 2015					31 December 2014				
	TL Equivalent	TL	USD	EUR	Other	TL Equivalent	TL	USD	EUR	Other
A. CPM's given in the name of its own legal personality										
Guarantees ^{(1) (5)}	1.383.096	501.820	52.618	229.193	-	984.786	120.427	32.280	279.453	-
Pledge ⁽⁴⁾	-	-	-	-	-	-	-	-	-	-
Mortgage ⁽²⁾	20.654	-	-	6.500	-	18.335	-	-	6.500	-
B. CPM's given on behalf of the fully consolidated companies										
Guarantees ^{(1) (3)}	28.005	1.572	9.091	-	-	24.028	2.172	9.425	-	-
Pledge ⁽⁴⁾	112	112	-	-	-	217	217	-	-	-
Mortgage	410.456	6.369	102.656	33.234	-	760.667	6.900	154.512	140.203	-
C. CPM's given on behalf of 3rd parties for ordinary course of business										
D. Total amount of other CPM's given										
i) Total amount of CPM's given on behalf of the majority shareholders	-	-	-	-	-	-	-	-	-	-
ii) Total amount of CPM's given on behalf of other group companies which are not in scope of B and C	-	-	-	-	-	-	-	-	-	-
iii) Total amount of CPM's given on behalf of 3rd parties which are not in scope of C	-	-	-	-	-	-	-	-	-	-
Total	1.842.323					1.788.033				

⁽¹⁾ The guarantees of the Group consist of letter of guarantees, guarantee notes, bills and mortgages and the details are explained below.

⁽²⁾ There is a mortgage amounting to TL 20.654 over the tangible fixed assets of Group's subsidiary Hürriyet as of 31 December 2015 (31 December 2014: TL 18.335)

⁽³⁾ Doğan Holding has bail amounting to USD 44.444 given to credit institutions within the scope of Aslançık Elektrik's hydroelectric power plant construction (31 December 2014: USD 47.407), Doğan Holding gave bail amounting to USD 58.211 for Boyabat Elektrik's long term project financing bank loan (31 December 2014: USD 47.496)

⁽⁴⁾ 33,33% shares of Aslançık Elektrik (55.000.000 (exact) shares), 33% shares of Boyabat (6.996.000 (exact) shares), 100% of Galata Wind (340.000 (exact) shares) and 100% of D-Tes (463.401.200 (exact) shares) were given as pledges to financial institutions due to the Group's long term borrowings and are not included in the table above.

⁽⁵⁾ The group has acquired Aytemiz Akaryakıt as of 11 March 2015. The increase of guarantees in the current period is due to the guarantees of Aytemiz Akaryakıt.

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NOTE 18 - COMMITMENTS (Continued)

a) Letters of guarantees and guarantee notes given (continued)

Other CPM given by the Group to equity ratio is 0% as of 31 December 2015 (31 December 2014: 0%). The details of letter of guarantees and guarantee notes given by the Group are as follows:

	31 December 2015		31 December 2014	
	Original currency	TL equivalent	Original currency	TL equivalent
Letters of guarantees – Euro	229.193	728.284	279.453	788.253
Letters of guarantees – TL ⁽¹⁾	501.820	501.820	120.427	120.427
Letters of guarantees – USD	52.618	152.992	32.820	76.106
Guarantee notes – TL	1.572	1.572	2.172	2.172
Guarantee notes – Euro	-	-	-	-
Guarantee notes – USD	9.091	26.433	9.425	21.856
Total		1.411.101		1.008.814

⁽¹⁾ Letter of guarantee given amounting to TL 342.869 is related to the Aytemiz Group.

(b) Guarantees and mortgages given

The details of guarantees of Doğan Holding and its shareholders' given for the borrowings and trade payables of the Group companies and related parties as of 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015		31 December 2014	
	Original currency	TL equivalent	Original currency	TL equivalent
Bails– Euro	33.234	105.604	140.203	395.471
Bails – USD ⁽¹⁾	102.656	298.483	154.512	358.296
Bails – TL	6.369	6.369	6.900	6.900
Mortgages – Euro	6.500	20.654	6.500	18.335
Mortgages – TL	112	112	217	217
Total		431.222		779.219

⁽¹⁾ Guarantees given for Milta, Aslancık Elektrik , Galata Wind and Eko TV has decreased by USD 51.856 in relation to the loan repayments during the period.

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NOTE 18 - COMMITMENTS (Continued)

(c) Barter agreements

Doğan Holding and its subsidiaries, enter into barter agreements, which involve the exchanging of goods or services without any cash collections or payments, as a common practice in the media sector.

As of 31 December 2015, the Group has a commitment for the publication of advertisements amounting to TL 10.122 (31 December 2014: TL 11.267) in exchange for purchasing goods and services and has an option to purchase goods and services amounting to TL 24.139 (31 December 2014: TL 19.346) in exchange of the goods or services sold.

NOTE 19 - OTHER ASSETS AND LIABILITIES

	31 December 2015	31 December 2014
Other current assets		
Blocked deposits ⁽¹⁾	163.987	121.476
Value added tax ("KDV") receivables	30.358	23.692
Prepaid taxes and funds	22.488	32.665
Programme stocks	9.863	56.149
Personnel advances	7.398	8.199
Work advances	2.740	2.392
Other	2.934	18.979
	239.768	263.552
Provision for impairment on programme stocks	(1.081)	(1.081)
Provision for other doubtful receivables	(645)	(1.488)
	238.042	260.983
	31 December 2015	31 December 2014
Other non-current assets		
Value added tax ("KDV") receivables	122.601	133.332
Blocked deposits ⁽²⁾	304	94.250
Deposits and guarantees given	-	246
Other	161	410
	123.066	228.238

⁽¹⁾ As of 31 December 2015, Doğan Holding has blocked deposits of USD 35,000 (TL 101.766) (31 December 2014: USD 35,000 (TL 81.162)) regarding its subsidiary TME; USD 21,000 (TL 61.060) for subsidiary Mozaik and TL 1,161 blocked deposits for other subsidiaries. (31 December 2014: TL 824 for other subsidiaries and blocked deposits of EUR 14,000 (TL 39.490) regarding Kanal D Romania).

⁽²⁾ As of 31 December 2015, The Group has blocked deposits amounting to TL 304 (31 December 2014: Doğan Holding has blocked deposits amounting to USD 40,500 (TL 93,915) on behalf of TME and Mozaik's bank loans and TL 335 for other subsidiaries).

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NOTE 20- PREPAID EXPENSES AND DEFERRED INCOME

Details of prepaid expenses and deferred income for the periods ended 31 December 2015 and 31 December 2014 are as follows:

Short term prepaid expenses	31 December 2015	31 December 2014
Prepaid expenses ⁽¹⁾	25.258	21.792
Advances given ⁽²⁾	70.052	44.880
	95.310	66.672

⁽¹⁾ Significant amount of prepaid expenses consists of prepaid rent expenses and insurance expenses.

⁽²⁾ The majority of the advances given consist of advances given for the activities in broadcasting and energy sectors

Long term prepaid expenses	31 December 2015	31 December 2014
Advances given and prepayments ^{(1) (2) (3)}	41.543	39.909
Prepaid expenses for future years	4.654	9.726
Advances given for fixed asset purchases	-	399
	46.197	50.034

⁽¹⁾ Advances given and prepayments amounting to TL 26.897 (31 December 2014: TL 36.729) consist of prepayments made by Doğan TV Holding, one of the subsidiaries of Doğan Yayın Holding, for UEFA (Union Européenne de Football Association or Union of European Football Associations) Champions League qualifying games and UEFA Cup qualifying games of certain Spor Toto Super League teams between 2008 and 2020. In accordance with the agreements, prepayments made for the related games is refunded to Doğan TV Holding in the cancellation of games.

⁽²⁾ Advances given and prepayments amounting to TL 11.070 (31 December 2014: None) comprise of advances given to dealer, made by Aytemiz, one of the subsidiaries of Doğan Holding.

⁽³⁾ TL 3.180 (31 December 2014: TL 3.180) of the advances given and prepayments includes the expenses caused by the landowners and advances given to the landowners who passed their shares of the real estate Project in the land of Ömerli by Milpa which is a subsidiary of the Group for the part of the proceeds. 25% of the revenues of the project which Milpa is planning to develop, about the houses and offices will be committed and set-off to the landowners revenue-sharing or flat received from contractor for landownership by the proportion of their shares. TL 396 of advances given consists of Group's other subsidiaries. (31 December 2014: None)

Short term deferred income	31 December 2015	31 December 2014
Deferred income ⁽¹⁾	27.240	31.292
Advances received	12.774	10.429
	40.014	41.721

⁽¹⁾ The majority of the deferred income consists of prepaid subscription income in publishing and broadcasting segments and yacht mooring income in other segment.

Long term deferred income	31 December 2015	31 December 2014
Deferred income ⁽¹⁾	1.410	562
	1.410	562

⁽¹⁾ Deferred income is composed of prepaid subscription expenses of publishing and broadcasting.

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NOTE 21 - DERIVATIVE INSTRUMENTS

	31 December 2015		31 December 2014	
	Asset	Liability	Asset	Liability
Derivative swap instruments				
Currency forward transactions	-	-	464	4
Total	-	-	464	4

(a) Currency forward transactions

As of 31 December 2015, there aren't any foreign exchange derivatives of the Group (31 December 2014: TL 460- net liability). There isn't any asset and liability amount as of 31 December 2015 (31 December 2014: TL 464 asset, TL 4 liabilities)

NOTE 22 - PROVISION FOR EMPLOYMENT BENEFITS

(a) Payables regarding benefits provided to employees

The details of payables regarding employee benefits as of 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015	31 December 2014
Payables to personnel	12.486	5.782
Social security payables	10.908	2.997
	23.394	8.779

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NOTE 22 – PROVISION FOR EMPLOYMENT BENEFITS (Continued)

(b) Short term provision within employment benefits

Details of short term provision within employment benefits for the period of 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015	31 December 2014
Provision for unused vacation	44.070	39.846
	44.070	39.846

(c) Long term provision within employment benefits

Details of long term provision within employment benefits for the period of 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015	31 December 2014
Provision for employment termination benefits	109.481	104.352
	109.481	104.352

Except from the legal requirements other than Turkey in which the Group operates, there are no pension plans and benefits.

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies and achieves the retirement age. At 31 December 2015 the amount payable maximum equals to one month of salary is TL 4.092,53 (exact) (31 December 2014: TL 3.438,22 (exact)) for each year of service.

On the other hand, the Group is liable to make payments to personnel who work for a minimum of 5 years and whose employment is terminated without due cause in accordance with the Regulations with regards to Employees Employed in the Press Sector. The maximum payable amount is 30 days' flat salary for each year of service. Employment termination benefit liabilities are not subject to any funding and there are no legal requirements for funding of these liabilities.

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NOTE 22 - PROVISION FOR EMPLOYMENT BENEFITS (Continued)

c) Long term provision within employment benefits (continued)

Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the Group.

The standard TAS 19 "Employee Benefits" envisages the development of actuarial valuation methods in order to estimate the provision of severance pay. According to this, following assumptions were used in the calculation of total liability based on the report prepared by the actuarial firm:

- discount rate is applied as 10,72% (31 December 2014: 8,10%), inflation rate applied as 5,90% (31 December 2014: 5%) and rate of increase in wages applied as 5,90 % (31 December 2014: 5%) in the calculation.
- age of retirement is based on considering the Company's historical operating data and taken as the average age of retirement from the Group

⁽¹⁾ Discount rate used for calculating the severance payment liability is determined as the long-term government bond compound interest of 10,72%.

⁽²⁾ Inflation rate and wage increase rate, used for calculating the severance payment liability, is determined as 5,90% which is the 24 months inflation estimation by the Central Bank of the Republic of Turkey.

The movement of provision for severance pay within the period is as follows:

	2015	2014
1 January	104.352	103.521
Current period service cost and net interest expense from continued operations	16.919	18.248
Loss regarding payment/reducing benefits/ dismissal	2.587	7.414
Payments during the period from continued operations	(14.443)	(23.434)
Actuarial loss/ (gain)	66	1.753
Disposal of subsidiary	-	(3.150)
31 December	109.481	104.352

Total costs excluding the actuarial loss regarding employment benefits are presented in consolidated statement of profit or loss prepared as of 31 December 2015. As of 31 December 2015, actuarial loss of TL 66 is recognized in the statement of other comprehensive statement (31 December 2014: TL 1.753 loss).

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NOTE 23 - EQUITY

Doğan Holding adopted the registered paid-in capital system and set a limit on its registered paid-in capital representing registered type shares with a nominal value of TL 1.

Doğan Holding's registered capital ceiling and issued capital at 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015	31 December 2014
Registered authorized capital	4.000.000	4.000.000
Issued capital	2.616.938	2.616.938

There are no privileged shares of Doğan Holding.

With the decision made by Board of Directors of Doğan Holding on 27 August 2014, the issued capital of Doğan Holding, which is TL 2.450.000.000 (exact), within the TL 4.000.000.000 (exact) registered capital ceiling, is to be increased to TL 2.616.938.288 (exact) due to the merger which took place under Doğan Holding, through the entire "take over" of Doğan Yayın Holding with all its assets and liabilities being ceased due to dissolution without liquidation by Doğan Holding (Note 23). The "Issuance Certificates" for a total of 166.938.288 shares with a nominal value of TL 1 (exact) each, to be issued to represent the TL 166.938.288 (exact) increased within the scope of the capital increase have been approved by the CMB, and are enclosed on 29 August 2014 Article 7 of the Articles of Association, "Registered and Issued Capital", for the increase of the issued capital to TL 2.616.938.288 (exact) has been registered with the Trade Registry on 3 September 2014.

The ultimate shareholders of Doğan Holding are Aydın Doğan and Doğan Family (Işıl Doğan, Arzuhan Yalçındağ, Vuslat Sabancı, Hanzade V. Doğan Boyner and Y.Begümhan Doğan Faralyalı) and the shareholders of Holding and the historical values of shares in equity at 31 December 2015 and 31 December 2014 are as follows:

Shareholder	Share %	31 December 2015	Share %	31 December 2014
Adilbey Holding A.Ş.	49,32	1.290.679	49,32	1.290.679
Doğan Family	14,41	377.126	14,41	377.126
Publicly traded on Borsa İstanbul ⁽¹⁾	36,27	949.133	36,27	949.133
Issued capital	100	2.616.938	100	2.616.938
Adjustment to issued capital		143.526		143.526
Total		2.760.464		2.760.464

⁽¹⁾ In accordance with the Capital Markets Board's (the "CMB") Resolution No: 31/1059 issued on 30 October 2014 and 21/655 issued on 23 July 2010, it is regarded that 35,94% of the shares (31 December 2014: 35,42%) are outstanding as of 31 December 2015 based on the Central Registry Agency's ("CRA") records.

Adjustment to share capital represents the difference between cash and cash equivalent contributions to the total amounts adjusted for inflation added to issued share capital issued and amounts before inflation adjustment.

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NOTE 23 - EQUITY (Continued)

Share Premiums

Share premiums/discounts represent the positive or negative differences resulting from the nominal value and sales value of public shares.

	31 December 2015	31 December 2014
Share premiums	163.724	163.724
Share discounts (-)	(128.565)	(128.565)
Total	35.159	35.159

Restricted reserves

Restricted reserves are reserved from the prior period profit due to legal or contractual obligations or for certain purposes other than the profit distribution (for example, to obtain the tax advantage of gain on sale of associates). Restricted reserves are in the scope of solo legal records in accordance with TCC and TPL.

General Statutory Legal Reserves are reserved according to the article 519 of Turkish Commercial Code and used in accordance with the principles set out in this article. The afore-mentioned amounts should be classified in "Restricted Reserves" in accordance with the TAS.

The details of restricted reserves as of 31 December 2015 and 31 December 2014 are as follows:

Restricted reserves	31 December 2015	31 December 2014
General legal reserves	160.759	159.264
Gain on sale of subsidiary's shares	1.071.749	1.086.479
Venture capital fund	35.425	35.425
Total	1.267.933	1.281.168

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NOTE 23 – EQUITY (Continued)

Accumulated Other Comprehensive Income and Expenses not to be Reclassified in Profit or Loss

The Company's investment property revaluation reserves and actuarial losses of defined benefit plans that aren't reclassified in accumulated other comprehensive income and expenses are summarized below.

i. Investment Property Revaluation Reserves

Real estates recognised as property, plant and equipment in prior periods, can be transferred to investment property due to changes in use. The Group has reclassified some of its properties as investment property and has chosen to account such investment properties at fair value. Accordingly, fair value increase at the initial transfer amounting to TL 11.662 (31 December 2014: 1.002 TL) is recognised as revaluation reserve under shareholders equity.

ii. Actuarial losses in defined benefit plans

Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the Group. Group recognised all actuarial gains and losses in other comprehensive income. Actuarial loss recognised under equity in the balance sheet amounts to TL 31.032 (31 December 2014: TL 30.979)

Accumulated Other Comprehensive Income and Expenses to be Reclassified in Profit or Loss

i. Financial Assets Revaluation Reserves

Financial assets revaluation reserves occurred by accounting on net book values after reflecting deferred tax impact of unearned gains and losses composed of changes of fair values of assets held for sale. The amount of revaluation loss of assets held for sale presented under equity in balance sheet is TL 514 in the current period (31 December 2014: TL 4.177 loss).

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NOTE 23 - EQUITY (Continued)

Capital Reserves and Retained Earnings

Subsequent to the first inflation adjusted financial statements, equity items such as; "Capital, Emission Premiums, General Statutory Legal Reserves, Statutory Reserves, Special Reserves and Extraordinary Reserves" are carried at carrying value in the balance sheet and their adjusted values based on inflation are collectively presented in equity accounts group.

In accordance with the CMB regulations, "Share capital", "Restricted Reserves" and "Share Premiums" shall be carried at their statutory amounts. The valuation differences resulted due to the inflation adjustment shall be disclosed as follows:

If the difference is due to the "Issued Capital" and not yet been transferred to capital, it should be classified under "Capital adjustment difference to share capital";

- If the difference is due to "Restricted Reserves" and "Share Premium" and the amount has not been subject to dividend distribution or capital increase yet, it shall be classified under "Retained Earnings/ Losses".

Other equity items are carried at the amounts valued in accordance with TAS.

Capital adjustment differences have no other use than to be included to the capital

Dividend Distribution

The Company decides to distribute profit and makes profit distribution in accordance with the Turkish Commercial Code, Capital Market Law (CML), Capital Market Board (CMB) Regulations and Laws; Tax Legislations; other related statutory legislation and Articles of Association and Resolutions of General Assembly. Profit distribution is determined by Profit Distribution Policy.

On the other hand,

- Retained earnings derived from the reparation of comparative financial statements based on the first time adoption of TAS,
- "Equity inflation adjustment differences" derived from resources that do not have any restriction regarding profit distribution,
- Retained earnings derived from the first time inflation adjustment of financial statements, can be distributed to shareholders as cash dividends.

In addition, if the consolidated financial statements include the "Purchasing Impact on Equity" item under equity, the related item is not considered as a deductible or additional item when presenting net distributable profit for the period.

The CMB's requires the disclosure of total amount of net profit in the statutory records and other resources which may be subject to distribution. As of the balance sheet date, the Company's gross amount of resources that may be subject to the profit distribution based on the statutory records amounts to TL 2.662.743 (31 December 2014: TL 2.282.911).

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NOTE 24- REVENUE AND COST OF SALES

	1 January- 31 December 2015	1 January- 31 December 2014
Domestic sales	6.155.721	3.533.516
Foreign sales	376.780	481.181
Sales return and discounts (-)	(581.463)	(471.434)
Net sales	5.951.038	3.543.263
Cost of sales (-)	(4.924.311)	(2.753.055)
Gross profit	1.026.727	790.208

The details of income from operating activities for the periods ended 31 December 2015 and 2014 are disclosed in Note 5 - Segment Reporting.

Sales detail of publishing industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Advertisement income	513.828	604.345
Circulation and printing income	260.097	279.506
Other	357.405	334.435
Total	1.131.330	1.218.286

Sales detail of broadcasting industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Advertisement income	497.320	571.782
Subscription income	444.176	444.757
Other	153.738	160.641
Total	1.095.234	1.177.180

Sales detail of retail industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Retail income	618.674	512.090
Total	618.674	512.090

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NOTE 24- REVENUE AND COST OF SALES (Continued)

Sales detail of energy industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Income from fuel oil and LPG sales	2,127.796	-
Energy income	614.792	272.331
Total	2.742.588	272.331

Sales detail of other industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Industrial income	218.506	226.548
Tourism income	66.767	66.297
Other ⁽¹⁾	77.939	70.531
Total	363.212	363.376

⁽¹⁾ Other sales income mainly consist of the total income obtained from real estate, gsm and organic agricultural operations

The distribution of the cost of sales for the periods ended 31 December 2015 and 2014 are disclosed in Note 5 - "Segment Reporting".

	1 January- 31 December 2015	1 January- 31 December 2014
Publishing	(758.249)	(873.049)
Broadcasting	(916.130)	(1.045.593)
Retail	(363.635)	(298.073)
Energy ⁽¹⁾	(2.592.258)	(245.900)
Other	(294.039)	(290.440)
	(4.924.311)	(2.753.055)

⁽¹⁾ The increase resulted from the wholesale activities of D-Tes and activities of Aytemiz Akaryakıt after the acquisition date within the period.

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NOTE 24- REVENUE AND COST OF SALES (Continued)

Cost of sales detail of publishing industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Cost of trading goods sold	(290.168)	(249.965)
Personnel and new sproduction expenses	(181.150)	(218.973)
Paper costs	(125.262)	(173.657)
Printing, production and other raw material cost	(60.213)	(79.420)
Amortization and depreciation expenses (Note 14,15)	(33.218)	(33.309)
Internet advertising services cost	(29.333)	(28.207)
Commissions	(7.450)	(14.284)
Other	(31.455)	(75.234)
Total	(758.249)	(873.049)

Cost of sales detail of broadcasting industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Television programme production costs	(412.637)	(506.514)
ADSL receiver costs	(118.329)	(109.974)
Amortization expenses of television programme rights (Note 15)	(87.107)	(75.573)
Personnel expenses	(84.978)	(106.447)
Cost of trading goods sold	(43.098)	(56.431)
Amortization and depreciation expenses (Note 14,15)	(42.862)	(58.779)
Satellite usage fees	(34.513)	(29.169)
Call center expenses	(27.362)	(17.048)
RTSC share in advertisement	(15.276)	(17.577)
Other	(49.968)	(68.081)
Total	(916.130)	(1.045.593)

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NOTE 24- REVENUE AND COST OF SALES (Continued)

Cost of sales detail of retail industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Cost of trading goods	(363.635)	(298.073)
Total	(363.635)	(298.073)

Cost of sales detail of energy industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Fuel oil and LPG sales expenses	(2.038.022)	-
Electricity expenses	(518.139)	(218.133)
Amortization and depreciation expenses (Note 14,15)	(22.979)	(23.937)
Personnel expenses	(3.419)	(1.926)
Other	(9.699)	(1.904)
Total	(2.592.258)	(245.900)

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NOTE 24- REVENUE AND COST OF SALES (Continued)

Detail of the cost of sales of other industrial segment is presented below:

	1 January- 31 December 2015	1 January- 31 December 2014
Raw material cost	(139.197)	(145.653)
General production expenses	(52.615)	(41.148)
Labour and personnel expenses	(39.060)	(35.127)
Telecommunication service expenses	(27.046)	(32.752)
Amortization and depreciation expenses (Note 14,15)	(17.401)	(21.176)
Cost of trading goods	(18.720)	(14.584)
Total	(294.039)	(290.440)

NOTE 25 - MARKETING EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES

	1 January- 31 December 2015	1 January- 31 December 2014
General administrative expenses	(335.921)	(345.794)
Marketing, selling and distribution expenses	(603.092)	(513.062)
Operating expenses	(939.013)	(858.856)

Marketing expenses:

	1 January- 31 December 2015	1 January- 31 December 2014
Personnel expenses	(160.145)	(138.564)
Advertisement expense	(90.258)	(97.976)
Rent expense	(79.878)	(64.384)
Transportation, storage and travel expenses	(62.414)	(52.735)
Amortization and depreciation expenses (Note 14,15)	(37.298)	(29.478)
Amortization of dealer agreements (Note 15)	(29.346)	-
Electricity distribution expenses	(25.884)	(23.458)
Promotion expenses	(23.357)	(21.177)
Communication expenses	(21.015)	(22.610)
Outsourced service expenses	(19.617)	(13.892)
Consulting expenses	(7.455)	(7.097)
Dealer commission expenses	(2.343)	(4.747)
Other	(44.082)	(36.944)
Total	(603.092)	(513.062)

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NOTE 25 - MARKETING EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES (Continued)

General administrative expenses:

	1 January- 31 December 2015	1 January- 31 December 2014
Personnel expenses	(157.293)	(159.738)
Amortization and depreciation expenses (Note 14,15)	(43.299)	(53.210)
Consulting expenses	(39.071)	(35.508)
Outsourced service expenses	(23.491)	(23.550)
Rent expense	(21.888)	(22.888)
Transportation, storage and travel expenses	(10.332)	(13.192)
Various taxes	(7.708)	(8.302)
Other	(32.839)	(29.406)
Total	(335.921)	(345.794)

NOTE 26 - EXPENSES BY NATURE

As of 31 December 2015 and 2014, expenses are presented functionally and details are given in Note 24 and Note 25.

NOTE 27 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

Other income from operating activities	1 January 31 December 2015	1 January 31 December 2014
Foreign exchange gains	441.982	197.093
Interest income on bank deposit	70.511	49.624
Finance income due to sales with maturity	49.296	38.707
Income due to cancellation of obligations arising from the put option (Note 17)	15.278	-
Income from cancellation of provision	13.756	18.917
Usage of VAT discount	6.005	8.043
Compensation income due to tax lawsuit	3.949	-
Rental income	920	1.172
Other operating income	45.208	48.610
	646.905	362.166

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NOTE 27 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES (Continued)

Other expenses from operating activities	1 January 31 December 2015	1 January 31 December 2014
Foreign exchange losses	(134.412)	(70.577)
Provision for doubtful receivables (Note 9)	(50.464)	(52.819)
Provision for lawsuits (Note 17)	(19.327)	(16.121)
Finance expense due to purchases with maturity	(16.633)	(11.137)
Other penalties and compensations paid	(7.907)	(13.839)
Provision for impairment on inventory (Note 11)	(4.228)	(4.946)
Other operating expenses	(58.388)	(44.364)
	(291.359)	(213.803)

NOTE 28 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income from investing activities

	1 January 31 December 2015	1 January 31 December 2014
Foreign exchange income	72.425	23.723
Increase on fair value of investment properties (Note 13)	40.799	35.671
Gain on sale of property, plant, equipment and intangible assets	37.833	37.923
Gain on sale of shares of entities under common control ⁽¹⁾	24.847	735
Interest income of bank deposit	10.574	38.929
Rent and building service income	7.574	3.383
Interest income of marketable securities	6.860	10.976
Reversal of brand value impairment	2.699	-
Gain on purchasing of subsidiary shares	2.554	-
Gain on sale of subsidiary shares ⁽²⁾	840	-
Income from liquidation of subsidiary ⁽³⁾	421	-
Exchange gain related to sharepurchase commitment	-	12.050
	207.426	163.390

⁽¹⁾ Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. one of the investments accounted for by the equity method of the Group, has been sold to Rönesans Gayrimenkul Yatırım for TL 97.601 as of 11 June 2015. The net value of the disposal of assets is TL 72.754. The difference between the net value of the disposal of assets and amount from the sale amounting to TL 24.847 has been recognised in the statement of profit or loss.

⁽²⁾ Koloni TV, a subsidiary of the Group, has been sold as of 7 April 2015. The difference amounting to TL 840 between the carrying value of assets and the amount from the sale has recognised at income from investing activities note in the statement of profit or loss.

⁽³⁾ As of 2 July 2015, Enteralle Handles GmbH, a subsidiary of the Group, has been liquidated and TL 421 equaling EUR 125 has been collected after the liquidation.

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NOTE 28 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES (continued)

Expense from investing activities

	1 January- 31 December 2015	1 January- 31 December 2014
Exchange loss related to share purchase commitment	(69.657)	(5.186)
Impairment on tangible and intangible assets	(50.998)	(777)
Interest expense related to share purchase commitment	(24.942)	(10.357)
Interest expense related to share purchase commitment	(14.216)	(2.533)
Foreign exchange losses	(827)	(13.693)
Loss on sale of marketable securities	(643)	(5.953)
Losses arising from changes of goodwill impairment (Note 15)	-	(83.752)
Losses arising from changes of the fair value of investment properties (Note 13)	-	(3.900)
Loss of subsidiary share sales ⁽¹⁾	-	(1.510)
Brand impairment	-	(2.699)
Total	(161.283)	(130.360)

⁽¹⁾ The Group has recognised a provision for impairment amounting to TL 44.962 for the intangible assets of TME, a subsidiary of the Group.

NOTE 29 - FINANCE INCOME AND EXPENSES

The details of finance income for the periods ended 31 December 2015 and 2014 are as follows:

Finance income

	1 January 31 December 2015	1 January 31 December 2014
Foreign exchange gain	40.854	66.813
Total	40.854	66.813

The details of finance expenses for the period ended 31 December 2015 and 2014 are as follows:

Finance expense

	1 January 31 December 2015	1 January 31 December 2014
Foreign exchange losses	(267.918)	(235.143)
Interest expense on bank borrowings	(171.492)	(156.118)
Bank commission expenses	(14.703)	(16.996)
Other	(1.460)	(575)
Total	(455.573)	(408.832)

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NOTE 30 -ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

i. Current Period Disposal of Subsidiary

There is no significant disposal of subsidiary for the period ended 31 December 2015.

ii. Prior Period Disposal of Subsidiary

The Group disposed its subsidiaries operating in Hungary and Croatia and Doğan Ofset during the year 2014.

Net book value of the assets disposed	31 December 2014
Current Assets	
Cash and cash equivalents	869
Trade receivables	745
Other receivables	322
Other current assets	471
Non-current assets	
Tangible and intangible assets	29.686
Provision regarding net assets disposed	(22.589)
Short term liabilities	
Trade payables	(2.488)
Other payables	(770)
Other short term liabilities	(37)
Long term liabilities	
Deferred tax liability	(5.577)
Other long term liabilities	(33)
Net assets disposed	599
Gain on sale of subsidiary	
Sales amount:	
Amounts paid as cash and cash equivalents	
Cash inflow resulted from the sale:	
(Less) cash and cash equivalents disposed	(870)
Total obtained cash amount	(870)
Loss on sale of subsidiary	(599)

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NOTE 30 - ASSETS AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

ii. Prior Period Disposal of Subsidiary (continued)

Doğan Ofset Yayıncılık ve Matbaacılık A.Ş.

Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. has sold its shares amounting to of the interest TL 24.982 which corresponds to 99,93% shares in TL 25.000 capital to Fulya Kavak ve Marsaş Baskı ve Ambalaj Sanayi Ticaret A.Ş. in exchange for EUR 4.579 on 18 July 2014.

Net book value of the assets disposed	31 December 2014
Current Assets	
Cash and cash equivalents	642
Trade receivables	7.599
Inventories	2.204
Other receivables	241
Other current assets	-
Non-current assets	
Property, plant and equipment and intangible assets	15.038
Provision regarding net assets disposed	-
Short term liabilities	
Trade payables	5.139
Other payables	2.753
Other short-term liabilities	2.049
Long term liabilities	
Deferred tax liability	2.359
Other long-term liabilities	-
Net assets disposed	13.424
Gain on sale of subsidiary	
Sales amount:	
Amounts paid as cash and cash equivalents	13.248
Cash inflow resulted from the sale:	
(Less) cash and cash equivalents disposed	(642)
Total cash and cash equivalents acquired	12.606
Loss on sale of subsidiary	(176)

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NOTE 30 - ASSETS AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)

iii. Prior Period "Superficies Right" sale of Milta

"Superficies Right" of Milta Turizm, a subsidiary of the Group, registered on 23 December 2003 to the deed, for 49 years beginning from 11 April 1985 on 92.476m² sized surface in Göynük village of Kemer, Antalya has been sold to Ceylan İşletme İnşaat Turizm Yatırım Nakliyat Gıda İçecek Sanayi ve Ticaret A.Ş. for EUR 20.000 on 18 February 2014 by negotiation. EUR 15.000 paid in cash and the remaining EUR 5.000 will be collected in four equal installments EUR 1.250 beginning from 31 August 2015 until 31 August 2018. To the amount that will be paid with maturity, 3,25% interest and VAT regarding the interest will be applied as of the registration date. Exceptional portion of the profit from tax of "Superficies right" is accounted under a special fund in liabilities rather than in the statement of profit and loss.

Depending on the sales process, the Group classified "superficies right", which was accounted in investment properties, to "assets held for sale" as of 31 December 2013 in the consolidated financial statements prepared in accordance with TAS/TFRS.

In the consolidated financial statements prepared as of 31 December 2013, investment properties are presented at fair value, and gain or loss arising from the changes in fair value is included to statement of profit or loss in the period of occurrence in accordance with TAS 40 After the balance sheet date on 18 February 2014, the amount of TL 59.888 (EUR 20.000) was determined for the sale of Malta Tourism's "superficies right" in Kemer, and this amount was accepted as fair value as of 31 December 2013. In accordance with TFRS 5 and TAS 40, the positive valuation difference shown as income from investment activities in the profit or loss statements of the period ended 31 December 2013.

As a result of this valuation, the carrying value of the asset was set to the market(sales) value, thus in the sales transaction as of 31 March 2014 no sales profit occurred in the CMB's financial statements prepared in accordance with TAS/TFRS.

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NOTE 31 - INCOME TAXES

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis for the all subsidiaries consolidated on line-by-line basis.

Corporate Tax

Corporate tax liabilities for the periods ended 31 December 2015 and 31 December 2014 are as follows:

	31 December 2015	31 December 2014
Provision for current income tax	68.032	35.400
Prepaid corporate taxes	(66.144)	(28.103)
Taxes payable for the period	1.888	7.297
	31 December 2015	31 December 2014
Corporate and income taxes payable	1.888	7.297
Deferred tax liabilities, net	46.279	44.511
Total tax	48.167	51.808

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NOTE 31 – INCOME TAXES (Continued)

Turkey

The Corporate Tax Law has been amended as of 13 June 2006 by Law No: 5520. The majority of the clauses of Law No: 5520 are effective as of 1 January 2006. Corporate tax rate for the fiscal year 2015 is 20% (2014: 20%) for Turkey. Corporate tax is payable at a rate of 20% on the total income of the Group after adjusting for certain disallowable expenses, corporate income tax exemptions (investment allowance, etc.) and corporate income tax deductions (such as research and development expenditures deduction). No further tax is payable unless there is dividend distribution. Dividends paid to non-resident companies having representative offices in Turkey and resident companies are not subject to withholding tax. Dividends paid to companies except for those companies are subject to 15% of withholding tax. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Companies calculate corporate tax quarterly at the rate of 20% over their corporate income and these amounts are disclosed by the end of 14th day and paid by the end of the 17th day of the second month following each calendar quarter-end. Advance taxes paid in the period are offset against the following period's corporate tax liability. If there is an outstanding advance tax balance as a result of offsetting, the related amount may either be refunded in cash or used to offset against for other payables to the government.

Tax Law No: 5024 "Amendments in Tax Procedural Law, Income Tax Law and Corporate Tax Law" published in the Official Gazette on 30 December 2003 requires income tax and corporate taxpayers whose earnings are determined based on the balance sheet to prepare their statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish Lira effective from 1 January 2004. The merger bonuses which occurred as a result of the mergers in POAŞ and Doğan Gazetecilik, were classified as a equalizing account, which is neither an asset nor a liability, by the Group, in its financial statements applied an inflation adjustment for the calculation of the corporate tax in 2004, due to the related legal provisions and Tax Procedural Law, titled "Inflation Adjustment Application" with number 17 and dated 24 March 2005.

In accordance with the related law, the cumulative inflation of last 36 months inflation rate (PPI) must exceed 100% and the inflation rate (PPI) of last 12 months must exceed 10%. There has not been inflation adjustment after 2005 due to the absence of conditions required.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns by the 25th of the fourth month following the close of the financial year to which they relate.

Tax authorities can review accounting records within five years and if they determine any errors on the accounting records, tax payable can be reassessed as a result of another tax assessment.

Under the Turkish tax legislation, tax losses can be carried forward to offset against future taxable income for up to 5 years.

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NOTE 31 – INCOME TAXES (Continued)

Turkey (continued)

There are numerous exemptions in the Corporate Tax Law concerning the corporations. The exemptions that are related to the Group are as follows:

Exemption for participation in subsidiaries

Dividend income from participation in shares of capital of another fully fledged taxpayer corporation (except for dividends from investment funds participation certificates and investment partnerships shares) are exempt from corporate tax.

Issued premiums exemption

Gains from issued premiums derived from the disposal of sales at nominal values during incorporations and the capital increase of joint stock companies are exempt from corporate tax.

Exemption for participation into foreign subsidiaries

For companies participating in 10% or more of the capital of a non-resident limited liability or joint stock company, (except for those whose principal activity is financial leasing or investment property) for at least one year until the date of the income is generated and transferred to Turkey until the date of the filing of the corporate income tax return of the fiscal year in which the income is generated is exempt from corporation tax subject to those subsidiaries being subject to corporate income tax, or alike, in their country of legal residence or business center at the rate of at least 15% (minimum corporate income tax applicable in Turkey for those whose principal activity is finance assurance or insurance).

Exemption for sale of participation shares and property

75% of the gains derived from the sale of preferential rights, usufruct shares and founding shares from investment equity and real property which have remained in assets for more than two full years are exempt from corporate tax. For exemption, the relevant gain is required to be held in a fund account in liabilities for at least five years. The cost of the sale should be collected until the end of the second calendar year following the year of the sale.

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NOTE 31 – INCOME TAXES (Continued)

Russian Federation

The corporate tax rate effective in the Russian Federation is 20% (2014: 20%).

The Russian tax year is the calendar year and fiscal year ends other than the calendar year end are not applicable in the Russian Federation. The income taxes over gains are calculated annually. Tax payments are made monthly or depending on tax payer's discretion, it can be made monthly or quarterly by using different calculation methods. Corporate tax declarations are given until 28th of March following the fiscal year end.

According to the Russian Federation's tax legislation, financial losses can be carried forward for 10 years to be deducted from future taxable income. Rights related to tax losses that have not been utilized in the related years are expired.

Tax can be refunded in practice; however, refund is generally available following the outcome of legal procedures. Consolidated tax reporting or tax payment of parent companies or subsidiaries is not allowed. In general, dividend payments that are paid to foreign shareholders are subject to 15% withholding tax. Based on bilateral tax agreements, withholding tax rate can be decreased.

The tax legislation of the Russian Federation is subject to various interpretations and changes frequently. The interpretation of tax legislation by tax authorities regarding the business of TME may differ from the management's interpretation.

The tax rates at 31 December 2015 applicable in the foreign countries, where the significant part of the Group's operations are performed, are as follows:

Country	Tax rates (%)
Germany ⁽¹⁾	28,0
Ukraine	18,0
Slovenia	17,0
Belarus	18,0
Kazakhstan	20,0
Netherland ⁽²⁾	25,0

⁽¹⁾ Corporate tax rate is applied as 15% for Germany. With an additional solidarity tax of 5,5% and municipal commerce tax varying in between 14% and 17% is also applied over the corporate tax.

⁽²⁾ Tax rate is 20% for the tax base up to initial EUR 200.000, 25% for over EUR 200.000.

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NOTE 31 – INCOME TAXES (Continued)

Deferred tax

The Group recognises deferred tax assets and liabilities based upon temporary differences arising between their financial statements as reported under the POA's Financial Reporting Standards and the accounting treatment made in different reporting periods based on the applicable tax laws and the transfer of financial losses.

Deferred taxes are calculated on temporary differences that are expected to be realized or settled based on the taxable income in coming years under the liability method using tax rates enacted at the balance sheet dates.

Deferred tax assets and liabilities are presented in net in the consolidated financial statements of the Group, since they are presented in net in the financial statements of subsidiaries and joint ventures, which are each individual tax payers. Temporary differences deferred tax assets and deferred tax liabilities at the table below are presented based on gross amounts.

The composition of cumulative temporary differences and the related deferred tax assets and liabilities in respect of items for which deferred tax has been provided at 31 December 2015 and 31 December 2014 using the enacted tax rates is as follows:

	Cumulative temporary differences		Deferred tax assets / (liabilities)	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Deductible tax losses	178.252	151.095	35.650	30.219
Provision for employment termination and unused vacation benefits	153.551	141.240	30.711	28.248
Provision for doubtful receivables	128.071	106.465	25.614	21.293
Net differences between the tax base and carrying value of property, plant and equipment and inventories	52.596	48.250	10.519	9.650
Deferred financial income of trade receivables	12.355	965	2.471	193
Other	83.799	58.110	14.717	11.622
Deferred tax assets			119.682	101.225
Net differences between the tax base and carrying value of property, plant and equipment and inventories and intangible assets	(729.026)	(713.785)	(155.958)	(142.757)
Net differences between fair values of investment properties and tax value	(168.948)	(14.440)	(9.051)	(2.888)
Other	(4.816)	(551)	(952)	(91)
Deferred tax liabilities			(165.961)	(145.736)
Deferred tax liabilities, net			(46.279)	(44.511)

Conclusions of netting has been reflected to consolidated balance sheet of the Group, since separate taxpayer companies Doğan Holding, subsidiaries and joint ventures has booked their deferred tax assets and liabilities by netting in their financial statements that were prepared in accordance with the TAS. Temporary differences and deferred tax assets and liabilities shown above have been prepared on the basis of gross values.

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NOTE 31 - INCOME TAXES (Continued)

The Group recognised deferred tax assets over TL 178.252 of carry forward tax losses in the consolidated financial statements prepared in accordance with the POA's Financial Reporting Standards as of 31 December 2015 (31 December 2014: TL 151.095). As of 31 December 2015 and 31 December 2014, the maturity analysis of carry forward tax losses is as follows:

	31 December 2015	31 December 2014
2015		(639)
2016	(41.803)	(41.803)
2017	(17.475)	(17.475)
2018 and after	(118.974)	(91.178)
	(178.252)	(151.095)

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. As of 31 December 2015, the Group does not recognise deferred tax from carry forward tax losses amounting to TL 1.461.531 (31 December 2014: TL 1.421.754).

Movements for net deferred taxes for the periods ended at 31 December 2015 and 2014 are as follows:

	2015	2014
1 January	(44.511)	(66.242)
Current period income	3.999	(6.609)
Currency translation differences	1.305	24.430
Actuarial tax losses recognised under other comprehensive income statements	13	699
Acquisition of subsidiary	(7.085)	-
Disposal of subsidiary	-	(250)
Deferred tax asset resulted by fair value increase on financial asset	-	2.647
Other	-	814
31 December	(46.279)	(44.511)

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NOTE 31 - INCOME TAXES (Continued)

The taxes on income reflected to the consolidated statement of profit or loss for the periods ended 31 December 2015 and 2014 are summarized below:

	1 January- 31 December 2015	1 January- 31 December 2014
Current	(68.032)	(35.400)
Deferred tax income/ (expense)	3.999	(6.609)
Total tax (expense)/income	(64.033)	(42.009)

The reconciliation of the taxation on income in the consolidated statement of profit or loss for periods ended 31 December 2015 and 2014 and the tax calculated at the corporate tax rate based on the income before minority interests and taxation on income are as follows:

	2015	2014
Profit / (loss) before income taxes from continued operations	(108.961)	(269.629)
Current period tax expense calculated at 20%	21.792	53.926
Income not subject to tax	20.299	7.180
Effect of financial loss calculated	10.720	5.319
Carry forward losses for which no deferred tax asset was recognised	(58.258)	(53.520)
Effects of investments accounted for by the equity method	(36.729)	(8.634)
Effect of adjustments	(18.093)	(4.331)
Expenses non- deductible / not subject to tax	(12.108)	(22.178)
Effect of financial loss for which deferred tax asset is calculated	(589)	-
Goodwill impairment	-	(15.180)
Other	8.933	(4.591)
Tax Expense	(64.033)	(42.009)

NOTE 32 - EARNING/ LOSS PER SHARE

Loss per share for each class of shares is described below:

	2015	2014
Net loss for the period	(160.820)	(224.970)
Weighted average number of shares with face value of TL 1 each	2.616.938	2.616.938
Loss per share	(0,061)	(0,086)

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NOTE 33 - RELATED PARTY DISCLOSURES

For the purpose of accompanying consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding directly or indirectly has participation, including any entities under joint control; real persons and/or legal entities that have direct or indirect control or joint control over the Company and their close family members (immediate family members) and legal entities having direct or indirect control or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company's affiliates, subsidiaries and members of the BOD, key management and their close family member (immediate family members) and real persons and/or legal entities that are directly or indirectly controlled individually or jointly. As of 31 December 2015 and 31 December 2014, related party balances and transactions are described below:

i) Balances of related parties:

Short term receivables from related parties:

	31 December 2015	31 December 2014
Ortadoğu Otomotiv Ticaret A.Ş. ("Ortadoğu Otomotiv") ⁽¹⁾	974	956
D Elektronik Şans Oyunları Yayıncılık A.Ş. ("D Elektronik") ⁽²⁾	514	844
D Market Elektronik Hizmetler ve Ticaret A.Ş. ("D Market") ⁽²⁾	443	792
Gümüştaş Madencilik	211	35
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont")	167	135
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	147	387
Gas Plus Erbil Ltd.	29	196
D Yapım Reklamcılık A.Ş.	-	88
Doğan Portal ve Elektronik Ticaret A.Ş. ("Doğan Portal")	-	12
Aydın Doğan Vakfı	-	11
Altıncı Cadde Elektronik Ticaret A.Ş.	-	5
Other	455	69
Total	2.940	3.530

⁽¹⁾ Receivables related to electricity sale of the Group.

⁽²⁾ Receivables related to advertisement sale of the Group.

Other short term receivables from related parties:

	31 December 2015	31 December 2014
Boyabat Elektrik ⁽¹⁾	2.320	24.264
Total	2.320	24.264

⁽¹⁾ Short term receivables from Boyabat Elektrik comprise of the advances given in relation to the electricity purchases.

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NOTE 33 - RELATED PARTY DISCLOSURES (Continued)**i) Balances of related parties (continued):****Other long term receivables from related parties**

	31 December 2015	31 December 2014
Boyabat Elektrik ⁽¹⁾	29.076	-
Kandilli Gayrimenkul Yat.Yön. İnş.ve Tic. A.Ş. ("Kandilli Gayrimenkul") ⁽¹⁾	-	18.312
Nakkastepe Gayrimenkul	-	4.946
Total	29.076	23.258

⁽¹⁾ Long term other receivable from Boyabat Elektrik comprise of financial receivable with financial nature.⁽²⁾ Other non-current receivables from related parties consists of the payments, regarding the cost of real estates purchased by the subsidiaries founded to achieve the Group's real estate projects.**Short term trade payables to related parties**

	31 December 2015	31 December 2014
Doğan Burda ⁽¹⁾	13.173	10.682
Doğan Egmont ⁽²⁾	10.305	7.009
Ortadoğu Otomotiv	2.052	-
D Market	1.179	-
Other	420	649
Total	27.129	18.340

⁽¹⁾ Comprises of the purchasing of magazines.⁽²⁾ Comprises of the purchasing of books and magazines.

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NOTE 33 - RELATED PARTY DISCLOSURES (Continued)

ii) Transactions with related parties:

Service/ product purchases from related parties:

	31 December 2015	31 December 2014
Doğan Burda ⁽¹⁾	38.600	27.536
Doğan Egmont ⁽²⁾	26.541	23.835
Boyabat Elektrik ⁽³⁾	21.061	49.875
Ortadoğu Otomotiv ⁽⁴⁾	17.946	12.114
Dergi Pazarlama Planlama ve Ticaret A.Ş. ("DPP")	5.434	3.778
Adilbey Holding A.Ş.	4.119	3.721
Doğanlar Sigorta Aracılık Hizmetleri A.Ş.	-	1.359
Other	8.194	2.525
Total	121.895	124.743

⁽¹⁾ Comprises of the magazine purchases of the Group.

⁽²⁾ Comprises of the books and magazine purchases of the Group.

⁽³⁾ Comprises of the electricity purchases of the Group.

⁽⁴⁾ Comprises of the rental service purchases of the Group.

Product and service sales to related parties:

	31 December 2015	31 December 2014
Doğan Burda ⁽¹⁾	18.656	16.453
Doğan Egmont ⁽¹⁾	11.754	7.531
D-Market ⁽²⁾	11.703	7.455
Ortadoğu Otomotiv ⁽³⁾	10.569	211
İrfanoğulları Petrol Ürünleri	4.361	-
D Elektronik	2.738	130
Boyabat Elektrik	2.205	-
Other	5.906	6.956
Total	67.892	38.736

⁽¹⁾ The balance consists of raw material sales, printing and distribution services of the Group.

⁽²⁾ The balance consists of product sales of the Group.

⁽³⁾ The balance consists of electricity sales of the Group.

Financial Income

	31 December 2015	31 December 2014
Kandilli	3.484	268
Nakkaştepe Gayrimenkul	1.265	85
Boyabat Elektrik	549	-
Doğan Egmont	414	-
Other	-	472
Total	5.712	825

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NOTE 33 - RELATED PARTY DISCLOSURES (Continued)

ii) Transactions with related parties (continued):

Acquisition of property, plant and equipment and intangible assets:

	31 December 2015	31 December 2014
D-Market Elektronik Hizmetler ve Ticaret A.Ş.	75	72
Doğan Portal ve Elektronik Tic. A.Ş	-	888
Total	75	960

Remuneration of the members of the Board of Directors and key management personnel:

Group determined member of the board of the directors, consultant of the board, group presidents and vice presidents, chief legal counsel, and director's key management personnel. The compensation of board members and key management personnel includes salaries, bonus, health insurance, communication and transportation and total amount of compensation is explained below:

	1 January - 31 December 2015	1 January - 31 December 2014
Salaries and other short term benefits	23.529	12.176
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
Total	23.529	12.176

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial Instruments and Financial Risk Management

The Group's activities expose it to a variety of financial risks; these risks are credit risk, 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, and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. The Group use derivative financial instruments in a limited manner to hedge these exposures.

Financial risk management is carried out by individual subsidiaries and joint ventures under the policies, which are approved of their Board of Directors within the limits of general principles set out by Doğan Holding.

a) Market Risk

a.1) Foreign currency risk

The Group is exposed to foreign exchange risk through the impact of rate changes on the translation of foreign currency liabilities to local currency. These risks are monitored and limited by analyzing foreign currency position. TL equivalents of foreign currency denominated monetary assets and liabilities as of 31 December 2015 and 31 December 2014 before consolidation adjustments and reclassifications are as follows:

The Group is exposed to foreign exchange risk arising primarily from the USD and EUR, the other currencies have no material impact.

	31 December 2015	31 December 2014
Foreign currency assets	2.017.592	2.096.486
Foreign currency liabilities	(2.175.221)	(2.314.937)
Net asset position of off-balance sheet net derivative instruments	-	460
Net foreign currency position	(157.629)	(217.991)

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**a.1) Foreign currency risk (continued)**

Sensitivity analysis for currency risk as of 31 December 2015 and 31 December 2014 and foreign currency denominated asset and liability balances are summarized below:

31 December 2015	TL Equivalent	USD	EUR	Other
1. Trade Receivables	142.173	23.418	13.785	7.041
2a. Monetary Financial Assets (Cash, banks included)	1.748.013	410.687	171.931	1.760
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	121.801	41.867	20	1
4. Current Assets (1+2+3)	2.011.987	475.972	185.736	8.802
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	667	5	35	126
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	4.938	1.116	533	-
8. Non-Current Assets (5+6+7)	5.605	1.121	568	126
9. Total Assets (4+8)	2.017.592	477.093	186.304	8.928
10. Trade Payables	82.332	14.558	7.876	3.483
11. Financial Liabilities	877.735	127.965	156.875	1.669
12a. Other Monetary Financial Liabilities	99.730	31.117	1.885	759
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	1.059.797	173.640	166.636	5.911
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.030.583	32.107	294.949	-
16a. Other Monetary Financial Liabilities	84.841	29.179	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	1.115.424	61.286	294.949	-
18. Total Liabilities (13+17)	2.175.221	234.926	461.585	5.911
19. Net Asset / Liability Position Of Off Balance Sheet Derivatives (19a-19b)	-	-	-	-
19a. Off Balance Sheet ForeignCurrency Derivative Assets	-	-	-	-
19b. Off Balance Sheet ForeignCurrency Derivative Liabilities	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(157.629)	242.167	(275.281)	3.017
21. Net Foreign Currency Asset/ (Liability) Position Of Monetary Items (1+2a+5+6a-10-11-12a-14-15-16a)	(284.368)	199.184	(275.834)	3.016

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (continued)

31 December 2014	TL Equivalent	USD	EUR	Other
1. Trade Receivables	116.846	18.133	17.534	7.047
2a. Monetary Financial Assets(Cash, banks included)	1.833.525	476.638	253.776	3.454
2b. Non-Monetary Financial Assets	622	-	-	173
3. Other	22.745	8.218	1.307	1
4. Current Assets (1+2+3)	1.973.738	502.989	272.617	10.675
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	111.705	40.505	36	4.915
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	11.043	-	3.915	-
8. Non-Current Assets (5+6+7)	122.748	40.505	3.951	4.915
9. Total Assets (4+8)	2.096.486	543.494	276.568	15.590
10. Trade Payables	192.267	35.262	33.601	4.372
11. Financial Liabilities	775.660	186.336	121.802	-
12a. Other Monetary Financial Liabilities	47.642	1.044	6.646	7.362
12b. Other Non-Monetary Financial Liabilities	2.554	27	85	626
13. Current Liabilities (10+11+12)	1.018.123	222.669	162.134	12.360
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.295.500	107.902	370.577	-
16a. Other Monetary Financial Liabilities	1.314	567	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	1.296.814	108.469	370.577	-
18. Total Liabilities (13+17)	2.314.937	331.137	532.710	12.360
19. Net Asset / Liability Position Of Off Balance Sheet Derivatives (19a-19b)	460	198	-	-
19a. Off Balance Sheet Foreign Currency Derivative Assets	464	200	-	-
19b. Off Balance Sheet Foreign Currency Derivative Liabilities	4	2	-	-
20. Net Foreign Currency Asset/ (Liability) Position (9-18+19)	(217.991)	212.556	(256.143)	3.230
21. Net Foreign Currency Asset / (Liability) Position Of Monetary Items (1+2a+5+6a-10-11-12a-14-15-16a)	(250.307)	204.166	(261.279)	3.682

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (continued)

As of 31 December 2015 and 31 December 2014, foreign currency denominated asset and liability balances were converted with the following exchange rates: TL 2,9076 = USD 1 and TL 3,1776= EUR 1 (2014: TL 2,3189 = USD 1 and TL 2,8207 = EUR 1).

31 December 2015	Income/Loss	
	Foreign currency appreciate	Foreign currency depreciate
If the USD had changed by 10% against the TL		
1- USD net (liabilities)/assets	70.413	(70.413)
2- Hedging amount of USD (-)	-	-
3- USD net effect on (loss)/income (1+2)	70.413	(70.413)
If the EUR had changed by 10% against the TL		
4- EUR net (liabilities)/assets	(87.473)	87.473
5- Hedging amount of EUR (-)	-	-
6- EUR net effect on (loss)/income (4+5)	(87.473)	87.473
If the Other currencies had changed by 10% against the TL		
7- Other net (liabilities)/assets	1.298	(1.298)
8- Hedging amount of other (-)	-	-
9- Other net effect on (loss)/income (7+8)	1.298	(1.298)
TOTAL (3+6+9)	(15.763)	15.763

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (continued)

31 December 2014	Income/Loss	
	Foreign currency appreciate	Foreign currency depreciate
If the USD had changed by 10% against the TL		
1- USD net (liabilities)/assets	49.290	(49.290)
2- Hedging amount of USD (-)	-	-
3- USD net effect on (loss)/income (1+2)	49.290	(49.290)
If the EUR had changed by 10% against the TL		
4- EUR net (liabilities)/assets	(72.250)	72.250
5- Hedging amount of EUR (-)	-	-
6- EUR net effect on (loss)/income (4+5)	(72.250)	72.250
If the Other currencies had changed by 10% against the TL		
7- Other net (liabilities)/assets	1.162	(1.162)
8- Hedging amount of other (-)	-	-
9- Other net effect on (loss)/income (7+8)	1.162	(1.162)
TOTAL (3+6+9)	(21.798)	21.798

a.2) Interest rate risk

- Publishing/ Broadcasting

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed using natural hedges that arise from offsetting interest rate sensitive assets and liabilities and by limited use of derivative instruments.

Borrowings issued at floating rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rate expose the Group to fair value interest rate risk. As of 31 December 2015 and 31 December 2014, the Group's borrowings at floating rates are predominantly denominated in USD and EUR.

- Other

Other operating segments are exposed to interest rate risk because of financial liabilities of these segments. Financial obligations in this segment are mainly composed of floating rate borrowings.

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NOTE 34 -FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.2) Interest rate risk (continued)

On 31 December 2015, if interest rates on USD denominated borrowings had been higher/lower by 100 basis points with all other variables held constant, loss before income taxes would have been TL 1.606 (31 December 2014: TL 1.910) higher, mainly as a result of high interest expense on floating rate borrowings.

On 31 December 2015, if interest rates on Euro denominated borrowings had been higher 100 basis points with all other variables held constant, loss before income taxes would have been TL 5.651 (31 December 2014: TL 4.020) higher/lower, mainly as a result of high interest expense on floating rate borrowings.

The table presenting Company's fixed and floating rate financial instruments is shown below:

	31 December 2015	31 December 2014
Financial instruments with fixed rate		
Financial assets		
- Banks (Note 6)	1.723.692	1.759.236
- Financial investments (Note 7)	170.906	118.639
Financial liabilities (Note 8)	1.393.826	1.508.053
Financial instruments with floating rate		
Financial liabilities (Note 8)	727.758	595.132

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NOTE 34 -FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.2) Interest rate risk (continued)

The analysis of average annual interest rate (%) of financial assets and liabilities of the Group is as follows:

	31 December 2015			31 December 2014		
	USD	EUR	TL	USD	EUR	TL
Assets						
Cash and cash equivalents	0,20-2,65	0,10-2,25	1,00-14,45	0,15-3,00	0,05-10	5-11,50
Financial investments	6,01	-	11,86	6,29	-	12,08
Liabilities						
Financial liabilities	1-6,25	2,22-6,25	0-14,5	1-6,25	2,8-5,71	0-13,75

The distribution of sensitivity to interest rates about the period for repricing of financial assets and liabilities is as follows:

31 December 2015	Up to-1 year	1-5-years	Over 5 years	Free of Interest	Total
Assets					
Cash and cash equivalents (Note 6)	1.723.692	-	-	170.568	1.894.260
Financial investments (Note 7)	129.308	-	-	-	129.308
Total	1.853.000	-	-	170.568	2.023.568
Short and long term financial liabilities (Note 8) ⁽¹⁾	1.454.828	650.456	16.300	-	2.121.584
Other financial liabilities (Note 8)	175.395	517.700	-	-	693.095
Total	1.630.223	1.168.156	16.300	-	2.814.679
31 December 2014	Up to-1 year	1-5-years	Over 5 years	Free of Interest	Total
Assets					
Cash and cash equivalents (Note 6)	1.759.236	-	-	407.674	2.166.910
Financial investments (Note 7)	88.773	-	-	-	88.773
Total	1.848.009	-	-	407.674	2.255.683
Short and long term financial liabilities (Note 8) ⁽¹⁾	913.387	1.128.955	60.843	-	2.103.185
Other financial liabilities (Note 8)	178.490	505.638	96.991	-	781.119
Total	1.091.877	1.634.593	157.834	-	2.884.304

⁽¹⁾ Bank borrowings are included in the interest rate sensitivity regarding the remaining time to repricing of financial borrowings.

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**b) Credit risk**

Credit risk involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are monitored by credit ratings and by limiting the aggregate risk to any individual counterparty. The credit risk is generally highly diversified due to the large number of entities comprising the customer bases and their dispersion across many different industries.

The table representing the Group's credit risk of financial instruments as of 31 December 2015 is as follows:

	Trade Receivables		Other Receivables		Cash on deposit
	Related Party	Other	Related Party	Other	
Maximum net credit risk as of balance sheet date	2.940	1.233.384	31.396	48.328	1.892.309
- The part of maximum risk under guarantee with collateral	-	163.452	-	-	-
A. Net book value of neither past due nor impaired financial assets	2.940	1.006.408	31.396	48.077	1.892.309
- Guaranteed amount by collateral	-	122.574	-	-	-
B. Book value of restructured otherwise accepted as past due and impaired financial assets	-	-	-	-	-
C. Net book value of past due but not impaired assets (Note 9)	-	226.976	-	251	-
- Guaranteed amount by collateral (Note 9)	-	40.878	-	(251)	-
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9, 19)	-	275.324	-	1.066	-
- Impairment (-) (Note 9, 19)	-	(275.324)	-	(1.066)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not overdue (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The table representing the Group's credit risk of financial instruments as of 31 December 2014 is as follows:

	Trade Receivables		Other Receivables		Cash on deposit
	Related Party	Other	Related Party	Other	
Maximum net credit risk as of balance sheet date	3.530	882.810	47.522	42.539	2.165.024
- The part of maximum risk under guarantee with collateral	-	84.530	-	14.969	-
A. Net book value of neither past due nor impaired financial assets	3.530	655.584	47.522	42.539	2.165.024
- Guaranteed amount by collateral	-	48.299	-	14.969	-
B. Book value of restructured otherwise accepted as past due and impaired financial assets	-	-	-	-	-
C. Net book value of past due but not impaired assets (Note 9)	-	227.226	-	-	-
- Guaranteed amount by collateral (Note 9)	-	36.231	-	-	-
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9, 19)	-	268.953	-	1.488	-
- Impairment (-) (Note 9, 19)	-	(268.953)	-	(1.488)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not overdue (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

b) Credit risk (continued)

The aging of the receivables of the Group, which are past due but not impaired including related party balances by taking into consideration past due dates are as follows:

	31 December 2015		31 December 2014	
	Related Party	Other Receivables	Related Party	Other Receivables
1-30 days overdue	-	86.699	-	94.927
1-3 months overdue	-	64.673	-	81.451
3-12 months overdue	-	62.742	-	34.210
1-5 years overdue	-	12.862	-	16.638
Total	-	226.976	-	227.226
Guaranteed amount by collateral				
Publishing	-	28.551	-	27.363
Retail	-	-	-	-
Energy	-	8.119	-	-
Other	-	4.208	-	8.868
Total	-	40.878	-	36.231

d) Liquidity risk

Conservative liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group aims maintaining flexibility in funding by keeping committed credit lines available.

As of 31 December 2015 and 31 December 2014, undiscounted cash flows of financial liabilities based on the agreement maturities are as follows:

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

c) Liquidity risk (continued)

31 December 2015	Book value	Contractual undiscounted cash flow	Less than 3 months	3-12 months	1-5 years	Over 5 years
Non-derivative financial liabilities						
Short term and long term financial borrowing (Note 8)	2.121.584	2.256.788	1.197.218	347.776	581.404	130.390
Trade payables (Note 9)	726.773	735.745	639.996	95.749	-	-
Other financial liabilities (Note 8)	693.095	720.377	-	175.542	425.147	119.688
Other payables (Note 10)	263.354	269.610	149.819	16.296	103.495	-
Trade payables to related parties (Note 33)	27.129	27.129	27.129	-	-	-
Short-term provisions regarding employee benefits (Note 22)	44.070	44.070	-	44.070	-	-
Payables regarding employee benefits (Note 22)	23.394	23.394	-	23.394	-	-
Deferred income (Note 20)	41.424	41.424	40.014	-	1.410	-
Other short term provisions (Note 17)	39.262	39.262	-	39.262	-	-
Total	3.980.085	4.157.799	2.054.176	742.089	1.111.456	250.078

31 December 2014	Book value	Contractual undiscounted cash flow	Less than 3 months	3-12 months	1-5 years	Over 5 years
Non-derivative financial liabilities						
Short and long term financial borrowing (Note 8)	2.103.185	2.486.823	769.536	337.813	1.307.436	72.038
Trade payables (Note 9)	596.527	599.543	486.758	112.785	-	-
Other financial liabilities (Note 8)	781.119	818.499	-	178.682	-	639.817
Other payables (Note 10)	70.378	76.542	39.381	16.880	20.281	-
Trade payables to related parties (Note 33)	18.340	18.340	18.340	-	-	-
Short-term provisions regarding employee benefits (Note 22)	39.846	39.846	-	39.846	-	-
Payables regarding employee benefits (Note 22)	8.779	8.779	-	8.779	-	-
Deferred income (Note 20)	42.283	42.283	-	41.721	562	-
Other short term provisions (Note 17)	44.809	44.809	-	44.809	-	-
Total	3.705.266	4.135.464	1.314.015	781.315	1.328.279	711.855

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

d) Fair value of financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments are determined by the Group, using available market information and appropriate valuation methodologies for each segment of the Group. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions are used in the estimation of the fair value of the financial instruments for which it is practicable to estimate fair value:

Monetary assets

The fair values of balances denominated in foreign currencies, which are translated at the period end exchange rates, are considered to approximate carrying value.

The fair values of certain financial assets carried at cost, including fair values of cash and due from banks are considered to approximate their respective carrying values due to their short-term nature. The fair value of investment securities has been estimated based on the market prices at the balance sheet dates.

The carrying values of trade receivables along with the related allowances for collectability are estimated to be at their fair values.

Monetary liabilities

The fair value of bank borrowings and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Long-term borrowings, which are principally at variable rates, and denominated in foreign currencies, are translated at the period-end exchange rates and accordingly, their fair values approximate their carrying values.

Trade payables are disclosed at their amortized cost using the effective interest rate method and accordingly their carrying amounts approximate their fair values.

e) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the net liability/total equity ratio. Net liability is calculated as the total liability less cash and cash equivalents, derivative instruments and tax liabilities. Total equity is calculated as the total of net liability and the equity as shown in the consolidated balance sheet.

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NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

e) Capital risk management (continued)

The net liability/ total equity ratio as of 31 December 2015 and 31 December 2014 is summarized below:

	31 December 2015	31 December 2014
Total liability ⁽¹⁾	4.244.881	3.809.846
Less: Cash and cash equivalents (Note 6)	(1.894.260)	(2.166.910)
Net liability	2.350.621	1.642.936
Equity attributable to equity holders of the parent company	2.652.122	2.755.219
Total equity	5.002.743	4.398.155
Net liability/Total equity ratio	47%	37%

⁽¹⁾ The amounts are calculated by deducting income tax payable, derivative financial instruments and deferred tax liability accounts from total liability.

NOTE 35 - FINANCIAL INSTRUMENTS

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- First Level: The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices
- Second Level: The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions
- Third Level: The fair value of the financial assets and financial liabilities is determined in accordance with the unobservable current market data.

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NOTE 35 - FINANCIAL INSTRUMENTS (Continued)

Based on the fair value hierarchy, the Group's financial assets and liabilities are categorized as follows:

Financial assets	31 December 2015	Fair value as of reporting date		
		Level 1 TL	Level 2 TL	Level 3 TL
Financial assets at FVTPL				
trading securities				
trading derivatives				
derivative instruments (Note21)	-	-	-	-
Bonds and bills (Note7)	129.308	129.308	-	-
Total	129.308	129.308	-	-
Financial liabilities				
Financial liabilities at FVTPL				
trading securities				
trading derivatives				
derivative instruments (Note 21)	-	-	-	-
Other financial liabilities	-	-	-	-
Total	-	-	-	-

Financial assets	31 December 2014	Fair value as of reporting date		
		Level 1 TL	Level 2 TL	Level 3 TL
Financial assets at FVTPL				
trading securities				
trading derivatives				
derivative instruments (Note 21)	464	-	464	-
Bonds and bills (Note 7)	88.773	88.773	-	-
Total	89.237	88.773	464	-
Financial liabilities				
Financial liabilities at FVTPL				
trading securities				
trading derivatives				
derivative Instruments (Note 21)	4	-	4	-
Other financial liabilities	-	-	-	-
Total	4	-	4	-

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NOTE 36 – SHARES IN OTHER OPERATIONS

Financial information of TME and Aytemiz that are subsidiaries which are not wholly-owned and have significant non-controlling interests by the Group, is presented below in accordance with TFRS 12. These financial information indicates the amounts before intra-group eliminations.

	TME	AYTEMİZ AKARYAKIT	31 December 2015
Current assets	6.632	487.115	493.747
Non-current assets	244.349	391.672	636.021
Current liabilities	258.300	291.974	550.274
Non-current liabilities	54.567	123.196	177.763
Total equity	(61.885)	463.618	401.733
			1 January- 31 December 2015
Revenue	58.061	2.133.530	2.191.591
Cost of Sales	(129.506)	(2.112.553)	(2.242.059)
Loss/(profit) for the period	(71.445)	20.977	(50.468)
Allocation of loss for the period:			
Attributable to equity holders of the Parent Company	(56.581)	10.489	(46.092)
Attributable to non-controlling interests	(14.864)	10.489	(4.375)
Loss/(profit) for the period	(71.445)	20.978	(50.467)

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NOTE 37 - SUBSEQUENT EVENTS

As explained in the notes to the financial statements, in accordance with the provision of the "Share Purchase and Shareholders Agreement" signed between Doğan Holding and Commerz-Film GmbH and subsidiaries of the Group, Doğan Yayın Holding A.Ş. (dissolved without liquidation within the context of merger) and Doğan TV Holding A.Ş. on November 19, 2009, and modified at different times after; within the scope of the exercise of put option by Commerz-Film GmbH, 44,970,542 registered group B shares with a nominal value of 1 TL (TL 5,100,505 of this amount belongs to bonus shares accrued to option from Doğan TV Holding A.Ş.'s prior capital increase), held by Commerz-Film GmbH in the capital of Doğan TV Holding A.Ş. corresponding to 2.26872% of the paid capital of 1,982,200,000 Turkish Liras of Doğan TV Holding A.Ş. have been taken over and acquired by Doğan Holding in cash and as a single payment of a total of 55,243,523.89 Euros on 29 January 2016. The abovementioned transaction has been disclosed at PDP on the same date.

Lawsuit against Shareholders / Progress regarding Lawsuit

The last hearing of the lawsuit at 9 March 2016 opened regarding the cancellation demand of the merge decision which has been discussed at Article 5 of the agenda and approved by the extraordinary general assembly meeting held as of 6 August 2014 of Doğan Yayın Holding A.Ş. which had merged under Doğan Holding through being "taken over", as a whole, with all its assets and liabilities, and had ceased via dissolution without liquidation; the claims of claimants have been declined by the Relevant Court.

Approval of Financial Statements

Consolidated financial statements prepared for the period ended as of 31 December 2015 are approved by the Board of Directors on 9 March 2016. The financial statements cannot be changed or modified by people who are not part of the Board of Directors.



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