

Merger Report Regarding the merger transaction of Dođan Yayın Holding A.Ş. merged under the umbrella of Dođan Şirketler Grubu Holding A.Ş through all its assets and liabilities being taken over as a whole by Dođan Şirketler Grubu Holding A.Ş.

This Report is Jointly Prepared by the Board of Directors of Dođan Şirketler Grubu Holding A.Ş. and Dođan Yayın Holding A.Ş. which are Parties to the Merger.

May 26, 2014

Merger Report

INTRODUCTION

By Board of Directors resolution of 14.04.2014, no. 17 of Dođan Őirketler Grubu Holding A.Ő. ('Dođan Holding' or 'Acquiring Company') and Board of Directors resolution of 14.04.2014, no. 2014/13 of Dođan Yayın Holding A.Ő. ('Dođan Yayın Holding' or 'Acquired Company'), as per provisions of Sections 134 of Turkish Commercial Code (TCC) no 6102, sections 19 and 20 of Corporate Tax Law (CTL no. 5520) and as they are companies subject to Capital Markets Law (CML no. 6362) and their shares are publicly traded and are quoted in Borsa İstanbul A.Ő. (the Exchange) as per Sections 23, 24 and other relevant provisions of CML and 'The communiqué on Mergers and Spin-off Transactions' going into effect being published in Official Gazette of 28/12/2013. no. 28865 of Capital Markets Board (CMB) (II-23.1) and common rules relating to 'The communiqué on common principles for material transactions and exit rights going into effect being published in Official Gazette no. 28861 of 24.12.2013 by CMB, it is resolved that a merger take place under the umbrella of the Acquired Company by way of 'acquisition' of all assets and liabilities of the Acquired Company, by acquiring company as a whole.

The Acquiring Company will carry the balance sheet entries (all assets and all liabilities) of the Acquired Company, which it acquires as a whole as of the date of registration of the acquisition.

Dođan Holding and Dođan Yayın Holding will file necessary legal applications with CMB and other agencies for obtaining necessary permissions relating to such merger as per Board of Directors Resolutions.

This 'Board of Directors Report' is prepared as per and in line with Section 147 of TCC and paragraph 2 of section 9 of "The communiqué on Mergers and Spin-off Transactions" going into effect, being published in Official Gazette no. 28865 of 28.12.2013 of CMB (II-23.2).

The Acquiring Company and Acquired Company shall hereinafter be referred to as 'Companies Party to Merger'.

I. GENERAL INFORMATION ABOUT COMPANIES PARTY TO MERGER

A. Acquiring Company

- 1. Company Name:** DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş
- 2. Headquarters Address:** Burhaniye Mah. Kısıklı Cad. No. 65 Üsküdar / ISTANBUL
- 3. Registration Date:** 22.09.1980
- 4. Registry Office and Trade Registry Number:** Istanbul Trade Registry Office /175444
- 5. Term:** Perpetual
- 6. Business Areas:** With regard to any and all domestic and foreign companies founded or to be founded in such fields as acquiring or disposing of shares and securities in line with the Turkish Commercial Code and the capital markets legislation, all kinds of commerce, industry, agriculture, mining, energy, construction, transportation, finance, trade, banking, insurance, tourism, servicing, press and advertising, provided that such businesses do not have a commercial nature of brokerage investment and capital market brokerage securities portfolio management and it may participate in their capitals, managements and audits whether at course of their foundation or afterwards and such other business as prescribed in the amendment draft registered as of 5.7.2013.
- 7. Tax Office and Tax Number:** Büyük Mükellefler Vergi Dairesi 3060050924
- 8. Website:** www.doganholding.com.tr

B. Acquired Company

- 1. Company Name:** DOĞAN YAYIN HOLDİNG A.Ş
- 2. Headquarters Address:** Burhaniye Mah. Kısıklı Cad. No. 65 Üsküdar / ISTANBUL
- 3. Registration Date:** 11.04.1980
- 4. Registry Office and Trade Registry Number:** Istanbul Trade Registry Office /172165
- 5. Term :** Perpetual
- 6. Business Areas:** to participate either during their stage of founding or later, in all kinds of partnerships already founded or to be founded later that are engaged or to be engaged in the sectors of publishing, service, trading, banking, insurance, advertisement and other similar sectors realized through the printed, audio and visual press and on internet and/or to make investments or to establish enterprises in these sectors directly in its name and such other business as prescribed in the amendment draft registered as of 26.6.2013.
- 7. Tax Office and Tax Number:** Büyük Mükellefler Vergi Dairesi 3060052934
- 8. Website:** www.dyh.com.tr

II. INFORMATION ABOUT CAPITAL STRUCTURES AND SHARES

A. Acquiring Company

1. **Issued Capital:** TL 2,450,000,000
2. **Registered Capital Ceiling:** TL 4,000,000,000
3. **Distribution of issued capital among shareholders**

Name Last Name/Company Name of Shareholder	Share Capital (TL)	Share (%)
Adilbey Holding A.Ş	1,290,679,019	52.68
Doğan Family	354,664,093	14.48
Publicly traded on Borsa Istanbul and other shareholders	804,656,888	32.84
Issued Capital	2,450,000,000	100.00

It was determined that the issued capital of the Acquiring Company was fully paid by 'Certified Public Accountant Report on Determination that Issued Capital Exists and is Paid in' of 08.04.2014, no. YMM.1379/2014-09 of Certified Public Accountant Mustafa İbişaoğlu.

4. Real persons or legal entities who own capital indirectly

Name Last Name/Company Name of Shareholder	Share Capital (TL)	Share (%)
Aydın Doğan	739,727,997	30.19
Işıl Doğan	247,116,313	10.09
Arzuhan Yalçındağ	165,053,208	6.74
Vuslat Sabancı	164,156,992	6.70
Hanzade Vasfiye Doğan Boyner	164,156,992	6.70
Yaşar Begümhan Doğan Faralyalı	165,131,610	6.74
Publicly traded on Borsa Istanbul and other shareholders	804,656,888	32.84
Issued Capital	2,450,000,000	100.00

5. Preferred rights attached to share certificates representing capital and whether existing ones continue to exist: There is no preferred share in the Acquiring Company.

6. Information on any bonus shares and bonds and similar debt instruments among share certificates representing capital, if any: There are not bonus shares or bonds and similar debt instruments with the Acquiring Company.

B. Acquired Company

- 1. Issued Capital:** TL 2,428,550,000
- 2. Registered Capital Ceiling:** TL 3,000,000,000
- 3. Distribution of issued capital among shareholders**

Name Last Name/Company Name of Shareholder	Share Capital (TL)	Share (%)
Doğan Şirketler Grubu Holding A.Ş	1,943,378,842	80.02
Doğan Family	46,182,947	1.90
Publicly traded on Borsa Istanbul	438,988,211	18.08
Issued Capital	2,428,550,000	100.00

It was determined that the issued share capital of the Acquired Company was fully paid by 'Certified Public Accountant Report on Determination that Issued Capital Exists and is Paid in' of 08.04.2014, no. YMM.1379/2014-08 of Certified Public Accountant Mustafa İbişığaoğlu.

4. Real persons or legal entities who own capital indirectly

Name Last Name/Company Name of Shareholder	Share Capital (TL)	Share (%)
Aydın Doğan	629,622,386	25.93
Işıl Doğan	196,679,213	8.10
Arzuhan Yalçındağ	131,596,814	5.42
Vuslat Sabancı	130,874,565	5.39
Hanzade Vasfiye Doğan Boyner	130,874,565	5.39
Yaşar Begümhan Doğan Faralyalı	131,647,647	5.42
Publicly traded on Borsa Istanbul	1,077,254,810	44.35
Issued Capital	2,428,550,000	100.00

5. Preferred rights attached to share certificates representing capital and whether existing ones continue to exist: There is no preferred share in the Acquired Company.

6. Information on any bonus shares and bonds and similar debt instruments among share certificates representing capital, if any: There are not bonus shares or bonds and similar debt instruments with the Acquired Company.

III. DETAILS OF MANAGING BODIES AND MEMBERS

A. Acquiring Company

Members of the Board of Directors were elected at the Ordinary Assembly General Meeting of the Company at March 31, 2014 and are shown below.

Name- Last Name	Title
Yaşar Begümhan Doğan Faralyalı	Chairperson
Hanzade Vasfiye Doğan Boyner	Vice Chairperson
Arzuhan Yalçındağ	Member
Vuslat Sabancı	Member
İmre Barmanbek	Member
Yahya Üzdiyen	Executive Member
Ertuğrul Feyzi Tuncer	Independent Member
Tayfun Bayazıt	Independent Member
Ali Aydın Pandır	Independent Member

Merger Report

B. Acquired Company

Members of the Board of Directors were elected at the Ordinary General Assembly Meeting of the Company at March 31, 2014 and are shown below.

Name-Last Name	Title
Yaşar Begümhan Doğan Faralyalı	Chairperson
Soner Gedik	Vice Chairperson
Yahya Üzdiyen	Executive Member
Ahmet Toksoy	Member
Ertuğrul Feyzi Tuncer	Independent Member
Hacı Ahmet Kılıçoğlu	Independent Member

IV. DETAILS OF MERGER BY ACQUISITION

A. Purpose and consequences of the merger

The purpose and consequences of the merger are discussed in this section by headings.

1. Dividend Distribution Potential will be increased:

Following the merger, the balance sheet of Doğan Yayın Holding, which has a low potential of distributing dividends in the near future due to "previous year's losses" will be eliminated. As a result, any dividend distributions to be made by subsidiaries of Doğan Yayın Holding will come directly to Doğan Holding. As previous year's losses are lower in Doğan Holding's financial statements, it is anticipated that Doğan Holding will be in position to pay dividends following the removal of the restricted earnings exempted from tax under tax legislation kept under the "restricted reserves set aside from profit" account and use of such amounts in setting off previous year's losses of Doğan Holding together with any period losses to be derived in future periods.

2. Investor Base will be expanded, Liquidity will be increased:

Although a material part of the financial results of Doğan Holding's consolidated financial statement is coming from Doğan Yayın Holding, since both companies are quoted separately at the exchange, this causes a split of the number of investors and liquidity in the two Holdings. Following the merger, it may be expected that Doğan Holding will have a wider investor base, a larger transaction volume and a more liquid transaction board.

3. Shareholding structure will be simpler:

As Doğan Yayın Holding will cease to exist as a result of the merger, this time Doğan Holding will become "direct" main shareholder of Doğan Yayın Holding's major subsidiaries of which it had "indirect" control previously because of the Doğan Yayın Holding. Therefore, Doğan Holding's impact on the cash it derives from its affiliates will increase, with its shareholding structure becoming simpler.

4. Corporate Governance Practices will be strengthened:

Doğan Holding has made efforts significantly to raise its corporate governance practices to the highest level for a long time. At the same time Doğan Holding gives significant support at the top level to the management practices with its professional units in holding and its affiliates. The shareholding structure will be simpler as a result of the merger and will ensure that effectiveness in the overall group will be brought to a more advanced level in terms of generally accepted best corporate governance practices. With the merger, it is aimed to have assets and liabilities to be managed more effectively and efficiently, attaining a more integrated, effective and efficient corporate governance level.

5. Cost Savings will be provided:

With the merger, significant administrative savings will be achieved in Doğan Holding. As a result, the fully measurable expenses and expenditures to be eliminated/to decrease at Doğan Holding with the merger may be listed as follows;

- a. Annual Board of Directors fees (remunerations),
- b. Fees and expenses paid in relation to relevant governing legislation,
- c. Central Registry Agency (CRA) deposit fees,
- d. Independent auditor fees and expenses,
- e. Certified Public Accountant fees and expenses,
- f. Other reporting (annual reports, financial rating, corporate governance rating, etc.) and obligatory expenses such as website, advertising, registration, etc.

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B- Merger agreement:

The Merger Agreement signed by and between Companies party to the merger as of 26.05.2014 is attached (APPENDIX/1).

C- Financial Statements based on the merger

Both the acquiring company and the acquired company are subject to CML and their shares are publicly traded and quoted at the Stock Exchange. Hence financial statements and footnotes included in the annual consolidated financial report in comparison to the previous period for the account period 01.01.2013 – 31.12.2013 which were independently audited, prepared in line with Turkish Accounting Standards and Turkish financial reporting standards published by Public Oversight, Accounting and Auditing Authority under CMB's "Communiqué on Principles of Financial Reporting in Capital Markets" (II-14.1), the presentation principles of which were set out by CMB's decision of 07.06.2013, no. 20/670 and released in the CMB's weekly bulletin of 07.06.2013, no. 2013/19, will be taken as a basis in the merger transaction and calculations.

D- The exchange ratio of company shares and any stipulated balancing fund; shareholding rights entitled to shareholders of acquired Doğan Yayın Holding A.Ş. by acquiring Doğan Şirketler Grubu Holding A.Ş.

1. Exchange ratio of Doğan Yayın Holding A.Ş. shares:

The "exchange ratio" disclosed at the "Expert Institution Report on Merger of Doğan Şirketler Grubu Holding A.Ş. and/or Doğan Yayın Holding A.Ş. ("Expert Institution Report") prepared by KPMG Akis Bağımsız Denetim ve SMMM A.Ş. in line with the provisions of Section 7 entitled "Expert Institution Opinion" of CMB's "Communiqué on Mergers and Spin-off Transactions" (II-23.2) is **0.48638**. Shareholders other than Doğan Şirketler Grubu Holding A.Ş. who do not exercise their exit rights in the merger transaction will receive 0.48638 Doğan Holding shares in consideration of 1 Doğan Yayın Holding share.

2. Whether Balancing Fund is stipulated or not: NONE.

3. Shareholding rights entitled to shareholders of acquired Doğan Yayın Holding A.Ş. by acquiring Doğan Şirketler Grubu Holding A.Ş.:

There is no decrease or change in the shareholding rights of shareholders of acquired Doğan Yayın Holding. There is no preferred and/or redeemed shares of acquired Doğan Yayın Holding. Shareholders of acquired Doğan Yayın Holding will have the same shareholding rights at Doğan Holding too. The shareholding rights of shareholders at Doğan Holding are given in the Articles of Association.

The delivery of Acquiring Company shares to be given to the shareholders of the Acquired Company to be terminated as a result of the merger will be done in a dematerialized manner at Central Registry Agency within such time periods as stipulated in Capital Markets Board and Central Registry Agency Regulation.

The holders of Acquired Company shares will be entitled to receive dividends for the shares of Acquiring Company they will receive as a result of the merger, starting from the account period of 2014 during which the Acquired Company is terminated.

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E- The amount of exit rights, if any, and the reasons for giving of exit funds in place of company shares and shareholding rights: NONE.

F- Exit rights as per section 24 entitled "Exit Rights" of CML and section 9 entitled "The Exercise of Exit Rights" of "The communiqué on common principles for material transactions and exit rights" of CMB (II-23.1)

In line with section 24 of CML entitled "Exit Rights" and Section 9 entitled "The Exercise of Exit Rights" of "The communiqué on common principles for material transactions and exit rights" (II-23.1) of CMB; shareholders or proxies, who will attend the General Assembly Meeting where the said merger will be approved and will vote against and who will have the dissent notation entered in the meeting minutes, will be entitled to exit from shareholding by selling their shares to Doğan Yayın Holding A.Ş. for Doğan Yayın Holding and Doğan Şirketler Grubu Holding A.Ş. for Doğan Holding.

In the event following the General Assembly Meeting where the merger will be presented for the approval of the shareholders, a shareholder who votes against at the General Assembly Meeting and who has the dissent notation entered in the General Meeting minutes files a request in line with set rules which are made public with the brokerage firm authorized for exercising of "Exit Rights" exclusively to manage this process by companies party to the merger within the period of exercising of exit rights and the exit rights are to be exercised in line with section 24 of CML entitled "Exit Rights" and Section 10 entitled "Price for Exercising the Exit Rights" of "The communiqué on common principles for material transactions and exit rights" (II-23.1) of CMB;

- "The right of exercising the exit right" for each share with 1 Turkish Lira nominal value of Doğan Yayın Holding A.Ş. will be TL 0.50 which is calculated based on the "arithmetic average of weighted average prices" occurring at the Stock Exchange within thirty days prior to 14.04.2014 when the merger transaction was first made public, excluding the date of public disclosure;
- "The right of exercising the exit right" for each share with 1 Turkish Lira nominal value of Doğan Şirketler Grubu Holding A.Ş. will be TL 0.67 which is calculated based on the "arithmetic average of weighted average prices" occurring at the Stock Exchange within thirty days prior to 14.04.2014 when the merger transaction was first made public, excluding the date of public disclosure;

Exercising of the exit rights will be started within maximum 6 (six) business days, starting from the date of General Assembly Meeting during which the merger will be presented for the approval and the period for exercising the exit rights will be 10 (ten) business days.

It is mandatory that the exit rights are exercised through the brokerage firm. Shareholders who will exercise their exit rights will carry out the sales transactions by delivering the shares to the brokerage firm realizing the purchase transactions in the name of company within the framework of the exercising process of the exit rights made public and general related terms. The prices of shares will be paid to the shareholders who will apply to the brokerage firm to exercise their exit rights on the business days following the "sale" at the latest.

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As explained in detail in Section G of this merger report and article 16 of the Merger Agreement, individual "ceilings" will be determined by the Board of Directors of Companies party to merger in the merger transaction, in connection with the "total cost" which may be suffered by the Companies Party to the Merger, as a result of the ratio of the amount of "shares" (voting rights) willing to exercise the "exit rights" to "issued capital" and/or exercising of exit rights. The said "ceiling" will be in the agenda of the general assembly meetings in which the merger transaction will be presented for the approval of the shareholders. In the event that there are signs that the said "ceilings" will be exceeded considering the shares owned by shareholders voting against at the General Assembly Meeting where the merger transaction will be presented for the approval and who have their dissent notations to be entered in the meeting minutes and if shareholders approve authorization of Boards of Directors for ending of the merger transaction, to determine whether the "ceilings" are actually exceeded or not to ensure whether what part of the shareholders voting against in the General Assembly Meeting and who have their dissent notations entered in the meeting minutes will actually exercise their "exit rights" fully and correctly, it will become necessary to wait the conclusion of the "period of exercising the exit rights". Therefore, should CMB approve, "requests will be collected" through the "period of exercising the right of exit" by the brokerage firm to be authorized for exercising of the "exit rights" and on the business day following the expiry of the "period of exercising exit rights" whether the "ceilings" are exceeded or not will be determined and if the ceilings are not exceeded, then the "sale" of the shares subject to the exit rights will be paid in full and in cash to those shareholders who exercise their "exit rights" within 2 (two) business days following the "period of exercising the exit rights". If the "ceilings" will be exceeded, then the Board of Directors will terminate the merger transaction before completion.

Shareholders willing to exercise their exit rights are obligated to exercise such rights for the entirety of the shares they own.

G- Total Cost Ceiling and Authorization of the Board of Directors

Individual "ceilings" will be determined for companies party to merger, by the Boards of Directors in connection with the "total cost" which may be suffered by companies party to merger as a result of the ratio of the amount of "shares" (voting rights) willing to exercise the "exit rights" to the "Issued Capital" and/or exercising of "exit rights" under section 24 entitled "Exit rights" of CML and paragraph 5 of article 9 entitled "The communiqué on common principles for material transactions and exit rights" (II-23.1) of CMB as the companies party to merger are subject to CML and shares are publicly traded and are quoted at the Exchange in the merger transaction and the said "ceiling" will be placed in the agenda of the General Assembly Meeting where the merger transaction will be presented for the approval of the shareholders.

The point that the said merger transaction may be ended in the event that the "ceilings" mentioned above are exceeded and/or any other requirements for the merger transaction do not take place, will be placed in the agenda of the General Assembly Meeting as a separate item to be placed right after the agenda item of the General Assembly Meeting where the merger transaction will be presented for approval and will be presented for the approval of shareholders. Regarding the said "ceilings" and any other requirements before disclosing the agenda for the General Assembly Meeting where the merger transaction will be discussed, and in any case forthwith if a Board of Directors resolution is taken on such matters in line with the public disclosure requirements of the Capital Markets Legislation, a public disclosure will be made at "Public Disclosure Platform" immediately and shareholders will be informed regarding the said limitation.

Merger Report

H- Information about the valuation of shares for determining the "Merger Ratio" and "Exchange Ratio" (This section was prepared in line with the Expert Institution Report)

In the merger transaction; "Expert Institution Report Regarding the Merger of Doğan Şirketler Grubu Holding A.Ş. and Doğan Yayın Holding A.Ş." (APPENDIX/2) prepared by KPMG Akis Bağımsız Denetim ve SMMM A.Ş. was taken as a basis in determination in a fair and reasonable approach have no doubt in line with the provisions of relevant legislation of the "merger ratio", "exchange ratio" and the capital increase to be determined as a result of the merger transaction in line with the same, and subsequently, quantity of shares to be transferred to Doğan Holding out of Doğan Holding shares to be issued in the said capital increase which will be allocated to shareholders of Doğan Yayın Holding other than Doğan Holding, as both companies are subject to CML and their shares are publicly held and quoted in the Stock Exchange in the said calculations in line with section 7 entitled "Expert Institution Opinion" of "The Communiqué on Mergers and Spin-off Transactions" (II-23-2) of CMB.

The Expert Institution was elected and appointed by management of companies party to the merger in line with authorizations granted by Board of Directors Resolution of 14.04.2014, no. 17 of the Acquiring Company and Board of Directors Resolution of 14.04.2014, no. 2014/13 of the Acquired Company.

As set out in CMB's Communiqué on Mergers and Spin-off Transactions (II-23.2), the merger ratio and share exchange (or "swap") ratio in the merger transaction of Doğan Holding and Doğan Yayın Holding and the amount of capital to be increased as a result of the merger were calculated by using three different valuation methods accepted by the international valuation standards.

In the merger transaction of Doğan Holding and Doğan Yayın Holding, for determining the merger ratio, share exchange ratio and the amount of capital to be increased as a result of the merger, three different methods were used in the calculations, accepted by the international valuation standards, as "Equity Method", "Peer Comparison Method" and "Market Value Method". When calculating the exchange ratio, these methods were considered through weighting.

According to the Expert Institution Report;

Merger Ratio was set as 91.21%

Exchange Ratio was set as 0.48638

Merger Report

I- Opinion on whether the Merger Ratio to be Used is Fair and Reasonable or Not

As set out in CMB's Communiqué on Mergers and Spin-off Transactions (II-23.2), the merger ratio, share exchange (or "swap") ratio and the amount of capital to be increased as a result of the merger were calculated by the Expert Institution by using 3 different valuation methods accepted in line with the international valuation standards.

In the merger transaction of Doğan Holding and Doğan Yayın Holding, for determining the merger ratio, share exchange ratio and the amount of capital to be increased as a result of the merger, three different methods were used in the calculations, accepted by the international valuation standards, as "Equity Method", "Peer Comparison Method" and "Market Value Method". When calculating the exchange ratio, these methods were considered through weighting.

Out of the used methods, the "Peer Comparison Method" and "Market Value Method" were considered as "Market" Based Approaches as they use data directly formed at the market (Stock Exchange); the "Equity" method was considered as an "Asset" based approach as it use the equity amounts in the consolidated financial statements of the companies party to the merger.

The merger ratio, share exchange ratio and the amount of capital to be increased as a result of the merger, were calculated by these three methods, are given in the Expert Institution Report. In the Expert Institution Report it is explained that, with the weighting approach used for these three methods, stated merger ratio, share exchange ratio and the amount of capital to be increased are fair and reasonable for the shareholders of the companies party to the merger.

J- Amount of capital increase to be realized by Acquiring Doğan Şirketler Grubu Holding A.Ş.:

Although Doğan Holding capital increase amount and issued capital may be needed to be revised in line with the "exit rights" to be exercised by Doğan Yayın Holding shareholders who will attend the General Assembly Meeting where the merger transaction will be approved and will vote against the proposal and who will have the dissent notation entered in the meeting minutes. As of the present situation, the amounts determined by the Expert Institution Report are quoted below:

The Amount of Capital of the Acquiring Company to be increased after the merger will be TL 235,977,233,

The Issued Capital of the Acquiring Company after the merger will be TL 2,685,977,233.

Shares to be delivered: After the merger, 0.48638 Doğan Şirketler Grubu Holding A.Ş. shares will be delivered to shareholders other than Doğan Holding for each Doğan Yayın Holding A.Ş share they hold with TL 1 nominal value.

Amendment of the Articles of Association: Subject to the approval of Capital Markets Board and Ministry of Customs and Trade, article 7 entitled "Registered and Issued Capital" and article 8 entitled "Issuance of Shares" of the existing Articles of Association of the Acquiring Company will be amended because of the merger. The Board of Directors resolution in connection with the amendment of the Articles of Association, Articles of Association Draft Amendment Text and other required documents and matters will be disclosed to the public on Doğan Holding's corporate website (www.doganholding.com.tr) and Public Disclosure Platform.

The matters of the amendments of article 7 entitled "Registered and Issued Capital" and article 8 entitled "Issuance of Shares" of Doğan Holding Articles of Association will be presented for the approval of shareholders at the General Assembly Meeting where the merger transaction will be discussed after obtaining of necessary permits from Capital Markets Board and Ministry of Customs and Trade General Directorate of Domestic Trade.

Merger Report that is publicly disclosed in Public Disclosure Platform is prepared in Turkish, in line with the requirements of the Capital Markets Board and ISE regulations. Therefore, neither the company, nor any of its affiliates, advisors or representatives shall have any liability whatsoever due to any differences in translation, which is done for informative purposes

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In line with the above set principles and depending on the amount of exercised "exit rights" mentioned in articles 15 and 16 of the Merger Agreement and articles below, the new shareholding structure of the Acquiring Company may differ following the merger.

In this context, depending on the "exit rights" to be exercised by Doğan Yayın Holding shareholders who will attend the General Assembly Meeting where the merger transaction will be approved and will vote against and have the dissent notation entered in the meeting minutes, the amount of capital to be increased at Doğan Holding and the capital to be increased as a result of the merger may be revised.

K- Details of additional payments and other personal obligations and personal liabilities to be charged due to merger to the shareholders of acquired Doğan Yayın Holding A.Ş. if stipulated: NONE.

L- Liabilities relating to shareholders because of the new type in mergers of companies of different types: NONE.

M- Impact of the merger on the workers of companies party to the merger and if possible, the content of a social plan:

Workers of Acquired Doğan Yayın Holding will be transferred to Doğan Holding in line with effective legislation together with all rights and liabilities thereof. There will be no changes in the rights of employees of acquired Doğan Yayın Holding workers.

N- Impact of the merger on the creditors of the companies participating in the merger:

Debts to 3rd parties of the acquired company which will be dissolved without liquidation as a result of the merger will be paid fully and completely by the acquiring company in line with terms of the agreement entered into and provisions of Turkish Commercial Code and other legislation when due.

Action will be taken with provision of the section 541 of Turkish Commercial Code in connection with debts that are outstanding due to failure of creditors to apply when due or debts that are not due and/or are in dispute.

1. Matters relating to Receivables:

The acquisition will be effective upon registration of the General Assembly Meetings of the Acquiring and Acquired Companies by Istanbul Trade Registry Office where acquiring Doğan Holding is registered. All rights, receivables, liabilities and obligations of acquired Doğan Yayın Holding will be transferred to acquiring Doğan Holding in line with provisions of TCC upon fulfillment of the above said registration. Hence, all debts and obligations towards third parties and terms of executed agreements of Doğan Yayın Holding prior to merger which are taken over by Doğan Holding will be fulfilled fully and completely by Acquiring Doğan Holding when due as per the provisions of Turkish Commercial Code and other legislation.

2. Securing of Receivables:

In line with the section 157/(1) of TCC, in the event that creditors of Doğan Holding and Doğan Yayın Holding which are parties to the merger, file a request within three months from the mergers being legally effective and Acquiring Doğan Holding will secure the receivables of the same.

In line with section 157/(2) of TCC, Doğan Holding and Doğan Yayın Holding, which are parties to the merger, will notify the creditors, by an announcement that they will place at seven-day intervals on Turkish Trade Registry Gazette and also an announcement to be placed on their websites. In line with the provision of 541/(1) of TCC, persons implied to be creditors from Doğan Yayın Holding books or other documents whose places of residence are known, will also be advised of the matter by registered mail.

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In line with the section 157/(4) of TCC, provided that it is understood that other creditors will not be injured, the obligator company may pay the debt instead of posting security.

In line with provisions of section 541/(2) of TCC, in the event those who are known to be creditors do not file notices, the amount of their claims will be deposited with a bank to be specified by Ministry of Customs and Trade.

However, events that specified in the section 541/(3) of TCC (Doğan Yayın Holding's debt being secured adequately or the distribution among shareholders of assets of Doğan Yayın Holding being tied to the precondition of payment of such debts) are not affected by acquiring Doğan Holding, funds to cover acquired Doğan Yayın Holding's debts which are not due and payable or are dispute-free will be deposited with a notary. However, it is believed that due to the strong financial structure of Doğan Holding, section 541/(3) of TCC will not be needed to apply.

3. Tax Liabilities and Notices

The Acquiring Company will give a letter of undertaking and if required provide enough collateral, stating that it will pay all tax debts of the acquired company to be terminated, which have accrued and will accrue until the date of merger and that it will fulfill all its other obligations to the Tax Office with which the acquired company is affiliated in due time and upon request, will also post adequate security.

Parties, within maximum 30 days from the date of announcement of the merger on Trade Registry Gazette, attaching the acquisition balance sheet and income statement of the acquired company which will be terminated without liquidation as a result of the merger, will submit the acquisition return (corporate tax), that they will sign jointly, to the Tax Office with which the acquired company is affiliated.

O- Transfer of Legal Rights Associated with Registrable Assets Owned by the Acquired Company

Any legal rights in connection with any registered trademarks, real estates, vehicles and other registrable assets owned by the Acquired Company will be transferred in their entirety to the Acquiring Company starting with the merger. The required registration procedures will be effected based on the Merger Agreement.

P- Approvals obtained from relevant authorities as necessary:

Since the merger transaction does not lead to a change in the control under section 6 of "The Communiqué on Mergers and Spin-off Transactions Requiring the Authorization of the Competition Board" (Communiqué No: 2010/04), no permission must be obtained from Competition Board in connection with the said merger transaction.

Application will be filed for permission of Ministry of Customs and Trade after obtaining the approval of Capital Markets Board as regards the capital increase and the amendments of Articles of Association of the Acquiring Company.

This Merger Agreement was subjected to the approvals of Capital Markets Board and Ministry of Customs and Trade.

R- Potential risks, which may prevent realization of targets specified to be attained through the merger transaction.

No potential risk was identified which could prevent realization of targets specified to be attained through the merger transaction.

Merger Report that is publicly disclosed in Public Disclosure Platform is prepared in Turkish, in line with the requirements of the Capital Markets Board and ISE regulations. Therefore, neither the company, nor any of its affiliates, advisors or representatives shall have any liability whatsoever due to any differences in translation, which is done for informative purposes

V. FINANCIAL STATEMENTS

a) The balance sheets included in the annual consolidated financial report of Doğan Şirketler Grubu Holding A.Ş. and Doğan Yayın Holding A.Ş. underlying the merger for 01.01.2013–31.12.2013 account period with comparison to the previous year which have been independently audited, the presentation rules of which were specified by CMB's resolution of 07.06.2013, no. 20/670 disclosed in the weekly bulletin of 07.06.2013, no. 2013/19 of CMB prepared in line with Turkish Accounting Standards and Turkish Financial Reporting Standards published by Public Oversight, Accounting and Auditing Standards Authority as per CMB's "Communiqué on Principles of Financial Reporting in Capital Markets" (II-14.1) are attached hereto (Appendix-3).

b) Doğan Yayın Holding is a direct subsidiary of Doğan Holding. Accordingly, all financial results of Doğan Yayın Holding are consolidated into the consolidated financial statements and footnotes of Doğan Holding through the full consolidation method. In other words, the consolidated financial statements and footnotes made public quarterly by Doğan Holding include all financial results of Doğan Yayın Holding fully (100%). Therefore, no material change is expected in the consolidated financial statements and footnotes to be made public by Doğan Holding after the merger. However, in the merger transaction, depending on the merger/exchange ratio, the amount of capital increase to be effected by allocation as a result of the merger transaction and if exercised, the amount of "exercised exit rights" (in the event exit rights are exercised, the shares of shareholders exercising the exit rights will be purchased and acquired by Companies Party to the Merger), there will be changes in the first consolidated financial statements to be made public by Doğan Holding after the merger in "issued capital", "parent company shares" and "minority shares" accounts. Other than that, no changes expected in the pro-forma financial details of Doğan Holding due to the merger as all financial details of Doğan Yayın Holding are fully included in Doğan Holding's consolidated financial statements.

Merger Report

CONCLUSION

It is concluded that a merger under the umbrella of Dođan Őirketler Grubu Holding A.Ő. by acquisition of its direct subsidiary Dođan Yayın Holding A.Ő. with all assets and liabilities thereof in line with details and grounds given herein and the 'exchange ratio' determined to be fair and reasonable by the Expert Institution will be proper.

APPENDICES

1. Merger Agreement
2. Expert Institution Report
3. Independently Audited Consolidated Balance Sheets of Companies Party to the Merger for 01.01.2013-31.12.2013 Accounting Period.

ISTANBUL, 26/05/2014

DOĐAN ŐİRKETLER GRUBU HOLDİNG A.Ő

Ahmet TOKSOY

Executive Committee Member and CFO

Yahya ÜZDİYEN

Chairperson of Executive Committee and Executive Member of the Board of Directors

DOĐAN YAYIN HOLDİNG A.Ő

Ahmet TOKSOY

Board Member relating to Financial Affairs

Yahya ÜZDİYEN

Chairperson of Executive Committee and Executive Member of the Board of Directors